

To:- Councillors D A Aitchison, P Bell, M Boulton, J Cooke, J B Cox, G Graham, R Grant, P K Johnston, J Latham, B A Topping, S Wallace, and I Yuill

Aberdeen City Substitute Members:

Councillors N Copeland, B Cormie, B Hunt, S Macdonald, T Mason, and J Reynolds

Aberdeenshire Substitute Members:

Councillors C Buchan, A Forsyth, S Leslie, D Lonchay, I Mollison and G Reid

STRATEGIC DEVELOPMENT PLANNING AUTHORITY

THURSDAY 1 FEBRUARY, 2018 at 2.00PM

COMMITTEE ROOM 1, WOODHILL HOUSE, ABERDEEN

In respect of the above meeting, please find attached three reports marked "to follow".

Director of Business Services
Aberdeenshire Council

B U S I N E S S

- | | | |
|----|--|-----------------|
| 3. | <u>Main Issues Report</u> | (Pages 19-275) |
| 4. | <u>Planning (Scotland) Bill – Call for Evidence Submission</u> | (Pages 276-284) |
| 8. | <u>Strategic Transport Fund – Supreme Court Ruling</u> | (Pages 285-314) |

Should you require any further information about this Agenda, please contact Jan McRobbie, Tel, (01467) 538371 or email jan.mcrobbie@aberdeenshire.gov.uk

**ABERDEEN CITY & SHIRE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY**

Date: 1 February 2018

Title: Main Issues Report

1 Purpose of Report

- 1.1 The purpose of this report is to present the draft Main Issues Report (MIR) for approval by the Aberdeen City and Shire Strategic Development Planning Authority (SDPA).

2 Recommendation

It is recommended that the Members of the SDPA:

- a) Approve the Main Issues Report contained in Appendix 1 for consultation and note the supplementary documents.
- b) Approve the consultation period of 10 weeks.
- c) Agree any drafting changes to the Main Issues Report prior to its publication be delegated to officers and agreed by the Chair and Vice Chair of the SDPA.

3 Context

- 3.1 It had been hoped that in the second half of 2017 the SDPA would have considered and agreed a MIR for consultation as part of the process of replacing the existing strategic development plan (SDP). However this has been affected by a number of factors including;
- the timing of the Supreme Court case for the Strategic Transport Fund (STF) and,
 - work associated with the Scottish Government's Review of the planning system,
- 3.2 A workshop was held at the September 2017 meeting of the SDPA which informed members of a number of potential main issues which SDPA officers were considering for inclusion in a draft MIR. Comments provided by Members were taken on board.
- 3.3 A draft MIR and its accompanying supporting documents are contained in Appendix 1.

4 Statutory requirements and engagement with Scottish Government

- 4.1 As previously stated the Scottish Government has introduced its Planning (Scotland) Bill for consultation. While the Bill proposes the removal of SDPs from the planning hierarchy it will not be before the floor of the Scottish Parliament until summer 2018 at the earliest.
- 4.2 Under current legislation the Aberdeen City and Shire Strategic Development Planning Authority has a statutory duty to produce a new SDP by March 2019.
- 4.3 The SDPA wrote to the Minister for Local Government and Housing, Kevin Stewart MSP, seeking guidance as to whether to proceed with a new SDP given the uncertainty of SDPs during the course of the planning review. The Minister's response advised the SDPA to proceed with the production of a new plan.
- 4.4 The SDPA and the Planning and Environmental Appeals Divisions (DPEA) have been in consultation regarding the preparation of a new plan, its timelines and its examination. DPEA contacted the SPDA regarding timelines for the submission of a proposed plan in order to make sufficient staffing arrangement in advance of a plan examination.
- 4.5 In early January 2018 SDPA officers met with the Scottish Government's Planning Officers who are directly responsible for the planning review and the resulting Planning Bill. The implications of the Planning Bill on regional strategic planning and SDP production were discussed.
- 4.6 During these discussions it became apparent that, should the Bill be successfully enacted, transitional arrangements will not emerge until September 2018 at the earliest.
- 4.7 Scottish Government Circular 6/2013, Development Planning, explains the various legislative requirements of the development plan process. Consideration should be given to para 18 which states "Local Development Plan (LDP) Main Issues Reports (MIR) (see paragraph 65) may be published on the basis of a proposed SDP". Given this circular is unlikely to change, there is a need to continue with the SDP to provide guidance to both Councils to progress their LDPs and follow the timelines of the approved Development Plan Schemes.

5 Transitional arrangements

- 5.1 While a new Act may be in place as early as June there will be the need for secondary legislation and transitional arrangements to be agreed. As this may take some time and there is a need to provide strategic planning direction for the North East, the SDPA believes it is prudent and responsible to proceed with the production of a new SDP.

- 5.2 The removal of SDPs and enhanced statutory weight to be given to National Planning Framework and Scottish Planning Policy are likely to add to the complexity of the transitional process.

6 Consultation

Internal

- 6.1 The draft MIR has been produced through extensive consultation with the Local Development Plan teams of Aberdeen City and Aberdeenshire.
- 6.2 The draft MIR was circulated to the Senior Management Teams of both Aberdeen City and Aberdeenshire Council.
- 6.3 The comments of all groups were taken into consideration when shaping the document.

External

- 6.4 There have been a number of discussions with the key agencies over the past 12 months and they have been sent a copy of the draft MIR for comment.
- 6.5 SDPA officers also met with Homes for Scotland in November 2017 and discussions centred on housing supply targets.

Public Engagement for the MIR

- 6.6 At the 21 March 2018 meeting of the SDPA an up to date Development Plan Scheme will be published which will advise on the work programme and consultation plan the SDP will follow for 2018/19.
- 6.7 Consultation on the MIR will take place as soon as the documents are published which we anticipate towards the end of February/early March.
- 6.8 A consultation period of 10 weeks is proposed.
- 6.9 In order to reach as wide an audience as possible it is our intention submit the MIR to the Plain English Campaign for review to ensure it is clear and concise before publication.

7 Key points of consideration for Elected Members

Context

- 7.1 The MIR has been produced at a time when Aberdeen City and Shire has experienced considerable economic pressures which we have sought to address. The MIR is written with a positive view of the future and that we should focus on the region's economic recovery and that it has existing and emerging strengths.

7.2 The MIR is the first step in the consultation process in developing a proposed plan. It is not a policy document and more a forum for discussion and consideration of new ideas. Through the monitoring of the current SDP evidence suggests that its policies and strategies are working. It is considered that the vision and direction for the SDPA is sound. The MIR is split into seven chapters which are summarised below. At the end of each subsection is a question asking for views on the preferred options.

Vision

7.3 It is proposed that the vision is to be slightly amended to;

- To have a greater focus on environmental and social resilience rather than just economic resilience;
- To have greater consideration of economic diversification which is in line with the Regional Economic Strategy.

Spatial Strategy

7.4 The spatial strategy focuses development in four Strategic Growth Areas (SGAs) which make the most efficient use of existing and planned infrastructure.

7.5 Issues considered in the context of the spatial strategy include:

- **Potential for growth West of Aberdeen (A93 and A944)** – Westhill and Banchory continue to be attractive to the development industry. However there are considerable infrastructure issues which would need to be overcome in order to mitigate the impact of new development on transport and community infrastructure. In addition travel patterns resulting from the opening of the Aberdeen Western Peripheral Route (AWPR) are as yet not modelled. As such it is difficult to identify areas which are suitable for growth around the west of Aberdeen until deliverable and viable solutions have been identified.
- **AWPR** – the AWPR will soon be completed and will have a significant positive impact on travel patterns, congestion and accessibility across the region. The scale of investment and benefits resulting from its development could be impacted upon by development pressures close to its junctions. It is the preferred option of the MIR that development close to the junctions of the AWPR should come through the rigorous and transparent process of the LDPs rather than individual proposals.
- **Regeneration priorities** – narrowing the focus of regeneration to the towns of Banff, Macduff, Fraserburgh and Peterhead.

7.6 The preferred option is to maintain the spatial strategy in its current form.

Economy

- 7.7 The MIR takes a positive attitude towards the region's future economic performance.
- 7.8 Given the previous SDP was approved before the City Region Deal (CRD) came into existence it is felt there is a need to incorporate the CRD's sectoral focus on;
- Food, drink and primary industries;
 - Biotech;
 - Energy, and;
 - Tourism
- 7.9 There is significant existing allocated employment land in the current SDP and LDPs. It is considered that there is still a need to safeguard strategic sites within these allocations.
- 7.10 The MIR's consultation question focuses on a more flexible approach to sustainable tourism.
- 7.11 Additional consideration to be given to support sustainable economic growth and the deployment of mobile data coverage and ultrafast broadband.

Housing

- 7.12 The SDP has three primary roles in relation to the scale and location of new housing:
- To clearly establish realistic 'Housing Supply Targets' for both housing market areas, both council areas and the plan area as a whole, divided between 'market' and 'affordable' tenures;
 - Set out a 'Housing Land Requirement' (which includes 10-20% generosity on top of the Housing Supply Target); and
 - Distribute the required new allocations, taking into account the current supply, in accordance with the plan's spatial strategy.
- 7.13 The current SDP has generous housing land allocations and an ambitious housing allowance of 67,500 in the plan period up to 2035.
- 7.14 Work on the draft MIR and Housing Needs and Demands Assessment (HNDA) were undertaken simultaneously. The HNDA; uses an extensive evidence base of economic, demographic and social data. To create a series of scenarios for housing need.
- 7.15 The preferred option is that the scenarios produced by the HNDA should be merged into a composite which more realistically reflects current circumstances and the potential for growth in the medium to long-term. It is consistent with the Regional Economic Strategy and builds on the evidence base provided by the HNDA. It recognises the economic benefits which are projected to come through

the provision of infrastructure and City Region Deal investment over the next 5-10 years.

- 7.16 The HNDA process has resulted in future housing numbers which indicates limited additional housing would be needed for the period up to 2040.

Affordable housing

- 7.17 There are currently high levels of funding for affordable housing. The preferred option for the MIR is to assume that this will continue though the plan period and help the region meet its aims for affordable housing delivery.

Housing Land Requirement

- 7.18 Scottish Planning Policy requires 10-20% generosity to be added to the Housing Supply Target in order to form the Housing Land Requirement. It is proposed that significant generosity is set at the beginning of the plan and with no generosity added towards the end of the plan (keeping in mind that this can be updated in future plans).

Housing Land Allowances

- 7.19 The preferred option targets the construction of 2190 homes per annum over the next 25 years and would enable a substantially higher rate of delivery if demand exists. It sets out an aspirational and challenging framework for the delivery of new homes over the period to 2030 and beyond. It positively engages with the Scottish Government's target to deliver 50,000 new affordable homes across the country.

Energy

- 7.20 Over the course of the current SDP considerable progress has been made in the development of renewable energy. Information contained in the Monitoring Statement indicates that the area could soon be a net exporter of electricity.
- 7.21 It is considered that while this progress is admirable and a target of 5GWh of renewable energy should be maintained. We will support diversification renewable energy target.

Minerals and Waste

- 7.22 Consideration has been given to the land bank of construction aggregates over a minimum period of 10 years. SPDA analysis indicates there is a substantial reserve through existing permissions and areas of safeguarding of further reserves through LDPs.
- 7.23 Significant progress has been made over the course of the current SDP in line with the Zero Waste Plan (2010) and Scottish Planning Policy. It is proposed to continue to support of a shift towards zero waste in the next SDP.

Transport

- 7.24 There are considerable infrastructure projects under construction, approaching completion and planned for the future in the North East. This work will improve the transportation network.
- 7.25 A Cumulative Transport Appraisal (CTA) is currently being undertaken by the SDPA and NESTRANS. The CTA will help build an evidence base of future transport interventions which may be necessary to mitigate the level of development envisaged in the next SDP.
- 7.26 In addition to the CTA the City Region Deal has commenced a Strategic Transport Appraisal which will offer additional guidance on future transport interventions and projects. The transport modelling for this will be calibrated following the opening of the AWPR. The timing of this STA means that its output will inform future plans rather than this one.
- 7.27 Is it the preferred option that the SDP continue to identify regionally significant long term transport projects and cumulative transport interventions.

8 Supporting Documents

- 8.1 The draft MIR is a document which is informed by an extensive evidence base. The documents which have informed this MIR are summarised below.

Aberdeen City and Shire Housing Needs and Demand Assessment

- 8.2 The HNDA has been submitted and we anticipate that the CHMA will confirm it is robust and credible in the near future. It can be viewed in Appendix 2.

Monitoring Statement

- 8.3 The Monitoring Statement has been prepared collaboratively. It consists of over 50 indicators chosen to monitor the success of the current SDP against its own objectives and aims and National Headline Indicators and can be reviewed in Appendix 3 (to follow).

Strategic Environmental Assessment – Interim Environment Report

- 8.4 As part of the preparation of a new Strategic Development Plan the SDPA is undertaking a Strategic Environmental Assessment (SEA). SEA is a systematic method for considering the likely environmental effects of certain Plans, Projects and Strategies (PPS). SEA aims to integrate environmental factors into PPS preparation and decision-making; improve PPS and enhance environmental protection; increase public participation in decision making; and facilitate openness and transparency of decision-making.
- 8.5 We are currently preparing the Interim Environmental Report (IER) which will;
- identify, describe and evaluate the likely significant effects of the MIR and provide an early and effective opportunity for the Consultation Authorities and the public to offer views on any aspect of this Environmental Report.
- 8.6 Feedback has been received from the Consultation Authorities on scoping report and has been factored into the IER.
- 8.7 The main body of the IER can be reviewed in Appendix 4 (to follow) (IER baseline appendices have not been included in the agenda due to their length – the entire document will be published on the SDPA website in due course).

Cumulative Transport Appraisal

- 8.8 As part of the evidence base for the current strategic development plan a cumulative transport appraisal (CTA) was undertaken.
- 8.9 Nestrans and the SDPA have commissioned a new CTA to update the evidence base for the next SDP. The goal is to identify if the housing and employment allocations of a future plan would result in hotspots for transport issues.
- 8.10 The initial modelling reiterates what was previously ascertained; that growth as predicted will result in a considerable rise in overall traffic delays across areas such as Dyce & the Airport, Kingswells (including the A944 corridor to Westhill).
- 8.11 The first interim report of the CTA can be reviewed in Appendix 5.

Westhill Public Transport and Access Briefing Paper

- 8.12 In 2014 an update was finalised to the 2008 Westhill Capacity Study. A key issue which emerged from the Westhill Capacity Study was the requirement to consider in more detail the transport infrastructure requirements emerging from the proposed growth based land-use scenario.
- 8.13 The summary findings of the paper would suggest that future development at Westhill is dependent on the ability of the A944 to accommodate growth and that

additional development would require considerable infrastructure interventions to allow this to happen.

8.14 The Westhill Public Transport and Access Briefing Paper can be reviewed in Appendix 6.

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Aberdeen City and Shire Strategic Development Plan

Main Issues Report 2018

January 2018

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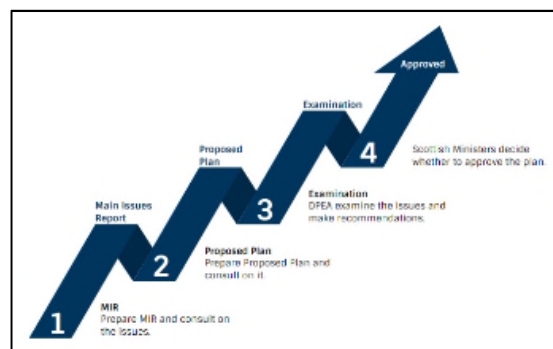
Foreword

This Main Issues Report may lead to a new Strategic Development Plan (SDP) or be part of the supporting evidence of a new National Planning Framework.

Given the likely time it will take the Scottish Government to make amendments to Planning legislation, should they choose to implement the Planning (Scotland) Bill's proposals, the new SDP is likely to be able to go through its complete preparation process (target March 2019) before change is implemented.

1. Introduction

- 1.1. Aberdeen City and Shire is rightly recognised as an attractive place to live and work, with a high-quality environment, above-average incomes and low unemployment. Indeed, both Aberdeen City and Aberdeenshire are in the top 10 places to live in Scotland for quality of life¹. The high quality environment and robust economic performance make the area one of the most vibrant in Scotland.
- 1.2. The Aberdeen City and Shire Strategic Development Planning Authority is responsible for preparing a strategic development plan to tackle planning issues which affect the area. The current strategic development plan was approved by Scottish Ministers in March 2014 and a revised plan needs to be approved by March 2019.
- 1.3. The strategic development plan currently fits between the National Planning Framework (prepared by the Scottish Government) and local development plans (prepared by Aberdeen City Council and Aberdeenshire Council).
- 1.4. The strategic development plan also sits within a much wider network of other plans and strategies at the local and regional level.
- 1.5. This Main Issues Report (MIR) is the first significant stage in preparing the plan which will set a framework to develop Aberdeen City and Shire over the next 20 to 25 years. Because of this, it provides the best opportunity to get involved as the plan starts to take shape. Figure 1 summarises the process as a whole and the point we have reached so far.



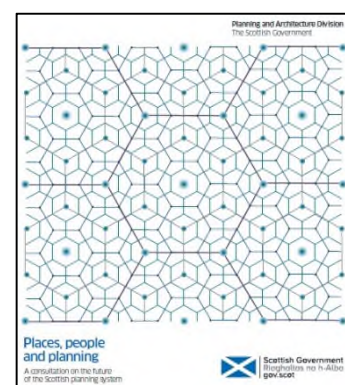
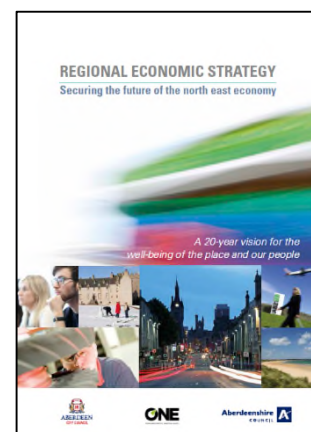
Purpose of the main issues report

- 1.6. The 2014 Strategic Development Plan and the preceding Structure Plan of 2009 will have successfully delivered a decade of stability and growth in Aberdeen City and Shire. The spatial strategy has provided a long term focus for growth in the most sustainable locations. Unprecedented high levels of housing and employment land have been allocated across the region. This will allow the region to accommodate our economic recovery in a planned way. This in turn will allow us to maintain our high standard of living and protect and enhance our environmental quality.
- 1.7. The transport network, particularly in and around Aberdeen, is undergoing significant transformation which will increase accessibility in and around the region. Our area has a long term supply of mineral reserves which will help to support growth and development. Our waste management facilities are currently in a process of modernisation away from landfill to much more sustainable alternatives. We will soon be a net exporter of renewable energy.
- 1.8. Aberdeen City and Shire is in a good place and we see no need to make any sudden changes in direction. This document identifies a limited number of main issues which need to be decided to help ensure the area's strategic development plan remains up-to-date and relevant, while also identifying a range of other changes and updates which need to be made to the plan. It is not a draft plan but identifies those areas of the existing plan where evidence suggests we may need to make changes. Other supporting documents have also been published which provide the evidence-base and justification for the options set out in the MIR.
- 1.9. We would welcome comments on the whole document and the issues and options presented. Any comments on the existing plan which have not been addressed in the MIR will also be taken into account as we progress towards a 'Proposed Plan'.

¹ <http://www.bbc.co.uk/news/uk-scotland-north-east-orkney-shetland-35125891>

2. Context

- 2.1. It is four years since the approval of the last Strategic Development Plan and a number of significant changes have occurred which impact on the context for the next plan. Highlighted below are a selection of those with a significant regional impact.
- 2.2. Both **Scottish Planning Policy (SPP)** and **National Planning Framework 3 (NPF3)** were published within three months of Scottish Ministers' approval of the SDP in March 2014. SPP in particular introduced a number of changes at a national level which will need to be reflected in the next SDP. Policy relating to housing land supply, wind energy and the introduction of the town centre first principle are some of the key changes. The Scottish Government also published a **National Marine Plan** in March 2015. We have over 110 miles of coastline were key economic sectors (principally fishing, oil and gas and energy more generally) interface with the marine environment.
- 2.3. The **economic context** for the plan is undoubtedly one of the biggest changes which the MIR needs to reflect upon. Thousands of both direct and indirect jobs were lost as a consequence of the fall in the price of oil. The two councils prepared a Provisional **Regional Economic Strategy** in late 2015 and, along with the UK and Scottish Governments agreed a **City Region Deal**². The Regional Economic Strategy is focused on maintaining and growing the regional economy with four key strands; infrastructure, innovation, inclusive economic growth and internationalisation. It is closely aligned with the current SDP in seeking to maximise economic recovery from the remaining oil and gas reserves in the UK Continental Shelf (UKSC) and anchoring the expertise and activity in the region while diversifying the economy. The 10-year City Region Deal is valued at £250m, with a further £254m coming from the Scottish Government. It included £200m towards improving Aberdeen-Central Belt journey times by rail and a new grade separated junction at Laurencekirk and funding to carry out a detailed transport appraisal for the future of the region.
- 2.4. The Scottish Government has finished its **review of the Scottish planning system** and published a bill at the beginning of December 2017. One of the proposed changes is to remove the strategic development plan from the development plan hierarchy and replace it with an enhanced National Planning Framework. However, the details of what this might look like in practice are still unknown.



² Heads of Terms were agreed on 28 January 2016 and the agreement signed on 21 November 2016.

3. Vision

- 3.1. The vision is an important element of the plan which influences the direction of the document and is reflected in the two Local Development Plans.
- 3.2. The vision currently sees resilience as an economic issue, whereas it should be thought of in a broader perspective, encompassing social and environmental issues. Although not enough on its own, economic diversification is a vital element of moving towards greater resilience, particularly for a region whose economy is so reliant on the oil and gas sector. Emphasising this within the vision will also mean the vision more clearly relates to Aberdeen City and Shire area rather than any other part of the country.
- 3.3. The preferred option is to make changes to the vision which are set out below:
- “Aberdeen City and Shire will be an even more attractive, prosperous, resilient and sustainable European city region and an excellent place to live, visit and do business. We will be recognised for:
- our enterprise and inventiveness in the knowledge economy and high-value markets – with a particular focus on energy, bio-pharmaceuticals, tourism and food, drink and primary industries;
 - the unique qualities of our environment; and
 - our high quality of life.
- We will have acted confidently and taken the courageous decisions necessary to further develop a robust and diversified economy and to lead the way towards development being sustainable, including dealing with climate change and creating a more inclusive society.”
- 3.4. This will better reflect the Regional Economic Strategy and clarify that resilience applies to social and environmental issues, not just the economy.
- 3.5. Maintaining the area as an excellent place to live and developing our high quality of life will mean ensuring that spatial planning works in conjunction with the high level strategies for education, health and community facilities as well as with the strategies of other infrastructure providers and in particular with the Regional Transport Strategy.
- 3.6. An alternative option would be to leave the vision unchanged from that previously approved in order to preserve continuity.

Q – Do you agree with the change that we have made to the vision as set out in the preferred option?
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4. Spatial Strategy

- 4.1. The spatial strategy is important in shaping where development happens. The current strategy for the growth of Aberdeen City and Shire has been in place since 2009 and implemented through two rounds of local development plans. There are three key elements – ‘Strategic Growth Areas’, ‘Local Growth and Diversification Areas’ and ‘Regeneration Priority Areas’.
- 4.2. The strategy recognises that all parts of the area are important, with different areas taking different roles as a result of their current characteristics and future opportunities. It focuses development in places where there are clear opportunities to encourage people to use public transport and where public and private investment can be targeted – both to facilitate growth and regeneration. It also allows for growth to meet local needs in communities throughout the area where opportunities and demand exist. Providing long-term certainty is a key function of the spatial strategy.
- 4.3. There has been widespread support for this strategy over almost a decade, with few suggestions for an alternative approach. Indeed, the impetus behind the shift to public transport is now even stronger on the basis of air quality, climate change and the City Centre Masterplan indicating the need to significantly reduce the number of cars coming into the city centre while increasing footfall and the diversity of uses within the area.
- 4.4. The Monitoring Statement has shown that the two LDPs have allocated significant quantities of housing and employment land in accordance with the spatial strategy (land for 47,000 homes and 800Ha of employment land). Development rates are broadly following the strategy as well. As a consequence, we do not propose changing the broad structure of the spatial strategy. There is however, some merit in exploring the detail of the strategy in relation to three areas.



Emerging Issues - Aberdeen to Peterhead

- 4.5. Progress is now being made to bring forward a large allocation in Ellon for development. In addition, Ellon will become more accessible over the coming months with the opening of the complete dual carriageway from Aberdeen. Peterhead has seen significant investment in its port, and Scottish Enterprise are confident that the Energetica Business Park can now move forward following infrastructure and ownership challenges. Beyond ensuring a suitable site for business growth of the type represented by the Energetica Business Park is available, we do not propose any further amendments in this area.

Emerging Issues - Aberdeen to Huntly

- 4.6. The dualling of the A96 between Aberdeen and Inverness as well as the significant rail improvements planned (including faster and more frequent trains and a new station at Kintore) mean that significant transport improvements will be implemented over the next 10-15 years. Transport Scotland has indicated that decisions on the route of the A96 will be made following a two-year examination and consultation period starting in late-2017. Development in most settlements in this area are likely to remain undeliverable until this transport infrastructure is in place.
- 4.7. The one major allocation at Huntly is constrained due to a range technical issues. The preferred option would be for the council to continue to work with landowners but could also look to identify a modest additional site in the next LDP to ensure growth can be sustained.

Emerging Issues – Potential for growth West of Aberdeen (A93 and A944)

- 4.8. The continued growth of Westhill and the Banchory area continue to be attractive to the development industry. However, there are significant infrastructure (particularly transport and education) challenges if there is to be growth. The extent of the transport challenges and the mitigation required will remain uncertain for the current time until a City Region Deal appraisal of the impact of the Aberdeen Western Peripheral Route is completed and potential solutions can be identified. While the opening of the Aberdeen Western Peripheral Route will have a significant impact on settlements to the West, transport modelling suggests it is unlikely to create any capacity for growth.
- 4.9. It would be a very risky strategy to identify western expansion for strategic levels of growth in advance of a realistic, deliverable and viable solution being identified. We do not therefore propose to consider the A93 or A944, including Westhill, in a Strategic Growth Area until transport issues have been addressed.

Q – Do you agree the preferred option that the existing spatial strategy in general terms remains fit for purpose and should be carried forward in broad terms into the new SDP? YES / NO / COMMENT

Emerging issues – Aberdeen Western Peripheral Route

- 4.10. The Aberdeen Western Peripheral Route will be completed soon and have a significant impact on travel patterns and accessibility across the region. It will ease traffic congestion and reduce journey times. It will make the growth areas in Aberdeenshire even more attractive to inward investors. We now need to lock in the benefits of the road for future generations and identify additional benefits which can be delivered.
- 4.11. Recent planning applications clearly show the development pressures some of the junctions are likely to come under and further thought needs to be given as to whether the route (and / or its junctions) requires particular protection in planning policy terms.
- 4.12. It is important that the free flow of traffic and the junction capacity of the new road are protected and not eroded by development taking place (particularly high footfall uses) which would adversely affect the ability of the road and its junctions to function. Two broad options have been developed to address this issue:
- 4.13. The preferred option looks to be more explicit about the need to avoid high footfall generating uses locating near the AWPR's junctions and make it clear that any such development should only come through the full and open development plan process. This allows us to consider proposals in a strategic perspective whilst enabling detailed options to be tested in an open way through the LDP process. It provides a clear policy position for speculative applications.
- 4.14. An alternative option would be to take no further action and leave decisions on individual proposals to be considered through Local Development Plans without any strategic direction from the SDP. While this is a flexible approach it has the potential for inconsistent decision making on speculative applications and avoids issues that are very likely to be strategic and cross boundary in nature which should be addressed in the Strategic Development Plan.

Q – Do you agree with the preferred option, that the new plan should protect the junctions of the AWPR from inappropriate speculative development? YES / NO / COMMENT

Emerging Issues - Regeneration Priorities

- 4.15. Since the preparation of the current SDP, both councils have focussed their regeneration priorities - parts of both Aberdeen City and Aberdeenshire which require specific attention to improve their economy, social infrastructure and environment.
- 4.16. In Aberdeen City, the City Centre Masterplan has identified a series of projects have been developed covering a 20-25 year period to bring new life and activity back into the area. Some of these projects will need to be specifically mentioned in the new plan as it re-emphasises the importance of the city centre to the city and wider region.
- 4.17. The City Centre Masterplan has a focus on people living in the City Centre. One consequence of this will be facilitating the delivery of housing on brownfield sites in Aberdeen, through both new build and conversions of existing buildings.
- 4.18. A number of 'Locality Plans' are likely to be prepared in Aberdeenshire, while Aberdeen City has identified three areas for such plans. Prepared by Community Planning Partnerships they focus attention on improving outcomes for the populations living in the most deprived communities.
- 4.19. In Aberdeenshire, regeneration activity has shifted over recent years with the focus is now clearly on the four largest towns on the north Aberdeenshire coast. It is the preferred option that the four towns of Banff, Macduff, Fraserburgh and Peterhead should be identified graphically and in the text as hotspots for regeneration activity.

Q - Do you agree that the preferred option in the new plan should focus on the towns of Banff, Macduff, Fraserburgh and Peterhead for regeneration?

5. Economy

- 5.1. The economy of Aberdeen City and Shire is vital to our future, our quality of life and our attractiveness to visitors and investors. The area has outperformed other parts of the UK over recent decades and benefited from enviably high levels of growth, wages, employment and quality of life. The city region has come through three very challenging years caused by the fall in oil prices on global markets. Combined with the referendum vote to leave the EU, the maturing of the UKCS and likely global changes in energy demand and supply has increased levels of future uncertainty.
- 5.2. The economy is central to the current SDP and an overarching theme which permeates all aspects of the plan. In addition to the importance placed on developing a robust and resilient economy in the plan's vision, growing and diversifying the local economy is also one of the two main aims of the plan and is recognised as an urgent priority. The plan focuses in particular on ensuring enough employment land and infrastructure is in place to support business growth throughout the area. While acknowledging the importance of the oil and gas sector, the plan also recognises the contribution of others including primary industries, the retail sector and tourism.
- 5.3. The focus of this section of the Main Issues Report is around three main questions:
- Have we identified sufficient employment land for the period to 2030 and beyond?
 - Is the planning system dealing with the priority sectors in an appropriate way?
 - Is there anything more that the planning system could do to facilitate economic growth?

Challenges and Opportunities

- 5.4. While oil prices fell from historically high levels to the more stabilised levels we are currently seeing the change has given real impetus to increasing the economic resilience of the area. Whilst the immediate economic pain was substantial, it will have longer-term benefits, and there are positive signs for the future and reasons for optimism. Lower wages and house prices, as well as prices for hotel rooms and office space will all help to make the city region more competitive going forward. The area has an enviable reputation for innovation and entrepreneurship as well as a highly educated and productive workforce. These are attributes which will be critical to the future success of the area
- 5.5. Fundamental to this will be a new regional economic strategy and a City Region Deal agreed with the Holyrood and Westminster governments which will further boost the economic prospects of the area over the next 10 years. There will be significant investment in innovation – primarily in the oil and gas industry but also the other growth sectors. It has been estimated that 3,300 jobs will be created over the next decade on the back of the City Region Deal. Infrastructure investment arising from this which would benefit from identification in the SDP is limited, largely building on current proposals. However, new off-site transport infrastructure associated with Aberdeen Harbour's southerly expansion will be included.
- 5.6. While the UKCS continues to mature, specialist decommissioning opportunities will develop and bring significant opportunities for business development, diversification and innovation. This is a growing market opportunity, with a gradual increase in activity expected over the next 10 years and both Aberdeen Harbour Board and Peterhead Port Authority are seeking to participate in this important opportunity. Decommissioning is projected to be worth £47bn over the period to 2050.
- 5.7. Most projections still see oil being extracted from the North Sea at the end of the plan period and this may be given a boost given recent announcements in the November 2017 UK budget. Nevertheless, our economic diversification required needs to be largely complete by 2040 to enable the region to continue to thrive and maintain the current high standards of living. Whilst a swift return to substantially higher oil prices isn't expected in the near future, it will be important to ensure the plan is robust and flexible enough to accommodate higher levels of economic

performance than are currently anticipated. It can do this in a variety of ways which will be unpacked later in this chapter and the one to follow (Housing).

- 5.8. Our preferred option is that while we shouldn't assume a rapid return to high oil prices and accept that diversification of our economy will take time. The new plan should be prepared in such a way as to enable and be flexible enough to facilitate levels of economic growth that are significantly higher than we are currently experiencing.

Q – Do you agree that an optimistic view of future economic growth should be presented in the new plan?

Employment Land Supply

- 5.9. Aberdeen City and Shire continues to have a very generous supply of employment land throughout the area. The 2015/16 Employment Land Audit identifies over 860Ha of employment land, almost 60% of which (510Ha) is marketable within the next 5 years and 131Ha is immediately available. This is in addition to the 52Ha which was under construction at the base date of the audit. In addition to this, the supply of existing vacant land and buildings are at very high levels due to company relocations and rationalisation over recent years.
- 5.10. The current SDP allocates land for employment purposes to 2026, with 'Strategic Reserve' land identified for the period 2027-2035. The preferred option would be that land identified for the period beyond 2027 continues to be safeguarded in the new SDP but for the period beyond 2030 instead. It is important that the existing supply is protected and is the main focus for new development.
- 5.11. In addition Aberdeen City should examine current employment areas to assess the extent to which they require regeneration to ensure they are fit for the future economic needs of the area. A concerted effort needs to be made to re-energise some of the existing employment areas. This will be particularly important given the recent tax changes which increase the burden of business rates on vacant business premises.

Q – Do you agree with the preferred option that the new plan should defer the release of safeguarded employment land until after 2030 and look at re-energising existing employment areas for future use?

Sectoral Focus

- 5.12. The Regional Economic Strategy and subsequent City Region Deal each focus on four key sectors as those where the area has the greatest potential over the next two decades. These are:
- Food, drink and primary industries;
 - Biotech;
 - Energy; and
 - Tourism
- 5.13. The current SDP already recognises the importance of these sectors, and there is a strong argument for ensuring that each of the four priority sectors receive specific mention in the plan (in addition to their proposed inclusion in the vision – highlighted above), with appropriate policy responses taken to facilitate their growth.
- 5.14. It is important to ensure that suitable and attractive land is available but it is also reasonable to assume that a high proportion of needs could be met from the current supply – both in terms of location and site characteristics. As a consequence we think there is no need to make any further arrangements for three of the four priority sectors.
- 5.15. However, future opportunities for the tourism sector are likely to have unpredictable locational requirements which make it hard to plan for effectively. VisitScotland's 'Tourism Development

Framework for Scotland' (2016) sets out the value of the visitor economy to Scotland as a whole and identifies ways in which its growth can be supported by the planning system. A significant expansion in hotel accommodation in and around Aberdeen over the period of the last plan (with some projects still underway) and the construction of the new AECC (due for completion in 2019) will have significant potential to support business and other forms of tourism over the years to come.

- 5.16. While current SDP focuses appropriately on many of these issues, it is proposed that the importance of tourism to the local economy be expressed more strongly. The proposed option is that the new plan explicitly recognises that tourism long term sustainable proposals need to be dealt with sympathetically through the planning system because they are often resource-based and there is a need to be realistic about their benefits and the challenges they present to an allocation-based planning system. This is particularly relevant to tourist accommodation in rural areas.

Q – Do you agree with the preferred option that the new plan should take this stronger and more flexible approach to sustainable tourist development?

- 5.17. The current plan is very positive about economic growth for the future of the city region and we want that to continue. As a consequence, with the exception of the proposals above in relation to the vision and tourism, we are not proposing significant change. However, we are keen to do all we can to support sustainable economic growth and would be interested in any ideas you may have in how the planning system and the SDP in particular could enable this.

Q – Is there anything more the planning system should do to support sustainable economic growth?

Digital

- 5.18. Digital infrastructure is an increasingly important factor in locational choice for both businesses and households. The current SDP emphasises the importance of high-speed digital connectivity to the economic, social and environmental future of the area. This has been as a high priority since the 2009 Structure Plan and considerable progress has been made since then through Openreach's commercial roll-out, Scottish Government/Local Authority programme and the City Region Deal.
- 5.19. Both the Scottish Government (focusing on residential properties) and the City Region Deal (focusing on employment locations) are investing in the wider network which will both increase broadband speeds in those rural areas without 30Mbps access. 95% of premises are due to be covered by March 2018. "Reaching for 100%" programme by 2021.
- 5.20. Mobile telephone coverage (including mobile broadband) is also important. Aberdeenshire in particular is well behind in terms of coverage by 3G and 4G technology as the industry prepares for the roll-out of 5G in the next few years.

Q – Is there anything more that the planning system can do to facilitate the deployment of mobile data coverage and ultrafast broadband?

6. Housing

6.1. The delivery of appropriate levels of affordable, good quality and sustainable housing in the right places is a fundamental issue for the next SDP, the future of the city region and is critical to meeting our economic, social and environmental objectives.

6.2. Despite challenging market conditions at present, both housing market areas have a healthy supply of housing land due to up-to-date and generous development plans. Land is available for over 41,000 new homes on 'effective' sites (the same number of homes as built over the last 20 years) as well as a further 10,000 homes on sites unlikely to start before at least 2021.

HOW DID WE DO?

Between 2011 and 2016, a total of 11,433 homes were built (2,769 less than the SDP requirement). Private sector completions exceeded the requirements identified in the HNDAs (2011) by 165 units but delivery of affordable housing fell almost 3,000 units short of identified need.

6.3. It is in this context that we are preparing a plan for the next 25 years, a position of strength but with short-term challenges and uncertainty. We will therefore look to support a strong economic recovery by maximising the delivery of new housing (particular affordable housing) and a continuing generous land supply.

6.4. The SDP has three primary roles in relation to the scale and location of new housing:

- To clearly establish realistic 'Housing Supply Targets'³ for both housing market areas, both council areas and the plan area as a whole, divided between 'market' and 'affordable' tenures;
- Set out a 'Housing Land Requirement'⁴ (which includes 10-20% generosity on top of the Housing Supply Target); and
- Distribute the required new allocations, taking into account the current supply, in accordance with the plan's spatial strategy.

Current Plan and Evidence Base

6.5. The current SDP (in Figure 10) sets an average housing requirement over the 25 year plan period of 2,159 new homes per year. This section explores how the new SDP could deal with the need and demand for new housing over the next 25 years. There are a variety of sources of information which have been used to inform this chapter and which are available from the SDPA website – primarily the Housing Need and Demand Assessment 2017, the Monitoring Statement 2017 and the Housing Land Audit 2016.

Setting the Housing Supply Target

6.6. The Housing Supply Target sets out how many houses we need over the period to 2035. The Housing Need and Demand Assessment helps us do this by exploring three potential growth options, based on low, principle and high migration scenarios (see Figure 1 below).

6.7. We think that Scenario 2 (low migration) is too low for the initial 5 years (1,850pa) and that we should instead set the Housing Supply Target to average the same level of build achieved in 2016 (1,950pa). In practice, it may well fall before rising again during this period.

6.8. With economic recovery, we can envisage growth generally in line with Scenario 1 (principle migration) during the period 2021-2030, although rising over time rather than falling over the 10-year period. As a consequence, we have set the Housing Supply Target at 2,100pa over the period 2021-2025, rising to 2,200pa for the period 2026-2030.

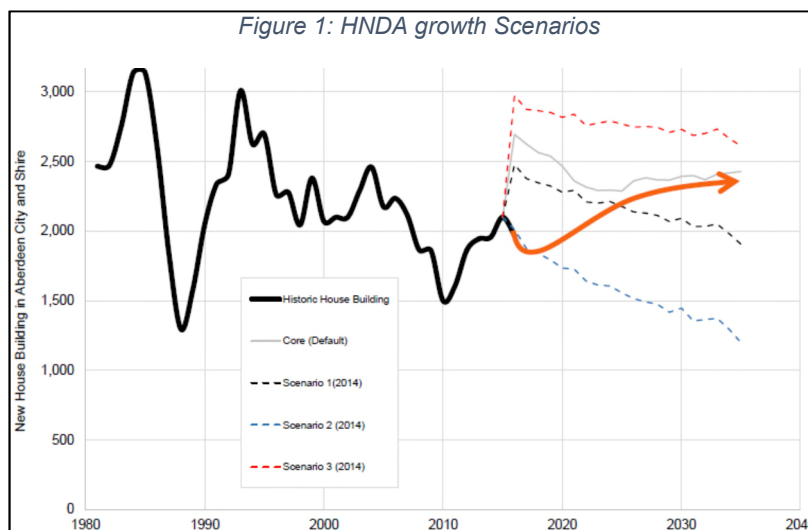
³ Defined by SPP(2014) as 'the total number of homes that will be delivered'.

⁴ The amount of land required to be able the Housing Supply Target to be met. This can be found from a variety of sources, including the existing established land supply and windfall developments as well as new allocations required by the SDP.

6.9. Beyond 2030 there is the potential for further growth in a scenario with robust economic growth. In light of this, we have set the HST to increase again to a level midway between Scenario 1 and Scenario 3 (high migration) at a level of 2,340pa.

6.10. This would see the level of housebuilding recover over the next few years and returns to historic average levels by 2025 and increases slightly thereafter. This would result in a total Housing Supply Target of 54,750 homes over the next 25 years, which would be split in the following ways;

Table 1: Proposed Housing Supply Targets (equivalent of Figure 10 in the current SDP)



	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040
AHMA	7,313	7,875	8,325	8,775	8,775
RHMA	2,437	2,625	2,775	2,925	2,925
ACC	4,875	5,250	5,550	5,850	5,850
AC	4,875	5,250	5,550	5,850	5,850
Total	9,750	10,500	11,100	11,700	11,700

6.11. We think that our composite scenario more realistically reflects current circumstances and the potential for growth in the medium to long-term. It is consistent with the Regional Economic Strategy and builds on the evidence base provided by the HNDA. It recognises the economic benefits which are projected to come through the provision of infrastructure and City Region Deal investment over the next 5-10 years.

6.12. The alternative approach would be to use one of the ready-made scenarios from the HNDA. However these tend to be inflexible and do not recognise changes that can occur over time.

Q – Do you agree that the Housing Supply Target should be based on a composite scenario rather than directly on any of the three identified in the HNDA?

Affordable Housing

6.13. Scottish Government affordable housing funding is increasing significantly over the period 2016-2020 to facilitate the meeting of their target to deliver 50,000 additional affordable homes over the current parliament. This will see funding in Aberdeen City and Shire increase over the period 2016/17 to 2021/22.

	2016/17	2017/18	2018/19	2019/20	2020/21
Aberdeen City	£10.956	£12.279	£16.027	£18.133	£19.436
Aberdeenshire	£17.2	£19.3	£25.3	£28.7	£30.6

6.14. If the level of funding is maintained at 2021/22 levels for the period to 2040, it is likely that the assessed need for affordable housing in the HNDA can largely be met (if land can be made available as well). However, if funding falls back to 2016/17 levels a large delivery gap would emerge.

- 6.15. Our preferred option is to assume that funding will be maintained. This would enable both Councils to increase the development of affordable housing and return it to historically high levels. The alternative option is to assume funding returns to more modest levels beyond the next three years. This would mean it will not be possible to meet the affordable housing targets or overall housing supply targets from 2021 onwards. Under this scenario, a significant gap continue to grow between identified need and the ability to deliver affordable housing.
- 6.16. The affordable housing target identified in the table below up to 2040 is 19,200 (approximately 35% of the total Housing Supply target identified in paragraph 6.10). Whilst it is not envisaged that we will ask Local Development Plans to increase the 25% obligation for affordable housing from private developer sites, we would envisage that additional mechanisms will be needed to secure affordable housing. This will increase the percentage of affordable to market housing in the north east to the 35% necessary. These mechanisms will include Aberdeen City's partnership approach with Places for People and development of fully affordable development sites in Aberdeenshire.

Table 3: Proposed Affordable Housing Targets (included within Table 1 above)					
	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040
AHMA	2,775	3,190	2,815	2,815	2,815
RHMA	925	1,060	935	935	935
ACC	2,115	2,125	1,625	1,625	1,625
AC	1,585	2,125	2,125	2,125	2,125
Total	3,700	4,250	3,750	3,750	3,750

Q – 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 plan period?

Housing Land Requirement

- 6.17. Scottish Planning Policy requires that 10-20% generosity is added to the Housing Supply Target to form the Housing Land Requirement, the amount of land provided for by the plan. We propose to add 20% generosity in the initial period of the plan to 2030 to ensure it is flexible enough to enable levels of house building in excess of the targeted level if demand exists. However, beyond 2030, it is proposed that levels of generosity are set at 0% as a large element of generosity is likely to be carried forward from the earlier period. In addition there will be opportunities to review the need for housing in this period before it is required.
- 6.18. Alternative options are to set generosity levels at either 10% or 20% throughout the period, although the possibility exists for generosity to be set at different levels for the two Housing Market Areas. Adding 20% to the Housing Supply Targets to 2030 gives us the following Housing Land Requirements.

Table 4: Proposed Housing Land Requirements				
	2016-2030	2031-2035	2036-2040	Total
AHMA	28,215	8,775	8,775	45,765
RHMA	9,405	2,925	2,925	15,255
ACC	18,810	5,850	5,850	30,510
AC	18,810	5,850	5,850	30,510
Total	37,620	11,700	11,700	61,020

Q – Do you agree that significant generosity should be included in the early years of the plan but that for the latter periods no generosity should be added? This would be subject to review in future plans.

Housing Land Allowances

- 6.19. The housing figures above recognise the current housing market weakness but plan for economic recovery over the medium to long-term while enabling even faster rates of recovery if needed. They now need to be translated into allowances – the proposed number of houses which need to be identified in local development plans. In doing so, consideration is given to the existing effective housing land supply which is shown in Figure 4.

Table 5: Existing Effective Housing Land (2016 HLA)				
	2016-2030	2031-2035	2036-2040	Total
AHMA	26,640	2,750	1,963	31,353
RHMA	7,962	979	760	9,701
ACC	15,408	1,198	1,000	17,606
AC	19,194	2,531	1,723	23,448
Total	34,602	3,729	2,723	41,054

- 6.20. The preferred option in Figure 5 would give rise to the two LDPs needing to identify land for around 5,500 new homes up to 2030 and safeguard a total of almost 16,000 for the 10 year period beyond that.

Table 6: Proposed Allowances (land to be identified beyond the 2016 effective supply)				
	2016-2030	2031-2035	2036-2040	Total
AHMA	4,200	5,700	6,300	16,200
RHMA	1,300	1,700	2,500	5,500
ACC	3,500	4,200	4,800	12,000
AC	2,000	2,700	4,000	8,700
Total	5,500	7,400	8,800	21,700

- 6.21. Our preferred option shown in Figure 5 enables the delivery of new homes consistently at levels not seen for 20 years, and provides 28% generosity on top of the Housing Supply Target. Without this level of generosity, LDP's would not be able to identify any significant new housing allocations up to 2030. For the period 2031-2035, LDP's should also safeguard possible future housing land. There would be no requirement to allocate or safeguard for the period 2036-2040.
- 6.22. The preferred option targets the construction of 2190 homes over the next 25 years and would enable a substantially higher rate of delivery if demand exists. It sets out an aspirational and challenging framework for the delivery of new homes over the period to 2030 and beyond. It positively engages with the Scottish Government's target to deliver 50,000 new affordable homes across the country.
- 6.23. An alternative option would be to have no further housing allocations in the LDP's beyond what has already been identified. This would allow both Councils to focus on the delivery of identified sites. However, if any of these sites fail to come forward, there is a risk that the housing land supply cannot be maintained.

Q – Do you agree that our preferred option should allow Local Development Plans to make some further housing allocations?

- 6.24. In taking forward our preferred option, both councils would be expected to prioritise brownfield sites and the currently 'constrained' supply before making any new allocations. However, any new greenfield allocations should preferably be under 100 units in size, seek to maximise the delivery of affordable housing above 25% and not be extensions to existing sites which could delay their delivery. The identification of more substantial strategic sites could play a role beyond 2030.

Q – Do you agree that any new greenfield allocations should preferably be under 100 houses in size?

7. Energy

Electricity Demand and supply

- 7.1. The demand, supply and transmission of electricity are all issues which are of importance in the context of the current and future SDP. Whilst electricity consumption has been on a downward trend over the last decade, it is likely to rise by 10% by 2030, mainly due to a rise as the number of electric and plug-in hybrid cars (among other trends).
- 7.2. Aberdeen City and Shire has one fossil fuel power station at Peterhead as well as a large number of smaller renewable energy generators – ranging from domestic scale through to large windfarms.
- 7.3. The future of the power station at Peterhead is currently under review by its owners. However, it is an important employer in the area and provides key energy infrastructure for the country as a whole.
- 7.4. The current SDP supports the development of Carbon Capture and Storage technology at Peterhead as well as the transmission of CO₂ up to Peterhead / St Fergus from elsewhere in the country for storage in the North Sea. Although there is no longer a full-scale CCS project being developed at the current time in the UK, it is proposed that the new SDP maintains its support for such projects and for its deployment at Peterhead in particular.
- 7.5. Over the life of the 2009 Structure Plan and the strategic development plan considerable progress has been made in the quantity of renewable energy generated in the region. This is demonstrated in more detail in the Monitoring Statement.
- 7.6. The current SDP is supportive of renewable energy generation, targeting over 100% of electricity from renewables by 2020. This objective is now within reach as there is consented capacity for over 150% however the vast majority of this is on and off-shore wind. We think that a more balanced energy mix is required by encouraging other forms of renewable energy.
- 7.7. The preferred option would be to become a net exporter of renewable electricity through achieving a target of at least 5GWh over the lifetime of the plan. Primarily through the implementation of currently consented offshore wind schemes and a diversification of electricity generation towards non-wind resources and energy storage.
- 7.8. The alternative is to remove the target for renewable energy but continue to be supportive, particularly of non-wind generation.
- 7.9. The SDP should continue to be supportive of expanding the provision of renewable energy and the infrastructure serving it. However, it should also be stressed that in doing this, preference should be given to upgrading existing infrastructure and that environmental impact should be minimised.

HOW DID WE DO?

By 2015, the equivalent of over 50% of the electricity used in Aberdeen City and Shire was generated from renewable sources. If consented projects are added to this, almost 150% of demand would be generated from renewables, with most of the additional capacity coming from offshore wind.

Q – Do you agree with the preferred option that the new plan should target the generation of 5GWh of renewable electricity and seek to diversify non-wind based generation by 2040, along with energy storage?
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Flood Risk Management

7.10. The SDP area is covered by two of Scotland's 14 Local Plan Districts under the Flood Risk management (Scotland) Act 2009. Both the North East Flood Risk Management Strategy and the Tay Estuary and Montrose Basin Flood Risk Management Strategy were published in 2016 and cover the period 2016-2022. Their purpose is to set out the short to long term ambition for flood risk management in their areas. In total, 22 'Potentially Vulnerable Areas' have been identified, with two of these only partially within the area. It is proposed that the SDP would present these areas and require LDPs to use these strategies and the more detailed plans which sit beneath them to guide both future allocations and the detailed requirements on specific planning applications.



8. Minerals and Waste

- 8.1. The supply of minerals and the availability of appropriate waste management have significant impacts on the economic competitiveness of the area but also have potentially significant environmental implications as well as transport costs and emissions.

Minerals

- 8.2. Scottish Planning Policy promotes a landbank approach to ensure adequate supplies of construction aggregates over a minimum 10 year period based on current production levels. Strategic Development Plans should ensure that adequate supplies of construction aggregates can be made available (SPP para 236-238). The Monitoring Statement details the considerable mineral reserves.
- 8.3. In addition to this, the two Local Development Plans both safeguard existing mineral sites as well. Over 1,100Ha is currently safeguarded for mineral extraction and over 5,700Ha identified as 'Areas of Search' for potential new extraction. We therefore conclude that there is no need for any additional policy response at the current time.

Waste

- 8.4. In line with the Zero Waste Plan (2010) and Scottish Planning Policy, we need to support the provision of infrastructure to reduce waste, facilitate its sustainable management and promote resource recovery (SPP para 29).
- 8.5. The amount of waste generated in Aberdeen City and Shire has fallen over recent years, in spite of significant population growth. The proportion of waste recycled (and that sent to landfill) has moved in the right direction but slower than had been hoped.
- 8.6. The current plan promotes meeting our waste management needs locally as far as possible, and maximising the economic, social and environmental value of this resource while minimising transport and associated environmental costs. No additional landfill capacity was required and new facilities were focused on the Strategic Growth Areas in and around Aberdeen. It was suggested that Aberdeen City and Aberdeenshire Councils should work together in developing residual waste management solution.
- 8.7. Improvements have been made in terms of treatment capacity and there is significant landfill capacity which is detailed in the Monitoring Statement.
- 8.8. On the basis of this there is no need for additional landfill capacity across Aberdeen City and Shire at the current time.
- 8.9. It is proposed to continue in the strategic direction contained in the current plan as being an appropriate response to the waste issues faced by the area. This will include the desire to see the consented Energy from Waste plant built and operational on a timescale to meet the landfill diversion targets and the express statement that the area has no need for additional landfill capacity for inert or non-hazardous waste.

HOW DID WE DO?

Between 2011 and 2016, the quantity of household waste fell by 8% and the quantity of waste sent to landfill fell by over 18%. In addition to this, the percentage of household waste recycled increased to 42%.

9. TRANSPORT

- 9.1. By the time the new framework is approved by Scottish Ministers the transport network in large parts of the area will have experienced radical change. Not only will the long-awaited Aberdeen Western Peripheral Route (AWPR) be complete, but the A90 dual carriageway will extend to Ellon and the 'Fastlink' between the AWPR at Milltimber and Stonehaven will also be in place. A new station will be about to open at Kintore and half-hourly local train services will run from Inverurie to Montrose. Refurbished intercity trains will have replaced the current rolling stock on journeys to Glasgow, Edinburgh and Inverness and journey times will have started to reduce due to timetable changes. Connections to London will also have benefitted from new dual-fuel trains on the East Coast mainline and the Caledonian sleeper service will be using new carriages as well. Work will also have started on the Haudagain Roundabout improvements and should be about to start on a new grade-separated junction on the A90 at Laurencekirk. There will also be greater clarity about how journey time improvements between Aberdeen and the Central Belt by rail will be achieved. Further into the future (but within the first half of the plan period), the A96 to Inverness will also be upgraded to dual-carriageway status by 2030.

Strategic Transport Fund

- 9.2. In spite of the scale of investment, these projects won't solve all our transport challenges. To that end the current strategic development plan was accompanied by supplementary guidance relating to the funding of strategic transport interventions. However while this guidance was well meaning in its intentions the recent judgment of the Supreme Court considered it unlawful. The recently published Planning Bill makes reference to a strategic infrastructure levy but this is at its early stages and it will be some time before there is a mechanism to collect funding for interventions.

Cumulative Transport Appraisal

- 9.3. As part of the evidence base for the current strategic development plan a cumulative transport appraisal was undertaken. The CTA helped to identify hotspots for transportation issues across the City and Shire over the life of the plan's housing and employment land allocations. On the basis of this a suite of strategic interventions was compiled which informed the strategic transportation fund as a mechanism to address future transport issues.
- 9.4. Nestrans and the SDPA have commissioned a new CTA to add to the evidence base for the next strategic development plan. The goal of the appraisal is to again ascertain if the housing and employment allocations in the next plan will result in hotspots for transport issues.
- 9.5. While at an early stage the initial modelling reiterates what was previously ascertained; that growth as predicted will result in a considerable rise in overall traffic delays across areas such as Dyce & the Airport, Kingswells (including the A944 corridor to Westhill).

Strategic Transport Appraisal

- 9.6. As part of the City Region Deal, a Strategic Transport Appraisal is being carried out to identify how the system needs to change over the next 20-30 years. The transport modelling for this will be calibrated following the opening of the AWPR. The timing of this project means that its output will inform future plans rather than this one.
- 9.7. In the meantime, it is proposed that the new plan should continue to identify those transport projects which will not be complete by the time the plan is approved, including the Laurencekirk junction and the cumulative transport interventions.
- 9.8. The framework will continue to support transport projects outwith the city region area which bring significant benefit to the people and economy of the area. Principal among these on the road network is a new relief road around in/around Dundee to relieve congested journeys on the Kingsway. On the rail network, the standout project is the infrastructure required to reduce journey times to the Central Belt by 20 minutes (a Strategic Transport Projects Review project the Scottish Government committed £200m to in parallel with the City Region Deal). Most if not all of the

infrastructure element to these proposals are likely to be outwith the area, in Angus, Fife, Perth & Kinross and Falkirk.

Do you agree that the new plan should continue to be identify regionally significant long term transport projects and cumulative transport interventions?

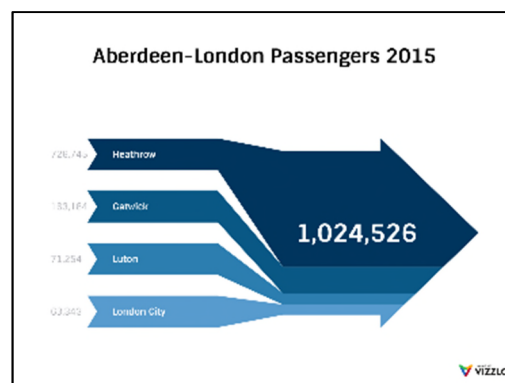
- 9.9. Current information suggests that new railway stations on the current line through the area will be potentially deliverable once a local rail service is delivered in 2019 and we will work with Nestrans on the identification of potentially suitable sites which best serve current and future households. There will also be a need to continue to explore options for road/rail improvements to the A90 north of Aberdeen (particularly between Ellon and the Toll of Burness) to reduce accident rates and journey times while facilitating regeneration of the north Aberdeenshire coast. In addition capacity issues on the A944 need to be addressed (highlighted previously under the spatial strategy).

Modal Shift

- 9.10. The regeneration of Aberdeen City Centre is a key priority. Achieving the vision of the City Centre Masterplan, however, will require a step-change in the way residents and visitors access the city centre to reduce the number of cars in the area. This will require a number of changes likely to reduce the number of cars and increase the attractiveness of alternative forms of transport. Aberdeen City Council is also considering the potential for a Low Emission Zone to improve air quality which is a significant health issue in parts of the city, Aberdeen having some of the most polluted streets in the country.
- 9.11. Following the approval of the SDP in 2014, Nestrans prepared their Active Travel Action Plan which identifies the need to improve strategic connectivity by walking and cycling. Aberdeenshire Council is currently examining the SGAs in their area to identify deliverable projects to better connect the communities along these routes and into Aberdeen itself. This should result in the identification of 'Gold Standard' active travel routes, building on the 'National Walking and Cycling Network' being developed by SNH. While improvements have been made and more are planned, much more is required across the area to make active travel a more attractive option. In particular, development proposals still tend not to pay proper regard to active travel, concentrating instead on access by car.

Aberdeen International Airport

- 9.12. Aberdeen International Airport provides key domestic and international links for business and tourism and is an important part of the local economic infrastructure. A total of 3.47m passengers were carried in 2015 to 66 destinations. Heathrow continued to be the main destination (of over 1m journeys to and from London, 71% were to Heathrow), with Amsterdam and Gatwick also having more than 100,000 passenger journeys each.
- 9.13. At the time of the last SDP it was thought that the issue of potential runway extension would need to be addressed in the forthcoming SDP. However, passenger numbers at the airport have fallen over the last two years and are only now starting to grow again. However, the SDP will continue to support the improvements to the terminal in Aberdeen (particularly relating to surface access) and the expansion of destinations served.



Aberdeen Harbour

- 9.14. Aberdeen Harbour Board has embarked on an expansion programme to form a new harbour at Bay of Nigg, south of their existing facilities. The City Region Deal includes a project to improve off-site transport infrastructure to maximise the benefit of the harbour board investment and this will be reflected as a proposal within the new plan.

Glossary of terms

Affordable housing	Housing of a reasonable quality that is affordable to people on modest incomes.	Scottish Planning Policy (SPP)
Allocated site	An area of land which has been approved in principle by the planning authority for a certain type of future development e.g. housing.	Planning Aid Scotland (PAS)
Brownfield land	Land which has previously been developed. The term may cover vacant or derelict land, land occupied by redundant or unused building and developed land within the settlement boundary where further intensification of use is considered acceptable.	SPP
Climate change adaptation	The adjustment in economic, social or natural systems in response to actual or expected climatic change, to limit harmful consequences and exploit beneficial opportunities.	SPP
Climate change mitigation	Reducing the amount of greenhouse gases in the atmosphere and reducing activities which emit greenhouse gases to help slow down or make less severe the impacts of future climate change.	SPP
Community	A body of people. A community can be based on location (for example people who live or work in or use an area) or common interest (for example the business community, sports or heritage groups).	SPP
Development Plan	A generic term for the Structure Plan and/or Local Plan, or Strategic Development Plan and/or Local Development Plan, which apply to a planning authority area. Refer to our separate information sheet Development Plans for more information. Any planning application should be determined in accordance with the Development Plan unless material considerations indicate otherwise.	PAS
Effective housing land supply	The part of the established housing land supply which is free or expected to be free of development constraints in the period under consideration and will therefore be available for the construction of housing.	SPP
Flood	The temporary covering by water from any source of land not normally covered by water, but not including the overflow of a sewage system.	SPP
Flood risk	The combination of the probability of a flood and the potential adverse consequences associated with a flood, for human health, the environment, cultural heritage and economic activity.	SPP
Greenfield	Land which has not been developed, in either urban or rural areas.	PAS
Housing need and demand assessment	An HNDAs estimates the future number of additional homes to meet existing and future housing need and demand. It also captures information on the operation of the housing system to assist local authorities to develop policies on new housing supply,	HNDAs Manager's Guide 2014

	management of existing stock and the provision of housing-related services.	
Housing market area	A geographical area where the demand for housing is relatively self-contained	SPP
Housing supply target	The total number of homes that will be delivered.	SPP
Local Development Plan	Part of the Development Plan - a statutory document required to be prepared (as of 2009), after full public consultation, by all planning authorities in Scotland to replace existing Local Plans (see below). The LDP is the basis for making planning decisions in a given area. It must contain a spatial strategy and a vision statement, planning policies and maps. In the four city-regions, the LDP will be supplemented with a Strategic Development Plan; elsewhere the Development Plan will comprise only the Local Development Plan.	PAS
Scottish Planning Policy	A documents stating Scottish Government policy on nationally important land use and other planning matters	PAS
Strategic Development Plan	Part of the Development Plan – a statutory document prepared after full public consultation. SDPs apply to the 4 city-regions (Aberdeen, Dundee, Edinburgh, Glasgow and their surrounding areas) and cover several local authority areas. SDPs are required to be prepared jointly by planning authorities acting as Strategic Development Planning Authorities (SDPAs) as of 2009 to replace existing structure plans (see below). SDPs will set parameters for Local Development Plans; contain Vision Statements and Spatial Strategies; and will consider how land use proposals for neighbouring areas will impact on the SDP area. Refer to our separate information sheet Development Plans for further information.	PAS
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.	Brundtland, Our Common Future, The World Commission on Environment and Development, 1987.
Sustainable Economic Growth	Building a dynamic and growing economy that will provide prosperity and opportunities for all, while ensuring that future generations can enjoy a better quality of life too.	SPP
Windfall Sites	Sites which become available for development unexpectedly during the life of the development plan and so are not identified individually in the plan.	SPP

Housing Need and Demand Assessment

Aberdeen City and Shire

2017

Final

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1. Introduction

Purpose

- 1.1 The Town and Country Planning (Scotland) Act 1997 requires local and strategic planning authorities to plan for land use in their area, including the allocation of land for housing. The Housing (Scotland) Act 2001 places a responsibility on local authorities to prepare a Local Housing Strategy supported by an assessment of housing need and demand and the provision of related services. The Housing Need and Demand Assessment (HNDA) provides a common evidence base to enable these statutory obligations for Aberdeen City and Shire local authority areas to be met.
- 1.2 The HNDA will be regularly updated and monitored with a full review on a five year cycle. This HNDA replaces the previous Assessment prepared for the area in 2010, and updated in 2011.
- 1.3 The Scottish Government's HNDA Practitioner's Guide (2014) expects HNDAs to inform:
 - Housing Supply Target
 - Stock management
 - Housing investment
 - Specialist provision
- 1.4 The HNDA for Aberdeen City and Aberdeenshire aligns closely to the structure and good practice set out in the Practitioner's Guidance.

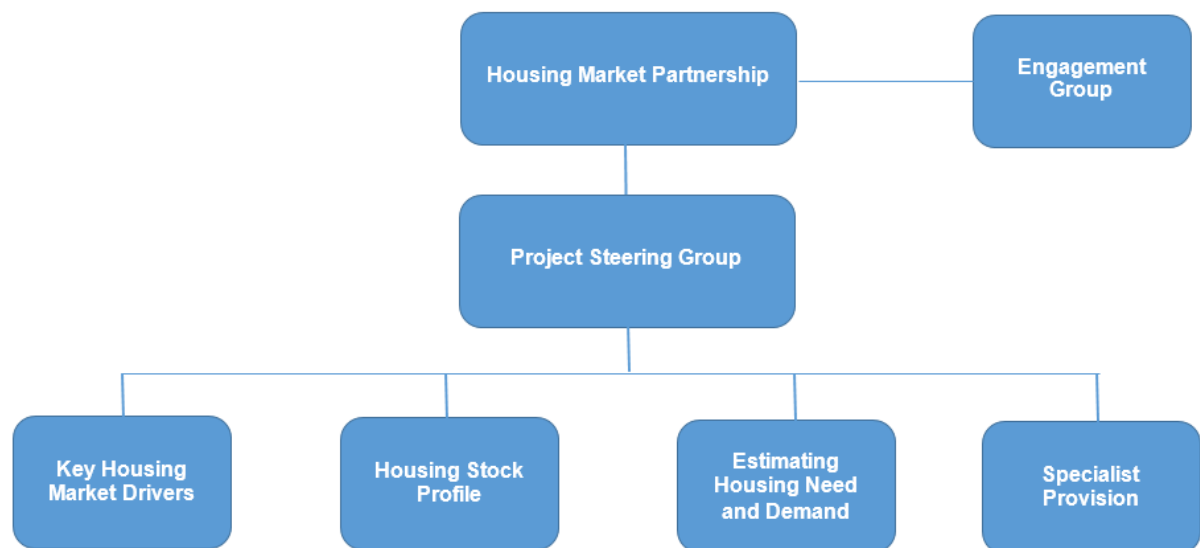
Structure and Governance

- 1.5 The HNDA has been agreed by the Housing Market Partnership (HMP). This group comprises lead officers for housing and planning from Aberdeen City Council, Aberdeenshire Councils and the Aberdeen City and Shire Strategic Development Planning Authority.
- 1.6 Following agreement by the HMP, the HNDA is to be approved for submission to the Scottish Government's Centre for Housing Market Analysis (CHMA) for their consideration.
- 1.7 The Scottish Government's Department for Planning and Environmental Appeals (DPEA) has previously commented that, where the CHMA has

confirmed that an HNDA is robust and credible, the approach used will not normally be considered further at a Development Plan Examination.

- 1.8** A Project Steering Group has managed the production of the HNDA. This group comprised officers for housing, planning, information and research from both Aberdeen City and Aberdeenshire Councils as well as representation from the Aberdeen City and Shire Strategic Development Planning Authority. The Cairngorms National Park Authority (CNPA) were involved at an early stage to ensure that their interests were represented. It was agreed that they would be kept informed of progress with the project and that an appendix would be developed to provide any key and relevant information disaggregated to the Aberdeenshire boundary of the park authority (refer to appendix 1). This was important to ensure that the Park Authority is able to collate information from the four HNDAs produced covering part of their area.
- 1.9** Working groups were set up for each chapter in the HNDA: Key Housing Market Drivers, Housing Stock Profile and Pressures, Estimating Housing Need and Demand, Specialist Provision. These were made up of officers from both councils and the SDPA as appropriate.
- 1.10** In the interests of partnership working and wider engagement, an Engagement Group was established. This group consisted of a wide range of partners from the public, registered social landlords (RSLs), housebuilding and financial sectors. Full membership lists for this and the other groups listed above can be seen in appendix 4.

Figure 1: Organisational Structure

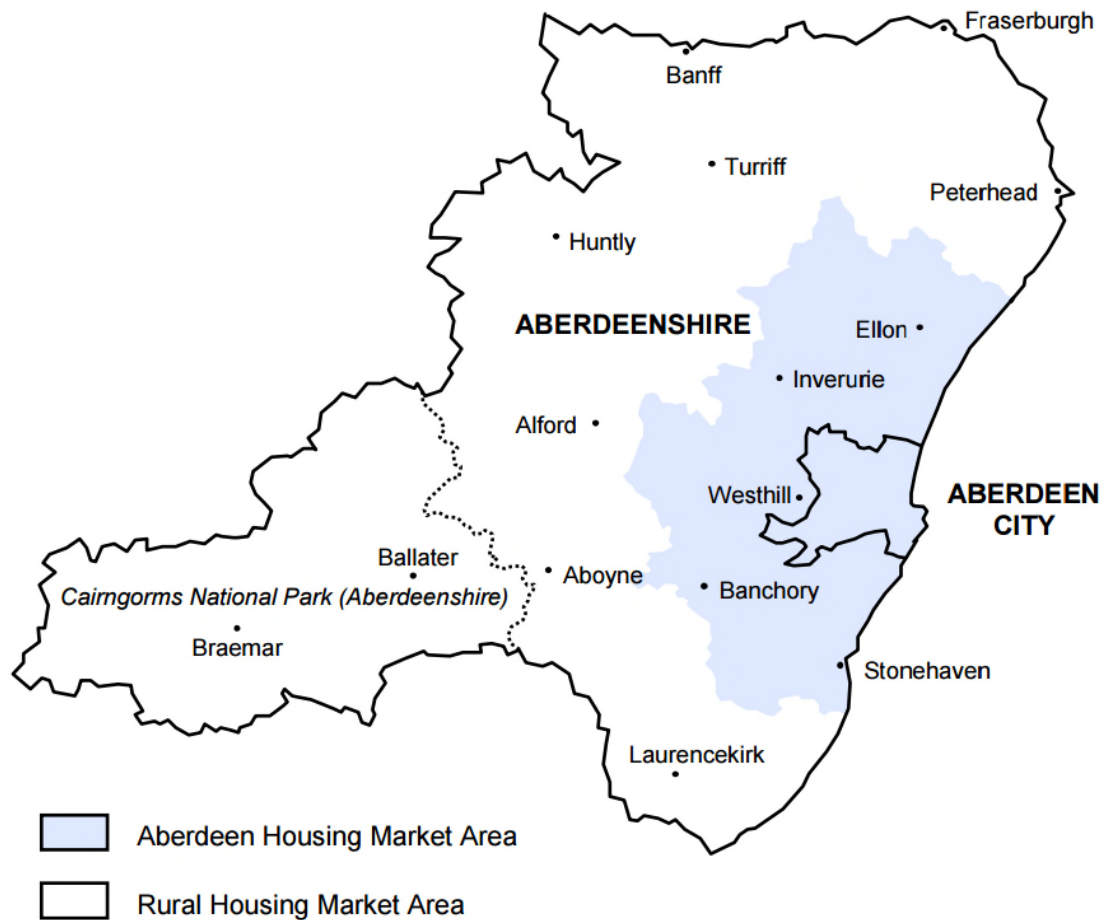


- 1.11** In addition, the HNDA was a standing item on the agendas of the Aberdeenshire Housing Strategy Group and the Aberdeen City and Aberdeenshire Affordable Housing Forums during 2015 and 2016 to both update partners and allow them to feed into the development of the assessment.

