

# Public Document Pack



To: All Members of the Council

Town House,  
ABERDEEN, 13 June 2017

## **COUNCIL**

The Members of the **COUNCIL** are requested to meet in Council Chamber - Town House on **WEDNESDAY, 21 JUNE 2017 at 10.30am.**

FRASER BELL  
HEAD OF LEGAL AND DEMOCRATIC SERVICES

## **B U S I N E S S**

### **ADMISSION OF BURGESSES**

1. Admission of Burgesses

### **DETERMINATION OF URGENT BUSINESS**

2. No urgent business at this stage

### **DETERMINATION OF EXEMPT BUSINESS**

3. Members are requested to determine that the exempt business be considered with the press and public excluded

### **DECLARATIONS OF INTEREST**

4. Declarations of Interest

## **REQUESTS FOR DEPUTATION**

5. No requests at this stage

## **MINUTES OF PREVIOUS MEETING(S) OF COUNCIL**

- 6.1 Minute of Meeting of Aberdeen City Council of 22 February 2017 - for approval (Pages 5 - 34)
- 6.2 Minute of Meeting of Aberdeen City Council of 15 March 2017 - for approval (Pages 35 - 56)
- 6.3 Minute of Meeting of Aberdeen City Council of 17 May 2017 - for approval (Pages 57 - 76)

## **REFERRALS FROM COMMITTEES IN TERMS OF STANDING ORDER 31**

7. No referrals at this stage

## **BUSINESS STATEMENT, MOTIONS LIST, TRACKER AND OTHER MINUTES**

- 8.1 Business Statement (Pages 77 - 84)
- 8.2 Motions List (Pages 85 - 86)
- 8.3 Tracker (Pages 87 - 88)

## **GENERAL BUSINESS**

- 9.1 Exercise of Delegated Powers - Kingsmead Nursing Home - OCE/17/013 (Pages 89 - 94)
- 9.2 Aberdeen City Integration Joint Board - OCE/17/013 (Pages 95 - 148)
- 9.3 Governance Review: Integration of Health and Social Care - Delegation of Powers and Procurement - CG/17/075 (Pages 149 - 160)
- 9.4 Appointments to Outside Bodies, Amendments to Committee Places and Council Diary - CG/17/078 (Pages 161 - 214)
- 9.5 Final Update on the Improvement Plan Following the 2013 Community Planning Audit - CHI/17/110 (Pages 215 - 230)

- 9.6 Fairer Aberdeen Fund 6 Month Progress Report 2016-17 - CHI/17/111 (Pages 231 - 248)
- 9.7 Site OP40, Prime Four Business Park, Kingswells (161429) - Major development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works (Pages 249 - 476)
- The documents associated with this application can be found at:-
- <https://publicaccess.aberdeencity.gov.uk/>
- 9.8 Proposed Planning Obligations Supplementary Guidance - CHI/17/155 (Pages 477 - 502)
- 9.9 Bus Service Options (Pages 503 - 514)
- 9.10 Air Quality Low Emission Zones - CHI/17/141 (Pages 515 - 522)
- 9.11 Equalities Outcomes and Mainstreaming Report - CHI/17/054 (Pages 523 - 540)

### **NOTICES OF MOTION**

#### 10.1 Councillor Cooke

1. Council notes that the Gordon Highlanders Museum is the only five star rated visitor attraction in the city, and is important in attracting visitors to Aberdeen; and that it also represents an important educational resource. Council also notes the close and long-standing connections between Aberdeen and this historic regiment.
2. Council further notes that the museum is facing a funding crisis due to a drop in income from its commercial activities, resulting from the recent downturn in the local economy; and has launched an appeal to raise £300,000 over a three year period; but expects to be able to return to being self-funding thereafter.
3. Council therefore instructs officers to investigate what financial support can be provided by the council to the museum to help ensure the survival and future success of this superb facility, given its economic, educational and cultural importance; and to report back with recommendations to the Finance, Policy and Resources Committee.

## 10.2 Councillor Greig

That this Council:

1. Believes that the best way to promote peace and harmony in the world is to build cultural, academic and economic bridges.
2. Rejects any attempts to drive individuals, families and legitimate businesses away from Aberdeen on grounds of race, religion or country of origin and condemns any organisation that pursues such a policy.

## 10.3 Councillors Lumsden and Laing

Request that the Head of Legal and Democratic Services brings a report to the next Full Council meeting recommending how the role of Leader of the Council can be carried out by Co-Leaders, without there being a Deputy Leader, in a way that complies with the governance framework of the Council including any provisions in the Standing Orders.

### **EXEMPT BUSINESS**

11.1 Aberdeen International Youth Festival Governance Review - ECS/17/037 (Pages 541 - 550)

11.2 Aberdeen City - Residential Nursing Home Provision - HSCP/17/057 (Pages 551 - 566)

11.3 Complaints Review Committee - 21 February 2017 - CG/17/077 (Pages 567 - 576)

### **CONFIDENTIAL BUSINESS**

11.4 Minute of Meeting of Appeals Committee of 19 April 2017 - for approval (Pages 577 - 580)

EHRIAs related to reports on this agenda can be viewed at  
[Equality and Human Rights Impact Assessments](#)

To access the Service Updates for Council please use the following link:  
<https://committees.aberdeencity.gov.uk/ecCatDisplayClassic.aspx?sch=doc&cat=13450&path=0>

Should you require any further information about this agenda, please contact Martyn Orchard, tel. 01224 523097 or email [morchard@aberdeencity.gov.uk](mailto:morchard@aberdeencity.gov.uk)

## ABERDEEN CITY COUNCIL

Town House,  
ABERDEEN, 22 February 2017

### MINUTES OF MEETING OF ABERDEEN CITY COUNCIL

Sederunt:

Lord Provost George Adam, Chairperson;  
Depute Provost John Reynolds; and

#### COUNCILLORS

YVONNE ALLAN	LEONARD IRONSIDE, CBE
MARIE BOULTON	MURIEL JAFFREY
DAVID CAMERON	JENNIFER LAING
SCOTT CARLE	GRAEME LAWRENCE
NEIL COONEY	NEIL MacGREGOR
NEIL COPLAND	M. TAUQEER MALIK
JOHN CORALL	AILEEN MALONE
WILLIAM CORMIE	RAMSAY MILNE
BARNEY CROCKETT	JEAN MORRISON, MBE
STEVEN DELANEY	NATHAN MORRISON
GRAHAM DICKSON	ALEXANDER NICOLL
ALAN DONNELLY	JAMES NOBLE
JACQUELINE DUNBAR	GILLIAN SAMARAI
LESLEY DUNBAR	JENNIFER STEWART
ANDREW FINLAYSON	SANDY STUART
STEPHEN FLYNN	ANGELA TAYLOR
GORDON GRAHAM	GORDON TOWNSON
ROSS GRANT	WILLIAM YOUNG
MARTIN GREIG	and
MICHAEL HUTCHISON	IAN YUILL

Lord Provost George Adam, in the Chair;

**The agenda and reports associated with this minute can be found at:-**  
<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=122&MId=5544&Ver=4>

**Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.**

Council Meeting, 22 February 2017

**The Lord Provost intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency in order to comply with the Council decision of 6 October 2016.**

**ABERDEEN: THE SMARTER CITY - PROGRESS REPORT 2012-2017**

1. With reference to Article 12 of the minute of its meeting of 6 October 2016, the Council had before it a report by the Chief Executive which responded to the decision to present a legacy report on the work of the Council for the period May 2012 to present to be included in the Council Tax bills for 2017/18.

**The report recommended:-**

that the Council -

- (a) note the content of the progress report; and
- (b) agree to the inclusion of the report in Council Tax bills for 2017/18.

Councillor Flynn moved as a procedural motion, seconded by Councillor Yuill:-

That Standing Order 22(1) be suspended in order that there be no decision to present a legacy report to be included in the Council Tax bills, and therefore that the report not be considered this day.

On a division, there voted:-

For the procedural motion (20) - Councillors Cameron, Copland, Corall, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Malone, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

Against the procedural motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

**The Council resolved:-**

to reject the procedural motion and therefore consider the report this day.

At this juncture, Councillor Laing proposed that the report on the Common Good Budget 2017/18 to 2021/22 be referred simpliciter to the Finance, Policy and Resources Committee on 9 March 2017.

**The Council further resolved:-**

that the report on the Common Good Budget 2017/18 to 2021/22 be referred simpliciter to the Finance, Policy and Resources Committee on 9 March 2017.

**The Council further resolved:-**

to approve the recommendations in the report as outlined above.

Council Meeting, 22 February 2017

## **STRATEGIC BUSINESS PLAN REFRESH 2017-2018 - OCE/17/002**

2. The Council had before it a report by the Chief Executive which presented the refreshed Strategic Business Plan for 2017-2018.

### **The report recommended:-**

that the Council note the content of the refreshed Strategic Business Plan 2017-2018.

### **The Council resolved:-**

to approve the recommendation.

## **GENERAL FUND REVENUE BUDGET 2017/18 TO 2021/22 AND NON-HOUSING CAPITAL PROGRAMME 2017/18 TO 2021/22 - CG/17/015**

3. The Council had before it a report by the Interim Director of Corporate Governance which provided details of the Non-Housing Capital Programme 2017/18 to 2021/22 and how it impacted on the Council's balance sheet, along with a high level summary of the Council's revenue budget for the next five years and a detailed revenue budget for 2017/18.

### **The report recommended:-**

that the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

### **Balance Sheet Recommendations**

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached at Appendix 1, and by doing so note that the Council would be maintaining the level of debt over the next 5 years as advised to Moody's the credit rating agency;
- (d) consider the items in Paragraph 5.20 which were not currently included in the capital budget;
- (e) approve the Prudential Indicators as attached at Appendix 2 to the report, and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due; and
- (f) approve the recommended use of reserves for 2017/18 as attached at Appendix 3 which specifically included a Risk Fund and non-earmarked reserves.

### **Revenue Budget Recommendations**

### **Long Term and Medium Term**

## Council Meeting, 22 February 2017

- (g) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35;
- (h) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4; and
- (i) approve the creation of a 'Change Fund' reserve of £8million, as described in paragraph 5.41.

Short Term

- (j) set a balanced revenue budget for 2017/18, by selecting service options contained in Appendix 6;
- (k) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within its legal powers to do so (further details given in Section 3 of the report);
- (l) approve the level of funding for 2017/18 in relation to the Integration Joint Board (IJB), and note that it would be for the IJB itself to determine which savings options to take from Appendix 7;
- (m) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 and note that it would also have to be approved by NHS Grampian and the IJB;
- (n) approve the setting aside of the underspend in 2016/17 for procurement of services to support the change plans set out in the strategic plan, and severance payments;
- (o) consider the items in Paragraph 5.67 which were not currently included in the revenue budget; and
- (p) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (q) note the changes made to the multipliers of bands E through to H within the Council Tax;
- (r) instruct officers whether Council was exercising the flexibility to increase Council Tax under the local government finance circular; and
- (s) consider the introduction of a local Non-Domestic Rates relief scheme as discussed in Paragraph 5.54, and if a decision was taken to introduce a scheme, delegate the finalisation of the scheme to the Chief Executive, in conjunction with group leaders.