Housing Market Areas

- 1.12** Scottish Planning Policy (2014, para 111) defines a Housing Market Area (HMA) as a “geographical area where the demand for housing is relatively self-contained”. The HNDA identifies two housing market areas within the Aberdeen City and Shire area: the Aberdeen Housing Market Area (AHMA) and the Rural Housing Market Area (RHMA). The existing housing market areas were reviewed in August 2015. It was found that there were no significant changes in travel-to-work areas or housing market activity to justify any change in the boundary between the two housing market areas. Therefore the Project Steering Group agreed to retain the existing areas. A copy of the review, its methodology and findings can be found in appendix 2.

Figure 2: Housing Market Areas



Quality Assurance

- 1.13** The HNDA has adhered to quality assurance principles to ensure that the findings have been reached transparently using clear methodologies. Wherever possible official and recognised data sources have been used. Any local data have been checked and cleaned to the satisfaction of the HMP. Where there is a number of competing sources of data, triangulation has taken place to ensure that only the most credible data are used in the HNDA. **Any non-prescribed sources from the HNDA practitioner guidance have been triangulated or justified where possible.**

2. Key Housing Market Drivers

- 2.1** The purpose of this chapter is to analyse demographic trends, affordability trends and wider economic trends. These trends are reviewed where appropriate and available from 2001 to 2017.

Demographic Trends

Population Change

- 2.2** National Records of Scotland's (NRS) latest population estimates are for mid-2015. Table 2.1 shows that the population of Aberdeen City and Aberdeenshire in 2016 was 492,030, which was 53,180 more than in 2001. This is equivalent to an increase of 12.1%, which is a higher rate of growth than for Scotland as a whole, which saw an increase of 6.7% over the same period.
- 2.3** In the Aberdeen Housing Market Area (HMA), the population increased by 13.1% while in the Rural HMA the increase was smaller at 9.7%. At present, 71% of the population of Aberdeen City and Shire live in the Aberdeen HMA and 29% lives in the Rural HMA. This proportion has barely changed since 2001.

Table 1: Population estimates 2001-2016

	2001	2016	Change	% Change
Aberdeen City	211,910	229,840	17,930	8.5%
Aberdeenshire	226,940	262,190	35,250	15.5%
Aberdeen City and Shire	438,850	492,030	53,180	12.1%
Aberdeen HMA	309,461	350,080	40,619	13.1%
Rural HMA	129,389	141,950	12,561	9.7%
CNP (Aberdeenshire)	3,130	3,040	-90	-2.9%
Aberdeenshire (excl CNP)	223,810	259,150	35,340	15.8%
Aberdeen City and Shire (excl CNP)	435,720	488,990	53,270	12.2%
Rural HMA (excl CNP)	126,259	138,910	12,651	10.0%
Scotland	5,064,200	5,404,700	340,500	6.7%

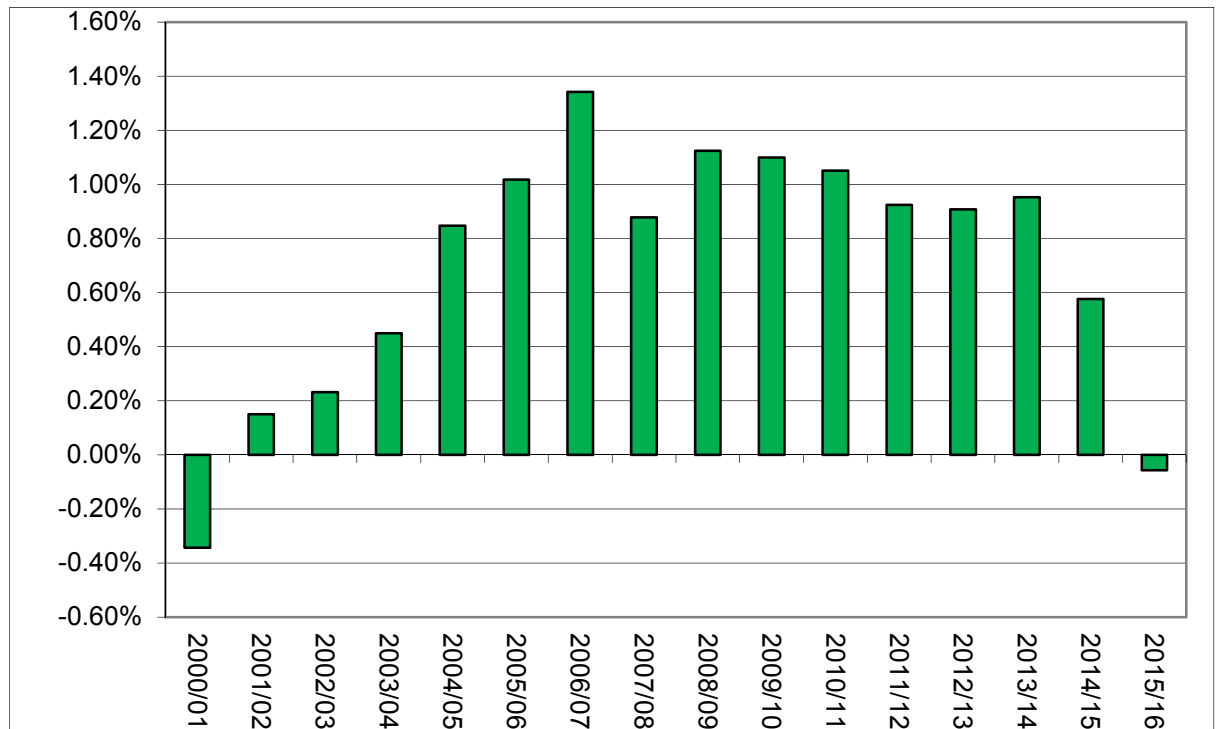
Source: National Records of Scotland Mid-Year Population Estimates (2017)

- 2.4** Population growth has been significantly higher in Aberdeenshire than in Aberdeen City. However, the Aberdeen HMA population has increased by more than the Rural HMA, evidencing the fact that population growth in Aberdeenshire has been strongest in areas close to the city.

2.5
2.6
2.7

2.8 **Figure 1** shows that since 2001 Aberdeen City and Aberdeenshire has experienced strong annual population growth. In the early part of this period the population in Aberdeen City fell whilst that in Aberdeenshire increased. From 2004 to 2015 the population has increased in both Council areas. As discussed in 2.11-2.16, this has been largely driven by a sharp rise in net inward migration.

Figure 3: Annual change in Aberdeen City and Shire population 2000 to 2016



Source: NRS Mid-year Population Estimates (revised following the National Records of Scotland: 2011 census (2016))

- 2.9** It is important to note, however, that the estimated population of the area fell during 2015/16 (the most up-to-date available), the first time this had happened since 2000/01.

Age Structure

Table 2: Population Age Structure, 2016

	All Ages	0-15	16-24	25-29	30-34	35-44	45-54	55-64	65-74	75+
Aberdeen City	229,840	15%	13%	11%	9%	13%	13%	11%	8%	7%
Aberdeenshire	262,190	19%	10%	5%	6%	13%	16%	13%	11%	8%
Aberdeen City and Aberdeenshire	492,030	17%	11%	8%	7%	13%	14%	12%	9%	7%
Aberdeen HMA	350,080	16%	12%	9%	8%	14%	14%	12%	9%	7%
Rural HMA (incl CNP)	141,950	18%	10%	5%	6%	12%	16%	13%	11%	8%
CNP (Aberdeenshire)	3,040	13%	9%	4%	4%	10%	16%	16%	15%	12%

Aberdeenshire (excl CNP)	259,150	19%	10%	5%	6%	13%	16%	13%	11%	8%
Aberdeen City and Shire (excl CNP)	488,990	17%	11%	8%	7%	13%	14%	12%	9%	7%
Rural HMA (excl CNP)	138,910	18%	10%	5%	6%	12%	16%	13%	11%	8%
Scotland	5,404,700	17%	11%	7%	7%	12%	15%	13%	10%	8%

Source: National Records of Scotland (2017)

Table 3 Percentage Change Age Groups 2001-2016

% Change 2001 - 2016	All Ages	0-15	16-24	25-29	30-34	35-44	45-54	55-64	65-74	75+
Aberdeen City	8%	-1%	0%	46%	18%	-4%	5%	26%	6%	9%
Aberdeenshire	16%	3%	16%	18%	-4%	-6%	17%	40%	55%	37%
Aberdeen City and Aberdeenshire	12%	1%	7%	35%	7%	-5%	11%	34%	31%	23%
Aberdeen HMA	13%	3%	4%	41%	16%	-2%	9%	37%	25%	22%
Rural HMA incl CNP	10%	-4%	16%	15%	-14%	-12%	17%	28%	42%	24%
Scotland	7%	-6%	7%	19%	-8%	-15%	16%	26%	25%	23%

Source: National Records of Scotland (2017)

2.10 As shown in Table 2, the age structure of Aberdeen City and Aberdeenshire is broadly similar to that of Scotland.

2.11 Aberdeen City and Aberdeenshire have experienced different changes in the age structure of their population between 2001 and 2016. Most noticeably Aberdeen City experienced a growth rate of 31.9% in its 25-34 age group compared to 5.5% in Aberdeenshire. Aberdeenshire experienced almost three times the growth rate of Aberdeen City in its 55+ population.

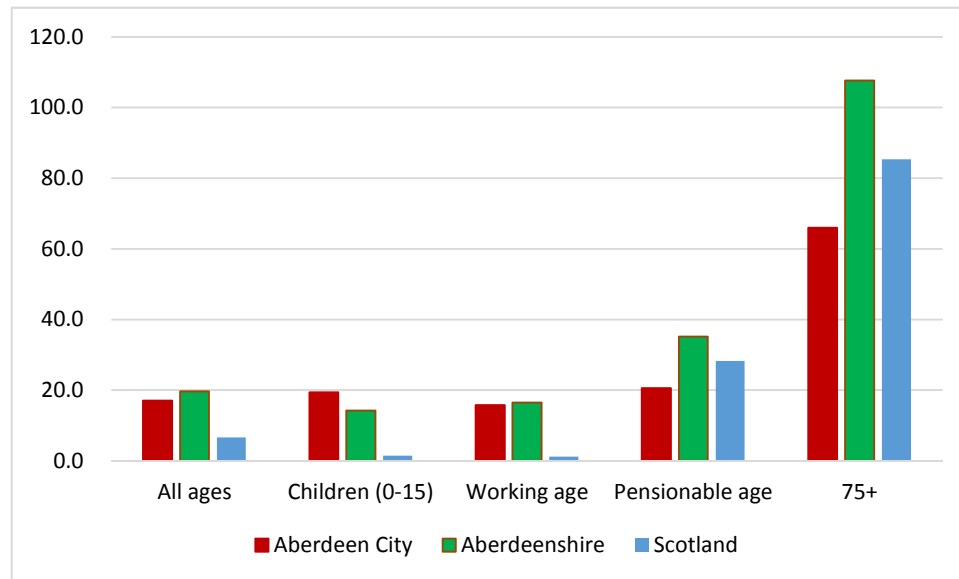
Population Projections

2.12 The NRS population projections are 2014-based. Projections are not a prediction of what will happen in the future but express what would happen based on a range of assumptions – and are heavily reliant on past trends. A range of scenarios are produced by NRS but for simplicity most of the analysis below will be based on the ‘Principal’ projection.

2.13 Over the next 25 years from 2014 to 2039, Aberdeen City and Aberdeenshire are both projected to have significant population increases above the overall Scottish growth rate. The projected growth rate for Aberdeen City and Aberdeenshire overall is 18%. To put this into context, the growth rate over the last 25 years (1989-2014) for Aberdeen City and Shire was 16%.

2.14 Not all age groups are projected to grow at the same rate. **Figure 4** shows

Figure 4 Projected percentage growth rates in different age groups 2014-39



Source: *National Records of Scotland (2017)*

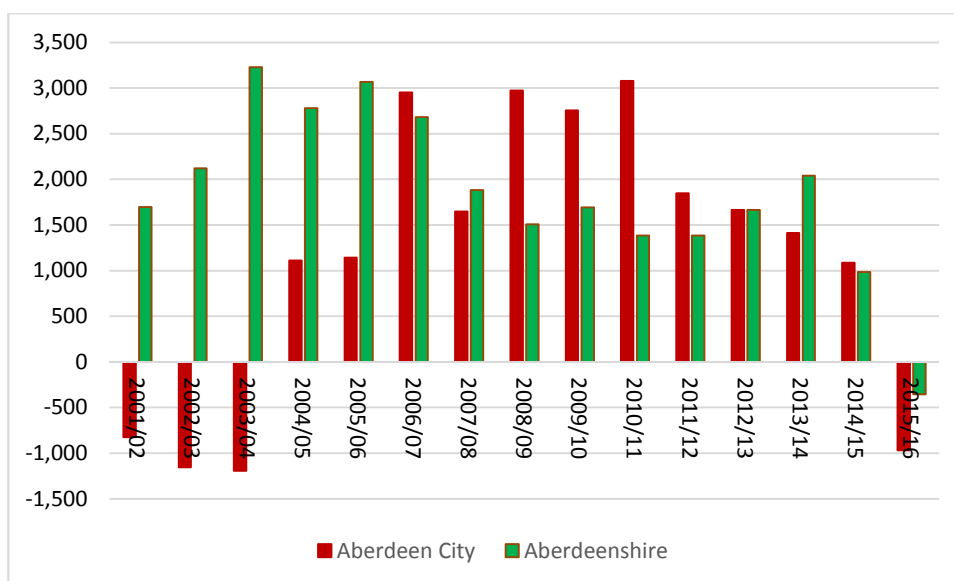
Working age and pensionable age and over, estimated from State Pension Age. As set out in the 2014 Pensions Act, between 2014 and 2018, the state pension age will rise from 62 to 65 for women. Then between 2019 and 2020, it will rise from 65 years to 66 years for both men and women. A further rise in state pension age to 67 will take place between 2026 and 2028. Between 2044 and 2046, state pension age will increase from 67 to 68. The UK Government plan to review state pension age every five years in line with life expectancy and other factors.

the differences between different age groups. Broadly speaking, growth in the under 15 population is much stronger in Aberdeen City whilst growth in the 65+ population is stronger in Aberdeenshire.

Migration

2.15 Until 2015/16, net migration into Aberdeen City and Aberdeenshire had been positive for every year since 2004/05, as it has been for Scotland as a whole.

Figure 5: Net migration, Aberdeen City and Aberdeenshire 2001-2016



Source: National Records of Scotland (2017)

2.16

2.17

2.18 Table 4 shows migration flows for Aberdeen City and Aberdeenshire for 2015-16.

- Both councils saw a net outmigration of population over the year, with a net outflow in Aberdeen City (-969) and Aberdeenshire (-354).
- Net migration was positive in relation to the rest of the world but was negative in relation to both the rest of Scotland and the rest of the UK.
- Net migration from the rest of the world was particularly significant for Aberdeen City.

Table 4 In, out and net migration 2015-16 Aberdeen City and Aberdeenshire

	In-migration			
	Total	within Scotland	Rest of UK	Overseas
Aberdeen City	12305	6177	1971	4157
Aberdeenshire	8157	5935	1244	978
	Out-migration			

	Total	within Scotland	Rest of UK	Overseas
Aberdeen City	13274	8841	2750	1683
Aberdeenshire	8511	6003	1846	662
	Net-migration			
	Total	within Scotland	Rest of UK	Overseas
Aberdeen City	-969	-2664	-779	2474
Aberdeenshire	-354	-68	-602	316

Source: National Records of Scotland (2017)

Migration within Scotland

2.19 Looking more closely at NRS estimates of the migrants that moved within Scotland during 2015-16:

- Of the 8,841 migrants that moved away from Aberdeen City and stayed within Scotland, 41% moved to Aberdeenshire (3,596). Edinburgh and Glasgow together accounted for another 23% of the outward moves, with Highland, Angus and Fife being the next favourite destinations.
- Of the 6,003 migrants that moved away from Aberdeenshire but stayed within Scotland, 39% moved to Aberdeen City (2,349). Angus and Moray together accounted for another 16% of outward moves, with Edinburgh, Glasgow and Highland being the next favourite destinations.
- Of the 6,177 migrants that came to Aberdeen City from elsewhere in Scotland, 38% came from Aberdeenshire (2,349). People moved from all areas into Aberdeen, with the next highest numbers coming from Edinburgh (10%), Glasgow (7%) and Highland (6%).
- Of the 5,935 migrants that moved to Aberdeenshire from elsewhere in Scotland, 59% came from Aberdeen City (3,596). People moved from all areas into Aberdeenshire, with the next highest numbers coming from Angus (5%), Moray (5%), Highland (4%) and Edinburgh (3%).

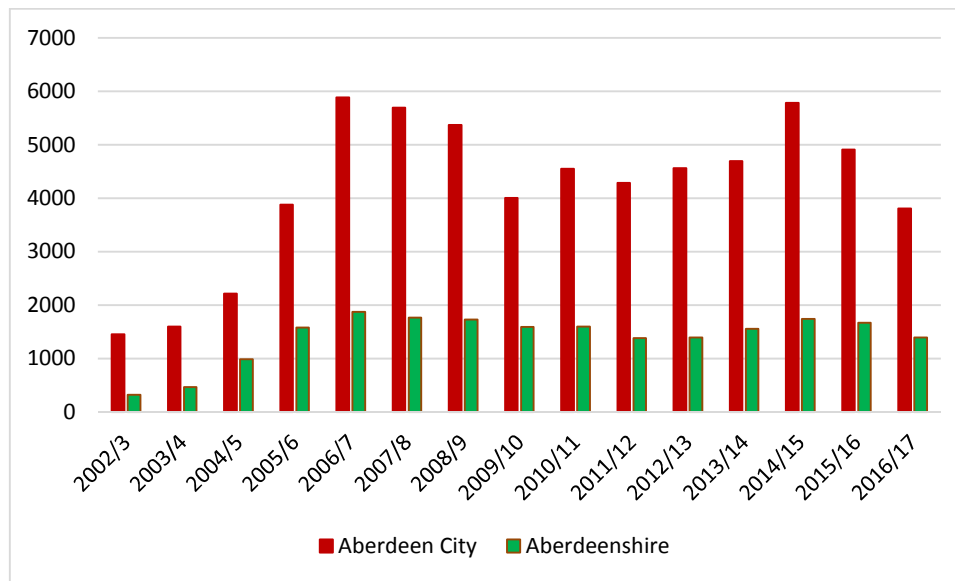
- 2.20** Between 2001 and 2014, there have been fluctuations from year to year in the numbers moving from Aberdeen City to Aberdeenshire and vice versa, but there has been no substantive change in the pattern of flows. On average, around 3,500 people moved to Aberdeenshire from Aberdeen City each year with around 2,200 people moving in the other direction from Aberdeenshire to Aberdeen. Over the same period there was a net outmigration of 17,970 people from Aberdeen City to Aberdeenshire, an average of 1,380 people each year. For the last four years, however, the number of people moving into Aberdeenshire from Aberdeen has been steadily increasing and in 2013/14 rose to over 4,000 for the first time.
- 2.21** The National Records of Scotland: 2011 census (2016) records the numbers of wholly moving households. This term refers to households where all members had moved from one address to another in the year before the Census.
- For Aberdeen City, more households with dependent children moved into the area than moved out, 843 compared to 804. There was a greater net effect from households without dependent children, with 4,142 moving in whilst 2,318 moved out.
 - Aberdeenshire also experienced net growth from wholly moving households with dependent children, but the effect was much stronger with 1,047 households with dependent children moving into the area compared to 502 who left. However it had a net loss of households without dependent children; 2,180 such households left whilst 1,931 moved in.

Migrant Workers

- 2.22** The number of National Insurance Number (NINo) registrations to overseas workers in Aberdeen City and Shire between 2002/03 and 2014/15 is summarised in [Figure 6](#). These figures reinforce NRS estimates that Aberdeen City has experienced much higher rates of in-migration from individuals coming from abroad than Aberdeenshire. They also show the sharp increase in net in-migration that occurred subsequent to the 2004 enlargement of the European Union (EU) following the accession of A8 and A2 countries¹ to the EU.

¹ A8 = Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. A2 = Bulgaria and Romania.

Figure 6 National Insurance Registrations to Migrant Workers 2002-2017 (financial years)



Source: DWP (2016)

2.23 The latest figures indicate that between 2002 and 2015, 67,220 migrant workers resident in Aberdeen City and Shire were allocated a National Insurance number² of whom:

- 44,680 (75%) resided in Aberdeen City and 15,040 (25%) in Aberdeenshire.
- 35,120 (52%) originated from the 13³ EU accession countries, including 18,250 from Poland.
- 12,130 (18%) originated from other EU countries, particularly the Republic of Ireland, France, Germany and Spain. In the last four years the number of migrants from Spain, Portugal and Italy has noticeably increased.
- 61% of migrants from the EU accession countries registered in Aberdeen City as did 85% of those from EU15 countries.
- 80% were under 35 years of age at the point of registration, including 39% who were under 25 years.

² Note that National Insurance Number registration statistics are helpful in giving the current location of applicants but cannot tell us if people then move to a different area once the number has been issued.

³ Includes Cyprus, Malta and Croatia

Ethnicity

- 2.24** The National Records of Scotland: 2011 census (2016) is the most comprehensive source of information on ethnicity. [Table 5](#) shows that in 2011 21,939 people from a non-white ethnic background lived in the Aberdeen City and Aberdeenshire Area. This equated to 4.6% of the population, slightly above the comparable rate of 4.0% for Scotland.
- 2.25** In 2011, as in 2001, around 80% of residents from a non-white ethnic minority who lived in Aberdeen City and Aberdeenshire, lived in Aberdeen City, reflecting a much greater inflow of people from non-white ethnic minority backgrounds into the City. The largest non-white ethnic minority group, in both Aberdeen City and Aberdeenshire, comprised people who described their ethnic group as Asian, Asian Scottish or Asian British.

Table 5 Ethnic Groups in Aberdeen City and Aberdeenshire, 2011

		Number	% of population
Aberdeen City	White ethnic groups	204,715	91.9%
	All other ethnic groups	18,078	8.1%
	All People	222,793	
Aberdeenshire	White ethnic groups	249,112	98.5%
	All other ethnic groups	3,861	1.5%
	All People	252,973	
Aberdeen City and Aberdeenshire	White ethnic groups	453,827	95.4%
	All other ethnic groups	21,939	4.6%
	All People	475,766	
Aberdeen HMA	White ethnic groups	316,485	93.9%
	All other ethnic groups	20,442	6.1%
	All People	336,927	
Rural HMA	White ethnic groups	137,342	98.9%
	All other ethnic groups	1,497	1.1%
	All People	138,839	
Scotland	White ethnic groups	5,084,407	96.0%
	All other ethnic groups	210,996	4.0%
	All People	5,295,403	

Source: National Records of Scotland: 2011 census (2016) (Table KS201SC)
Table includes CNP data

- 2.26** There has also been considerable growth in non-British white ethnic groups throughout Aberdeen City and Aberdeenshire, largely as a result of immigration from the EU Accession States. In particular 2.1% of the population describes itself as 'White: Polish' and 3.4% as 'Other White'. . Again they are more strongly represented in Aberdeen City than in

Aberdeenshire overall, but there are some settlements in Aberdeenshire, particularly in the north, where they form a proportionately larger group than in the City.⁴

Household Trends

- 2.27** Since 2001, the numbers of households in Aberdeen City and Aberdeenshire have increased at a faster rate than for Scotland as a whole. 213,688 households lived in the area in 2014, 14% more than in 2001. In Scotland the increase was 10%.
- 2.28** The rate of growth in the numbers of households in Aberdeen City has been much less than in Aberdeenshire and is a little lower than in Scotland overall. Aberdeenshire's population has exceeded Aberdeen City's since 1991 but only since 2010 have there been more households in Aberdeenshire than in the city.
- 2.29** As set out in table 8, between 2001 and 2011 the population in the Aberdeen HMA grew by more than the RHMA. However, the growth in the number of households in this period was the same if the Cairngorms National Park is included in the Rural HMA and slightly more if it is not.

Table 6 Households in Aberdeen City and Shire 2001-2016

	2001	2016	Change 2001 - 16	Percentage change 2001 - 16
Aberdeen City	96,948	106,749	9,801	10.1%
Aberdeenshire	90,887	110,296	19,409	21.4%
Aberdeen City and Aberdeenshire	187,835	217,045	29,210	15.6%
Scotland	2,194,564	2,451,869	257,305	11.7%

Source: NRS Estimates of Households and Dwellings in Scotland, 2016

Table 7 Dwellings in Aberdeen City and Shire 2001-2016

	2001	2016	Change	% Change
Aberdeen City	105,030	115,080	10,050	9.6%
Aberdeenshire	97,014	116,421	19,407	20.0%
Aberdeen City and Aberdeenshire	202,044	231,501	29,457	14.6%
Scotland	2,320,642	2,575,667	255,025	11.0%

Source: NRS Estimates of Households and Dwellings in Scotland, 2016

⁴ Fraserburgh, Banff and Turriff have a greater proportion of White:Polish people than Aberdeen City and Peterhead and Fraserburgh have a greater proportion of people in the White:Other grouping.

Household Composition and Tenure

- 2.30** In 2011 the composition of households living in Aberdeen City and Aberdeenshire was broadly comparable to that of Scotland, although the former had a slightly higher proportion of couples, including couples with dependent children. This position had not changed significantly since 2001.
- 2.31** There were however noticeable difference between the two authorities. Relative to Aberdeen City and Scotland, in Aberdeenshire there were high proportions of couples, including couples with dependent children, and low proportions of single adult households. Although the numbers have changed, the overall pattern of household structure remains similar to that of 2001.

Table 8: Composition of households in Aberdeen City and Aberdeenshire 2011

Household type	Aberdeen City	Aberdeenshire	Aberdeen City and Aberdeenshire	Aberdeen HMA	Rural HMA	Scotland
Single Adult Aged < 65	27%	15%	21%	23%	15%	22%
Single Adult Aged 65+	11%	12%	12%	11%	13%	13%
Couple, No Children (inc.people aged 65+)	19%	30%	20%	20%	22%	18%
Lone Parent with Dependant Child(ren)	5%	5%	5%	5%	5%	7%
Lone Parent, All children non-dependent	3%	3%	3%	3%	3%	4%
Couple with Dependant Child(ren)	16%	24%	20%	19%	22%	17%
Couple, All children non-dependant	5%	8%	6%	6%	7%	6%
Other	15%	12%	14%	14%	13%	13%
All Households	103,371	104,714	208,085	149,459	58,626	2,372,777

Source: National Records of Scotland: 2011 census (2016) Table includes CNP data

- 2.32** Between 2001 and 2011 the number of households in Aberdeen City increased by 6,358 or 6.6% and the number of households in Aberdeenshire increased by 13,978 or 15.4%.
- 2.33** The growth of single person households accounted for 43% of the city's growth and 34% of Aberdeenshire's growth.
- 2.34** The number of households containing a couple with dependent children increased slightly over this period, by 1.6% in the city and 5.4% in Aberdeenshire. The proportion of all households that they represent remained unchanged in Aberdeen City at 16% and fell from 27% to 24% in Aberdeenshire.
- 2.35** The number of households containing couples with no dependent children increased by 38% in Aberdeenshire and 29% in the city. In Aberdeenshire most of this growth was in couple households with no children rather than in couple households with non-dependent children. In Aberdeen City the number of couple households with non-dependent children actually fell.

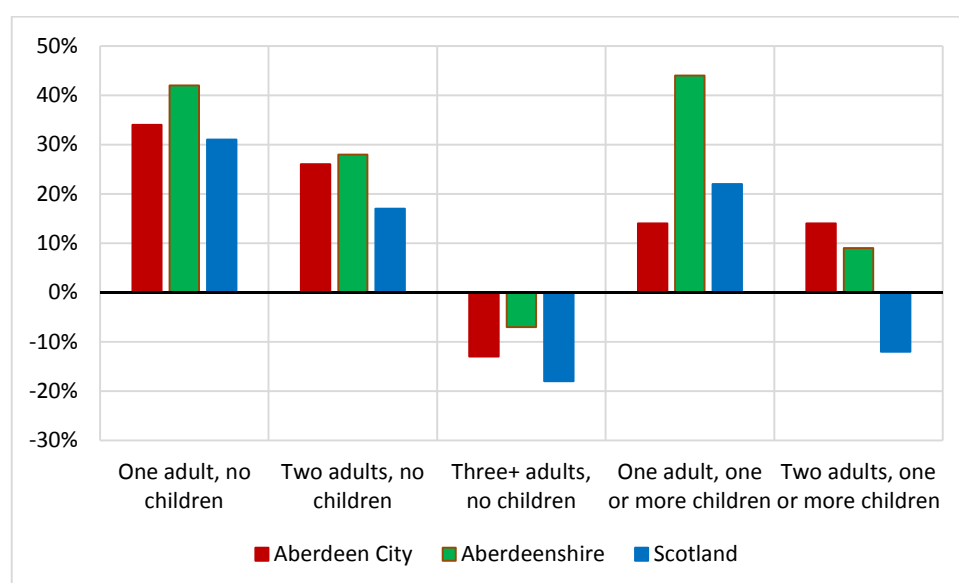
Household Projections

- 2.36** NRS produces household projections covering a 25 year period using three levels of net migration. In all three projections Aberdeen City and Aberdeenshire are expected to see an increase in household numbers. The range of growth for Aberdeen City is 15% to 33% and for Aberdeenshire is 20% to 30%. For Aberdeen City and Aberdeenshire as a whole the projected range of household growth is 17% to 31%. The equivalent figures for Scotland are 10% and 19%. To put this into context, growth in the number of households in Aberdeen City and Aberdeenshire over the previous 25-year period (1989-2014) was 29%.
- 2.37** According to the Principal Household Projections, Aberdeen City and Aberdeenshire are both expected to gain significant numbers of households over the next 25 years. Aberdeen City is expected to see its numbers of households rise by 24% and Aberdeenshire by 25%.
- 2.38** For both authorities the change in the projected number of households is greater than the change in the projected population. Aberdeen City's population is projected to increase by 17% and Aberdeenshire's by 20% over the same period. The numbers of different types of households are expected

to increase at different rates. In particular there is a high rate of growth expected in the number of single person households.

- 2.39** There is significant percentage growth in 'One adult, one or more children households' in Aberdeen City and Aberdeenshire. However this is from a fairly low base. In 2012 they form 4.3% of all households and in 2037 4.5%. The growth in the number of 'Two or more adults, one or more children' households is largely concentrated in the city. The number of this type of household in Aberdeenshire is projected to change only slightly.

Figure 7 Projected percentage change in household type, 2014 - 2039



Source: 2014-based Household Projections, National Records of Scotland

Tenure

- 2.40** Considering Aberdeen City and Aberdeenshire together, the tenure profile of households is roughly similar to that of Scotland with a slightly larger owner occupied sector and a slightly smaller social rented sector.
- 2.41** However, there are major differences between the two authorities. Aberdeenshire has a substantially greater owner occupied sector than either Aberdeen City or Scotland and correspondingly smaller social and private rented sectors.

Table 9: Tenure of households in Aberdeen City and Aberdeenshire

	Aberdeen City	Aberdeenshire	Aberdeen City and Aberdeenshire	Scotland
	(%)	(%)	(%)	(%)
Owner occupied	57.3%	72.6%	65.0%	62.0%
Social Rented	24.4%	16.1%	20.2%	24.3%
Private Rented	17.0%	9.4%	13.2%	12.4%
Living rent free	1.4%	1.8%	1.6%	1.3%

Source: National Records of Scotland: 2011 census (2016)

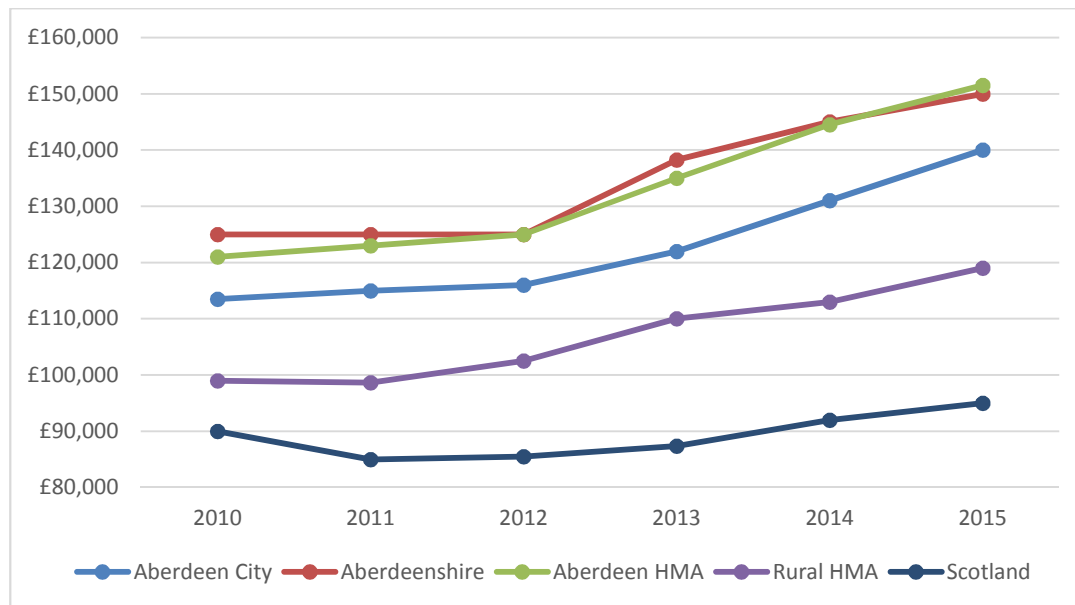
- 2.42** Aberdeen City and Aberdeenshire have seen strong population growth in recent years and this is projected to continue. Most of this growth has been fuelled by high levels of net in-migration. However, the projected level of growth ('Principal' projection) is substantially higher than the long-term average level of growth experienced over the last 25 years. The level of realism attached to this projection must be determined in the context of the rest of this chapter and the decline in net in-migration already reported in both council areas above.

Affordability Trends

House Prices

- 2.43** Lower quartile⁵ house prices for the period from 2010 to 2015 are shown on [Figure](#) below.

Figure 8 - Lower Quartile House Price 2010-2015



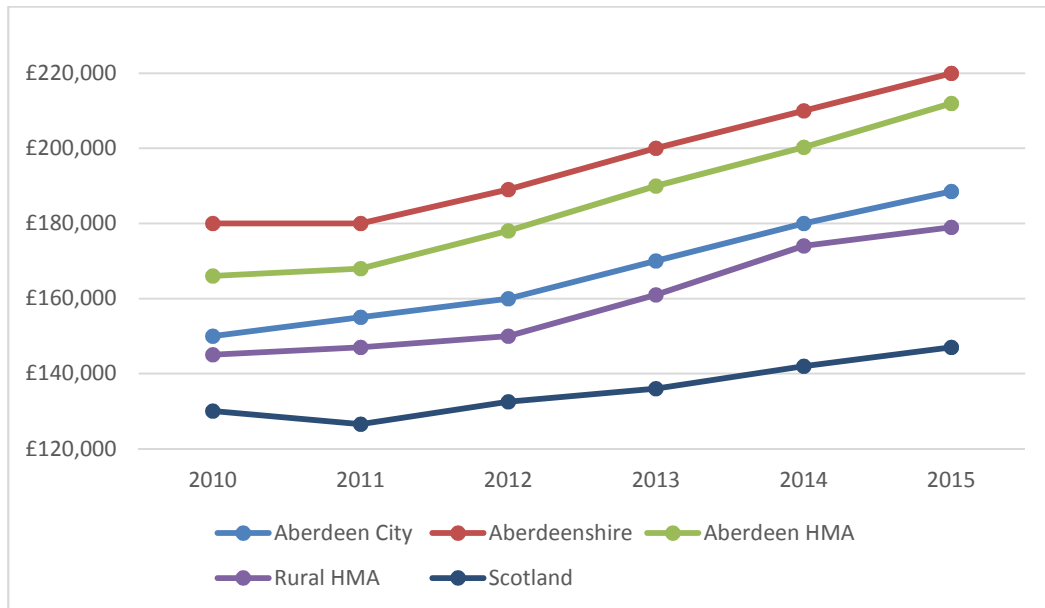
Source: *Registers of Scotland (2016)*

- 2.44** Lower quartile house prices are considerably higher in Aberdeen City and Aberdeenshire than in Scotland as a whole. In the Aberdeen HMA the lower quartile house price in 2015 was 59% higher than Scotland, £151,500 compared with £95,000. The lowest prices in the area are found in the Aberdeenshire Rural HMA but even here the lower quartile price is 25% higher than Scotland.
- 2.45** Lower quartile prices in Scotland fell by nearly £5,000 between 2010 and 2011 and have risen slowly since then, with the 2015 figure just 6% higher than it was in 2010. In contrast, most parts of Aberdeen City and Shire have seen significant increases over the period. In the Aberdeen Housing Market Area the lower quartile house price in 2015 was 25% higher than in 2010. Only some parts of the Rural HMA saw a very slight decrease in 2011 but since then the upward trend has continued and prices there are now 20% higher than in 2010.

⁵ Lower quartile house price data is the average price in the lowest quarter of all house prices.

2.46 Median house prices are shown in [Figure 9](#).

Figure 9 Median House Price 2010-2015



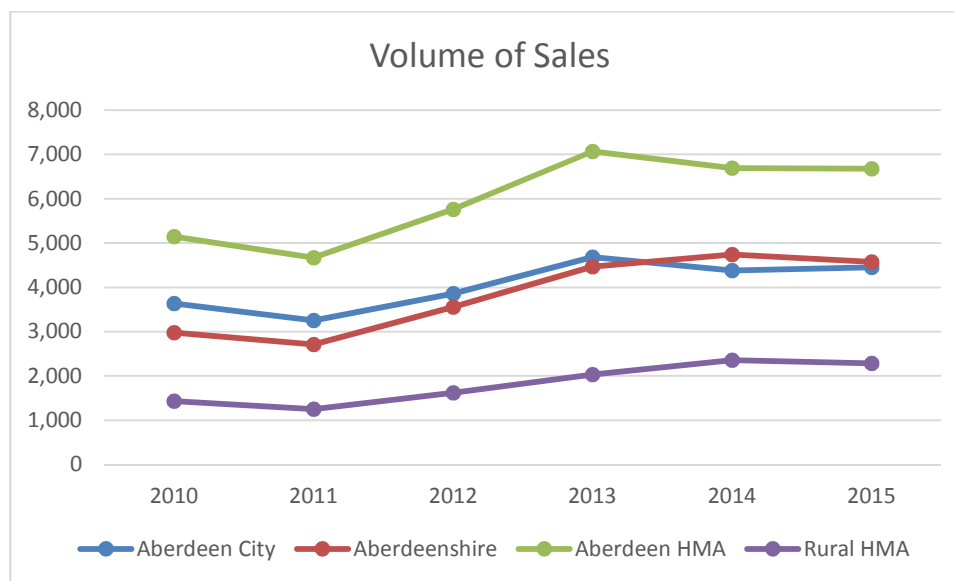
Source: Registers of Scotland (2016)

2.47 Median house prices show a similar pattern with increases across all areas throughout the five year period and are significantly higher than the Scottish median. In Aberdeenshire the median price in 2015 was 50% higher than in Scotland as a whole at £220,000, while in Aberdeen City it was 28% higher. Despite lower prices in the Rural HMA, the median was still 22% higher than the national average.

Volume of Sales

2.48 The volume of sales over the last five years is shown in [Figure](#) below.

Figure 10 Volume of Sales 2010-2015



Source: Registers of Scotland (2016)

- 2.49** All parts of the area saw a decrease of around 10% in the number of sales in 2011 although this was much less than the drop of 35% across Scotland. From 2011 to 2013 sales steadily increased again. Between 2013 and 2015 however, the volume of sales decreased slightly in Aberdeen City (-5%) and the Aberdeen HMA (-6%). While house prices have continued to rise in this period, the changing trend in the volume of sales is starting to show the impact of falling oil prices on the housing market in Aberdeen City and the surrounding area. Sales continued to increase in the Rural HMA (12%) and in Scotland (20%) between 2013 and 2015.
- 2.50** In 2015 Aberdeen City and Aberdeenshire had similar numbers of sales, slightly more in Aberdeenshire (4,576 compared to 4,455 in the City). The Aberdeen HMA had nearly three times as many sales (6,676) as the Rural HMA (2,283).

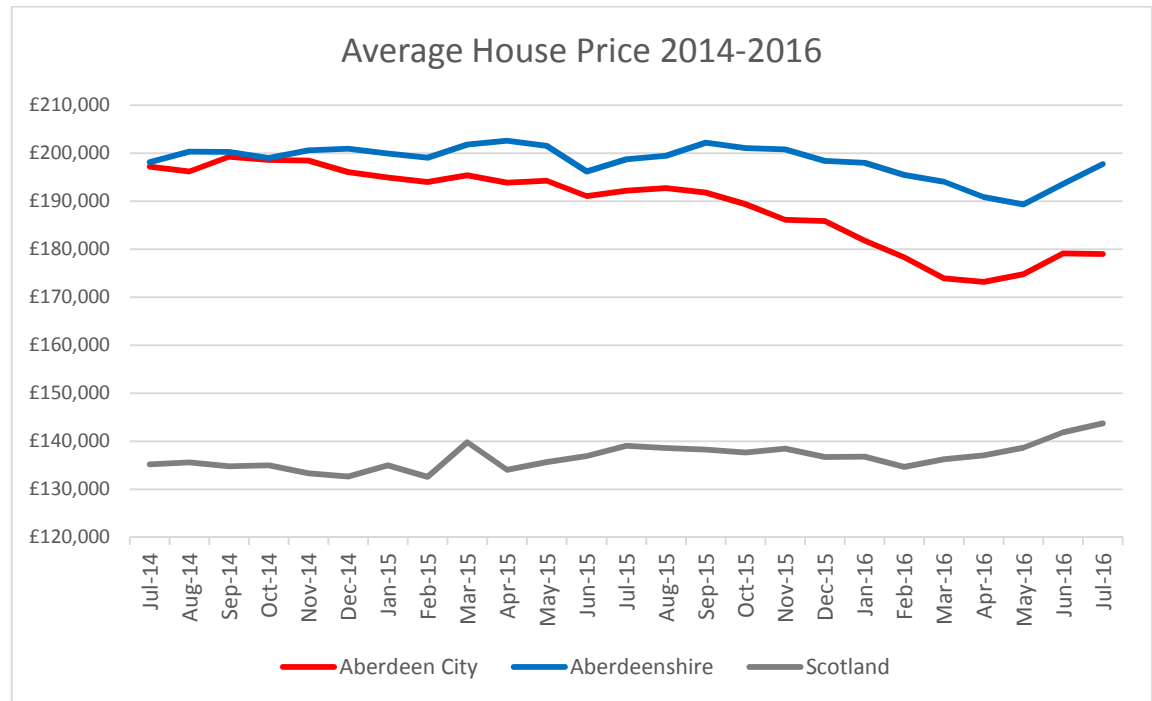
Recent Trends in the Housing Market

- 2.51** The fall in oil price from 2014 and the resulting uncertainty within the local economy is inevitably having an impact on the housing market in Aberdeen City and Aberdeenshire. Alongside the drop in price, there has been the increase (and proposed increase) in the supply of student accommodation (see 5.49) and the impact of LBTT to take into account. Comprehensive data on individual sales is not yet available for 2016 which would allow for detailed analysis by area. However, figures at the local authority level indicate a

significant change in the trend for growth which had been seen up until mid-2014.

- 2.52** Sales figures from Registers of Scotland show a significant decrease in average house prices since 2014, particularly in Aberdeen City where the average price fell by almost £20,000 over the period (Figure)

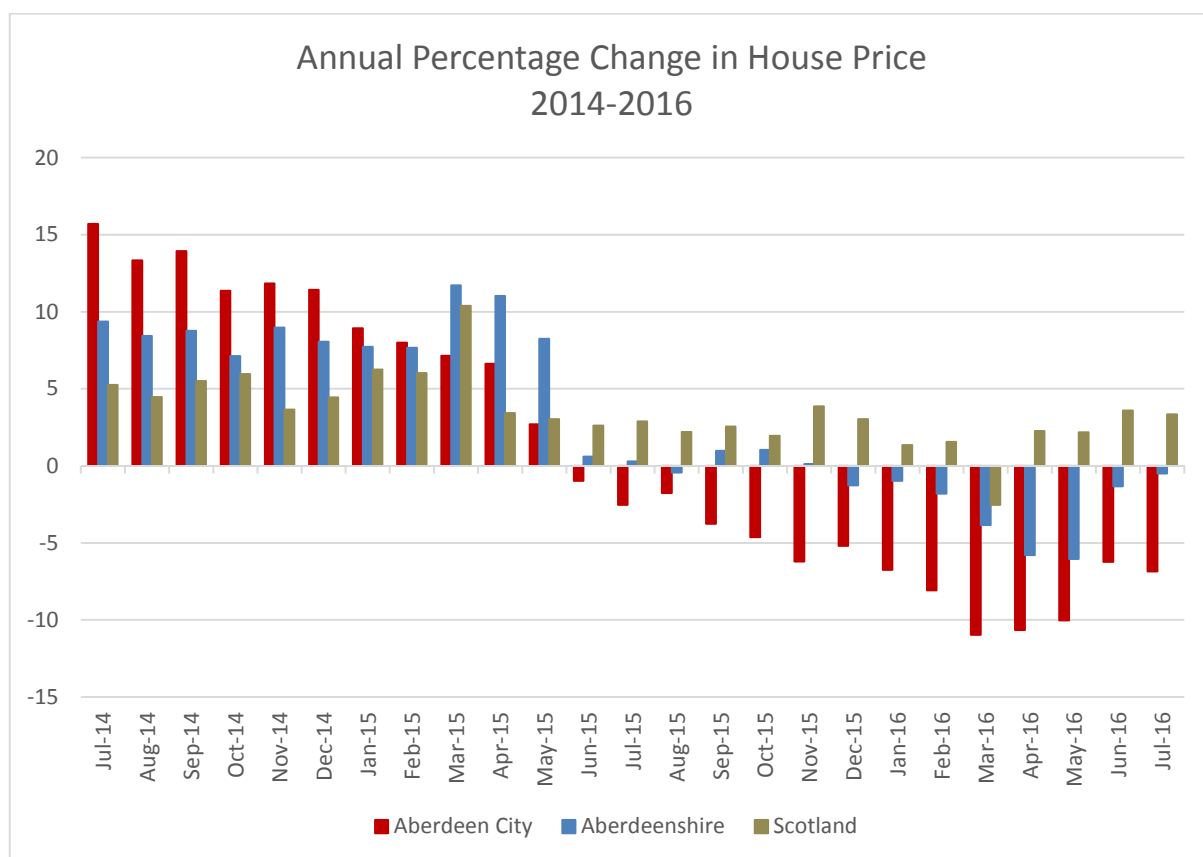
Figure 11 Average House Price 2014-2016



Source: Registers of Scotland (2017)

- 2.53** The number of residential sales has also fallen substantially over this period, with sales of properties in the year to June 2017 at 8,060, down 29% from the year to June 2014 (11,308).

- 2.54** [Figure 2](#) looks at the annual percentage change in house price and this demonstrates that there has been a major shift in Aberdeen City and Aberdeenshire from a trend for growth in house prices to one of decline. This is in contrast to the situation in Scotland as a whole where prices generally continued to increase over the period

Figure 12 - Annual Percentage Change in House Price 2014-2016

Source: Registers of Scotland (2017)

- 2.55** Initially, it was the middle to higher end of the market which was most affected by the downturn while the market for flats and smaller houses remained stronger. In part this may have been due to the higher levels of taxation for more expensive properties resulting from the Land and Buildings Transaction Tax (LBTT) introduced in spring 2015. However, even before this came into force there were indications of a slowdown in the higher end of the market in this area, in contrast to the rest of Scotland where there was an increased level of activity as people rushed to complete transactions before the tax changes. This suggests that the changing local economic and market conditions have been of more significance than the LBTT in driving the fall in prices and transactions in Aberdeen city and Aberdeenshire.
- 2.56** The most recent figures⁶ from late 2015 and the first half of 2016 indicate that the downturn in prices and volume of sales is now also affecting the market for flats and smaller houses.

⁶ <http://landregistry.data.gov.uk/app/ukhpi>

- 2.57** The length of time properties take to sell can be an indicator of changing trends in the housing market. When the market is buoyant, properties will sell more quickly. There is some available data on this⁷ although it should be treated with some caution as it does not cover all properties and can be skewed by issues on a small number of individual properties.
- 2.58** Table 10 shows the change in the average length of time properties spent on the market since the oil price began to fall. It can be seen that particularly in Aberdeen City and some of the surrounding towns such as Westhill, Portlethen, Banchory and Ellon there have been very significant increases in the length of time properties have spent on the market before being sold. Towns in the more peripheral north and west of Aberdeenshire have not seen such a marked change but all locations showed an increase. This data is derived from a three monthly moving average of unsold properties in each location. Although it is not possible to triangulate this source, it supports figure 10 and the trend is repeated in 14 different towns.

Table 10 Average Length of Time on Market (days)

Area	July 2014	Feb 2017	Change July 14 - Feb 17
Aberdeen City	39	153	+292%
Aberdeenshire	71	162	+128%
Banchory	54	191	+254%
Banff	149	188	+26%
Ellon	33	161	+388%
Fraserburgh	68	149	+119%
Huntly	78	134	+72%
Inverurie	61	152	+149%
Macduff	95	247	+160%
Peterhead	88	143	+63%
Portlethen	41	157	+283%
Stonehaven	44	137	+211%
Turriff	135	141	+4%
Westhill	23	131	+470%

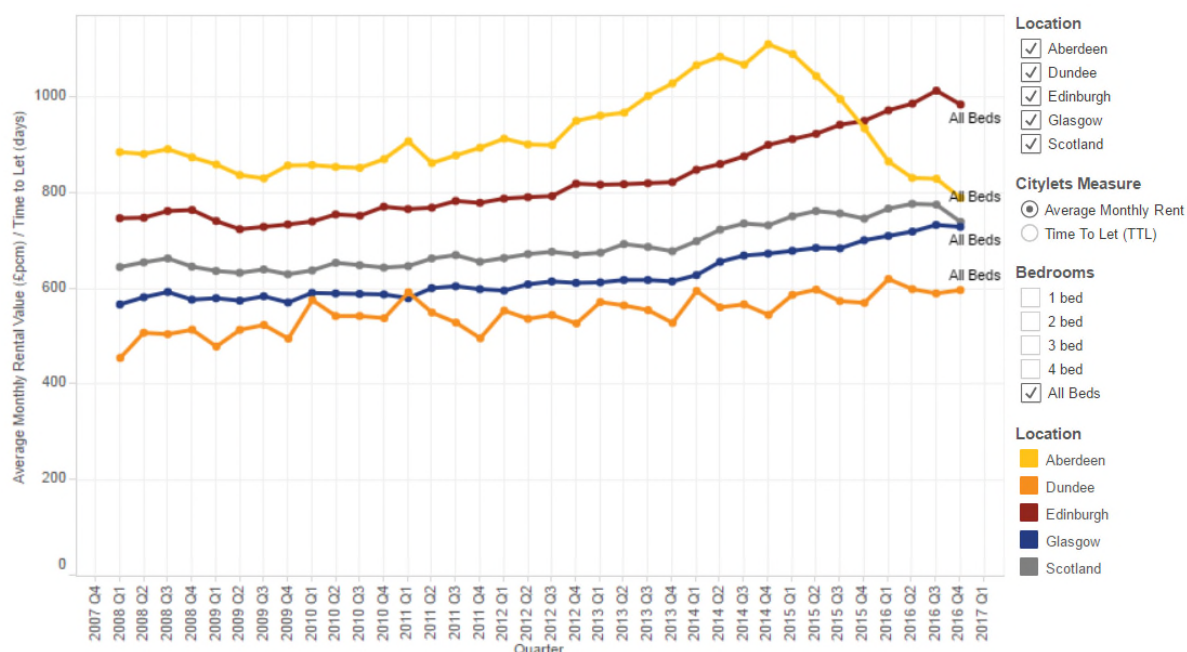
Source: home.co.uk (2017)

⁷ Home.co.uk

Private Rents and Social Rents

- 2.59** Data on private rents and turnover in the private rental sector is typically stronger in cities than in smaller urban settlements. The following paragraphs draw on data from Citylets and the Scottish Government, supplemented by data sourced from the websites of estate agents across Aberdeenshire.
- 2.60** Citylets (Figure) demonstrates private rental trends across Scotland. Of particular interest is Aberdeen's downward curve since Q4 2014 and a 29% fall in rents between Q4 2014 and Q4 2016. Citylets also indicates that the Aberdeen average time to let has more than trebled during this period to 52 days.
- 2.61** Private rental costs in Aberdeen exceeded the other three largest Scottish cities and the Scottish average for the past decade. At the end of 2014 rental costs were approximately 52% more than the Scottish average and 23% more than Edinburgh but fell substantially throughout 2015 to levels comparable with Edinburgh. During the first half of 2016 the order has reversed. Although rental costs are still 7% higher than the Scottish average, Edinburgh is now more expensive. This information can be triangulated by the Scottish Government broad rental market area trends in table 12 below.

Figure 13 Trends in Private Rents in Aberdeen and other Scottish Cities



Source: Citylets (2017)

- 2.62 Prevalent Local Housing Allowance Rates (LHA) are indicated in Table below:

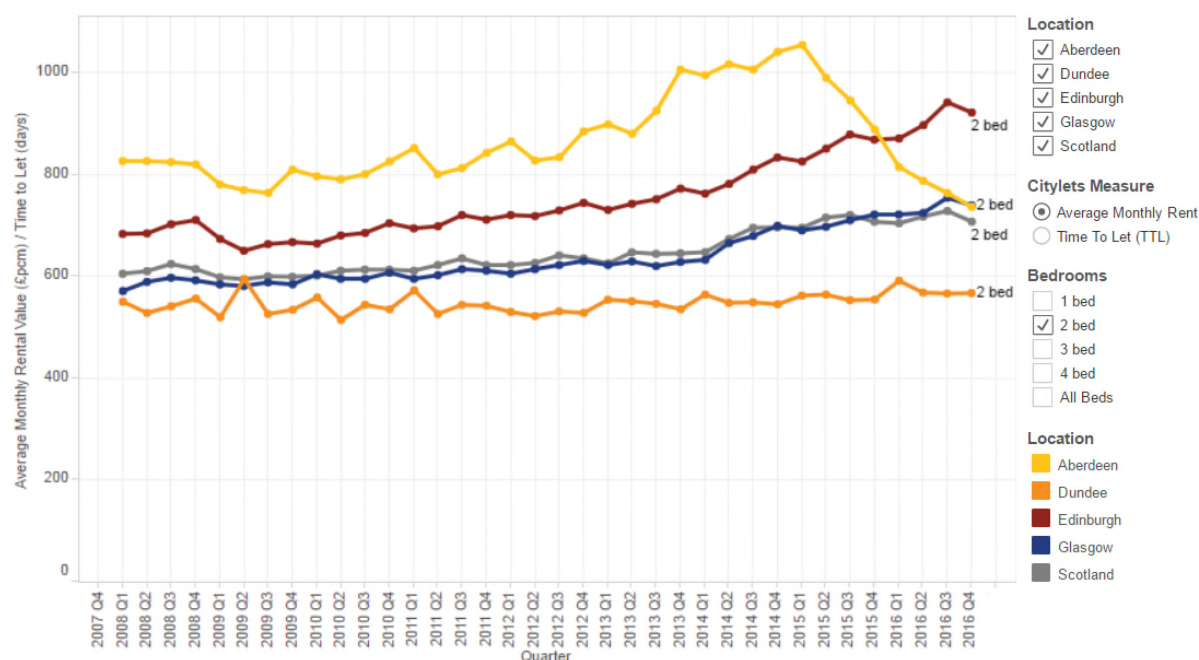
Table 11 Weekly Local Housing Allowance Rates April 2015 - March 2016

Broad Rental Market Area	1 bed shared	1 bed	2 bed	3 bed	4 bed
Aberdeen City and Aberdeenshire	£75.63	£127.25	£162.24	£184.94	£235.97

Source: Scottish Government LHA Rates (2016)

- 2.63 The LHA for a 2 bedroom property is £8,436 per annum, £1,008 lower than the average advertised Citylets 2 bedroom property at £9,444 per annum in Aberdeen (Q2 2016).

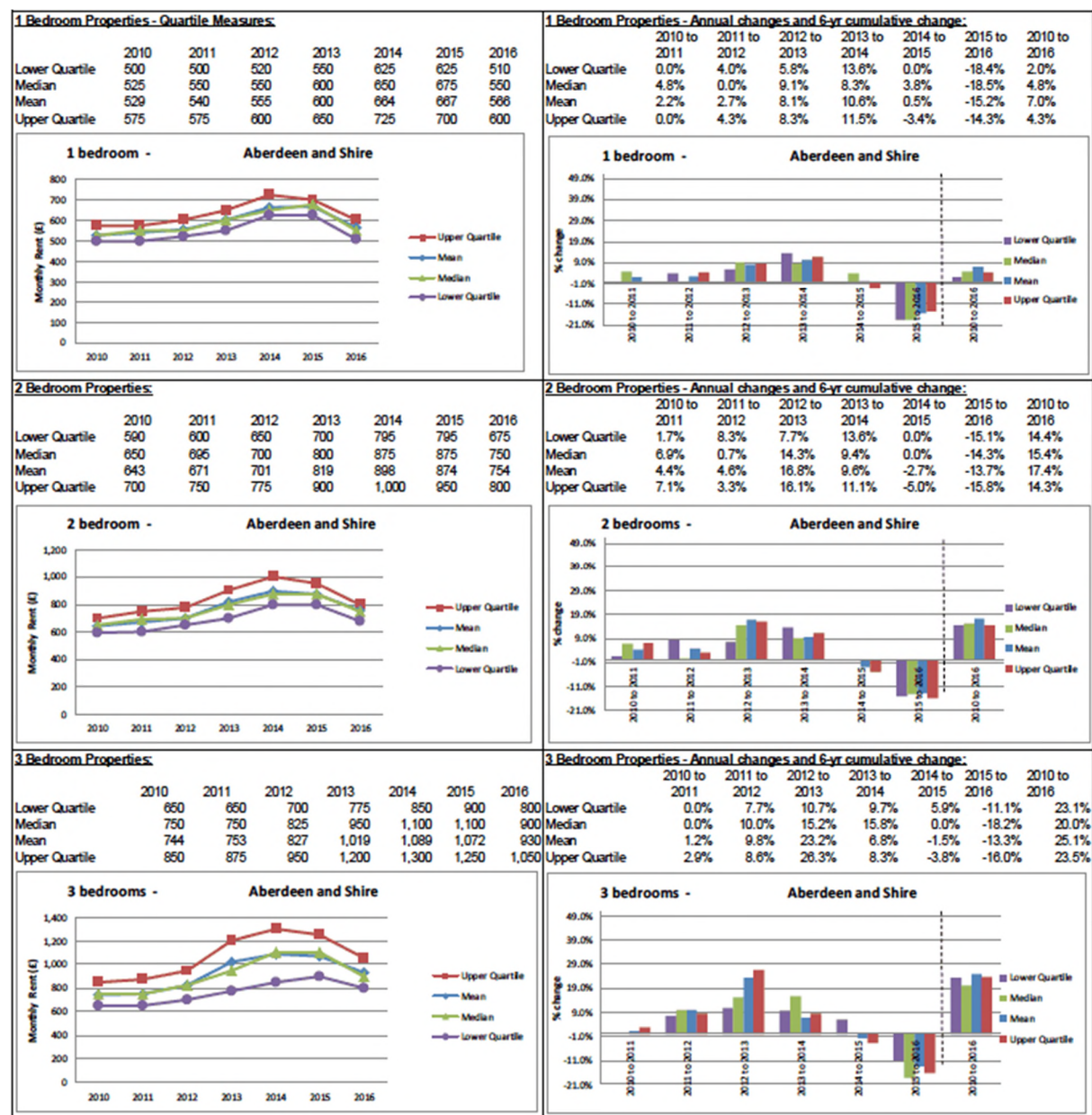
Figure 14 Price Trends for 2 bed properties in Private Rental Sector



Source: Citylets (2017)

- 2.64 The Scottish Government produces a profile on the 'Aberdeen and Shire' broad rental market area. This sets out rent levels from 2010 to 2016.

Table 12 – 2010 to 2016 Rent profile for Aberdeen city and Aberdeenshire



Source: Scottish Government (2016)

- 2.65** This shows that consistently across one, two and three-bedroom properties, rent levels have dropped significantly since reaching a peak in 2014. This reinforces the evidence gathered from Citylets above.
- 2.66** Since January 2015 on a monthly basis rental information has been sourced from the websites of a number of estate agents across Aberdeenshire to try

and build a better picture in relation to the cost and availability of private rentals outside the City. It is however difficult to obtain a robust picture of the private rental sector in the Rural HMA as properties tend to be advertised through informal networks such as word of mouth and in local shops. Nonetheless [Table](#) below still provides an indication of advertised rental levels across the RHMA.

Table 13 Illustrative Rural HMA Private Rents 2015

	1 bed	2 bed	3 bed	4 bed
Rent per month	£388 - £530	£488 - £750	£395 - £767	£750 - £850

Source: Aberdeenshire Council (2016)

- 2.67** Council rents are outlined in [Table](#) . Although Aberdeen City's rent is higher than the Scottish average, it is still lower than rentals within the private rented sector and the LHA rate.

Table 14 Weekly social rents

	2013/14	2014/15	2015/16
Aberdeen City Council	£73.25	£73.71	£78.87
Aberdeenshire Council	£65.37	£68.53	£70.76
Scotland	£67.96	£71.01	£72.90

Source: Scottish Housing Regulator (2016)

- 2.68** The fall in oil prices and the current difficulties of the local economy seem to have affected the local housing market particularly including the private rental sector across both Aberdeen city and Aberdeenshire. These trends are most pronounced in the Aberdeen HMA. Currently there appears to be an over-supply of private rental property in Aberdeen city. The fall in private rent levels has had an impact on the viability of mid-market rental schemes and the window below the market level has either reduced or disappeared depending on location.

Income and Affordability

- 2.69** [Table 7](#) shows lower quartile and median incomes. Incomes across the area are higher than for Scotland as a whole. The highest incomes are in

Aberdeenshire, or more specifically in the Aberdeenshire part of the Aberdeen HMA where median incomes are almost 50% higher than the Scottish median.

Table 7 Lower Quartile and Median Income

	Lower Quartile	Median
Aberdeen City	£16,253	£28,891
Aberdeenshire	£17,911	£37,997
Aberdeen HMA	£17,221	£31,773
Rural HMA	£16,037	£31,413
SDPA	£16,883	£31,670
Scotland	£14,504	£26,520

Source: Heriot Watt Income Model (from HNDA tool 2015)

- 2.70** Comparing income with house price indicates how affordable housing is to the population. The HNDA tool uses an assumption that a household can afford to buy a house if the price is no more than four times annual income. This is using the lower quartile for both house prices and income.
- 2.71** [Table 8](#) shows the ratios between 2014 house prices and income for both lower quartile and medians. Buying a house is unaffordable if the ratio is more than four.

Table 8 House Price to Income Affordability Ratios

	Lower Quartile Price/ Lower Quartile Income	Lower Quartile Price/ Median Income
Aberdeen City	8.1	4.5
Aberdeenshire	8.1	3.8
Aberdeen HMA	8.4	4.5
Rural HMA	7.0	3.6
SDPA	8.0	4.3
Scotland	6.3	3.5

Source: Registers of Scotland, Heriot Watt Income Data (2015)

- 2.72** It is clear that using this measure of affordability, households with lower quartile income cannot afford to buy a lower quartile property in any part of the area. Lower quartile house prices are generally between seven and nine times higher than lower quartile incomes. In the Rural HMA, lower quartile housing is affordable only for those with a median income. In Aberdeen City and the Aberdeen HMA, even with a median income, lower quartile house prices are more than four times income. This illustrates the affordability challenge across Aberdeen City and Aberdeenshire, but particularly within and close to Aberdeen.
- 2.73** Notwithstanding the above, there is however evidence of considerable variation within each local authority and housing market area so if households were willing to move to a different part of the area it may be possible to find more affordable housing [Figure](#) and [Figure](#) below show how lower quartile prices vary between datazones across the area.
- 2.74** In Aberdeenshire the lowest prices (less than £100,000) are found mainly in the Rural HMA, in towns such as Peterhead, Fraserburgh, Huntly and Turriff and also in the more peripheral rural areas. The most expensive housing (lower quartile price in excess of £300,000) is mainly in the Aberdeen HMA, to the south and west of Aberdeen City.
- 2.75** In Aberdeen City, the lowest prices are found in areas such as Middlefield, Torry, Tillydrone and Kincorth with the most expensive housing in the south and west of the city.
- 2.76** Very few datazones in either Aberdeen City or Aberdeenshire have lower quartile house prices less than £100,000.

Figure 15 Lower Quartile House Price 2014 – Aberdeenshire

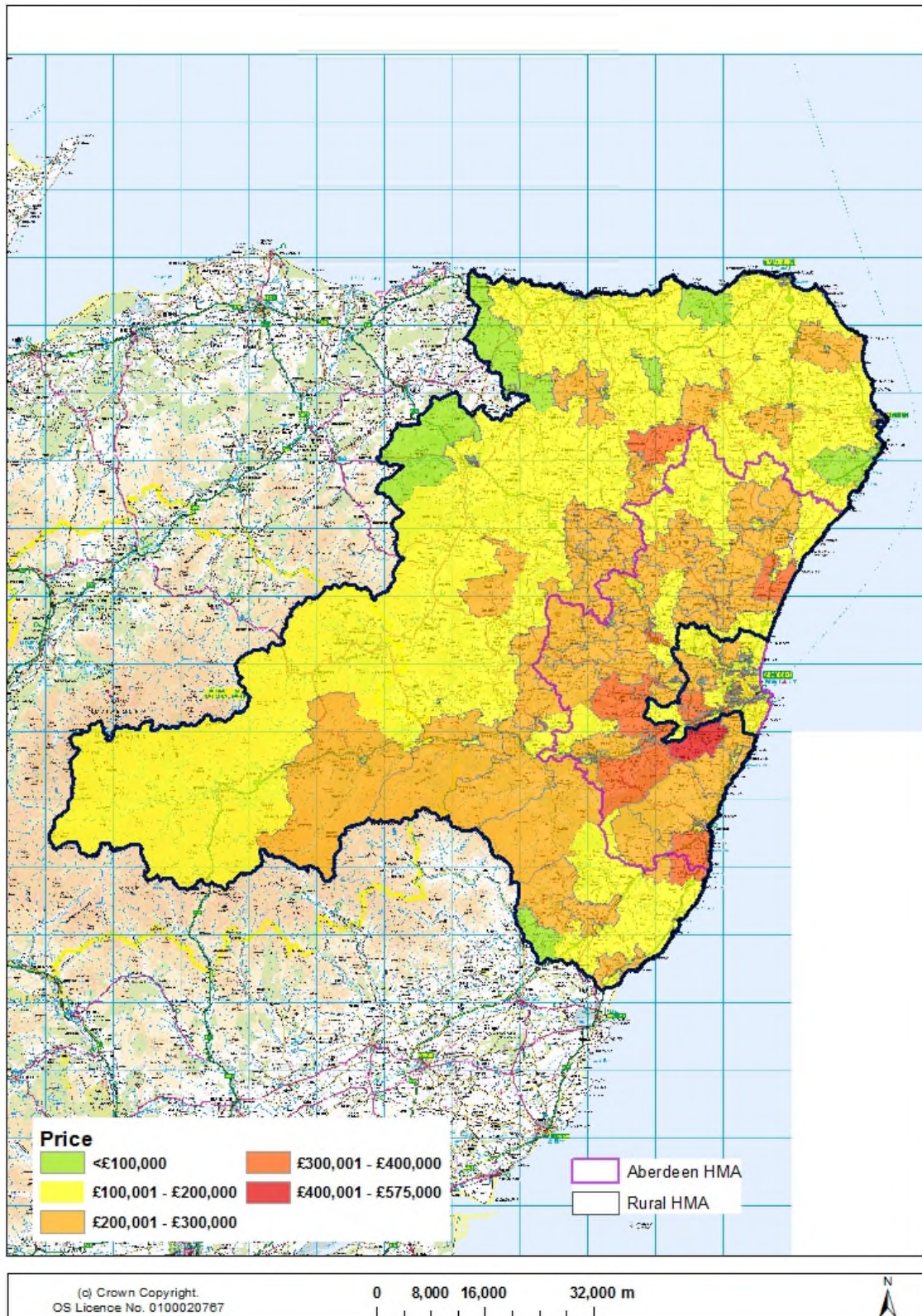
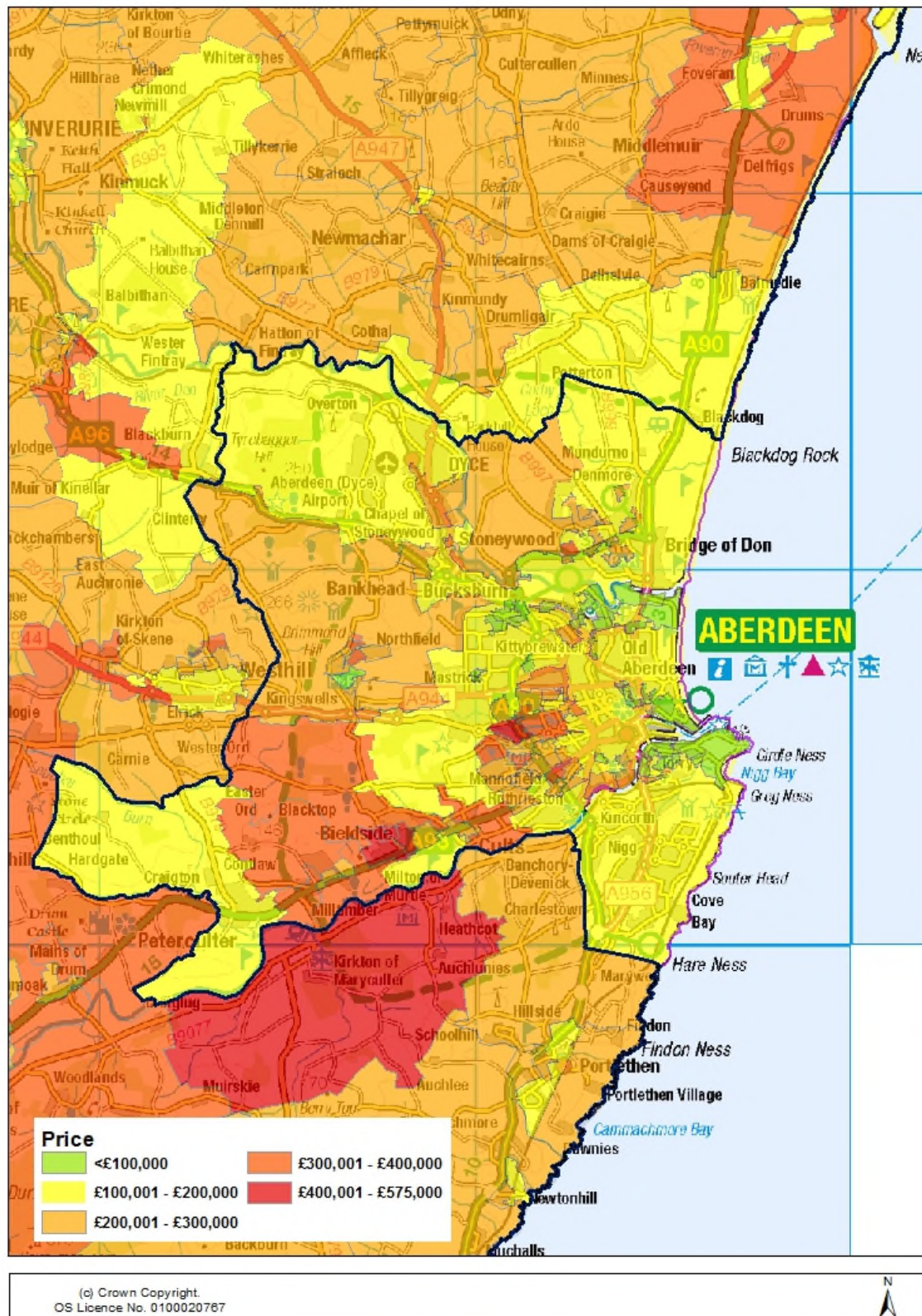


Figure 16 Lower Quartile House Price 2014 – Aberdeen City



Source: Sasines (2014)

- 2.77** The Scottish Government suggest that an affordable rent should not exceed 25% of gross household income⁸. Table 17 and Table demonstrate the affordability pressures across both housing market areas for households with lower quartile and median incomes. Note that a combination of sources has been used and not all data is available for all geographies.
- 2.78** Those on lower quartile incomes cannot afford to access the private rented sector in any part of the area. For those on median incomes, only parts of the RHMA have affordable rental prices. Citylets rent levels are unaffordable even for those with median incomes.

Table 9 Cost of Renting two-bed property as Percentage of Lower Quartile Income

	Local Housing Allowance	Citylets Average	RHMA Estimate
Aberdeen City	52%	65%	-
Aberdeenshire	47%	-	-
Aberdeen HMA	-	62%	-
Rural HMA	-	-	46%
SDPA	50%	-	-

Source:

Private Rents and Social Rents, Heriot Watt Income Data (2016)

⁸ <http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/hnda/HNDAPG>

Table 18 Cost of Renting two-bed property as Percentage of Median Income

	Local Housing Allowance	Citylets Average	RHMA Estimate
Aberdeen City	29%	37%	-
Aberdeenshire	22%	-	-
Aberdeen HMA	-	34%	-
Rural HMA	-	-	24%
SDPA	27%	-	-

Source:

Private Rents and Social Rents, Heriot Watt Income Data (2016)

- 2.79** These findings are consistent with research undertaken in 2015 on the affordability of housing for key workers⁹. It found that 69% of households in the Aberdeen HMA and 47% in the Rural HMA could not afford the market rent for a two-bed property. This is based on the assumption that rent should not exceed 25% of household income.

Mortgage Rates, First Time Buyers, Interest Rates

- 2.80** Since 2009, UK average interest rates on variable rate loans have remained fairly flat, now at 2.34%, whilst fixed rate loans have shown a decrease falling from around 6% to 2.68%¹⁰.
- 2.81** As at Q4 2015, the average Loan To Value ratio for a First Time Buyer (FTB) is 84% compared to 75% for a Home Mover. Furthermore FTBs in Scotland still face a significant deposit barrier in relation to buying a property with the average deposit being in the region of £19,000, equivalent to around 58% of average annual FTB income¹¹.
- 2.82** On 4 August 2016, the Bank of England (BoE) cut the base rate from 0.5% to 0.25%, the first change since March 2009. Although there is consensus that interest rates will rise again, there is a great deal of uncertainty about when

⁹ Arneil Johnson Aberdeen Affordability Briefing Paper 2015

¹⁰ <http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/statistics>

¹¹ <http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/statistics>

that might be with latest predictions suggesting it may not be until 2019¹². However, when interest rates do go up, house purchase will become even less affordable.

Affordability Trends Conclusions

- 2.83** It is clear that across both housing market areas there are significant problems with affordability. Market housing for sale is unaffordable in most parts of the area even for households with average incomes. For households on lower incomes, house purchase is affordable only in a few parts of Aberdeen City and the Rural HMA.
- 2.84** In most parts of Aberdeen City and Aberdeenshire, households would need to find very large deposits in order to be able to access the mortgage finance necessary to buy on the open market.
- 2.85** The scale of the gap between what is affordable and current house prices needs to be considered when deciding what contribution discounted new build housing for sale might make to meeting housing need. Discounting by 10% or 20% is unlikely to have much impact. Similarly, the cost of shared ownership housing needs to be to be very much below market value if it is to allow those currently priced out of the market to access housing for sale.
- 2.86** Private sector rental costs follow the same pattern as house prices with rents unaffordable in most parts of the area for households with average or below average incomes.
- 2.87** There is recent evidence that rents in the City have fallen quite rapidly in response to the local economic situation and this may improve affordability. This indicates that rent levels may be more responsive to market conditions than house prices. However, if landlords do not think they will make sufficient profit from renting they may decide to sell their properties instead so there is a limit to how far rent levels will fall.

Economic Trends

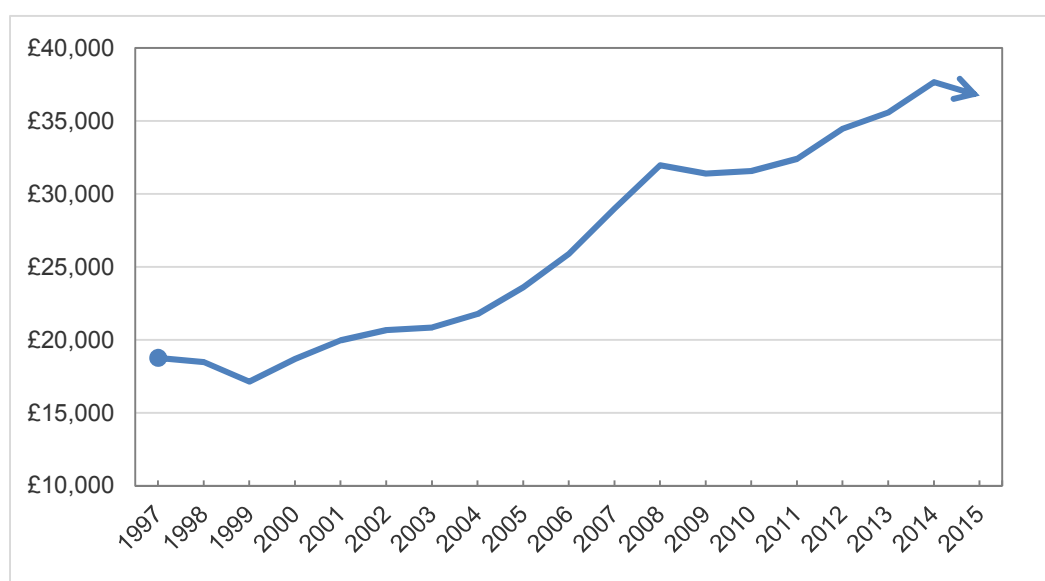
¹² <http://www.telegraph.co.uk/personal-banking/savings/latest-interest-rates-predictions-first-rise-in-august-2019/>

Regional Productivity

2.88 Gross Value Added (GVA) is good indication of a region's economic performance and overall economic well-being. Published figures lag some way behind events on the ground, which is particularly problematic for Aberdeen City and Shire at the current time. Figures published by ONS at the end of 2016 indicate:

- In 2015, Aberdeen City and Aberdeenshire¹³ had a GVA per head of £36,726. This was the fifth highest figure in the UK, after Inner London, and the second highest in Scotland, following Edinburgh City
- However between 2014 and 2015, GVA per head in Aberdeen City and Aberdeenshire decreased by 25% from £37,669/ Over the same period the UK total growth, and Scotland's growth was 1.8% . Aberdeen City and Shire was one of only two regions in Scotland to see negative growth over this period, the other being in Falkirk.

Figure 17 NE GVA per head 1997 – 2015

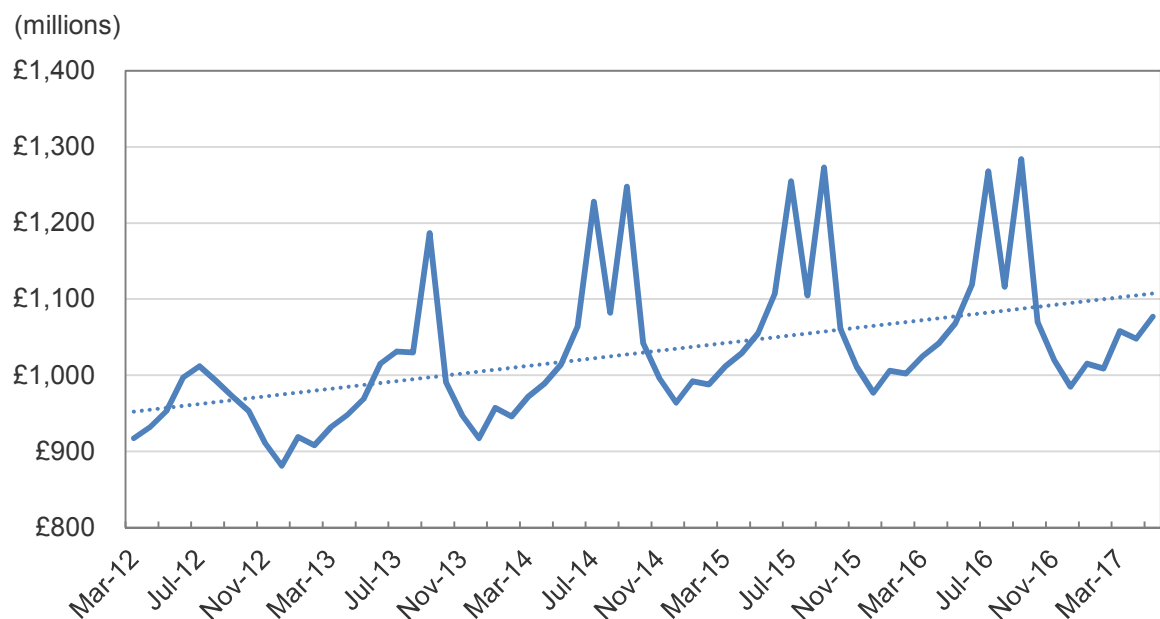


Source: ONS, Regional Gross Value Added (Income Approach) per head of pop at current basic prices (2016)

¹³ North Eastern Scotland NUTS 2 Area (Nomenclature of Territorial Units for Statistics). Source www.ons.gov.uk/publications Regional Growth Value Added (Income Approach)

- 2.89** Mackay Consultants produce monthly reports on the condition of the economy of the north east of Scotland. This includes estimates on the region's economic output and draw on a range of local and national sources. Figure 18 shows that economic output has been, overall, steadily increasing in the north east from December 2012 to May 2017. However, the rate of growth has slowed substantially over the last two years, from 4% in the year to May 2014 to 1% in the year to May 2017.

Figure 18 NE Scotland Estimated Economic Output March 2012–May 2017



Source: North East Scotland Monthly Economic Reports, Mackay Consultants (2017)

Structure of Local Labour Market

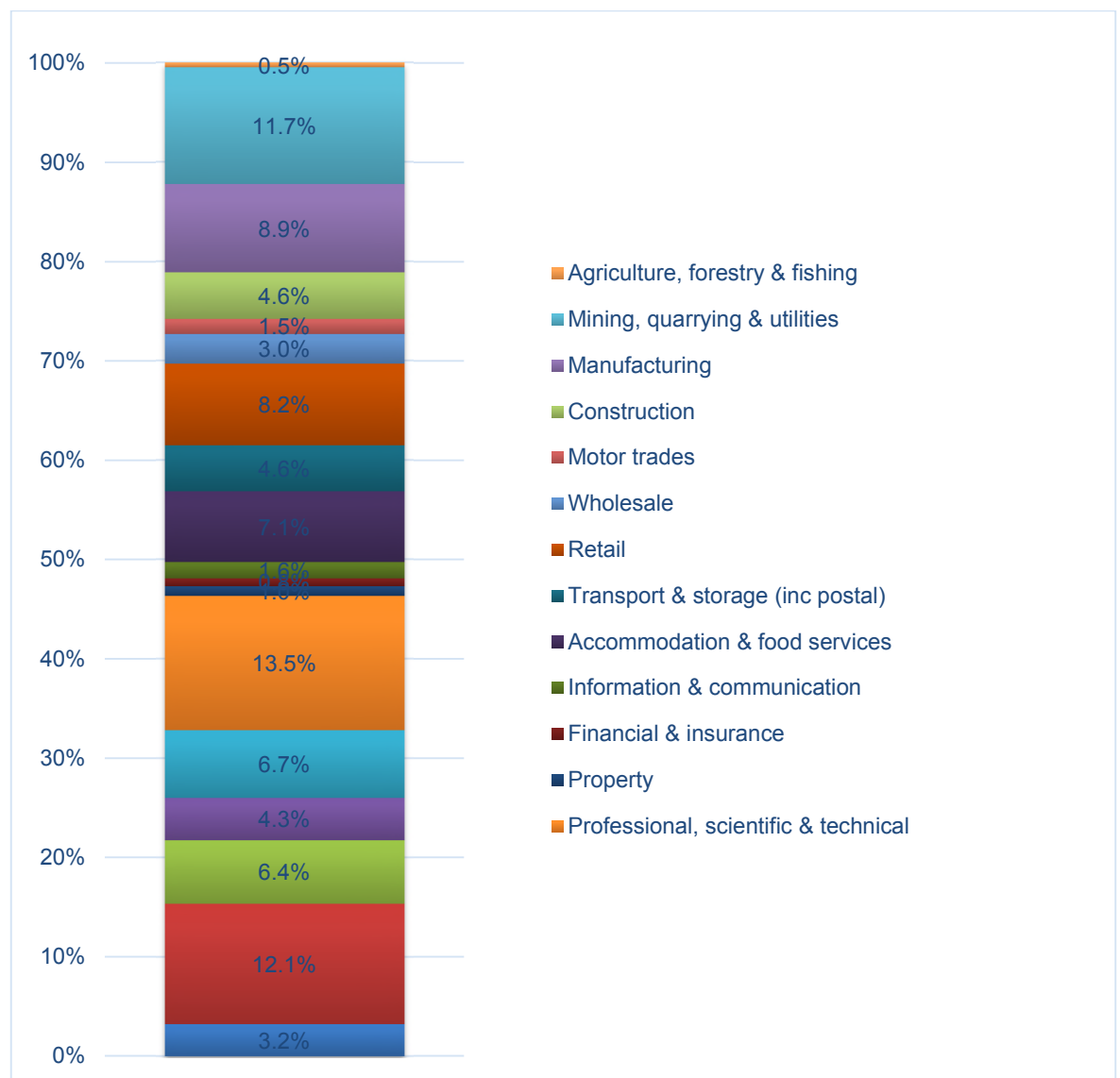
- 2.90** The largest employment sector in Aberdeenshire City and Shire in 2015 was the professional, scientific and technical sector which equated to 13.5% of all jobs in the region. This sector includes employment relating to legal, accounting, management consultancy, engineering and scientific research activities. The high level of employment in this sector reflects the regional focus on research and development, primarily centred round the oil and gas industry but also related to life sciences.
- 2.91** The region also has a high proportion of the population employed in the mining, quarrying and utilities industry, at 11.7% (this rises to 15.1% for City

employment levels). This sector includes activities relating to petroleum and gas extraction and the associated support services.

2.92 Health related employment is also regional significant with 12.1% of the employment regionally in this sector. This includes employment at the regional hospital Aberdeen Royal Infirmary, medical and dental practices and, care and social work activities.

2.93 Regionally there is very low reliance on the public sector. Only 16.6% of those in employment in the North East work in the public sector. This is significantly lower than the national average of 24.7% (NOMIS, Business Register and Employment Survey, 2015).

Figure 19 Employee Share by Industry, Aberdeen City and Shire 2015



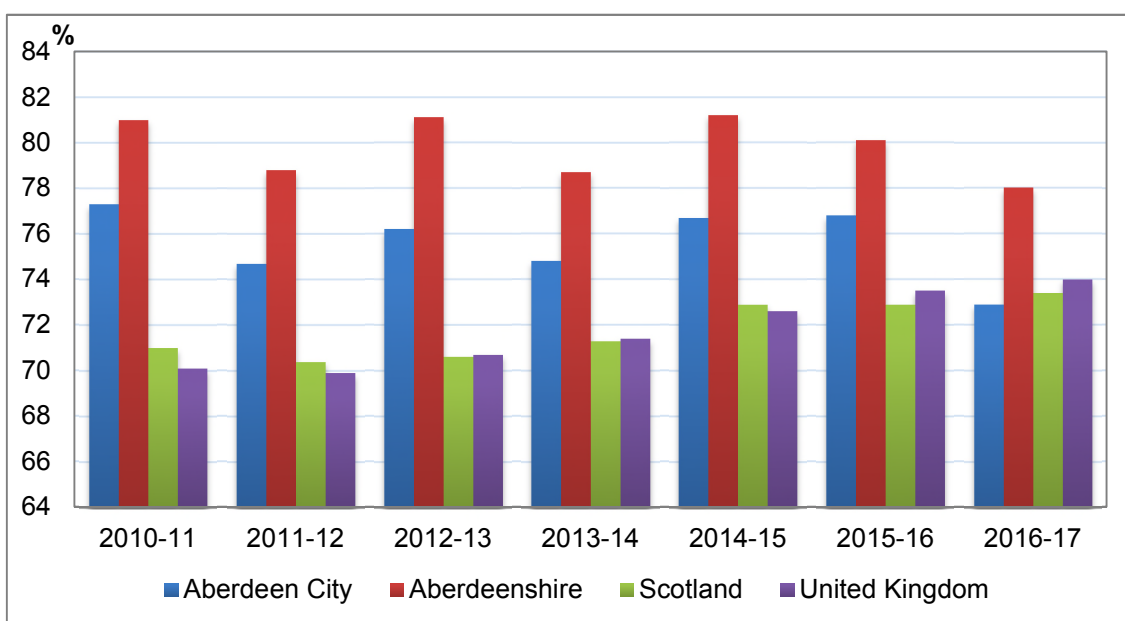
Source: Business Register and Employment Survey (2013), Via nomis

Economic Activity

2.94 Economic activity rates reflect the number of people either employed or actively seeking employment. In the year to March 2016 the economic activity rate in Aberdeen City and Aberdeenshire stood at 77.6% and 82.9% respectively. This is higher than the Scottish average of 76.9% and the UK average of 77.8%.

2.95 For the first time between April 2016 and March 2017 employment rates in Aberdeen City fell below the Scottish and UK averages to 72.9%, a 5% decrease on the previous year. While rates still remain high in Aberdeenshire, the authority also experienced a 3% decrease, while Scotland and the UK both saw a 1% increase in employment over this time.

Figure 20 Employment Rate for Working Population 2010-2017



Source: Annual Population Survey, via nomis (2016)

Unemployment

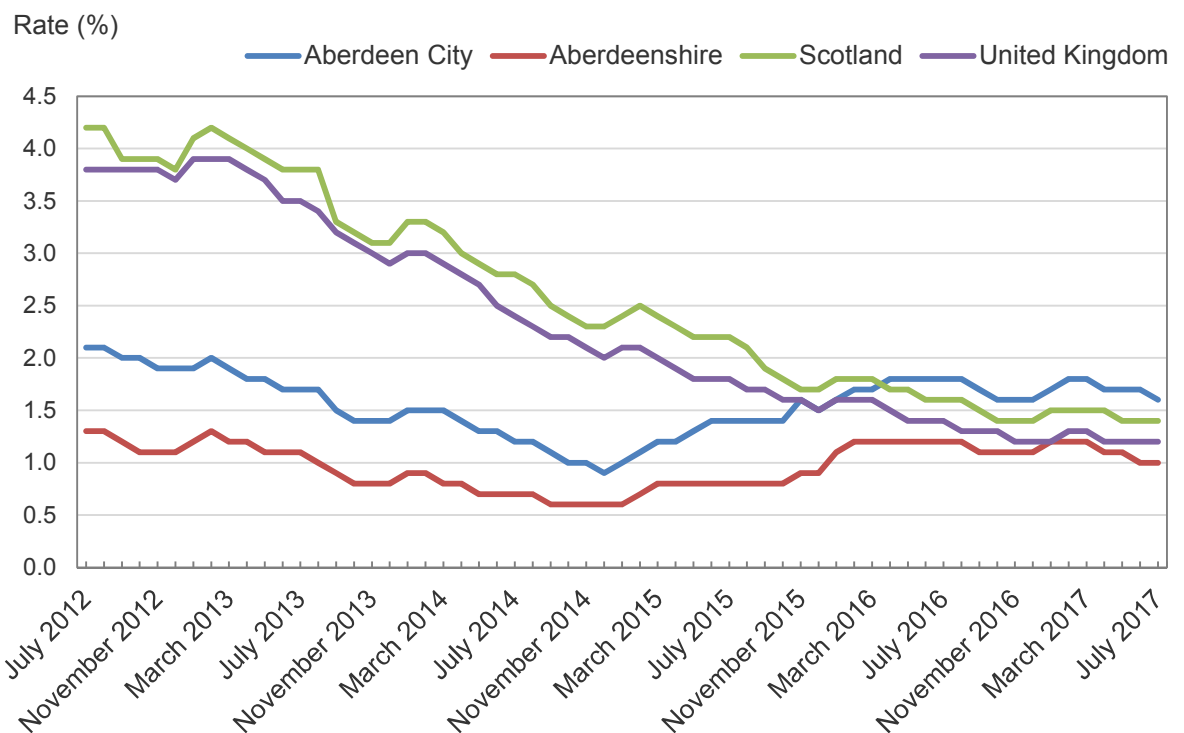
2.96 The unemployment level is a strong indicator of short-term changes in the local economy. Official figures on unemployment which take into consideration economic activity are published annually. To consider more recent developments in the local economy the less comprehensive measure of those claiming Job Seeker Allowance (JSA) has been provided.

2.97 As is demonstrated in Figure 21 until the end of 2014 the JSA claimant rate in Aberdeen City and Shire was, overall, steadily declining. This trend was

mirrored on national, although the average JSA claimant rate for Scotland was significantly higher than that experienced in the North East.

- 2.98** However from January 2015 the claimant rate for residents of both Aberdeen City and Aberdeenshire has been steadily increasing, while both Scotland and the UK have continued to see an overall decline. This rate of increase has been more significant in Aberdeen City where by November 2015 the claimant rate in the City matched the UK national average and in April 2016 it exceeded the Scottish average.

Figure 21 Claimant Rate (JSA) July 2012 - July 2017



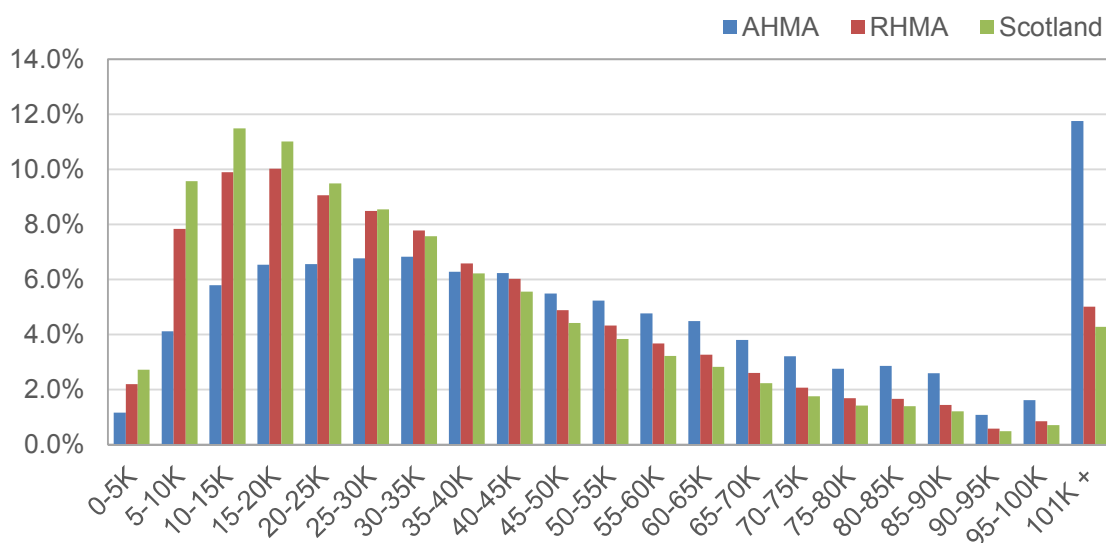
Source: Claimant Count, NOMIS (2017)

Income

- 2.99** CACI Paycheck data has been used to provide an overview of annual household income by housing market area. This data set differs from the figures used in the HNDA tool which have been sourced from the Heriot Watt income estimates. While the CACI data is more recent, due to the incremental banding it is not suitable for the detailed calculations used by the HNDA tool. The following is therefore intended to supplement the information provided in the tool, rather than replace it.

- 2.100** According to CACI Paycheck in 2017, 21% of households in the Aberdeen HMA and 24% in the Rural HMA had a gross annual income from all sources of less than £15,000. This compares to 27% in the comparable Scotland wide figure. At the other end of the spectrum, 36% of households in the Aberdeen HMA and 29% in the Rural HMA had an income of over £40,000. This compares to 26% of households in Scotland. **Figure 22 shows the average household income by £5,000 band, while incomes over £101,000 are grouped together. The spike in the Aberdeen HMA for incomes over £101,000 can be explained largely due to the presence of the oil and gas industry.**

Figure 22 Average Household Income by Housing Market Area 2017



Source: CACI Paycheck, 2017. © [1979]/[1996] – 2017 CACI Limited. This report shall be used solely for academic, personal and/ or non-commercial purposes.

- 2.101** The Annual Survey of Hours and Earnings (ASHE) is the Scottish Government's preferred data source for earnings. ASHE data is not available at housing market level. It has therefore been assumed that the Aberdeen workplace earnings provide a reasonable approximation of earnings for the Aberdeen HMA as a whole, due to the high proportion of those living in the Aberdeenshire part of the Aberdeen HMA who commute into Aberdeen for work. Similarly the Aberdeenshire workplace earnings provide an indication of the distribution of earnings in the Rural HMA.
- 2.102** As shown in Table the median weekly wage for those working in Aberdeen City is consistently higher than the Scottish and UK averages with those working in Aberdeen on average earning £71 more per week than Scotland as a whole in 2016. Furthermore, the highest earning 25% of the Aberdeen workforce typically earned £100 more per week than the highest 25% in Scotland. It should be noted however that between 2015 and 2016 the median

weekly wage in the City did fall by £9. In the same period the national wage increase by £8 (and £3 in the Shire).

- 2.103** In Aberdeenshire, the median weekly wage for workers in the rural HMA is typically similar to the national averages. **Table 19 supports the findings from the CACI data above.**

Table 19 Median weekly wages by place of work 2009-2016

		2010	2011	2012	2013	2014	2015	2016
Lower Q	Aberdeen City	£405	£409	£414	£420	£416	£449	£430
	Aberdeenshire	£345	£352	£369	£361	£363	£374	£376
	Scotland	£351	£350	£356	£367	£376	£382	£390
	United Kingdom	£355	£354	£360	£368	£370	£379	£389
Median	Aberdeen City	£575	£586	£575	£606	£632	£620	£606
	Aberdeenshire	£522	£481	£500	£496	£510	£533	£536
	Scotland	£488	£485	£498	£509	£519	£527	£535
	United Kingdom	£499	£498	£506	£517	£518	£528	£539
Upper Q	Aberdeen City	£840	£856	£833	£855	£901	£870	£824
	Aberdeenshire	£712	£671	£685	£704	£690	£722	£714
	Scotland	£676	£671	£684	£698	£709	£715	£724
	United Kingdom	£705	£708	£715	£729	£733	£742	£762

Source: Annual survey of hours and earnings, Nomis (2016)

Housing Benefit

- 2.104** Table indicates that in May 2016 there were 24,414 housing benefit recipients in Aberdeen City and Shire, equating to 11% of the population. This remains well below the Scottish average and has changed little in recent years. However, of those in receipt of housing benefit across Aberdeen City and Shire, just 14.6% are in the private rented sector compared to 19.8% in the rest of Scotland.

Table 20: Housing Benefit Claimants, May 2016

	Tenancy Type			
	All HB claimants	% of Total Households	Social Rented Sector	Private Rented Sector
Aberdeen City	14,423	14%	12,824	1,597
Aberdeenshire	9,991	9%	8,012	1,976
City & Shire	24,414	11%	20,836	3,573
Scotland	448,185	18%	359,381	88,786

Source: Housing Benefit Caseload Statistics, DWP (2016)

Deprivation

- 2.105** While the North East of Scotland is one of the least deprived areas in the UK there are significant geographical variations across the region, with areas of deprivation and households at high risk of poverty.
- 2.106** [Table](#) highlights relative deprivation rates across the area according to the Scottish Index of Multiple Deprivation (SIMD2016), using the 15% threshold for identifying spatial concentrations of multiple deprivation.

Table 21: Regional Share of the Most Deprived 15% of Scotland

	Number of Datazones	Data Zones in most deprived 15% in Scotland	% of all Data zones in area
Aberdeen City	283	9	3.2%
Aberdeenshire	340	3	1.0%
City & Shire	623	12	1.9%

Source: SIMD 2016, Scottish Government (2016)

- 2.107** Overall deprivation in Aberdeenshire is concentrated in Fraserburgh and Peterhead. However many of the rural communities score poorly in terms of access, with 40% of the local datazones ranking in the 15% of the most deprived areas in Scotland for this domain.
- 2.108** In Aberdeen City the lowest ranking datazones could be found in the Torry Middlefield, Northfield, Seaton, Tillydrone and Woodside neighbourhoods.

Recent Economic Trends and the Future of the North East Economy

Oil Price Drop and Impact

2.109 In Aberdeen City and Aberdeenshire, although the economy has a range of strengths and specialisms, local economic performance is intrinsically linked to the performance of the oil and gas industry. Inevitably, the recent downturn in the price of oil has had a significant impact on region's economy. In the three years prior to July 2014 the price of oil ranged from \$100 to \$120 per barrel (monthly averages). However, from July 2014 the price of oil per barrel has dramatically dropped, reaching its lowest price in over a decade in January 2016 at \$30.70 per barrel. As shown below, this has since risen to around \$50.

Figure 23 Brent Crude Oil Price per Barrel 2010-2017

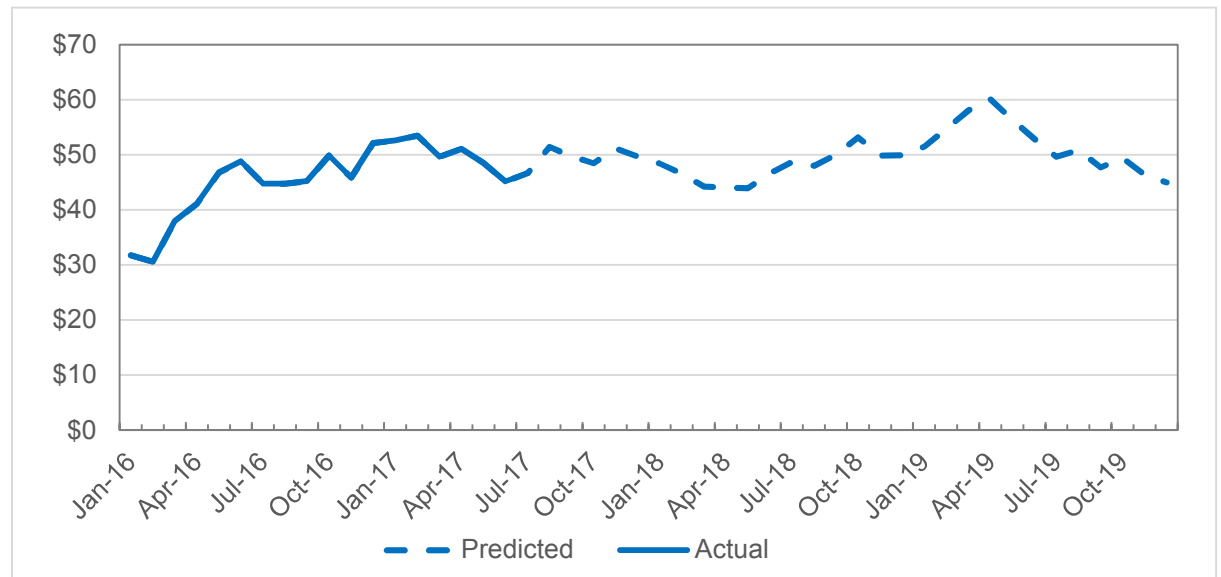


Source: US Energy Information Administration, EIA (2017)

2.110 While difficult to predict, speculation on the direction of the oil price plays a significant role in forecasting future trends in the local economy.

- 2.111** According to the US Energy Information Administration the Brent spot average price per barrel is predicted to increase throughout 2016-18, reaching a high of \$63 by September 2018. While this is little more than half the average barrel price experienced throughout 2011-14, the suggested upward trend would still be seen positively for industry and North East's economy.

Figure 24 Predicted Brent Oil Price per Barrel 2016-2019



Source: US Energy Information Administration, EIA (2017)

- 2.112** According [Oil & Gas UK Activity Survey](#) (2016) revenues for those operating in the UK Continental Shelf (UKCS) fell by 30% between 2014 and 2015.
- 2.113** Additionally, the Aberdeen and Grampian Chamber of Commerce (AGCC) 'Oil and Gas Survey' (November 2015) also noted that the energy industry contractors' confidence in the UKCS was at its lowest level since the survey began in 2004. Only 7% of contractors were more confident about their activities in the UKCS than they were 12 months ago, while 76% were less confident. Current confidence levels for Operators are similar.
- 2.114** At the same time 91% of industry operators surveyed by AGCC (November 2015) stated that the decline in the price of oil had (a detrimental impact on their business. Furthermore 59% stated they have reduced prices, 40% have lost contracts and 29% have had to introduce redundancies (North East Business Week Research, April 2015). 85% of companies surveyed predicted redundancies within their organisation will continue this year (AGCC, November 2015) However since then significant strides have been made to drive down the cost base of the oil and gas industry in the UK Continental

Shelf (UKCS), reducing the cost of a barrel of oil extracted from the North Sea. These efficiencies demonstrate the determination of the industry in the face of tough market conditions.

- 2.115** Recent evidence suggests that the bottom of the cycle has been reached, with a range of indicators suggesting slow increases in activity – including the housing market and airport traffic and an upturn in oil price.
- 2.116** [Business Outlook 2017](#) (Oil and Gas UK, 2017) portrays a cautiously optimistic outlook for the UKCS suggesting “confidence (is) slowly returning to the basin”. So far in 2017 Brent oil price has averaged at 25% higher per barrel than in 2016. The industry still faces challenges as overall investment and expenditure continue to fall however production has increased by “16% since 2014”.
- 2.117** This outlook is generally mirrored in the Aberdeen and Grampian Chamber of Commerce’s (AGCC) latest edition of the ‘Oil and Gas Survey’ (June 2017) with “38% of contractors reporting that they are more confident (in the industry) than they were 12 months ago”. Firms however are certainly diversifying with 54% anticipating moving into renewable energy in the next 3-5 years, and 81% expecting to be involved in decommissioning in the same period.
- 2.118** Additional industry news suggests an overall slowing in the local economy beyond the oil and gas industry. In December 2015, 243,259 passengers used Aberdeen Airport, which was 14% less than in the same month of 2014. The airport also reported a 7% fall in helicopter passenger numbers at the end of 2015.
- 2.119** Hotel occupancy and average room rates have both fallen substantially since mid-2014 as demand from contractors and business travel to the area has fallen while new supply has entered the market.
- 2.120** Furthermore, according to the Peterhead Port Authority the total fish landings at Peterhead during 2015 was £131.4 million, 23% less than during 2014. Meanwhile, Young’s Seafood, a major source of local employment in Fraserburgh lost a significant contract with Sainsburys during 2015. This has resulted in 650 job losses.

European Union Membership

- 2.121** The results of the referendum of 23 June 2016 on whether the UK should remain a member of or leave the European Union favoured leaving the EU by 51.9% of votes to 48.1%. While the referendum is not legally-binding, the UK Government gave notice to withdraw from the EU in March 2017, starting a two year negotiation process. The main implications for the North East of Scotland are likely to be economic and demographic. In the short term, uncertainty is predicted to negatively affect the economy. The Treasury's June 2017 [summary of forecasts](#) predicts growth of 1.6% in 2017 and 1.4% in 2018. This is consistent with the International Monetary Fund's July 2017 [forecast](#) of 1.7% in 2017 and 1.5% in 2018. Both sets of figures forecast a lower rate of growth than from prior to the referendum.
- 2.122** These wider UK-level issues will impact on Aberdeen City and Shire over the years to come, including the rate at which migrant workers are attracted and able to come to the area to find work. Aberdeen and Grampian Chamber of Commerce's [Oil and Gas Survey](#) (2017) advises that firms are split on the impact of leaving the European Union on recruiting talent.

	Key Issues identified in the HNDA
Demographic issues for the local housing market	<ol style="list-style-type: none"> 1. High rate of growth in smaller and particularly single person households. 2. Significant increases in older age groups, particularly over 75s in Aberdeenshire. In Aberdeen City, stronger growth in younger age groups, particularly children. 3. Fall in oil price and impact on the local economy may significantly reduce in-migration to the area affecting future growth in population and households. <p>These issues will be addressed through the Aberdeen City and Shire Strategic Development Plan, Local Development Plan and Local Housing Strategies.</p>
Affordability issues for the local housing market	<ol style="list-style-type: none"> 1. House prices and private sector rents are unaffordable in most parts of the area for those on low or average incomes. 2. Fall in oil price is slowing house price inflation but affordability may not improve much since incomes and employment rates also likely to fall. 3. Discounted housing for sale needs to be considerably below market prices to be affordable. 4. Private sector rents levels have fallen in response to the changing local economic situation which may improve affordability. However incomes may also fall and there may be a reduction in supply if profitability for landlords decreases. <p>These issues will be addressed through the Aberdeen City and Aberdeenshire Local Housing Strategies 2018-2023.</p>

<p>Economic issues for the local housing market</p>	<ol style="list-style-type: none">1. Fall in oil price has had significant negative impacts on the local economy both within and beyond the oil and gas sector.2. Historically low unemployment rates now beginning to rise as redundancies continue. This will have a negative impact on income levels which in turn will increase affordability pressures.3. Difficulty of predicting future oil prices means uncertainty for local economy and for the housing market. However, relatively stable price since April 2016 gives some confidence. <p>These issues will be addressed through the Aberdeen City Region Deal Economic Strategy and the Economic Development strategies for both local authorities.</p>
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3. Housing Stock Profile, Pressures (and Existing Need) and Management Issues

- 3.1** This chapter profiles the physical characteristics of the existing stock, stock pressures and any stock management issues. It presents characteristics of the stock by size, type, location, condition and occupancy across tenures. It draws comparisons with national data and highlights differences between Aberdeen City and Aberdeenshire local authority areas. The information in this chapter does not feed into the estimates of future additional housing need set out in chapter 4. Instead it will inform future decisions on housing stock and housing-related policy in the local housing strategies.

Housing Quality

- 3.2** This section profiles the local housing stock by size, type, tenure, condition, occupancy, turnover and location. This analysis is presented at a local authority level and compared to national averages.

Number of Dwellings

Table 22: Number of Dwellings

Local authority	2006	2010	2012	2016	Change 2015-2016		Change 2006-2016	
					Number %		Number %	
Aberdeen City	108,618	110,968	112,073	115,080	846	0.7%	6,462	5.9%
Aberdeenshire	104,226	109,552	111,773	116,421	1,198	1.0%	12,195	11.7 %
Aberdeen City & Aberdeenshire	212,844	220,520	223,846	231,501	2,044	0.8%	18,657	8.8%
Scotland	2,416,071	2,488,496	2,515,042	2,575,687	18,085	0.7%	159,616	6.6%

Source: National Records of Scotland (2017)

- 3.3** The increase in dwellings in Aberdeenshire is almost double the national average for the ten year period 2006 to 2016 at 11.7%. There has been a slower increase in Aberdeen City where the change is slightly below the Scottish average at 6.6%.

- 3.4** Estimates of dwelling sizes are set out in the table below. In Aberdeen City and Aberdeenshire 41% of dwellings contain 1 to 3 rooms, 46% have 4 to 6 rooms and 12% have 7 or more rooms. There is a much higher percentage of dwellings with 1-3 rooms in Aberdeen City (56%) compared to Scotland (42%), whereas in Aberdeenshire, there is a much lower percentage of dwellings in that size (27%). Aberdeenshire has a much higher percentage of dwellings with 4 or more rooms, higher than Aberdeen City and the Scottish average.

Table 23: Rooms per dwelling

	1-3 rooms		4-6 rooms		7 or more rooms		Median number
Aberdeen City	56%	64,444	38%	43,730	7%	8,055	3
Aberdeenshire	27%	31,433	55%	64,031	18%	20,955	5
Aberdeen City and Aberdeenshire	41%	95,877	46%	107,761	12%	29,010	4
Scotland	42%		50%		6%		4

Source: National Records of Scotland, Characteristics of Dwellings (2017)

Types of Dwellings

- 3.5** There are significant differences in the mix of house types in Aberdeen City and Aberdeenshire. Aberdeen City has a predominance of flats (55%) whereas in Aberdeenshire flats only make up 12% of the dwellings. In Aberdeenshire 47% of the housing stock are detached properties compared to 11% in Aberdeen City. The predominance of flats in Aberdeen City and detached properties in Aberdeenshire stand out from the national housing mix.

Table 24: Dwelling Type

	Flat		Terraced		Semi-detached		Detached	
Aberdeen City	55%	63,294	18%	20,714	17%	19,563	11%	12,658
Aberdeenshire	12%	13,970	12%	13,970	29%	33,762	47%	54,717
Aberdeen City and Aberdeenshire	33%	77,264	15%	34,684	23%	53,325	29%	67,375
Scotland	38%		21%		20%		21%	

Source: National Records of Scotland, Characteristics of Dwellings (2017)

Housing Tenure

- 3.6** The National Records of Scotland: 2011 census (2016) shows 208,185 households in Aberdeen City and Aberdeenshire with the majority (135,259) being owner occupied. In the ten-year period from 2001, there has been a significant increase in owner occupied properties in the Aberdeen City and Aberdeenshire area of 11,337 with this increase solely happening in Aberdeenshire with levels of owner occupation static in Aberdeen City. Aberdeenshire has a higher percentage of owner occupied households than the Scottish average with Aberdeen City more in line with this average.
- 3.7** In the ten-year period from 2001 there has been a reduction of 3,540 dwellings owned by the Councils across Aberdeen City and Aberdeenshire. During this period there has been a significant increase in the RSL sector seeing an extra 2,710 households. There has been a very significant increase in the private rented sector from 15,074 to 24,388 over the ten-year period an increase of 9,314 (62%) with a significantly greater increase in Aberdeen City in the private rented sector at 74% compared to 44% in Aberdeenshire. Aberdeen City has slightly higher number of households in private rented accommodation than the Scottish average with Aberdeenshire more in line with this average.
- 3.8** The private rented sector has continued to grow by increasing from 9% in Aberdeen City in 2001 to 15% in 2011.

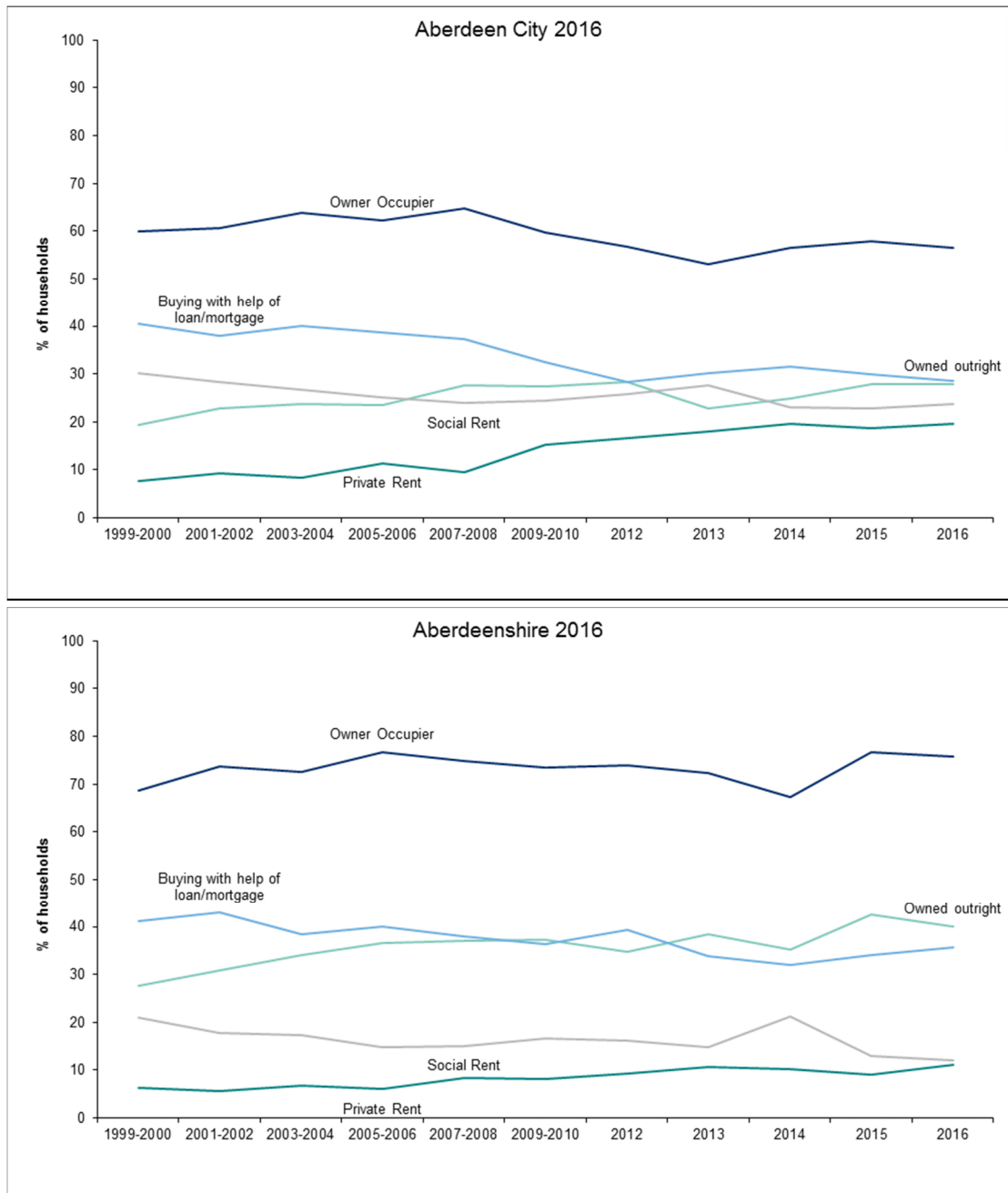
Table 25: Housing Tenure

	Aberdeen City		Aberdeenshire		Scotland
Owned	57%	59,209	73%	76,050	62%
Rented: Local Authority	20%	20,942	12%	12,541	13%
Rented: Other social	4%	4,242	4%	4,353	11%
Rented: private landlord or letting agency	15%	15,630	8%	8,758	11%
Rented: other	2%	1,952	1%	1,110	1%
Living rent free	1%	1,396	2%	1,902	1%

Source: National Records of Scotland: 2011 census (2016)

- 3.9** Long terms tenure trends for Aberdeen city and Aberdeenshire are set out in figure 25 below and, in particular, show the increase in private rent in since 1999-2000.

Figure 25: Housing Tenure 1999-2000 to 2016



Source: National Records of Scotland (2017)

- 3.10** Compared to the national average, a higher proportion of the stock in Aberdeenshire is privately owner occupied. Meanwhile, fewer properties in Aberdeen City and Aberdeenshire are socially rented from housing associations compared to the national average. However, the overall proportion of social stock is consistent with the level for Scotland.

- 3.11** It should be acknowledged that data on the private sector is limited and can be affected by small sample sizes which have large confidence intervals. This is particularly the case in Aberdeenshire.

Table 26: Stock by tenure of dwellings

	Aberdeen City		Aberdeenshire		Scotland
Total number	100%	114,000	100%	115,000	100%
Total number occupied	96%	109,000	96%	109,000	96%
Total number vacant	4%	5,000	4%	5,000	4%
Total privately owned occupied	72%	82,000	81%	92,000	73%
Private owner occupied	54%	62,000	71%	81,000	58%
Private rented	18%	21,000	10%	11,000	15%
Vacant private and second homes	4%	5,000	4%	5,000	4%
Social rented	20%	22,000	11%	13,000	12%
Social rent from housing associations	4%	4,000	4%	5,000	11%

Source: Scottish Government (2015)

Dwelling Condition

- 3.12** The Scottish Housing Quality Standard (SHQS) is a measure of housing quality set by the Scottish Government for the social sector to achieve by 2015. While not directly applicable to private housing, it is useful to compare housing quality across tenures.

Table 27: Dwellings that fail the Scottish Housing Quality Standard

	Proportion of Area Stock	Owner-Occupied	Social
Aberdeen City	42%	44%	35%
Aberdeenshire	47%	46%	39%

Source: Scottish House Condition Survey 2013-2015 (2016)

- 3.13** The Scottish House Condition Survey reported a high level of SHQS non-compliance across all tenures at 42% in Aberdeen City and 47% in Aberdeenshire with little variation between owner occupied and social housing.
- 3.14** The Scottish Housing Regulator publishes detailed annual information on Council and RSL progress in achieving the SHQS. In 2013, 13.5% of social housing in Aberdeen City, 19.3% in Aberdeenshire and 18.3% in Scotland had to still reach the SHQS. More recent information from 2016 for Aberdeen City Council (7.7%) and Aberdeenshire Council (8.4%) showed further reduced numbers of properties failing to reach the SHQS. This is in stark contrast to the non-compliance reported through the Scottish House Condition Survey. Given the information published by the Scottish Housing Regulator is based on detailed inspection regimes by landlords, the quality of this information is likely to be far greater than the data reported through the SHCS which has in comparison a low sample size.

Table 28: Social Housing Stock that fails the Scottish Housing Quality Standard

Landlord	Total stock for SHQS	Stock failing SHQS	Proportion of Stock failing SHQS
Aberdeen City Council	22,603	2,459	10.9%
All social landlords in Aberdeen City	26,991	3,633	13.5%
Aberdeenshire Council	12,926	2,772	21.4%
All social landlords in Aberdeenshire	17,253	3,337	19.3%

Source: Scottish Housing Regulator (2016)

Housing Stock Pressures

- 3.15** This section will identify where stock is pressured and where stock is in low demand. This analysis will be presented for both local authorities. Both overcrowded and concealed households are considered likely to generate a need for additional housing as they are unlikely to be counted within the household projections and will not release a home for use by another household when they move on.

Over Crowded Households

- 3.16** Overcrowding is an important indicator of stock pressure and how well the stock is functioning with a dwelling considered overcrowded if there are insufficient bedrooms to meet the occupants' requirements under the Bedroom Standard definition.
- 3.17** In Aberdeen City 4% of dwellings are overcrowded which is significantly greater than the 1% in Aberdeenshire and slightly above the Scottish percentage. Overcrowding is most common in dwellings with one or two bedrooms across Aberdeen City, Aberdeenshire and nationally and is particularly a feature in social housing in Aberdeen City and as to be expected is primarily an issue for families.

Table 29: Overcrowded Dwellings by date

		Age of Dwelling		House or Flat		Number of Bedrooms	
		Pre-1945	Post 1945	House	Flat	1 or 2	3+
Aberdeen City	5%	10%	3%	4%	6%	7%	2%
Aberdeenshire	1%	1%	1%	1%	*	3%	-
Scotland	3%	3%	3%	2%	4%	5%	1%

Source: Scottish House Condition Survey 2013-2015 (2016)

* sample size too small

Table 30: Overcrowded Dwellings by tenure and type

	Tenure			Household Type		
	Owner-occupied	Social Housing	Private Rented	Families	Older	Other
Aberdeen City	3%	9%	10%	15%	-	4%
Aberdeenshire	-	2%	*	2%	-	1%
Scotland	2%	5%	5%	7%	1%	2%

Source: Scottish House Condition Survey 2013-2015 (2016)

* sample size too small

3.18 Under Occupied Households

Aberdeenshire has a significantly greater percentage of under occupation of dwellings at 42% compared to 17% for Aberdeen City and 29% nationally. Under occupation is most evident in owner occupied housing with significantly lower levels in social housing. It is a characteristic which occurs significantly more for older households.

Table 31: Under Occupied Households (by dwelling characteristics)

		Exceeds Minimum Bedroom Standard by 2+ bedrooms by Dwelling Characteristics					
		Age of Dwelling		House or Flat		Number of Bedrooms	
Local Authority	% of LA	Pre-1945	Post 1945	House	Flat	1-2	3+
Aberdeen City	17%	13%	19%	34%	3%	-	52%
Aberdeenshire	42%	40%	42%	46%	*	-	67%
Scotland	29%	27%	30%	43%	7%		60%

Source: Scottish House Condition Survey 2013-2015 (2017)

Table 32: Under Occupied Households (by household attributes)

	Exceeds Minimum Bedroom Standard by 2+ bedrooms by Household Attributes					
	Tenure			Household Type		
Local Authority	Owner-occupied	Social Housing	Private Rented	Families	Older	Other
Aberdeen City	28%	3%	3%	8%	23%	19%
Aberdeenshire	52%	8%	*	24%	49%	50%
Scotland	42%	7%	12%	17%	41%	29%

Source: Scottish House Condition Survey 2013-2015 (2017)

* Other - These are all other household types which are made up of adults only and have no resident children.

Concealed Households

3.19 A concealed family is defined as one 'living in a multi-family household in addition to the primary family, such as a young couple living with parents.

- 3.20** The Centre for Housing Market Analysis at the Scottish Government (CHMA) has produced estimates for local authority areas from the Scottish Household Survey (SHS) and Scottish House Condition Survey (SHCS) using 2011-2013 data. CHMA estimates show Aberdeen City with 3.4% of households overcrowded compared to 2.0% in Aberdeenshire and 2.8% for Scotland.
- 3.21** Aberdeenshire has 2.5% concealed households compared to Aberdeen City at 1.7% and Scotland at 2.0%. The National Records of Scotland: 2011 census (2016) revealed that there has in particular been an increase in the percentage of families aged 24 and under classed as concealed. In the Aberdeenshire Council area this is notable higher than the Scottish average and a marked increase from the 2001 Census.
- 3.22** Overall however the number of concealed households both nationally and at a Council level remains at around 1%. This has increased since 2001 by 0.3-0.4% with the largest rises for households aged 24 and under.

Table 33: Concealed households

Concealed Households	Aberdeen City Council	Aberdeenshire Council	Scotland
All families	1.7%	2.5%	1.2%
aged 24 and under	9.2%	15.2%	10.0%
aged 25 to 34	2.0%	3.0%	2.6%
aged 35 to 49	0.5%	0.5%	0.5%
aged 50 to 64	0.3%	0.2%	0.4%
aged 65 to 74	0.6%	0.8%	1.0%
aged 75 to 84	0.7%	0.6%	1.0%
aged 85 and over	0.5%	0.9%	1.0%

Source: National Records of Scotland: 2011 census (2016)

Profile of Council Owned Housing Stock

- 3.23** Together Aberdeen City and Aberdeenshire Councils own 34,896 units. These are profiled below:

Table 34: Aberdeenshire Council Stock

	Bedsit	1 bed	2 bed	3 bed	4 bed or more	Total
Aberdeenshire	38	5,063	5,194	2,468	140	12,903
Aberdeen City	875	7,336	9,864	3,723	195	21,993

Source: Aberdeen City and Aberdeenshire Councils (2016)

Table 35: Aberdeen City Council Stock

	0 bed	1 bed	2 bed	3 bed	4 bed	Total
House	91	1,566	1,707	1,861	92	5,317
High Rise	34	1,457	2,367			3,858
Tenement	724	2,893	4,378	1,173	87	9,255
4 in a block	3	620	933	557	16	2,129
Other Flat	23	800	479	132		1,434
	871	7,372	10,012	3,807	199	22,261

Source: Aberdeen City Council (2016)

- 3.24** There is significant pressure on Council stock in Aberdeen City and Aberdeenshire. Aberdeen City Council has 6,631 applicants on its waiting list while Aberdeenshire Council has 7,280 on its waiting list.¹⁴ Within Aberdeenshire, the greatest pressure is in Garioch and on one-bedroom homes.

¹⁴ As both Councils hold separate waiting lists, there may be some double counting where applicants have registered on both systems.

Table 36: Waiting Lists on 31 March 2017

Area	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	Other	Total
Banff and Buchan	642	228	128	52	30	20	1099
Buchan	613	223	143	58	12	67	1116
Formartine	528	183	145	47	16	8	927
Garioch	1124	388	277	91	32	16	1928
K&M	611	315	209	67	25	35	1262
Marr	513	191	136	41	14	51	946
Other	1						1
Aberdeenshire Total	4032	1528	1038	356	129	197	7280
Aberdeen city	4013	1698	805	106	9		6631

Source: Aberdeen City Council and Aberdeenshire Council (2017)

- 3.25** The following RSLs operate in the Aberdeenshire and Aberdeen City area with a total of 9,236 self-contained RSL units and bed spaces.

Table 37: RSL Stock

RSL	Aberdeenshire	Aberdeen City	Total No. of Units
Ark Housing Association Ltd	93	23	116
Aberdeen Soroptimist Housing Society Ltd		15	15
Blackwood Homes and Care	25	99	124
Castlehill Housing Association Ltd	605	981	1,586
Grampian Housing Association Ltd	956	1,192	2,148
Hanover (Scotland) Housing Association Ltd	412	121	533
Langstane Housing Association Ltd	776	1,354	2,130
Next Step Homes Ltd	34	5	39

Sanctuary	741	707	1,448
Abbeyfield Scotland	29		29
Osprey	955		955
Cairn Housing Association	37		37
Kincardine Housing Cooperative	76		76
Total	4,739	4,497	9,236

Source: Registered Social Landlords (2016)

- 3.26** The 2014 Housing (Scotland) Act ended the right of Council tenants to buy their homes on 1 August 2016.

Size, type, tenure and location of future social housing supply

- 3.27** Many individuals find that their current home cannot safely meet their needs; for example after an injury or the ageing process may leave an individual unable to ascend stairs, use their bathroom safely or negotiate their front step. While looking for alternative accommodation may be an option for some people, the most common solution is to install an adaptation to their home, allowing them to continue living independently and with dignity; further discussion of adaptations in the social rented sector is set out in the Specialist Housing Provision Chapter.
- 3.28** It is planned to demolish 120 units within Aberdeen City Council stock.
- 3.29** Both Aberdeen City Council and Aberdeenshire Council have developed strategic housing investment plans for 2017-2022 which were submitted to the Scottish Government in November 2016. These identify opportunities for the following levels of new affordable housing supply:

Table 38 – New affordable housing supply by year and by type, for each LA, by HMA

	Aberdeen City	Aberdeenshire	AHMA	RHMA
2017/18	590	205	654	141
2018/19	646	780	1,110	316
2019/20	223	416	431	208
2020/21	290	130	366	54
2021/22	193	604	450	347
Total	1,942	2,135	3,011	1,066

Source: Aberdeen City and Aberdeenshire Councils (2016)

The table above shows potential affordable housing development in both local authorities. These projections are likely to vary and will be subject to the build out rate of the development industry.

- 3.30** The National Records of Scotland also highlight that 3,071 properties in Aberdeen City and 5,000 properties in Aberdeenshire are vacant or are second homes. Aberdeen City Council tax records show 1,547 vacant properties as at March 2016 with 655 vacant for more than 12 months. The March 2017 figure shows 2,747 vacant properties with 1,249 vacant for more than 12 months. Aberdeenshire has 1,872 long-term vacant properties. Returning some of these properties into the housing supply could help to reduce the backlog of housing need.

Table 39: Vacant Local Authority Stock

	Aberdeen City	Aberdeenshire
Temporary homeless accommodation	0.2%	0.2%
Awaiting demolition	0.3%	0.2%
Part of modernisation programme	0.3%	0.1%
In low demand area	0.3%	0.1%
Normal letting stock	1.2%	0.9%
All vacant	2.3%	1.5%

Source: Aberdeen City and Aberdeenshire Councils (2016)

	Key Issues identified in the HNDA
Housing quality	<ol style="list-style-type: none"> 1. There are high levels of disrepair across all sectors in Aberdeen City and Aberdeenshire. This has improved significantly for the social housing stock in meeting the SHQS, but remains an issue for other sectors.
Housing stock pressures	<ol style="list-style-type: none"> 1. There is significant pressure on social housing stock. At 31 March 2017, there were 7,280 applicants in Aberdeenshire and 6,631 in Aberdeen City on the waiting list. 2. Overcrowding in Aberdeen City is much higher than national averages. 3. A high proportion of families under 24 live in concealed households in Aberdeenshire. 4. Under occupation is highest in Aberdeenshire and is estimated at 41%. This is even more pronounced in properties with 3 or more bedrooms where 70% of the stock is under occupied.
Size, type, tenure and location of future social housing supply	<ol style="list-style-type: none"> 1. Up to 4,077 affordable units are planned to be delivered from 2017/18 to 2021/22. These projections are subject to market conditions and the build out rates of developers. 2. The Aberdeen Housing Market Area will see up to 3,011 units (65%) of the planned affordable supply and the Rural Housing Market Area will see 1,066 units (35%) supplied over the next five years.
Sustaining communities	<ol style="list-style-type: none"> 1. There are 8,000 vacant or second homes in Aberdeen City and Aberdeenshire. 3,349 of these are long-term vacant according to Council Tax figures. 2. Under occupation is a challenge that may present an opportunity for better use of stock in Aberdeenshire.
	<p>These issues will be addressed through the Aberdeen City and Aberdeenshire Local Housing Strategies 2018-2023.</p>

4. Estimating Future Housing Need and Demand

- 4.1** This chapter uses the information gathered in chapter 2 ('Key housing market drivers') to produce an estimate of the future number of additional housing units required to meet housing need/demand under a number of scenarios.
- 4.2** The estimates presented below were produced using the Excel-based 'HNDA Tool' (Version 2.3.3), produced by the Scottish Government's Centre for Housing Market Analysis. The tool was designed to reduce the cost and complexity of HNDAs, as well as bring greater consistency in the approach used across Scotland. As a consequence of this, the results are not strictly comparable with the output from the previous HNDA in 2010 and the 2011 update.
- 4.3** The period to be covered by the Aberdeen City and Shire SDP will be to 2040, longer than the period the tool provides projected estimates for (2035). As a consequence, figures for the last five years of the plan period (2036-2040) will be produced by extrapolating from the earlier data. This final five year period will only be dealt with indicatively in the SDP (and subsequent LDPs will only address it indicatively, if at all) so this is considered to be an appropriate way of giving an indication of likely need and demand during this period.
- 4.4** For simplicity, the main body of the report will focus on providing information for the SDP Area, along with the AHMA and the RHMA. Information by council area will be provided in an Appendix¹⁵, as will detailed results for individual years.
- 4.5** The scale of the need/demand for new housing overall is largely driven by the scale of population and household growth in the area. This in turn is dependent on a range of factors, including the current population and household structure as well as rates of economic growth, migration and incomes.
- 4.6** National Registers of Scotland prepare a range of population and household projections for local authority and strategic development planning authority areas. These are trend-based in the way they apportion Scottish levels of growth to smaller geographies and are therefore 'projections' of what could happen under a specific set of assumptions rather than forecasts of what is

¹⁵ This information will be useful for the two councils as they prepare Local Housing Strategies and for the Cairngorms National Park as it collates information from the 5 HNDAs covering its area.

likely to happen. The projections use three different levels of migration – known as ‘low migration’, ‘principal’ and ‘high migration’ variants.

- 4.7** The 2012-based projections are the most up-to-date currently available within the model itself, although the 2014-based projections are now available and have been included in the model manually.
- 4.8** The HNDA model uses the household projections chosen to determine the scale of growth overall, while the split between need and demand is driven by the relationship between house prices (and expected changes over time) and incomes (and how these change over time, in both level and distribution). The backlog of housing need also has an impact over the early years of the projected period, although this is a relatively minor component of the total need and demand over the period to 2035.
- 4.9** The HNDA is an evidence-base from which different policy responses can be made. Two of the main policy responses are the setting of Housing Supply Targets and the split between ‘market’ and ‘affordable’ housing tenures. However, these decisions are not made within the HNDA itself but through the SDP and LHS. In order to facilitate this (and the required consultation and discussion), the HNDA uses a number of scenarios which are based on a range of assumptions for variables such as household growth, and incomes as well as changes in house price and rental costs. Not all of these scenarios will be equally likely but are internally consistent.
- 4.10** The Project Steering Group analysed the evidence presented in chapter 2 alongside the feedback received from stakeholders in the Engagement Group. As a result, five scenarios were initially modelled (in addition to the default settings of the model). However, with the publication of the 2014-based projections, this was reduced to three (in addition to the default), omitting scenarios based on past growth trends over the last 25 years and the ‘principal’ growth projection for Scotland as a whole¹⁶. The final four scenarios are therefore:

Scenario 0	Default Settings
Scenario 1	Principal Growth
Scenario 2	Low Migration
Scenario 3	High Migration

¹⁶ The main reason for adding these two scenarios was in recognition of the fact that growth rates over the last 25 years were lower than any of the 2012-based household projections for Aberdeen City and Shire. In addition, the 2014-based Population Projections for Scotland (‘Principal’) showed a population some 100,000 lower than the 2012-based projections by 2037. As a consequence, the 2014-based population projections for Aberdeen City and Shire were anticipated to be lower than those for 2012 as there would be a lower population to share round the country.

- 4.11** The scenarios selected make use of four different household projections, the principal 2012-based projection (default settings) and the 2014-based principal, low migration and high migration variant projections – all published by National Records of Scotland specific to Aberdeen City and Shire.
- 4.12** The 2014-based projections by NRS suggest that growth rates across Aberdeen City and Shire will be substantially higher than the other three city regions and Scotland as a whole, as shown in Table 40 below. However, all are lower than the 2012-based projections.

Table 40: 2014-based Population and Household Projections (2014-2039)

	Household Growth (%)			Population Growth (%)		
	Low	Principal	High	Low	Principal	High
Clydeplan	8	12	16	-1	3	7
Aberdeen City and Shire	17	24	31	11	19	26
SESplan	16	22	28	8	14	21
TAYplan	8	13	18	1	7	12
Scotland	10	14	19	2	7	12

Source: National Records of Scotland (2017)

- 4.13** However, the pattern of growth implied by these projections (high growth in the early years but falling over time) is open to debate given the economic turbulence experienced in the area since 2014.
- 4.14** In the formation of detailed scenarios for the HNDA the Project Steering Group determined that a number of assumptions were considered to be constant regardless of the scenario. These are explained below.

Existing Need for Additional Housing

- 4.15** The HNDA tool includes an agreed methodology known as the 'Homelessness and Temporary Accommodation Pressure' (HaTAP) method.
- 4.16** This is calculated in two parts as follows:

Part 1 – Provide sufficient new build to ensure that there is no increase in temporary accommodation at current rates of homelessness

These are modelled estimates of the rate of social sector new build that would be needed in each Local Authority in order to a) ensure that the proportion of lets to homeless households does not exceed a fixed proportion – say 60% and b) the number of people in temporary accommodation does not increase. Some local authorities may find that no additional new build is required for this purpose as they have reducing numbers in temporary accommodation whilst, at the same time, less than 60% of their non-transfer lets go to homeless households.

- 4.17** Part 2 – Provide additional new build to reduce the level of temporary accommodation over five years. This is done by taking the snapshot level of temporary accommodation at the end of the quarter and dividing this by five. The final answer is derived by adding parts one and two together.
- 4.18** In consultation with the Centre for Housing Market Analysis and the Engagement Group, the Project Steering Group agreed to use the HaTAP method. The alternative method outlined in the HNDA tool guidance was explored to identify existing need. This requires identifying both homeless households, including those in temporary accommodation, and households that are BOTH concealed and overcrowded. However, this requires cross-referencing different sources between national estimates and local datasets which was not considered to be an appropriate or robust method of identifying existing need.
- 4.19** The HATAP method identifies a backlog of 820 households across Aberdeen City and Shire, of this 560 is in the AHMA (Aberdeen City = 360; Aberdeenshire = 200) and 260 in the RHMA (all in Aberdeenshire).

[Time to Clear Existing Need](#)

- 4.20** The Project Steering Group agreed to use the timeframe of 10 years to clear the backlog of existing need. This was felt to be realistic in light of current build out rates in the development industry combined with levels of existing housing need and resource availability (see chapter 2).

[Affordability](#)

- 4.21** The Tool is set up to analyse affordability (incomes divided by house prices and rent prices) at the 25th percentile of income, house prices and rental prices. Traditionally the 25th percentile is seen to represent the point where First-Time-Buyers enter the market and where housing need and demand is most frequent. This assumption is used across each of the scenarios.

House Prices

- 4.22** The default setting in the Tool assumes that one can afford to purchase a house priced at the lower quartile (25% percentile of the house price distribution) if one's income is 4x greater than the house price. The 4x income is equivalent to 3.2x income with a 75% mortgage. This is based on information from the Council of Mortgage Lenders. Feedback from the Engagement Group during the development of the HNDA reinforced this default position.

Rent Choices

- 4.23** The Centre for Housing Market Analysis recommend that 50% of those who can afford to purchase go on to do so. This assumes, of those who can afford mortgage repayments, only 50% also have the deposit to actually go on to buy. This is based on the market situation in early 2013. The Project Steering Group has agreed this position. However, when interpreting the results it will be important to recognise that the boundary between renting in the private sector and home ownership is likely to be determined as much by cultural expectations and life stage as income.
- 4.24** In addition, the Tool assumes that people who spend less than 25% of their income on rent can afford to rent in the private sector. This threshold has been used historically as the threshold for affordability in the private rented sector. Where people spend between 25-35% of their income on rent the Tool assumes they can afford below market rent. This is reinforced by research carried out on the north east housing market by Arneil Johnston (2015). The Project Steering Group has agreed these positions.
- 4.25** This has left five further variables which have been used to construct the scenarios presented below. These are:
- Household Projections
 - House Price Growth
 - Rental Price Growth
 - Income Growth
 - Income Distribution
- 4.26** A summary of the scenario inputs are shown in the table below.