Councillor Laing moved, seconded by Councillor Boulton:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial



## Council Meeting, 22 February 2017

reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non Housing Capital Programme as attached and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) instruct the Chief Executive to report back to the Finance, Policy and Resources Committee on 9 March 2017 on the uncommitted funding detailed within the Non Housing Capital Programme attached;
- (e) await the outcome of the four STAG appraisals as agreed within the City Region Deal with both the UK and the Scottish Governments, and to instruct the Chief Executive to begin dialogue with partners in relation to developing strategic transport proposals under a second City Region Deal;
- (f) approve the Prudential Indicators as attached and by doing so note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due; and
- (g) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report and the attached budget for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan.

Revenue Budget RecommendationsLong Term and Medium Term

- (h) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (i) note the Medium Term and Long Term Financial Plans as shown in Appendix 4 of the report.

Short Term

- (j) approve the attached balanced revenue position for 2017/18, which included a contribution to the Change Fund reserve of £3.1million;
- (k) approve the level of funding for 2017/18 in relation to the IJB and note that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;
- (l) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and note that it would also have to be approved by NHS Grampian and the IJB; and
- (m) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the

## Council Meeting, 22 February 2017

Attainment Fund would be utilised, and provide reassurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (n) agree to freeze Council Tax at 2016/17 levels for 2017/18;
- (o) note that the Scottish Government had legislated to change the Council Tax multipliers for properties in Bands E-H which led to an increase of 7.5% to 22.5% in Council Tax for these bands; and
- (p) note the announcement of the Scottish Government proposing additional business rates relief and instruct the Chief Executive to consider this announcement in relation to Appendix 9 of the report and report to the Finance, Policy and Resources Committee on 9 March 2017.

Other

- (q) instruct the Chief Executive to prepare a business case around the feasibility of Aberdeen City Council introducing Low Emission Zones throughout the city. To agree that the Scottish Government, partner organisations and stakeholders had significant roles in the development of any business case and that the business case must reflect the legislative position of the Scottish Government and instruct the Chief Executive to provide members with an initial report at the June 2017 Council meeting on progress;
- (r) instruct the Chief Executive to sign the Construction Standards Charter between the Council and UCATT;
- (s) agree to allocate £50,000 from the Cycling Walking Safer Streets capital grant towards upgrading for cycle routes throughout Aberdeen;
- (t) agree to allocate £50,000 from Cycling Walking Safer Streets capital grant to enable street lighting to be installed on the remaining unlit section of Cove Road;
- (u) instruct the Chief Executive to report to the March 2017 Council meeting on the feasibility of building 2,000 Council houses;
- (v) agree to allocate £826,000 to accelerate the upgrade of play parks;
- (w) agree to allocate £976,000 to allow for the further expansion of Pupil Support Assistants back into schools to help raise attainment, and instruct the Director of Education and Children's Services to report to the Education and Children's Services Committee on how this would be implemented; and
- (x) agree to maintain the grant funding to Sport Aberdeen at current levels subject to Sport Aberdeen implementing the 1% pay rise received by local government for 2016/17 and the nationally agreed increase for 2017/18.

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## Administration Budget Proposals

2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
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<b>Deficit per Council Report</b>	<b>17,244</b>	<b>37,383</b>	<b>55,701</b>	<b>71,037</b>	<b>86,074</b>
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## Appendix 6 (Savings Proposals)

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)	(500)	(500)	(500)	(500)
SO9	Energy Efficiency	(720)	(720)	(720)	(720)	(720)
SO14	Absorb Communities and Housing Commissioned Services into Alternative Existing Resources	(260)	(260)	(260)	(260)	(260)
SO30	Tyre Management System	(18)	(18)	(18)	(18)	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)	(23)	(23)	(23)	(23)
SO33	Community Planning - ACC maintain website and budget adjustment re Civic Forum support	(20)	(20)	(20)	(20)	(20)
SO34	Reconfigure International Travel Budgets	(20)	(20)	(20)	(20)	(20)
SO35	School Transport Redesign	(100)	(100)	(100)	(100)	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)	(52)	(52)	(52)	(52)
SO37	Reduce Corporate Training Budget & Service Training Budgets	(214)	(214)	(214)	(214)	(214)
SO38	Review and reduce Overtime Budgets.	(150)	(150)	(150)	(150)	(150)
SO45	Bulk Buy Fuel	0	(100)	(100)	(100)	(100)
SO48	Funding for Former Director's Post - Enterprise Strategic Planning & Infrastructure	(152)	(152)	(152)	(152)	(152)
SO66	Restructure Curricular Support	(285)	(285)	(285)	(285)	(285)
SO69	Head Teacher Woodlands	(47)	(70)	(70)	(70)	(70)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)	(30)	(30)	(30)	(30)
SO71	GIRFEC - Review of Establishment	(28)	(42)	(42)	(42)	(42)
SO90	City Centre Master Plan - Review of Structure	(5)	(5)	(5)	(5)	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)
SO114	Smarter Procurement	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO118	Remove allowances for eye examinations and contribution for spectacles.	(13)	(13)	(13)	(13)	(13)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)	0	0	0	0
SO136	Saving arising from management structure changes within the Office of the Chief Executive	(106)	(106)	(106)	(106)	(106)
SO138	Running Costs of new A96 Park & Choose Site	(83)	(83)	(83)	(83)	(83)
	<b>Total Efficiency Options</b>	<b>(16,301)</b>	<b>(17,713)</b>	<b>(17,713)</b>	<b>(17,713)</b>	<b>(17,713)</b>
SO1	Increased Income Generation from Building Services Trading Account	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
SO22	Generate Income from Rental of the Quad at Marischal College for Events	(10)	(10)	(10)	(10)	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)	(86)	(86)	(86)	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)	0	0	0	0
SO28	Building Standards to Generate Income for Services	(50)	(50)	(50)	(50)	(50)

## Council Meeting, 22 February 2017

SO44	Aberdeen Learning Festival to become self funding in collaboration with Northern Alliance	(46)	(46)	(46)	(46)	(46)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)	(200)	(200)	(200)	(200)
SO58	Shared Procurement Service with Highland Council	(50)	(50)	(50)	(50)	(50)
SO94	Charging for activities run by the archivist	(15)	(14)	(14)	(14)	(14)
SO112	Reduce Council Tax Second Home Discount	(100)	(100)	(100)	(100)	(100)
SO113	Leased Asset Maximisation - Beach Ballroom	(324)	(324)	(324)	(324)	(324)
SO124	Increase Income at Adventure Aberdeen	(25)	(50)	(75)	(100)	(125)
SO133	Increase in Property/Conveyancing Fees	(7)	(7)	(7)	(7)	(7)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)	(200)	(200)	(200)	(200)
SO140	Realignment of low level budgets.	(79)	(79)	(79)	(79)	(79)
SO141	Planning Agreement Fees	(11)	(11)	(11)	(11)	(11)
<b>Total Income/Cost Recovery Options</b>		<b>(2,317)</b>	<b>(2,227)</b>	<b>(2,252)</b>	<b>(2,277)</b>	<b>(2,302)</b>
SO19	Delivery of Business Support Services/Digitisation Programme - Transformation Activity	(3,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO86	Restructure Central Support (PPR)	(229)	(229)	(229)	(229)	(229)
<b>Total Transformation Options</b>		<b>(3,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>	<b>(6,229)</b>
<b>Balance Carried Forward of Saving Proposals</b>		<b>(21,847)</b>	<b>(26,169)</b>	<b>(26,194)</b>	<b>(26,219)</b>	<b>(26,244)</b>
<b>Administration Budget Proposals</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance Brought Forward of Saving Proposals</b>		<b>(21,847)</b>	<b>(26,169)</b>	<b>(26,194)</b>	<b>(26,219)</b>	<b>(26,244)</b>
<b>Variations to Options</b>						
SO12	Community Safety Staffing - City Wardens and Transport Marshals - Only City Wardens	(290)	(290)	(290)	(290)	(290)
SO20	Communities & Housing Management Restructure - amend to keep G16 post	(139)	(139)	(139)	(139)	(139)
SO65	Reduce Grant to Aberdeen Sports Village in line with Aberdeen University contribution	(130)	(130)	(130)	(130)	(130)
<b>Total Savings Proposals</b>		<b>(22,406)</b>	<b>(26,728)</b>	<b>(26,753)</b>	<b>(26,778)</b>	<b>(26,803)</b>
<b>Revised (Surplus)/Deficit</b>		<b>(5,162)</b>	<b>10,655</b>	<b>28,948</b>	<b>44,259</b>	<b>59,271</b>
<b>New Initiatives</b>						
	Additional PSA support	976	976	976	976	976
	Upgrade Playparks	826	0	0	0	0
	Aberdeen Inspired - Night Time Economy Manager (contribution)	20	0	0	0	0
	Upgrade of Albury Sports Centre	25	0	0	0	0

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<b>Total New Initiatives</b>	<b>1,847</b>	<b>976</b>	<b>976</b>	<b>976</b>	<b>976</b>
<b>Items from Paragraph 5.67 of Budget Report</b>					
Parking Charges	105	105	105	105	105
Common Good Cost Pressures					
Bulawayo Trust	45	45	45	45	45
Gomel Trust	22	22	22	22	22
Mary Garden Prize	2	2	2	2	2
Family Centre at HMP Grampian	32	0	0	0	0
<b>Total from Budget Report</b>	<b>206</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>
<b>Transfer to Change Fund reserve</b>	<b>3,109</b>				
<b>Revised (Surplus)/Deficit</b>	<b>0</b>	<b>11,805</b>	<b>30,098</b>	<b>45,409</b>	<b>60,421</b>

## Administration Non-Housing Capital Budget Proposals

Non-Housing Capital Programme	Budget 2017/18 £'000	Budget 2018/19 £'000	Budget 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Total £'000
Budget Per Appendix 1 of report	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Capital Investment to be determined at Finance, Policy & Resources Committee on 9th March 2017	1,080					1,080
<b>New Budget</b>	<b>240,598</b>	<b>214,429</b>	<b>139,213</b>	<b>76,458</b>	<b>37,555</b>	<b>708,253</b>
Funded By: Additional Capital Grant	(1,080)					(1,080)

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**APPENDIX 2 (Administration)  
ABERDEEN CITY COUNCIL  
2016/17 to 2021/22**

**THE PRUDENTIAL CODE  
For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	<b>Capital Expenditure</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	102,027	191,083	239,518	214,429	139,213	76,458	37,555
HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

	<b>Ratio of Financing Costs to Net Revenue Stream</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

	<b>Capital Financing Requirement</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	498,305	576,857	743,765	859,206	915,606	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,017,537</b>	<b>1,131,651</b>	<b>1,179,907</b>	<b>1,166,756</b>	<b>1,153,632</b>

	<b>Authorised Limit for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operational Boundary	851,536	1,043,299	1,157,413	1,205,669	1,192,518	1,179,394
10% Margin	85,154	104,330	115,741	120,567	119,252	117,939
<b>Total</b>	<b>936,690</b>	<b>1,147,629</b>	<b>1,273,154</b>	<b>1,326,236</b>	<b>1,311,770</b>	<b>1,297,333</b>

	<b>Operational Boundary for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	747,952	942,326	1,059,662	1,110,915	1,099,558	1,089,808

## Council Meeting, 22 February 2017

Other Long Term Liabilities	103,584	100,973	97,751	94,754	92,960	89,586
<b>Total</b>	<b>851,536</b>	<b>1,043,299</b>	<b>1,157,413</b>	<b>1,205,669</b>	<b>1,192,518</b>	<b>1,179,394</b>

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

2017/18	2018/19	2019/20	2020/21	2021/22
£41.85	£0	£0	£0	£0

(b) for average weekly housing rents (assuming that increased capital investment is financed by way of Capital From Current Revenue (CFCR) and borrowing)

2017/18	2018/19	2019/20	2020/21	2021/22
£0.78	£0	£0	£0.02	£0.04

Councillor Yuill moved as an amendment, seconded by Councillor Delaney:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

#### Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached, and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) note that this included:
- (a) a commitment to a new Bridge at the River Dee through the development of options;
  - (b) additional capital investment of £2million in road and pavement repairs and resurfacing; and
  - (c) a feasibility study into the dualing of the Lang Stracht;
- (e) approve the Prudential Indicators as attached and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due;
- (f) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan;
- (g) instruct officers to undertake a feasibility study of into the dualing of the Lang Stracht; and
- (h) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee,

## Council Meeting, 22 February 2017

recommending how the additional capital funding of £2million for road and pavement repairs and resurfacing should be utilised.

### Revenue Budget Recommendations

#### Long Term and Medium Term

- (i) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (j) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4 of the report;

#### Short Term

- (k) approve the attached balanced revenue position for 2017/18 and notes that this included:
  - (a) the creation of a £2.5million Education Fund;
  - (b) a feasibility study into the transfer of Hazlehead Swimming Pool to community management;
  - (c) the allocation of £1.277million to fund CFCR investment in road and pavement repairs and resurfacing and note that this was in addition to the £2million of capital investment allocated for this purpose;
  - (d) an additional £500,000 for supported bus services in Aberdeen;
  - (e) £255,000 of additional investment in street and urban tree planting, maintenance, management and staffing;
  - (f) an additional £250,000 investment in grass cutting of Council maintained spaces;
  - (g) the creation of a local Non-Domestic Rates relief scheme to supplement the national scheme announced on 21 February 2017;
  - (h) the generation of an additional £200,000 of income through the more efficient deployment of City Wardens;
- (l) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within the Council's legal powers to do so;
- (m) approve the level of funding for 2017/18 in relation to the IJB, and note that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;
- (n) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and notes that it would also have to be approved by NHS Grampian and the IJB;
- (o) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government;



## Council Meeting, 22 February 2017

- (p) instruct the Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the Education Fund would be utilised;
- (q) instruct officers to undertake a feasibility study into the transfer of Hazlehead Swimming Pool to community management;
- (r) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee on how the additional investment of £500,000 in supported bus services could best be utilised to provide bus links to isolated communities;
- (s) instruct the Interim Director of Communities, Housing and Infrastructure to report to the Communities, Housing and Infrastructure Committee, recommending how the additional CFCR funding for road and pavement repairs and resurfacing should be utilised; and
- (t) note the inclusion of £250,000 funding for Transition Extreme and instruct officers to report to the Finance, Policy and Resources Committee on 9 March 2017 on their business plan and model for consideration on potential support from the Council.

Taxation

- (u) instruct officers that Council would not be exercising the flexibility to increase Council Tax under the local government finance circular;
- (v) note the changes made to the multipliers of bands E through to H within the Council Tax;
- (w) recommend the introduction of a local Non-Domestic Rates relief scheme (option 6b from Appendix 9 of the report) in compliance with the relevant statutory provisions, including having regard to the authority's expenditure and income and the interests of persons liable to pay Council Tax, and delegate the finalisation of the scheme to the Chief Executive following consultation with group leaders; and
- (x) note the announcement of the Scottish Government with regard to a national Non Domestic Rates relief scheme and instruct the Chief Executive to consider this announcement and report to the Finance, Policy and Resources Committee on 9 March 2017.

Liberal Democrats Budget Proposals	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Deficit per Council Report</b>	<b>17,244</b>	<b>37,383</b>	<b>55,701</b>	<b>71,037</b>	<b>86,074</b>

**Appendix 6 (Savings Proposals)**

SO1	Increased Income Generation from Building Services Trading Account	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
SO2	Leased Income Maximisation - Marischal College	0	(150)	(300)	(300)	(300)
SO5	Advertising Concession Contract with Single City Wide Provider	0	(250)	(250)	(250)	(250)
SO6	Renegotiate Contracts with Visit Aberdeenshire	0	(100)	(100)	(100)	(100)

## Council Meeting, 22 February 2017

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)	(500)	(500)	(500)	(500)
SO9	Energy Efficiency	(720)	(720)	(720)	(720)	(720)
SO10	Property Asset Rationalisation	(143)	(95)	(327)	(327)	(327)
SO13	Communities & Housing Service Budget Adjustments	(564)	(245)	(245)	(245)	(245)
SO18	Redesign Building App'ship scheme to match current projected opps	(425)	(425)	(425)	(425)	(425)
SO19	Business Support Services/Digitisation Programme - Transf. Activity	(3,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO20	Communities & Housing Management Restructure	(201)	(201)	(201)	(201)	(201)
SO22	Income from Rental of the Quad at M. College for events	(10)	(10)	(10)	(10)	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)	(86)	(86)	(86)	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)	0	0	0	0
SO28	Building Standards to Generate Income for Services	(50)	(50)	(50)	(50)	(50)
SO30	Tyre Management System	(18)	(18)	(18)	(18)	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)	(23)	(23)	(23)	(23)
SO33	Comm. Plan. - ACC website and budget adjust. re Civic Forum support	(20)	(20)	(20)	(20)	(20)
SO34	Reconfigure International Travel Budgets	(20)	(20)	(20)	(20)	(20)
SO35	School Transport Redesign	(100)	(100)	(100)	(100)	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)	(52)	(52)	(52)	(52)
SO38	Review and reduce Overtime Budgets.	(150)	(150)	(150)	(150)	(150)
SO39	Review and target support for the Cultural Programme	(300)	(300)	(300)	(300)	(300)
SO41	Outsource Catering in Museums & Art Gallery	(25)	(100)	(100)	(100)	(100)
SO45	Bulk Buy Fuel	0	(100)	(100)	(100)	(100)
SO48	Funding for former Director's Post - ESP&I	(152)	(152)	(152)	(152)	(152)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)	(200)	(200)	(200)	(200)
SO58	Shared Procurement Service with Highland Council	(50)	(50)	(50)	(50)	(50)
SO69	Head Teacher Woodlands	(47)	(70)	(70)	(70)	(70)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)	(30)	(30)	(30)	(30)
SO71	GIRFEC - Review of Establishment	(28)	(42)	(42)	(42)	(42)
SO86	Restructure Central Support (PPR)	(229)	(229)	(229)	(229)	(229)
SO90	City Centre Master Plan - Review of Structure	(5)	(5)	(5)	(5)	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)
SO94	Charging for activities run by the archivist	(15)	(14)	(14)	(14)	(14)
SO104	Fleet Cost Recovery and Transformation	0	100	(100)	(150)	(250)
SO112	Reduce Council Tax Second Home Discount	(100)	(100)	(100)	(100)	(100)
SO113	Leased Asset Maximisation - Beach Ballroom	(324)	(324)	(324)	(324)	(324)
SO114	Smarter Procurement	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)	(6,000)	(6,000)	(6,000)	(6,000)
SO117	Introduce a new working week of 35 hours for new employees	(900)	(900)	(900)	(900)	(900)
SO124	Increase Income at Adventure Aberdeen	(25)	(50)	(75)	(100)	(125)
SO125	Childcare Service to become self funding	(100)	(100)	(200)	(300)	(400)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)	0	0	0	0

## Council Meeting, 22 February 2017

SO133	Increase in Property/Conveyancing Fees	(7)	(7)	(7)	(7)	(7)
SO134	Review and reduce overtime budgets under Head of PI&E	(250)	(250)	(250)	(250)	(250)
SO136	Saving arising from management structure changes within the OCE	(106)	(106)	(106)	(106)	(106)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)	(200)	(200)	(200)	(200)
SO140	Realignment of low level budgets.	(79)	(79)	(79)	(79)	(79)
SO141	Planning Agreement Fees	(11)	(11)	(11)	(11)	(11)

**Variations to Options**

SO98	School Catering - Amended proposal - Roll Out Stay on Site	(25)	(25)	(25)	(25)	(25)
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**Total Savings Proposals**

<b>(23,879)</b>	<b>(28,309)</b>	<b>(29,016)</b>	<b>(29,191)</b>	<b>(29,416)</b>
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<b>Balance Carried Forward</b>	<b>(6,635)</b>	<b>9,074</b>	<b>26,685</b>	<b>41,846</b>	<b>56,658</b>
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance Brought Forward</b>	<b>(6,635)</b>	<b>9,074</b>	<b>26,685</b>	<b>41,846</b>	<b>56,658</b>

**Additional Savings**Communities, Housing & Infrastructure

More efficient deployment of City Wardens	(200)	(200)	(200)	(200)	(200)
Adjustment to street occupation charges	(43)	(43)	(43)	(43)	(43)

**Total Additional Savings**

<b>(243)</b>	<b>(243)</b>	<b>(243)</b>	<b>(243)</b>	<b>(243)</b>
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**Revised Balance**

<b>(6,878)</b>	<b>8,831</b>	<b>26,442</b>	<b>41,603</b>	<b>56,415</b>
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**New Initiatives**Education & Children's Services

Education Fund	2,500	2,500	2,500	2,500	2,500
Feas. Study - transfer of Hazlehead Pool to comm. management	50				

Communities, Housing & Infrastructure

Supported bus services	500	500	500	500	500
Install additional bus shelters	50	50	50	50	50
Small scale environmental improvements fund	100	100	100	100	100
Improved street and urban tree maintenance, management and additional street tree planting	255	195	195	195	195
Increased winter maintenance and road response team capacity	170	170	170	170	170
Enhance grass cutting of council managed spaces	250	250	250	250	250
Undertake public consultation on possible Ashley CPZ	10	0	0	0	0

## Council Meeting, 22 February 2017

Road repairs and maintenance CFCR	1,277	0	0	0	0
<u>Corporate</u>					
Non Domestic Rates Discretionary Relief Initiative - Option 6(b)	1,200	0	0	0	0
<b>Total New Initiatives</b>	<b>6,362</b>	<b>3,765</b>	<b>3,765</b>	<b>3,765</b>	<b>3,765</b>
<b>Items from Paragraph 5.67 of Budget Report</b>					
Parking Charges	105	105	105	105	105
Common Good Cost Pressures	129	129	129	129	129
Family Centre at HMP Grampian	32	0	0	0	0
Transition Extreme - Provisional	250	0	0	0	0
<b>Total from Budget Report</b>	<b>516</b>	<b>234</b>	<b>234</b>	<b>234</b>	<b>234</b>
<b>Revised (Surplus)/Deficit</b>	<b>0</b>	<b>12,830</b>	<b>30,441</b>	<b>45,602</b>	<b>60,414</b>

## Liberal Democrats Non-Housing Capital Budget Proposals

Non-Housing Capital Programme	Budget	Budget	Budget	Budget	Budget	Total
	2017/18	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000
Budget Per Appendix 1 of report	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Additional Investment in roads/pavement resurfacing and repairs and street lighting renewal	2,000					2,000
Multi Use Winter Maintenance & Response Plant	120					120
New Bridge of Dee - Option Development for a 4-Lane Bridge	100					100
Lang Stracht - Feasibility Study for Dualling	100					100
<b>New Budget</b>	<b>241,838</b>	<b>214,429</b>	<b>139,213</b>	<b>76,458</b>	<b>37,555</b>	<b>709,493</b>
Additional Cost	2,320	0	0	0	0	2,320
Funded by: Increase in grant from Scottish Government	(1,080)					(1,080)