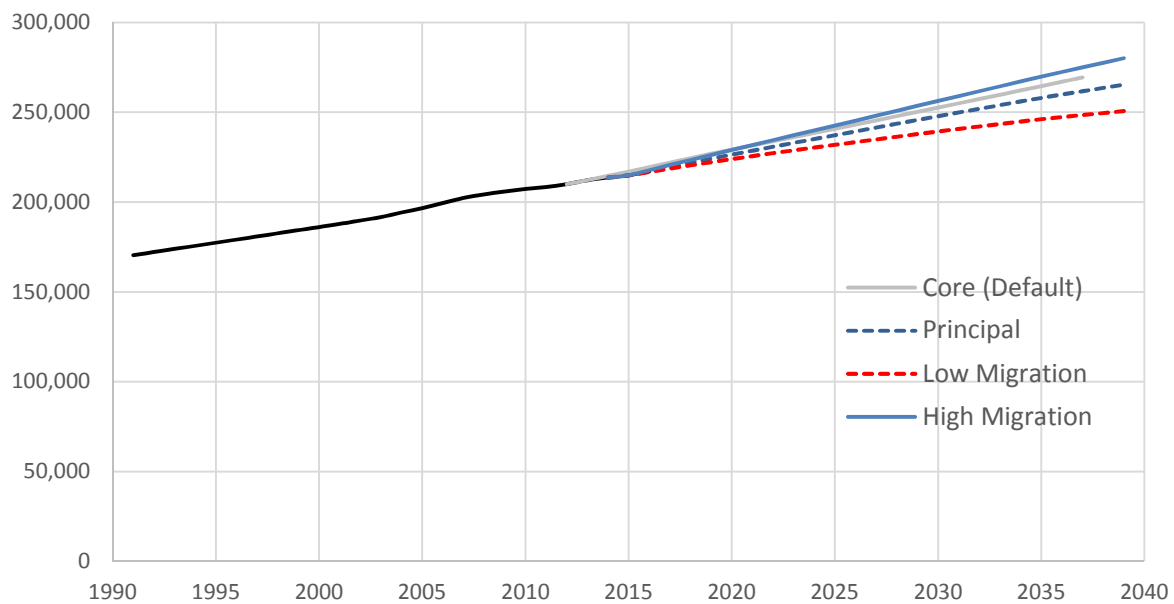
Table 41: Scenario Inputs

	Core Outputs	Scenario 1	Scenario 2	Scenario 3
Household Projection	2012 Principal	2014 Principal	2014 Low Mig	2014 High Mig
Clear Backlog (yrs)	5	10	10	10
Income Growth	Modest Increases	Modest Increases	Slow decline	Reasonable Growth
Income Distribution	Flat	Creeping Equality	Creeping Equality	Creeping Inequality
House Price Growth	LBTT	No Real Growth	Gradual Decline	Strong Recovery
Rental Price Growth	LBTT	No Real Growth	Gradual Decline	Modest Increases
Implied Population Growth (2016-2035)	+84,320 (+17.1%)	+91,000 (+19%)	+54,000 (+11%)	+127,000 (+26%)

4.27 Due to the timing of the preparation of the HNDA, the 2014-based projections had to be inserted manually, with the default run of the model based on the 2012-based principal projection. With these exceptions, all model inputs were available within the model itself. Figure 26 below plots the four different growth trajectories used for the scenarios.

4.28 The tool was run on a number of occasions to generate results for the SDP area as a whole as well as housing market areas and council areas for each of the four scenarios (core scenario plus three user-defined scenarios). This required a total of 12 model runs.

Figure 26: Aberdeen City and Shire Household Projections – 1991-2012...2039



4.29 Summary outputs from the Tool, based on the four scenarios are set out below:

Table 42: Estimate of annual additional housing units

	Scenario 0	Scenario 1	Scenario 2	Scenario 3
Aberdeen City and Shire SDPA	2,380	2,171	1,566	2,768
Aberdeen Housing Market Area	1,886	1,691	1,195	2,179
Rural Housing Market Area	494	480	371	589
Aberdeen City		1,063	679	1441
Aberdeenshire		1,107	887	1327
Affordable	59%	48%	56%	49%
Market	41%	52%	44%	51%

Source: HNDA Tool v2.3.3 (2017)

Table 43: Estimate of average additional annual housing units across Aberdeen City and Shire by tenure

	Scenario 0	Scenario 1	Scenario 2	Scenario 3
Social rent	993	556	546	965
Below market rent	486	488	334	403
Private rent	309	440	258	659
Owner occupation	591	688	427	742
Total	2,379	2,171	1,566	2,768

Source: HNDA Tool v2.3.3 (2017)

- 4.30** The figures presented above are all annual averages for the period 2016-2035. However, the figures do vary from year to year and this more detailed information is presented in Appendix 3.
- 4.31** The next section of this chapter looks in more detail at each of the scenarios in terms of both the input assumptions as well as the outputs in terms of scale and tenure of housing need and demand.

Scenario 0 – Default Settings

Household Growth	2012-based Principal Projection – Substantial population growth and household growth are experienced over the period 2012-2035 on the back of a very healthy economy which draws in workers from elsewhere in Scotland as well as overseas which is not hindered by the UK leaving the European Union in 2019. No contraction experienced as a consequence of the oil price falls in 2014.
Income Growth	Reasonable Growth – This household growth rate is facilitated by significant growth in incomes (+6%p.a to 2024 and then falling back to +2.5%p.a. thereafter) achieved by a return to sustained higher oil prices and required to attract the workforce.
Income Distribution	Creeping Inequality – High wages in the oil and gas industry continue to drive greater inequality in income distribution.
House Price Growth	LBTT – The demand for housing generated by the fast rising population gives rise to continued increase in house prices although at a relatively modest rate.
Rental Price Growth	LBTT – The demand for housing generally impacts on the demand for rented accommodation, both from those moving to the area on a short/medium-term basis but also from those who cannot afford to enter owner-occupation.

- 4.32** This scenario represents the default output of the HNDA model and is the scenario against which all other modelled scenarios are compared in the HNDA tool. As such, it assumes the backlog of housing need will be removed within a 5 year period, whereas all other scenarios generated assume that a 10 year period is more realistic given the likely availability of funding to deliver affordable housing.
- 4.33** In this scenario, the need and demand for new homes exceeds the levels experienced over recent decades but does not do so significantly. A detailed summary of the model outputs is provided below, with further breakdowns available in Appendix 3.

Table 44: Core Scenario model outputs (new homes per annum)

	2016-2020	2021-2025	2026-2030	2031-2035
SDP Area	2,345	2,352	2,396	2,426
Social rent	909	941	1,028	1,094
Below Market	404	414	515	613
PRS	416	396	270	155
Buyers	616	601	583	564
AHMA	1,790	1,845	1,930	1,979
Social rent	687	735	826	891
Below Market	311	325	409	495
PRS	320	314	224	134
Buyers	472	472	471	460
RHMA	555	507	466	447
Social rent	222	207	202	203
Below Market	93	89	105	118
PRS	96	82	46	21
Buyers	144	129	112	104

Affordable Housing (2016-2030)	AHMA /RHMA (2016-2030)	City / Shire (2016-2030)
59%	78% / 22%	62% / 38%

- 4.34** Over the first 15 year period of the projections to 2030, 59% of housing requires to be 'affordable' and a higher proportion (78%) takes place in the AHMA than has historically been the case, largely because growth in Aberdeen City is faster than growth in Aberdeenshire.

Scenario – 1

Household Growth	2014-based Principal Projection – Substantial population growth (+91k, +19%) and household growth (+52k, +24%) are experienced over the period 2014-2039, although at a slightly lower level than Scenario 0. This is on the back of a very healthy economy which draws in workers from elsewhere in Scotland as well as overseas which is not hindered by the UK leaving the European Union in 2019. No contraction experienced as a consequence of the oil price falls in 2014.
Income Growth	Modest Increases – This household growth rate is facilitated by significant growth in incomes (+4%p.a. to 2023 and then falling back to +3%p.a. thereafter) achieved by a return to sustained higher oil prices and required to attract the workforce.
Income Distribution	Creeping Equality – Social pressures and legislation lead to greater equality in the distribution of wages, with those at the bottom of the income distribution doing slightly better than those at the top.
House Price Growth	No Real Growth – The demand for housing generated by the fast rising population gives rise to continued increase in house prices, although a well-functioning housing market ensures these are capped at the rate of inflation (+2%p.a. to 2020 and thereafter 2.5%p.a.).
Rental Price Growth	No Real Growth – The demand for housing generally impacts on the demand for rented accommodation, both from those moving to the area on a short/medium-term basis but also from those who cannot afford to enter owner-occupation. Less demand from students as a consequence of specific provision as well as inflation rate rises in house prices moderate rental growth (+2%p.a. to 2020 and thereafter 2.5%p.a.).

- 4.35** This scenario represents a variation on the default output of the HNDA model, being based on the updated ‘principal’ household projection but with different income and house price assumptions. It also assumes the backlog of housing need will be removed within a 10 year period, whereas the default outputs assume a 5 year period.
- 4.36** In this scenario, the need and demand for new homes exceeds the levels experienced over recent decades but does not do so significantly over the

period as a whole. A detailed summary of the model outputs is provided below, with further breakdowns available in Appendix 3.

Table 45: Scenario 1 model outputs (new homes per annum)

	2016-2020	2021-2025	2026-2030	2031-2035
SDP Area	2,360	2,217	2,107	2,000
Social rent	808	630	442	342
Below Market	437	464	517	533
PRS	445	444	444	425
Buyers	670	679	704	700
AHMA	1,792	1,695	1,661	1,612
Social rent	603	466	335	265
Below Market	337	365	419	440
PRS	339	340	349	343
Buyers	512	524	558	569
RHMA	568	523	446	387
Social rent	204	164	107	77
Below Market	100	100	98	93
PRS	106	104	95	82
Buyers	157	155	145	131

Affordable Housing (2016-2035)	AHMA /RHMA (2016-2035)	City / Shire (2016-2035)
48%	78% / 22%	49% / 51%

- 4.37** Over the first 20 year period of the projections to 2035, 48% of housing requires to be 'affordable' and a higher proportion of growth (78%) takes place in the AHMA than has historically been the case.

Scenario – 2

Household Growth	2014-based Low Migration Projection – Continued population growth (+54k, +11%) and household growth (+37k, +17%) are experienced over the period 2014-2039 on the back of a very healthy economy which draws in workers from elsewhere in Scotland as well as overseas which is hindered by slower economic growth and the UK leaving the European Union in 2019.
Income Growth	Slow Decline – Incomes are generally falling (-1%p.a. to 2022 and then gradually recovering to +2.5%p.a. by 2032) as a consequences of job losses in the oil and gas industry, with replacement jobs generally not being as well paid.
Income Distribution	Creeping Equality – Fewer high-end wages as well as social pressures and legislation lead to greater equality in the distribution of wages, with those at the bottom of the income distribution doing slightly better than those at the top.
House Price Growth	Gradual Decline – The demand for housing moderates over the period to 2020 before slowly picking up again (-1%p.a. by 2020 and thereafter rising to 2.5%p.a. by 2032).
Rental Price Growth	Gradual Decline – The demand for housing moderates over the period to 2020 before slowly picking up again (-1%p.a. by 2020 and thereafter rising to 2.5%p.a. by 2032).

- 4.38** This scenario uses the 2014-based ‘Low Migration’ household projections published by the National Records of Scotland. However, these still project high levels of growth compared to other parts of Scotland (see Table 40). It also assumes the backlog of housing need will be removed within a 10 year period, whereas the default outputs assume a 5 year period.
- 4.39** In this scenario, the total level of need and demand for new homes over the period to 2020 roughly equates to the levels delivered over the last 5 years (1,892 p.a.), although declines thereafter. A detailed summary of the model outputs is provided below, with further breakdowns available in Appendix 3.

Table 46: Scenario 2 model outputs (new homes per annum)

	2016-2020	2021-2025	2026-2030	2031-2035
SDP Area	1,850	1,628	1,468	1,317
Social rent	646	551	510	477
Below Market	341	329	322	341
PRS	347	294	239	160
Buyers	522	460	394	337
AHMA	1,378	1,214	1,136	1,051
Social rent	468	397	393	378
Below Market	260	252	252	269
PRS	259	219	185	134
Buyers	391	345	306	269
RHMA	471	414	332	265
Social rent	170	147	121	101
Below Market	82	78	70	72
PRS	89	75	54	25
Buyers	131	114	88	68

Affordable Housing (2016-2035)	AHMA /RHMA (2016-2035)	City / Shire (2016-2035)
56%	76% / 24%	43% / 57%

- 4.40** Over the first 20 year period of the projections to 2035, 56% of housing requires to be 'affordable', the highest of the four scenarios. This scenario also sees a larger percentage of the growth taking place in Aberdeenshire.

Scenario – 3

Household Growth	2014-based High Migration Projection – Substantial population growth (+127k, +26%) and household growth (+66k, +31%) are experienced over the period 2014-2039 on the back of a very healthy economy which draws in workers from elsewhere in Scotland as well as overseas at higher rates than in previous decades. This is not hindered by the UK leaving the European Union in 2019. No contraction experienced as a consequence of the oil price falls in 2014.
Income Growth	Reasonable Growth – Incomes generally rise at a very fast rate of 6% p.a. to 2024, then drop back to around 2.5% p.a. to the end of the projection period. This price signal helps to act as a magnet, drawing in significant levels of population growth.
Income Distribution	Creeping Inequality – High wages in the oil and gas industry continue to drive greater inequality in income distribution.
House Price Growth	Strong Recovery – The demand for housing increases strongly from 3.0% in 2011 to 8.0% by 2020, and then increases by 2.5% p.a. to the end of the projection period.
Rental Price Growth	Modest Increases – The demand for housing increases strongly but rental prices are moderated by the growth in purpose-built student accommodation over the early part of the period. Rental prices rise moderately from 2.0% in 2011 to 5.0% in 2020, then increase by 2.5% p.a. for the rest of the projection period.

4.41 This scenario uses the 2014-based 'High Migration' household projections published by the National Records of Scotland. These project forward very high levels of growth compared to any other part of Scotland, substantially higher than has ever been achieved consistently in the past. It also assumes the backlog of housing need will be removed within a 10 year period.

4.42 A detailed summary of the model outputs is provided below, with further breakdowns available in Appendix 3.

Table 47: Scenario 3 model outputs (new homes per annum)

	2016-2020	2021-2025	2026-2030	2031-2035
SDP Area	2,875	2,785	2,735	2,679
Social rent	1,098	1,045	897	820
Below Market	464	422	388	338
PRS	580	630	695	731
Buyers	732	689	755	790
AHMA	2,209	2,157	2,176	2,175
Social rent	835	799	713	661
Below Market	362	332	309	274
PRS	448	490	551	598
Buyers	564	536	603	642
RHMA	665	628	559	504
Social rent	264	246	189	158
Below Market	102	90	77	61
PRS	133	139	140	137
Buyers	166	152	153	147

Affordable Housing (2016-2035)	AHMA /RHMA (2016-2035)	City / Shire (2016-2035)
49%	79% / 21%	52% / 48%

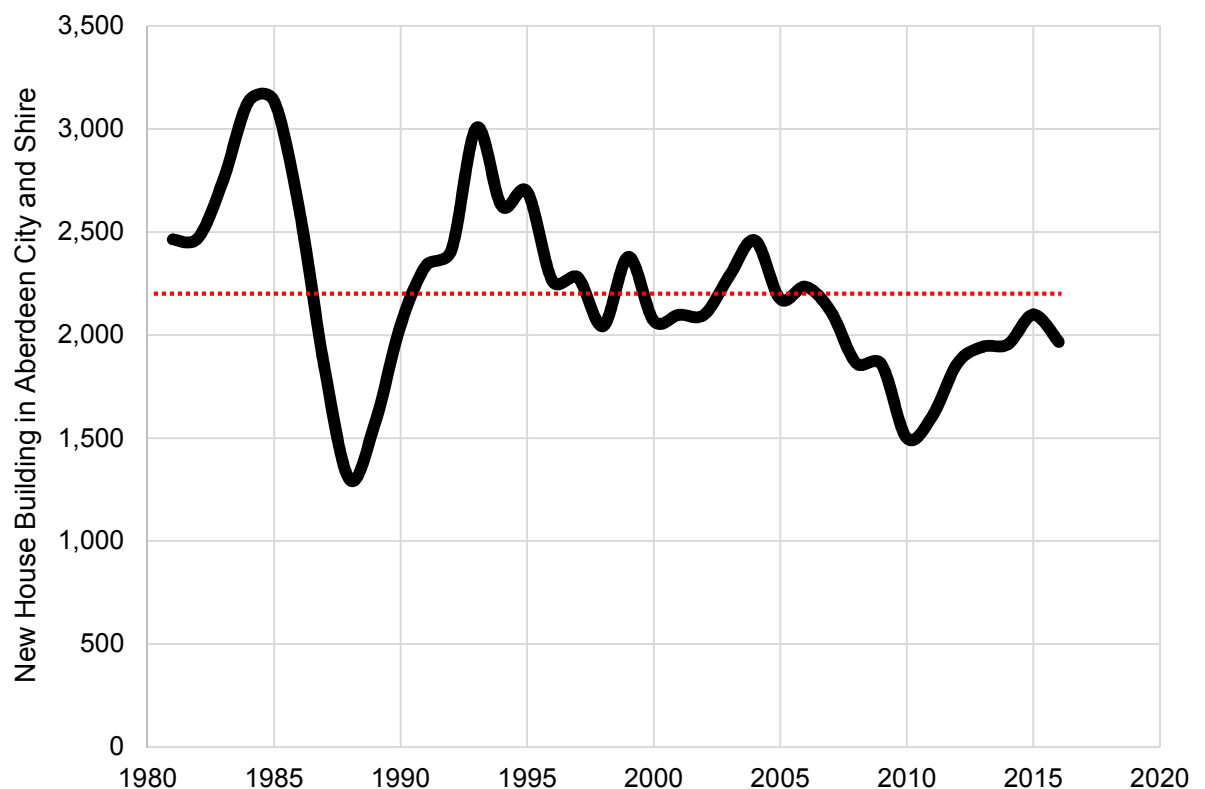
- 4.43** Over the first 20 year period of the projections to 2035, 49% of housing requires to be 'affordable' and a higher proportion of growth (79%) takes place in the AHMA than has historically been the case, largely because growth in Aberdeen City is faster than growth in Aberdeenshire.

- 4.44** All scenarios generated give rise to very high levels of need for affordable housing (both social rent and below market rent), levels well in excess of 25%¹⁷ and well in excess of recent trends in terms of delivery. Conversely, private sector delivery has been generally higher than the figures projected above.

Historic House Building Rates

- 4.45** Historic house building rates are an important yardstick to use when interpreting the output from the various scenarios. Figure 26 below presents house building in Aberdeen City and Shire since 1981 and shows both significant falls in production as well as increases in production over this period, with these cycles largely following the state of the oil and gas industry as well as the wider UK economy.

Figure 27: House building trend since 1981



Source: Aberdeen City and Shire Housing Land Audit (2017)

- 4.46** Over the last 5 years, the Aberdeen City and Shire Housing Land Audit (2017) shows that house building has increased every year, averaging 1,892 across

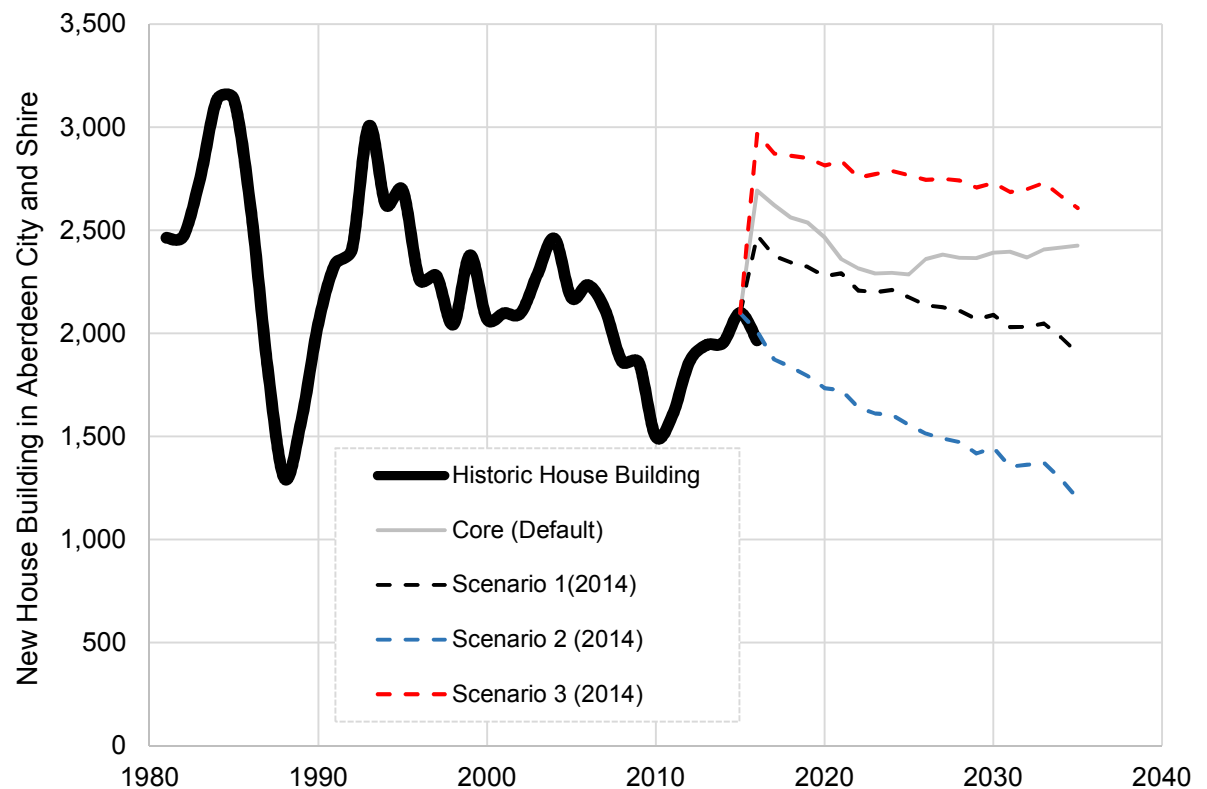
¹⁷ The benchmark level set in Scottish Planning Policy (2014).

Aberdeen City and Shire but rising to 2,099 in 2015, before falling to 1,966 in 2016. Completions have averaged 1,399 in the AHMA and 493 in the RHMA. This period was characterised by a recovery from the global recession triggered by the banking crisis of 2007/08. Average completions in Aberdeen City over this period stand at 735, while those in Aberdeenshire stand at 1,157. However, the projected completions in the 2016 Housing Land Audit suggest that Aberdeen City will be completing more than 50% of the new homes over the next five years. It can be seen that very few years have seen completion rates exceed 2,500 p.a. and none since 1995. A figure of over 3,000p.a. has only been reached three times in 35 years, in 1984, 1986 and 1993. The long-term average over this 35 year period is 2,216 and around 2,200 if the most extreme 10 years are excluded from the calculations.

- 4.47** It is important to recognise that these levels of house building relate to historic levels of economic activity and migration and are not a perfect guide to future levels of construction. Indeed, the volatility of the house building industry around mean production levels is an important factor to take into account when setting a policy framework.
- 4.48** A number of core results can be identified from the above analysis.
- 4.49** Levels of need for affordable housing are significant under every scenario. This relates both to the percentage of households requiring affordable housing (48-56%) but also the absolute number (between 877 and 1,368pa).
- 4.50** Secondly, each of the three main scenarios project falling levels of need and demand over time. In reality, given the economic challenges evidenced in earlier chapters it is more likely that with economic recovery will come an increasing need and demand over time – potentially starting on a trajectory similar to the low-migration scenario but moving towards the principal and high-migration scenario over time.
- 4.51** Thirdly, the social rented tenure is significant in all scenarios identified. However, the provision of this tenure is expensive and very dependent on Scottish Government grant funding. Maximum use will need to be made of this but under many scenarios there will be considerable challenges being able to deliver anywhere near the required level on a consistent basis. The challenge of being able to secure sufficient land for this level of affordable house construction will also be challenging given the terms of Scottish Planning Policy.

- 4.52** Fourthly, the private rented sector is suggested as having an important role to play in meeting future needs, although there are no clear mechanisms for being able to deliver this through the planning system at the current time.
- 4.53** This chapter has presented the model outputs from a number of scenarios relating to housing need and demand over the period to 2035. Each scenario has its own strengths and weaknesses but it will be for the Strategic Development Plan and Local Housing Strategies to take the information contained in this assessment and use it to inform the setting of Housing Supply Targets to the next plan period.

Figure 28: House building trend since 1981 and projected rate of housing need and demand based on the HNDA scenarios



	Key Issues identified in the HNDA
LHS and Development Plan	<ol style="list-style-type: none"> 1. The three scenarios plus the 'default' output of the model give rise to quite different trajectories for household growth. However, in all cases the population and households in all areas are expected to increase. 2. The 'high-migration' scenario for the number of households to 2035 imply levels of growth well in excess of the historic average for the area. Given the state of the local economy, achieving such levels of growth would be very challenging. 3. A high level of need for affordable housing has been identified under all scenarios. The levels identified are well beyond the scope of the planning system to be able facilitate through planning policy given the constraints imposed by the market and Scottish Planning Policy. 4. Building on recent trends, the private rented sector is seen as having an important role to play in meeting future housing requirements, although tenure change within the existing stock is likely to play an important role (it being important to consider the two 'market' tenures together). 5. The three main scenarios present different futures for the area. It may be that a composite picture more closely reflects the current position and future aspirations for the area as we move from current economic challenges to continued future prosperity.

5. Specialist Provision

- 5.1** This chapter sets out the contribution that specialist provision makes to meeting housing need and demand. It considers people with particular needs. It focuses on the need and supply of specialist accommodation to meet a range of needs to enable people to live well, with dignity and independence for as long as possible.
- 5.2** The purpose of this chapter is to meet the requirements of Core Output 3 as specified in the HNDA Practitioner's Guide 2014.
- 5.3** This chapter addresses three broad categories of need covering six types of housing or housing-related provision to support independent living. This is set out below.

Table 48: Housing Need and Type of Housing Provision

Category of Housing Need	Type of Housing Provision
Property Needs	<ul style="list-style-type: none"> a. Accessible and adapted housing b. Wheelchair housing c. Non-permanent housing e.g. for students, migrant workers, asylum seekers, refugees
Care and Support Needs	<ul style="list-style-type: none"> d. Supported provision e.g. care homes, sheltered housing, hostels and refugees e. Care/support services for independent living
Location or Land Needs	<ul style="list-style-type: none"> f. Site provision e.g. sites/pitches for Gypsy/Travellers and sites for Travelling Show-people, city centre locations for student accommodation

Overview

- 5.4** This section sets out the demographic context and provides evidence on households, health, age and older people. It is recognised that this evidence overlaps a number of the specialist provision templates and, rather than repeating this information within each template, it was decided to place it ahead of the six templates.
- 5.5** The National Records of Scotland: 2011 census (2016) shows 32,000 (14.4%) of the population in Aberdeen city are aged 65 and over. In Aberdeenshire it

is 40,700 (16.1%). The national figure for Scotland is 16.8%. Since 2001, the number of people aged 65+ in Aberdeen decreased by 1.2%, however in Aberdeenshire it increased by 25.7% over the same period. The National Records of Scotland: 2011 census (2016) also showed an increase in the number of people aged 80 and over between 2001 and 2011. In Aberdeen city it increased by 13.6% to 9,100; Aberdeenshire increased by 30% to 10,300. This accounts for 4.1% of the population across both local authority areas.

5.5.1 NRSO shows a projected increase in the population of pensionable age between 2014 and 2039 by 20.5% in Aberdeen city and 35.2% in the Aberdeenshire.

5.5.2 Based on the NRSO projections, the population aged 75+ will increase significantly by 66.0% in the city and by 107.7% in Aberdeenshire from 2014 to 2039.

5.6 Household

5.6.1 In 2014, approximately 18,285 households in Aberdeen city were headed by someone aged 60 - 74. The number in Aberdeenshire is 25,682 households.

5.6.2 Household projections, which are based on the 2014 figures above, indicate a 16% increase in the number of households headed by someone aged 60 to 74 in Aberdeen city with a 13% increase in Aberdeenshire from 2012 – 2039. The Scottish average is 11%.

5.6.3 In 2014, 10,971 households in Aberdeen were headed by someone aged 75+. The projected number of households in this age group will increase by 58% in Aberdeen city to 17,339 by 2039. Similarly, Aberdeenshire had 13,650 households aged 75+ in 2014, however it is projected to increase by 98% to 27,063 by 2037.

5.7 Health

5.7.1 In 2011 proportion of the population in Aberdeen city and Aberdeenshire with one or more long term health conditions are similar at 26.5% and 26.9% respectively.

5.7.2 There has been no significant change in the numbers of people with long-term activity-limiting health problems or disability between 2001 and 2011.

In Aberdeen city it decrease from 17.5% to 16.0% and in Aberdeenshire it increased slightly from 15.3% to 15.5%.

5.7.3 The figures in March 2014 show a significant drop in the number of care homes for older people in Aberdeen city from 38 to 31. During the same period there has been only a slight drop in Aberdeenshire from 51 to 49. This has resulted in a reduction in care home places by 270 (15.3%) in Aberdeen City and 24 (1.23%) in Aberdeenshire.

5.8 The provision of suitable housing is one of the key challenges presented by an ageing population. Older people are more likely to either live alone, or in a household where all persons are aged 65 or older. Unsuitable housing impacts directly on health and providing appropriate housing of suitable quality and standard offers the potential to reduce costs to health and social care, and allow older people to remain independent.

5.9 **Property Needs**

The older generation are more likely to require smaller housing and there is a requirement for local authorities to ensure that there is an adequate supply of sheltered, very sheltered and amenity housing.

5.10 It is also important to consider the locality of housing for older people; the close proximity to local services, the informal support network of older people is likely to be in their local neighbourhood, and to move vulnerable people may increase social isolation.

5.11 The key features of housing for older people are based on the standards for general needs housing with additional features which must include:

5.11.1 Barrier free access where accommodation is on the ground or first floor level or in blocks over two storeys high served by at least one lift.

5.11.2 Space standards should be the same as for one or two person general needs houses.

5.11.3 Handrails provided on both sides of all common access stairs, and on at least one side of all common access areas and passages.

5.11.4 Bathroom doors are either sliding or capable of opening outwards, and fitted with locks operable from the outside and have floors with a non-slip finish. Handrails are fitted beside the WC and bath/shower.

- 5.11.5 Appropriate heating system in place with light switches and socket outlets fixed as per legislation.
- 5.11.6 A warden and a community alarm service is provided.
- 5.12** Very sheltered housing has all the features for sheltered housing with additional special bathroom facilities, 24 hour on site support and the provision of a hot meal each day.
- 5.13** Technology plays an increasing role in everyday life and is being integrated into housing service development transforming service delivery. Features such as telecare and assistive technologies are being rolled out to all sheltered and very sheltered facilities in the social rented sector.
- 5.14** More flexible support packages through the use of electronic assistive technology systems are needed to improve the quality of life for vulnerable older people to enable them to maintain their independence. This can assist early discharge from hospital, avoid admission to residential or nursing homes and provide additional support to carers. In 2011 the number of clients aged 65+ using community alarms and telecare systems in the city was 1,700 and 2,303 in Aberdeenshire.
- 5.15** General housing stock will continue to meet the needs of the vast majority of the older population.
- 5.16** The key aim of the Integration of health and social care set out through the Public bodies (Joint Working Act (2014) is to enable independent living where appropriate. Across Aberdeen city and Aberdeenshire there has been a gradual reduction in the provision of care homes for the elderly and this will increase demand for homes designed for older people or housing that can be adapted to meet their needs.
- 5.17** There is a limited range of housing options for older people other than sheltered housing or residential care. There is a lack of affordable housing of suitable size and design to suit this client group. Building new affordable housing to meet older people's needs is a priority to enable downsizing where appropriate and provide homes that are accessible and adaptable.

Social Care Services

- 5.18** One of the Scottish Government key drivers in the integration of health and social care is 'shifting the balance of care' towards independent living in the community and reducing the use of institutional care settings. Older people

want to live in their own homes for as long as possible, rather than in hospitals and care homes and this is support through the following policy documents and legislation. The key aim of the Public Bodies (Joint Working) (Scotland) Act 2014 is to address the challenges associated with the current health and social care system in Scotland including the need to respond to an ageing population and shifting the balance of care from acute to community-based facilities.

- 5.19** Aberdeen City and Aberdeenshire Councils, RSLs and other housing organisations make a contribution to achieving many of the National Health and Wellbeing Outcomes and this is reflected in the Housing Contribution Statements. It shows the important role the provision of suitable housing (including housing with care or support) plays in helping to “shift the balance of care” and promote independent living for as long as possible in the community.
- 5.20** In April 2016, health services and local authorities formally integrated services to provide a more joined-up and person centred approach to health and social care, enabling independent living where appropriate. National health and wellbeing outcomes and associated joint strategic commissioning plans and housing contribution statements provides a practical framework and set an ambitious agenda to improve the health and wellbeing of people across Scotland within a challenging context of an ageing population, public sector budget constraints, technological change and increasing expectations. Further evidence will be gathered locally to inform the locality plans within both Aberdeen city and Aberdeenshire. Housing is at the heart of independent living and can improve the lives of vulnerable and older people and significantly reduce health and care costs.

Accessible and Adapted Provision

National Policies

5.21 There is a range of national legislation and policy that will have an impact on the provision of accessible and adapted housing.

- [Public Bodies \(Joint Working\) \(Scotland\) Act 2014](#)
- [Equality Act 2010](#)
- [Self-Directed Support \(Scotland\) Act 2013](#)
- [The Town and Country Planning \(Scotland\) Act 1997](#)
- [Age, Home and Community: A Strategy for Housing for Scotland's Older People 2012-2021](#)
- [Reshaping Care for Older People: A Programme for Change 2011-2021](#)
- [Scotland's National Dementia Strategy 2013-2016](#)
- [All Our Futures: Planning for a Scotland with an Ageing Population 2010](#)
- [Shifting the Balance of Care](#)
- [Improving the Design of Homes to Assist People with Dementia](#)

Local Policy

5.22 This includes:

- [Aberdeen City](#) and [Aberdeenshire](#) Health and Social Care Strategic Plan Housing Contribution Statements
- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
- [Aberdeen City](#) and [Aberdeenshire](#) Schemes of Assistance

Property Needs

5.23 In Aberdeen city and Aberdeenshire there is a wide variety of accessible and adapted property types. These include housing that is ground level access or lift access, housing for varying needs, wheelchair accessible, ground-level, barrier-free; accessible kitchens and bathrooms; sheltered, very sheltered and extra care housing. Specific interventions include community alarms, low level appliances, ramp access, dementia friendly design features, adaptations, Tele Care and assistive technology.

5.24 These types of housing are suitable for:

- Older people

- People with disabilities
- People with dementia
- Bariatric clients

Evidence

5.25 The tables below show the local authority stock that is suitable for people with particular needs.

Table 49: Adapted Stock

	Sheltered Housing	OT Shower	GF Bathroom	GF Bedroom	Ambulant Disabled	Wheelchair Accessible	Ramps
Banff and Buchan	292	791	993	745	113	145	204
Buchan	189	653	922	710	122	118	68
Formartine	438	845	349	272	144	368	54
Garioch	297	568	620	478	78	165	40
Kincardine and Mearns	73	377	542	466	128	51	34
Marr	229	513	342	269	99	192	34
Total for Aberdeenshire	1,518	3,747	3,768	2,940	684	1,039	434
Aberdeen city	2,065				86	516	

Source: Aberdeenshire Council and Aberdeen City Council (2016)

5.26 In addition to the above, Aberdeen City has 1,900 other specially adapted housing units.

Table 50: Medical adaptations completed by a selection of local social landlords

Landlord	2014/15	2015/16	2016/17
Aberdeen City Council	714	956	1,208
Aberdeenshire Council	707	374	724
Castlehill Housing Association	88	89	51
Grampian Housing Association	88	83	75
Langstane Housing Association	40	62	58
Osprey Housing	25	24	19
Total	1,622	1,588	2,135

Source: Scottish Housing Regulator ARC Returns (2017)

- 5.27** Adaptations are consistently shown to deliver better outcomes at a lower cost, providing a better quality of life for service users and their carers. Older people are more likely than any other group to require adaptations to their homes in order to live independently. Adaptations across all housing sectors are provided to meet identified need as required. **Despite the prospect of a tightening fiscal environment for the public sector, budgets for adaptations will need to be maintained or increased in future years as demand increases to avoid more costly interventions in acute settings.**

Table 51: Dwellings requiring adaptations

Dwelling and Household Characteristics	Aberdeen city	Aberdeenshire
Total	1%	2%
Pre-1945	1%	3%
Post-1945	1%	1%
House	1%	-
Flat	1%	-
1 or 2 Bed	1%	5%
3+ Bed	1%	-
Owner-occupied	1%	1%
Social housing	1%	6%
Private rented	-	-
Older household	-	5%
Family household	2%	-
Other household	1%	1%

Source: Scottish House Condition Survey (2016)

- 5.28** The table above shows that Aberdeen city dwellings require fewer adaptations than the Scottish average of 3%. Higher proportions of Aberdeenshire one or two-bed properties, social housing and older households require adaptations. It should be noted that the sample sizes in the Scottish House Condition Survey are relatively small.
- 5.29** There is a significant projected increase in the number of older households especially those aged 75+. The move away from residential care to enabling people to maintain their independence, will have major implications for housing and health and social care services and may result in a higher level of investment in adaptations being required to assist older people maintain their independence. **Table 50 shows a high of 2,135 medical adaptations carried out by local registered social landlords in 2016/17 and this level of demand is anticipated to continue.**

- 5.30** Given the relative lack of funding for such provision, it is crucial that providers reduce costs by standardising house types and ensuring that the new build process for particular needs is as efficient as possible. Health and social care providers should be involved at an early stage to influence the design of proposed development before such changes become highly expensive. This also helps to accelerate the steps required between identifying a client requiring an adapted home and moving into that home further down the line.
- 5.31** There is a limited range of housing options for older people other than sheltered housing or residential care. There is a lack of affordable housing of suitable size and design to suit this client group. Building new affordable housing to meet older people's needs is a priority to enable downsizing where appropriate and provide homes that are accessible and adaptable.

Engagement

- 5.32** Engagement has taken place with partners on the Particular Needs Strategic Outcome Group to help inform the evidence gathered in chapter 5.

Wheelchair Accessible Housing

National Policies

- 5.33** There is a range of national legislation and policy that will have an impact on the provision of wheelchair accessible housing.

- [The Building \(Scotland\) Act 2003](#)
- [Lifetime Homes Standard](#)
- [Housing for Varying Needs Standards](#)

Local Policy

- 5.34** This includes:

- [Aberdeen City](#) and [Aberdeenshire](#) Health and Social Care Strategic Plan Housing Contribution Statements
- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
- [Aberdeen City](#) and [Aberdeenshire](#) Schemes of Assistance

Property Needs

- 5.35** Wheelchair accessible housing includes adaptations such as low level appliances, wider door openings, barrier-free bathroom/shower access/kitchen access, outside space with wider entrance and suitable surfaces, and car parking facilities.
- 5.36** These types of housing are suitable for people who use wheelchairs now and in the future. This section overlaps significantly with the accessible and adapted provision template above.

Evidence

- 5.37** There are 516 units of Aberdeen City Council housing stock and 1,039 units of Aberdeenshire Council housing stock that is wheelchair accessible (table 51 above). With all affordable new build meeting Housing for Varying Need standards, these should be flexible enough to meet the needs of wheelchair users if required. Going forward it is important that social housing providers are able to provide wheelchair accessible housing to take account of the shift in the balance of care.
- 5.38** There are 100 applicants on the Aberdeenshire Council housing waiting list and 72 on the Aberdeen City Council waiting list who are wheelchair users. The projected levels of new supply forecast in 3.27 above indicate that both

Councils are well placed to meet this need in the short to medium term. Work is underway to better identify applicants who have particular needs to help inform future planning.

Engagement

- 5.39** Engagement has taken place with partners on the Particular Needs Strategic Outcome Group to help inform the evidence gathered in chapter 5.

Non-Permanent Housing

- 5.40** This section deals with non-permanent and related housing solutions for homelessness, people fleeing domestic violence, students, asylum seekers and refugees and key workers.

National Policies

- 5.41** This includes:
- [The Homeless Persons \(Scotland\) Regulations 2010](#)
 - [Strategy for the Private Rented Sector in Scotland](#)
 - [Housing Practitioner's Guide to Integrating Asylum Seekers and Refugees](#)

Local Policy

- 5.42** This includes:
- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
 - Aberdeenshire Syrian New Scots Integration Plan and Housing Strategy
 - [Aberdeen City](#) and [Aberdeenshire](#) Alcohol and Drugs Partnership Strategies

Homelessness

Property Needs

Type of Need	Temporary and Permanent Accommodation
Location	<ul style="list-style-type: none"> • Close to local services • Close to family and support networks • On bus route
Physical	<ul style="list-style-type: none"> • Safe and Secure • Access to cooking Facilities • Able to have pets • Access to washing facilities • Own not shared facilities
Access and Support	<ul style="list-style-type: none"> • Affordable accommodation • Housing support • Housing options • Choice of accommodation • Choice of area

	<ul style="list-style-type: none"> • Benefit advice • Income maximisation • Information on financial inclusion, digital inclusion • Assisting to reduce fuel poverty • Access to employment advice
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- 5.43** In considering the housing needs of those experiencing homelessness, short-term temporary accommodation needs to be distinguished from long-term settled accommodation. Considering that those experiencing homelessness are mostly single and are disproportionately likely to be suffering from poor mental and/or physical health their housing needs can be estimated by drawing from those experienced by each of these groups separately, while acknowledging that more complex interdependencies between them may well be compounding each other. For the purposes of this section it is assumed that the permanent housing needs for single people or those requiring adapted housing are documented in earlier sections and will instead focus on specific non-permanent housing needs as well as document some of the interdependencies between the two.

Evidence

- 5.44** The tables below show the temporary accommodation stock profile for Aberdeen city and Aberdeenshire.

Table 52: Temporary Accommodation Stock Profile

	Bedsit	1 Bed	2 Bed	3 Bed	4 Bed	Hostel	Total
Aberdeen city	122	186	197	29	4	63	601
Aberdeenshire	7	137	145	6065	1	26	376
Banff and Buchan	2	32	45	9	0	0	88
Buchan	2	35	35	9	0	18	99
Garioch and Formartine	4	29	34	27	0	8	102
Kincardine and Mearns and Marr	0	34	30	20	1	0	85

Source: Aberdeen City Council and Aberdeenshire Council (2017)

- 5.45** In recent years there has been a steady drop in homeless presentations in the past year for Aberdeen City. Aberdeenshire has seen a similar development with presentations continuously falling from 1,610 in 2011/12 to 1,039 in 2016/17. Both local authorities however have continued to see a steady number of individuals approaching for housing advice and these have not seen a corresponding decrease. The reasons for these approaches can often

be traced back to a lack of affordable housing manifesting itself in issues of affordability of private sector rents or overcrowding. In addition, welfare reform changes arising from the UK Welfare Reform Act 2012 are likely to have a significant impact on homeless temporary accommodation. The Scottish Government has published new guidance on housing options which is expected to have an impact on future numbers of people presenting as homeless. In light of these changes, the falling trend is unlikely to be maintained and may bottom out or increase which will continue to place pressure on temporary accommodation.

People fleeing domestic violence

- 5.46** Aberdeen City and Aberdeenshire Council's principles relating to housing anyone fleeing from domestic violence is to provide a safe and secure environment for them in the immediate crisis – including provision of safe temporary arrangements, accessing and maintaining their tenancy where the household wishes to do so and it is safe to do so, and to provide practical and emotional support to move on to their own tenancies.

Property Needs

Type of Need	People Fleeing or at Risk of Domestic Violence
Locational Needs	<ul style="list-style-type: none"> • Close proximity to local services • Near children's schools • Close to family , friends and support networks • A safe distance away from abuser if required
Physical Needs	<ul style="list-style-type: none"> • Access to safe temporary housing when necessary • Access to safe secure permanent housing • Safety or panic alarms
Access and Support	<ul style="list-style-type: none"> • Affordable accommodation • Housing support • Housing options • Choice of accommodation • Choice of area • Benefit advice • Income maximisation • Information on financial inclusion, digital inclusion • Assisting to reduce fuel poverty • Access to employment advice • Access to schools and college

5.47 **Table 53: Homeless presentations: reason as fleeing from domestic abuse and relationship breakdown in 2016/17**

	Dispute within household: non-violent/abusive	Relationship breakdown: non-violent dispute
Aberdeen city	228	394
Aberdeenshire	126	181

Source: Aberdeen City Council and Aberdeenshire Council (2017)

- 5.48** Grampian Women’s Aid is currently commissioned to provide accommodation and support to women fleeing domestic violence in both local authority areas. GWA also run their “Pathway From Abuse Project” which assists and supports individuals or families for up to 6 months with one to one support, counselling, community learning classes, job search support, and support to maintain an existing or new home. There are currently no such service for men in the same position. Police Services work in partnership with local authorities and other agencies to ensure the safety of anyone fleeing domestic violence, as well as Social Work Services and Health Services. Police Scotland provides access to victim support services which provide emotional and practical support, along with information regarding the criminal justice system. Aberdeen Cyrenians’ Domestic Abuse Support and Accommodation Project (DASAP), in partnership with Aberdeen City Council’s, provides an intensive three-month support service and accommodation for men and women fleeing domestic violence in Aberdeen City. DASAP assists in gathering information for statutory assessment of homelessness or discretionary move, provides support to maintain an existing tenancy where it is desired and safe to do so, and provides practical and emotional support to move into and maintain a new tenancy.

Student Accommodation

- 5.49** Between 2012 and November 2017 planning consents were issued by the council for 21 student housing developments with 4,349 beds. Significant new supply has been delivered into this segment of the market with further developments under construction and in the planning process across the city. The student accommodation sector is therefore well served by market delivery.

Asylum Seekers and Refugees

- 5.50** The UK Syrian Resettlement Programme aims to secure and protect refugees and the UK; have the wellbeing of the refugee and the welcoming communities

at the centre of decision making, including by delivering refugee independence and self-sufficiency to enable better social cohesion; and deliver value for money for the UK tax payer, including by minimising the burden on local and national government by securing early independence and self-sufficiency.

- 5.51** Both local authorities and community planning partnerships signalled a commitment to participate in the UK Home Office's Syrian Resettlement Programme (formerly the Vulnerable Persons Relocation Scheme). Subject to ongoing discussions with both governments, the scenario planning carried out so far would allow Aberdeen to accept a 5% share (100) of the estimated 2,000 refugees expected to come to Scotland as part of the 20,000 likely to be admitted UK-wide over a five year period. Aberdeen City Council is participating in the UK Home Office's Syrian Resettlement Programme and has agreed to accept a 5% share (100) of the estimated 2,000 refugees expected to come to Scotland. Since March 2016 the council has housed 19 families (83 people) from Syria and aims to resettle a further 17 individuals to meet the city's commitment of 100 Syrian refugees. To date, accommodation has been provided via the private sector and Registered Social Landlords. Between 2015 and 2019, Aberdeenshire Council has committed to resettling 50 families through the Syrian Resettlement Programme. At December 2016, Aberdeenshire Council has resettled 19 families with the majority in the private rented sector and further accommodation provided from Registered Social Landlords and local authority general fund HMOs.
- 5.52** Many of these families have high levels of health, education and literacy needs and it is important that they are resettled where they can access services. Typically intensive levels of support are required and families should be resettled on a phased basis to ensure that they receive the necessary coordination and support. Both local authorities should continue to work with services across the public and voluntary sectors to support new families and sustain tenancies. Given both local authorities' strategies to use the private rented sector to accommodate Syrian New Scots where appropriate, local authorities should match families to accommodation appropriate to their needs and may wish to minimise or avoid the use of Council social housing stock to reduce further pressure on the waiting lists for both Councils. In doing so both local authorities should take into account the findings from the Scottish Refugee Council's [research](#) (2014) into asylum accommodation.
- 5.53** At January 2017 discussions are ongoing at Scottish Government and UK Government levels regarding the Unaccompanied Asylum Seeking Children and Vulnerable Children's Resettlement Schemes. The housing response to any involvement in these schemes will depend on the nature of the client

group which cannot be accurately identified at this stage. A range of supported housing, hostel and HMO-type accommodation will need to be considered in light what staffing resources are available to provide support where required.

- 5.54** Aberdeen City and Aberdeenshire Councils are not currently part of the voluntary asylum dispersal scheme. However, this is subject to change in the future if national asylum dispersal ceases to be voluntary, as per measures underpinned in the Immigration Bill, or both local authorities commit to such an undertaking. Should both local authorities become part of such a scheme, they should use the learning from the Holistic Integration Service evaluation to help accommodate and integrate asylum seekers and refugees ([Strang, Baillot and Mignard, 2016](#)).

Key Workers

- 5.55** Research on the need for key worker housing in Aberdeenshire Council, NHS Grampian and the private sector in the North East was carried out during 2015. At the time, it identified a clustering of 'hard-to-fill' posts in the £17- £35k salary range with market rents considered unaffordable. However, the fall in rent levels and the downturn in the oil and gas industry has significantly reduced/ eased the need for key worker housing in the North East. While rent levels are still relatively high in the Aberdeen Housing Market Area compared to the rest of Scotland, there is little evidence to suggest that the affordability of housing is a barrier to recruitment for Aberdeenshire Council, Aberdeen City Council, Police Scotland or the Scottish Fire and Rescue Service. Public sector bodies should continue to monitor the housing market and the availability of affordable accommodation for current and prospective employees.
- 5.56** NHS Grampian has identified specific recruitment challenges and is developing a range of key worker accommodation to meet the needs of new staff. It needs a mixed economy of key worker housing options to be available to likely candidates and that there is no "one size fits all" regarding to housing.
- 5.57** Current dedicated and planned provision for key workers is as follows:
- In 2015 an Aberdeen City Council owned block of 58 flats was let to numerous organisations to assist in recruiting and retaining key workers such as teachers and police officers. The initiative started well but when the downturn in the oil and gas industry resulted in a decrease in market rent, some organisations gave up their allocation of flats.

- Sanctuary Housing are developing 124 affordable homes for key workers in Aberdeen. The properties will be available to local teachers, medical staff and other key workers for mid-market rent when completed in March 2018. Demand has been slow therefore they are currently open to all applicants (subject to specified criteria) with key workers being prioritised.
- Grampian Housing Association are also to build a further 101 properties close to the hospital which will be targeted at key workers.

5.58 When these initiatives were planned, the rents in Aberdeen were some of the highest in Scotland with properties being re-let very quickly. This meant that accessing housing that was affordable was difficult. However, the housing market has now changed; rents are lower, demand for properties has reduced and there is an increased time to let properties.

Engagement

5.59 Public sector bodies have been consulted to determine the levels of need for key worker accommodation. In the private sector, Arneil Johnston (2015) carried out research with companies across a wide range of sectors.

Supported Provision

National Policies

5.60 There is a range of national legislation and policy that will have an impact on supported provision.

- [Public Bodies \(Joint Working\) \(Scotland\) Act 2014](#)
- [Equality Act 2010](#)
- [Self-Directed Support \(Scotland\) Act 2013](#)
- [The Town and Country Planning \(Scotland\) Act 1997](#)
- [Age, Home and Community: A Strategy for Housing for Scotland's Older People 2012-2021](#)
- [Keys to Life: Improving Quality of Life for People with Learning Disabilities](#)
- [Reshaping Care for Older People: A Programme for Change 2011-2021](#)

Local Policy

5.61 This includes:

- [Aberdeen City](#) and [Aberdeenshire](#) Health and Social Care Strategic Plan Housing Contribution Statements
- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
- [Aberdeenshire Market Position Statement: Accommodation, Care and Support for Older People](#)

Property Needs

5.62 In Aberdeen city and Aberdeenshire there is a range of supported provision. This includes sheltered housing to support independent living suitably adapted for older people with shared and communal facilities and access to a Sheltered Housing Officer and a community alarm. In addition, this includes very sheltered housing, staffed at all times to provide support and meals. This also covers care homes with personal and nursing care, and extra care housing purpose-built with staffing at all times to provide support for learning disability clients. Finally, hostel and refuge accommodation is considered as supported provision.

5.63 This is suitable for a range of different client groups:

- Older people

- People with disabilities
- People with dementia
- Bariatric clients
- Women fleeing domestic abuse
- Homeless

Evidence

- 5.64** The table below set out the number of dwellings provided by Aberdeen City and Aberdeenshire Councils and RSLs for older people totalling 9,663 in March 2013. This is based on the total stock of very sheltered, sheltered and medium dependency housing. This is the most up to date information held by the Scottish Government.

Table 54: Housing stock for older people

	Aberdeen City		Aberdeenshire	
	2009	2013	2009	2013
Very Sheltered	178	210	152	210
Sheltered	2,672	2,573	2,142	2,077
Medium dependency	554	1,031	972	109
Other dwellings with community alarm	2032	1,939	2,074	1,514
Totals	5,436	5,753	5,340	3,910

Source: SIB Returns (2015)

- 5.65** The total number of dwellings for older people across Aberdeen city and Aberdeenshire decreased by 10.3% from 2009 – 2013. The stock in Aberdeen city increased by 5.8%. However the decrease in Aberdeenshire was principally due to a significant decline in the number of medium dependency housing stock.
- 5.66** Together Aberdeen city and Aberdeenshire show a decrease of 3.4% in sheltered housing provision in line with the national trend. However, this has been offset by a 27.3% increase in very sheltered housing. This reflects the changing shape of the need in the [Aberdeenshire Market Position Statement](#).
- 5.67** In January 2016 Aberdeen city had 782 applicants on the waiting list for sheltered housing (10.3% of applicants) with an average waiting time of 58.54 months for this type of accommodation. Applicants are assessed by the Housing Needs Assessment Team and their degree of need is prioritised into high, medium or low priority. Currently there are 82 applicants on the high priority list, 315 medium and 280 low priority and 22 have been assessed as

requiring “social support”. Due to low demand for some of the multi – storey sheltered housing complexes an initiative has been launched which allows these properties to be let to applicants who may not require sheltered housing but would benefit from staying in this type of accommodation. There are 83 applicants on the Special Initiative list.

5.68 Aberdeen City Council is implementing the Housing for Varying Needs Review to address its overprovision of sheltered housing and the under provision of extra care housing. A programme for transition from sheltered to very sheltered or amenity housing began in April 2013 to gradually increase the provision per 1,000 population in Aberdeen city to 20 (currently 6.6) for Very Sheltered, 80 (currently 60.4) for Amenity and to reduce the provision of sheltered housing to 46 (currently 80.9). The 2015 figures based on S1B Returns show a reduction in the council’s provision of sheltered housing in the city to 2,042 and an increase in medium dependency housing to 1,122. The provision of very sheltered housing remains the same, however four sheltered housing blocks have been identified for upgrading to very sheltered housing standard over the next 10 years.

5.69 Aberdeenshire Council has a much higher proportion of people on its waiting list for sheltered housing compared to Aberdeen City Council. While the two systems of prioritising need are different, Aberdeenshire Council has 129 applicants assessed as Band A, which is higher than Aberdeen City Council’s 82 high-priority applicants.

Table 55: Aberdeenshire Council Sheltered Housing Waiting List, by band (A represents greatest need)

Band	A	B	C	D	Unknown
Banff and Buchan	5	26	42	34	2
Buchan	3	26	47	30	5
Formartine	6	39	68	33	4
Garioch	11	42	97	62	12
Kincardine and Mearns	6	18	25	26	10
Marr	2	19	31	38	9
Total	33	170	310	223	42

Source: Aberdeenshire Council (2017)

5.70 As the proportion of older people requiring a care home declines, it is expected that the proportion of people requiring very sheltered housing will grow. In Aberdeenshire there are opportunities for independent housing and care organisations to develop specialist care housing, particularly in Buchan and Kincardine and Mearns.

Care Homes for Older People

- 5.71 The table below shows a reduction in the number of care homes and care home places for older people in Aberdeen and Aberdeenshire with a loss of 294 places (8%) since 2009. The most up-to-date information is only available up to 2014.

Table 56: Care homes and places for older people

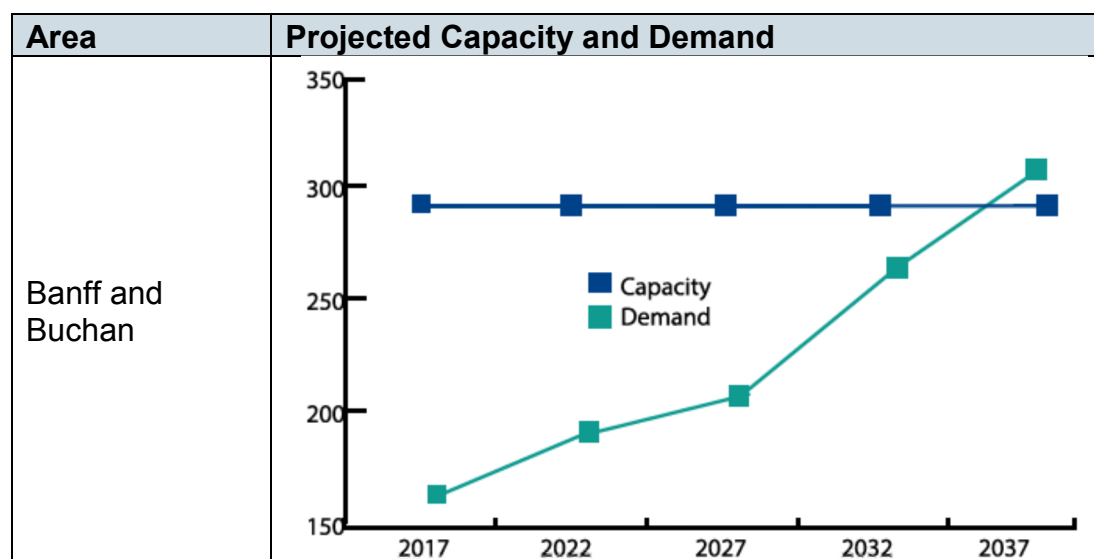
Area	March 2009	March 2014	Difference
Scotland	948	902	- 46
Aberdeen City	38	31	-7
Aberdeenshire	51	49	-2

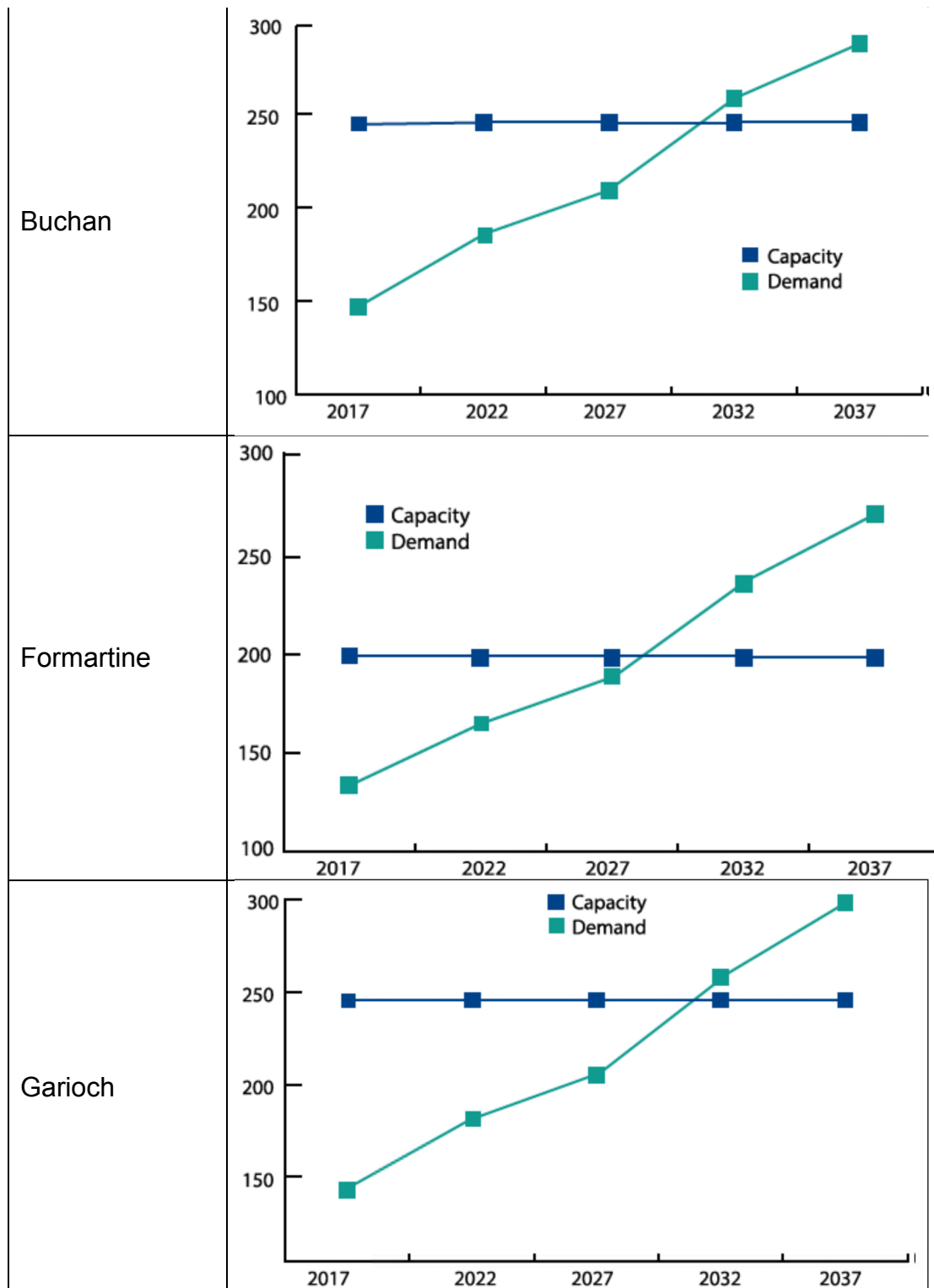
Care Home Places for Older People			
Area	March 2009	March 2014	Difference
Scotland	38,401	38,441	+ 40
Aberdeen City	1,758	1,488	- 270
Aberdeenshire	1,937	1,913	- 24

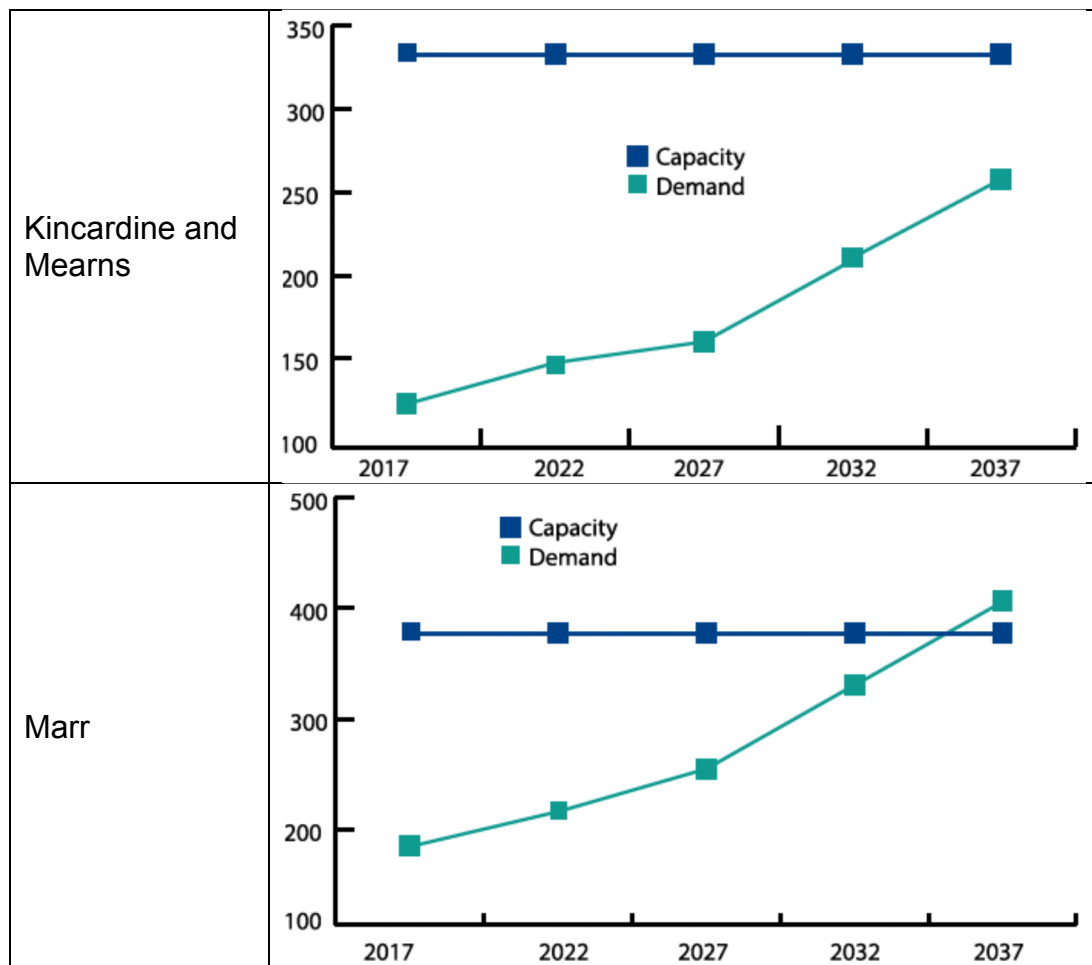
Source: Scottish Care Home Census 2000-2014

- 5.72 It has been assessed that currently there are more care home places across Aberdeenshire than are needed by the local population. Current provision is likely to be sufficient in most areas until 2027. After this point and from 2032 in particular, a growth in the older population is expected to cause an increase in demand which could trigger a requirement for additional placements in certain areas within Aberdeenshire.

Figure 29: Aberdeenshire Care Home Capacity and Demand 2017-2037



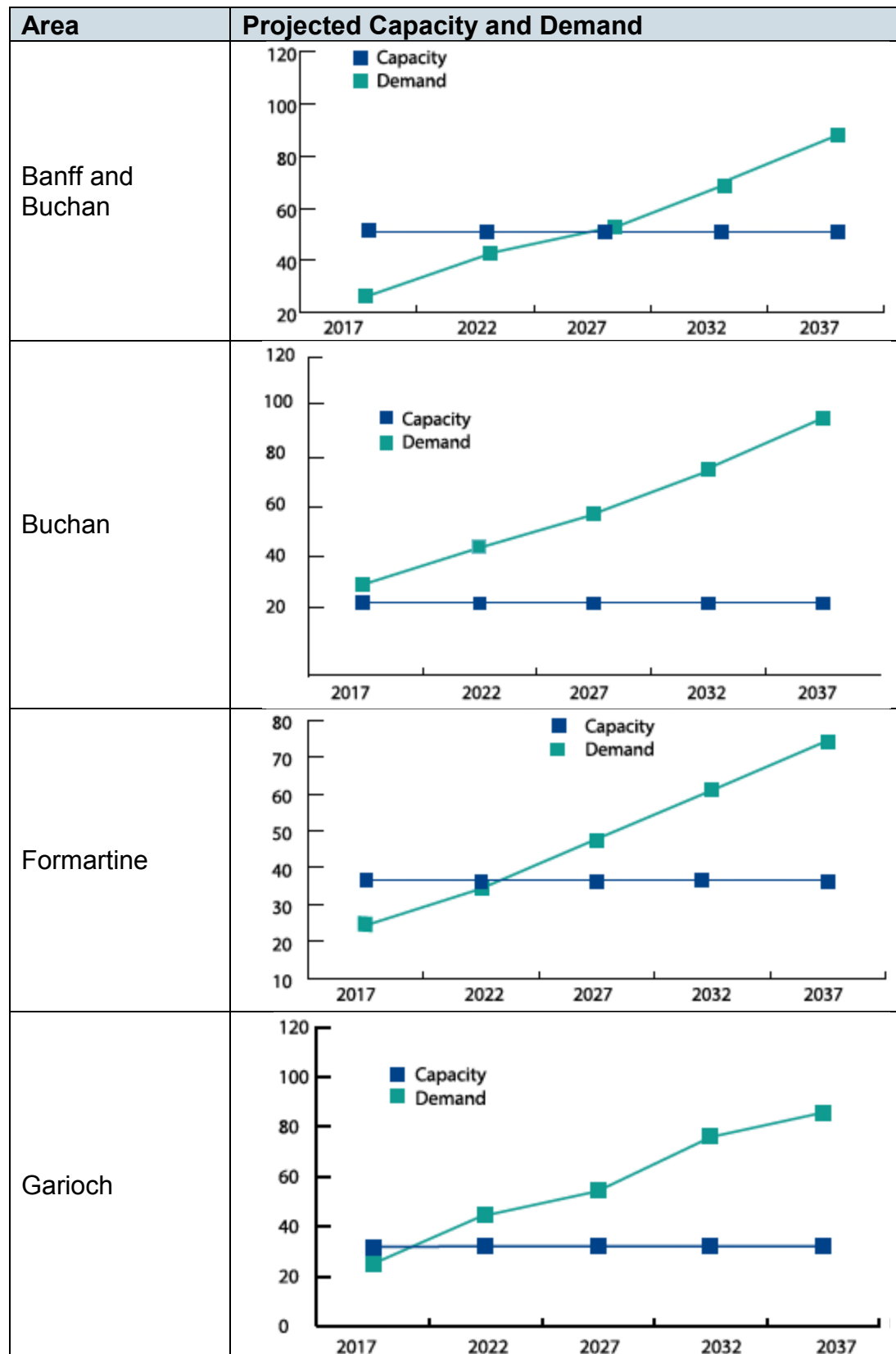


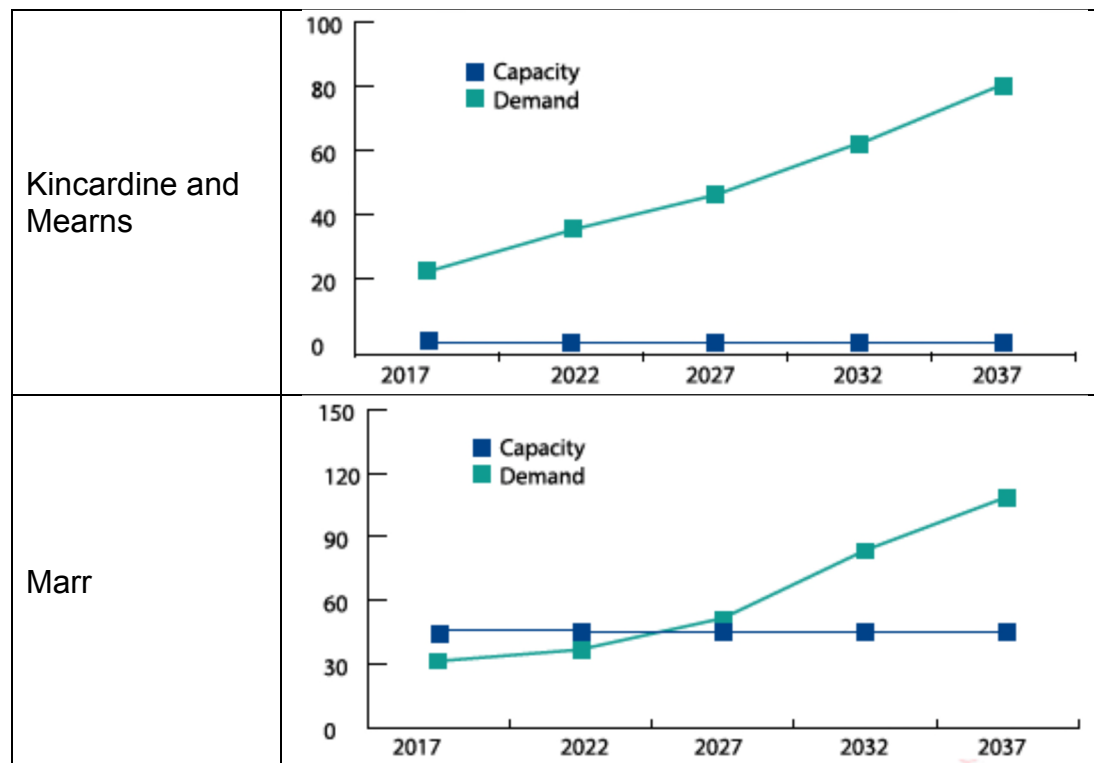


Source: Aberdeenshire Health and Social Care Partnership (2017)

- 5.73** It is recommended that the same projections are carried out by the Aberdeen City Health and Social Care Partnership through its Market Position Statement or next Strategic Plan.
- 5.74** Based on current population projections for older people, a range of specialist housing may be required. The supply of very sheltered housing and extra care housing needs to increase, however this will incur significant capital costs for local authorities and RSLs to implement. This will be particularly challenging for social housing providers in light of the competing priorities of bringing stock up to meet the Energy Efficiency Scottish Social Housing standard by 2020 and the pressure to increase supply of affordable new build.
- 5.75** In Aberdeenshire, the Health and Social Care Partnership's Accommodation, Support and Older People Area Capacity Plan (2017) project the following levels of capacity and demand for very sheltered housing.