## Council Meeting, 22 February 2017

Use of contingency fund

(1,240)

(1,240)

**APPENDIX 2 (Liberal Democrat)  
ABERDEEN CITY COUNCIL  
2016/17 to 2021/22**

**THE PRUDENTIAL CODE  
For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	<b>Capital Expenditure</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
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HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

	<b>Ratio of Financing Costs to Net Revenue Stream</b>						
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	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

	<b>Capital Financing Requirement</b>						
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Non HRA	498,305	576,857	743,765	859,206	915,606	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,017,537</b>	<b>1,131,651</b>	<b>1,179,907</b>	<b>1,166,756</b>	<b>1,153,632</b>

	<b>Authorised Limit for External Debt</b>					
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operational Boundary	851,536	1,043,299	1,157,413	1,205,669	1,192,518	1,179,394
10% Margin	85,154	104,330	115,741	120,567	119,252	117,939
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## Council Meeting, 22 February 2017

	Operational Boundary for External Debt					
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Borrowing	747,952	942,326	1,059,662	1,110,915	1,099,558	1,089,808
Other Long Term Liabilities	103,584	100,973	97,751	94,754	92,960	89,586
<b>Total</b>	<b>851,536</b>	<b>1,043,299</b>	<b>1,157,413</b>	<b>1,205,669</b>	<b>1,192,518</b>	<b>1,179,394</b>

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

2017/18	2018/19	2019/20	2020/21	2021/22
£41.85	£0	£0	£0	£0

(b) for average weekly housing rents (assuming that increased capital investment is financed by way of CFCR and borrowing)

2017/18	2018/19	2019/20	2020/21	2021/22
£0.78	£0	£0	£0.02	£0.04

Councillor Flynn moved as a further amendment, seconded by Councillor Dickson:-

That the Council -

- (a) note that the presentation of this year's budget report was fundamentally different from previous years and that this reflected the change in financial reporting to Council as a result of London Stock Exchange listing. A specific requirement of this was that all expenditure figures must be shown as gross.

#### Balance Sheet Recommendations

- (b) note the projected balance sheet position including the reserves as at 31 March 2017;
- (c) approve the Non-Housing Capital programme as attached, and by doing so note that the Council would be maintaining the level of debt over the next five years as advised to Moody's the credit rating agency;
- (d) note that this included a commitment to a new Bridge at the River Dee through the development of options;
- (e) approve the Prudential Indicators as attached and by so doing note that the indicators should convey confidence to the investors in the Council's Bond of our ability to repay the debt due;
- (f) approve the recommended use of reserves for 2017/18 and any underspend for 2016/17 as set out in the report and the attached budget for the creation of a 'Change Fund' of £8million for procurement of services and severance payments to support the change plans set out in the strategic plan; and
- (g) ring fence the Second Homes Discount Reserve for the building of council houses.

## Council Meeting, 22 February 2017

Revenue Budget RecommendationsLong Term and Medium Term

- (h) note the draft financial position for 2018/19 to 2021/22 as shown in paragraph 5.35 of the report; and
- (i) note the Medium Term and Long-Term Financial Plans as shown in Appendix 4 of the report.

Short Term

- (j) approve the attached balanced revenue position for 2017/18 and note that this included:
  - a. a contribution to the Second Homes reserve of £519,000;
  - b. an additional £1million for the Attainment Fund;
  - c. £120,000 to reduce off-street parking charges after 5pm;
  - d. £50,000 for Skene Street Project;
  - e. £25,000 for floor renovation at Albury Sports Centre;
  - f. £35,000 for the Thistle Street Traders Market;
  - g. £50,000 towards street lighting at Cove;
  - h. An additional £210,000 for a rent relief programme for new teachers;
  - i. An increase of 50% in Community Centre grants;
  - j. The removal of parking charges of £105,000; and
  - k. A contribution to a family support centre at HMP Grampian of £32,000;
- (k) agree to the conditions of the Local Government Finance Settlement for 2017/18 in so far as it was within the Council's legal powers to do so;
- (l) approve the level of funding for 2017/18 in relation to the IJB and notes that it would be for the IJB itself to determine which savings options to take from Appendix 7 of the report;
- (m) approve the IJB Budget protocol proposed by the Chief Executive as shown at Appendix 8 of the report and note that it would also have to be approved by NHS Grampian and the IJB; and
- (n) instruct the Interim Director of Education and Children's Services to provide a further report to the Education and Children's Services Committee, setting out plans for how the ring fenced monies allocated to Council under the Attainment Fund would be utilised, and provide assurance that recurring commitments were not being made. The report also to include plans for the use of the Council's allocation of additional capital and revenue funding for the expansion of early learning and childcare, once the allocation had been received from the Scottish Government.

Taxation

- (o) instruct officers that Council would not be exercising the flexibility to increase Council Tax under the local government finance circular;
- (p) note the changes made to the multipliers of bands E through to H within the Council Tax;

## Council Meeting, 22 February 2017

- (q) recommend the introduction of a local Non-Domestic Rates relief scheme as detailed in the attached budget in compliance with the relevant statutory provisions, including having regard to the authority's expenditure and income and the interests of persons liable to pay Council Tax, and delegate the finalisation of the scheme to the Chief Executive following consultation with group leaders; and
- (r) note the announcement of the Scottish Government proposing additional business rates relief and instruct the Chief Executive to consider this announcement in relation to Appendix 9 of the report and report to the Finance, Policy and Resources Committee on 9 March 2017.

Other

- (s) instruct the Chief Executive to formally seek admission to Cosla;
- (t) instruct the Chief Executive to report back to the next Communities, Housing and Infrastructure Committee with proposals for a community scheme for the residents of Tillydrone and Woodside to utilise £1million of capital projects;
- (u) instruct the Chief Executive to report back to the next Communities, Housing and Infrastructure Committee with proposals for a community scheme for the residents of Torry and Northfield to utilise £1million of capital projects;
- (v) instruct the Director of Education and Children's Services to prepare a business plan regarding the future of Transition Extreme;
- (w) instruct the Director of Communities, Housing and Infrastructure to conclude the purchase of land at Craiginches;
- (x) instruct the Chief Executive to prepare a business case around the feasibility of Aberdeen City Council introducing Low Emission Zones throughout the city. To agree that the Scottish Government, partner organisations and stakeholders had significant roles in the development of any business case and that the business case must reflect the legislative position of the Scottish Government and instruct the Chief Executive to provide members with an initial report at the June 2017 Council meeting on progress; and
- (y) instruct the Chief Executive to sign the Construction Standards Charter between the Council and UCATT.

**Scottish National Party Budget Proposals**2017/18  
£000

<b>Deficit per Council Report</b>	<b>17,244</b>
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**Appendix 6 (Savings Proposals)**

SO1	Increased Income Generation from Building Services Trading Account	(1,000)
SO2	Leased Income Maximisation - Marischal College	0
SO5	Advertising Concession Contract with Single City Wide Provider	0
SO6	Renegotiate Contracts with Visit Aberdeenshire	0



## Council Meeting, 22 February 2017

SO7	Reduce Expenditure on Consultancy Services & Agency Staff	(500)
SO9	Energy Efficiency	(720)
SO13	Communities & Housing Service Budget Adjustments	(564)
SO19	Delivery of Business Support Services/Digitisation Programme - Transformation Activity	(3,000)
SO20	Communities & Housing Management Restructure	(201)
SO22	Generate Income from Rental of the Quad at Marischal College for Events	(10)
SO25	Generate Additional Income for New Roads & Street Work	(86)
SO26	Recharge Flood Works to Capital from Revenue	(114)
SO28	Building Standards to Generate Income for Services	(50)
SO30	Tyre Management System	(18)
SO31	Pilot scheme - Vehicle Utilisation with Telematics	(8)
SO33	Community Planning - ACC maintain website and budget adjustment re Civic Forum support	(20)
SO34	Reconfigure International Travel Budgets	(20)
SO35	School Transport Redesign	(100)
SO36	Remove Vacant Cultural Commissioning Team Post	(52)
SO41	Outsource Catering in Museums & Art Gallery	(25)
SO44	Aberdeen Learning Festival to become self funding in collaboration with Northern Alliance	(46)
SO45	Bulk Buy Fuel	0
SO48	Funding for Former Director's Post - Enterprise Strategic Planning & Infrastructure	(152)
SO56	Investment in More Council Tax Staff to Bring in More Income	(200)
SO58	Shared Procurement Service with Highland Council	(50)
SO66	Restructure Curricular Support	(285)
SO69	Head Teacher Woodlands	(47)
SO70	Create Single Admin Team for Woodlands/Hazlewood	(20)
SO86	Restructure Central Support (PPR)	(229)
SO90	City Centre Master Plan - Review of Structure	(5)
SO91	Remove 100% of all staffing underspends from vacant posts	(5,750)
SO94	Charging for activities run by the archivist	(15)
SO104	Fleet Cost Recovery and Transformation	0
SO112	Reduce Council Tax Second Home Discount	(100)
SO114	Smarter Procurement	(3,000)
SO116	Review of staffing with a view to allowing VS/ER where appropriate	(4,000)
SO117	Introduce a new working week of 35 hours for new employees	(900)
SO118	Remove allowances for eye examinations and contribution for spectacles	(13)
SO124	Increase Income at Adventure Aberdeen	(25)
SO133	Increase in Property/Conveyancing Fees	(7)
SO136	Savings arising from management structure changes within the Office of the Chief Executive	(106)
SO137	Obtain sponsorship to cover the costs of retaining free City Wi-Fi	(200)
SO138	Running Costs of new A96 Park & Choose Site	(83)
SO140	Realignment of low level budgets.	(79)
SO141	Planning Agreement Fees	(11)
SO127	Contribution to 17/18 savings from 16/17 carry forward	(750)
<b>Variation to Option</b>		

## Council Meeting, 22 February 2017

SO10	Property Asset Rationalisation - Partial:	Relocation of Howemoss Road; Termination of leases for modular units at Hazlewood and Woodlands Schools and at Tarves Road, Potterton	(143)
SO15	Waste Service Review-Partial (Reduce no of local recycling points and increase efficiency of communal centres)		(127)
SO65	10% Reduction to Sport Arms Length Organisations - ASV only		(130)
<b>Total Savings Proposals</b>			<b>(22,961)</b>
<b>Balance Carried Forward</b>			<b>(5,717)</b>
<b>Scottish National Party Budget Proposals</b>			<b>2017/18</b>
			<b>£000</b>
<b>Balance Brought Forward</b>			<b>(5,717)</b>
<b>Additional Savings</b>			
	Charge elected members for parking at Town House		(9)
	Reversal of administration parking policy		(450)
<b>Total Additional Savings</b>			<b>(459)</b>
<b>New Initiatives</b>			
	Additional Attainment Fund		1,000
	Reduce off-street parking charges after 5pm		120
	Skene Street Project		50
	Albury Sports Centre - floor renovation		25
	Thistle Street Traders Market		35
	Street Lighting Cove		50
	Rating Relief Scheme	Limit Retail increase to 12.5%	1,910
		Limit Manufacturing Increase to 12.5%	1,020
		100% relief to hospitality for all increases above 3%	960
	Support for New Teachers	Year 1 of a 2 Year programme of rent relief	210
	Community Centre Grants - Increase by 50%		140
	New Bridge of Dee - Option Development for a 4-Lane Bridge		100
	City Centre Cycling Investment		250
	Contribution from Bus Lane Enforcement		(350)
<b>Total New Initiatives</b>			<b>5,520</b>

## Council Meeting, 22 February 2017

**Items from Paragraph 5.67 of Budget Report**

Parking Charges	105
Family Centre at HMP Grampian	32
<b>Total from Budget Report</b>	<b>137</b>
<b>Transfer to Reserves, earmarked for housing</b>	<b>519</b>

<b>Revised (Surplus)/Deficit</b>	<b>0</b>
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**Scottish National Party Non-Housing Capital Budget Proposals**

Non-Housing Capital Programme	Budget	Budget	Budget	Budget	Budget	Total
	2017/18	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000
Original Budget Per Appendix 6.	239,518	214,429	139,213	76,458	37,555	707,173
<b>Add:</b>						
Reverse Flood Prevention Measures at Millside and Paddock		(1,000)	(2,000)			(3,000)
Flood Prevention Measures at Millside and Paddock	1,000	2,000				3,000
						0
Reverse SG Funding as above				2,400		2,400
SG Funding			(2,400)			(2,400)
Saving through combining Tillydrone Primary School and Tillydrone Community Centre	(1,000)					(1,000)
Ring Fenced Spend at Tillydrone/Woodside	1,000					1,000
Ring Fenced Spend at Torry/Northfield	1,000					1,000
<b>New Budget</b>	<b>241,518</b>	<b>215,429</b>	<b>134,813</b>	<b>78,858</b>	<b>37,555</b>	<b>708,173</b>
Financed By: Additional Capital Grant		(1,000)				(1,000)

**APPENDIX 2 (SNP)  
ABERDEEN CITY COUNCIL  
2016/17 to 2021/22**

**THE PRUDENTIAL CODE  
For Capital Finance in Local Authorities**

The Code requires that the following Prudential Indicators be set for the Council:-

	Capital Expenditure						
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate

## Council Meeting, 22 February 2017

Non HRA	102,027	191,083	239,518	214,429	134,813	78,858	37,555
HRA	35,037	43,473	55,318	30,078	24,632	24,914	25,556

Ratio of Financing Costs to Net Revenue Stream							
	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Non HRA	6.0%	4.3%	5.0%	5.2%	5.6%	5.9%	6.0%
HRA	15.7%	16.8%	16.5%	17.6%	18.5%	18.3%	17.7%

Capital Financing Requirement							
	2015/16 £'000 Actual	2016/17 £'000 Estimate	2017/18 £'000 Estimate	2018/19 £'000 Estimate	2019/20 £'000 Estimate	2020/21 £'000 Estimate	2021/22 £'000 Estimate
Non HRA	498,305	576,857	744,765	861,206	913,206	912,138	909,998
HRA	235,291	248,917	273,772	272,445	264,301	254,618	243,634
<b>Total</b>	<b>733,596</b>	<b>825,774</b>	<b>1,018,537</b>	<b>1,133,651</b>	<b>1,177,507</b>	<b>1,166,756</b>	<b>1,153,632</b>

Authorised Limit for External Debt							
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	
Operational Boundary	851,536	1,044,299	1,159,413	1,203,269	1,192,518	1,179,394	
10% Margin	85,154	104,430	115,941	120,327	119,252	117,939	
<b>Total</b>	<b>936,690</b>	<b>1,148,729</b>	<b>1,275,354</b>	<b>1,323,596</b>	<b>1,311,770</b>	<b>1,297,333</b>	

Operational Boundary for External Debt							
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	
Borrowing	747,952	943,326	1,061,662	1,108,515	1,099,558	1,089,808	
Other Long Term Liabilities	103,584	100,973	97,751	94,754	92,960	89,586	
<b>Total</b>	<b>851,536</b>	<b>1,044,299</b>	<b>1,159,413</b>	<b>1,203,269</b>	<b>1,192,518</b>	<b>1,179,394</b>	

The estimate of the incremental impact of capital investment decisions proposed in this report, over and above capital investment decisions that have previously been taken by the Council are:

(a) for Band D Council Tax

	2017/18 £41.85	2018/19 £0	2019/20 £0	2020/21 £0	2021/22 £0
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## Council Meeting, 22 February 2017

- (b) for average weekly housing rents (assuming that increased capital investment is financed by way of CFCR and borrowing)

2017/18	2018/19	2019/20	2020/21	2021/22
£0.78	£0	£0	£0.02	£0.04

During the course of summing up, Councillor Yuill indicated that he wished to incorporate parts (q) and (r) of Councillor Laing's motion into his amendment, and this was accepted.

There being a motion and two amendments, the Council first divided between the amendment by Councillor Yuill and the amendment by Councillor Flynn.

On a division, there voted:-

For the amendment by Councillor Yuill (5) - Councillors Delaney, Greig, Malone, Jennifer Stewart and Yuill.

For the amendment by Councillor Flynn (15) - Councillors Cameron, Copland, Corall, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

The Council then divided between the motion and the amendment by Councillor Flynn.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

For the amendment by Councillor Flynn (15) - Councillors Cameron, Copland, Corall, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (5) - Councillors Delaney, Greig, Malone, Jennifer Stewart and Yuill.

**The Council resolved:-**  
to adopt the motion.

#### **DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET AND HOUSING CAPITAL BUDGET 2017/18 TO 2021/22 - CG/17/032**

4. The Council had before it a joint report by the Interim Director of Corporate Governance and the Interim Director of Communities, Housing and Infrastructure which

## Council Meeting, 22 February 2017

provided information to allow the setting of the rent level for the financial year 2017/18 as well as provisional rent levels for the financial years 2018/19 to 2021/22. The report noted that this would allow a capital programme for 2017/18 as well as a provisional programme to be set for 2018/19 to 2021/22.

**The report recommended:-**

that the Council -

- (a) approve the budget as attached in Appendix 1 of the report;
- (b) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;
- (c) approve the level of revenue contribution to the Housing Capital budget for 2017/18 as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (d) continue to increase the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (e) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (f) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (g) in order for work to commence on the capital programme, approve as estimated expenditure in terms of Standing Order 1(3) (of the Council's Standing Orders relating to Contracts and Procurement) the sums shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 of the report; and
- (h) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 for the capital programme and award contacts relating thereto.

Councillor Cooney moved, seconded by Councillor Donnelly:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (2) and (3) below;
- (2) approve that the weekly unrebated rents for municipal houses be frozen for 2017/18 with the exception of those phasing towards the model rent, to take effect from 3 April 2017;
- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 at £24.045million as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (4) maintain the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (5) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (6) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22 as contained within the report;
- (7) in order for work to commence on the capital programme, approve the estimated expenditure in relation to each of the proposed procurement exercises regarding the various requirements shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 to the

## Council Meeting, 22 February 2017

- report, without the need for separate Committee approval of each requirement;
- (8) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 of the report for the capital programme and award contracts relating thereto; and
  - (9) instruct the Interim Director of Communities, Housing and Infrastructure to undertake a full strategic review of service delivery in relation to the Housing Revenue Account and report back to the Communities, Housing and Infrastructure Committee on 8 November 2017.

Councillor Delaney moved as an amendment, seconded by Councillor Jennifer Stewart:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (3) and (4) below;
- (2) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;
- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 at £23.535million as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (4) approve the following additional revenue budgets, £250,000 grass works, £200,000 upgrade of amenity areas in the sheltered blocks and £60,000 for tree works;
- (5) continue to increase the level of working balances to ensure a minimum of 10% was maintained to meet future contingencies;
- (6) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (7) set a capital programme for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (8) approve, in order for work to commence on the capital programme as estimated expenditure in terms of Standing Order 1(3) (of the Council's Standing Orders relating to Contracts and Procurement) the sums shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 of the report; and
- (9) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedure to procure the works referred to in Appendix 1 of the report for the capital programme and award contracts relating thereto.

Councillor Jackie Dunbar moved as a further amendment, seconded by Councillor Dickson:-

That the Council -

- (1) approve the budget as attached in Appendix 1 of the report subject to (4) and (6) below;
- (2) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from 3 April 2017;

## Council Meeting, 22 February 2017

- (3) approve the level of revenue contribution to the Housing Capital budget for 2017/18 as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (4) set the level of working balances at 10% to meet future contingencies and utilise the additional funds of £1.784million to increase the Solid Wall Insulation budget to £3.084million within the capital programme;
- (5) approve the level of miscellaneous rents and service charges, including Heat with Rent as detailed in Appendix 1 of the report;
- (6) set a capital programme subject to (4) above for the financial year 2017/18 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2018/19 to 2021/22;
- (7) in order for work to commence on the capital programme, approve the estimated expenditure in relation to each of the proposed procurement exercises regarding the various requirements, shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 to the report, without the need for separate Committee approval of each requirement; and
- (8) authorise the Interim Director of Communities, Housing and Infrastructure to undertake or instruct appropriate procedures to procure the works referred to in Appendix 1 of the report for the capital programme and award contracts relating thereto.

There being a motion and two amendments, the Council first divided between the amendment by Councillor Delaney and the amendment by Councillor Jackie Dunbar.

On a division, there voted:-

For the amendment by Councillor Delaney (4) - Councillors Delaney, Greig, Jennifer Stewart and Yuill.

For the amendment by Councillor Jackie Dunbar (14) - Councillors Cameron, Copland, Cormie, Dickson, Jackie Dunbar, Flynn, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

Absent from the division (2) - Councillors Corall and Malone.

The Council then divided between the motion and the amendment by Councillor Jackie Dunbar.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.



## Council Meeting, 22 February 2017

For the amendment by Councillor Jackie Dunbar (18) - Councillors Cameron, Copland, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

Absent from the division (2) - Councillors Corall and Malone.

**The Council resolved:-**

to adopt the motion.

**NORTH EAST SCOTLAND PENSION FUND BUDGET 2017/18 - 2021/22 - CG/17/009**

6. The Council had before it a report by the Interim Director of Corporate Governance which provided details of the budget included in the 2017/18 - 2021/22 General Fund budget that related to the North East Scotland Pension Fund (NESPF).

**The report recommended:-**

that the Council -

- (a) note the provision contained within the Council's General Fund budget for 2017/18 to 2021/22;
- (b) instruct the Head of Finance to recover the actual costs from the NESPF; and
- (c) note the progress on the introduction of a Service Level Agreement.

**The Council resolved:-**

to approve the recommendations.