Figure 30: Aberdeenshire Very Sheltered Housing Capacity and Demand 2017-2037





Source: Aberdeenshire Health and Social Care Partnership (2017)

- 5.76** It is recommended that the same projections are carried out by the Aberdeen City Health and Social Care Partnership through its Market Position Statement or next Strategic Plan.
- 5.77** Increased staffing levels for very sheltered and extra care housing complexes are also considerable which impacts on council budgets and affordability. The lack of affordable housing also affects the supply of homes for older people as well as the care and support staff to support any increase in very sheltered housing provision.

Engagement

- 5.78** There are two groups established in Aberdeen, the Sheltered Housing Network and the Sheltered Housing Committee where older people can contribute to and be involved in the provision of sheltered housing and sheltered housing services to tenants in the city. In Aberdeenshire the Sheltered Housing Tenants Forum gives sheltered housing tenants a voice regarding their housing concerns and is comprised of representatives from complexes across Aberdeenshire. The Forum meets regularly with Housing Officers to discuss issues relating to sheltered housing.

Care/Support Services for Independent Living

National Policies

5.79 This includes:

- [Public Bodies \(Joint Working\) \(Scotland\) Act 2014](#)
- [Equality Act 2010](#)
- [Self-Directed Support \(Scotland\) Act 2013](#)
- [Age, Home and Community: A Strategy for Housing for Scotland's Older People 2012-2021](#)
- [Reshaping Care for Older People: A Programme for Change 2011-2021](#)
- [Keys to Life: Improving Quality of Life for People with Learning Disabilities](#)

Local Policy

5.80 This includes:

- [Aberdeen City](#) and [Aberdeenshire](#) Health and Social Care Strategic Plan Housing Contribution Statements
- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
- [Aberdeen City](#) and [Aberdeenshire](#) Schemes of Assistance
- [Aberdeen City](#) and [Aberdeenshire](#) Dementia Strategies

Care and Support Needs

- 5.81** There is a wide range of health, social care and support available to help people live independently. These include aids and adaptations, telecare, community alarm service, along with care and support from home helps, carers, handymen, care and repair service, social workers and volunteers including befrienders.
- 5.82** These types of housing are suitable for people living at home with particular needs but needing care and/or support to continue to live independently. This includes older people, people with dementia, people with mental health issues, looked after children leaving formal care, young adults and people with learning disabilities.

Evidence

- 5.83** Aberdeen city and Aberdeenshire have the highest proportion of telecare clients in Scotland. This places significant pressure on the provision of telecare services.
- 5.84** Aberdeen city has the lowest proportion of clients (7.98) receiving home care per 1,000 population in Scotland (11.13). Aberdeenshire has the third lowest at 8.18 per 1,000 population (Scottish Government, 2016).
- 5.85** Table 59 below shows the number of people who have had a Social Care assessment and receive or use a variety of services including home care services such as meals services, housing support, community alarms or other telecare services, self-directed support, including direct payments, social worker or other support worker services.
- 5.86** In Aberdeen 9,250 people across all age groups are in receipt of one or more social care services with 72% in the 65+ age group. The number in Aberdeenshire is significantly higher at 11,690 with 68% in the 65+ age group.

Table 57: social care clients by age groups

					All ages
		0-17	18-64	65+	
Aberdeen City	Male	140	1,320	2,400	3,850
	Female	70	1,080	4,250	5,400
	All	210	2,390	6,650	9,250
Aberdeenshire	Male	280	1,720	2,740	4,730
	Female	130	1,590	5,240	6,960
	All	410	3,300	7,980	11,690

Source: Aberdeen City and Aberdeenshire Councils (2017)

- 5.87** The table below provides the number of service users by client group with the frail and older being the largest group in Aberdeen. Aberdeenshire's figures for this client group are not as high, however the number with physical disability is significant at 4,500. It has been acknowledged in the Social Care Survey that the number of people with dementia is underreported and are significantly lower than the figures produced by Alzheimer Scotland shown

earlier in this report. “Other” service users are those with addiction, palliative care or have carers.

Table 58: number of clients receiving social care services by client group

	Aberdeen City	% Over 65	% Under 65	Aberdeenshire	% Over 65	% Under 65
Frail /older	4,950	100%	-	1,850	100%	-
Physical Disability	1,100	62%	38%	4,500	81%	19%
Mental health	580	9%	91%	630	65%	35%
Learning Disability	430	9%	91%	1,080	21%	79%
Learning and Physical Disability	N/A	N/A	N/A	N/A	N/A	N/A
Dementia	1,040	100%	-	600	97%	3%
Other	1,140	13%	87%	1,400	8%	92%
Not Known	N/A	N/A	N/A	1,630	55%	45%
All client groups	9,240			11,690		

Source: Aberdeen City and Aberdeenshire Councils (2017)

- 5.88** The table below shows the number of clients and the types of services provided during 2015 to social care clients. It must be noted that some service users receive multiple social care services.

Table 59: Types of services provided to social care clients

Types of Services provided	Aberdeen City	Aberdeenshire
Community Alarm/Telecare	2,490	5,540
Social worker/Support worker	4,860	8,290
Home Care	1,840	2,140
Self Directed Support	350	3,200
Housing Support	2,830	2,370
Meals	560	80
Direct payments	350	550

Source: Aberdeen City and Aberdeenshire Councils (2017)

- 5.89** The table below identifies 2,425 adults with learning disabilities in Aberdeen and Aberdeenshire. There are some gaps in the data recorded by the Scottish Commission for Learning Disability due to an incomplete return by Aberdeenshire Council. **It is recommended that this information is gathered at the next opportunity for submission.**

Table 60: adults with learning disabilities living in the same accommodation in 2015

	Only person	1-3	4+	Not known	All adults
Aberdeen city	617	188	219	87	1,111
Aberdeenshire	0	0	0	1,314	1,314

Source: Scottish Commission for Learning Disability, 2016

- 5.90** The table below shows that the majority of adults in learning disabilities in Aberdeen city are accommodated by mainstream accommodation (42%), supported accommodation (25%) and registered adult care homes (15%).

Table 61: Accommodation types for adults with learning disabilities in 2015

Accommodation Type	Aberdeen city	Aberdeenshire
Mainstream accommodation		
- With support	157	42
- With no support	149	98
- Support status n/a	164	91
Supported accommodation	277	78
Registered adult care homes	168	54
Other	111	47
Not known	85	904

Source: Scottish Commission for Learning Disability (2016)

- 5.91** More flexible support packages through the use of electronic assistive technology systems are needed to improve the quality of life for vulnerable older people to enable them to maintain their independence. This can assist early discharge from hospital, avoid admission to residential or nursing homes and provide additional support to carers.

Home Care Services

- 5.92** Home Care comprises of both home support services and home help services to enable people to maintain independence in their own homes. It involves regular visits from a home care worker and may include personal care, shopping laundry, general cleaning etc.
- 5.93** The table below shows the trend in home care clients from 2006 to 2015 with Aberdeen showing a reduction by approximately 40% since 2006. There is

only a slight reduction in Aberdeenshire at 7.5%. National figures show a decrease of 13%.

Table 62: Number of home care clients

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% Change
Aberdeen City	2,930	2,950	2,450	2,010	1,900	1,930	2,000	1,800	1,920	1,750	-40.3
Aberdeen-shire	2,260	2,370	2,530	2,630	2,400	2,150	2,120	2,240	2,120	2,090	-7.5
Scotland	70,660	70,710	68,760	68,330	66,220	63,460	62,830	61,070	61,740	61,500	-13.0

Scottish Government (2016)

5.94 Across all age groups, 66% of home care clients are living alone in Aberdeen and 64% in Aberdeenshire. The average across Scotland is 60%. Trends show the number of people receiving home care is reducing however the table below shows the number of home care hours provided by Aberdeen city and Aberdeenshire is increasing. This indicates a more intensive service is being provided with service users receiving more hours per person per week.

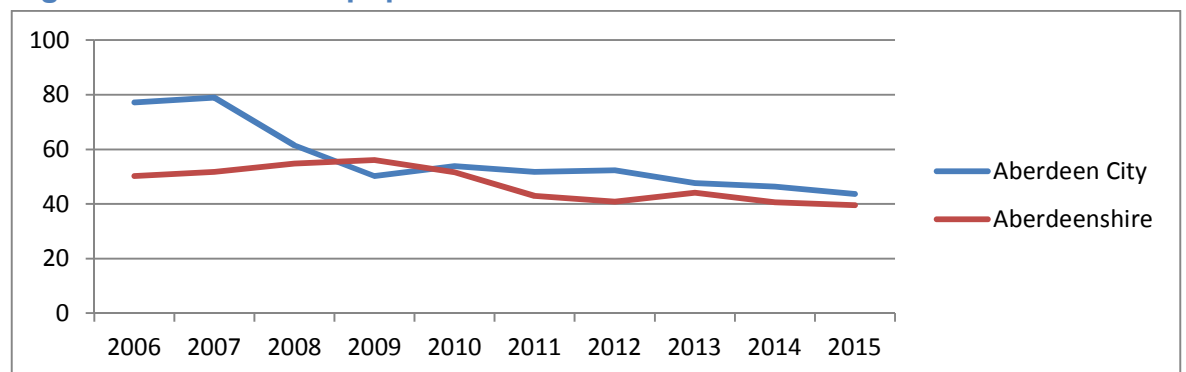
Table 63: Home care hours (excludes 24/7 care and housing support)

	2010	2011	2012	2013	2014	2015
Aberdeen City	15,300	15,900	16,300	14,800	18,500	17,900
Aberdeenshire	16,500	14,100	14,800	17,200	18,100	18,000

Scottish Government (2016)

5.95 The graph below shows the reduction in the rates per population of clients aged 65 and over who are receiving home care from 2006 to 2015. In Aberdeen it reduced from a high of 79 in 2007 to a low of 43.7 in 2015. Aberdeenshire reduced from 50.2 to 39.6.

Figure 31: Home care population rates since 2006



Scottish Government (2016)

- 5.96** The relatively consistent trends in Aberdeen city and Aberdeenshire since 2009 and 2010, albeit more intensive provision, are expected to continue. This trend projection is supported by the Scottish Government figures since 2012 and 2013.

Community Alarm and Telecare Services

- 5.97** From 2010 onwards information has been collected in relation to people who use services other than Home Care in their own home including Community Alarms and other Telecare services.
- 5.98** In March 2015, 5,260 people used community alarms and/or telecare services in Aberdeen city and Aberdeenshire. The majority 87.8% (4,620 people) are aged 65+.

Table 64 – clients aged 65 and over receiving community alarm and/or other telecare services

	2011	2012	2013	2014	2015
Aberdeen city	1,700	1,670	1,230	1,880	1,970
Aberdeenshire	2,300	2,200	2,290	2,290	2,650

People with Dementia

- 5.99** With a high proportion of older people projected to live alone this will mean increasing pressure on housing, health and social care services with some households requiring high level intensive support. A main factor for people with dementia is to keep them in familiar surroundings which helps to maintain their independence for as long as possible and both local authorities are committed to providing care at home for older people with complex needs, including those with dementia.
- 5.100** Dementia training has been provided to council housing and RSL staff in Aberdeen city and some dementia design features are being incorporated into planned improvements and adaptations to existing council accommodation for older people. However the number of people in Scotland with dementia is expected to double over the next 25 years which presents a number of challenges. In 2016 [Alzheimer Scotland reported](#) 3,372 people with dementia in Aberdeen city and 4,189 in Aberdeenshire with 96% in the 65+ age group.

- 5.101** Increasing specialist provision in order to meet future demand would not be practicable, however if housing is designed well it can extend the amount of time a person with dementia can live at home. In future, the majority of care home residents will display symptoms of dementia. The model of care and staff training will need to adjust to support residents to manage daily routines safely and optimise their quality of life.

Engagement

- 5.102** Engagement has taken place with partners on the Particular Needs Strategic Outcome Group to help inform the evidence gathered in chapter 5. These partners engage work with clients across Aberdeen city and Aberdeenshire.

Site Provision

National Policies

5.103 This includes:

- [Equality Act 2010](#)
- [Housing \(Scotland\) Act 2010](#)
- [Scottish Social Housing Charter](#)
- [Scottish Housing Regulator – Gypsy/Travellers in Scotland: a thematic enquiry](#)

Local Policy

5.104 This includes:

- [Aberdeen City](#) and [Aberdeenshire](#) Local Housing Strategies 2012-2017
- [Aberdeenshire Council Gypsy / Traveller Site Provision Strategy](#)

Evidence

5.105 **Table 65: Number of unauthorised encampments by area**

	Aberdeen	Aberdeenshire	Total
2010	65	30	95
2011	39	23	62
2012	57	53	110
2013	81	45	126
2014	50	28	78
2015	28	37	65
2016	46	61	107
Total	366	277	643

5.106 Between 2009 and 2016, the highest number of unauthorised encampments in Aberdeenshire have been in Kincardine and Mearns (93), Buchan (64) and Formartine (60). Between 2013 and 2015, 79% of unauthorised encampments in Aberdeenshire took place between March and August.

5.107 Over a period of many years Aberdeenshire Council has been working towards identifying areas of land with the potential to be developed as stopover sites for Gypsies/Travellers. Such sites would help to meet the accommodation needs of Gypsies/Travellers as identified in the [Craigforth](#)

[Accommodation Study](#) (2009) and from consultation with the Gypsy/Traveller Community as part of the Aberdeenshire Council's Local Housing Strategy.

- 5.108** Craigforth recommended providing a mix of small, family orientated sites as well as larger sites to accommodate Gypsy/Travellers who travel in varying sizes of groups. This should include a mix of fully serviced and stopover sites. [Gypsy/ Traveller Stopover Site Development Guidance](#) was published by Aberdeenshire Council in 2013 as well as a Gypsy/ Traveller Site Provision Strategy (2015). Given the significant numbers of unauthorised encampments since the Craigforth report was published in 2009, this recommendation is unchanged.
- 5.109** In 2016 planning permission with conditions was granted to form a 10-stance permanent halting site and 20-stance touring site at land south-west of Eskview Farm, St Cyrus. Following appeal to the Scottish Government, in September 2017 Ministers issued their decision and refused planning permission for the retrospective change of use of agricultural land to form a gypsy/traveller site and also agreed to uphold the two Enforcement Notices. It should be noted that Scottish Ministers specified that compliance with the Enforcement Notices should be by 31 July 2018.
- 5.110** In March 2017, Aberdeenshire Council approved a planning application for a 10-pitch stopover site at Aikey Brae. This is scheduled to open in 2018.

Care and Support Needs

- 5.111** Research ([Department of Health Related Inequalities, 2014](#); [EHCR, 2009](#)) shows that gypsy travellers have significantly poorer health status and more self-reported symptoms of ill-health than other UK-resident, English-speaking ethnic minorities and economically disadvantaged white UK residents. There is greater prevalence of self-reported anxiety, respiratory problems including asthma and bronchitis and chest pain, with higher markers of infant mortality and lower life expectancy. It is important that gypsy travellers are able to easily access health services where these are required. The Grampian Gypsy/Traveller Accommodation Needs Assessment (2017) found that 34 of 38 respondents feel that the support provided in order to access and link in with services is adequate.

Engagement

- 5.112** Between 1 June and 31 July 2015, 24 Gypsy/ Travellers in Aberdeen and Aberdeenshire, from 12 different groups of Gypsy/ Travellers took part in a consultation exercise to assess the accommodation needs of the Travelling

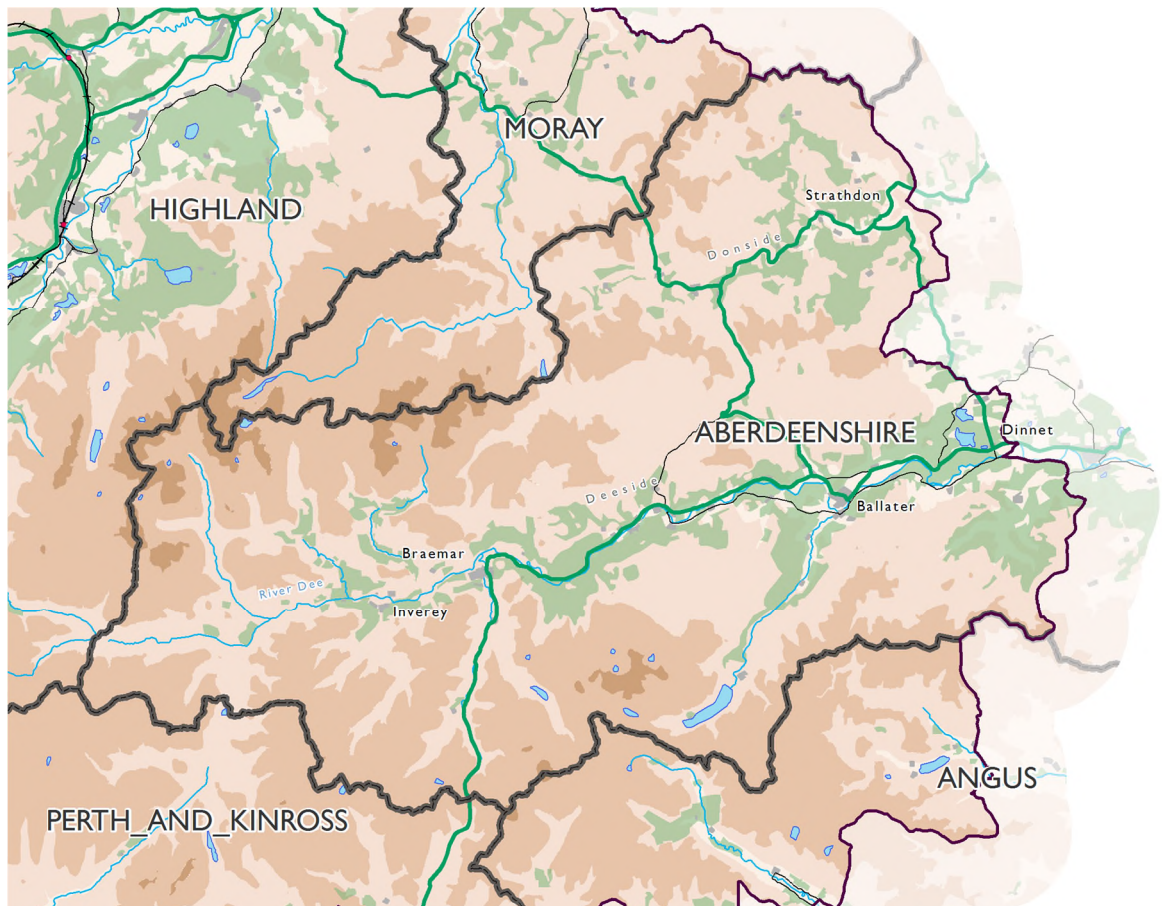
community. Results showed that 100% of all participants thought there should be an increase in site provision in both Aberdeen and Aberdeenshire. There was no clear preference on whether they should be developed and managed privately or by the local authorities. A further survey has been carried out with Gypsy/ Travellers during summer 2017. This found that as a whole the most desirable type of site for participants was a local authority provided permanent site, but when taken alongside data on the number of encampments over recent years, and feedback to the 2015 consultation, there is a demand for a range of provision. Given the number and size of encampments at present, it seems likely that there will continue to be a shortfall of provision.

- 5.113** Aberdeenshire's [Citizens' Panel's 38th edition of 'Viewpoint'](#) included a section on Gypsy/ Traveller site provision. The questions posed sought the opinion of residents in Aberdeenshire on current provision provided to Gypsy/ Travellers along with feedback on future provision. Results showed that residents of Aberdeenshire believe that there should be more Gypsy/ Traveller site provision in Aberdeenshire.

6. Appendix 1 – Cairngorms National Park

- 6.1** The Cairngorms National Park Authority is a member of the Housing Need and Demand Assessment Steering Group. At the inception meeting of the group, it was agreed that the park authority would be kept updated on progress with the HNDA but would not attend regular meetings of the project groups. It was agreed to provide an appendix providing any evidence of housing need and demand specific to the Cairngorms National Park area within Aberdeenshire.
- 6.2** The Cairngorms National Park forms a relatively small part of the Aberdeen City and Aberdeenshire area.

Figure 32: Cairngorms National Park Authority Map



Source: Cairngorms National Park Authority (2016)

- 6.3** The population of the Aberdeenshire area within the Cairngorms National Park accounts for 0.6% of the population in Aberdeen city and Aberdeenshire. In recent years, population and household trends have been fairly static compared to the rest of Scotland.

Table 66: Population estimates 2001-2015

	2001	2015	Change	Percentage
CNP (Aberdeenshire)	3,130	3,118	-12	-0.4%

Source: National Records of Scotland Mid-Year Population Estimates

Table 67: Households in the Cairngorms National Park 2001-2011

	2001 Census	National Records of Scotland: 2011 census (2016)	Change	% Change
CNP (Aberdeenshire)	1,420	1,446	26	1.8%

Source: NRS Estimates of Households and Dwellings in Scotland, 2015

- 6.4** The Cairngorms National Park area has a higher proportion of older people than the rest of rural Aberdeenshire and the wider Aberdeen City and Aberdeenshire areas.

Table 68: Population Age Structure, 2015

	All Ages	0-15	16- 24	25- 29	30- 34	35- 44	45- 54	55- 64	65- 74	75+
CNP (Aberdeenshire)	3,118	14%	9%	4%	4%	11%	15%	15%	16%	12%

Source: National Records of Scotland (NRS)

- 6.5** The principle settlements are Ballater, Braemar, Lumsden and Strathdon. Waiting list figures are presented below where Band A is the highest level of priority within Aberdeenshire Council's allocations policy.

Table 69: Waiting List applications for Ballater as first choice including Bedroom Need and Banding on 5 December 2016

Need	1	2	3	4	5+	TBD	Total
Band A	2			1	1		4
Band B	4		1				5
Band C	15	6	1				22
Band D	16	5	4				25
Unknown	10	1	2			1	14
Total	47	12	8	1	1	1	70

Source: Aberdeenshire Council (2016)

Table 70: Waiting List applications for Braemar as first choice including Bedroom Need and Banding on 5 December 2016

Need	1	2	3	4	5+	Total
Band A				2	1	3
Band B	1					1
Band C	5	1	2			8
Band D	5	3				8
Unknown	5	3				8
Total	16	7	2	2	1	28

Source: Aberdeenshire Council (2016)

Table 71: Waiting List applications for Lumsden as first choice including Bedroom Need and Banding on 5 December 2016

Need	1	2	3	4	5+	Total
Band A	1				1	2
Band B				1		1
Band C	1					1
Band D	2					2
Total	4			1	1	6

Source: Aberdeenshire Council (2016)

Table 72: Waiting List applications for Strathdon as first choice including Bedroom Need and Banding on 5 December 2016

Need	1	2	3	4	5+	Total
Band D	2					2
Total	4			1	1	6

Source: Aberdeenshire Council (2016)

- 6.6** As applicants can only have one first area of choice, this table shows the actual number of applications. Bedroom need identifies the actual number of bedrooms required, but is not necessarily the number they will be eligible for according to Aberdeenshire Council's [allocations policy](#).
- 6.7** Tool outputs – 6 scenarios – lead with explanation of methodology, include caveat around indicativeness
- 6.8** Local Housing Needs Assessments can be an effective way of determining need in rural communities. The Highland Small Communities Trust carried out an affordable housing needs survey in December 2014 for Braemar and Crathie. This sought the views of 300 household surveys and 18 employers

surveys, with response rates of 121 (41%) household and 18 (100%) employers surveys.

Table 73: Summary of potential demand for affordable housing in Braemar and Crathie

	Current Demand			Demand within the next 5 years		
House size required	Social Rented Housing	Low cost home ownership	Affordable house plots	Social Rented housing	Low cost home ownership	Affordable house plots
1 Bed				6		
2 Bed	4	1	2	3	6	7
3 Bed	2	4			1	
Total	6	5	2	9	7	7

Source: The Highland and Small Communities Housing Trust (2014)

- 6.9** The report found that, of the 21 households considering moving home, 11 would like to remain in Braemar, 3 would like to move to Ballater, and 3 would prefer to move outwith the area.
- 6.10** The Aberdeenshire Strategic Housing Investment Plan 2017-2022 identifies opportunities for the future supply of affordable housing within the Aberdeenshire part of the park area:

Table 74: Future Affordable Housing Supply Projected in the Park in Aberdeenshire

Location	Unit Numbers	Tenure	Estimated Completion Year
Ballater	27	Social Rent	2018/19

Source: Aberdeenshire Council (2016)

Other sites may come forward subject to viability.

**Appendix 2 – Review of the Housing Market Areas
(attached separately)**

**Appendix 3 – Full Outputs from Model (attached
separately)**

**Appendix 4 – Membership of Groups and Minutes of
Meetings (attached separately)**

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INFORMATION NOTE - DRAFT



ABERDEEN CITY & ABERDEENSHIRE CUMULATIVE TRANSPORT APPRAISAL

EMERGING SDP TRANSPORT IMPACTS – 2010 CTA COMPARISON

IDENTIFICATION TABLE	
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1. INTRODUCTION

1.1 Background

1.1.1 The Aberdeen City & Shire Strategic Development Planning Authority (SDPA) are currently preparing an update to the Strategic Development Plan (SDP). To inform the Plan process, evidence is required to understand the potential impact development may generate across the transport network. A core objective of the study is therefore to identify the cumulative impacts and constraints on the transport network resulting from the proposed SDP for Aberdeen City and Aberdeenshire.

1.1.2 A Cumulative Transport Appraisal (CTA) is being undertaken to consider the scale and location of new development, existing and committed transport infrastructure, and the impact on main modes of transport. This will assess the impacts of new developments, and identify and test a multi-modal package of interventions to mitigate impacts.

1.1.3 The detailed forecasting scenarios required to inform the appraisal are currently being developed using the new Aberdeen Sub Area Model – a regional transport model covering the North East ('ASAM14'). The updated scenarios will represent two main development scenarios and be applied as follows:

- **Existing SDP Allocations:** Assessment of SDP allocations up to 2030, reviewing the findings of the previous 2010 CTA and to test whether the proposed transport interventions remain sufficient to mitigate the cumulative impact of development;
- **Emerging SDP Allocations:** Assessment of additional developments set out in the emerging Strategic Development Plan for the period 2030-2035. Identification and testing of potential new transport mitigation requirements.

1.1.4 The core CTA appraisal will be undertaken in early 2018 and is referred to as '**Stage 1b**'. In advance of these findings becoming available, this report presents emerging information identifying potential transport impacts (referred to as '**Stage 1a**').

1.1.5 **The Stage 1a** appraisal is based upon the current ASAM14 forecasts, and contain less detailed information than what will be available for the main CTA. Therefore, the findings reported here should be regarded as '**early outcomes**' that may change when the study confirms the level of impact in more detail. The outcomes presented in this report include:

- summary of the new modelling tools and forecasting data and assumptions;
- summary of the previous 2010 CTA study outcomes;
- emerging strategic impacts identifying key areas and pinch-points using ASAM14;
- emerging local transport impacts from interrogating various local models; and
- a comparison of potential changes in areas impacted between the 2010 CTA and the early outcomes of the 2017 CTA study.

Previous 2010 CTA

1.1.6 MVA Consultancy (now SYSTRA) undertook an appraisal of Local Development Plans for Aberdeen City and Aberdeenshire. The study considered various changes in land use and identified cumulative strategic transport impacts associated with proposed development.

1.1.7 The study reflected the vision of the finalised Aberdeen City & Shire Structure Plan, which aimed to substantially increase population and economic activity. The impacts and benefits associated with several proposed transport interventions, including the Aberdeen Western Peripheral Route (AWPR) were also represented.



- 1.1.8 The study provided initial indications of how major development could influence and contribute towards the predicted impact forecast at key transport network locations. It also identified a number of potential transport interventions that could be considered to accommodate the impacts associated with the emerging Development Plans – demonstrating the extent to which impacts could be mitigated if the Plan is delivered.
- 1.1.9 The study utilised the latest strategic transport model available at the time, ASAM4 (Aberdeen Sub Area Model 4), which was used to identify cumulative transport impacts and identify (and test) potential transport interventions to support delivery of the Plans.
- 1.1.10 The evidence provided a more informed view to the potential cumulative, cross boundary effects of the LDP's and the likely scale of intervention required to mitigate these effects. The key outcomes of the 2010 CTA study are summarised in Section 2.

Main Issues Report

- 1.1.11 Emerging evidence is required to inform the SDP Main Issues Report, to understand if the latest forecasts continue to predict similar transport impacts as were identified during the earlier appraisal.
- 1.1.12 This report highlights early appraisal outcomes to understand if the predicted impacts remains consistent with the areas highlighted in the 2010 study, or if further areas are also likely to become pressurised in the future, and may require additional mitigation. These emerging impacts are discussed in Sections 3 & 4, with a comparison with the previous 2010 CTA findings discussed in Section 5.

1.2 Modelling Tools & Scenarios

Aberdeen Sub Area Model 2014 (ASAM14)

- 1.2.1 The updated ASAM14 multi-modal model is able to assess road and public transport impacts from development growth, test transport impacts of transport options - and help demonstrate transport and development linkages.
- 1.2.2 By utilising ASAM14, the CTA benefits from a consistent modelling platform covering the full geography of all SDP transport and land use development proposals - and also represent travel movements to/from other areas of Scotland (through linking to the TMfS14 / TELMoS national transport and land use modelling suite)

ASAM14 Transport Scenarios

- 1.2.3 ASAM14 is calibrated to 2014 Base Year traffic and travel network conditions, and also provides a 2017 Baseline 'Present Day' scenario, and Do Minimum Scenarios for the 2022, 2027, 2032 and 2037 horizons.
- 1.2.4 The Baseline scenario includes the recently constructed Diamond Bridge and A96 Dyce Drive Link Road, and the Do Minimum includes the AWPR, A90 B-T and Haudagain improvement scheme. Further information regarding ASAM14 forecast year scenario content is described in the 'Nestrans CTA Transport Scheme Definition' note.
- 1.2.5 An additional '2017 Do Minimum' scenario has been prepared (which includes all longer term Do Minimum schemes, but excludes 'growth') to isolate and understand changes in transport impacts specifically associated with development / population build-out.



ASAM14 Forecasting Assumptions

- 1.2.6 Planning and development data and associated predicted changes in population and employment are input to ASAM14 to forecast changes in levels of road and public transport over time. Planning data is provided from the TMfS14 / TELMoS transport and land use modelling suite.
- 1.2.7 Table 1 describes the current planning data inputs applied within ASAM14, and highlights the considerable growth in households, population and employment (jobs) that form the basis of the transport forecasts – particularly within Aberdeen City.
- 1.2.8 These changes in ‘development growth’ between 2017 (Baseline) and 2032 (Do Minimum) form a core input to the emerging development impacts described within this report.
- 1.2.9 Note that these planning inputs generally reflect the predicted growth if existing SDP allocations are delivered. They are unlikely to reflect the potential effects of the energy sector downturn recently experienced within the North East.

Table 1. ASAM14 Planning Data Inputs: 2017-2032

DATA SET	LA	CHANGE 2017-2032	% CHANGE 2017-2032
Households	City	21,200	19%
	Shire	16,600	15%
	Total	37,800	17%
Population	City	36,300	15%
	Shire	18,500	7%
	Total	54,800	11%
Employment (Jobs)	City	29,400	17%
	Shire	3,700	4%
	Total	33,100	12%

Local Microsimulation Modelling

- 1.2.10 To support the identification of potential future transport impacts, additional evidence has been collated from a number of local microsimulation models. These Paramics traffic models include more road network and junction detail and are used to understand and confirm more local impacts using the available models.



2. PREVIOUS 2010 CTA OUTCOMES

2.1 Introduction

2.1.1 This section summarises the outcomes of the 2010 CTA study, including:

- region-wide impacts from the development plans;
- impacts on key area from the development plans;
- the transport mitigation options considered; and
- the appraisal of the intervention options.

2.1.2 This summary provides the context for the comparison of the emerging impacts of the existing SDP allocations up to 2030 to the impacts identified in the 2010 CTA assessment.

2.2 Region Wide Impacts of Development

2.2.1 The following section summaries the impact of the introduction of the development plans to 2023 compared to the 'Present Day' (2010) scenario. Scenarios represented:

- 2010: 'Present Day' transport network conditions;
- S0 2023: Benefits of committed interventions, but no development growth ;
- S1 2023: Committed interventions and higher development growth;
- S2 2023: Committed interventions and lower development growth

Car Trips/ Travel Volumes

Headline Transport Indicator: approximately +20% rise in daily car trips

2.2.2 The increase in car trip making mainly reflects the strong growth scenario capturing:

- assumed increase in population levels across the region;
- increases in car ownership, which results in a higher proportion of residents having access to a car;
- that car travel becomes cheaper in real terms over time;
- the distribution of new developments, where many development sites were planned in areas of lower public transport accessibility, potentially limiting alternatives to car.

Public Transport Trips

Headline Transport Indicator: approximately +10% rise in daily public transport trips

2.2.3 The forecasts indicated a rise in the number of people using public transport (PT) across Aberdeen and Aberdeenshire between 2010 and 2023, however, when compared to the (higher) car trip forecasts, this travel analysis suggests that public transport mode share would decrease, with the mode share associated with new major development sites being slightly lower than the regional average.

2.2.4 These public transport trends are likely to reflect a number of interrelated factors:

- overall rise in regional population;
- new public transport services and interchange opportunities encourage mode shift, but a higher proportion of inhabitants are anticipated to have access to a car in the future therefore limiting or off-setting the growth in PT travel;



- the distribution of new developments, where many development sites are planned in areas of lower public transport accessibility;
- effects of the AWPR on car and PT attractiveness.

Annual Vehicle Kilometres

Headline Transport Indicator: approximately +30% rise in annual vehicle kilometres

- 2.2.5 The increase in car trips generated an associated rise in vehicle kilometres travelled. This trend demonstrated the distribution of the Development Plan, with a high proportion of development located in Aberdeenshire, at a further distance from the existing business and service centres of central Aberdeen.

Annual Carbon Emissions

Headline Transport Indicator: approximately +15% rise in annual carbon emissions

- 2.2.6 Consequently, the forecasting also indicated an increase in the level of carbon emissions from road traffic (tail-pipe) across the region – with the rise in car travel (vehicle kms) off-setting assumed engine and fuel efficiency improvements anticipated over time.

Time Lost Due to Congestion per Kilometre Travelled

Headline Transport Indicator: a small decrease in the region-wide time lost due to congestion per kilometre travelled in the 'Medium Growth' Scenario 2023:S2, and an increase in the 'High Growth' Scenario 2023:S1.

- 2.2.7 The traffic forecasting shown in Figure 1 indicated that there would be significant travel time benefits once transport infrastructure proposals are introduced, such as the AWPR (scenario 2023:S0 *Do Minimum*). However, as additional traffic utilises these schemes, network-wide congestion returns towards or in excess of 2010 levels - suggesting that some of the time-saving benefits associated with committed transport interventions are off-set by the effects associated with development-related traffic growth.

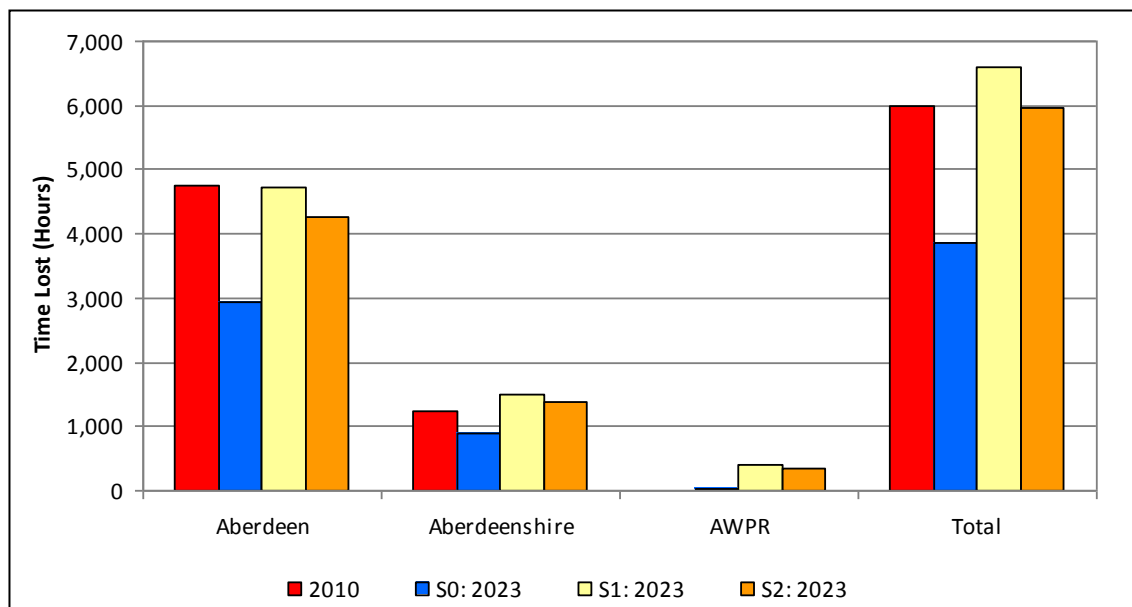


Figure 1. Total Time Lost Due to Congestion in the Peak Periods

2.3 Key Areas Impacted by Development

2.3.1 The study also looked at impacts on the road network and public transport system from development at a corridor/local level.

Time Lost Due to Congestion – Key Areas

2.3.2 The ASAM4 model provided forecasts of the likely traffic and PT movements associated with each new development site and changes to travel patterns of existing residential and business orientated areas.

2.3.3 ASAM4 was applied to calculate the total predicted time lost due to congestion for vehicles travelling across the road network in the then 2010 present day scenario and 2023 development plan scenarios. This analysis measured the time lost between travelling unrestricted across the road network compared to that realised during an average hour during the peak periods.

2.3.4 Figure 2 shows the effects of a number of interrelated impacts across the road network – the benefits and/or associated impacts associated with transport infrastructure schemes and a general increase in overall traffic levels, which may impact on parts of the network (Scenario 2023:S0 *Do Minimum*). It can be seen that time lost to congestion then rises from the *Do Minimum* across each of the ten locations analysed (Scenarios 2023:S1 *High Growth* and 2023:S2 *Medium Growth*).

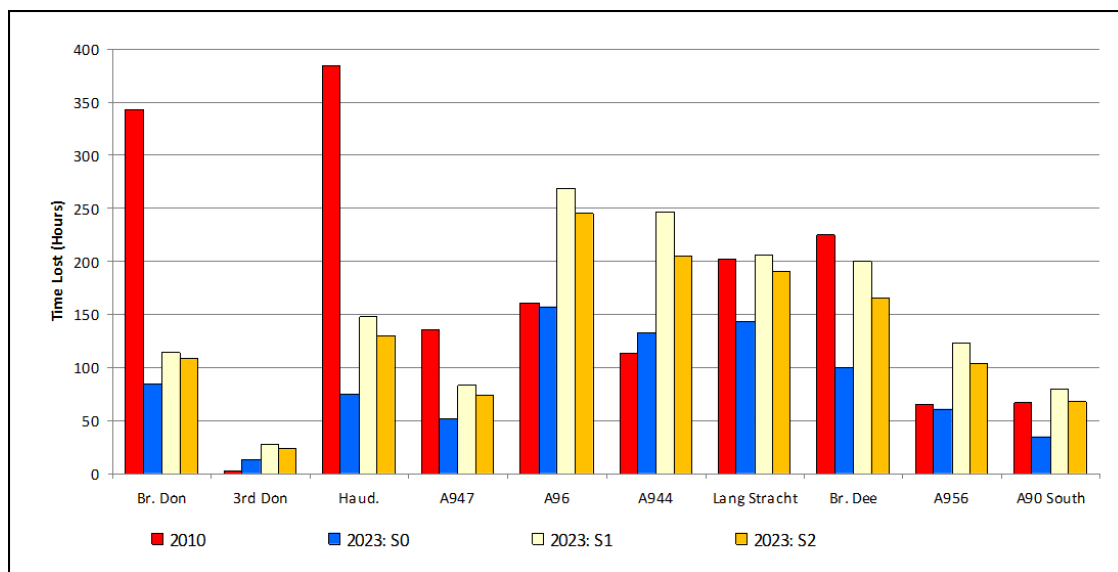


Figure 2. Time Lost Due to Congestion within Key Areas of the Network

2.3.5 These impacts are described more locally in Figure 3, which illustrates AM Peak congestion for the 2023:S1 *High Growth* scenario - with some of the key areas of interest labelled. Key areas of the network of most concern (but not limited to) where continued or additional congestion pressure is forecast relate to the Bridge of Dee and sections of the A96 and A944 corridors.

2.3.6 The previous ASAM model did not cover Aberdeenshire towns in detail, and therefore did not provide a sufficient mechanism to identify more rural transport impacts.

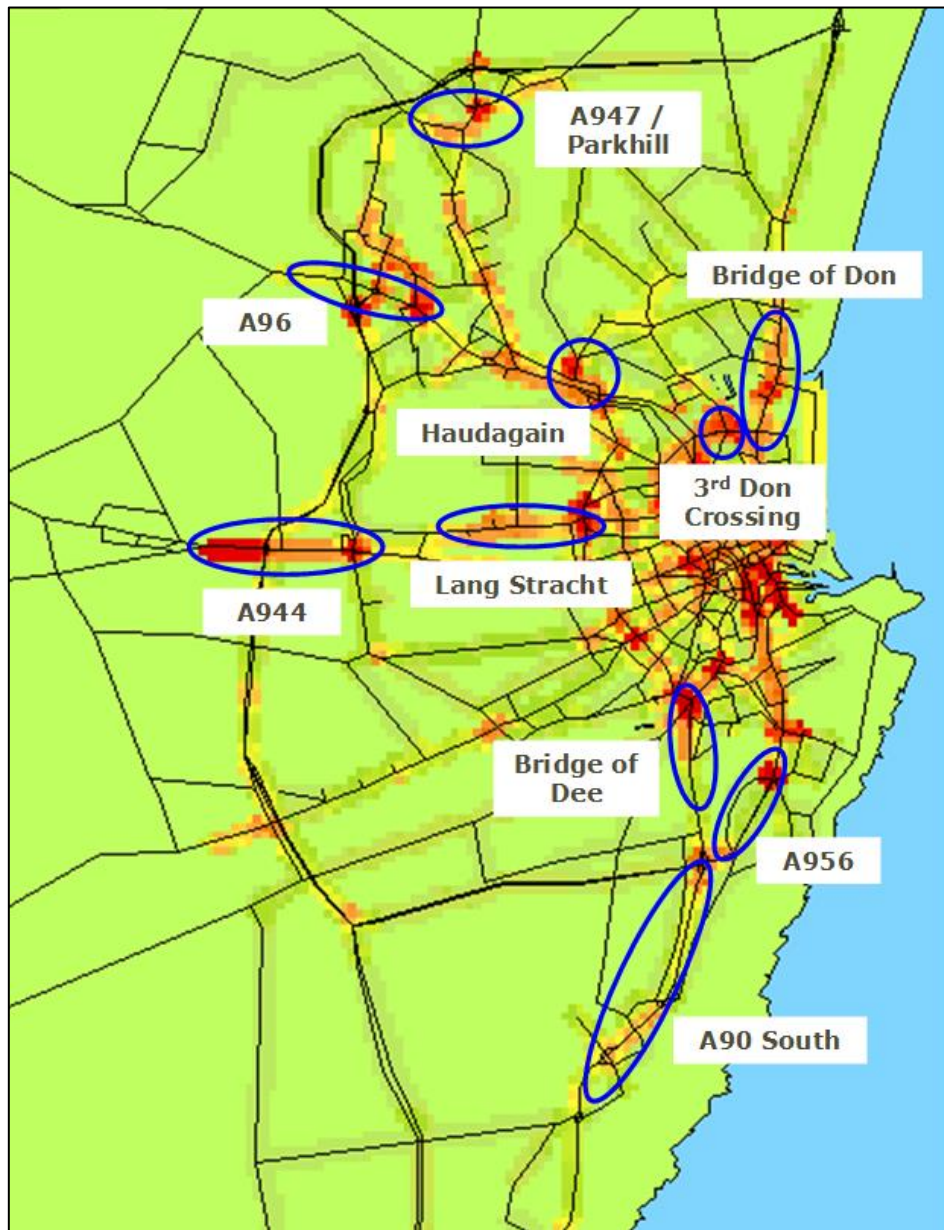


Figure 3. Congestion – 2023:S1 High Growth/'Allowance' – AM Peak

Rail Passengers

- 2.3.7 Analysis of rail routes showed that the number of passengers expected to use rail services to and from Aberdeen was forecast to increase considerably if the Development Plan was delivered along with benefits of new rail services (such as at Laurencekirk Station).
- 2.3.8 Local impacts included 90% of seated capacity being utilised in the peak time periods between Stonehaven and Aberdeen and it was noted that lack of seating could discourage further travel by rail in the A90 South corridor.

Bus Passengers

Analysis indicated that that the level of bus passengers travelling along the A90 South and A90 North corridors was anticipated to increase over time, reflecting growth planned within the Development Plans. The A96 corridor was expected to see a slight decrease in bus passenger numbers in the future due to travellers switching to use new rail services and potentially changing travel patterns from switching to Park and Ride sites.



2.4 Options for Mitigation

- 2.4.1 The 2010 CTA developed and tested transport interventions to combat or mitigate potential impacts associated with the Development Plan. This included public transport interventions and road based interventions, as shown in Table 2 and Table 3 respectively.

Table 2. Public Transport Interventions

Option/Test	Potential Intervention
A: Bus Frequency Improvements	
A. Improved frequency of basic services accessing new developments	One step improvement to services assumed to access new developments (ie 20 minute to 15 minute frequency etc). 10 minute frequency associated with major developments (ie Whitestripes, Craibstone area, Home Farm, Countesswells, Elswick & Loirston).
B: Additional Bus Services	
B1. Orbital Bus Service (North West-South East)	New orbital bus service operating from Kirkhill to Stonehaven via Anderson Drive & Altens. Proposed route includes, Kirkhill, Aberdeen Airport, A96 Park & Ride, Craibstone area, Auchmill Road, ARI, Woodhill House, Garthdee, Kincorth, Altens, Loirston, A90 South Park & Ride, Portlethen, Elswick, Newtonhill & Stonehaven. Assumed frequency every 20 minutes.
B2. Orbital Bus Service (North East-South East)	New orbital bus service operating from Ellon to Stonehaven via Anderson Drive & Altens. Proposed route includes, Ellon, Balmedie, Blackdog, Murcar, Dubford, Whitestripes, ARI, Woodhill House, Garthdee, Kincorth, Altens, Loirston, A90 South Park & Ride, Portlethen, Elswick, Newtonhill & Stonehaven. Assumed frequency every 20 minutes.
B3. Orbital Bus Service (North East-South West)	New orbital bus service operating from Ellon, to Peterculter via Murcar & Aberdeen Airport. Proposed route includes, Ellon Balmedie, Blackdog, Murcar, Dubford, Whitestripes, Stoneywood, Dyce, Aberdeen Airport, Kirkhill, A96 Park & Ride, Craibstone area, Kingwells, Home Farm, Kingwells Park & Ride, Countesswells, Bieldside, Oldfold & Peterculter. Assumed frequency every 20 minutes.
B4. Orbital Bus Service (West-North West)	New orbital bus service operating from Westhill to Aberdeen Airport via Kingwells. Proposed route: Westhill, Kingwells Park & Ride, Home Farm, Kingwells, Craibstone area, A96 Park & Ride, Airport & Kirkhill. Assumed frequency every 20 minutes.
C: Kintore Rail Station	
C. Station at Kintore	New rail station at Kintore – associated rail services, feeder bus services and car parking capacity to be confirmed.
Bus Priority Measures – Not included within appraisal	
Bus priority measures	Develop a series of bus priority measures to ensure services accessing new development areas are not significantly affected by congestion



Table 3. Road-based Interventions

Option/Corridor	Potential Road Intervention
North Aberdeen	
1. Parkway, Persley Bridge & Parkhill Improvements	Junction improvements along the Parkway and additional capacity at Persley Bridge to Haudagain Roundabout. Upgrade sections of B997 Scotstown Road and capacity improvements through Parkhill into North end of Dyce Drive using appropriate design standards to accommodate forecast traffic volumes.
A96 Corridor	
2. Capacity improvements & Upgrade Kingswells North Junction	Capacity improvements at A96/Dyce Drive/Craibstone access junction. Upgrade route between Bucksburn and AWPR Kingswells North junction using appropriate design standards to accommodate forecast traffic volumes. Upgrade Kingswells North junction with South facing slips.
A944 Corridor	
3. Upgrade A944 junctions & additional links from developments Improve access to A93 Corridor	Upgrade junctions at A944/B9119 on approach to Westhill & A944 Kingswells Roundabout. Second access point from Home Farm to Kingswells bypass and from Countesswells to B9119. Safety / limited capacity improvements along Countesswells Road, Baillieswells Road & access to Cults from Countesswells.
A956/A90 Corridor	
4. Junction capacity Improvements Link from Loirston to A90 New Fastlink junction accessing Elswick River Dee Link	Additional capacity and signal control at Souterhead roundabout. Local distributor connecting Loirston development with A90. Additional Fastlink interchange connecting Elswick with AWPR. Upgrade interchange at Newtonhill using appropriate design standards to accommodate forecasted traffic volumes. New bridge connecting A90 South to South Anderson Drive area.

2.5 Impacts of Mitigation Options

Time Lost due to Congestion

- 2.5.1 The impacts of the mitigation options on time 'lost' between travelling in free flow conditions across the network compared to conditions in an average hour in the peak periods are shown in Figure 4 as Scenario *S2023:S1 Package*.
- 2.5.2 It was shown that the biggest improvements would be in the Western (A96 & A944) and Southern Corridors (A956 & Bridge of Dee), mitigating the overall time lost due to congestion from development. Some slight benefit was seen in the Northern Corridors (Bridge of Don, 3rd Don Crossing & A947).
- 2.5.3 It was noted that sustained pressure was seen to be ongoing across the network, including some of the key strategic areas.

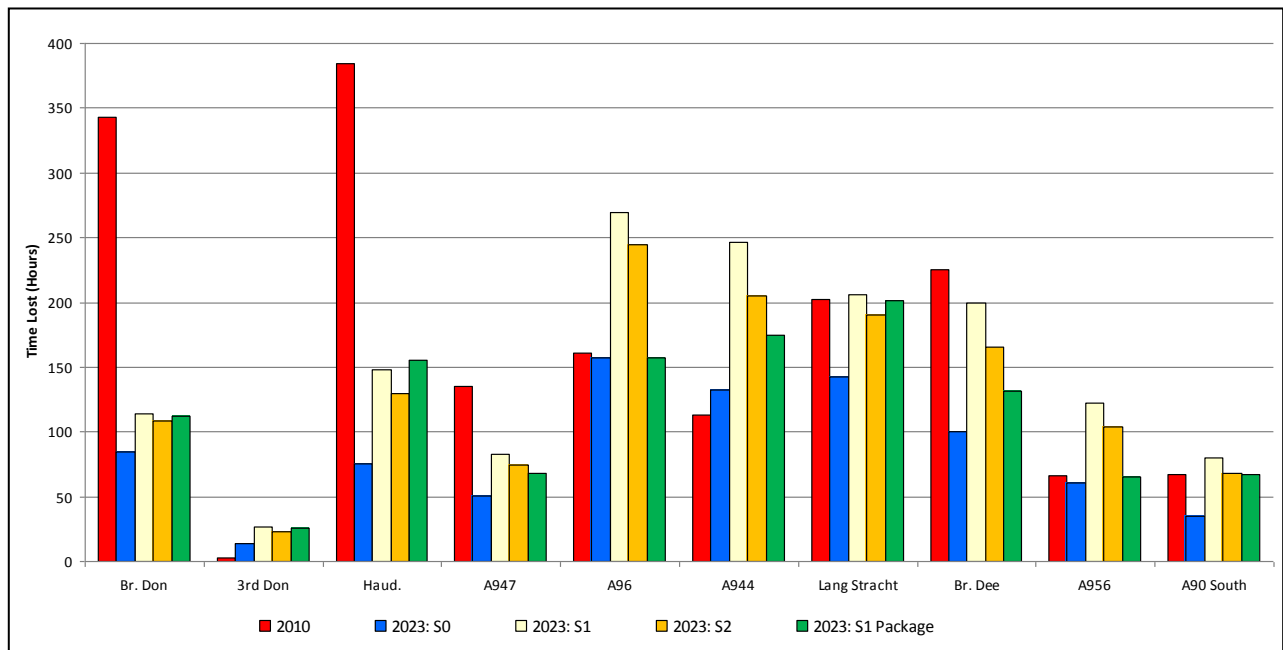


Figure 4. Time Lost Due to Congestion in Key Areas

Vehicle Kilometres & Carbon Emissions

- 2.5.4 The final intervention package was forecast to have only a marginal effect (less than 1% difference) on the volume of vehicle kilometres travelled across the region. Similarly, only marginal changes in the level of carbon emissions (tail-pipe) were also demonstrated with the package in place.

Public Transport Impacts

- 2.5.5 Public transport options were shown to deliver improved public transport accessibility between many parts of Aberdeen and Aberdeenshire. These improvements were forecast to lead to an encouraging growth in the level of public transport use associated with new developments.

3. STRATEGIC TRANSPORT IMPACTS

3.1 Introduction

3.1.1 The following section describes the emerging outcomes from the ASAM14 forecast year modelling. This provides some indications of the major pressure points predicted across the transport network, and how the build-out of development and associated population and employment growth impacts network operation.

3.1.2 Three main ASAM14 scenarios are used to enable comparison with the previous 2010 CTA outcomes, including:

- **2017 Baseline:** reflecting present day conditions;
- **2017 Do Minimum Infrastructure:** committed infrastructure delivered between 2017-32: representing the network impacts and benefits with all committed transport investment in place – but with **no** development growth related impacts;
- **2032 Do Minimum Development:** Committed infrastructure **and reflecting** the impact of development growth;

3.1.3 Analysis presented covers the following KPI's:

- Regional traffic statistics;
- Traffic congestion by area / sector;
- Traffic network pinch points;
- Rail passenger capacity; and
- Rail station parking capacity;

3.2 Regional Traffic Statistics

Traffic Levels

3.2.1 Tables 4 and 5 describe the change in traffic levels (Vehicle Kilometres - Vkms) predicted over time within the Aberdeen City and Aberdeen Shire Local Authority areas, compared to the 2017 Baseline Scenario (with the last two rows of the tables highlighting figures for the local network only – excluding AWPR traffic flows).

Table 4. Change in Vehicle Kms across City of Aberdeen: 2017-2032 (Vkms per hour)

SCENARIO	AM PEAK		INTER PEAK		PM PEAK	
2017 Baseline	305,269		224,001		328,139	
2017 Do Minimum	25,343	8%	13,406	6%	30,549	9%
2032 Do Minimum	88,853	29%	70,324	31%	94,923	29%
2017 DM exc. AWPR	-18,012	-6%	-12,513	-6%	-18,440	-6%
2032 DM exc. AWPR	32,623	11%	34,330	15%	31,886	10%

Table 5. Change in Vehicle Kms across Aberdeenshire: 2017-2032 (Vkms per hour)

SCENARIO	AM PEAK		INTER PEAK		PM PEAK	
2017 Baseline	841,304		563,581		936,624	
2017 Do Minimum	12,206	1%	6,110	1%	27,760	3%
2032 Do Minimum	156,300	19%	125,713	22%	187,528	20%
2017 DM exc. AWPR	-23,039	-3%	-13,380	-2%	-8,730	-1%
2032 DM exc. AWPR	111,935	13%	99,160	18%	141,685	15%

3.2.2 The analysis demonstrates that the distance travelled by motorists on the network when Do Minimum related investment is delivered increases in both the City and Shire (by around 6-9% in the City and 1-3% within the Shire). This mainly relates to the faster but longer distance route provided by the AWPR (located within both Local Authorities).

3.2.3 When traffic volumes travelling via the AWPR mainline are excluded, (isolating local network flows) the level of vehicle kilometres reduces, highlighting the diversionary benefits of the new bypass.

3.2.4 The analysis also shows the impact of development-related traffic growth, increasing the level of Vkms by around 10-15% across both Local Authority areas (when the impact of the AWPR is excluded).

Traffic Congestion

3.2.5 Tables 6 and 7 describe the change in time lost due to congestion (Hours of Vehicle Delay - Vhrs) predicted over time across Aberdeen City and Shire (compared to the Baseline).

Table 6. Change in Vehicle Time Lost (Delays) across City of Aberdeen: 2017-2032 (Vhrs per hour)

SCENARIO	AM PEAK		INTER PEAK		PM PEAK	
2017 Baseline	4,600		2,205		5,923	
2017 Do Minimum	-567	-12%	-147	-7%	-977	-16%
2032 Do Minimum	1,735	38%	657	30%	2,278	38%
2017 DM exc. AWPR	-622	-14%	-156	-7%	-1,051	-18%
2032 DM exc. AWPR	1,605	35%	631	29%	2,118	36%

Table 7. Change in Vehicle Time Lost (Delays) across Aberdeenshire: 2017-2032 (Vhrs per hour)

SCENARIO	AM PEAK		INTER PEAK		PM PEAK	
2017 Baseline	1,273		250		1,711	
2017 Do Minimum	-324	-25%	-20	-8%	-382	-22%
2032 Do Minimum	432	34%	123	49%	463	27%
2017 DM exc. AWPR	-345	-27%	-24	-10%	-409	-24%
2032 DM exc. AWPR	390	31%	115	46%	398	23%

- 3.2.6 The modelling analysis shows a considerable reduction in traffic delays (by around -10%-20%) with the delivery of committed investments, with schemes such as the AWPR, A90 B-T and Haudagain providing additional network capacity and reducing congestion.
- 3.2.7 Over the longer term, as development builds-out and populations rise, the forecasts suggest an increase in congestion – by around 30% in the peak hours across the local networks.
- 3.2.8 In general, these traffic statistics indicate that considerable higher traffic volumes would be travelling across the North East road network, and that the future anticipated capacity available would be impacted, producing greater overall levels of congestion.

3.3 Area-Based Congestion Analysis

- 3.3.1 Using the ASAM14 traffic network scenarios, congestion and average speeds were proportioned to form a number of sector-based analysis. The coverage of these sectors / areas are illustrated in Figure 5 and described in Table 8.

Table 8. Area / Sector Based Congestion & Speed Analysis Description

ABERDEEN CITY AREAS		ABERDEENSHIRE AREAS	
1	City Centre	14	Portlethen & A90
2	Central North	15	Ellon & A90 North
3	Central North West	16	Oldmeldrum & A947 to Parkhill
4	Central West	17	Inverurie & Kintore
5	Northfield	18	Westhill
6	Garthdee	19	Huntly
7	Torry & Kincorth	20	Banchory & Rural Deeside
8	Bridge of Don	21	Stonehaven & A90 to Laurencekirk

ABERDEEN CITY AREAS		ABERDEENSHIRE AREAS	
9	Dyce		
10	Airport and Kirkhill		
11	Kingswells & A944		
12	Deeside		
13	Altens & Tullos		

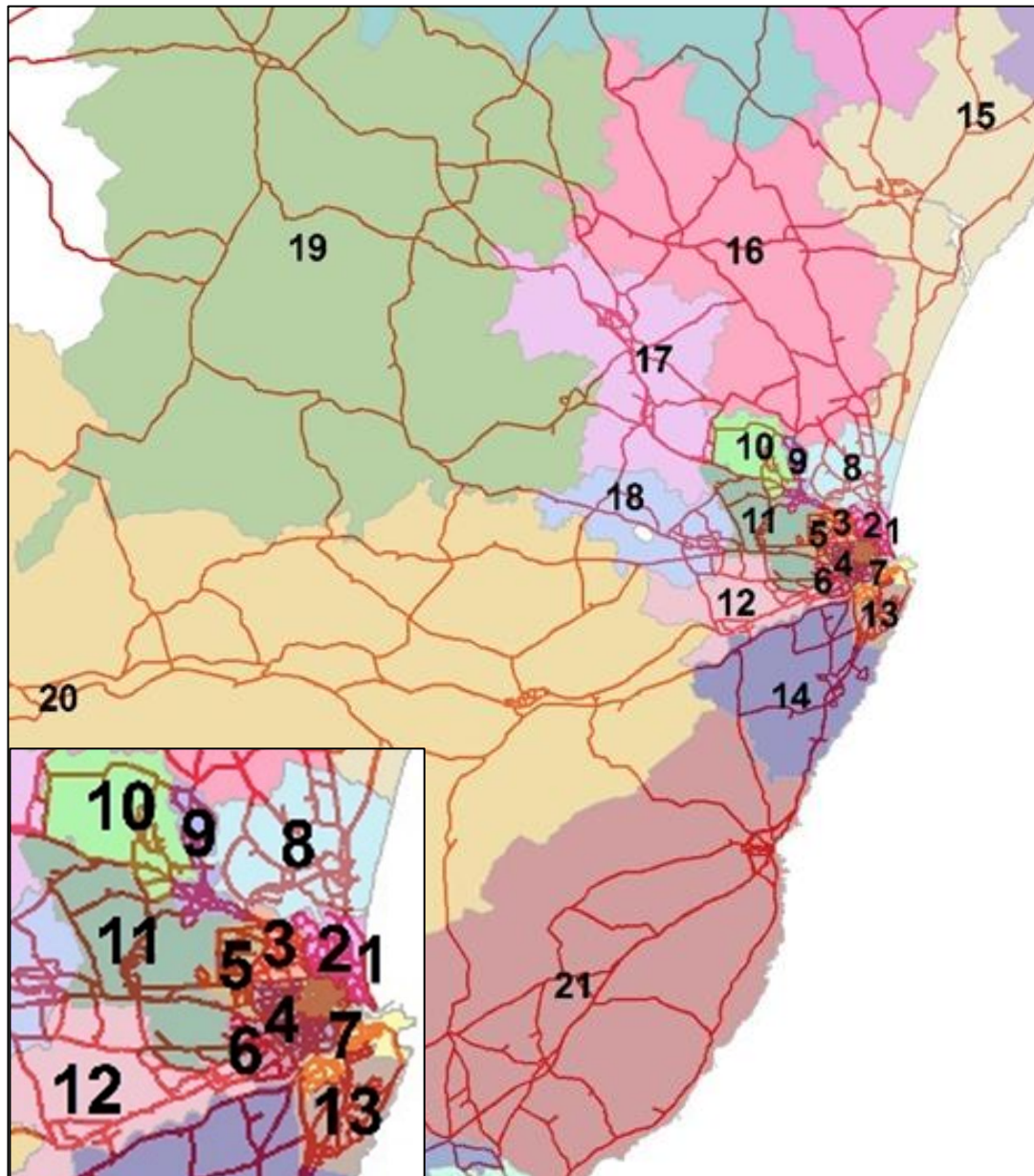


Figure 5. Area / Sector Based Congestion & Speed Analysis Coverage



Time Lost due to Congestion (Traffic Delays) & Vehicle Speeds

3.3.2 Figures 6 and 7 detail the forecast change in traffic delays (Time Lost) between the 2017 and 2032 Do Minimum Scenarios for the City and Shire respectively, compared to the 2017 Baseline – demonstrating the benefits of committed infrastructure, and then isolating the impact of traffic growth. This analysis **excludes** specific AWPR mainline traffic flows (but includes impacts at AWPR access junctions) and therefore provides a more like-for-like comparison of local road network impacts.

3.3.3 Similarly, Figures 8 and 9 demonstrate % change in Average vehicle speeds.

Transport Investment Benefits

3.3.4 The light (AM Peak) and dark (PM Peak) coloured green bars on the charts demonstrate the considerable benefits associated with committed transport investment, highlighting that the majority of Aberdeen City areas see a significant reduction in delays during the Peak periods. The modelling suggests a slight increase in delays in some locations, potentially due to the new AWPR access junctions - where motorists would see substantial speed benefits travelling via the new carriageway, but would also likely experience some delays during access/egress.

3.3.5 The analysis also demonstrates considerable benefits for areas within Aberdeenshire where infrastructure is likely to provide benefits (namely the Portlethen and Ellon corridors – as motorists benefit from the AWPR Fastlink and A90 B-T. Westhill and Inverurie are also forecast to experience some benefits).

3.3.6 The analysis suggests some congestion impacts at Stonehaven and Parkhill (A947) where new AWPR access arrangements are planned.

3.3.7 The average speed analysis generally mirrors the congestion analysis, illustrating around a 5%-10% increase in vehicle speeds for most areas within Aberdeen City and considerable % change in speed benefits (of around 10%-20%) for the Portlethen and Ellon corridors – areas which directly benefit from committed transport schemes.

Development Impacts

3.3.8 The orange (AM Peak) and gold bars (PM Peak) within the charts describe the changes in traffic delays and vehicle speeds (across Aberdeen and Aberdeenshire once development / population growth (at 2032 levels) is incorporated into the Do Minimum scenario.

3.3.9 This growth is predicted to result in a considerable rise in overall traffic delays across the majority of these areas within Aberdeen, producing around a 10-20% reduction in vehicle speeds within most areas, eroding, and in some cases off-setting anticipated infrastructure benefits – for these specific areas, and excluding the AWPR mainline time savings. The areas that appear most significantly impacted include; Dyce & the Airport, Kingswells (including the A944 corridor to Westhill), and areas within the Bridge of Don. There is a general disbenefit to traffic speeds across central Aberdeen.

3.3.10 Within Aberdeenshire, the analysis indicates an erosion of benefits within the Portlethen and Ellon corridors, and some considerable increases in delays around Inverurie, at the A947 corridor around Parkhill, and for specific access at Stonehaven. Impacts at Banchory and Westhill are more muted – noting again that the impact forecast for eastern access to/from Westhill along the A944 is included within the Aberdeen ‘Kingswells’ sector.



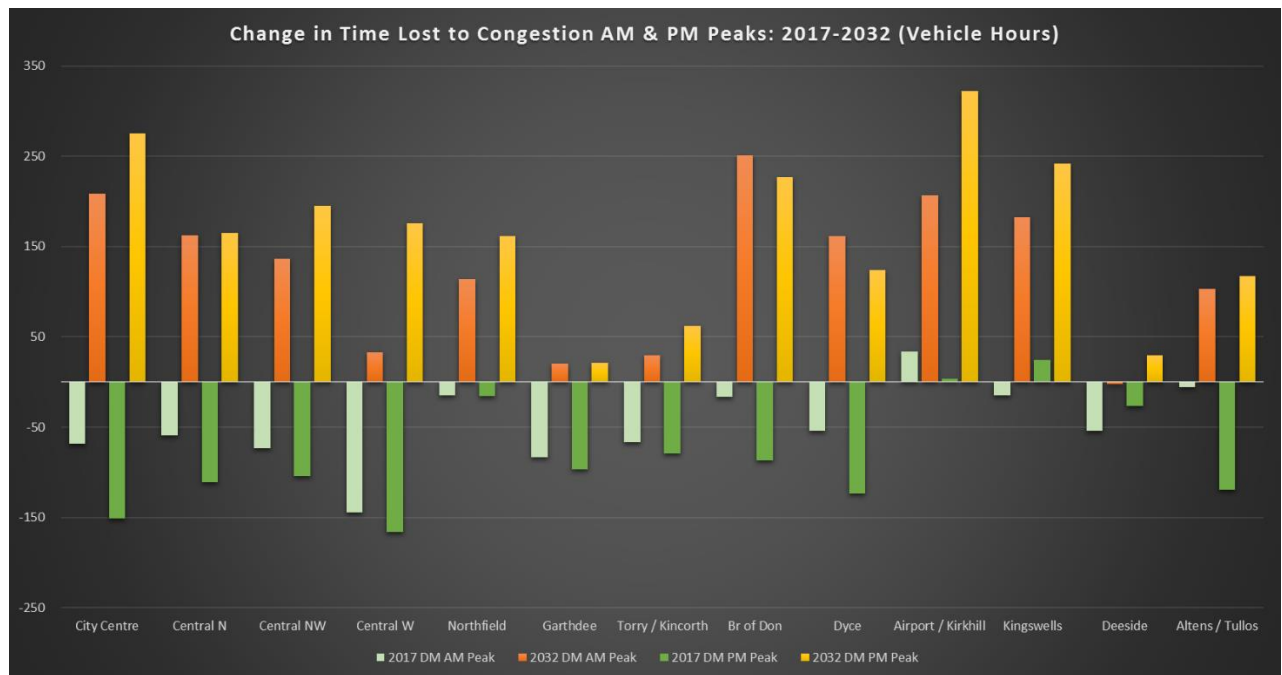


Figure 6. Change in Vehicle Congestion across City of Aberdeen Areas: 2017-2032 Do Minimums (Vehicle Hours)

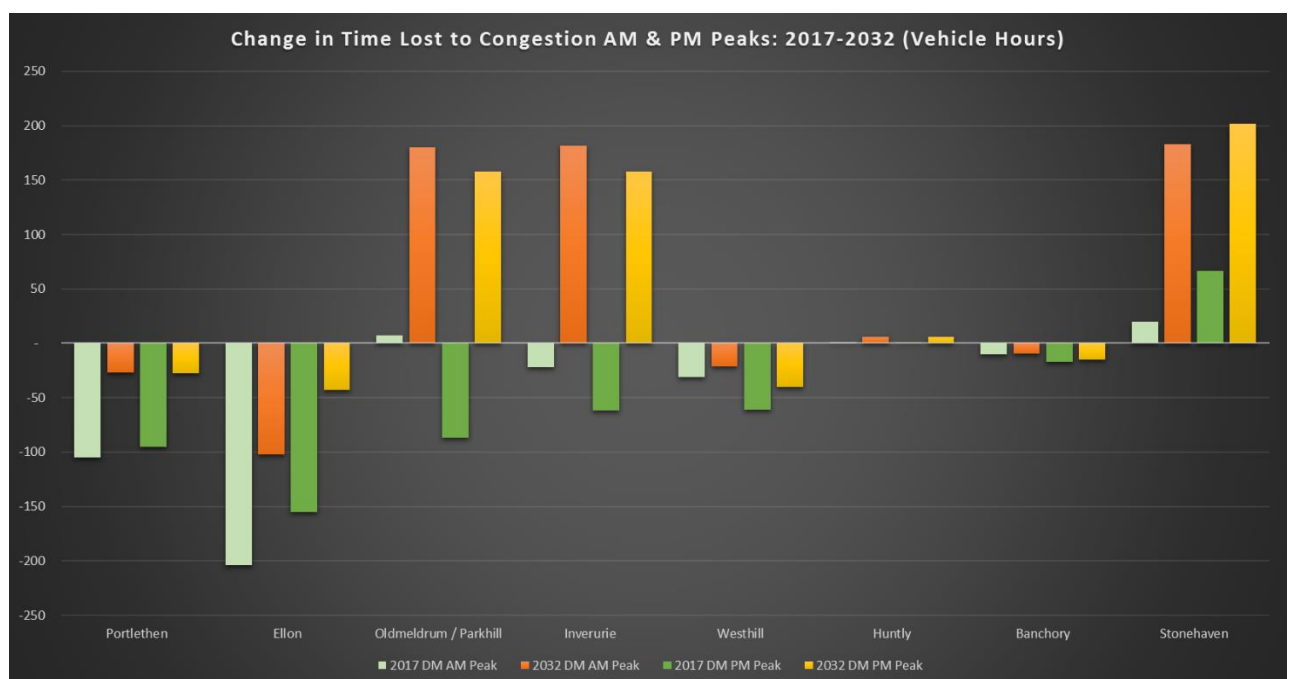


Figure 7. Change in Vehicle Congestion across Aberdeenshire Areas: 2017-2032 Do Minimums (Vehicle Hours)



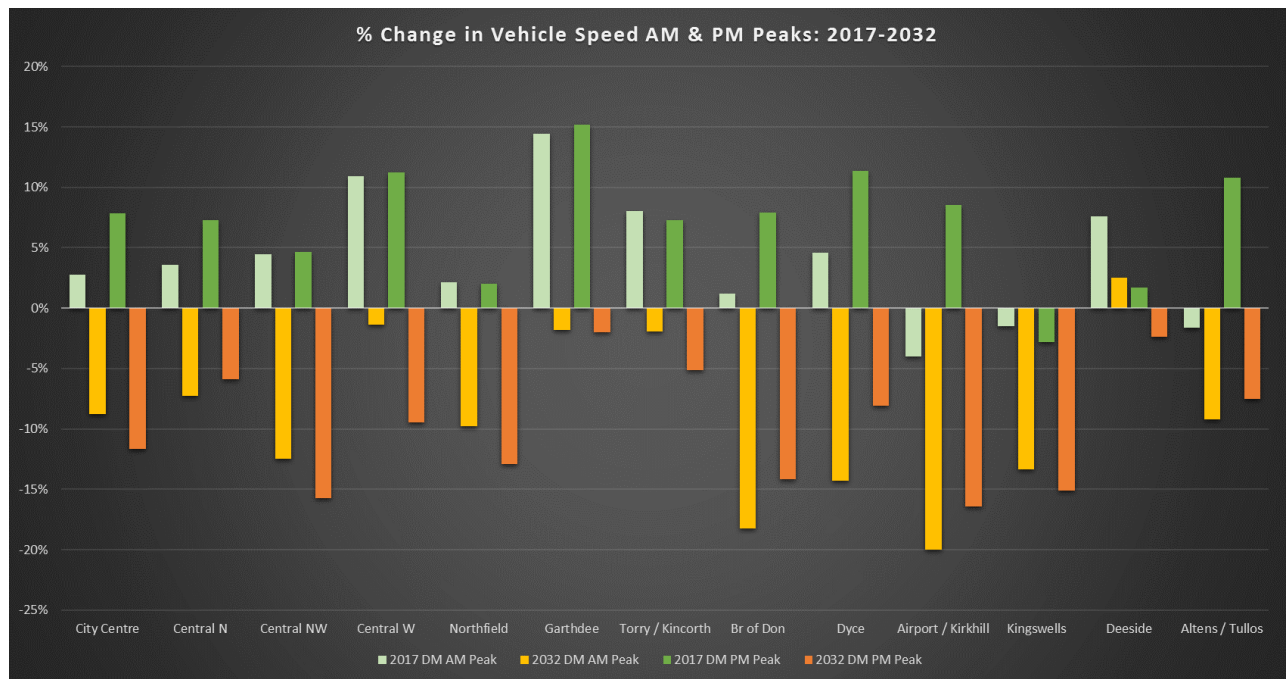


Figure 8. % Change in Vehicle Speeds across City of Aberdeen Areas: 2017-2032 Do Minimums (% kph)

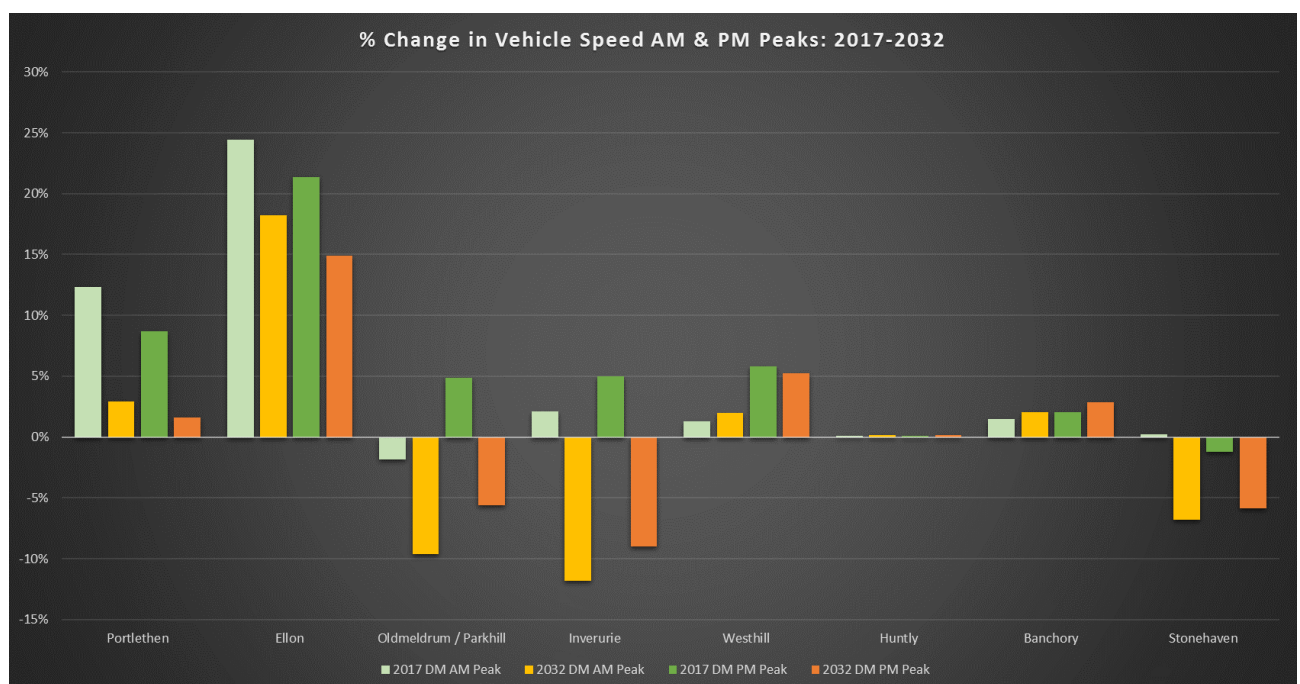


Figure 9. % Change in Vehicle Speeds across Aberdeenshire Areas: 2017-2032 Do Minimums (% kph)



3.4 Pinch-Point Congestion Analysis - Hotspots

- 3.4.1 Through interrogating the ASAM14 network scenarios, a series of maps were prepared to illustrate the maximum vehicle delays across the road network.
- 3.4.2 Traffic pinch-point or ‘hotspot’ mapping for the 2017 Baseline and 2032 Do Minimum scenarios are provided within Appendix A, along with forecast changes in delays between the 2017 Do Minimum and 2032 (with development) scenario – therefore isolating and identifying the major changes in delays with development / population growth built-out.
- 3.4.3 Maps highlighting changes in congestion /delays for the PM Peak are also shown in Figures 10 and 11 for the City and Shire respectively, and also highlight the main areas of concern / hotspot locations.

Notes

- These maps show the maximum delay at pinch-points / junctions, and may illustrate some relatively large delays from minor road access points, which, in some cases could be used by a smaller volume of motorists and be less significant;
- The Do Minimum network excludes any significant ‘Signal Optimisation’ within the modelling, which may reduce down some of the maximum delays shown here (but may also potentially increase delays elsewhere / for other approaches);
- Congestion results may be effected from how major developments are currently represented in the ASAM14 zone system and ‘loaded’ to the network – which is currently more generalised and may not reflect specific site access locations. More detailed representation may accommodate traffic more efficiently, or indeed focus motorists to specific points of the network, creating further delays;
- Although these hotspot maps provide a good indication of potential traffic impacts, these potential issues should be borne in mind when interpreting these emerging outcomes. The development of updated and more detailed Do Minimum scenarios are planned, and these would confirm the emerging (Draft) results provided here;
- In some cases, further more detailed microsimulation modelling would be required to confirm and pinpoint the location and nature of local hotspots.

- 3.4.4 The congestion mapping analysis shows a number of locations that are forecast to be impacted by traffic growth by the 2032 horizon. These are discussed further below.

Aberdeen

- 3.4.5 Within Aberdeen, there is a general impact within the City Centre area, and more focussed hotspots along the Wellington Road and Bridge of Don Corridors, and also within the Bridge of Dee and southern approaches to the Diamond crossing. The Lang Stracht, Parkway and Northern sections of Anderson Drive are also impacted, but potentially to a lesser extent compared to other areas.
- 3.4.6 The Bridge of Dee and South Anderson Drive corridor appear particularly pressurised.
- 3.4.7 Within the periphery of Aberdeen, the Aberdeen Airport and Kirkhill area, coupled with the A947 Parkhill accesses (with some locations in Aberdeenshire) appear significantly impacted by congestion. There are also impacts identified at Stoneywood Road, A944 Kingswells to Westhill corridor and potentially around the Charleston Interchange.



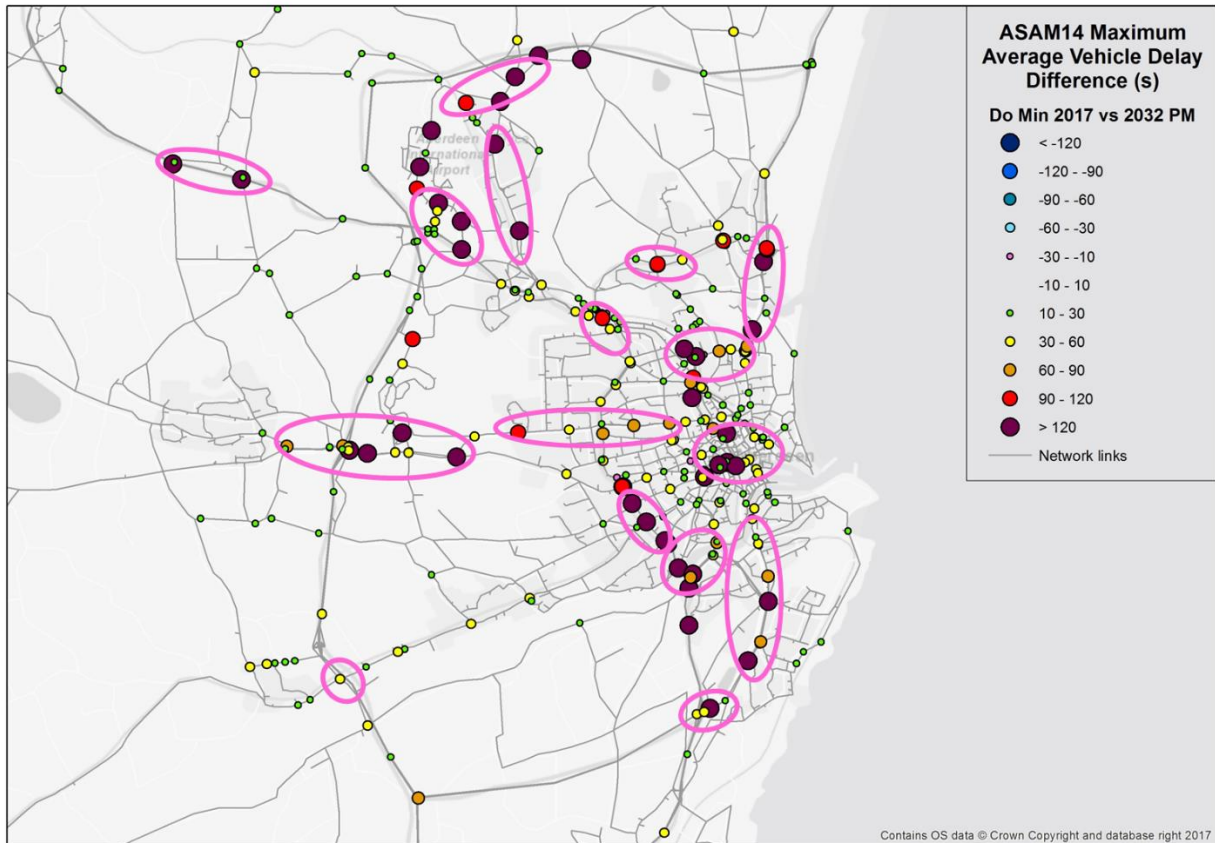


Figure 10. Change in Vehicle Delays Incorporating Development Growth – PM Peak Aberdeen

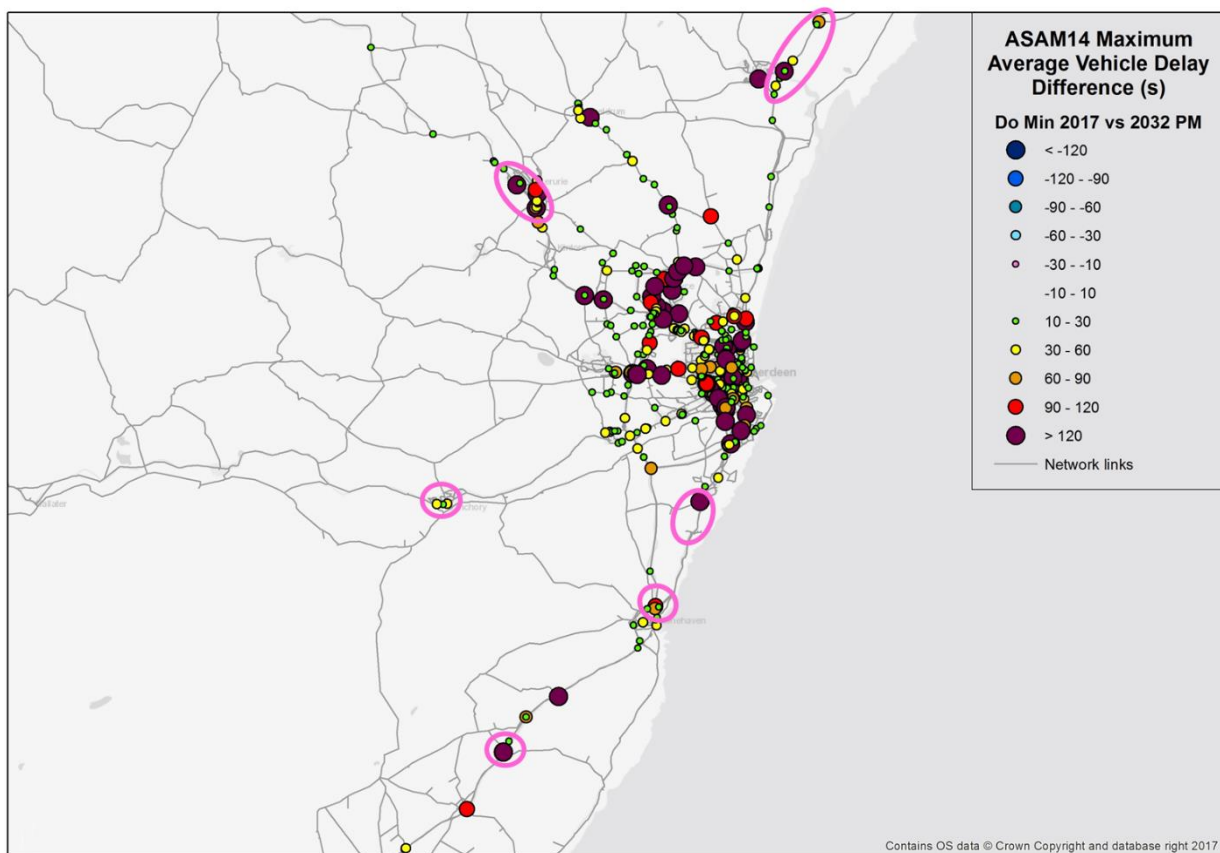


Figure 11. Change in Vehicle Delays Incorporating Development Growth – PM Peak Aberdeenshire



Aberdeenshire

- 3.4.8 Within Aberdeenshire, the ASAM14 modelling indicates the most significant congestion impacts in and around Inverurie, and also for more isolated locations at Ellon, including the Toll of Birness approach to the A90 (particularly during the AM Peak).
- 3.4.9 The analysis indicates a specific issue at Stonehaven (mostly during the PM Peak), with AWPR Fastlink traffic accessing the A90 Southbound via the new traffic signals.
- 3.4.10 There is also a broader issue associated with motorists becoming increasingly delayed at a number of major road access points (due the increasingly high traffic volumes travelling on the main corridors (A90 and A96). For example, the at grade intersection on the A90 at Bruntland Road. This impact also appears to be relevant for some rural routes.
- 3.4.11 There are some congestion impacts identified within the A93 Deeside corridor, but potentially at a lesser extent compared to other areas.
- 3.4.12 The impacts associated with sections of the A944 (Westhill) corridor and A947 Parkhill junction (noted above) are also relevant for Aberdeenshire.

3.5 Public Transport Impacts

- 3.5.1 The delivery of proposed public transport investments and further population growth may lead to subsequent growth in public transport passengers – which could impact network operation and/or quality of use.

Rail Passenger Boarding's & Alighting's

- 3.5.2 Table 9 describes the forecast change in total rail passenger boarding's and alighting's predicted over time for all stations situated within Aberdeen City and Aberdeenshire for the ASAM14 AM, Inter and PM Peak hourly time periods.
- 3.5.3 The analysis demonstrates that the introduction of committed transport investment, (particularly relating to the new Kintore station, Rail Revolution and long distance rolling stock capacity improvements) are forecast to increase the number of rail passengers using North East rail stations. Indicating around a 20% rise in passengers numbers due to improved services/stations, and a >40% increase when longer term development/ population growth is also included (compared to the 2017 Baseline scenario).

Table 9. Rail Passenger Boarding & Alighting Forecasts (Aberdeen City & Shire Stations)

SCENARIO	AM PEAK B&A	INTER PEAK B&A	PM PEAK B&A
2017 Baseline	2,040	851	2,430
2017 Do Minimum	2,416	1,025	2,868
2032 Do Minimum	2,950	1,255	3,445
Change			
2017 BL - 2017 DM	376	174	437
2017 DM - 2032 DM	910	404	1,015

SCENARIO	AM PEAK B&A	INTER PEAK B&A	PM PEAK B&A
% Change			
% 2017 BL - 2017 DM	18%	20%	18%
% 2017 DM - 2032	45%	47%	42%

Rail Passenger Capacity

3.5.4 The potential impact of increased rail passenger growth can be interrogated within ASAM14 by comparing with rail seating capacity for specific sections of the network.

Figure 12 illustrates the forecast change in passenger seating capacity on the East Coast mainline – reflecting the main tidal flows into Aberdeen within the morning peak and outbound within the evening peak. Note that these flows reflect an average across all services, so may not represent the highest % occupancy on the busiest train services. These forecasts assume the delivery of all proposed committed rail improvements.

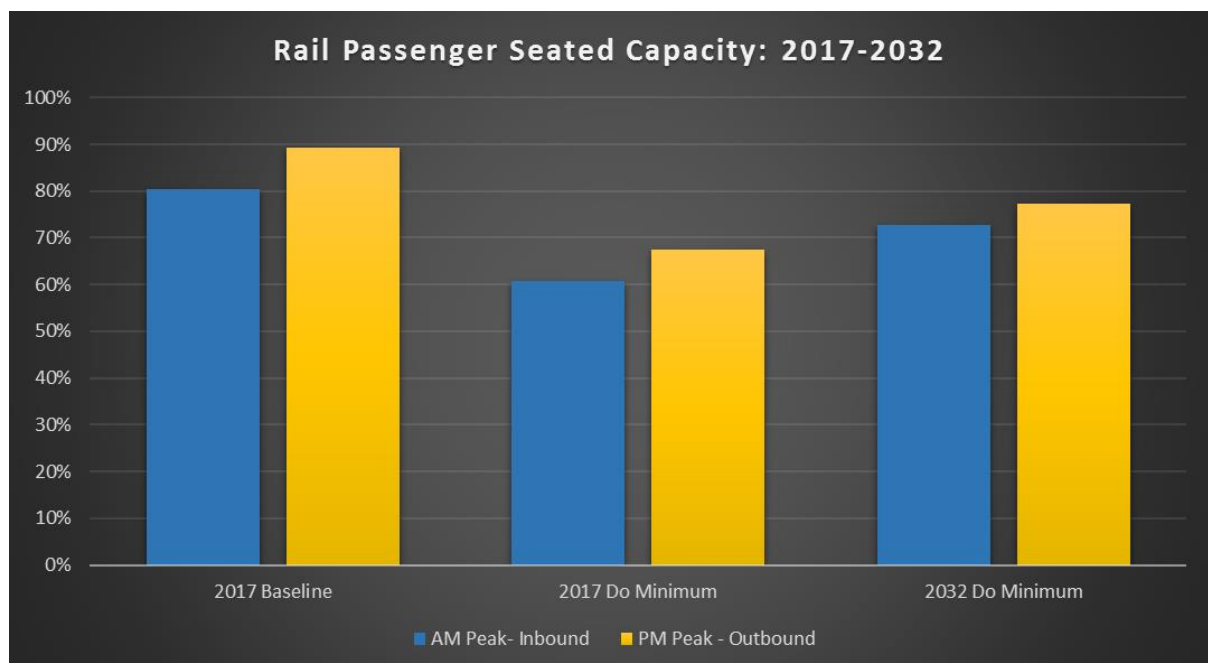


Figure 12. Rail Passenger Seating Capacity to/from Aberdeen Station (East Coast Rail line)

3.5.5 The analysis suggests that the introduction of greater passenger capacity on the rail network would generally accommodate the predicted (average) rail passenger demand – with capacity reducing to around 60-70% with committed investment in place. The modelling does indicate that further population growth would lead to a rise in % occupancy pressure, but by 2032, this would not approach back above 2017 levels.

Train Station Car Parking

3.5.6 Access to improved rail services will often involve motorists parking at rail station car parks. As a result the modelling suggests that several rail station car parks would become pressurised with access to spaces more limited, depending on the availability of spaces out with the main station car parks.

4. LOCAL TRANSPORT IMPACTS

4.1 Introduction

- 4.1.1 The following section collates various microsimulation modelling forecasts to help confirm the magnitude of some local traffic impacts, which may not be covered by the more strategic ASAM modelling.
- 4.1.2 This summarises the microsimulation modelling developed for Aberdeen City and Shire Councils to date and identifies the key network pinch points that have been identified through the model testing for the future 'Reference Case' model networks.
- 4.1.3 Note that analysis presented here is based on currently available forecasts and may not tend to specifically isolate development-only impacts. They may not also be consistent with the level or geography of development growth included within ASAM14. These local models therefore provide a forecast of the combined impacts of the delivery of both transport investment and development growth.
- 4.1.4 This section forms a summary of the main '*CTA Local Paramics Modelling Report*'.

4.2 Microsimulation Model Network Coverage

- 4.2.1 In Aberdeen City, there are four main microsimulation models developed by SIAS (now SYSTRA) on behalf of Aberdeen City Council covering key areas of the model network. They are:
 - Aberdeen North Model (2012 Base)
 - Aberdeen City Centre Model (2012 Base)
 - Aberdeen South Model (2009 Base)
 - Dyce Model (2012 Base)
- 4.2.2 There are also several local models for key junctions on Anderson Drive (A93, A944, Kings Gate, & Broomhill Rd).
- 4.2.3 Figure 13 shows the microsimulation model coverage in the Aberdeen City area (with the AWPR corridor for reference). The figure also includes some of the model coverage for the Aberdeenshire models of Westhill and Portlethen.
- 4.2.4 The key locations in Aberdeen where there is no current microsimulation model coverage includes:
 - A944 Lang Stracht Corridor (note: the AWPR/A944 junction is within the Westhill Model)
 - B9119 Skene Road Corridor
 - A93 North Deeside Corridor (Cults / Milltimber / Peterculter) & AWPR Junction
 - Complete Anderson Drive Corridor
 - AWPR Corridor



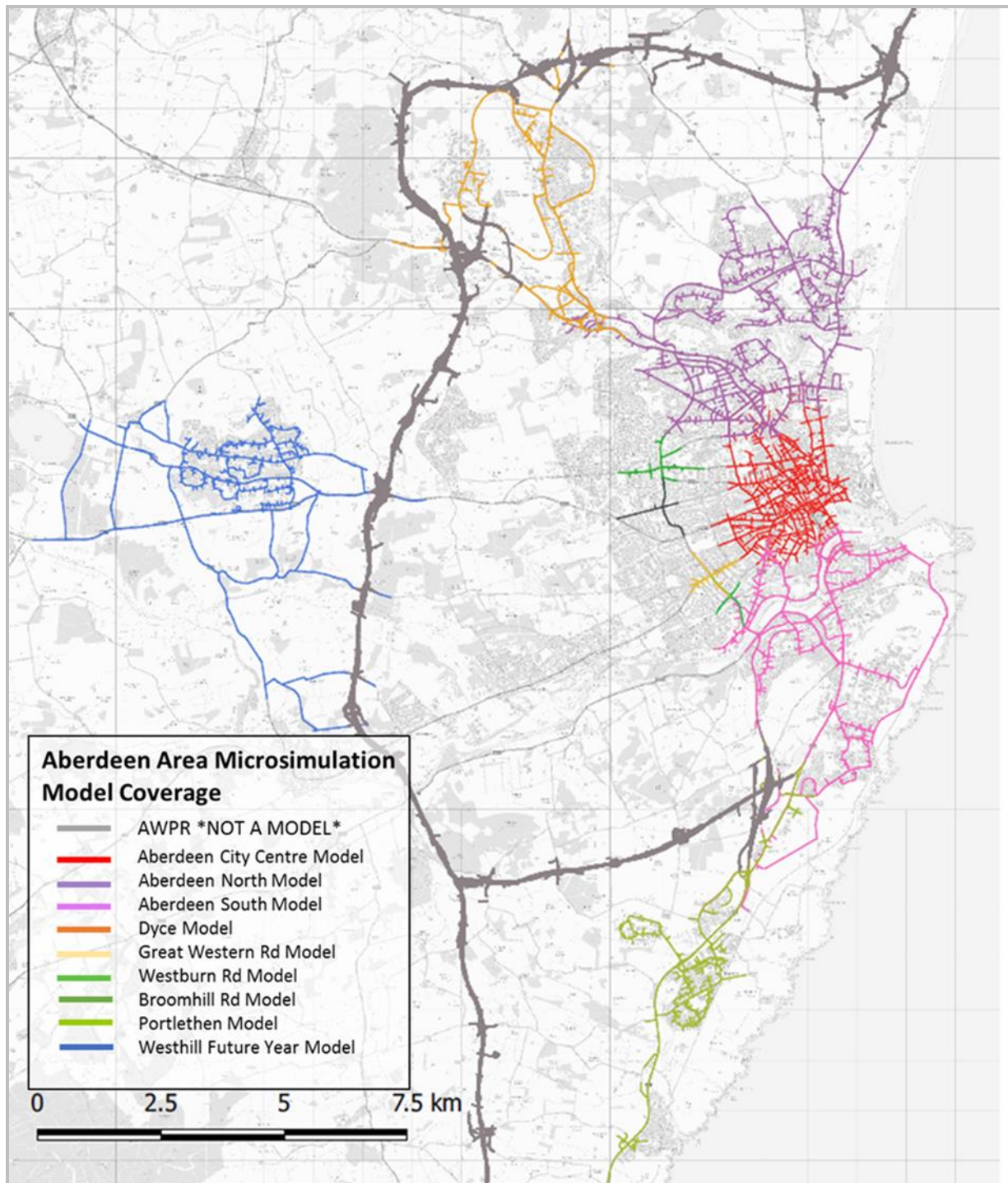


Figure 13. Aberdeen City Microsimulation Model Coverage (excluding AWPR)

4.2.5 In Aberdeenshire, there are seven microsimulation models covering key towns as follows:

- Westhill Model (2014 Base)
- Inverurie Model (2012 Base)
- Ellon Model (2017 Base)
- Stonehaven Model (2014 Base)
- Portlethen Model – including Newtonhill & Elsick (2014 Base)
- Kintore Model (2012 Base)
- Peterhead Model (2013 Base)



4.2.6 Figure 14 shows the microsimulation model coverage in Aberdeenshire.

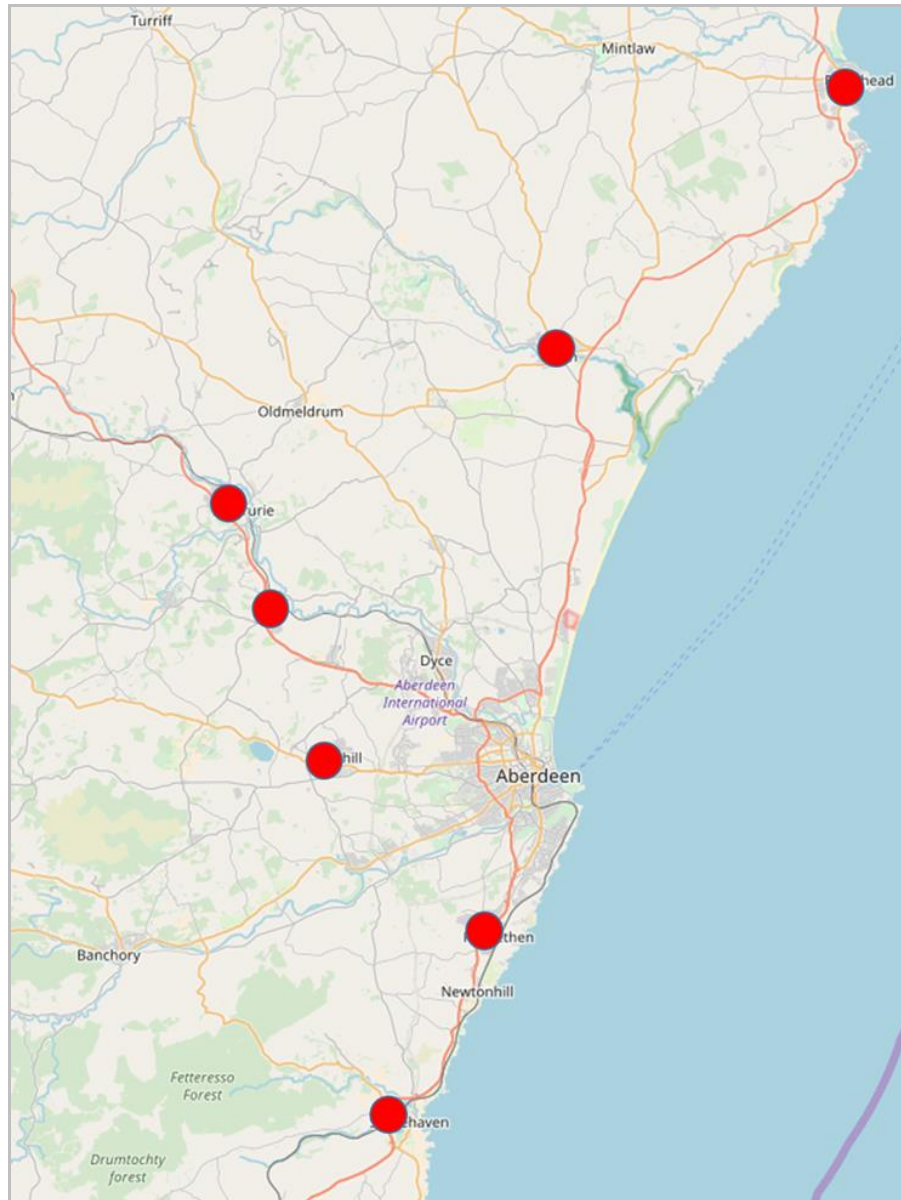


Figure 14. Aberdeenshire Microsimulation Model Coverage

4.2.7 The key locations in Aberdeenshire where there is no current microsimulation model coverage includes:

- A93 corridor to Banchory
- Other Aberdeenshire towns, including Oldmeldrum
- AWPR complete corridor
- A90 / AWPR junction at Blackdog



4.3 Microsimulation Model Scenarios

- 4.3.1 For each microsimulation model network, there have been variations in the future modelling requirements and consequently the years in which the impact of development and infrastructure content are assessed. These available scenarios are shown in Table 10.
- 4.3.2 Many of the latest models have been developed in the last 5 years with short term future year assessments of 2017/2018. These models have been generally developed to include the impact of the AWPR (which has had an opening year varying from 2016 to 2018).
- 4.3.3 Medium term traffic modelling has been undertaken for the lifecycle of the current LDP (2017 for both Aberdeen City and Shire) and is generally assumed at 2023.
- 4.3.4 Only two microsimulation model scenarios have been developed for the longer term (post 2030) to date, namely the Aberdeen North area and Dyce Area models.

Table 10. Aberdeen City & Shire Microsimulation Model Scenarios

S-Paramics Model Network	Latest Base Model	Future Year Reference Case Model Networks		
		Short Term	Medium Term	Long Term
Aberdeen City Models:				
North Area Model	2012	2017	2023	2032
South Area Model	2009	-	2023	-
Dyce Area Model	2014	2018	2023	2033
City Centre Model	2012	2017	2023	-
Anderson Drive Junction Models:				
Westburn Drive	2010 / 2016	2016 & 2018	-	-
Great Western Road	2010	2016	-	-
Kings Gate	2016	2018	-	-
Broomhill Road	2016	2018	-	-
Aberdeenshire Models:				
Westhill	2014	-	2023	-
Inverurie*	2012	2016	-	-
Ellon	2017	-	2023**	-
Kintore	2012	-	2023	-
Portlethen	2014	2017	2023	-
Stonehaven	2014	-	2023	-
Peterhead	2013	-	-	-
* Model Testing also undertaken in 2023 but with LDP content only				
** Model Testing from previous 2012 model				

4.4 Local Traffic Impacts

Summary

4.4.1 The main *Local Modelling Appraisal Report* provides detail on:

- The geographic extent of microsimulation modelling for Aberdeen City and shire;
- The future year models developed and committed development content;
- The outcome from the model assessment including detail of key pinch points

4.4.2 From the assessment of each future year committed development model, Table 11 summarises the key pinch point areas within the Aberdeen City network. The table provides a general scaling of the extent of issue as well as highlighting the gaps in the assessment years together with the geographical gaps in microsimulation model coverage. Table 12 provides the pinch point areas from the Aberdeenshire model networks.

Key Impacts

4.4.3 The network pinch points identified through the various Aberdeen City and Shire microsimulation models compliment the ASAM outputs to give a detailed picture of the future year impacts of committed development across the North East. The key findings are:

- Dyce area along the A96 and A947 appear the most congested areas in the North East.
- Other critical Aberdeen pinch points include:
 - A944 / AWPR junction
 - B999 / A90 Ellon Road
 - South College Street / QEII Bridge
 - Bridge of Dee Junctions
- Congestion within the City Centre area is relatively distributed with numerous (lower level) local congestion points. This may change significantly if the City Centre Masterplan measures are implemented and more traffic is diverted due to the proposed City Centre restrictions;
- Anderson Drive benefits from the implementation of the AWPR, providing opportunities for locking in the benefits of the AWPR. No models have been developed for longer term development growth scenarios;
- Within Aberdeenshire, the AWPR/Westhill junction and the A90 Toll of Birness junction near Ellon appear the worst impacted in the medium term;
- The A96/ Port Elphinstone roundabout in Inverurie is also a critical pinch point in the medium term, as is the Wellington Road / Old Wellington Road signalised junction within Aberdeen City (identified from the Portlethen Modelling);
- There are pinch points identified in the medium term along the A90 at Stonehaven, Portlethen, and Ellon;
- There are pinch points identified in the medium term along the A96 at Inverurie and Kintore;
- No future year models have been developed for Peterhead to date;
- There are numerous gaps in the Aberdeen City and Shire microsimulation model coverage. The main locations where future coverage may be required include:
 - A944 corridor, & B9119 Skene Rd corridor
 - A93 Corridor
 - AWPR full corridor
 - Complete Anderson Drive Corridor

Table 11. Aberdeen City Area – Modelled Pinch Point Summary

S-Paramics Model Network	Network Pinch Point	Future Year Reference Case Model Networks		
		Short Term 2017 / 2018	Medium Term 2023	Long Term 2032
North Area Model	A90 / B999	-		
	The Parkway corridor junctions	-		
	Diamond Bridge - The Parkway & St. Machar Drive Junctions	-		
	River Dee Crossing Junctions	-		
South Area Model	King George VI Bridge Junctions	-		-
	QEII Bridge Junctions	-		-
	Wellington Road Corridor (Hareness & Soutarhead)	-		-
Dyce Area Model	A96 / Dyce Drive			
	A96 / AWPR Junction			
	A947 / Bucksburn			
	A947 / Goval Interchange			
City Centre Model:	East-West: Hutcheon St / Westburn Rd	-		-
	East-West: St. Machar Drive	-		-
	North-South Berryden Rd/Denburn/College St	-		-
	North-South West North St / Virginia St / Market St	-		-
	North-South A798 Corridor	-		-
	South College St / QEII Bridge Roundabout	-		-
Anderson Drive Models:	Westburn Road		-	-
	Great Western Road		-	-
	Kings Gate		-	-
	Broomhill Rd		-	-
Not Modelled	A944 Lang Stracht Corridor			
	B9119 Skene Road Corridor			
	A93 North Deeside Corridor & AWPR Junction			
	Complete Anderson Drive Corridor			
	AWPR Corridor			

KEY:

-					
Year Not Assessed	Critical Pinch Point	Intermediate Pinch Point	Low Pinch Point	Less Concern	Unknown (Not Modelled)

Table 12. Aberdeenshire Area – Modelled Pinch Point Summary

S-Paramics Model Network	Network Pinch Point	Future Year Reference Case Model Networks		
		Short Term 2017 / 2018	Medium Term 2023	Long Term 2032
Westhill	A944 / AWPR Junction	-		-
	A944 / B9119	-		-
Inverurie	A96 / Port Elphinstone		-	-
	A96 / Blackhall Rd		-	-
	A96 / Thainstone		-	-
Ellon	A90 / B9005	-		-
	A90 / A948	-		-
	A920 / B9005	-		-
Kintore	A952 / A90 Toll of Birness	-		
	A96 / B987 Broomhill Roundabout	-		-
Portlethen	Old Wellington Rd / A956			-
	Wellington Rd			-
	AWPR / A90 Slips	-		-
	Findon Interchange			-
Stonehaven	A90 / Badentoy Rd			-
	A90 / AWPR Fastlink		-	-
Peterhead				
Not Modelled	A93 Cults / Milltimber / Peterculter / Banchory			
	Other Aberdeenshire Towns including Oldmeldrum			
	AWPR Corridor			
	A90 / AWPR at Blackdog			

KEY:

-					
Year Not Assessed	Critical Pinch Point	Intermediate Pinch Point	Low Pinch Point	Less Concern	Unknown (Not Modelled)

5. EMERGING IMPACTS & CTA COMPARISON

Summary

- 5.1.1 This sections discusses some of the key emerging impacts identified through the new ASAM14 strategic modelling and also interrogation of local microsimulation models, comparing the findings with the previous 2010 CTA study.

Regional Impacts

- 5.1.2 The future year modelling continues to highlight a number of benefits associated with committed infrastructure, with decongestion benefits identified in central Aberdeen, as motorists choose to travel via the AWPR. This change in traffic movements would also focus considerable traffic volumes in and around AWPR access junctions, which are also located close to some new development sites.
- 5.1.3 Forecasts are based upon relatively high-growth development scenarios, which results in a considerable rise in motorists and rail passengers. The forecasting is consistent in predicting a general increase in pressure across the transport network, which erode some of the benefits associated with planned transport investment.

Rail Passengers

- 5.1.4 With several new passenger capacity improvements planned for the North East rail network (which are now included within the 2017 CTA assumptions), the forecasting is not predicting such a significant impact in terms of rail passenger crowding. However, rail station car parking capacity would be further pressurised as demand for rail travel rises.

Traffic Impacts

- 5.1.5 In general, the emerging findings indicate impacts at similar locations/corridors as were identified during the 2010 CTA study – areas that are likely to see some operational detriment in the future. For example, Dyce, the A96 / Airport accesses, A944 corridor and the Bridge of Dee are areas where significant impacts are again highlighted.
- 5.1.6 Aberdeen locations forecast to be impacted (in addition to the 2010 CTA areas) include:
- City Centre: more general impacts identified – but also with some key bottlenecks;
 - Anderson Drive corridor, particularly the southern sections;
 - A947 Stonewood Road, including more considerable congestion impacts at the A947 / AWPR access junction;
 - Bridge of Don and Parkway corridors highlighted within the local modelling.
- 5.1.7 Aberdeenshire locations forecast to be impacted (in addition to 2010 CTA areas) include:
- Ellon: A90 Approaches, including the Toll of Birness;
 - Inverurie & Kintore – approaches at the A96;
 - Stonehaven: specific issue at AWPR access junction;
 - Portlethen: more significant impacts highlighted within the local modelling;
- 5.1.8 Further infrastructure is potentially required to mitigate the additional impacts highlighted within these areas – further supporting the delivery of the SDP. Emerging impacts and requirements will be confirmed during the next stage of the CTA study.



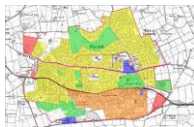
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STUDY SUMMARY REPORT



WESTHILL PUBLIC TRANSPORT AND ACCESS STRATEGY BRIEFING PAPER

STUDY SUMMARY REPORT

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1. INTRODUCTION

1.1 General

- 1.1.1 SYSTRA Ltd was commissioned by Aberdeenshire Council to undertake a study to consider ‘public transport and access’ at the settlement of Westhill. The details of this commission, and the rationale for this study are outlined below.

1.2 Background – ‘Update to the 2008 Westhill Capacity Study’¹ (May 2014)

- 1.2.1 In December 2013, AMEC Environment & Infrastructure UK Ltd (AMEC E&I) were commissioned by Aberdeenshire Council to update the 2008 Westhill Capacity Study as part of their consideration of long term options for strategic growth across the region.
- 1.2.2 The 2008 Westhill Capacity Study was a land-use capacity study focusing on the settlement of Westhill, to the west of Aberdeen. It looked at the initial capacity of the town in relation to development, and considered a 50% housing growth scenario.
- 1.2.3 AMEC E&I’s update to this study was published in 2014 and detailed a revised growth scenario for Westhill over a 25-year period. Westhill’s ability to accommodate this growth was considered, and recommendations designed to maximise the sustainable growth of Westhill were outlined. These recommendations included the details of the most suitable areas of potential development and the transport infrastructure requirements to facilitate this future development. The conclusions of the study are summarised in Section 2.4 and inform the findings presented throughout this study.

1.3 This Report

- 1.3.1 A key issue emerging from the Westhill Capacity Study was the requirement to consider in more detail the transport infrastructure requirements emerging from the proposed growth based land-use scenario.
- 1.3.2 Accordingly, a number of parallel work-packages were commissioned by Aberdeenshire Council to inform the development of a Westhill Masterplan. These work-packages were titled as follows:
- 1.** Consideration of high level options for new road linkages (e.g. between Westhill and the Milltimber Aberdeen Western Peripheral Route (AWPR) junction).
 - 2.** Future scenario testing of an extended Westhill Traffic Microsimulation Model (S-Params).
 - 3.** Consideration of a ‘Public Transport and Access Strategy’, looking at linkages within Westhill, and external links to Aberdeen and other principal surrounding settlements.
- 1.3.3 This report, produced by SYSTRA Ltd, summarises the key findings from the third work-package listed above – to produce a ‘Public Transport and Access Strategy’ – but also includes reference to these parallel work-packages where relevant. In particular, a number of issues raised during the ‘Future scenario testing’ element of the study (carried out by SIAS Ltd, now also part of SYSTRA Ltd) have had a direct impact on the completion of these studies. These

¹ Unless stated otherwise, reference to the Westhill Capacity Study throughout this report relates to the ‘Update to the 2008 Westhill Capacity Study’ (May 2014).

issues (outlined in Section 4), relating to the potential to effectively model future year option tests via the Westhill S-Paramics Base Model, mean that road and public transport options generated via the master-planning study cannot be fully tested at this time.

- 1.3.4 This report, therefore, does not present a full ‘Strategy’ document but summarises the key findings gathered through the ‘pre-testing’ phases of the study, and presents the next steps to progress the study in the future, as well as some recommendations to improve the transport situation at Westhill.

1.4 Structure of this Report

- 1.4.1 The findings of this study are presented across the following sections:

- Section 2 – Policy and Further Background
- Section 3 – Stakeholder Consultation
- Section 4 – Results of the Westhill Base Model (S-Paramics) Testing
- Section 5 – Problems and Opportunities for Public Transport and Sustainable Travel
- Section 6 – Summary of Findings and Next Steps

2. POLICY AND FURTHER BACKGROUND

2.1 Introduction

- 2.1.1 This section sets out the policy and technical background to the study. This is focused around the national to local transport policy context, the development context in Aberdeenshire and Aberdeen City, where relevant, and specific transport and development considerations at Westhill that have been raised through other studies.

2.2 Transport Policy Context

- 2.2.1 A review of relevant national, regional and local policies and objectives was carried out in relation to public transport and sustainable travel. For the purpose of this study the key documents reviewed were the:

- Scottish Government's Statement of Purpose (2007);
- Transport Scotland's National Transport Strategy (2016 Refresh);
- Nestrans' Regional Transport Strategy (2013 Refresh);
- Aberdeenshire Council's Local Transport Strategy (2012); and
- Aberdeenshire Council's Passenger Transport Strategy (2014).

Scottish Government's Statement of Purpose (2007)

- 2.2.2 The Scottish Government has defined its overall purpose as:

"To focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth."

- 2.2.3 This is supported by the following five strategic objectives:

- **Wealthier and Fairer** – Enable businesses and people to increase their wealth and more people to share fairly in that wealth;
- **Healthier** – Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care;
- **Safer and Stronger** – Help local communities to flourish, becoming stronger, safer place to live, offering improved opportunities and a better quality of life;
- **Smarter** – Expand opportunities for Scots to succeed from nurture through to life-long learning ensuring higher and more widely shared achievements; and
- **Greener** – Improve Scotland's natural and built environment and the sustainable use and enjoyment of it.

National Transport Strategy (2016 Refresh)

- 2.2.4 The National Transport Strategy (NTS) reconfirmed the high-level objectives which were set out in the white paper entitled Scotland's Transport Future in 2004, and again in the original 2006 NTS. They are to:
- **Promote economic growth** by building, enhancing managing and maintaining transport services, infrastructure and networks to maximise their efficiency;
 - **Promote social inclusion** by connecting remote and disadvantaged communities and increasing the accessibility of the transport network;
 - **Protect our environment** and improve health by building and investing in public transport and other types of efficient and sustainable transport which minimise emissions and consumption of resources and energy;
 - **Improve safety of journeys** by reducing accidents and enhancing the personal safety of pedestrians, drivers, passengers and staff; and
 - **Improve integration** by making journey planning and ticketing easier and working to ensure smooth connection between different forms of transport.
- 2.2.5 The NTS also set out three strategic outcomes which are intended to provide the focus for delivering the high-level objectives. The strategic outcomes are to:
- **Improve journey times and connections**, to tackle congestion and the lack of integration and connections in transport which impact on our high-level objectives for economic growth, social inclusion, integration and safety;
 - **Reduce emissions**, to tackle the issues of climate change, air quality and health improvement which impact on our high-level objective for protecting the environment and improving health; and
 - **Improve quality, accessibility and affordability**, to give people a choice of public transport, where availability means better quality transport services and value for money or an alternative to the car.

Nestrans Regional Transport Strategy (2013 Refresh)

- 2.2.6 The Nestrans Regional Transport Strategy (RTS) outlines the vision for transport for the north east of Scotland as:

"A transport system for the north east of Scotland which enables a more economically competitive, sustainable and socially inclusive society."

- 2.2.7 This vision echoes national level policy, and can be broken down into the following four strategic objectives:
- **Strategic Objective 1: Economy** – To enhance and exploit the north east's competitive economic advantages, and reduce the impacts of peripherality.

- To make the movement of goods and people within the north east and to/from the area more efficient and reliable.
- To improve the range and quality of transport to/from the north east to key business destinations.
- To improve connectivity within the north east, particularly between residential and employment areas.
- **Strategic Objective 2: Accessibility, Safety and Social Inclusion** – To enhance choice, accessibility and safety of transport for all in the north east, particularly for disadvantaged and vulnerable members of society and those living in areas where transport options are limited.
 - To enhance travel opportunities and achieve sustained cost and quality advantages for public transport relative to the car.
 - To reduce the number and severity of traffic related casualties and improve personal safety and security for all users of transport.
 - To achieve increased use of active travel and improve air quality as part of wider strategies to improve the health of north east residents.
- **Strategic Objective 3: Environment** – To conserve and enhance the north east's natural and built environment and heritage and reduce the effects of transport on climate, noise and air quality.
 - To reduce the proportion of journeys made by cars and especially by single occupant cars.
 - To reduce the environmental impacts of transport, in line with national targets.
 - To reduce growth in vehicle kilometres travelled.
- **Strategic Objective 4: Spatial Planning** – To support transport integration and a strong, vibrant and dynamic city centre and town centres across the north east.
 - To improve connectivity to and within Aberdeen City and Aberdeenshire towns, especially by public transport, walking and cycling.
 - To encourage integration of transport and spatial planning and improve connections between transport modes and services.
 - To enhance public transport opportunities and reduce barriers to use across the north east, especially rural areas.
 - To ensure that all new developments and transport infrastructure improvements give consideration to and make provisions for pedestrians and cyclists as an integral part of the design process.

Aberdeenshire Local Transport Strategy (2012, currently being updated)

2.2.8 The aims of the 2012 Local Transport Strategy (LTS) are outlined as, to:

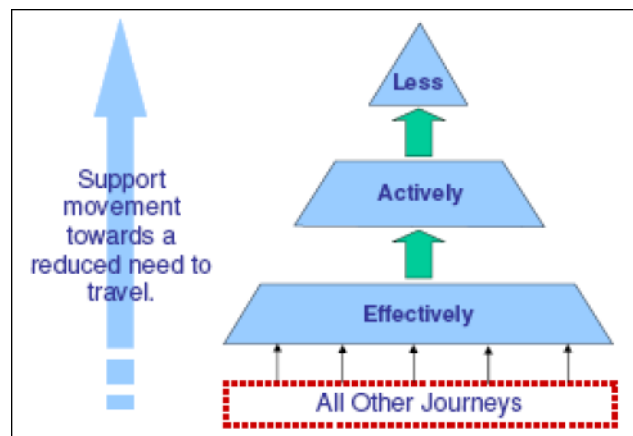
- Reduce Non-Sustainable Journeys
- Increase Active Travel
- Make Travel More Effective
- Improve Health
- Reduce Carbon Emissions from Transport

2.2.9 The achievement of these aims will be sought by:

- Maximising existing and new assets;
- Developing and promoting sustainable travel where genuine opportunities exist;
- Improved promotion of what is available, addressing common travel misconceptions; and
- Working with local communities to identify the real issues and developing tailor-made solutions to address social exclusion in rural areas.

2.2.10 The LTS adopts a simple guiding principle, as illustrated in Figure 1. The LTS aims to encourage individuals and businesses to consider ways to travel less, travel more actively and, where vehicular travel is necessary, how journeys could be made more effectively. Adopting this approach, the LTS looks to consider all modes of transport as well as options designed to support a reduced need to travel. In addition, the transport network is governed by its capacity, safety, and maintenance, and these issues are noted to be key when considering the approach to maximising the effective movement of people and goods.

Figure 1. The 2012 LTS Guiding Principle²



Aberdeenshire Council's Passenger Transport Strategy (2014)

2.2.11 The Passenger Transport Strategy (PTS) sets out the key policies required to achieve the passenger transport aspirations in the Aberdeenshire LTS.

2.2.12 Within an overall LTS objective “to work in partnership with local transport operators and communities with the aim to deliver improved services and address perceived barriers relating to public transport”, the PTS objectives are, “working with our partners:

- to support and deliver services and facilities that improve the quality of life of those without private means of travel;
- to increase the attractive-ness and use of passenger transport services, aiming to increase their share of the total travel market;
- to address perceived barriers to passenger transport through the provision of high quality services and facilities, that are accessible, reliable and user friendly;

² Originally produced as ‘Figure 1.2: The Guiding Principle’, in the ‘Aberdeenshire Council Local Transport Strategy 2012’, p4.’

- to achieve best value and ensure cost effective and efficient service delivery, aiming to maximise the benefits of integrated passenger transport service provision;
- to address issues of afford-ability for the travelling public;
- to provide existing and potential passengers with information that is accurate and appropriate to their needs;
- to understand our customers' needs and expectations, through consultation and market research; and
- to monitor and review the effectiveness of our policies and our ongoing service delivery performance."

2.3 Aberdeenshire's Development Context

2.3.1 A review of relevant planning documents was carried out in relation to factors that could impact transport and sustainable travel at Westhill. For the purpose of this study the key documents referenced are the:

- Aberdeen City and Shire Strategic Development Plan (2014); and
- Aberdeenshire Local Development Plan (2017).

Aberdeen City and Shire Strategic Development Plan (2014)

2.3.2 The Aberdeen City and Shire Strategic Development Plan was developed from the 2009 structural plan and is one of four strategic development plans in Scotland.

2.3.3 The plan looks to 2035 and states the following main aims:

- provide a strong framework for investment decisions which help to grow and diversify the regional economy, supported by promoting the need to use resources more efficiently and effectively; and
- take on the urgent challenges of sustainable development and climate change.

2.3.4 To support these, the plan also aims to:

- make sure the area has enough people, homes and jobs to support the level of services and facilities needed to maintain and improve the quality of life;
- protect and improve our valued assets and resources, including the built and natural environment and our cultural heritage;
- help create sustainable mixed communities, and the associated infrastructure, which meet the highest standards of urban and rural design and cater for the needs of the whole population; and
- make the most efficient use of the transport network, reducing the need for people to travel and making sure that walking, cycling and public transport are attractive choices.

2.3.5 This final aim, regarding transport, is well aligned to the Aberdeenshire LTS (2012) guiding principle concerning travelling less, travelling actively, and travelling efficiently.

2.3.6 Also relevant for this study, is the consideration of the strategic growth areas, with the Aberdeen City growth area taking in part of the A944 corridor, stopping just to the east of Westhill. Therefore, while Westhill itself is not within the strategic growth area, its main

transport link to Aberdeen (the A944) may be affected by growth related traffic within the strategic growth area.

- 2.3.7 The Plan states that while tackling congestion is important, also dealing with air quality issues is key. The Plan notes the development of the AWPR and outlines a number of further transport proposals to support growth, including the following which are particularly relevant for Westhill and this study:
- new bus services and action to give priority to buses and increase their frequency;
 - junction improvements on the A96, A944, A956, A90, Kingswells North and Parkhill; and
 - identify and develop green networks within, between and around Aberdeen and other major settlements to provide strategic greenspace, incorporating a strategic walking and cycling network and wildlife habitat corridors.

Aberdeenshire Local Development Plan (2017)

- 2.3.8 The local development plan sets out the policies Aberdeenshire Council will use for assessing planning applications. It sets out where development is expected to take place over the next five years, and beyond up to 2026.
- 2.3.9 Westhill sits within the Garioch development area for Aberdeenshire and the following is noted regarding the settlement:

“Westhill, due to past popularity and the rapid growth of companies involved in developing underwater technology for the oil industry here, finds itself significantly restricted by overstretched infrastructure. However, the local need to sustain the town as a world centre of excellence for the subsea sector means extra business land in the community needs to be provided.”

- 2.3.10 The reference to overstretched infrastructure is key to this study, as is the mention of continued need for business land. These contrasting factors reinforce the requirement for this study and the need to investigate potential options to balance the needs of Westhill in relation to sustainable transport and development.
- 2.3.11 Westhill’s settlement statement also notes that ‘significant traffic congestion also remains an issue’, and that physical constraints and the fact that Westhill is not within a strategic growth area means that development within the plan period will be focused primarily on meeting local needs and maintaining Westhill’s function as a successful employment centre. The requirement for provision of new pathways and cycleways is noted.
- 2.3.12 Allocated Sites for development include:
- OP1: Strawberry Field Road, Allocation: 10 homes
 - OP2: Arnhall Gateway, Allocation: 4.4ha employment land

2.3.13 Reserved Land is noted for:

- R1: For Future expansion of sub-sea industries. It is noted that a transport assessment will be required and mitigation of localised and potentially wider strategic traffic impacts should be addressed.
- R2: For the future expansion of the health centre

2.3.14 Other Designations include:

- Land safeguarded for employment uses;
- Westhill town centre; and,
- Aberdeen greenbelt.

2.4 Westhill's Local Considerations

2.4.1 This section summarises the development scenario considered as part of the Westhill Capacity Study alongside further development pressures along the A944 that have been highlighted since its completion. The transport infrastructure requirements identified in the Capacity Study are also highlighted along with further potential for an A944 Westhill bypass and associated connections, developed as part of this master-planning exercise. Consideration of these factors provides an important steer when considering the public transport and access needs of Westhill.

Westhill Capacity Study (May 2014)

Development Scenario

2.4.2 The Westhill Capacity Study outlined three possible options for growth:

- Option 1 – Maximise Growth
- Option 2 – Limited Growth
- Option 3 – No Growth

2.4.3 Of these three options, Option 1 – Maximise Growth, was progressed to the final stage of the study for detailed consideration. Six strategic objectives were put forward for Westhill:

Strategic Objective 1 - To enhance its function as a successful employment centre.

Strategic Objective 2 - To enhance services and the role of Westhill as one of Aberdeenshire's Main Towns.

Strategic Objective 3 - To meet the need for housing in Westhill and the Aberdeen Housing Market Area, including the specific housing needs of workers associated with the subsea engineering sector and of the town's ageing population.

Strategic Objective 4 - To enhance connectivity and permeability through reducing traffic congestion and severance impacts.

Strategic Objective 5 - To integrate land uses within Westhill and enhance the town's spatial identity.

Strategic Objective 6 - To maintain the separate identities of Kirkton of Skene and Westhill through preventing the coalescence of these settlements.

- 2.4.4 Based on this growth option, the potential development areas in and around Westhill were assessed in relation to their suitability for potential development. The areas that were assessed included:
- areas identified in the 2008 Westhill Capacity Study;
 - each of the Development Bid Sites for Westhill and Kirkton of Skene which were submitted in response to the Aberdeenshire Local Development Plan (LDP) 2016 Main Issues Report consultation; and
 - other potential development opportunities, constraints and associated infrastructure requirements, taking into account the 25-year period of the study. In particular, the existing Greenbelt boundary and administrative boundary between Aberdeenshire and Aberdeen City have been considered as relative rather than absolute constraints.
- 2.4.5 Figure 2 on page 16 of this report reproduces 'Figure 10.1 – Suitability of Potential Development Areas' from the Westhill Capacity Study (p79). In general, the results of this assessment of suitability highlighted that the majority of the 10 areas identified as 'most suitable' are to the south and east of Westhill. This positive assessment was largely due to the areas' proximity to employment and retail nodes, the capacity of nearby roads, and the potential to enhance the 'spatial structure' of Westhill. In general, the 'less suitable' sites were identified as located to the west of Westhill.
- 2.4.6 This development pattern scenario has informed thinking across each of the parallel work packages of this master-planning study.
- 2.4.7 The conclusions of the study note that while detailed site-specific issues have not been considered, the provision of employment land should be achieved alongside suitable allocations for other land uses. It considers that mixed use development should be encouraged to achieve the overall vision for Westhill of creating a sustainable mixed community which balances residential, commercial and employment related development in such a way as to reduce the need to travel and create a vibrant place.

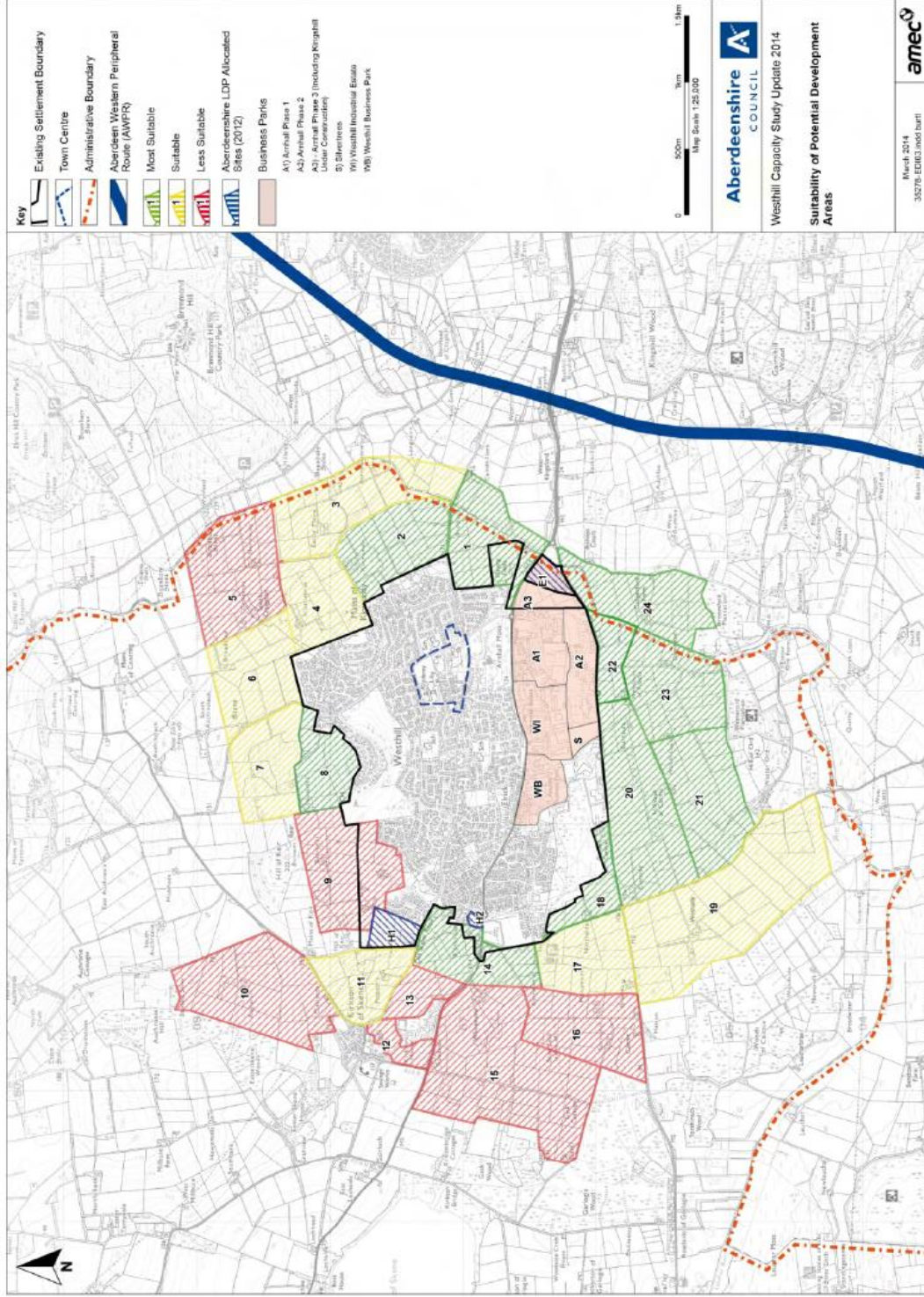
Transport Infrastructure Requirements

- 2.4.8 The capacity study included a number of potential infrastructure improvement options, for which consideration via S-Paramics modelling was suggested:
- Upgrade Westhill Road to A944/Kingswells AWPR Junction;
 - Upgrade northern approach to Westhill along Westhill Drive;
 - Upgrade Old Skene Road between Westhill and Kirkton of Skene;
 - Upgrade B979 between Kirkton of Skene and A944;
 - Upgrade B979 between Eastside of Carnie and Peterculter;
 - Upgrade B9119 between 6 Mile Junction and Eastside of Carnie;
 - Upgrade unnamed road between Arnhall Phase 2 and Easter Ord Farm and Countesswells Road between Easter Ord Farm and intersection with AWPR; and
 - Upgrade Hillside Drive.
- 2.4.9 For public transport, it noted that Park and Ride (P&R) opportunities at Westhill could be considered in relation to operations at Kingswells.

Further Development Considerations

- 2.4.10 A number of development pressures have emerged since the completion of the Westhill Capacity Study update and the stakeholder consultation summarised in Section 3. Most notably these include:
- The potential development of the Aberdeen Football Club Stadium and training ground to the east of Westhill, at Kingsford. An application has been submitted by developers and is currently under consideration by Aberdeen City Council as planning authority. Aberdeenshire Council's formal planning consultation response is noted as an objection, in part due to transportation concerns;
 - Proposals to provide retail class land use development at the Kingswells Prime Four site in place of current office land use allocations have also been submitted to Aberdeen City Council as planning authority; and
 - Residential development at Countesswells will, for the first 300 units, take development access from the A944 Kingswells Roundabout via the Kingwells-to-Cults road.
- 2.4.11 Section 4 of this report outlines the potential impact of committed development proposals, as highlighted by transport modelling of the Westhill area. The developments outlined above further highlight the pressure that the A944 is under in relation to growth. As noted in following sections of this report, the operational performance of transport connections along the A944 may be at risk if development is not catered for adequately.

Figure 2. Suitability of Potential Development Areas³



³ Originally produced as 'Figure 10.1: Suitability of Potential Development Areas' in the 'Update to the 2008 Westhill Capacity Study' (AMEC E&I UK Ltd, May 2014).

2.5 Other Studies

2.5.1 A number of other studies are of relevance to Westhill public transport and sustainable transport aspirations:

- The 'Aberdeen Cross City Transport Connections' (2016) study was completed to a STAG Part 1 level and included consideration of interchange points linking radial and orbital routes, along with the potential creation of interchange 'hubs', and transport integration between bus, rail and active travel modes at Park & Ride sites. This report included consideration of a number of cross-city and orbital public transport route improvements to both Westhill and Kingswells Park and Ride, as well as active travel improvements to Kingswells Park and Ride. A number of these options have been recommended for further, more detailed appraisal. This study was commissioned by Aberdeen City Council along with Aberdeenshire Council, Nestrans, and Transport Scotland.
- Nestrans have commissioned a study to undertake a microsimulation modelling exercise to examine the B9119 Queen's Road/Skene Road corridor west of Aberdeen. This study is in its early stages, but will likely provide some useful insights as it progresses. This study arose following consideration of the establishment of a statutory Quality Partnership (sQP) on the A944 corridor, by the Local Authority Bus Operators Forum (LABOF) in 2014. The process included discussion on bus operations between Westhill and Aberdeen city centre, with a view to improving bus priority and overall passenger experience on the corridor.
- During 2015-16 Aberdeenshire Council commenced with the Integrated Travel Town (ITT) project in Ellon, Fraserburgh, Huntly, Inverurie and Portlethen. The project, which facilitates and promotes sustainable and active travel is being expanded to include a further five towns from 2017-18 onwards, including development of Westhill as an ITT.
- Aspirational improvements to the cycle link along the A944 between Westhill and Aberdeen.
- In 2014, SYSTRA assisted Aberdeenshire Council with a Network Review of subsidised local bus services. This study included a comprehensive SWOC analysis (Strengths, Weaknesses, Opportunities and Constraints/Challenges), including consideration of the extent of the bus network, frequency of services, accessibility of the Aberdeenshire population by different modes, and a review of population centres in relation to the Scottish Index of Multiple Deprivation (SIMD) indicators. Following a workshop to debate the outcomes of the SWOC analysis, the study identified potential network options, which were then assessed in relation to their viability. This study included the option to replace the worst performing services with new cross-country links. Within this, a service focused on Westhill was suggested, also serving Ellon, Inverurie, Kintore, Peterculter, and Portlethen.

3. STAKEHOLDER CONSULTATION

3.1 Introduction

3.1.1 This study included consultation with key stakeholders regarding the production of a Westhill Public Transport and Access Strategy; this involved a series of meetings over a two-day period (19th and 20th November 2014). Each meeting was attended by Paul Finch and Graeme Noble, from Aberdeenshire Council, and Neill Birch and Ralph Anderson, from SYSTRA Ltd, as members of the project delivery team. Consultation was carried out with the following groups:

- Aberdeenshire Council Planning Section
 - Kirsty Black and David MacLennan
- Aberdeenshire Council Transportation, Public Transport Unit (PTU) and Strategy Teams
 - Mark Skilling, Graeme Steel, Anthony Robertson, Ross Bennet, and Martin Hall
- FirstGroup Aberdeen
 - Duncan Cameron and Daniel Laird (FirstGroup)
 - Ross Bennet and Martin Hall (Aberdeenshire Council)
- Stagecoach Bluebird
 - Steve Walker and Bob Hall (Stagecoach)
 - Martin Hall (Aberdeenshire Council)
- Nestrans
 - Kirsty Chalmers

3.1.2 Consultation was also sought with Aberdeen City Council, however, scheduling considerations made this unfeasible at the time the stakeholder consultation was undertaken. As the study has progressed, Aberdeenshire Council have liaised with Aberdeen City Council to keep them informed of the key issues, including outcomes of the S-Paramics modelling.

3.1.3 The above consultation was aimed at gathering as much information as possible with regards to the current situation of public transport and access operations at Westhill, as well as links to other areas, in particular along the A944 corridor; it also considered opportunities and constraints affecting the long-term future development of Westhill and its public transport and wider access potential.

3.1.4 As some time has passed between the completion of this consultation (2014) and the production of this report (2017), it should be noted that some of the points highlighted below have changed. These have been reviewed in consultation with Aberdeenshire Council, and where there is significant change in context, this has been noted in the text. In relation to the clarifications of bus service changes, these are correct as of the 8th of May 2017.

3.2 Consultation Findings

Local Planning Context – Aberdeenshire Council Planning Section

- 3.2.1 Discussions with Aberdeenshire Council’s Planning Section considered the local planning context for Westhill, including the existing development pattern, development site allocation for the near future, and the longer-term potential for Westhill.

Existing Situation

- Development sites have been allocated up until 2023 the Westhill Masterplan will look at the land release for development following this (approximately five years).
Note: since initial consultation, the 2017 LDP has allocated sites for the period 2017 to 2026; this will be reviewed in 2022.
- While some residential development exists in the south-west of the town, in the vicinity of Cairnie Crescent, the existing development towards the south of Westhill (south of the A944) is largely dominated by business parks. The north side of the town (north of the A944) is largely residential and retail. This land use split, and the existence of the A944, means that there is a significant level of severance between the two parts of the town, both in physical connectivity and character.

Future Considerations and Opportunities

- Physical constraints severely restrict the geographical opportunities for development, with the most likely development locations being to the south. Development to the north is largely constrained by gradient, the west is constrained by the need to avoid coalescence with Kirkton of Skene (although south west may be an option for some development), and the east is currently constrained by the green belt (although there may be an opportunity to review this), which is largely, but not exclusively, within the Aberdeen City Council area.
Note: further details of constraints to development are also presented in the Westhill Capacity Study; these include the absolute constraints of safeguarded areas for major gas and oil pipelines to the east and west of Westhill, and main electricity pylons to the west of Westhill.
- Further development of the business parks may exacerbate the north / south contrast that exists in Westhill.
- It is important to ensure that any growth of the business park development is combined with residential growth, to avoid Westhill effectively becoming a business park with a residential attachment.
- The exact land use mix for future development is unknown. However, roughly an equal split between business park and residential use will be sought.
- The density of the future development is uncertain, however, the existing character of Westhill is relatively low density and it can be expected that this will continue under current proposals. However, it was noted that the high demand for development in Westhill may represent an opportunity to try to introduce higher density development, which is more conducive to public transport provision and active transport connectivity.