- **GEORGE ADAM, Lord Provost.**

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## ABERDEEN CITY COUNCIL

Town House,  
ABERDEEN, 15 March 2017

### MINUTES OF MEETING OF ABERDEEN CITY COUNCIL

Sederunt:

Lord Provost George Adam, Chairperson;  
Depute Provost John Reynolds; and

#### COUNCILLORS

YVONNE ALLAN	LEONARD IRONSIDE, CBE
MARIE BOULTON	MURIEL JAFFREY
DAVID CAMERON	JENNIFER LAING
SCOTT CARLE	GRAEME LAWRENCE
NEIL COONEY	NEIL MacGREGOR
NEIL COPLAND	M. TAUQEER MALIK
JOHN CORALL	AILEEN MALONE
WILLIAM CORMIE	RAMSAY MILNE
BARNEY CROCKETT	JEAN MORRISON, MBE
STEVEN DELANEY	NATHAN MORRISON
GRAHAM DICKSON	ALEXANDER NICOLL
ALAN DONNELLY	JAMES NOBLE
JACQUELINE DUNBAR	GILLIAN SAMARAI
LESLEY DUNBAR	JENNIFER STEWART
ANDREW FINLAYSON	SANDY STUART
STEPHEN FLYNN	ANGELA TAYLOR
GORDON GRAHAM	GORDON TOWNSON
ROSS GRANT	WILLIAM YOUNG
MARTIN GREIG	and
MICHAEL HUTCHISON	IAN YUILL

Lord Provost George Adam, in the Chair;

**The agenda and reports associated with this minute can be found at:-**  
<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=122&MId=4324&Ver=4>

**Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.**

## Council Meeting, 15 March 2017

**AGENDA**

1. The Lord Provost advised that the following items had been withdrawn from the agenda:-

- 7(i) Governance Review - Guildry Trust Deed - referred by Guildry and Mortification Funds Sub Committee of 1 March 2017
- 7(n) Site OP40, Prime Four Business Park, Kingswells (161429)

**The Council resolved:-**

to note the details.

**ADMISSION OF BURGESSES**

2. (A) The persons undermentioned were admitted into the presence of the Council and passed as Burgesses of Guild in respect of their respective Acts of Admission in the Guild Burgess Book:-

Muhammed Tauqeer Malik, Businessman and Councillor, Aberdeen  
 Roderick John Matheson, Mechanical Engineer/Project Manager, Aberdeen  
 William Ross, TV, Ariel and Satellite Installer, Aberdeen

(B) The person undermentioned was admitted into the presence of the Council and passed as a Burgess of Guild by right their father's status as a Free Burgess:-

Neil Stockan Corall, Designer, Aberdeen

(C) The persons undermentioned were admitted into the presence of the Council and passed as Burgesses of the Burgh of Aberdeen of their own craft only:-

Barney Crockett, Shoemakers, Aberdeen  
 George McLeod, Wrights & Coopers, Aberdeen  
 Garry R Murray, Wrights & Coopers, Aberdeen  
 Mike Rennie, Wrights & Coopers, Aberdeen

**DETERMINATION OF EXEMPT BUSINESS**

3. The Council was requested to determine that the following items of business which contained exempt information as described in Schedule 7(A) of the Local Government (Scotland) Act 1973, be taken in private:-

- 9(a) Shaping Aberdeen Housing LLP 5 Year Business Plan
- 9(b) Complaints Review Committee - 26 and 31 January 2017
- 9(c) City Centre Masterplan Project EN10: Union Terrace Gardens - Outline Design, Business Case, Development Costs and Procurement Strategy - Appendices B and F

**The Council resolved:-**

in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting during consideration of items 9(a), 9(b) and 9(c)

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so as to avoid disclosure of exempt information of the classes described in paragraphs 1, 3, 6, 8, 9 and 10 of Schedule 7(A) of the Act.

**MINUTE OF MEETING OF ABERDEEN CITY COUNCIL OF 14 DECEMBER 2016**

4. The Council had before it the minute of meeting of Aberdeen City Council of 14 December 2016.

**The Council resolved:-**  
to approve the minute.

**MINUTE OF MEETING OF URGENT BUSINESS COMMITTEE OF 31 JANUARY 2017**

5. The Council had before it the minute of meeting of the Urgent Business Committee of 31 January 2017.

**The Council resolved:-**  
to approve the minute.

**BUSINESS STATEMENT**

6. The Council had before it a statement of Council business.

**The Council resolved:-**  
to note the statement.

**ABERDEEN CITY INTEGRATION JOINT BOARD (IJB) - OCE/17/005**

7. With reference to Article 17 of the minute of its meeting of 14 December 2016, the Council had before it a report by the Chief Executive which provided details of the arrangements put in place for governance of the IJB.

**The report recommended:-**  
that the Council note the content of the report.

At this juncture, Councillor Laing paid tribute to Councillor Ironside who was due to stand down at the election in May having served as a Councillor for 35 years, firstly at Grampian Regional Council before Aberdeen City Council. Councillor Laing highlighted that Councillor Ironside had been Council Leader from 1999 until 2003, and had been awarded a CBE in 2003 for services to local government and the community.

Councillor Laing concluded that naming the new facility built to replace the old Rosehill Day Centre the Len Ironside Centre was a fitting tribute to the work Councillor Ironside had done during his time as an elected member, particularly in relation to health and social care.

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**The Council resolved:-**

- (i) to note the content of the report; and
- (ii) to agree to call the new facility built to replace the old Rosehill Day Centre the Len Ironside Centre.

**STANDARDS COMMISSION FOR SCOTLAND - WRITTEN DECISION - OCE/17/003**

8. The Council had before it a report by the Chief Executive which presented the written decision by the Standards Commission for Scotland following a hearing held on 24 January 2017.

**The report recommended:-**

that the Council -

- (a) consider the content of the written decision and note the sanction imposed by the Standards Commission for Scotland; and
- (b) further note the importance of ensuring that members were not seen to be determining quasi judicial and regulatory matters prior to the meeting at which the matter was to be considered.

**The Council resolved:-**

- (i) to note the content of the written decision and the sanction imposed by the Standards Commission for Scotland; and
- (ii) to approve recommendation (b).

**COUNCILLORS' CODE OF CONDUCT - CONSULTATION ON PROVISIONS OF CONFLICTS OF INTEREST**

9. The Council had before it a report by the Interim Director of Corporate Governance which presented a response to the consultation undertaken by the Scottish Government on possible amendments to the provisions on conflicts of interest in the Councillors' Code of Conduct.

**The report recommended:-**

that the Council approve the response appended to the report, to be submitted by 20 March 2017.

**The Council resolved:-**

to approve the response appended to the report, to be submitted by 20 March 2017, subject to the inclusion of a reference to the Standards Commission being allowed to amend the list of devolved public bodies to which an exclusion applied.

**COUNCIL DIARY - RESCHEDULING OF STATUTORY MEETING - CG/17/031**

10. The Council had before it a report by the Interim Director of Corporate Governance which proposed that the statutory Council meeting be postponed by one

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week to 17 May 2017 and that the Council diary be adjusted to accommodate other meetings affected by the change.

**The report recommended:-**

that the Council agree to reschedule the statutory meeting to 17 May 2017 and approve the amended calendar for May/June 2017 as appended to the report.

**The Council resolved:-**

to approve the recommendation.

**GOVERNANCE REVIEW - LOCAL CODE OF CORPORATE GOVERNANCE AND ACTION PLAN - CG/17/021**

11. The Council had before it a report by the Interim Director of Corporate Governance which presented the revised Local Code of Corporate Governance which set out how the Council would provide annual assurance against CIPFA's principles of good governance to the Audit, Risk and Scrutiny Committee, and which advised that an action plan was in place to secure improvements in the Council's governance.

**The report recommended:-**

that the Council -

- (a) approve the revised Local Code of Corporate Governance against which the Council would measure itself in Annual Governance Statements from 2016/17 onwards (Appendix A);
- (b) note the progress being made towards improving the Council's governance framework, that the workstreams within the action plan responded to CIPFA's interim assessment, and that these would be reported to the relevant committees as they were progressed (Appendix B); and
- (c) aspire towards the CIPFA Mark of Excellence in governance over the next 12 to 18 months.

**The Council resolved:-**

to approve the recommendations.

**GOVERNANCE REVIEW - MEMBER-OFFICER RELATIONS PROTOCOL - CG/17/022**

12. The Council had before it a report by the Interim Director of Corporate Governance which presented a Member-Officer Relations Protocol which aimed to promote a shared set of values to be demonstrated through shared behaviours.

**The report recommended:-**

that the Council approve and adopt the Member-Officer Relations Protocol appended to the report and agree that it be used as a tool during the training of members following the May 2017 elections.

**The Council resolved:-**

to approve the recommendation.

**COUNCIL GOVERNANCE - STANDING ORDERS - CG/17/017**

13. The Council had before it a report by the Interim Director of Corporate Governance which presented a revised set of Standing Orders for approval.

**The report recommended:-**

that the Council -

- (a) approve the new Standing Orders appended to the report, to come into force on 30 April 2017;
- (b) subject to the recommendations below, revoke the existing Standing Orders (as updated on 14 December 2016) with effect from 30 April 2017;
- (c) note that the new Standing Orders did not contain provisions equivalent to the existing Standing Orders 28 (Committees of the Council), 37 (General Delegations to Committees), 38 (Exclusion from Delegations) and 39 (Expenditure on Hospitality), and to agree that these would remain in force until such time as alternative Committee Orders of Reference were presented and the Council Travel Policy was amended;
- (d) agree that the existing Committee Orders of Reference remain in force for the time being, with alternative proposals to be brought to Council in due course; and
- (e) agree that "Part III - Officers of the Council" (with the exception of Standing Order 45 - Report by Chief Officers) of the existing Standing Orders also remain in force for the time being, with alternative proposals to be brought to Council in due course.

**The Council resolved:-**

- (i) to approve the recommendations subject to the addition of "and" after Standing Order 14.2.1; and
- (ii) to agree that the Governance Reference Group consider the method of voting at Council meetings in the context of transparency.

**EDUCATION AND CHILDREN'S SERVICES COMMITTEE - EXTERNAL APPOINTMENT (ROMAN CATHOLIC CHURCH REPRESENTATIVE) - CG/17/037**

14. The Council had before it a report by the Interim Director of Corporate Governance which presented details of a nomination from the Roman Catholic Diocese of Aberdeen for a new Roman Catholic Church representative on the Education and Children's Services Committee following the resignation of Mrs Wischik.

**The report recommended:-**

that the Council approve the appointment of Mr John Murray as the Roman Catholic Church external member on the Education and Children's Services Committee.

**The Council resolved:-**

to approve the recommendation.



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**ABERDEEN INTERNATIONAL YOUTH FESTIVAL (AIYF) GOVERNANCE REVIEW - ECS/17/013**

15. The Council had before it a report by the Director of Education and Children's Services which provided an update on the current position regarding the proposal to dissolve the existing AIYF and incorporate it within Castlegate Arts Limited, and the arrangements for AIYF should it not be incorporated.

**The report recommended:-**

that the Council -

- (a) note the content of the report, in particular that the proposal to incorporate AIYF within Castlegate Arts Limited was no longer a viable option;
- (b) request that the Trustees of AIYF investigate the options laid out in section 5.7 of the report, providing an achievable project plan which considered the future governance of the organisation and the delivery model of AIYF; and
- (c) request that the Trustees of AIYF submit the project plan to the Council meeting on 21 June 2017 to ensure that all funding provided by the Council was appropriately spent.

**The Council resolved:-**

to approve the recommendations.

**REGISTRATION SERVICE - NEW SERVICES - CG/17/030**

16. The Council had before it a report by the Interim Director of Corporate Governance which recommended the provision of new services by the Registration team and the approval of related fees.

**The report recommended:-**

that the Council -

- (a) approve the introduction of baby naming and renewal of vows services by the Registration team; and
- (b) approve the associated fee levels.

**The Council resolved:-**

to approve the recommendations.

**FORMATION OF JOINT COMMITTEE FOR ROADS COLLABORATION - CHI/17/002**

17. The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which highlighted the progress that had been made in the Collaboration Project and the move to a Joint Committee in order to assist in the management of shared tasks in an open and transparent arrangement.