Note: while Westhill is not within a Strategic Growth Area, Aberdeenshire Council have highlighted that the SDP (2014) has set a target for ‘all housing development

of over one hectare in strategic growth areas to be in line with approved supplementary guidance and generally have no less than 30 dwellings per hectare⁴.

- Suggestions in the Westhill Capacity Study of an increased affordable housing allocation (40%) are in contrast to the statement within Scottish Planning Policy that 'the level of affordable housing required as a contribution within a market site should generally be no more than 25% of the total number of houses'⁵.
- The creation of community hubs may be an avenue to explore for improved public transport service, as this creates more identifiable destinations for people to travel to (i.e. provide a service to) and can reduce the need for travel out-with Westhill.

Local Transport Considerations – Internal Aberdeenshire Council Meeting

- 3.2.2 An internal Aberdeenshire Council meeting was held to consider local transport at Westhill; this drew together representatives from across the transportation, public transport, and transport strategy teams. Again, the existing situation in Westhill was discussed, along with the potential challenges and opportunities for the future.

Existing Situation

- Serious parking issues exist across the south side of Westhill; these impact bus operations and causes general traffic flow problems.

Note: in the period since this consultation was undertaken, the parking issues at Westhill have reduced, partly due to job reductions in local industry; however, this issue could return given further development at Westhill or an increase in employment at existing development sites.

- Discussion highlighted significant queuing of traffic in peak periods at locations between Westhill and Aberdeen; those noted included along the A944 corridor, for example at the Kingswells roundabout and Prime Four, and towards Aberdeen in the vicinity of Hazlehead/Woodend.

Note: as reported below, Hazlehead junction was noted in consultation with FirstGroup as a point of congestion, and Hazlehead and Groats Road areas were highlighted by Nestrans as areas of concern for congestion and bus operation.

In relation to congestion on the A944 – based on 2014 TomTom survey data, a travel time comparison for a distance of approximately 500m approaching Kingswells Roundabout was undertaken to consider the delay at this junction. This compared the time in the off-peak (1900-0700) with the AM peak hour (0700-0800 at this location), and it was found that the AM delay was approximately 59 seconds in the eastbound direction.

- Within Westhill, much of this congestion was noted to be at the A944/Westhill Drive roundabout and connecting junctions at the south-east side of the town. Brodiach Road/Westhill Road was also highlighted as a rat run to avoid congestion in this area.

Note: traffic surveys undertaken in 2014, as part of the S-Paramics model extension, show considerable queuing southbound in the AM peak on Westhill Drive at the junction with the A944. Maximum queues of up to 110m were recorded. On the

⁴ Aberdeen City and Shire Strategic Development Planning Authority, March 2014, Aberdeen City and Shire Strategic Development Plan, p37.

⁵ Scottish Government, June 2014, Scottish Planning Policy, p31: paragraph 129.

same junction in the PM peak, Endeavour Drive recorded maximum northbound queuing of over 140m. Maximum queues of up to 90m were observed on the A944 eastbound and westbound arms in the AM peak and up to 40m eastbound and 70m westbound in the PM peak.

At the A944/B9119 junction, maximum observed queues ranged between 70-90m in the AM peak, and 60-90m in the PM peak across all arms.

- It was noted that where priority is not present, this congestion currently affects buses as well as general traffic.
- In addition to the main A944 corridor traffic to/from Aberdeen, there are notable volumes of traffic from the Inverurie area to the north, and from the Peterculter and Banchory areas to the south. This traffic is via rural character roads that are narrow at points, and a bottleneck exists at the Peterculter connecting road.
- Private hire 'luxury' coaches are in use for access to the business parks in Westhill, however, these do not always operate close to capacity. It was noted that there is a cultural barrier to overcome here with regard to using standard public transport compared to these more luxury vehicles, and that the nature of the rivalry in the industry is currently largely preventing co-operative private coach provision between companies.

Note: since initial consultation, the number of private hire coaches has reduced; this is believed to be largely due to a downturn in oil related industries.

- Taqa have off-site parking with a shuttle bus connection; this is a trend that would spread to other companies if allowed.

Note: in the period since this consultation was undertaken, there is less pressure to provide off-site parking.

- Travel Plans are produced for businesses in the south of the town, but little action is taken to enforce them. One point that the travel plans have brought to light is the dispersed nature of employees travelling to the site.

Note: a travel planning campaign has since commenced at Arnhall Business Park.⁶

- Cycling and walking connections were noted to be of a high standard in the northern half of the town, however, there is major severance to the south side, and lack of permeability across the business parks. Measuring roughly 1.4 miles from its northern to southern extents and roughly 1.8 miles from its eastern to western extents, the average healthy adult can cycle from the centre of the town to any other area of Westhill, including the business parks, within 12 minutes. Walking distances to existing services are short in the northern half of Westhill.

Note: since this consultation, Westhill has been designated as a future Integrated Travel Town (ITT), as described below.

- Existing bus services are not enough to cater for future requirements, assuming development continues.

Note: services have been altered since consultation, as outlined in Section 5.

Future Considerations and Opportunities

- Hydrogen buses are to be provided on the X17 route in the near future.

⁶ See Appendix A for a summary of the travel planning campaign at Arnhall, and a number of further comparator site case studies.

Note: since consultation was undertaken, the 'H2 Aberdeen' project has resulted in a number of hydrogen buses being deployed on this and other routes in the area.

- There is a danger of further worsening the divide in Westhill between business park and residential areas by continuing to develop based on the current north-south land use split.
- Coalescence with Kirkton of Skene will need to be avoided.
- It was noted that many opportunities for improving bus connections lie within the Aberdeen City area, as this is where key problems with congestion occur.
- Opportunities raised in discussions included:
 - bus lanes and priority for connections along the A944 corridor;
 - signalisation of over-capacity junctions;
 - a Business Improvement District to improve co-operative working among companies – active travel, public transport, and public realm;
 - Kingswells P&R opening up to the A944 will increase demand for the X17 and could potentially support more vehicles, however, a frequency past 10 minutes to 7/8 minutes is unlikely to be feasible due to congestion in Aberdeen as the network stands (*Note: since consultation was undertaken, access to the A944 has now been provided. Westhill services accessing the P&R site include the X17, 220, 777 and 218. Furthermore, the X17 weekday daytime frequency has been reduced from 10 minutes to approximately 15 minutes*); and
 - expansion of the A2B dial-a-bus service.

3.2.3 Further consultation was carried out with Aberdeenshire Council in February 2017; this included discussion of local transport issues. In addition to the changes noted above, the following points were highlighted by Aberdeenshire Council:

- Aberdeenshire Council believe there is an emerging risk to the attractiveness and effectiveness of sustainable and active travel links to Westhill resulting from potential changes to development along the A944 corridor. They noted that Westhill, as a settlement, is highly dependent on the A944 link and that deterioration of this transport corridor, from increased development pressures, could compromise the vitality and viability of the town.
- The AWPR will result in pedestrians and cyclists that use the A944 cycle path having to cross considerably more junctions.
- As previously noted, Westhill is being developed as an ITT and there are aspirations to improve the cycle link along the A944 between Westhill and Aberdeen.

Strategic Transport Considerations – Nestrans

3.2.4 Consultation with Nestrans provided useful insight into the strategic transport and development context. It also highlighted some of the existing and future pressures on the transport network across the area that are relevant to any future plans at Westhill.

Existing Situation

- The majority of the main issues along the A944 are not concerning Westhill itself, but fall within the Aberdeen City Council boundary. Planned development at Prime Four in Kingswells is of concern in terms of transport impact, as this development

has the potential to further exacerbate the existing problems on this corridor. Depending on the future development level at Westhill, this may also have a negative impact on the A944 corridor.

Note: as outlined above, there are increasing development pressures along the A944 corridor.

- Private hire coach services may undermine the local bus services, perhaps more in a sense of perception in terms of high quality coaches versus standard buses.

Note: since initial consultation, the number of private hire coaches has reduced.

- Stagecoach consultation showed that there is concern over the amount the X17 route has spread out around the northern part of Westhill.

Note: since initial consultation, the X17 has been altered, as outlined in Section 5, with service frequency reduced and a stop added at Kingswells P&R and Prime Four.

- In Aberdeen, Hazlehead and Groats Road areas are particular areas of concern for general traffic congestion and bus operation.

Note: a study has since been commissioned by Nestrans to look at issues in this area, as described in Section 2.5.

- The “Costco loop” is an area of concern within Westhill itself, due to conflict between traffic from existing employment sites, and traffic trying to get into, and get out from, the Tesco and Costco retail units.

Future Considerations and Opportunities

- Given the timescales involved with the master-planning exercise, there may be an opportunity to consider Westhill as part of the Strategic Growth Area along the A944 corridor, opening it up to developer contributions for strategic transport improvements.
- If Westhill were to grow substantially, then the provision of local retail and amenity services should also be improved in order to reduce the need to travel out-with the town.
- Ideally Nestrans would like to see the access to the business park improved.
- Improved transport connections between the Park and Ride at Kingswells, and Westhill would be beneficial for making the most of the Kingswells site. Potentially users could then link to other services, such as an Airport link.

Note: since this consultation, the ‘Aberdeen Cross City Transport Connections’ (2016) study was completed to a STAG Part 1 level and included consideration of interchange points linking radial and orbital routes, along with the potential creation of interchange ‘hubs’ and transport integration between bus, rail and active travel modes at P&R sites.

- In the future, a bus route which links up new developments towards the edge of Aberdeen could become viable. The AWPR could maximise the benefits of such a route. Westhill to Dyce was noted as one such link.
- Improvements at Hazlehead and Groats Road would be beneficial.

Note: as above, a study is being undertaken for Nestrans exploring options for this.

- Potential signalling in and out of the business park area at Tesco is something that should be considered (and is being looked at).

- It was felt by Nestrans that a lot more could be done with travel plans in Westhill, in particular when linked with the management of parking.

Note: a travel planning campaign has since commenced at Arnhall Business Park.

- Nestrans would be keen to see further internal bus services in Westhill, linking up local areas, as the town grows. Combined with the provision of more services in the town, this could mean that less travel is required out-with the town for access to schools and shops etc.

Note: Stagecoach have since altered their network in Westhill, as outlined in Section 5. In relation to movements within Westhill, this includes a frequency reduction to the X17, a reduction of the 218 service coverage and frequency within Westhill, and the introduction of the 220 service. Within the town, the 220 service approximately parallels the previous 218 route and frequency at the time of consultation.

- New development, or new links, should take account of bus priority from the offset, as it is hard to retrofit this.
- An informal interchange at Westhill could be a possibility in the future, potentially linking to the A to B demand responsive service and possibly linking to places such as Inverurie.

Public Transport Operator Considerations – FirstGroup and Stagecoach

- 3.2.5 FirstGroup and Stagecoach, as the existing operators in the area, were consulted in relation to their existing services, their plans for the future, and their views on the challenges and opportunities in the future. *It is noted that since this consultation, FirstGroup have stopped serving Kingswells settlement and Park and Ride site.*

Existing Situation

- 3.2.6 Consultation with FirstGroup:

- Kingswells Park and Ride is not best located for First, and is unlikely to be fully efficient if bus running to the city does not have an advantage over, or is at least comparable, to car journey time.
- First do not serve Westhill but are open to consider all long term eventualities.

- 3.2.7 Consultation with Stagecoach:

- Traffic at the Arnhall Business Park is an issue for bus access, with delays for buses being equivalent to or worse than general traffic delays.
- The current X17 route is a commercially successful route as it supports good contraflow (i.e. bi-directional) patronage in both peaks. The service supports travel into Aberdeen from the northern side of Westhill in one direction and then on the return journey supports those travelling from Aberdeen to the business parks on the south side.
- Consultation carried out by Stagecoach suggests that there is concern regarding the size of the northern residential routing loop of the X17 in Westhill and how the elongation of the route will worsen with continued development.
- The existence of local private coach operations to the business park are not seen to be too damaging to the viability of Stagecoach's services.

Future Considerations and Opportunities

3.2.8 Consultation with FirstGroup:

- The route to Kingswells, and any route to Westhill, needs to have improved journey time in order to make them efficient. The majority of these improvements would be required in the Aberdeen City area rather than Aberdeenshire. This may involve spending developer contributions from Westhill in the city. A good working relationship between councils will be needed to help resolve the issues along the A944 corridor.
- There is a requirement to protect bus running times on the A944, especially with regard to the AWPR. Queens Road and the Hazlehead roundabout were noted as particular areas where bus priority could be of benefit.

Note: the study being undertaken for Nestrans includes exploration of improvements to facilitate bus service operation along the B9119 corridor between Queens Road and Skene Road in Aberdeen.

- Eastward development would help to rebalance the town centre.
- A link between Kingswells P&R and Westhill would allow Kingswells buses to serve Westhill.

Note: since this consultation, the additional Kingswells P&R access has been provided. Westhill services accessing the P&R site include the X17, 220, 777 and 218. Furthermore, the X40 service, operated by First, ceased operation from the 1st of April 2017, leaving the only additional services that can be accessed at this site as the 94 (to Aberdeen Royal Infirmary) and the X94 (Kingswells circular).

3.2.9 Consultation with Stagecoach:

- Public consultation has been carried out and is being looked at to consider future actions. No particular plans could be outlined, however, any changes in the Westhill area will likely be in response to the access to Kingswells Park and Ride.
- Stagecoach are keen to see the A944 corridor as a statutory Quality Partnership, with the whole corridor requiring to be looked at, both in Aberdeenshire and Aberdeen City. The whole route needs to be considered in order to produce real benefits to Westhill.

Note: as above, Nestrans are carrying out a study considering the onward route.

- There is the potential to split the X17 service to Westhill in the future, but the current arrangement is proving positive for Stagecoach. It was noted that if the X17 were to split, then this route could become less viable for local links given that part of its current success is that it has a good volume of contraflow patronage. This could be further worsened by the two-sided development of Westhill (residential in the north and business park in the south).

Note: the X17 service has since reduced frequency and now connects to Kingswells P&R and Prime Four.

- There may also be potential for increased frequency on the 218 towards Alford when access to the Kingswells P&R is provided.

Note: the 218 service has been amended, as outlined in Section 5, including route changes and reduced frequency when compared to the time of consultation. The service stops at Kingswells P&R.

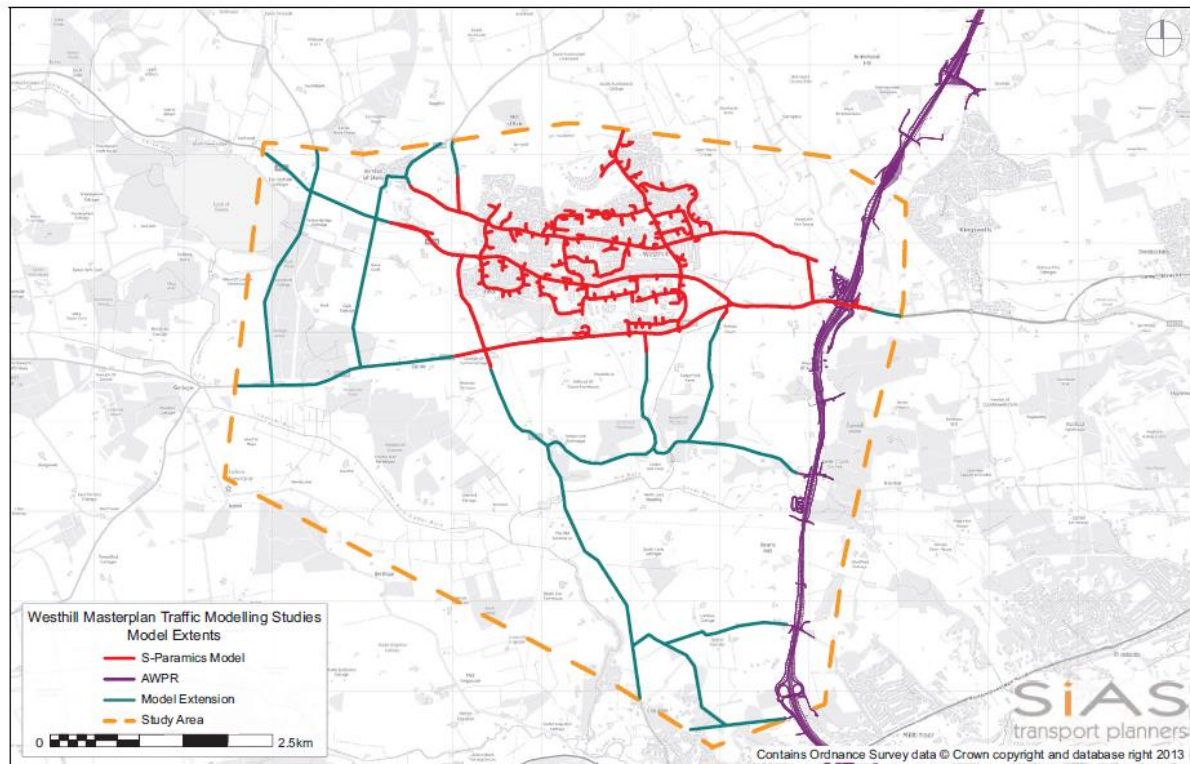
- Developer contributions should be captured – it was suggested that the strategy development/master-planning process should aim to produce a list of required interventions to help improve public transport access. This will help focus where contributions are spent and will show developers that their contributions will serve to benefit them.
- There may be potential to provide an airport link bus from the Airport to Kingswells on a fixed route, and then onward in a demand responsive nature. This would be a non-standard vehicle route.
- Solving congestion issues for buses at Westhill would be advantageous.

4. RESULTS OF THE WESTHILL BASE MODEL (S-PARAMICS) TESTING

4.1 Introduction

- 4.1.1 This section summarises the results of the ‘Future scenario testing of an extended Westhill Base Model (S-Paramics)’ work-package of the master-planning study.
- 4.1.2 The testing element of this work-package is reported fully in the ‘Westhill Traffic Modelling S-Paramics Testing Report’, produced by SIAS (now part of SYSTRA Ltd) and dated April 2016. Details of the Westhill Base Model extension, calibration, and validation are reported in the ‘Westhill 2014 Model Development Report Final’ (SIAS, February 2015). Figure 3, below, illustrates the extent of the extended model.
- 4.1.3 As previously noted, this element of the study highlighted a number of issues in relation to the local road network, which led to the ‘testing’ stages of the master-planning project being placed on hold; these issues are outlined below.

Figure 3. Westhill Extended Model Extents ⁷



⁷ Originally produced as ‘Figure 1.1: Westhill Extended Model Extents’ in the ‘Westhill Traffic Modelling S-Paramics Testing Report’ (SIAS, April 2016).

4.2 Westhill Master-Planning Study – Road Options Development

- 4.2.1 Road options in and around the Westhill area were considered as part of the wider Westhill master-planning study. This included the concept development of a Westhill A944 Bypass road, along with associated connections to the surrounding road network and potential development areas.
- 4.2.2 This Westhill A944 Bypass concept was put forward for consideration in the ‘Future scenario testing of an extended Westhill Base Model (S-Paramics)’ element of the master-planning study. Test 4, which included the A944 bypass and additional development, also included a potential upgrade of the B979, which would form an improved connection between the planned AWPR junction at Milltimber and the A944 bypass.

4.3 Planned Option Tests

- 4.3.1 Using the extended 2014 Westhill S-Paramics Base Model, SIAS was commissioned by Aberdeenshire Council to undertake the following option tests, to consider the potential expansion and capacity of Westhill post Local Development Plan (2014):
- Develop Test 1 2023 LDP
 - Develop Test 2 2023 LDP with A944 bypass
 - Develop Test 3 2023 LDP with A944 bypass + Development
 - Develop Test 4 2023 LDP with A944 bypass + Development + B979 Upgrade

4.4 LDP Traffic Growth Assumptions

- 4.4.1 For Test 1 ‘2023 LDP’, internal traffic growth was added to the model for Committed and LDP development as follows:
- Committed – Silvertrees, Office & Industrial
 - Committed – Arnhall Phase 2 Extension, Office & Industrial
 - Committed – Broadshade Phase 1, Houses
 - Committed – Subsea 7 Extension
 - LDP Phase 1 – Broadshade Phase 2, Houses
 - LDP Phase 1 – Ben View, Houses
 - LDP Phase 1 – Arnhall Phase 3, Office
- 4.4.2 It was noted that at the time of modelling, a significant amount of the Committed and LDP development was still to take place in Westhill, with an additional 3,350 trips predicted in the AM peak period, and 3,638 trips in the PM peak by 2023.
- 4.4.3 Strategic traffic flows were provided in the form of an Aberdeen Sub Area Model (ASAM4A) cordon. This included an updated Base using 2014 traffic surveys to better align the base to observed traffic flow. These matrices were manipulated to allow use in the S-Paramics model; this process is further outlined in the Westhill Traffic Modelling S-Paramics Testing Report.
- 4.4.4 The external to internal and internal to external strategic traffic movements from the ASAM4A cordon information were used to take cognisance of the predicted impacts of the AWPR and reroute the strategic traffic into and out of Westhill accordingly. In the AM peak, the strategic flow into Westhill via the A944 (East) is predicted to increase from 53% of the total external to internal strategic traffic flow pre AWPR, to 79% of this traffic following construction of the A944 AWPR junction. Internal to external traffic leaving Westhill via the

A944 (East) is forecast to increase from 61% of the total internal to external strategic traffic pre AWPR, to 86% of this traffic following the construction of the A944 AWPR junction.

- 4.4.5 In summary, the 2023 LDP matrices included: the addition of the 2023 Committed and LDP development to the 2014 base matrices; strategic matrix changes, using the cordon information from the ASAM4A model; and, changes to internal to external and external to internal traffic distribution, also from the ASAM4A model.

4.5 Option Test Results

- 4.5.1 The 2023 Committed and LDP traffic growth, along with changes in strategic traffic growth (informed by ASAM4A), predicted an increase of 94% in the AM peak period and 79% in the PM peak period traffic up to 2023 within the Westhill S-Paramics Base model.
- 4.5.2 SIAS Ltd.'s completion of the Test 1 '2023 LDP' option run highlighted significant queuing at the AWPR junction, particularly on the Northbound and Southbound off slips of the AWPR; this would cause queuing on the main carriageway. This was due to the increase in Eastbound and Westbound traffic flows, and a high right turn volume at the A944 AWPR junction from the AWPR south to the A944 east, which caused traffic to be unable to exit the Northbound and Southbound slip roads of the AWPR.
- 4.5.3 The mitigation tests carried out, which included the addition of a left slip lane from South to West and full signalisation of the junction, did not fully alleviate this problem based on the modelled assumptions. Further review of the traffic flow assumptions via additional traffic surveys did not improve the situation enough to remove this congestion on the network; traffic flows were seen to be slightly reduced in the AM but slightly increased in the PM.
- 4.5.4 Due to this modelled network congestion, it was not possible for SIAS Ltd to undertake the remainder of the option testing, including Tests 2 to 4 and any further testing of schemes from the wider master-planning study, such as public transport priority.

4.6 Conclusions from the Westhill Base Model Testing

- 4.6.1 In relation to development – it is possible to conclude that, based on the data and modelling resources available at this time, the road network in and around the A944/AWPR junction will experience increased operational congestion in the future when loaded with traffic related to the currently committed development along the A944 corridor. Without further infrastructure improvements, there is uncertainty around the ability of the committed transport infrastructure to cope with further future expansion of Westhill.
- 4.6.2 Due to this uncertainty, it would be beneficial to revisit the findings outlined above when further modelling resources and associated data are available. For instance, an enhanced version of the transport model that supplied cordon data for this testing is currently being developed – the Aberdeen Sub Area Model 2014 (ASAM14)⁸ – and would be available for use by Aberdeenshire Council on completion.

⁸ ASAM14 - The new ASAM14 transport model will include a re-calibration of road and public transport (PT) demand to represent 2014 levels. This will take on board recent new development / population / employment growth, including at sites located within the A944 corridor, such as Prime Four. The zone system has also been expanded to include additional zoning so local travel times and routing decisions will be better represented. The PT service modelling is developed using extensive digital Traveline bus service data sets, and patronage levels will be calibrated to match recent public transport flows and park and ride demand. The road and PT travel demand matrices reflect 2011 Census Travel to Work commuter movements and are reconciled to the new, more detailed zone system.

- 4.6.3 Furthermore, following the opening of the AWPR, and once the network has had time to settle into a normal use pattern, further survey work and a review of modelling assumptions should be carried out to further update the traffic growth and distribution assumptions of the relevant modelling resources; this would allow the best possible forecast of the impacts of future planning decisions along the route. This process would require coordination across both Aberdeenshire Council and Aberdeen Council, the Strategic Development Planning Authority, and Nestrans.

The demand model will include the representation of car parking capacity (along with parking charges), so as demand / pressure grows for parking within central Aberdeen, the competitiveness of public transport alternatives will be better represented.

The new model will be independently audited, and also include a new set of forecasts which reflect the anticipated future transport investments and current status of development planning information.

5. PROBLEMS AND OPPORTUNITIES FOR PUBLIC TRANSPORT AND SUSTAINABLE TRAVEL

5.1 Introduction

5.1.1 This Section of the report briefly summarises Westhill's key problems and opportunities in relation to public transport and sustainable travel. These problems and opportunities may be relevant to inform any future master-planning work at Westhill. They were developed as follows:

- the transport policy, strategy, and planning documents provided a contextual grounding for the study, ensuring consideration of the wider area (Sections 2.2 and 2.3);
- the development scenario for growth presented in the Westhill Capacity Study was reviewed in order to consider the issues surrounding long-term future development of Westhill (Section 2.4);
- the findings of other relevant studies were analysed (Section 2.5);
- stakeholder consultation provided invaluable insight into problems and opportunities both within Westhill and along key links to other areas, in particular the A944 corridor;
- S-Paramics modelling, carried out under work-package one of the study, was reviewed in relation to the traffic growth pressures identified on the road network (Section 4); and
- the study team used professional judgement to interpret and expand the evidence gathered through the process outlined above.

5.2 Challenges for Public Transport and Sustainable Travel at Westhill

5.2.1 The review of the problems related to public transport and sustainable travel has identified a number of specific challenges for Westhill; these are summarised below.

Competitive Public Transport Services

Bus Journey Times are not Competitive with those of Private Vehicle

- 5.2.2 Initial stakeholder consultation with bus service operators highlighted that they consider bus journey times, in particular in relation to travel by car, to be one of the key factors affecting the effectiveness and competitiveness of public transport services at Westhill.
- 5.2.3 Table 1 and Table 2 each provide a comparison of the approximate journey times between Westhill (locations in the town centre, Arnhall Business Park, and Skene residential area), Aberdeen (locations in the city centre, south-west, and north-west), and Aberdeen International Airport, by both public transport and car in the AM Peak and Inter-Peak periods.

Table 1. Approximate Journey Times by Bus and by Car – Weekday AM Peak⁹

ORIGIN	DESTINATION ¹⁰	JOURNEY TIME BY CAR ¹¹ (MINUTES)	JOURNEY TIME BY BUS ¹² (MINUTES)
Westhill Town Centre	Aberdeen City Centre	20-40	45
Westhill Residential	Aberdeen City Centre	25-40	50
Westhill Town Centre	Aberdeen Airport	15	50
Westhill Residential	Aberdeen Airport	15	55
Aberdeen City Centre	Arnhall Business Park	20-30	60
South-West Aberdeen	Arnhall Business Park	14-20	55
North-West Aberdeen	Arnhall Business Park	10-25	60

Table 2. Approximate Journey Times by Bus and by Car – Inter-Peak

ORIGIN	DESTINATION	JOURNEY TIME BY CAR (MINUTES)	JOURNEY TIME BY BUS (MINUTES)
Westhill Town Centre	Aberdeen City Centre	20-25	45
Westhill Residential	Aberdeen City Centre	20-25	45
Westhill Town Centre	Aberdeen Airport	15	85
Westhill Residential	Aberdeen Airport	15	90
Aberdeen City Centre	Arnhall Business Park	20	50
South-West Aberdeen	Arnhall Business Park	15	50
North-West Aberdeen	Arnhall Business Park	10-20	50

- 5.2.4 It can be seen that across both periods the journey times by public transport are significantly longer than those by car. The journey times quoted do not include an adjustment for bus service frequency, and therefore, the figure quoted for public transport can be expected to be even higher in relation to a total ‘decision to destination’ journey time. This is particularly relevant for the airport journey shown, which is currently served by a peak only service (777) operated by Bain’s Coaches on behalf of Aberdeenshire Council between Oldmeldrum and Kirkhill, and notably serving Westhill, Kingswells P&R, and Aberdeen Airport. The indirectness of this journey in the inter-peak is highlighted by the large increase in journey time compared to the AM peak.
- 5.2.5 Public transport journey times for access to Arnhall Business Park are higher in the AM Peak period when compared to the Inter-Peak. Both Stagecoach and Nestrans have noted concern

⁹ ‘Weekday AM Peak’ assumes an 7:45am departure time. ‘Weekday Interpeak’ assumes an 11:30am departure time. A ‘typical’ weekday has been represented based on timetabled service data and drive times from Google Maps journey planner for Tuesday 09/05/2017, accessed on 07/05/2017.

¹⁰ Points represented as: Aberdeen City Centre – Union Square; Westhill Town Centre – Westhill Post Office; Arnhall Business Park – 3 Prospect Rd; Westhill Residential – Old Skene Rd/Wellgrove Rd Junction; South-West Aberdeen – A90/Great Western Rd Junction; North-West Aberdeen – North Anderson Dr/Rosehill Dr.

¹¹ Point to point quickest drive time, rounded to the nearest 5 minutes.

¹² Point to point quickest bus and walk connection time, rounded to the nearest 5 minutes. This does not include wait time at origin and, therefore, does not account for frequency.

regarding congestion at the junctions used to access the Arnhall Business Park and the 'Costco loop' areas of Westhill respectively. Congestion within Aberdeen (e.g. along the B9119 Queen's Road/Skene Road corridor) on bus routes serving Westhill and Kingswells was also noted in consultation with Nestrans and bus operators, and it can be observed that additional time is built into timetabling for Westhill services in peak periods.

- 5.2.6 Journey time can generally be assumed to be one of the main decision factors for users when considering their mode choice or whether to make a trip at all. This is highlighted in Scotland's National Transport Strategy, and improving journey time is one of its three main strategic objectives, as noted in Section 2. The disparity between public transport and car journey times for trips to Westhill is therefore likely to be negatively affecting users' willingness to use public transport.
- 5.2.7 Recent evidence from a survey of Arnhall Business Park¹³ carried out as part of a travel planning campaign, support the assumption that this is the case, with one of the key themes emerging from the study being that employees viewed car as a faster and more convenient mode than public transport.

Reliability and Frequency may be Affected by Congestion

- 5.2.8 Two further factors raised in consultation in relation to the competitiveness of public transport at Westhill were the reliability and frequency of services.
- 5.2.9 At present, Westhill bus services operate in mixed traffic for the vast majority of their routes and, therefore, any delay caused by congestion affects buses as much as general traffic. Furthermore, buses are generally disadvantaged in congested conditions when compared to private vehicles as buses are required to pull into stop lay-bys to allow passengers to board and alight, and then re-merge with traffic.
- 5.2.10 It is the experience of the SYSTRA project team that delays to buses caused by congestion can be unpredictable and cause reduced reliability of the service. Furthermore, congestion can also restrict the operational frequency that can be achieved by bus services. From experience, SYSTRA note that headways more frequent than 10 minutes are difficult to deliver effectively in congested conditions, and can result in the 'bunching' of services arriving at stops along the routes. Similarly, building in redundancy to service headways to account for congestion can also cause buses to unnecessarily wait at stops to avoid being early if traffic flows are inconsistent. This can lead to frustration for users.
- 5.2.11 As both reliability and frequency, alongside journey time as noted above, are important factors for users in public transport mode choice, SYSTRA expect that degradation of these qualities would negatively affect the level of public transport use in Westhill. Therefore, excessive delay from congestion due to increased traffic and development pressure on the A944 corridor into the future, highlighted as a potential issue by the Westhill Base Model (S-Paramics) testing in Section 4, is a risk to bus service operation at Westhill. As noted in the section above, there are potential congestion issues within the Aberdeen City area and these also have the potential to impact negatively on service operation.
- 5.2.12 Based on the above issues, the main points to consider for the future of Westhill include:

¹³ This is an ongoing travel planning support project at Arnhall Business Park being carried out by SYSTRA Ltd for Aberdeenshire Council.

- To what extent would journey time, reliability and frequency for public transport, in particular compared to car, be affected by an increase in traffic on the road network?
- To what extent would any impacts on journey time, reliability or frequency for public transport affect users' decisions to use public transport over private vehicles?
- What could be done to effectively protect or enhance public transport journey times, reliability and frequency for major transport demand movements to and from Westhill?

Catering for Public Transport Movements within Westhill and to/from Aberdeen

Westhill has Multiple Bus Service Requirements

- 5.2.13 The nature of development at Westhill – mostly residential with some retail land-use to the north of the A944, and mostly business park and large-scale retail land-use to south of the A944 – means that the settlement has a number of different 'optimal' service pattern requirements. A review of bus service information at the outset of the study and comments from stakeholder consultation raised a number of points concerning bus service patterns.
- 5.2.14 Firstly, it was noted in consultation with Stagecoach, that there is demand for contraflow patronage between Westhill and Aberdeen in peak periods, i.e. in the morning peak, residential development at Westhill provides demand for movements to Aberdeen and the business parks to the south provide demand for inward trips to Westhill.

There is a Risk of Providing Unattractive Bus Services

- 5.2.15 It was highlighted that this bi-directional demand on routes can be beneficial for the service operator from a revenue generation perspective, however, when combined with the wider requirements of Westhill, this can result in routing that is sub-optimal. For example, if routes between Westhill and Aberdeen also wish to capture internal movements, the low-density nature of Westhill's residential development means that there is a risk of routing becoming elongated to capture additional stops. This undermines directness and increases journey times of routes, making them less competitive when compared to journeys by private vehicle.
- 5.2.16 The risk of further elongation of routes was raised through a consultation exercise carried out by Stagecoach in 2014, with concern expressed regarding the length of bus routes through Westhill.

Bus Service Running may be Affected by Parking Issues in the Future

- 5.2.17 While Aberdeenshire Council have noted that issues related to parking have lessened as an issue in Westhill since the original stakeholder consultation in 2014, there remains a risk that parking problems within Westhill could worsen with future growth or an increase in employment at existing development sites. Parking pressure and the blocking of through roads, in particular around the business parks to the south of the town, was noted by stakeholders to exacerbate general congestion problems and hinder bus running at the time of consultation.

The Impact of Recent Changes to Bus Services Should be Considered

- 5.2.18 SYSTRA have reviewed the changes to Westhill's bus services which commenced on the 8th of May 2017, and have summarised the new service arrangement in relation to that provided at the time of initial consultation in 2014. Figure 4 shows the new bus service routing at Westhill.

X18 Stagecoach Service

- 5.2.19 Following enhancement of frequency during the intervening period between initial consultation and this reporting, the service has been withdrawn as of May 2017.

210 Stagecoach Service

- 5.2.20 The very low frequency 210 service provided at the time of consultation, of three services each direction per weekday, no longer stops at Westhill or Elrick.

217 Stagecoach Service

- 5.2.21 A route with two services per weekday in each direction has been added between Elrick and Echt in the morning and evening peaks.

777 Bain's Coaches Service

- 5.2.22 A single service in each peak continues to be provided between Oldmeldrum and Dyce (Kirkhill), with notable stops at Westhill, Kingswells and Aberdeen International Airport. A further single service is provided in the morning peak from Kingswells P&R to Aberdeen International Airport and Dyce (Kirkhill). The service operates towards Dyce in the AM peak and towards Oldmeldrum in the PM peak.

218 Stagecoach Service

- 5.2.23 At the time of initial consultation, the 218 from Alford provided routing covering a large extent of Westhill's residential areas and Arnhall Business Park, and then onwards to Aberdeen Royal Infirmary. The service has since been amended to provide more direct routing across Westhill, avoiding residential areas in the north-east of the town and no longer serving Arnhall Business Park internally. This service now provides access to Aberdeen city centre at Union Street and Union Square.
- 5.2.24 At the time of initial consultation, the 218 provided ten services per weekday from Westhill towards Aberdeen Royal Infirmary and nine in the reverse. It now provides four services per weekday from Westhill to Aberdeen city centre, and five in the reverse. A further single weekday daily service is provided in each direction for the section between Alford and Westhill only.

220 Stagecoach Service

- 5.2.25 The 220 service was introduced at Westhill in the period after the initial consultation and has continued in the most recent timetable. The service provides internal route coverage within Westhill similar to the previous 218 service, and it connects to Arnhall Business Park, Kingswells, and onwards to Aberdeen. Twelve services per weekday are provided from Westhill as far as Aberdeen Royal Infirmary, with eleven provided in the reverse. Three of these services in each direction also operate as far as Aberdeen Union Square.

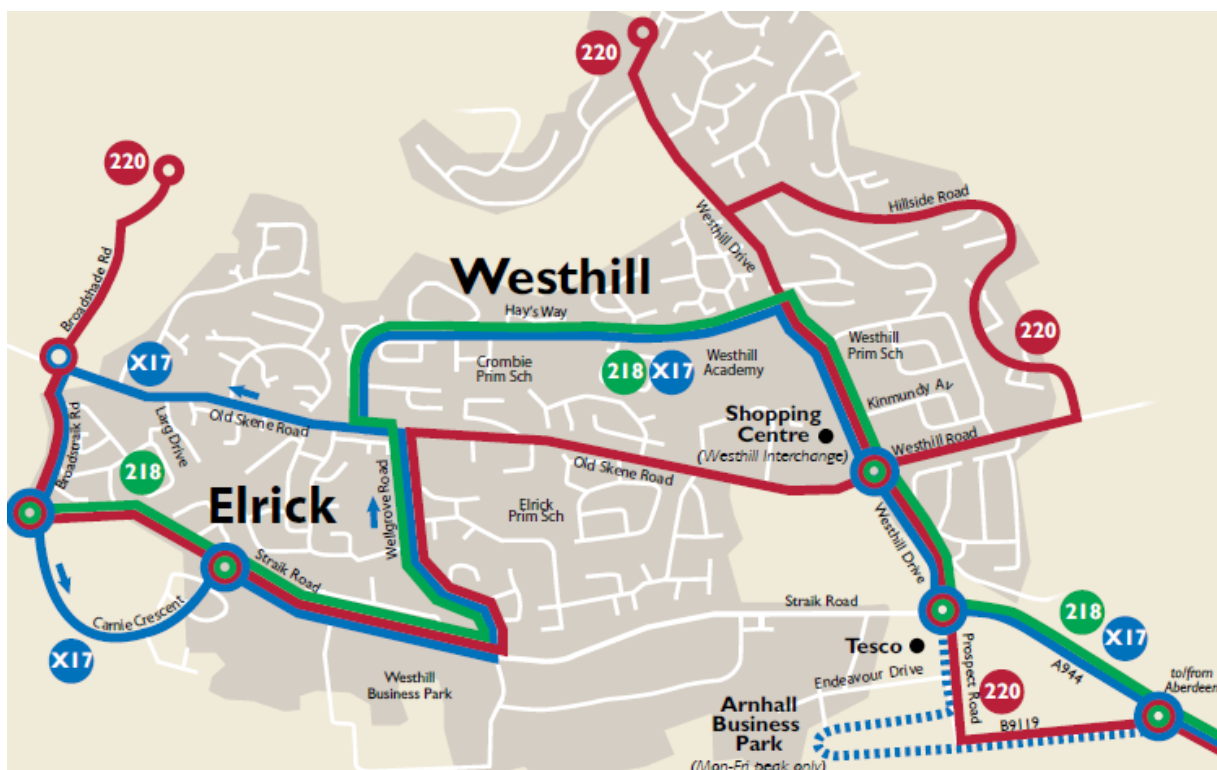
X17 Stagecoach Service

- 5.2.26 At the time of initial consultation, the X17 provided a service between Elrick, Westhill, Woodend Hospital and Aberdeen Union Square. The service has since been connected to the Kingswells Park and Ride and Prime Four Business Park.
- 5.2.27 The frequency has been reduced from a weekday daytime service provided every 10 minutes to every 15 minutes since the initial consultation. The service now offers a service every 30 minutes after 8pm on weekdays; this is in line with the previous evening service. Peak period routing is provided through Arnhall Business Park in line with the major to/from movements.

Summary

- 5.2.28 Given the changes to frequency and routing described above, it is recommended that Aberdeenshire Council engage with operators to consider the performance and user acceptance of this service arrangement and continue to consider the balance of adequate coverage of routing versus the risk of route elongation that could arise from further expansion of Westhill. Opportunities relating to the preservation and enhancement of Westhill's public transport offering are considered further in Section 5.3.

Figure 4. Bus Service Routing at Westhill¹⁴



¹⁴ Westhill – Kingswells – Aberdeen Bus Timetable, Stagecoach North Scotland, effective from 08/05/2017

Catering for Public Transport Movements between Westhill and the Wider Area

Westhill's Bus Connections to Areas Outside of Aberdeen are Unattractive

- 5.2.29 Currently, Westhill's existing bus services are focused on links to Aberdeen. While the 218 provides a link towards Alford, connections to other settlements in the wider area require interchange in Aberdeen. Some alternative services to Aberdeen are available at Kingswells Park and Ride, but currently this site does not enhance the offering for connections to other settlements.
- 5.2.30 Due to the extended journey times and the interchange involved with connections via Aberdeen, the SYSTRA study team does not consider these public transport routes to be attractive to users, in particular those who have access to a private vehicle and are carrying out journeys where parking is readily available at their destination.
- 5.2.31 Consultation with operators and Nestrans did not highlight sufficient demand at present to support provision of further direct services to other settlements covering areas other than Aberdeen. Opportunities surrounding this issue are discussed further in Section 5.3 below, however, the main points of consideration include:
- What opportunities might exist in the future that could improve connections between Westhill and settlements other than Aberdeen?
 - In particular, how will the AWPR and future development scenarios across Aberdeenshire affect demand and routing opportunities for journeys between Westhill and settlements other than Aberdeen?

Future Development of Westhill and the A944 Corridor

There is Uncertainty Around the Impact of Future Development on the A944 Corridor

- 5.2.32 Nestrans and Aberdeenshire Council have noted concern regarding development along the A944 and its potential to exacerbate existing problems on the transport network that impact on public transport.
- 5.2.33 The Westhill Base Model (S-Paramics) testing in Section 4 highlighted that when the local transport network was tested with traffic growth for Committed and LDP development up to 2023, without further intervention there is uncertainty around the ability of the committed transport infrastructure to cope with further future expansion of Westhill. It is recommended that the traffic modelling and forecasts are revisited when further modelling resources and associated data are available.
- 5.2.34 Until these results have been revisited and this uncertainty removed, it can be assumed that there is the potential that the future network will become more congested. Travel planning related surveys of employees at Arnhall Business Park¹⁵ highlighted that at present there is traffic congestion around the business park that is causing traffic disruption. Consultation with stakeholders carried out in this study also highlighted peak period congestion on radial corridors from Aberdeen and around the business parks to the south.

¹⁵ This is an ongoing travel planning support project at Arnhall Business Park being carried out by SYSTRA Ltd for Aberdeenshire Council.

5.2.35 As discussed in the sections above, minimising journey times, maintaining reliability, and facilitating effective frequencies for bus journeys is key to making services attractive to users at Westhill. Therefore, if future conditions on the road network were to deteriorate due to congestion, this could further undermine the attractiveness of public transport trips and, therefore, the attractiveness of Westhill as a place to live and work. The main points of consideration for the future therefore include:

- What can be done to minimise increases in traffic resulting from future development?
- To what extent will future development related traffic worsen congestion along bus routes serving Westhill?
- To what extent will increases in congestion impact on the attractiveness of Westhill's bus services, e.g. delay on key junctions and links?
- What can be done to limit the impact of future development related traffic on the attractiveness of Westhill's bus services?

The Role of Active Travel

Westhill Should be well Suited to Active Travel but is Underperforming

5.2.36 Westhill is well suited to internal movements by walking and cycling in terms of the scale of the settlement. The 'no excuse' cycle mapping launched by Aberdeenshire Council in 2010 highlights that an average healthy adult should be able to cycle from the centre of the town to any other area of Westhill, including the business parks, within 12 minutes. Walking distances to existing services are also relatively short in the northern half of Westhill.

5.2.37 National, regional, and local transport strategy documents highlight the key role that active travel can play in improving economic, social, and environmental factors. According to 2011 Census data¹⁶, approximately 1% of people cycle to work in Westhill, 4.9% walk, and 76.3% travel by car or van. Compared to the Aberdeenshire Council Local Authority area overall, this is roughly the same level for cycling (0.8%), a lower level of walking (7.8%), and a higher level of travel by car or van (70.1%). The high level of driving and relatively low levels of walking and cycling at Westhill, even when compared to the rural nature of the Aberdeenshire Council Local Authority area, highlights that Westhill is currently underperforming in these areas.

5.2.38 Consultation with Aberdeenshire Council noted that walking and cycling connections were considered to be of a high standard in the northern half of the town, however, there is major severance to the south side, and lack of permeability across the business parks. Indeed, a survey carried out in 2016 as part of the travel planning exercise at Arnhall Business Park¹⁷ noted that employees felt that there is 'no cycling infrastructure to allow safe cycling to the site'.

Links towards Aberdeen are at Risk from Changes to the Network

5.2.39 Active travel links also exist towards Aberdeen, for example the Aberdeen to Westhill cycle route which was constructed in 2012. However, it was noted in consultation with

¹⁶ *Westhill and District 2007 Electoral Ward boundary and Aberdeenshire Local Authority boundary, Travel to Work Data – 'Method of travel to work by sex by age', 2011 Census*

¹⁷ *This is an ongoing travel planning support project at Arnhall Business Park being carried out by SYSTRA Ltd for Aberdeenshire Council.*

Aberdeenshire Council that the route is becoming less attractive as additional crossings are required in relation to the AWPR and new development. Also highlighted in the Arnhall Business Park employee survey, was the comment that there are ‘issues with road conditions around the business park, partly due to construction of the AWPR’. Loss of confidence in the condition of surrounding roads or associated roadside walking and cycle facilities is likely to impact on the attractiveness of walking and cycling as a mode choice.

- 5.2.40 The Nestrans’ Active Travel Action Plan notes that the Westhill to Aberdeen route is a strategic route (number 5) but does state that the route requires further development towards Alford and that consideration should be given within Aberdeen City to the re-allocation of road space for cyclists to extend the route into the city centre and to address safety concerns at junctions, particularly at roundabouts.
- 5.2.41 SYSTRA view the following points to be important in the consideration of the future of Westhill in the context of active travel:
- What will the impact of potential congestion and higher traffic volumes be on the attractiveness of active travel in Westhill?
 - What infrastructure improvements can help improve uptake of active travel in Westhill?
 - How can the ITT project and wider travel planning be leveraged to help respond to the challenges faced by Westhill and deliver benefit to active travel?

5.3 Opportunities for Public Transport and Sustainable Travel at Westhill

- 5.3.1 Although the detailed objective setting and optioneering element of this study was not fully completed, due to the transport modelling issues noted in Section 1.3, a number of opportunities were highlighted and outline options produced. These are explored below and provide a long-list of options that could be considered for appraisal as part of any future studies.
- 5.3.2 Appendix A of this report provides an overview of some comparator site information; this looks at locations with problems and opportunities similar to Westhill’s and explores the solutions presented to these at each site, thereby providing lessons learned for Westhill.

Preserving and Enhancing Operational Performance of Westhill’s Public Transport Offering

Journey Times, Reliability, and Frequency

- 5.3.3 Based on the evidence presented in this report, it is SYSTRA’s and Aberdeenshire Council’s view that, due to the location and the nature of the existing transport connections in and around Westhill, the town’s success will largely be dependent on the operational performance of the A944 corridor for all modes. Therefore, the vitality, viability, and resilience of the town could be compromised if this crucial transport link were to deteriorate.
- 5.3.4 As noted in Section 5.2 above, there are a number of risks to the performance of Westhill’s public transport services, in part due to traffic pressures on the road network along major bus routes. A key priority for the future should therefore be to preserve and enhance, where possible, the offering of Westhill’s public transport network in terms of journey times, reliability, and frequency.

5.3.5 A number of opportunities for delivering this exist:

- road network enhancements could be considered in order to avoid congestion, in particular in relation to opportunities that enhance the competitiveness of public transport in relation to car travel;
- as part of this, the potential for bus priority along bus routes and at key junctions should be considered, in particular where new road infrastructure is being provided;
- bus routing and service patterns should be monitored in line with future development to ensure that they offer an attractive service to users; and
- a statutory Quality Partnership could be explored as a delivery lever for measures to improve public transport along the A944 corridor.

5.3.6 In relation to the above consideration of bus priority, Nestrans have noted the desire to incorporate bus priority, where needed, into the network from the outset rather than trying to include this at a later date. Furthermore, consideration of a statutory Quality Partnership was raised by both Nestrans and Stagecoach at initial consultation.

5.3.7 In relation to these opportunities, an outline option that could be considered for appraisal includes:

- **Option 1** – Utilise bus priority to relieve congestion constraints for public transport services at key junctions and links along Westhill's bus service routes.

Network Coverage

5.3.8 As noted in Section 5.2 above, public transport connections between Westhill and areas other than Aberdeen are severely limited and generally involve an interchange within Aberdeen, making the total journey time unattractive to users.

5.3.9 A further priority for Westhill should therefore be related to enhancing opportunities for travel by public transport to areas other than Aberdeen into the future. While consultation and other studies have highlighted that opportunities are limited in the short term, largely due to levels of demand, a number of opportunities for the future have been raised:

- enhanced service provision and interchange potential at Kingswells Park and Ride – currently services at Kingswells are also limited but improvement of services into the future could be explored;
- future development scenarios for settlements on the periphery of Aberdeen could be reviewed to consider whether orbital transport routes connecting to Westhill or Kingswells Park and ride are feasible; and
- the role of Demand Responsive Transport feeder services could be considered in relation to onward connections from Westhill or Kingswells Park and Ride.

5.3.10 Consultation with Nestrans also raised the above opportunities in relation to enhancing the wider connectivity of Westhill.

5.3.11 As noted in Section 2.5, the 'Aberdeen Cross City Transport Connections' (2016) study considered the potential creation of interchange 'hubs' at Park & Ride sites. This included consideration of a number of cross-city and orbital public transport route improvements to both Westhill and Kingswells Park and Ride – this should be monitored in relation to the above points and the outline options below.

- 5.3.12 Furthermore, as also noted in Section 2.5, the Aberdeenshire Network Review of subsidised local bus services developed a Westhill focused option for further consideration to ‘replace worst performing services with new cross-country links’. While it was not possible to appraise this option further within this study, this has been included below as Option 5. It should be noted that this option would require a change away from current policy, which is to fund socially necessary supported services.
- 5.3.13 In relation to these opportunities, outline options that could be considered for appraisal include:
- **Option 2** – Enhance public transport and active transport connections to Kingswells Park and Ride, promoting its use as a gateway for access to Westhill.
 - **Option 3** – Develop Demand Responsive Transport feeder services at Westhill or Kingswells.
 - **Option 4** – Support the development of bus services connecting Westhill with existing and new urban areas on the periphery of Aberdeen.
 - **Option 5** – Replacement of poorly performing services in Aberdeenshire to create a new service connecting outlying settlements, such as Ellon, Inverurie, Kintore, Westhill, Peterculter, and Portlethen.

Supportive Parking Measures

- 5.3.14 As outlined in Section 5.2 above, future growth or an increase in employment at existing development sites in Westhill could lead to a resurgence of parking problems, in particular in relation to the business parks to the south of the town. It has been noted that parking along bus routes can cause road blockages and affect the operational performance of bus routes where this occurs.
- 5.3.15 Opportunities for the future surrounding this issue include to:
- explore the parking enforcement options available to Aberdeenshire Council in relation to protecting affected bus running routes; and
 - consider priority bus routing through problem areas and future development sites.
- 5.3.16 In relation to these opportunities, outline options that could be considered for appraisal include:
- **Option 6** – Enforce parking restrictions along bus routes that are affected by road blocking by parked vehicles.
 - **Option 7** – Provide bus priority routing where bus routes are affected by road blocking by parked vehicles and for future development sites.

Active Travel

Facilitating and Promoting Active Travel

- 5.3.17 The evidence presented in Section 5.2 above highlights that if Westhill is to develop in a sustainable manner, then active travel will need to be facilitated and promoted as far as possible in order to rebalance the current travel patterns at Westhill in favour of sustainable transport modes.

- 5.3.18 This report has highlighted a number of actions already aimed at benefitting active travel in Westhill, including the expansion of the ITT project to include Westhill, and commencement of a travel planning campaign at Arnhall business park. There are also aspirations for improvements to the cycle link along the A944 between Westhill and Aberdeen.
- 5.3.19 Based on the low uptake of active travel at present, and the relatively negative feedback received on cycling infrastructure via the Arnhall Business Park survey, there is clearly effort required to enhance the offering to users in relation to active travel modes. Opportunities raised include:
- facilitating active travel via high quality infrastructure provision, in particular resolving segregation and connectivity issues in the south of the settlement; and
 - encouraging active travel through travel planning initiatives.
- 5.3.20 Building on Westhill's ITT actions and focusing on providing the above opportunities at any new developments would help instil sustainable transport habits in transport users and help avoid the existing unsustainable transport mode share patterns at Westhill.
- 5.3.21 Outline options that could be considered for appraisal include:
- **Option 8** – Enhance active transport connections within business parks in the south of Westhill and between the north and south of the town.
 - **Option 9** – Work with organisations in Westhill to develop and deliver more effective travel planning measures, potentially funded via a Business Improvement District arrangement.
 - **Option 10** – Enhance the existing Westhill - Aberdeen cycle route to mitigate impacts of the AWPR works and future development.

Planning for Growth

- 5.3.22 As highlighted in Section 5.2 above, there is an uncertainty surrounding the risks to sustainable transport in Westhill and along the A944 caused by potential future traffic congestion. In addition to the opportunities above, related to tackling the specific transport challenges for Westhill, the following priorities should be considered in relation to planning for growth:
- As noted in the conclusions of the Westhill Capacity Study and initial consultation with Aberdeenshire Council's Planning Section, balancing the growth of future employment and business park development with other land uses, such as residential growth, could benefit Westhill. In the long-term, this could help solidify Westhill as a place to both live and work, and avoid excessive in and out movement caused by an imbalance in its function of place.
 - As highlighted in initial consultation with Nestrans and bus operators, effectively managing Developer Contributions may be beneficial in securing the appropriate delivery of transport improvements alongside growth.
- 5.3.23 No specific options have been developed in relation to planning for growth, however, these opportunities may inform future master-planning work.

5.4 Summary

- 5.4.1 As highlighted by the S-Paramics modelling, when the local transport network was tested with traffic growth for Committed and LDP development up to 2023 there is some uncertainty surrounding the potential risks to Westhill relating to congestion from currently committed development alone. This uncertainty also applies to any further growth, and it has been highlighted that congestion impacts on the A944 corridor have the potential to exacerbate the challenges outlined above if there are not interventions to combat associated transport challenges.
- 5.4.2 The pressure on the road network between Westhill and Aberdeen, which public transport currently shares in the most part, means that it is particularly important that public transport services are competitive with private road vehicles.
- 5.4.3 Therefore, any transport interventions looked at will need to consider public transport and other sustainable travel options, as these will need to play a major role in minimising the use of private vehicles if Westhill is to develop in a sustainable manner. This enhancement of the role of public transport and other sustainable travel options, such as walking and cycling, will be important for the delivery of any further development growth within Westhill, and indeed other locations situated along the A944 corridor.

6. SUMMARY OF FINDINGS AND NEXT STEPS

6.1 Findings to Date

6.1.1 The following points have been highlighted consistently throughout this report as of importance to the future of Westhill and any future strategy or master-plan being developed for the area:

- It should be an aim that Westhill develops in a sustainable and balanced manner. One way to promote this is to ensure that any growth of the business park development is combined with residential growth and supporting amenities; this would help solidify Westhill as a place to both live and work, and avoid excessive in and out movement caused by an imbalance in its function of place.
- Due to its location and the nature of the existing transport connections in and around Westhill, the town's success will largely be dependent on the operational performance of the A944 corridor for all modes. The vitality, viability, and resilience of the town could be compromised if this crucial transport link was to deteriorate in terms of the level of service it provides for public transport and general traffic.
- Transport modelling of the road network has forecast significant future pressures on the junction of the A944 with the AWPR; until greater certainty can be gained around the future congestion on the network, the short-term promotion of further development may be considered to pose a high risk of increasing congestion.
- Further certainty surrounding these risks may be provided by further transport modelling.
- In light of possible growth scenarios, it can be anticipated that substantive upgrades to the road network may be required, potentially providing additional links to the Strategic Road Network.
- Competitive and reliable bus journey times will be essential to providing an attractive alternative to private vehicle travel.
- Maximising the opportunities around the interchange potential at Kingswells Park and Ride may help provide effective connections to wider destinations, in addition to Aberdeen.
- Offering a suite of effective sustainable travel options could benefit future travel practices. In particular, it will be important to enhance the role of active travel links, and ensure they are not compromised by new development.
- There may be a need to manage car parking issues at Westhill, to avoid problems arising given future growth or an increase in employment at existing development sites.
- Effectively managing Developer Contributions may be beneficial in securing the delivery of transport improvements alongside growth.

6.2 Next Steps

6.2.1 Given the risk highlighted in relation to growth along the A944 corridor, the continued investigation of future transport options will be critical to the resilience of Westhill.

6.2.2 In particular for this element of the study, the following next steps would help progress the effective development of a Westhill Public Transport and Access Strategy in the future and provide benefit to the transport situation in the meantime:

- Ongoing support of Westhill's ITT activities.
- Ongoing monitoring of the traffic and development context at Westhill and along the A944 corridor.
- Monitoring of the outcomes from other transport initiatives and ongoing studies, such as Nestrans' B9119 Queen's Road/Skene Road corridor study, the Aberdeen Cross City Transport Connections study, and aspirational improvements to cycle links along the A944.
- Ongoing travel planning work to encourage sustainable travel habits, continuing the success of initiatives carried out at Westhill's Arnhall Business Park.
- Testing of the road network utilising the new Aberdeen Sub Area Model (ASAM14).
- Junction modelling to consider the preservation or enhancement of public transport journey times and reliability.
- Further consultation with operators may benefit the understanding of any changes to the problems and opportunities outlined in this report.

6.2.3 A number of these next steps could be progressed together as part of a multi-modal study of the area following the opening of the AWPR and availability of ASAM14.

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SYSTRA

APPENDIX A: COMPARATOR CASE NOTE

WESTHILL PUBLIC TRANSPORT AND ACCESS STRATEGY BRIEFING NOTE

IDENTIFICATION TABLE

Client/Project owner	Aberdeenshire Council
Project	Westhill Public Transport and Access Strategy Briefing Note
Title of Document	Appendix A: Comparator Case Note
Date	01/09/2017
Reference number	103096
Number of pages	10

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1. INTRODUCTION

1.1 Purpose of this Note

- 1.1.1 This information note provides a review of comparator examples which are relevant to the situation at Westhill and provide useful insights for the consideration of transport options.

1.2 Selection of Comparator Sites

- 1.2.1 In relation to these observations on the existing conditions, future considerations, and opportunities at Westhill, the following criteria were adopted to guide the selection of comparator site examples:

- similar scale and distance from a notable trip attractor/settlement;
- similar land use characteristics, including semi-rural, low density residential development with proportionate provision of local services, and/or a significant out of town business park/industrial park;
- satellite settlements/ developments undergoing major relative expansion;
- the existence of comparable problems or opportunities, and the successful implementation of responses to these; and
- the availability of case study data, including the key actions and impacts of transport measures / interventions.

- 1.2.2 Based on the above criteria, the following comparator examples were selected, and are outlined in this report:

- InterConnect, Lincolnshire – Feeder DRT Services and Rural Interchange;
- Sherwood Business Park, Nottinghamshire – Tackling Parking Demand;
- Adastral Park, Suffolk – Grass Routes Travel Planning to Tackle Car Dominance;
- Energetic travel: EDF, Exeter Business Park – Travel Planning for Growth; and
- Bankside Business Improvement District (BID), London – Facilitating Transport Interventions through Joint Working.

- 1.2.3 A travel planning campaign is currently being undertaken at Arnhall Business Park, Westhill. This has also been described below.

2. COMPARATOR EXAMPLES

2.1 InterConnect, Lincolnshire – Feeder DRT Services and Rural Interchange

2.1.1 Situation

2.1.2 The largely rural / semi-rural nature of Lincolnshire means that wide coverage by attractive standard fixed route bus services is difficult. While, in the past, core interurban services delivered sufficient connections between larger settlements, other areas were left underserved.

2.1.3 Response

2.1.4 Lincolnshire's InterConnect system¹, established in 1999, is a strong example of an integrated network of fixed route (standard InterConnect), semi-demand responsive (Semi-Flexible CallConnect), and demand responsive transport (DRT) bus services (CallConnect).

2.1.5 The CallConnect full DRT service operates in areas with no fixed route or timetabled services, and can be booked by any type of user, for any trip purpose via telephone, text, or online. Pickups for general users are at designated locations in each village or town, however, a doorstep service is offered for those unable to access these locations (due to age, disability, or mobility problems).

2.1.6 The service, which utilises an accessibility enhanced minibus vehicle, operates during daytime hours of 7:00am to 7:00pm on weekdays, and 8:00am to 6:00pm on Saturdays. No service operates on a Sunday. Membership is required for use, however, registration is free.

2.1.7 The 'Semi-Flexible CallConnect' service operates largely as a fixed service route, with users able to request diversions to nearby smaller villages in the same way as the CallConnect service.

2.1.8 The semi-flexible and full DRT services work as a feeder system for the primary transport corridors via a series of interchanges providing with frequent and high-quality services.

2.1.9 The services success is partly attributed to the fact that it offers guaranteed connections to other InterConnect services (which are of a high standard) and partly to its strong and consistent branding across information, ticketing and marketing, even though the service is multi-operator and delivered together with the council.

2.1.10 Impacts

2.1.11 InterConnect started strongly, with a 25% growth in ridership in its second year of operation compared to year one.² Passenger growth has continued to be seen across the service since, and between 2010 and 2011, CallConnect saw growth from 201,200 to over 250,000 passenger journeys (23.5% growth).³

¹ Interconnect, Lincolnshire County Council, <http://www.lincsinterconnect.com/information.phtml>, accessed on 17/12/2014

² Case Study, Lincolnshire Connect, Mobisoft, <http://www.mobisoft.co.uk/casestudies/index.asp?study=Lincolnshire>, accessed on 17/12/2014

³ Lincolnshire Echo, <http://www.lincolnshireecho.co.uk/Lincolnshire-s-CallConnect-bus-usage-increases-23/story-14986912-detail/story.html>, accessed on 17/12/2014

2.1.12 Key Lessons for Westhill

2.1.13 Westhill's A to B dial-a-bus service is relatively successful for its current purpose. The existing public transport services at Westhill provide good access to Aberdeen, but are less than desirable for access to other areas. Therefore there may be an opportunity to develop a feeder hub for public transport utilising enhanced DRT services, helping justify quality core connections to Westhill or Kingswells. This general strategy is supported in the region by the Nestrans Bus Action Plan for North East Scotland⁴, which includes actions to develop:

- a Core Network;
- a Network of hubs;
- Hub feeder services;
- Supporting infrastructure; and
- Bus priority.

2.2 E.ON Sherwood Business Park, Nottinghamshire – Tackling Parking Demand

2.2.1 Situation

2.2.2 Sherwood Business Park is situated less than a mile from junction 27 of the M1, with access to Nottingham, the East Midlands region, and beyond. The business park has approximately 790 car parking spaces. Regular buses serve the park to and from the major local settlements. Newstead Station is 2.5 miles to the east, with services to Nottingham and Worksop; and Hucknall is 4 miles to the southeast, with connections to the Nottingham Tram and Robin Hood Line.

2.2.3 One of the main challenges for the site was to address the unsustainable demand for car parking at the business park. This was leading to overflow costs, and beginning to potentially compromise effective business operations.

2.2.4 Response

2.2.5 In response to these parking issues, an ongoing Green Travel Programme was established by one of the site's main occupiers E.ON. This included carrying out a gap analysis of public transport provision to the site; analysing the addresses of employees, and also consulting employees on what would be useful in terms of transport provision.

2.2.6 This initial analysis and review led to the following actions being implemented, with a view to achieving behaviour change, and modal shift: ⁵

- the number of parking spaces reserved for carshare vehicles was increased from 47 to 137;
- three E.on company bus services were established, to provide connections to areas where there was no bus service, or to interchange with existing public transport nodes;
- an existing free bus pass scheme for staff living between Mansfield and Nottingham (including in Hucknall and Sutton) was extended and expanded;

⁴ MVA Ltd for Nestrans, *Bus Action Plan for North East Scotland, December 2009, Executive summary* available at http://www.nestrans.org.uk/db_docs/docs/Non-Technical%20Summary.pdf, accessed on 17/12/14.

⁵ *Transport Access & its Relationship to Employment in the Leicestershire & Warwickshire Area, Travel and Transport Research Ltd., November 2014, available at <http://www.lsr-online.org/files2/1565/stage-2-findings-report-supporting-info-final.pdf>, accessed on 17/12/14.*

- a hybrid minibus to the Nottingham Tram and Robin Hood line services at Hucknall;
- a journey-matching tool – ‘TravelShare’ – was provided to allow E.On staff to register journeys and match them up with other colleagues;
- this later received support from the Highways Agency and was rolled out to the whole business park;
- the company also held regular green travel ‘surgeries’ and personal travel planning sessions to provide information, raise awareness and encourage a shift to more sustainable forms of transport;
- the existing Bike-to-Work scheme was continued and more actively promoted to staff; and,
- videoconferencing technology was adopted to reduce business mileage.

2.2.7 Green Travellers were rewarded for sustainable travel through a points system, with points awarded for each day they travelled to the site by sustainable means. As well as providing an incentive, this assisted with monitoring and performance assessment, as sustainable travel was recorded through a ‘Reward Kiosk’.

2.2.8 Other means of monitoring travel behaviour included:

- passenger data gathered by Trent Burton, the public transport operator for which the free pass scheme was offered;
- manual counts of passengers using the three company coaches, undertaken by the drivers; and
- carshare users were counted by the site security officers.

2.2.9 Impact

2.2.10 The monitoring measures, as listed below, suggest that 24 per cent of E.ON staff now travel to work by sustainable means, and in 2011 alone, it was estimated:⁶

- the use of video-conferencing across the company’s 26 UK sites had achieved £1.1 million savings in costs, 26,000 hours of travel and 455 tonnes of CO₂;
- public transport use to the Business Park had increased 37 per cent from 2009, with an estimated saving of 151 tonnes of carbon; and,
- car-sharing had achieved a CO₂ saving of 113 tonnes, an increase of 17 per cent from the previous year.

2.2.11 Key Lessons for Westhill

2.2.12 This example highlights actions taken to solve parking issues indirectly (i.e. not purely through restriction and enforcement), utilising a range of actions. Parking is an issue for the business parks at Westhill, and alternative to direct enforcement may prove beneficial.

2.2.13 The role of travel planning is highlighted, showing how a range of interventions can be combined to produce positive behavioural change. The use of incentives and monitoring may be key to producing change at Westhill given the barriers that exist.

⁶ *Business in the Community*, <http://www.bitc.org.uk/our-resources/case-studies/eon-sustainable-travel-sherwood-business-park-and-electronic-solutions>, accessed on 17/12/2014.

2.3 Adastral Park, Suffolk – Grass Routes Travel Planning to Tackle Car Dominance

2.3.1 Situation

2.3.2 Adastral Park is located seven miles east of Ipswich, Suffolk, just to the east of the A12, approximately 90 miles from London. A regular train service runs from London Liverpool Street to Ipswich Station, taking approximately one hour. From the Midlands and the North, there are connecting trains to Ipswich from Peterborough (via Ely or Cambridge). A regular service to Ipswich departs from Norwich once every half hour at peak travel times.

2.3.3 With such good access to the road network one of the main challenges for the site was to reduce the number of single occupancy cars by ten per cent within four years, with a corresponding increase in more sustainable travel modes.

2.3.4 Response

2.3.5 The 'Grass Routes' Travel Plan was established to promote sustainable travel across the site. This included the creation of a travel plan manager post, and a wide range of information and incentives being provided for all on-site staff. These measures, most of which are listed below, were progressed through a regular, high profile, and high impact marketing drive by the travel plan manager:

- a permanent information point and website⁷
- site-centric sustainable travel maps⁸
- individual travel plans
- additional cycle shelters, new locker / drying room, bike maintenance training & segregated cycle path on to site
- bus and train season ticket discounts, and mobile ticketing
- re-introduction of a railway shuttle bus;
- dedicated prime location car share parking bays, and electric vehicle charging points;
- flexible working options;
- electric vehicle charging points;
- regular travel related promotional events; and
- creation of a monthly social walking group.

2.3.6 The site map shown in Figure 1 shows the presence of sustainable features such as carshare parking, shower facilities, secure cycle parks, bike user group maintenance workshops, and electric charging bays.

2.3.7 As well as these on-site measures, British Telecom also took the lead in establishing an area-wide Sustainable Travel Forum, which includes the county council and other significant stakeholders. The objective of this Forum is to disseminate examples of effective practice and help to develop a co-ordinated response to local travel needs.

2.3.8 A staff travel survey is used to monitor staff awareness, attitudes, and travel habits.

⁷ Adastral Park Travel Information Point, www.grassroutes.info, accessed on 17/12/2014

⁸ Adastral Park Route Map, available at http://adastralgrassroutes.files.wordpress.com/2010/01/ipswich_final_for_web.pdf, accessed on 17/12/2014.

2.3.9 Impact

- Over 90% of respondents to the travel survey were aware of new the travel plan within 6 months.
- The Adastral Park to Ipswich Railway Shuttle has resulted in a 90% reduction in business travel costs for BT. By 2011, the introduction of the shuttle bus had achieved a saving of over £300,000 of net business travel cost, and 716,000 road miles. The journey is reimbursed at £1 compared to a £15 taxi ride.



Figure 1. Sitemap of the Adastral Site

2.3.10 Key Lessons for Westhill

- 2.3.11 As with Sherwood Park, this example highlights the range of activities that can be used to promote behavioural change at a commuter oriented business site. For Westhill, the combination of priority measures (e.g. spaces for liftsharing) for those acting more sustainably, and the enhanced connections to high quality public transport services (e.g. a priority shuttle

service to Kingswells Park and Ride as an interchange to onward destinations) are particularly relevant.

2.4 Energetic Travel: EDF, Exeter Business Park – Behavioural Change for Growth

2.4.1 Situation

2.4.2 EDF operates two facilities at the out of town Exeter Business Park adjacent to the M5. In 2003/2004 the continued development of the business park meant that transport to the site had to be reviewed.