**The report recommended:-**

that the Council -

- (a) agree to join in the establishment of a Joint Committee in terms of Section 56 and 57 of the Local Government (Scotland) Act 1973 with Aberdeenshire

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- Council, Angus Council, Argyll and Bute Council, Comhairle nan Eilean Siar, The Highland Council, The Moray Council, and the Orkney Islands Council to be known as The Northern Roads Collaboration Joint Committee;
- (b) empower the Joint Committee by delegating to it the necessary functions to deliver the collaboration programme as outlined in Appendix A of the report;
  - (c) amend the constitutional documents (including any Scheme of Delegation or equivalent) to give effect to the establishment of the Joint Committee including the delegation of powers to it as set out in Part 1 of the Schedule in Appendix A; and in doing so had incorporated the wording set out in Part 1 of the Schedule into its constitutional documents in identical form. Member Councils acknowledged that this was necessary to ensure consistency in the delegation of powers by each Member Council to the Joint Committee;
  - (d) approve the Joint Committee adopting standing orders based on the terms of the inter-authority agreement to be adopted by the Joint Committee at its first meeting (“the Standing Orders”) subject to review and approval by the Head of Legal and Democratic Services following consultation with the Head of Public Infrastructure and Environment and the Convener of the Communities, Housing and Infrastructure Committee, which may be reviewed and amended from time to time. The Standing Orders shall govern proceedings at meetings of the Joint Committee and any sub-committees;
  - (e) agree that the Communities, Housing and Infrastructure Committee appoint two named members from the Council and appoint two named substitutes to the Joint Committee;
  - (f) amend the Communities, Housing and Infrastructure Committee Terms of Reference to permit that Committee to receive, and make decisions on, recommendations from the Northern Roads Collaboration Joint Committee in respect of any document, agreement or other matter, as set out in Appendix B;
  - (g) authorise the Head of Legal and Democratic Services to agree the governance and administrative arrangements for the Joint Committee, following consultation to enter into an inter-authority agreement with the other member Councils following consultation with the Head of Public Infrastructure and Environment and the Convener of the Communities, Housing and Infrastructure Committee (draft copy at Appendix A);
  - (h) note that decisions on whether a Council participated in roads collaboration projects would be reserved to the Councils and not delegated to the proposed Joint Committee; and
  - (i) agree that Aberdeenshire Council take the role of Lead Authority for year 1 of the Joint Committee.

**The Council resolved:-**

to approve the recommendations.

**PROPOSED SUPPLEMENTARY GUIDANCE TO ACCOMPANY ABERDEEN LOCAL DEVELOPMENT PLAN 2017 - CHI/17/015**

18. With reference to Article 22 of the minute of its meeting of 14 December 2016, the Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update following public consultation on proposed Supplementary Guidance on a selection of planning policy matters, development sites

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and masterplan zones, and sought approval to send the documents to Scottish Ministers for formal ratification to become adopted Supplementary Guidance to accompany the Aberdeen Local Development Plan 2017.

**The report recommended:-**

that the Council -

- (a) note the representations received on the Proposed Supplementary Guidance documents, and approve officers' responses to those representations (where relevant) (Appendices 2 and 3);
- (b) where documents had been revised, approve the revised Proposed Supplementary Guidance documents as Interim Planning Advice from 16 March 2017;
- (c) agree that the Loirston Development Framework would not go forward as Supplementary Guidance at this time, but would instead be reported back to members at a later date for further consultation and approval; and
- (d) instruct officers to send a copy of all approved Supplementary Guidance documents to the Scottish Ministers for formal ratification to become adopted Supplementary Guidance to accompany the Aberdeen Local Development Plan 2017.

**The Council resolved:-**

to approve the recommendations.

**LOCALITY PLANS - CHI/17/056**

19. The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which presented the draft Locality Plans 2017-27 for Torry; Middlefield, Mastrick, Cummings Park, Northfield, Heathryfold; and Seaton, Tillydrone and Woodside.

**The report recommended:-**

that the Council endorse the current draft Locality Plans as living documents which would continue to be shaped and developed in partnership with communities.

**The Council resolved:-**

to approve the recommendation.

**BP BIG SCREEN - RELAXATION OF DRINKING IN PUBLIC PLACES BYELAW - CHI/17/045**

20. The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which sought permission to approach the Scottish Government to confirm the suspension of the operation of the Aberdeen City Council Drinking in Public Places Byelaw 2009, to permit the responsible consumption of alcohol within the boundaries of the Duthie Park for BP Big Screens, Verdi's 'La Traviata' on 4 July 2017.

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**The report recommended:-**

that the Council -

- (a) instruct the Head of Legal and Democratic Services to carry out the necessary advertising of the proposed suspension; and
- (b) instruct the Head of Legal and Democratic Services to request confirmation from the Scottish Government that the Aberdeen City Council Drinking in Public Places Byelaw 2009 be suspended within the boundaries of the Duthie Park on 4 July 2017 from 1700 to 2300 hours.

**The Council resolved:-**

to approve the recommendations.

**CITY CENTRE MASTERPLAN PROJECT EN10: UNION TERRACE GARDENS -  
OUTLINE DESIGN, BUSINESS CASE, DEVELOPMENT COSTS AND  
PROCUREMENT STRATEGY**

21. The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which advised of the outline design, the transformational benefits of the proposal, business case, indicative development costs and procurement strategy for the redevelopment of Union Terrace Gardens (UTG) and sought authority to commence the procurement process for the works.

**The report recommended:-**

that the Council -

- (a) approve the outline design for the redevelopment of UTG (Appendices A and C);
- (b) approve the business case at this stage of the redevelopment (Appendix F);
- (c) approve the estimated capital costs for the project and the associated estimates of operational costs and revenues;
- (d) agree that the capital costs of the scheme as estimated in Appendix B be funded from the City Centre Masterplan budget as approved by the Council in February 2017;
- (e) note that the Head of Economic Development intended to submit a detailed planning application and Listed Building application to the planning authority by the end of April 2017 through the UTG design team's planning agent;
- (f) agree the procurement strategy, delivery programme and method for the works in the report, and based on this agreement, instruct the Head of Economic Development following consultation with the Head of Commercial and Procurement Services to commence procurement of the works;
- (g) instruct the Head of Economic Development to submit a report to the first available Finance, Policy and Resources Committee with recommendations on the preferred contractor from the procurement exercise and the final costs of the scheme;
- (h) delegate authority to the Head of Public Infrastructure and Environment to commence the statutory consultation for the Stopping Up Order relating to the slip between Rosemount Viaduct and Union Terrace and report back the results to the first available Communities, Housing and Infrastructure Committee; and
- (i) note that the Head of Public Infrastructure and Environment following consultation with the Head of City Planning would progress transport options for Union Terrace and report back to the first available Communities, Housing and

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Infrastructure Committee on a preferred option and associated Traffic Regulation Order recommendations.

Councillor Laing moved, seconded by Councillor Boulton:-

That the Council -

- (1) approve the recommendations contained within the report;
- (2) note that the Council was already undertaking a robust review of its Capital Programme management arrangements including reporting of Capital Projects into the governance structure;
- (3) note that the City Centre Masterplan Reference Group would receive regular reporting on progress of Capital Projects; and
- (4) agree that it was not appropriate for members to get involved in operational matters in accordance with the Member-Officer Relations Protocol agreed unanimously earlier this day.

Councillor Flynn moved as an amendment, seconded by Councillor Jennifer Stewart:-

That the Council -

- (1) approve the recommendations contained within the report;
- (2) instruct officers to report back on market testing to the first available committee along with the results of the procurement exercise referred to in the key project milestones; and
- (3) establish a Project Board to include elected members.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

For the amendment (20) - Councillors Cameron, Copland, Corall, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Malone, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

**The Council resolved:-**

to adopt the motion.

**BOND FINANCING STRATEGY - ECONOMIC POLICY PANEL - CHI/17/052**

**22.** With reference to Article 15 of the minute of its meeting of 14 December 2016, the Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided further detail on the proposals for an Economic Policy Panel.

**The report recommended:-**

that the Council -

- (a) approve the draft Terms of Reference for an Economic Policy Panel (Appendix 1) for its interest at this stage and delegate authority to the Head of Legal and Democratic Services to finalise the Terms of Reference;
- (b) agree that a Panel be piloted for a period of three credit rating reviews;

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- (c) instruct the Chief Executive to undertake a national advertisement with a view to recruiting appropriately qualified members for the Panel, and thereafter to recommend proposed members to the first available Finance, Policy and Resources Committee for its approval;
- (d) agree that the Finance, Policy and Resources Committee shall have due regard to the reports and other work of the Panel; and
- (e) instruct the Head of Economic Development in consultation with the Head of Finance to undertake an ongoing evaluation of the pilot and report the findings back to the Finance, Policy and Resources Committee on an annual basis.

Councillor Laing moved, seconded by Councillor Young:-

That the Council approve the recommendations contained within the report.

Councillor Flynn moved as an amendment, seconded by Councillor Dickson:-

That the Council take no action.

On a division, there voted:-

For the motion (21) - Lord Provost; Depute Provost; and Councillors Allan, Boulton, Carle, Cooney, Crockett, Donnelly, Lesley Dunbar, Finlayson, Graham, Grant, Ironside, Laing, Lawrence, Malik, Milne, Jean Morrison, Nathan Morrison, Taylor and Young.

For the amendment (20) - Councillors Cameron, Copland, Corall, Cormie, Delaney, Dickson, Jackie Dunbar, Flynn, Greig, Hutchison, Jaffrey, MacGregor, Malone, Nicoll, Noble, Samarai, Jennifer Stewart, Sandy Stuart, Townson and Yuill.

**The Council resolved:-**

to adopt the motion.

**ABERDEEN INWARD INVESTMENT PLAN - CHI/17/046**

**23.** The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which introduced the Aberdeen Inward Investment Study and Plan and proposed a number of actions to take it forward.

**The report recommended:-**

that the Council -

- (a) agree that the content, conclusions and recommendations of the Aberdeen Inward Investment Study and Plan ('the Plan', Appendix 1) would form the basis of the Council's approach to inward and institutional investment going forward;
- (b) note that this may require the reprioritisation of some budgets within the Council's Economic Development Service;
- (c) given its wider focus, agree that oversight of the Plan and its implementation would be undertaken by the Regional Economic Strategy Officer Group to ensure that efforts to improve investment performance in the city region were coherently and effectively managed; and
- (d) agree to receive annual updates on the Plan starting in May 2018.

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**The Council resolved:-**

to approve the recommendations.

**INTERNATIONAL TRADE AND PARTNERSHIP PROPOSALS - CHI/17/047**

**24.** The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which proposed priorities for international trade and export and European partnership activities for the Council over the next two years.

**The report recommended:-**

that the Council -

- (a) agree the international trade and export priorities contained within the report based on the market analysis provided at Appendix 1;
- (b) agree the proposed budget allocation for international trade and export in 2017/18 and note the proposals for 2018/19, recognising that the latter would be subject to the Council's 2018/19 budget setting process;
- (c) note the update on European partnership activities;
- (d) agree the proposed budget allocations for European partnership activities in 2017/18 (Appendix 2);
- (e) authorise the Head of Economic Development to approve the necessary arrangements for international travel identified in the report; and
- (f) agree to receive bulletin reports on international trade and European partnership activities as they fall due with Council meetings.