2.4.3 Response

2.4.4 A travel plan was developed and implemented in 2004 as part of a planning application condition. The travel continues to be developed and provides:

- a targeted tool to deliver benefits and incentives for walking, cycling, car sharing and public transport;
- a reduced need to travel by car for business through web conferencing, tele and video conferencing, promoting public transport and car sharing;
- a “Work Life Solutions” policy delivering flexible working initiatives for all staff, including negotiable daily hours, part-time working, compressed weeks and remote working;
- a SMS system, informing employees of travel and safety for which 66% of staff have registered;
- a dedicated Travel Team providing all staff with a tailored travel package, reflecting their options and needs; and
- engagement with wider stakeholders through a partnership with Exeter City Council and by organising travel forums and consultations with other businesses.

2.4.5 Impacts

2.4.6 This this effectively managed travel plan has produced the following impacts:⁹

- Single Occupancy Vehicles mode share reduction from 83% in 2001 to 37% in 2011, saving 394,469kg of CO2 in 2012.
- This, along with management of parking has enabled business growth from 550 staff in 2001 to 1,613 in 2012.
- In 2011, EDF Energy met its commitment to reduce carbon emissions per FTE from transport by 20%, with 10.6% of employees at the Exeter site walking or cycling to work at that time.

2.4.7 Key Lessons for Westhill

2.4.8 This example again looks at solving parking problems, but is also particularly relevant for Westhill due to its focus on releasing growth potential on the site through proper travel management. The dedicated travel team, and personalised transport planning appear to play a particularly important role in this example’s success.

⁹ *Business in the Community*, <http://www.bitc.org.uk/our-resources/case-studies/edf-energy-energetic-travel-generating-sustainable-travel>, accessed on 17/12/2014.

- 2.4.9 The effective capture of developer contributions at planning consent stage, and the successful utilisation of this to deliver transport initiatives is also important for Westhill, which will face similar issues relating to the potential limitation of growth if transport issues are not solved.

2.5 Bankside Business Improvement District (BID), London – Facilitating Transport Interventions through Joint Working

2.5.1 Situation

- 2.5.2 Heavy development of the already congested southern bank area in London placed significant strain on the existing transport infrastructure. To facilitate this development, and to create a place where people are willing to work and spend time, action on transport problems was required.

2.5.3 Response

- 2.5.4 To ensure that the area remained accessible, one of London's first Business Improvement Districts was established. A Business Improvement District (BID) is a geographical area in which local businesses agree to invest collectively (via a levy) to improve their environment. In the case of Bankside, this collective investment was aimed at developing measures to deliver transport behavioural change, including increasing the proportion of people walking, cycling and using public transport by 2015.¹⁰
- 2.5.5 One way in which this was achieved was through the commissioning of the Bankside Master Travel Plan¹¹, which is Better Bankside's 2015 strategic response to meeting the accessibility needs of its member businesses. It aims to:

- determine the strategic direction for Better Bankside's travel services;
- provide a framework for business specific travel plans; and
- set out a vision for work related travel to, from and within Bankside.

2.5.6 Impacts

- 2.5.7 While the Bankside BID transport measures are in relative infancy, significant progress has been made in delivering initiatives such as route maps, design competitions, themed walks, an urban forest area, cycling services (secure parking, Brompton bike hire, cycle repair training, safety training etc.), and smarter travel planning resources. The delivery of these services shows that, with co-operation, business improvement districts can be used as a mechanism to deliver transport measures (whatever those may be for the context requirements).

2.5.8 Key Lessons for Westhill

- 2.5.9 While the scale and location of this example may not be directly relevant to the Westhill context, this does show that, given a local will, businesses can work together to deliver transport benefits to their employees. For Westhill the initiatives are likely to be somewhat

¹⁰ *Transport Toolkit, Better Bankside business improvement district*, <http://www.transporttoolkit.org.uk/case-studies/better-bankside-travel-plan.html>, accessed on 17/12/2014.

¹¹ *Better Bankside, Bankside Master Travel Plan*, <http://www.transporttoolkit.org.uk/case-studies/better-bankside-travel-plan.html>, accessed on 17/12/2014

different; however, BIDs provide a platform for engagement with employees at a local area level in order to determine the requirements of employees to facilitate behavioural change. Potentially more importantly, they also provide a funding mechanism for delivering those requirements.

- 2.5.10 For Westhill this approach could be used to deliver initiatives such as: improved public transport interchange facilities, active transport facilities, travel planning tools, behavioural change incentives, public realm improvements, and infrastructure to tackle the severance across the Westhill business parks and to the northern residential side of the town.

2.6 Arnhall Business Park, Westhill – Travel Planning Support

2.6.1 Situation

- 2.6.2 Arnhall business park is located in the south of Westhill and is characterised by high levels of driving to work from across the Aberdeenshire and Aberdeen City area. Supporting behavioural change to sustainable modes is an important aim for Westhill in tackling its traffic congestion problems and supporting sustainable travel.

2.6.3 Response

- 2.6.4 SYSTRA is currently supporting Aberdeenshire Council in the development of a travel planning campaign at Arnhall Business Park at Westhill. We have:

- designed, implemented and analysed a travel survey of people working at the site to provide baseline information of current travel choices, which has elicited approximately 300 responses;
- engaged with relevant stakeholders (existing sustainable travel campaigns, public transport operators, the Energy Saving Trust, etc) to determine what resources and support they are able to provide to the campaign;
- developed a suggested annual programme of activity that will support active and sustainable travel choices throughout the year;
- developed printed and on-line travel guide resources which set out the range of travel options to the site; and
- engaged face-to-face with representatives of businesses based at the site to explain to them the benefits of promoting sustainable travel and demonstrating how they can do so to their colleagues.

2.6.5 Impacts

- 2.6.6 This study is ongoing, and the evaluation of the effectiveness of all events, information sessions and challenges organised and promoted throughout the year is being suggested for collection. Indicators for success could include the number of staff attending, feedback from individuals and companies, and the tracking of mode share via the annual staff travel surveys.

**ABERDEEN CITY & SHIRE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY**

Date: 1 February 2018

**Title: Summary of the main changes and possible implications of the
Planning (Scotland) Bill**

1 Purpose of Report

- 1.1 This report relates to the proposed changes to the Scottish Planning System in the recently published Planning (Scotland) Bill. Given the expansive nature of these proposals and that the SDPA operates at a City Region level, the report will discuss issues directly related to the SDPA's current role.

2 Recommendation

- a) It is recommended that the Members of the SDPA approve the response to the Planning (Scotland) Bill's call for evidence (appendix 1) and its submission to the Scottish Government.

3 Context

- 3.1 Over the course of 2017 the SDPA actively participated in the Scottish Government's People Planning and Places review of the Scottish Planning System. The culmination of this review was the publication on 4 December 2017 of the Planning (Scotland) Bill. It is anticipated that the Bill will go before the Scottish Parliament for consideration in spring 2018.
- 3.2 The Bill and its supporting explanatory notes and policy memorandum can be found on the Scottish Parliament's website. (<http://www.parliament.scot/parliamentarybusiness/Bills/106768.aspx>)
- 3.3 As part of the Bill's consultation process there has been a call for evidence. The call for evidence asks 12 specific questions and an officers draft response is contained in Appendix 1.
- 3.4 It is considered there has been a history of successful regional planning in the North East and that there is benefit in keeping the expertise and political mechanisms of SDPA in place in order to aid the co-production of any future National Planning Framework.

4 National and Regional Strategic Planning

- 4.1 The Bill includes proposed changes relating to; bolstering the status of the National Planning Framework, removing the requirement to produce strategic development plans and restructuring the processes for producing local development plans.

5 Section 1: National Planning Framework

- 5.1 The National Planning Framework (NPF) is a long-term strategy for Scotland and the spatial expression of the Scottish Government's economic, development and infrastructure investment strategies. It also identifies national and strategically important developments. However the NPF is not currently part of the development plan as defined in the current Planning Etc. act. Scottish Planning Policy (SPP) is a statement of the Scottish Government's policy on how nationally important land use planning matters should be addressed across the country. However it currently has no statutory status.
- 5.2 The Bill proposes to incorporate SPP into the NPF and bring NPF within the development plan (section 8). The statutory development plan for any area would consist of the NPF and a Local Development Plan (LDP). This would mean an enhanced NPF and the expectation LDPs would not restate national policy. The NPF would extend its review cycle from five to ten years with the provision to be updated through amendments during the ten year review cycle (section 7). The amendments would not require a complete review of the document as it is considered that this would be too lengthy a process. The period of statutory parliamentary review for the NPF will be extended from sixty to ninety days.
- 5.3 In addition to the national focus the NPF's scope and content will be expanded to include a strategic planning element at a regional scale. The result is a new duty for planning authorities to assist Scottish Minister in preparing the NPF. This specifies what information is required (discussed below). Ministers can also direct two or more planning authorities to co-operate in order to resolve any transboundary issues which may inform the NPF. A requirement has been introduced for key agencies to co-operate in providing information to assist in the preparation of the NPF.

6 Section 2: Removal of requirement to prepare strategic development plans

- 6.1 During the course of the Planning Review it was discussed that the requirement to produce strategic development plans (SDP) could be removed. The result of this could be the repurposing of Strategic Development Planning Authorities (SDPA) with improved regional partnership working. This has materialised and the Bill proposes to remove the requirement to produce SDPs (Section 2).
- 6.2 While there is no specific reference in the Bill to regional partnership working the accompanying policy memorandum discusses such potential co-operation. The

Planning Review concluded that SDPs and their organisational structures were too uniform for the diversity of Scotland's regions and without sufficient flexibility to adequately address their needs. As such it is implied that it is for regions themselves to find a bespoke regional partnership, perhaps similar to regional transport or economic strategies and partnerships, which best work for them.

6.3 These partnerships may be the best vehicle for regional contributions to the NPF's production and a mechanism for this to occur is under the Scottish Minister's direction to co-operate. The revised Section 3AA of the Bill lists what information Authorities would be asked to contribute towards the NPF:

- the principal physical, economic, social and environmental characteristics of the area,
- the principal purposes for which land in the area is used;
- the size, composition and distribution of the population of the area;
- the infrastructure of the area (including communications, transport and drainage systems and systems for the supply of water and energy);
- how that infrastructure is used;
- any change which the planning authority or authorities think may occur in relation to the above;
- and, any such other matters as are prescribed.

7 Section 8: Development plan

7.1 As with the NPF the Bill proposes to increase the LDP cycle from a five year review period to a ten year review period. Again, the Bill proposes to allow amendments to occur within this ten year period but would not require a complete review of the LDP as it is considered that this would be too lengthy a process.

7.2 Aside from extending the review period some components of the review have been modified.

- Monitoring of an LDP's progress is to continue without an obligation to publish findings;
- A gate check has been introduced which means the requirement to produce a Main Issues Report is replaced with the requirement to prepare an evidence report, covering the matters specified as above relating to the NPF's evidence base;
- Scottish Ministers will assign an appointed person to review the evidence report and deem if it is satisfactory. The appointed person will produce a report on the evidence report when they are satisfied with it;
- The planning authority must have regard to this report when producing a proposed plan. Both the appointed person's report and proposed plan must be published simultaneously;
- The proposed plan will need to be approved by the full council of the planning authority before it can be published;
- The period for representations on the proposed plan is extended from six to eight weeks;
- If there are any modifications to the proposed plan a report on these must be published. This replaces the requirement to produce a modified plan/new proposed plan;

- The default standstill period during which a local development plan cannot be adopted by a planning authority, is to be extended from a 28 day period to eight weeks beginning with date of the planning authority advertising their intention to adopt the plan.
- Scottish Ministers have the power to appoint a person to review the proposed plan

7.3 The requirement to set out a vision is removed as the LDP is to ensure it aligns with the outcomes of an authority's local outcomes and improvement plan (LOIP). The LDP will be the spatial representation of this. In short the LDP will be required to have regard to the NPF, LOIPs and Local Place Plans (LPPs).

7.4 The ability to prepare, adopt and issue supplementary guidance has been removed.

8 Implications: NPF and SDPAs

8.1 An enhanced NPF with an incorporated SPP will mean that there is less duplication of national policies in LDPs. The greater weight given to the NPF in the Development Plan Hierarchy means that as there is no requirement to produce an SDP there will be an equal or perhaps greater need to engage in the NPF review in order to champion the North East's status when it comes to national projects.

8.2 Regardless of there being no requirement to produce an SDP, the SDPA is an existing body which can facilitate, in its current or a repurposed form, such contributions to the NPF. This is discussed greater in the accompanying report which focuses on Question 3 of the Bill's call for evidence.

9 Implications: Local Development Plans

9.1 The new extended development plan cycle of ten years will mean a greater focus on delivery rather than the process of plan renewal. This will be a considerable break from current practice given allocation occurs on a five year programme. However the ability for Authorities to amend plans during this ten year period may give the required flexibility to react to the region's needs. Clarification would be needed as to what would trigger the need for an amendment to a plan.

9.2 The closer alignment of other Council aims such as LOIPs and LPPs will require greater cooperation between internal stakeholders and the community as a whole. This will mean cross stakeholder input during the creation of an evidence base to move towards a proposed plan. It is therefore crucial that there is a planning presence from the inception to completion of LOIPs in order that their aims and objectives can be realised in a spatial context.

9.3 The loss of the ability to issue supplementary guidance may cause policy challenges when dealing with issues intrinsic to individual planning authorities. Greater guidance will be needed from the Scottish government to understand how unique regional and local issues can be accommodated in the new LDP format.

10 Discussions with Scottish Government

- 10.1 The Bill was published in early December and SDPA officers in conjunction with colleagues at the three other SDPAs (SESplan, Clydeplan and Tayplan) met in early January with the Scottish Government.
- 10.2 Discussions centred on the continued role of regional planning and the value of retaining the structures of SDPAs and their expertise. Additionally officers were advised that transitional arrangements would start to be put in place towards the end of summer 2018 around the process of developing secondary legislation which would support the Bill.

11 Conclusion

11.1 Given the uncertainties relating to;

- The Bill's proposed changes passing through the Scottish Parliament;
- The need for transitional arrangements moving from the current system to the new;
- The need for the development and introduction of secondary legislation supporting a new Planning Act;
- The possible requirement for Authorities to co-operate in the co-production of any future NFP.

11.2 It is felt that the SDPA should continue with its statutory obligations to produce a new SDP and maintaining its governance structure so that should there be future legislative change there is a forum in place for the North East's authorities to work on any regional planning matters which may arise.

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Appendix 1

Response to the Scottish Parliament's Local Government and Communities Committee call for written evidence on the Planning (Scotland) Bill

- 1) The Aberdeen City and Shire Strategic Development Planning Authority is a statutory partnership of Aberdeen City Council and Aberdeenshire Council established in 2008 under the Planning etc. (Scotland) Act 2006. Its primary role is the preparation of a Strategic Development Plan (SDP) which covers both Aberdeen City and Aberdeenshire (except the Cairngorms National Park) and contains a growth strategy which looks forward over a 25 year period. A copy of the current plan, approved by Scottish Ministers in March 2014, can be found at <http://tinyurl.com/ACSSDP14>.
- 2) Given its remit, this response focuses on strategic planning and partnership working at a regional scale.
- 3) Although all four SDPAs in Scotland were established at the same time and under the same legislation, they all operate in slightly different. The Aberdeen City and Shire SDPA has particularly sought to influence other plans and strategies at a national and regional level, responding to strategic planning applications, assisting as required with the implementation of the SDP through the LDPs and focusing on co-ordinating infrastructure funding and delivery.
- 4) While the Aberdeen City and Shire SDPA did not recognise the need for fundamental change to the development plan system in Scotland the publication of the Planning (Scotland) Bill has moved past this point of discussion and we now must consider what are the implications and challenges of the proposals contained within the Bill.
- 5) The SDPA has only responded to the questions of the Call for Evidence which it believes fall under its remit. Our partner Authorities will provide their own detailed responses to it.

Question 3

Do the proposals in the Bill create a sufficiently robust structure to maintain planning at a regional level following the ending of Strategic Development Plans and, if not, what needs to be done to improve regional planning?

In its submissions on the planning review the SDPA expressed its concern with the proposed removal of strategic development plans. The preference of the SDPA is that a form of city region spatial planning is retained. As such the SDPA does not support Section 2 of the proposed Planning (Scotland) Bill which seeks the removal of the requirement to prepare a strategic development plan along with its related governance processes.

- While there will be no need to produce an SDP it is felt that; given the SDPA's history of successful regional partnership building, the delivery of a durable

spatial strategy and the provision of substantial housing and employment land, the SDPA can still play a positive role in regional planning.

- It is considered that an alternative approach would be to repurpose the existing SDPA. This would take advantage of its established governance and joint working structures and aligning to a greater focus on monitoring, evidence gathering and delivery of development.

A history of partnership

- Before the SDPA was formed, regional planning in the North East was less formalised but successfully produced a 2009 Structure Plan. Both the Structure Plan and the Strategic Development Plan 2014 were developed and prepared through partnership working and reflected the success of its strong joint working ethos and the commitment of its local authorities and stakeholder community. These two plans facilitated historically high levels of employment and housing land.
- The SDPA agrees that the planning system could be refocussed and made more effective in relation to the support for delivery and infrastructure. This is important at all levels of the planning hierarchy be it national, regional or local.
- It is considered that this refocus on delivery could, in part, be achieved by retaining the existing SDPA structure but moving its functions to prepare for example; a regional spatial strategy, regional housing supply targets for the functional housing market areas and facilitating the spatial implementation of the City Region Deal and the Regional Transport Strategy.
- This would have the benefit of both retaining the established joint working structures and practices which currently exist in support of the preparation of the Strategic Development Plan but enhancing them around a focus on delivery.

Flexible Duty for Regional Collaboration

- The Bill proposes a new flexible duty for regional collaboration by two or more planning authorities to assist Scottish Ministers in preparing the National Planning Framework (NPF). This regional collaboration between the local authorities and the NPF currently exists within the existing established SDP processes. However there is no standing obligation to work on a regional basis but a once in a decade duty to co-operate on the NPF. Regional issues are such that they need to be monitored, considered and addressed on a continuous basis and not left idle for long periods of time.
- If the intention is that regional collaboration goes beyond just what is proposed in terms of the Planning (Scotland) Bill into areas such as; transport, education and economic development then it is the SDPA's experience that such collaboration requires clarity of purpose, roles and responsibilities, governance, accountability and funding.

- It is considered therefore, that given the wide range of potential partners, and to ensure its effectiveness in supporting strategy development and delivery at a city region level and in support of an enhanced National Planning Framework, any form of collaborative working will require to be established with the following requirements:
 - a clear statutory requirement for local authorities to work together in partnership and for the outputs of these partnerships to be given consideration by the Scottish Government;
 - a formal duty to co-operate on other public bodies (SEPA, Scottish Water etc.) in support of the work of the regional partnership;
 - the ability to determine a clearly defined geography that suits partner authorities administrative and regional objectives;
 - a clear role and remit; and,
 - a single governance structure with associated supporting resources.

The approach to regional working should be framed under a number of general duties and powers relevant to spatial planning including:

- contributing to the achievement of the National Outcomes as set out by the Scottish Government
- creating well-designed and sustainable places;
- contribute to sustainable economic development;
- addressing climate change duties and act in a manner that contributes to achievement of the carbon emissions targets;
- securing environmental protection and management;
- delivery of affordable housing;
- reducing inequality; and,
- improving health and well-being (probably LOIPs).

Improving Regional Planning

- More clarity on how regional planning partnerships will work is required.
- It is considered that greater long term economic certainty can be achieved through continuous regional planning in managing transboundary issues through setting out a spatial strategy which supports sustainable economic growth, the efficient use of existing infrastructure and mitigates against adverse environmental impacts and ensuring the efficient use and development of infrastructure.

The range of activities that could be set out as specific to the regional role could include:

- development of a regional land use spatial strategy which sets out regional priorities by addressing strategic planning issues in respect of housing, transport, flood risk management, climate change, and biodiversity and supporting the development of priorities for the National Planning Framework;
- ensuring alignment of regional strategies including economic, transport and land use strategies;
- supporting housing delivery;

- supporting economic growth;
- Identifying strategic infrastructure interventions preparing delivery plans;

The above activities would obviously require to be delivery focussed, however, the extent to which the regional partnerships can have a direct influence on delivery would depend on their duties, powers and resources. There are therefore a number of areas where it is considered that regional planning can be improved in support of the collaborative approach envisaged by the Planning (Scotland) Bill, namely:

- building greater capacity, awareness and more effective behaviours in strategic planning particularly at the local authority political and corporate level as well as amongst professional leaders and the wider stakeholder community;
- streamlining the approach to housing assessment;
- fully integrating the NPF/SDP and National Transport Strategy/Regional Transport Strategy into a single national/regional strategy;
- regional land use/transport planning should be the land use expression of city region economic strategies.

Additionally in support of any change to the planning system other public bodies and the key agencies will also require to have a duty to assist in any new process.

Conclusion

In creating high quality places where people want to live, work, play and invest, strategic regional land use planning still has an important role to play in supporting the objectives of the Scottish Government in the creating a more successful and equitable country through increasing sustainable economic growth.

The joint working model that currently exists in relation to the Aberdeen City and Shire SDPA for development planning at the city region scale is not considered to be broken. An opportunity exists through the new Planning (Scotland) Bill to enhance this model with additional autonomy (set it up as we want) duties and powers rather than removing it.

Should the current approach be replaced then it is important to recognise that whatever replaces it is clear and recognises the important role regional strategic planning has to play and this should be firmly embedded in the duties set out in the new Planning (Scotland) Bill in support of not only the requirements to support preparation of the NPF but also in terms of supporting the wider city region areas.

ABERDEEN CITY & SHIRE STRATEGIC DEVELOPMENT PLANNING AUTHORITY

Date: 1 February 2018

Title: Strategic Transport Fund

1 Purpose of Report

- 1.1 The purpose of this report is to update the Aberdeen City and Shire Strategic Development Planning Authority (SDPA) on the decision of the Supreme Court in relation to the SDPA's Supplementary Planning Guidance (SPG) regarding the Strategic Transport Fund (STF) and propose a way forward in light of the decision.
- 1.2 Provide an overview of the direct financial and legal implications of the Supreme Court Decision.

2 Recommendations

- 2.1 It is recommended that the Members of the SDPA:
 - a) Note that decision of the Supreme Court in relation to its appeal in respect of the Supplementary Planning Guidance on the Strategic Transport Fund;
 - b) Note that the two councils are working through the implications of the judgement on a site-by-site basis to determine the appropriate action to take;
 - c) Note that the full financial implications of the appeal will not be known until Spring 2018; and
 - d) To delegate to SDPA officers the authority to continue to engage with Scottish ministers on the future development of an Infrastructure Levy through primary and secondary legislation and associated guidance – as well as the review of Circular 3/2012;

3 Background

- 3.1 In light of the significant scale of development planned for the area in the 2009 Structure Plan and the scale of cumulative impacts this would have on the transport network, the SDPA (along with partners including Transport Scotland) decided that a mechanism was required to secure contributions from new development to deliver the required transport improvements. However, it was

also recognised that this needed to be done in such a way as to facilitate development by making the contributions at an appropriate level, providing certainty and transparency about what the level of contributions would be up-front. This would remove barriers to development and facilitate the consenting of significant proposals.

- 3.2 Working with the two councils (planning, transportation and legal services), Transport Scotland and the Scottish Government, and following several rounds of consultation and engagement, the SDPA approved non-statutory supplementary planning guidance (SPG). This guidance in relation to the 'Strategic Transport Fund' (STF) was ratified by both councils and came into force in March 2012.
- 3.3 The SPG was based on detailed transport modelling which forecast the impact of new development and identified the mitigation measures required to address the cumulative impact of the development proposed.
- 3.4 Following the adoption of the Aberdeen City and Shire Strategic Development Plan (SDP) in March 2014, the SDPA revised the guidance and adopted it as statutory Supplementary Guidance in June 2015. As part of the adoption process, the Scottish Government issued a direction to insert one sentence into the guidance but were otherwise content for the SDPA to adopt it. Again, both councils ratified the decision to adopt the guidance on 25 June 2015.
- 3.5 Within the six week window following its adoption, a legal challenge was lodged at the Court of Session (Inner House) by the Elsie Development Company and Goodgrun Ltd, against the SDPA's Strategic Transport Fund Supplementary Planning Guidance (SPG). The appellant had previously signed s75 agreements with STF contributions for sites totalling over 4,500 homes, employment and retail uses.
- 3.6 The Inner House of the Court of Session issued its decision on 29 April 2016 which allowed the appeal and quashed the Supplementary Planning Guidance. The basis of the court's decision can be summarised as follows:
- 3.7 The SDPA sought leave to appeal and this was granted by the Supreme Court in December 2016. The appeal hearing was heard by the Supreme Court in Edinburgh in June 2017.
 - The requirement for developers to contribute to the STF breached the terms of the Scottish Government Circular 3/2012 on planning obligations;
 - The SPG was unlawful;
 - The fact the SPG gave an alternative option to STF for developers did not render the SPG lawful;
 - While the SPG advised contributions would not be used to fund projects not connected to the contributing development the fact STF contributions were pooled meant that statement had little meaning; and
 - The statement in the SPG that the transport interventions proposed are necessary to make all the developments proposed acceptable from a planning perspective is unreasonable and, in any case, the figures provided in the SPG did not support that statement.

- 3.8 The SDPA sought leave to appeal and this was granted by the Supreme Court in December 2016. The appeal hearing was heard by the Supreme Court in Edinburgh in June 2017.

4 Supreme Court Judgement

- 4.1 The Supreme Court issues its decision on 29 October 2017, the full text of which can be read in Appendix 1.
- 4.2 The appeal was unanimously dismissed by the Court. The Court upheld the previous decision of the Court of Session that the STF SPG was unlawful. The Supreme Court found that many of the proposed developments which were contributing to the STF (including Elswick) have no impact on some of the proposed transport interventions and in the case of Elswick the impact of some of the strategic transport interventions is de minimis (i.e. there was no more than a trivial connection).
- 4.3 While both the Court of Session and the Supreme Court held the view that there was merit in the objectives of the STF it was also the view that without specific legislation these objectives could not legally be met.
- 4.4 This was stated clearly in the Supreme Court's ruling para 64 "*If planning authorities in Scotland wish to establish a local development land levy in order to facilitate development, legislation is needed to empower them to do so.*"
- 4.5 The court agreed with the SDPA's case that the STF's legality did not rest upon compliance with the Scottish Government Circular (as held by the Court of Session). However, it did state that some of the linkages between development sites and proposed interventions were 'at best trivial' and as a consequence were not material to the planning decision.
- 4.6 The decision would seem to imply that, without a change in legislation, planning authorities cannot address the cumulative impact of new development through the planning obligation process. This challenges the statements in Circular 3/2012 which suggest it can.
- 4.7 The decision of the Supreme Court is final and the STF SPG is quashed.
- 4.8 The infrastructure levy proposal which the Scottish Government has been exploring as part of the planning review is one potential mechanism through which this legal issue could be addressed. This has formed part of the Planning Bill which is open for public comment.
- 4.9 There are a range of potentially wider implications of the judgement which officers of the SDPA and two councils will continue to explore in more detail.

5 Ongoing determination of planning applications

- 5.1 The STF has been quashed and any no further STF contributions can be sought. In the absence of this mechanism it is recognised that both authorities will experience some issues in progressing applications and funding the proposed STF transport Interventions given the STF was to be their main source of funding.
- 5.2 In the absence of STF both councils will continue to require developers to undertake their own Transport Assessments, to demonstrate that they can mitigate any strategic and local transport issues cause by their developments. This approach has allowed planning applications to be determined in the interim in the absence of the supplementary guidance for the wider economic benefit of the area.
- 5.3 While the STF itself has been quashed, the evidence base upon which it was built has not been challenged throughout this process. As a consequence, the evidence base can still be used to inform assessments and discussions with developers in helping to identify the impacts of developments and the required mitigation.
- 5.4 However, the level of mitigation achieved by this approach is likely to be considerably lower than they would have been under the STF. In summary, only a proportion of the direct impacts will be mitigated by this approach and not the cumulative impacts the STF was designed to address.
- 5.5 One consequence of the decision of the Supreme Court is that the two council's ability to facilitate development will be hindered due to the need for developers to assess and mitigate their impact on an individual basis. Such a situation is not in the interests of the development industry or the economic growth of the area, although the councils will do what they can to minimise the adverse consequences.

6 Activity programmed over the next 18-24 months

- 6.1 In light of the Supreme Court's decision on the STF there will be a range of work streams ongoing over the coming months.

Payments already received

- 6.2 Nestrans currently hold approximately £1.8m in contributions paid into the STF over the last few years. A process is ongoing to determine what proportion of this needs to be returned automatically to developers.

Evidence Base

- 6.3 The SDPA had previously committed to working with Nestrans to update the regional transport model (being done with partners through the City Region Deal) and update the evidence base (Cumulative Impact Assessment) to assess the impact on the transport network of new development from a 2017 base. This piece of work is expected to be complete in spring 2018 to inform the next strategic plan for the area.
- 6.4 In approximately 2020 the model will be re-calibrated following completion of the AWPR and actual traffic flow data being available to input to the model. This will take into account the actual impact of the AWPR and associated measures rather than just their predicted impact. There is an opportunity to use this as part of the evidence-base to justify and inform the implementation of any infrastructure levy (see below).

Review of Circular 3/2012

- 6.5 Scottish Government Circular 3/2012 provides guidance on the issue of planning obligations in Scotland. The Supreme Court's decision potentially has a number of consequences for the wording of the Circular, some of which are currently being explored.
- 6.6 In addition the Planning Bill and its proposed infrastructure levy would require the amendment or production of a new Circular.
- 6.7 In light of this, the Scottish Government will be formally approached by the SDPA's partner Authorities regarding the updating of the Circular, suggesting that this document may need to be reviewed in light of the STF case.

Planning Bill – Infrastructure Levy

- 6.8 As stated above a welcome feature of the Supreme Court judgement is the recognition that legislative change by the Scottish Government (SG) is required to achieve the objectives of the SDPA, and other authorities, to mitigate cumulative impact on transport networks.
- 6.9 As noted elsewhere on this agenda, the Planning Bill was published by the Scottish Government in December 2017. The bill proposes the introduction of an infrastructure levy on new development.
- 6.10 The SG has published three research reports in recent months setting out how an infrastructure levy could function, the most recent of which was published in mid-November 2017.
- 6.11 It will be important that the SDPA's two partner councils stress to the Scottish Government the importance of legislating to enable the impacts of new development to be addressed.
- 6.12 As highlighted above, an initial update of the regional transport model is under way, with a further update due following the completion of the Aberdeen Western Peripheral Route to account for actual changes in travel behaviour following the opening of this key infrastructure project.
- 6.13 This will keep the regions evidence base up to date should any infrastructure levy be introduced as a result of the Planning Bill.
- 6.14 The development industry has been very supportive of the aim of facilitating development by providing up-front certainty of the developer contributions required. In addition, Transport Scotland has also been very supportive throughout the development and implementation of the guidance. There is scope to build upon these common objectives as a new approach is developed over the coming months and years.

7 Financial Considerations

Costs incurred to date

- 7.1 All costs to date (since August 2015) have been met by the SDPA. These have included the costs of defending the appeal at the Court of Session and the Supreme Court. Full financial impacts will not be known until at least spring 2018. The costs associated with seeking leave to appeal to the Supreme Court and the Supreme Court hearing.
- 7.2 The appellant and interested party have sought financial compensation for legal expenses at the Court of Session. The SDPA is currently involved in a legal process to resolve this.
- 7.3 As it is an emerging situation an in confidence update will be provided at the SDPA meeting 1 February 2018.

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Aberdeen City & Shire SDPA





Michaelmas Term
[2017] UKSC 66
On appeal from: [2016] CSIH 28

JUDGMENT

Aberdeen City and Shire Strategic Development Planning Authority (Appellant) v Elsick Development Company Limited (Respondent) (Scotland)

before

**Lord Neuberger
Lady Hale
Lord Mance
Lord Reed
Lord Hodge**

JUDGMENT GIVEN ON

25 October 2017

Heard on 13 June 2017

Appellant
Martin Kingston QC
Alasdair Sutherland
(Instructed by Morton
Fraser LLP)

Respondent
Roy Martin QC
Alasdair Burnet
(Instructed by Burness
Paul LLP)

LORD HODGE: (with whom Lord Neuberger, Lady Hale, Lord Mance and Lord Reed agree)

1. This appeal raises an important question of planning law. A planning authority foresees and plans for significant growth in its area. Major investment in transport infrastructure is required to accommodate the aggregate of the planned development. The planning authority seeks to achieve this investment by adopting a policy in its development plan which in substance requires developers to enter into planning obligations with it to make financial contributions to the pooled fund to be spent on the infrastructure, including interventions at places where a particular development has only a trivial impact. Is such a policy within the existing powers of the planning authority under current planning legislation?

Factual background

2. The Aberdeen City and Shire Strategic Development Planning Authority (“the Authority”) has the responsibility for preparing a strategic development plan for its area. The Authority foresaw the need for significant new and improved infrastructure to accommodate the cumulative impact of new development for which it planned. There were already proposals for transport infrastructure which involved major public sector investment, including the Aberdeen Western Peripheral Route (“AWPR”), new bridges, park and ride sites, making the A96 into a dual carriageway road and the creation of twin tracks on significant parts of the Aberdeen-Inverness railway line, all of which was to be paid for out of public funds. In 2010 the North-East of Scotland Transport Partnership (“Nestrans”) commissioned a cumulative transport appraisal for the area (“the CTA”), in which it estimated that £86.6m was required on top of already committed public sector investment in order to fund a package of infrastructure developments, which it identified, to address the cumulative impact of the proposed new development in the area.

3. In December 2011 the Authority approved non-statutory supplementary planning guidance which proposed the establishment of a Strategic Transport Fund (“the Fund”). In February 2013 the Authority published its proposed strategic development plan. In that plan the Authority stated that it intended to prepare supplementary guidance in support of the plan. This guidance would allow for the Fund to deliver the transport projects which were needed to deal with the combined effect of new development in four identified strategic growth areas within the Aberdeen Housing Market Area. The Authority stated that it would need to secure a higher percentage of the increase in land values, which resulted from the grant of

planning permission, than it had in the past in order to be able to create sustainable mixed communities.

4. Elsick Development Ltd (“Elsick”) proposes to develop approximately 4,000 houses together with commercial, retail and community facilities at Elsick, near Stonehaven. Elsick’s site is located within the southerly of the four strategic growth areas. In November 2011 Elsick objected to the draft supplementary planning guidance while it was subject to consultation.

5. Elsick also objected to the proposed strategic development plan and sought to have the reference to the Fund removed from that plan on the ground that it was contrary to the guidance of the Scottish Ministers on planning obligations which is set out in circular 3/2012, “Planning Obligations and Good Neighbour Agreements” (“the Circular”). The Circular advised planning authorities to seek to have developers enter into planning obligations only if the obligations met specified tests. These tests were that the obligations (i) were necessary to make the proposed development acceptable in planning terms (para 15), (ii) served a planning purpose (para 16), (iii) related to the proposed development either as a direct consequence of the development or arising from the cumulative impact of development in the area (paras 17-19), (iv) fairly and reasonably related in scale and kind to the proposed development (paras 20-23), and (v) were reasonable in all other respects. Elsick’s principal concern was with (iv); Elsick asserted that the contribution to the Fund which the proposed plan envisaged was out of all proportion to the demands which its development would make on the infrastructure which expenditure from the Fund was to improve.

6. In the meantime, on 30 September 2013 Elsick entered into a planning obligation under section 75 of the Town and Country Planning (Scotland) Act 1997 (as amended) (“the 1997 Act”) with Aberdeenshire Council (“the Council”) to contribute to the Fund in terms of the draft non-statutory supplementary planning guidance or any revision or replacement of it in the proposed strategic development plan, but the agreement also provided that no contributions to the Fund needed to be paid if the supplementary planning guidance were found to be invalid. On 2 October 2013 the Council granted outline planning permission for the development and detailed planning permission for a first phase of 802 houses and other facilities.

7. The proposed strategic development plan was examined by a reporter appointed by the Scottish Ministers. In his report dated 21 January 2014 the reporter stated that it was right that the principle of the Fund should be established in the development plan and concluded that the CTA had demonstrated that the overall traffic growth, which the development promoted in the plan would create, would have harmful effects unless there were mitigation measures. He expressed concern that the mechanism for raising contributions to the Fund did not comply with

national policy in the Circular because there was not a sufficiently clear and direct relationship between the development supplying the contribution and the infrastructure to be delivered. He advised that para 5.9 of the proposed plan be amended “to establish that the Fund will only be used to gather contributions towards infrastructure improvements that are related to the developments concerned and strictly necessary in order to make any individual development acceptable in planning terms”.

8. The Strategic Development Plan was amended to take account of the reporter’s comments. As so amended the relevant paragraphs of the Plan stated:

“5.8 Developers will have to accept the need for contributions towards necessary infrastructure, services and facilities within their own site. However, in cases where development has wider effects, we will have to secure contributions to deal with these as well, although the public sector will also need to make an important contribution.

5.9 We will prepare supplementary guidance in support of this plan. This will allow (through a ‘Strategic Transport Fund’) transport projects which are needed as a result of the combined effect of new development to be funded and delivered. ... We will look for contributions from housing, business, industrial, retail and commercial leisure developments in the strategic growth areas within the Aberdeen Housing Market Area, (detailed criteria will be set out in the supplementary guidance). We will only use contributions to support projects that are related to the developments concerned and that are necessary to make those developments acceptable in planning terms.”

9. The Authority then resolved to convert the non-statutory supplementary planning guidance into statutory guidance. On 12 December 2014 the Authority issued a consultation draft of the proposed statutory guidance. In a report to the meeting of the Authority which approved the consultation draft it was explained that the consultants who had prepared the CTA had re-presented table 7.2 of the study, which I discuss in more detail in para 16 below, to show a clear and direct link between the development providing a contribution to the Fund and the infrastructure improvement to be delivered. The report also stated that the supplementary guidance was

“based on a strategic level evidence base and uses this to derive appropriate contribution levels for individual developments. The main driving force behind the preparation of the existing non-statutory guidance was the need to facilitate development rather than leave it to individual developers to try to satisfy Transport Scotland and the two councils that they had adequately mitigated all their cumulative impacts on the transport network.”

10. Elsie and others objected to the consultation draft on several grounds, including that it failed to comply with the Circular. The Authority responded to Elsie’s representations by stating that all but one of the transport interventions were within a three-mile radius of Aberdeen City centre and had strong inter-relationships and that the modelling of the CTA had demonstrated that there was a cumulative impact from all development areas to all of the interventions. The Authority approved the draft supplementary guidance on 24 April 2015 and sent it to the Scottish Ministers for ratification.

11. The Scottish Ministers advised that the Authority could adopt the draft supplementary guidance if they added a statement that the use of any planning obligation shall follow the guidance in the Circular. The Authority made that amendment and adopted the supplementary guidance (“SG”) on 25 June 2015. As I explain below when I discuss the legislative background, the SG forms part of the development plan for the purpose of determining planning applications.

The Supplementary Guidance

12. After setting out the purpose of and background to the SG and who would be expected to contribute, the SG explained that the purpose of the Fund was to mitigate the cumulative impact of developments at specific “hotspots” in the network which the CTA had identified. It continued (in para 4.8): “[t]here will still be a requirement to mitigate impacts specific to the development (defined as local impacts) whether they are on the local or strategic network”. In section 5 the SG set out the contributions which were required to deliver the proposed interventions at an estimated cost of £86.6m. In Table 1 in that section the SG set out contribution levels which for residential developments were fixed by reference to unit size, ranging from £1,350 per unit for a one bedroom unit to £3,148 per unit for a unit of five bedrooms or more. The table also provided for contributions from non-residential developments.

13. Because the Authority has argued that contribution to the Fund was voluntary (para 20 below), I set out para 5.4 so far as relevant. It provided:

“Developers can elect to assess and mitigate *their cumulative impact* outwith the [Fund], although this will require a considerably more comprehensive Transport Assessment and the design and delivery of the mitigation measures shown to be necessary. This will definitely be more time-consuming and almost certainly more expensive, *if it can be achieved at all.*” (emphasis added)

14. Section 6 of the SG addressed how and when contributions would be payable. Para 6.1 stated that a planning obligation or other legal agreement would normally be used to secure contributions. In accordance with the advice of the Scottish Ministers, the paragraph also stated that the use of any planning obligation shall follow the guidance in the Circular.

15. Section 7 of the SG explained that the contributions would be used only to fund the transport interventions which it listed. Para 7.3 stated:

“No contributions from development sites will be used to support projects where the development in question is predicted to gain no mitigation benefit from the infrastructure being provided and therefore is un-related to the development making the contribution. The CTA has shown that the delivery of each of the projects identified above is necessary to make *all developments* acceptable in planning terms (see appendix 2).” (emphasis added)

16. Appendix 2 summarised the CTA and listed the cumulative infrastructure requirements which it had identified. It reproduced as Table 3 the revised table 7.2 of the CTA, which had been prepared in response to the reporter’s criticism (para 7 above) that it had not been demonstrated that there was a clear and direct relationship between the development contributing to the Fund and the infrastructure which would be delivered. But that table showed the traffic generated by each development which would use the infrastructure at the identified “hotspots” as a percentage of the total traffic generated by that development. For example, the table showed the following in relation to the Elsieck site:

Development Zone	Persley Bridge	A947	A96 East of AWPR	Kingswells North	A944	New Bridge of Dee
Elsieck	3.45%	0.10%	0.76%	1.46%	0.79%	8.39%

Thus, taking the columns on the left, the table showed that 3.45% of the traffic which the Elswick development would generate would use Persley Bridge and 0.10% of that traffic would use the A947.

17. The previous table 7.2 in the CTA was more informative about the impact of the proposed developments on the infrastructure. It showed the percentage of the total traffic using the new infrastructure at the identified “hotspots” which the traffic generated by each proposed development was estimated to create. For example, in relation to the Elswick development, it had shown that the percentage of the total traffic predicted to use the same infrastructure as the following:

Development Zone	Persley Bridge	A947	A96 East of AWRP	Kingswells North	A944	New Bridge of Dee
Elswick	1%	0%	1%	2%	1%	7%

It also showed that 2% of the traffic on the Loirston Link would be generated by the Elswick development and 79% of the traffic on the Elswick Fastlink. In relation to a separate development at Blackdog the original table 7.2 of the CTA showed that 1% of the traffic on the A947 would be attributable to that site and 0% of the traffic on all of the other listed infrastructure.

18. Paragraph 7.4 explained that the contributions would be used to deliver the specified transport interventions. It stated:

“Nestrans as the Regional Transport Partnership will hold and administer contributions in a strategic transport fund. As contributions are received they will be placed into a ring-fenced account. The monies in this account will only be available for delivering the strategic transport projects listed above, including detailed assessment, development and design work.”

The challenge

19. Elswick appealed against the adoption of the SG to the Inner House of the Court of Session under section 238 of the 1997 Act. On 29 April 2016 the First Division of the Inner House (The Lord President (Lord Carloway), Lord Menzies and Lord

Drummond Young) allowed the appeal and quashed the SG: [2016] CSIH 28. The First Division upheld three of the four grounds of appeal which Elsie advanced. First, the court upheld the submission that the Authority had failed to comply with national policy on the use of planning obligations, holding that it was a fundamental principle of planning law, which was reflected in the Circular, that a condition attached to the grant of a planning permission, whether contained in a planning obligation or otherwise, must fairly and reasonably relate to the permitted development. The First Division accepted the distinction, which the reporter had drawn, between the sharing of costs among developments which had cumulatively required a particular investment in transport infrastructure on the one hand and the funding of a basket of measures, not all of which were relevant to every development. The court referred (in para 35 of its opinion) to the original Table 7.2 and held that many of the planned developments had no impact at all on several of the proposed infrastructure interventions. It added: “[t]his applies to both Elsie and Blackdog relative to a number of the interventions. In respect of others the impact is *de minimis*”. The result was that the additional sentence in the SG about complying with the guidance in the Circular, which was added at the request of the Scottish Ministers (para 11 above), could not prevent the obligation to contribute to the Fund, in which contributions were pooled, from breaching the Circular. The First Division also upheld Elsie’s submission that there was no rational basis for relying on Table 3 of Appendix 2 of the SG (ie the revised table 7.2 of the CTA) to support the contention that a particular intervention was made necessary by reason of either a particular development or the cumulative effect of it along with other developments.

20. The Authority applied for and was given permission to appeal to this court arguing that the policy tests in the Circular were not part of the legal tests for the validity of a planning obligation, that the Inner House had taken an unduly restrictive approach to policy, and that the Authority had substantially complied with the Circular when the SG afforded the opportunity to a developer to make mitigation contributions to infrastructure wholly outside the Fund (para 5.4 of the SG, which is set out in para 13 above). This court refused to allow the Authority to argue that the Inner House had erred in law and fact in finding that many of the planned developments, such as Elsie and Blackdog, have no impact on some of the proposed interventions and, in the case of Elsie and Blackdog, the impact on some other interventions is *de minimis*, because that was a finding of fact, based on the original table 7.2 of the CTA, the contents of which were not disputed.

Discussion

21. The central issue in this appeal is the lawfulness of the planning obligation which Elsie has entered into in conformity with the requirements of the SG. The Authority challenges the First Division’s conclusion that the tests applicable to a planning condition are properly to be applied to a planning obligation. To address

this challenge I examine (i) the correct legal test as to the lawfulness of a planning condition, (ii) the correct legal test as to the lawfulness of a planning obligation, (iii) the role of a planning obligation in the decision to grant or refuse planning permission, and (iv) the boundary between questions of legality and questions of policy.

22. I set out the legislative background before turning to each of the four questions. Finally, I will apply the answers to those questions to the facts in this appeal.

The legislative background

23. The 1997 Act was amended extensively by the Planning etc (Scotland) Act 2006 to provide in Part 2 for strategic development planning: see section 2 of the 2006 Act. Section 4 of the amended 1997 Act empowers the Scottish Ministers to designate a group of planning authorities as authorities which are jointly to prepare a strategic development plan for the area which the Scottish Ministers determine (section 5(3)). Section 7 provides that a strategic development plan is to include a vision statement, which is to be a broad statement setting out the strategic development planning authority's views on how development could and should occur in its area and the matters, including infrastructure, which might affect that development. The 1997 Act provides for the preparation and publication of a proposed strategic development plan (section 10), the appointment by the Scottish Ministers of a reporter to examine the proposed plan (section 12), the approval or rejection of the proposed plan by the Scottish Ministers (section 13), and, on such approval, the publication of the constituted strategic development plan.

24. Section 22 empowers a strategic development planning authority to adopt and issue supplementary guidance in connection with a strategic development plan, which guidance has to be submitted to the Scottish Ministers who can by notice require the authority to modify it. The Town and Country Planning (Development Planning) (Scotland) Regulations 2008 (SSI 2008/426) provide (in regulation 27(2)) that such supplementary guidance may only deal with the provision of "further information or detail in respect of the policies or proposals set out in [the] plan and then only provided that those are matters which are expressly identified in a statement contained in the plan as matters which are to be dealt with in supplementary guidance".

25. Section 24 defines the development plan, which is an important concept in relation to decisions taken under the planning Acts, as including the provisions of the approved strategic development plan for the time being in force for the area and also the supplementary guidance issued in connection with that plan. The central

importance of the development plan to planning decisions can be seen in two provisions of the 1997 Act. First, section 25(1) provides:

“Where, in making any determination under the planning Acts, regard is to be had to the development plan, the determination is, unless material considerations indicate otherwise - (a) to be made in accordance with that plan ...”

Secondly, section 37(2) provides:

“In dealing with [an application for planning permission] the authority shall have regard to the provisions of the development plan, so far as material to the application, and to any other material considerations.”

Sections 25(1) and 37(2) in combination set up what has been called “a presumption that the development plan is to govern the decision on an application for planning permission”: *City of Edinburgh Council v Secretary of State for Scotland* 1998 SC (HL) 33, 43G; [1997] 1 WLR 1447, 1458 per Lord Clyde. I will return to these two provisions when I consider question (ii) below.

26. In order to address question (i) (the lawfulness of a planning condition) I refer to section 37(1) which provides:

“Where an application is made to a planning authority for planning permission - (a) ... they may grant planning permission, either unconditionally or subject to such conditions as they think fit”,

and section 41(1) which provides so far as relevant:

“Without prejudice to the generality of section 37(1) to (3), conditions may be imposed on the grant of planning permission under that section -

- a) for regulating the development or use of any land under the control of the applicant (whether or not it is land in respect of which the application was made) or requiring the carrying out of works on any such land, so

far as appears to the planning authority to be expedient for the purposes of or in connection with the development authorised by the permission;

b) for requiring the removal of any buildings or works authorised by the permission, or the discontinuance of any use of land so authorised, at the end of a specified period, and the carrying out of any works required for the reinstatement of land at the end of that period. ...”

27. Of direct relevance to question (ii) (the lawfulness of a planning obligation) is section 75 (as substituted by section 23 of the 2006 Act) which, so far as relevant, provides:

“(1) A person may, in respect of land in the district of a planning authority -

(a) by agreement with that authority, or

(b) unilaterally,

enter into an obligation (referred to in this section and in sections 75A to 75C as a ‘planning obligation’) restricting or regulating the development or use of the land, either permanently or during such period as may be specified in the instrument by which the obligation is entered into (referred to in this section and in those sections as the ‘relevant instrument’)

(2) Without prejudice to the generality of subsection (1), the reference in that subsection to restricting or regulating the development or use of land includes - (a) requiring operations or activities specified in the relevant instrument to be carried out in, on, under or over the land, or (b) requiring the land to be used in a way so specified.

(3) A planning obligation may - ...

(b) require the payment -

(i) of a specified amount or an amount determined in accordance with the relevant instrument. ...”

Section 75(5) provides that a relevant instrument, to which the owner of the land is a party, may be recorded in the Register of Sasines or registered in the Land Register of Scotland so that the planning authority may enforce certain obligations in the instrument against both the owner and his successors in title. Sections 75A and 75B provide for the modification and discharge of planning obligations by agreement with the planning authority or by the determination of the Scottish Ministers on an appeal.

Question (i): the lawfulness of a planning condition

28. A planning condition is a statutory creation. Section 37(1) of the 1997 Act (para 26 above) and similar legislative provisions in England and Wales (section 70(1) of the Town and Country Planning Act 1990 (“the 1990 Act”)) authorise a planning authority to impose planning conditions when it grants a planning permission. The apparently unlimited power (“subject to such conditions as they think fit”) has long been interpreted restrictively by the courts to prevent its abuse. The courts have formulated three principal constraints. First, the conditions must be imposed for a planning purpose and not solely to achieve some ulterior object, however desirable in the public interest that object may be. Secondly, the conditions must “fairly and reasonably relate to the permitted development”. Thirdly, the conditions must not be unreasonable in the *Wednesbury* sense (*Associated Provincial Picture Houses Ltd v Wednesbury Corp*n [1948] 1 KB 223, 233-234).

29. The first constraint arises from the statutory origin of the power of a planning authority to impose conditions: administrative law provides that it must be exercised for the purposes of the 1997 Act, namely planning purposes. The second constraint was first articulated by Lord Denning in *Pyx Granite Co Ltd v Ministry of Housing and Local Government* [1958] 1 QB 554, 575. His statement has been endorsed on several occasions by the House of Lords in *Fawcett Properties Ltd v Buckingham County Council* [1961] AC 636, *Mixnam’s Properties Ltd v Chertsey Urban District Council* [1965] AC 735, and *Newbury District Council v Secretary of State for the Environment* [1981] AC 578. It arises from the statutory context of the power in section 37: a planning authority is tasked with determining an application for planning permission on its merits having regard to the development plan so far as relevant and other material considerations; the power to attach conditions to the permission is an inherent part of the power to grant permission for the development

of land; therefore the conditions imposed on the grant of that permission must relate to the development for which permission is given. The third constraint is a feature of our administrative law.

30. The second legal requirement - that a condition must fairly and reasonably relate to the development - requires there to be a reasonably close relationship between the development and the condition which governs it. In *British Airports Authority v Secretary of State for Scotland* 1979 SC 200 the Inner House looked for a “clear relationship” between the condition and the permitted development (218 per the Lord President (Emslie)) or “a recognised and real relationship ... that is fair and reasonable” (220 per Lord Cameron).

31. Such a relationship between a condition and the permitted development existed where a planning authority imposed a negative suspensive condition, that development of a site should not commence until an event had occurred which the developer alone did not have power to bring about. In *Grampian Regional Council v Secretary of State for Scotland and City of Aberdeen District Council* 1984 SC (HL) 58 the House of Lords upheld the validity of such a condition which overcame an objection to a proposed industrial development on the ground of road traffic safety. The condition was that the development of the site could not commence until the road on the western boundary of the site had been closed by a road closure order which the Secretary of State would have to confirm. In the leading speech, Lord Keith of Kinkel (pp 66-67) accepted the three tests which I have stated in para 28 above and which have come to be associated with the *Newbury* case and held that the condition met the third test because it was not unreasonable to impose such a condition which was in the public interest and where there were reasonable prospects that a road closure order would be confirmed.

32. The three-fold legal test for validity, having been repeatedly approved by judges at the highest level, is an established part of planning law. Other rules of administrative law, such as the requirement to take account of all relevant considerations and not to take account of irrelevant considerations in decision-making, apply to a decision to impose a particular condition.

Question (ii): the lawfulness of a planning obligation

33. A planning obligation also is a statutory creation. As with a particular planning condition, the lawfulness of a particular obligation depends upon (i) the wording of the statute, and (ii) the rules of our administrative law.

34. Section 75 of the 1997 Act, like its predecessor legislation (section 50 of the Town and Country Planning (Scotland) Act 1972), requires that the obligation restricts or regulates the development or use of the land to which it relates. As section 75(3)(b) shows, the planning obligation can include the payment of money.

35. Prima facie the planning authority is given a wide discretion as to the circumstances in which it can seek a planning obligation and the nature of that obligation. While it is not uncommon for planning authorities to duplicate some planning conditions in a section 75 agreement and thereby obtain an alternative means of enforcement, planning obligations also enable a planning authority to control matters which it might otherwise have no power to control by the imposition of planning conditions. Planning obligations are most commonly required in the context of an application for planning permission, but they are not confined to such circumstances and are available as a means of keeping land free from any development. It is not surprising therefore that there is no general legal requirement that there be a relationship to a permitted development.

36. In *Good v Epping Forest District Council* [1994] 1 WLR 376, in which Ralph Gibson LJ delivered the leading judgment, the Court of Appeal addressed the question whether a planning authority could validly achieve by agreement any purpose which it could not validly achieve by planning condition or whether the test for validity was the same in each case. In substance, the Court held that the powers of a planning authority to bring about a planning obligation were not controlled by the nature and extent of its statutory powers to grant planning permission subject to conditions (p 387C). A planning obligation did not have to relate to a permitted development.

37. In *Tesco Stores Ltd v Secretary of State for the Environment* [1995] 1 WLR 759, which I discuss more fully when addressing question (iii) below, both Lord Keith of Kinkel (769B-C) and Lord Hoffmann (779C-D) referred with approval to the judgment of the Court of Appeal in *Good v Epping Forest District Council* (above). Lord Hoffmann (779D) summarised the case thus: “the only tests for the validity of a planning obligation outside the express terms of section 106 [of the 1990 Act] are that it must be for a planning purpose and not *Wednesbury* unreasonable”. Thus beyond the restrictions implicit in the words of the section there are only the constraints of administrative law, which requires the planning authority to exercise its power to seek a planning obligation for a planning purpose: its exercise solely for a purpose unrelated to land use planning would be an abuse of power. Similarly, if a local planning authority acts unreasonably in the *Wednesbury* sense in requiring the undertaking of a planning obligation, the obligation may be reduced (nullified). Other rules of administrative law, such as the requirement to take into account all relevant considerations, also apply.

38. The express words of section 75 require a relationship between the planning obligation and the land to be burdened by the obligation because the obligation must in some way restrict or regulate the development or the use of that land. But those restrictions or regulation do not necessarily relate to a particular permitted development on the burdened land. A planning obligation may prohibit the development of the land in a particular way or the use of the land for particular purposes. A planning obligation may keep the burdened land free from any development and may be entered into in circumstances which are not connected with any planning application.

39. Restrictions may validly be imposed in the context of the development of another site. Thus, to take an example discussed in *Good v Epping Forest District Council*, the owner of two farms, A and B, within the area of a planning authority might apply for planning permission to develop and operate an intensive breeding establishment on farm A. The owner of the farms might offer, or the planning authority might require, a section 75 planning obligation preventing the use of farm B for that purpose. The restriction would relate to farm B and would be justified for the planning purpose of preventing an undesirable number of such establishments in the same area.

40. A planning obligation may also regulate the development or use of the burdened site. An example, in the context of a planning application, is where a planning obligation requires the developer to provide affordable housing as a component of a development on its site or to create specified infrastructure on its land to meet the needs of that development.

41. Similarly, a planning authority may contract for the payment of financial contributions towards, for example, educational facilities, healthcare facilities, sewerage or waste and re-cycling: requiring a development to contribute to, or meet, its own external costs in terms of infrastructure involves regulating the development of the land which is burdened by the obligation. The financial contribution can be applied towards infrastructure necessitated by the cumulative effects of various developments, so long as the land which is subject to the planning obligation contributes to that cumulative effect and thereby creates a sufficient relationship between the obligation in question and the land so that one can fairly speak of the obligation as regulating the development of the land.

42. In each of the examples in paras 38-41 above the restriction or regulation serves a purpose in relation to the development or use of the burdened site. In this appeal a question of principle arises: can a restriction or regulation of a site be imposed in the form of a negative suspensive planning obligation, analogous to the negative suspensive planning condition in the *Grampian Regional Council* case, for a purpose which does not relate to the development or use of the site? In particular,

is it lawful by planning obligation to restrict the commencement of the development of a site until the developer undertakes to make a financial contribution towards infrastructure which is unconnected to the development of the site? Alternatively, is it lawful to require contributions towards such infrastructure in a planning obligation which does not restrict the development of the site by means of a negative suspensive obligation?

43. The answer to each question is no. Dealing first with the latter question, a planning obligation which required a developer to contribute to infrastructure unconnected with its development but did not make the payment of the contribution a pre-condition of development of the site would not fall within section 75 as it would neither restrict nor regulate the development or use of the site. In *Tesco Stores Ltd v Secretary of State for the Environment* (1994) 68 P & CR 219, Beldam LJ (pp 234-235) stated:

“In section 106(1) [of the 1990 Act] the obligations referred to in subsections (a), (b) and (c) clearly relate to the land in which the person entering into the obligation is interested. The obligation entered into by a person interested in land under subsection (d) to pay money to the authority is not expressed to be restricted to the payment of money for any particular purpose or object. But all the planning obligations are, by section 106(3), enforceable not only against the person entering into the obligation but also against his successors in title to the land. Against the background that it is a fundamental principle that planning permission cannot be bought or sold, it does not seem unreasonable to interpret subsection (1)(d) so that a planning obligation requiring a sum or sums to be paid to the planning authority should be for a planning purpose or objective which should be in some way connected with or relate to the land in which the person entering into the obligation is interested.”

In my view, this analysis is equally applicable to section 75 of the 1997 Act which, in so far as is relevant, is in substantially similar terms as section 106 of the 1990 Act (as substituted by section 12(1) of the Planning and Compensation Act 1991) as the obligations in section 106(1)(a) - (d) are reflected in section 75(1)(2) and (3)(b).

44. A planning obligation, which required as a pre-condition for commencing development that a developer pay a financial contribution for a purpose which did not relate to the burdened land, could be said to restrict the development of the site, but it would also be unlawful. Were such a restriction lawful, a planning authority could use a planning obligation in the context of an application for planning

permission to extract from a developer benefits for the community which were wholly unconnected with the proposed development, thereby undermining the obligation on the planning authority to determine the application on its merits. Similarly, a developer could seek to obtain a planning permission by unilaterally undertaking a planning obligation not to develop its site until it had funded extraneous infrastructure or other community facilities unconnected with its development. This could amount to the buying and selling of a planning permission. Section 75, when interpreted in its statutory context, contains an implicit limitation on the purposes of a negative suspensive planning obligation, namely that the restriction must serve a purpose in relation to the development or use of the burdened site. An ulterior purpose, even if it could be categorised as a planning purpose in a broad sense, will not suffice. It is that implicit restriction which makes it both ultra vires and also unreasonable in the *Wednesbury* sense for a planning authority to use planning obligations for such an ulterior purpose.

45. It is, perhaps, surprising that the legal boundaries of a planning obligation have not been the subject of more extensive judicial comment, beyond the cases discussed in *Good v Epping Forest District Council*, the comment by Beldam LJ in the Court of Appeal in *Tesco* (para 43 above), and the opinion of Lord MacLean in *McIntosh v Aberdeenshire Council* 1999 SLT 93 (which upheld the validity of a planning obligation to build an estate road to serve the owner's development of his land and also to facilitate the development of neighbouring land in third party ownership) when the risk of misuse of planning obligations has long been recognised as a matter of policy. There were concerns that some planning authorities were tempted to make exorbitant demands for what has been called "planning gain", to confer benefits on the community which were not part of the developer's original proposal. A developer in order to obtain a planning permission might be forced to incur disproportionate costs in providing such gains which were unrelated or insufficiently related to its development or otherwise suffer the delay and expense of an appeal to the Scottish Ministers. This practice risked bringing the planning system into disrepute. In 1981, in a report to the Secretary of State for the Environment called "Planning Gain", the Property Advisory Group advised that planning obligations be used only to overcome legitimate planning objections to an application for planning permission and that the practice of bargaining with developers for planning gain was unacceptable. The report, which was criticised for taking too narrow an approach to the planning process, advocated that the Secretary of State should issue guidance. The Department of the Environment and the Welsh Office produced such guidance in 1983 in circular 22/83, which sought to control rather than exclude the pursuit of planning gain. In Scotland, the Scottish Development Department issued a circular in 1984, entitled "Section 50 Agreements" (SDD circular 22/1984). Current guidance on the use of planning obligations in Scotland is contained in the Circular (para 5 above). As I explain when addressing question (iv) below, this guidance, while an important statement of national policy, does not have the force of law.

46. There was also a perceived risk that developers, who were each promoting a different site in a competition for what might be an exclusive permission to develop one of the sites, would offer to enter into an obligation with the planning authority to fund infrastructure or other community facilities which were unrelated or only marginally related to their developments. This practice similarly threatened to bring the planning system into disrepute, by creating the impression that they were buying planning permissions. In the heady days of the “store wars”, major supermarket chains competed with each other before planning authorities and in planning appeals to obtain permission to develop rival sites up and down the United Kingdom. This competition, which often involved offers to provide “planning gain”, led to authoritative judicial guidance on the relevance of a planning obligation to the grant or refusal of a planning permission, which I now consider under question (iii).

Question (iii): the role of the planning obligation in the grant or refusal of planning permission

47. What is the role of a planning obligation in the decision to grant or refuse planning permission? In Scotland that decision is governed by section 37(2) of the 1997 Act which requires that the planning authority have regard to the provisions of the development plan, so far as material to the application, and to any other material considerations (para 25 above). In *Tesco Stores Ltd v Secretary of State for the Environment* (above) the House of Lords, when considering a legislative provision in identical terms (section 70(2) of the 1990 Act), gave guidance on the relevance of a planning obligation to the grant or refusal of planning permission. That guidance is not challenged in this appeal.

48. In the leading speech, which Lord Keith of Kinkel delivered, the House held that for a planning obligation to be a “material consideration”, which it interpreted as a “relevant consideration” (764G), in the decision whether to grant planning permission, the obligation must have some connection with the proposed development which is not de minimis (ie too trifling for the law to be concerned with it). In what follows, I paraphrase the Latin phrase as “trivial”. Lord Keith described the relevance of a planning obligation in these terms (770A-B):

“An offered planning obligation which has nothing to do with the proposed development, apart from the fact that it is offered by the developer, will plainly not be a material consideration and could be regarded only as an attempt to buy planning permission. If it has some connection with the proposed development which is not de minimis, then regard must be had to it.”

49. In that case, developers, including Tesco and Tarmac, which was associated with Sainsburys, competed to obtain planning permission for their sites for a superstore outside the centre of Witney in Oxfordshire. The Witney local plan proposed a new link road, including a new river crossing, to relieve traffic congestion. Tesco entered into a planning obligation with the planning authority under section 106 of the 1990 Act to fund that road. The Secretary of State on appeal favoured the Tarmac site and refused permission to the Tesco application, holding that the link road was not needed to enable any of the food stores to be developed or so directly related to any of the developments or the use of the land after completion that any of the developments should not be permitted without it. Tesco appealed under section 288 of the 1990 Act, arguing that the Secretary of State had erred in law in not treating the offer to fund in the planning obligation as a material consideration. The House held that the Secretary of State had correctly had regard to the offer but had chosen in the exercise of his planning judgement to attach little weight to it and so had not erred in law.

50. No challenge was made in *Tesco*, in the House of Lords or in the courts below it, to the validity of the planning obligation: the question whether the obligation regulated the development of Tesco's site was not put in issue and only Beldam LJ commented on the legality of an obligation to contribute money (para 43 above).

51. The inclusion of a policy in the development plan, that the planning authority will seek such a planning obligation from developers, would not make relevant what otherwise would be irrelevant. Section 37(2) (para 25 above) requires the planning authority to have regard to the provisions of the development plan "*so far as material to the application*" and treats its provisions as a relevant consideration only to that extent. Thus, a green belt policy will be relevant to an application if the site of the application falls within the specified green belt and a requirement that a certain amount of open space is provided in a proposal for residential development will be relevant to an application for residential development. Similarly, a requirement in the plan that an applicant should agree to contribute to the cost of offsite infrastructure, which is related to its development, will be relevant to the application. But the words, which I have emphasised, mean that if a planning obligation, which is otherwise irrelevant to the planning application, is sought as a policy in the development plan, the policy seeking to impose such an obligation is an irrelevant consideration when the planning authority considers the application for planning permission.

52. It is important to recall that the question whether a benefit conferred by a planning obligation is a material consideration in the determination of an application for planning permission is quite separate from the question whether a planning obligation restricts or regulates the development or use of a particular piece of land. Thus, to use the example of the farmer with two farms, A and B. He wishes to develop farm A and is prepared to enter into a planning obligation to restrict the

development or use of farm B in the context of his negotiation of a permission for farm A. The legality of the planning obligation in relation to farm B will depend, among other things, on whether it restricts or regulates the development or use of farm B. The relevance of the planning obligation to the determination of the application in relation to farm A depends upon there being a more than trivial connection between the benefit conferred by controlling farm B and the development of farm A, as the *Tesco* case decided.

Question (iv): The boundary between questions of legality and questions of policy

53. Relevant ministerial guidance which sets out national planning policy is unquestionably a material consideration for any planning authority when it determines applications for planning permission. A failure by a planning authority to take into consideration national guidance, such as that in the Circular (para 5 above) on the tests which a planning authority should apply when deciding whether to seek a planning obligation, would be unlawful. Further, if a planning authority were to depart from national planning guidance when refusing an application for planning permission, it might risk an appeal by the disappointed applicant to the Scottish Ministers. But a decision by the planning authority is not illegal if it departs from ministerial guidance in a planning circular, provided that the authority has treated that guidance as a relevant consideration when it reached its decision.

54. In *Tesco* (above) Lord Hoffmann pointed out (780F-G) that the law has always made “a clear distinction between the question of whether something is a material consideration and the weight which it should be given”. The former is a question of law; the latter is a matter for the planning judgement of the planning authority. Accordingly, a failure by a planning authority to have regard to relevant guidance as a material planning consideration would be an error of law. A decision, after considering the guidance, not to follow it, would (absent another ground of challenge in administrative law) be a matter of planning judgement, in which the courts have no role.

The legality of Elswick’s planning obligation

55. What is the nature of the scheme which the SG has established?

56. First, it involves the payment by developers of financial contributions towards the funding of specified transport infrastructure in and around Aberdeen, principally through the mechanism of planning obligations. It involves the pooling of the contributions and no one developer is liable for the costs of any of the specified interventions (paras 1.5 and 3.3 and Appendix 2). Secondly, the obligation

to contribute to the Fund is in addition to the requirement that a developer mitigate impacts specific to its development (para 4.8). Thirdly, the contributions from residential developers are fixed at a sum per unit (Table 1 summarised in para 12 above). Fourthly, those payments are not tied to the impact of a particular development on the transport network. The original table 7.2 in the CTA suggested that there was no connection between traffic generated by certain developments and the need to intervene at particular hotspots. The revised table 7.2 which is referred to in para 7.3 of the SG and reproduced in Appendix 2 shows that some vehicles from each of the developments will use the proposed infrastructure but in many cases such use is at a very low level.

57. Fifthly, the opt-out which para 5.4 of the SG offers (para 13 above) does not make the scheme voluntary in any real sense. The developer is still expected to provide a contribution towards the cumulative impact of the developments on infrastructure over and above the impact of its individual development and the paragraph understandably expresses doubt whether a developer could create the needed assessment, design and provide for the necessary mitigation measures. Unless a developer were able to perform this daunting task and persuade the planning authority that it was robust, it is clear that the scheme envisages that it would not obtain planning permission for its development.

58. Sixthly, the statement in para 6.1 that the use of any planning obligation shall follow the guidance in the Circular is inconsistent with the nature of the scheme. This is because the pooling of fixed per unit contributions towards the funding of infrastructure interventions, which include many on which a particular development's impact is minimal, does not meet the criterion in the Circular that the obligation is fairly and reasonably related in scale and kind to the proposed development. The statement which the Scottish Ministers inserted into the SG therefore is no safeguard.

59. As the Lord President has observed, there appears to be much that can be said in favour of such a scheme. It enables a planning authority to facilitate development within its area. Inclusion of such a scheme in a development plan allows a public debate during the statutory process of the approval of the plan. The scheme allows developers in the area to assess the viability of their proposed developments knowing the extent of their liability to the Fund before they spend large sums pursuing their applications. In England and Wales Part 11 of the Planning Act 2008, which provided for a community infrastructure levy, was enacted to achieve similar ends.

60. But the 1997 Act does not allow for such a scheme. The Inner House has found that the connection between certain developments, including the development at Elswick, and some of the interventions which the pooled Fund is intended to finance

is at best trivial. The illegality of the scheme is not because it does not comply with the Circular. The guidance in the Circular is simply a material consideration which the planning authority must take into account when deciding whether to grant planning permission. The weight which the planning authority attaches to such guidance is a matter of planning judgement. The scheme of the SG and the planning obligations which it promotes are unlawful for two separate reasons.

61. First, the requirement imposed on a developer to contribute to the pooled Fund, which is to finance the transport infrastructure needed to make acceptable all of the developments which the development plan promotes, entails the use of a developer's contribution on infrastructure with which its development has no more than a trivial connection and thus is not imposed for a purpose in relation to the development and use of the burdened site as section 75 requires.

62. Further, the Council did not include any provision in the planning obligation restricting the development of the Elsieck site until a contribution was made. Instead it resolved to grant planning permission for the development but to issue that permission only once Elsieck had entered into the obligation. The planning obligation was therefore neither restricting nor regulating the development of the Elsieck site and so was outside the ambit of section 75.

63. Secondly, *Tesco* (above) establishes that for a planning obligation, which is to contribute funding, to be a material consideration in the decision to grant planning permission, there must be more than a trivial connection between the development and the intervention or interventions which the proposed contribution will fund. The planning obligation which Elsieck entered into could not be a relevant consideration in the grant of the planning permission. In my view, it was not within the power of the planning authority to require a developer to enter into such an obligation which would be irrelevant to its application for permission as a precondition of the grant of that permission.

64. If planning authorities in Scotland wish to establish a local development land levy in order to facilitate development, legislation is needed to empower them to do so.

Conclusion

65. I would dismiss the appeal.