**The Council resolved:-**

to approve the recommendations.

**FEASIBILITY STUDY - 2,000 HOMES - CHI/17/051**

**25.** With reference to Article 19 of the minute of meeting of the Communities, Housing and Infrastructure Committee of 1 November 2016, the Council had before it a joint report by the Interim Director of Corporate Governance and the Interim Director of Communities, Housing and Infrastructure which considered the feasibility of building 2,000 new homes by 2022.

**The report recommended:-**

that the Council -

- (a) note the content of the report;
- (b) note that increase in debt levels may impact on the Council's credit rating;
- (c) instruct the Head of Finance to discuss with Moody's the likely impact on the Council's credit rating if the Council was to raise debt levels;
- (d) instruct the Head of Legal and Democratic Services to commission a QC's opinion to ratify the use of the Council's Common Good land holdings for Council house build both in terms of the legal position and best value criteria;
- (e) instruct the Head of Land and Property Assets to carry out a Land Assembly Programme and determine the quantity of land required and the most suitable land holdings available to the Council for the purpose of Council housing; and

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- (f) instruct the Head of Land and Property Assets to provide a detailed development process and methodology for delivery.

**The Council resolved:-**

to approve the recommendations.

**EQUALITY OUTCOMES AND MAINSTREAMING REPORT - CHI/17/054**

**26.** The Council had before it a report by the Interim Director of Communities, Housing and Infrastructure which provided an update on progress achieved at the end of year 2 of the Council's Equality Outcomes for 2015-2017 and set out new draft Equality Outcomes for 2017-21.

**The report recommended:-**

that the Council -

- (a) approve the draft Equality Outcomes and Mainstreaming Progress Report for 2017-21, recognising that work would continue to make the draft document ready for publication on 30 April 2017;
- (b) note the progress since publication of the Equality Outcomes and Mainstreaming report of 2015;
- (c) agree new and revised draft Equality Outcomes for 2017-21 proposed within the draft Equality Outcomes and Mainstreaming Progress Report (pages 14 to 17) and note that these were also summarised in Appendix 1 of the Equality Outcomes and Mainstreaming Progress Report;
- (d) approve Aberdeen City Council's Human Resources Employee Information for publication (Appendix 4);
- (e) approve the contributions from Education and Children's Services (Appendix 5);
- (f) note that a business case would follow to realign service budgets so that the essential work required to mainstream equality was resourced at no additional cost for the Council.

**The Council resolved:-**

- (i) to approve the recommendations; and
- (ii) to instruct officers to provide all members with further information in connection with (1) the difference in the proportion of employees who identified themselves as having a disability (2.9%) (page 753), compared to the proportion of employees who were subject to the disciplinary process who identified themselves as having a disability (9.5%) (page 788); (2) the accuracy of the figures on page 812 with regard to applicants for employment with a disability in 2016 having been 12,160 with only 2.7% successful; and (3) the accuracy of the figures on page 764 with regard to the number of white-Polish applicants for employment increasing from 677 in 2015 to 1,252 in 2016.



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**MOTION BY COUNCILLORS YUILL AND TOWNSON**

**27.** The Council had before it the following notice of motion by Councillors Yuill and Townson:-

“That this Council:

1. Notes that the community of Garthdee has seen a very considerable amount of development and loss of open space in recent years.
2. Recognises that the sale of Kaimhill Outdoor Sports Centre would result in a further loss of open space, the loss of a community facility and further development in Garthdee.
3. Agrees that at least 50% of the capital receipt received from the sale of Kaimhill Outdoor Sports Centre should be reinvested in improving community facilities in Garthdee, including the addition of a new multi-use hall and associated facilities to Inchgarth Community Centre.”

**The Council resolved:-**

- (i) to approve parts 1 and 2 of the motion above;
- (ii) to instruct the Interim Director of Communities, Housing and Infrastructure to bring forward to the earliest committee a review of community facilities in Garthdee including the feasibility of an addition of a new multi-use hall and associated facilities to Inchgarth Community Centre; and
- (iii) in light of the Administration’s commitment to build 2,000 houses by 2022, to instruct the Interim Director of Communities, Housing and Infrastructure to bring forward to the earliest committee a further report on the feasibility of the Council investing in Council housing on the site of the Kaimhill Outdoor Sports Centre.

**MOTION BY COUNCILLOR FINLAYSON**

**28.** The Council had before it the following notice of motion by Councillor Finlayson:-

“To instruct the Interim Director of Communities, Housing and Infrastructure to arrange for the carrying out of a feasibility study on a safe route to school for Cove pupils attending the new Lochside Academy. The Interim Director should include in the options for either a pedestrian bridge over, or a pedestrian underpass under Wellington Road dual carriageway in the vicinity of the A956 Wellington Road/Souter Head Road roundabout. Once complete the findings of which should be presented to the Communities, Housing and Infrastructure Committee on 8 November 2017. This can be funded through a bid to the Bus Lane Enforcement Fund.

It is essential to consider these options due to the fast moving very large volume of traffic, including HGVs, currently using Wellington Road which will substantially increase with the opening of the Aberdeen Western Peripheral Route vehicles serving the new Recycling Plant, the new Energy from Waste Plant and the new Harbour.”

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**The Council resolved:-**

to approve the terms of the motion subject to the replacement of “Cove pupils” with “all pupils”.

**MOTION BY COUNCILLOR CORALL**

29. The Council had before it the following notice of motion by Councillor Corall:-

“That Council -

- (1) acknowledges that much of Aberdeen’s remaining cobbled (setted) streets have suffered from the ravages of time and that it is imperative to treasure and safeguard Aberdeen’s historic cobbled or lock blocked streets;
- (2) further acknowledges Aberdeen’s need to diversify more into leisure tourism and capitalise on our rich history and heritage that includes our streetscape;
- (3) agrees to instruct the Interim Director of Communities, Housing and Infrastructure to develop a policy that specifies:
  - a. the location of existing granite sett and lock block streets;
  - b. which ones should be maintained; and
  - c. what maintenance should be used; and
- (4) gives a commitment that any future repair work will be carried out sympathetically and appropriately.”

**The Council resolved:-**

to approve the terms of the motion.

**MOTION BY COUNCILLOR GRANT**

30. The Council had before it the following notice of motion by Councillor Grant:-

“Council notes First Aberdeen has announced the planned withdrawal of the X40 and 11 services from Kingswells with similar withdrawals having already been made right across the city. Notes that bus operators in Aberdeen appear to put profit before the needs of passengers who often rely upon buses to get to and from work.

Agrees to instruct the Chief Executive to explore all options for Aberdeen City Council to facilitate the running of a bus service, those options to include the setting up of a company and/or working in partnership with an operator who already holds a PSV bus operator’s licence, and to report back to Council in June 2017.”

**The Council resolved:-**

to approve the terms of the motion.

**MOTION BY COUNCILLOR IRONSIDE**

31. The Council had before it the following notice of motion by Councillor Ironside:-

“That the Council instruct the Interim Director of Communities, Housing and Infrastructure, in consultation with the Chief Officer - Aberdeen City Health and Social Care Partnership, to investigate the possibility of co-ordinating a scheme where businesses in the city centre would make available their toilet facilities to disabled and older people with medical conditions, and to report to the Communities, Housing and Infrastructure Committee on 29 August 2017.”

**The Council resolved:-**

to approve the terms of the motion.

**MOTION BY COUNCILLOR BOULTON**

32. The Council had before it the following notice of motion by Councillor Boulton:-

“To instruct the Chief Executive to liaise formally with the AWPR/B-T funding partners to provide a report to the Communities, Housing and Infrastructure Committee before the end of 2017 in respect of the capacities of the junctions associated with the AWPR/B-T within the Aberdeen City boundary. This information is essential in determining if there are sufficient capacities for existing traffic and for future development within the Aberdeen City boundary.”

**The Council resolved:-**

to approve the terms of the motion.

**MOTION BY COUNCILLOR BOULTON**

33. The Council had before it the following notice of motion by Councillor Boulton:-

“Council acknowledges the value of the Deeside Way both as a core path and a wildlife corridor and instructs the Interim Director of Communities, Housing and Infrastructure to provide a report to the next Communities, Housing and Infrastructure Committee on the Council setting a policy detailing parameters for access or otherwise to construction vehicles to facilitate development.”

**The Council resolved:-**

to approve the terms of the motion.

**MOTION BY LORD PROVOST GEORGE ADAM**

34. The Council had before it the following notice of motion by Lord Provost George Adam, which had been signed by two thirds of the members of the Council as required by Standing Orders:-

## Council Meeting, 15 March 2017

“That this Council confer the Freedom of the City upon Denis Law CBE in recognition of his outstanding career as a world renowned footballer, his dedication to charitable endeavour, and his commitment to community sport in Aberdeen.”

**DECLARATION OF INTEREST**

**At this juncture, Councillor Jackie Dunbar declared a personal interest in the item of business and considered that the nature of her interest required her to leave the meeting and took no part in the Council’s deliberations thereon.**

**The Council resolved:-**

- (i) to approve the terms of the motion; and
- (ii) to instruct the Chief Executive to make the necessary arrangements, consulting the Lord Provost and Group Leaders where appropriate.

**VALEDICTORY**

**35.** The Lord Provost highlighted that this was the last Council meeting of the term and thanked all staff for serving the people of Aberdeen with such pride and dedication. He added that it had been a privilege to work alongside staff in what was a huge team effort.

The Lord Provost paid tribute to the voluntary sector in Aberdeen and emphasised that he could not begin to describe the magnitude of what went on within the city’s third sector. He commented that he had made it a priority to recognise the hard work of volunteers and he was so proud of what he had seen in Aberdeen, with so many people giving up their time, talents and often their own resources for the benefit of others which never failed to amaze him.

The Lord Provost thanked all members for their service during the past five years, particularly those members not seeking re-election, who he wished good luck. He also expressed his sincerest best wishes to Councillor Kiddie who had been suffering from ill health in recent months.

Lastly, the Lord Provost thanked all members for giving him their support in his role of office. He concluded that it had been an enormous privilege and a huge honour to serve as Lord Provost and he would be leaving with a whole new outlook on Aberdeen and a great sense of positivity about the city’s future.

Councillor Laing thanked the Lord Provost for the work he had carried out during the past five years as Lord Provost and as an elected member for eighteen years in total. Councillor Laing highlighted that so many people in the city had been overwhelmingly positive about the Lord Provost, and emphasised that he had worked tirelessly to promote Aberdeen and its citizens. She added that the Lord Provost had shown the utmost professionalism but also good humour and had chaired Council meetings very

## Council Meeting, 15 March 2017

effectively despite the stresses that members occasionally brought to meetings. Councillor Laing underlined that the city had been honoured and privileged to have the Lord Provost in the role and wished him every success in his future away from the Council.

Councillor Flynn echoed Councillor Laing's comments and recalled that the Lord Provost had invited him to his office within his first week after being elected, which made him feel very welcome. He added that the Lord Provost had been a pillar of strength in the role for the Council. Councillor Flynn thanked his own members who were not seeking re-election, namely Councillors Corall, Dickson, Jaffrey and Kiddie. He also thanked Councillor Laing for her leadership as Council Leader, adding that although they disagreed on many things she had not held back when representing the city. He also extended his thanks to Councillor Crockett for his time as Council Leader and the various Conveners for their hard work during the past five years, particularly Councillors Cooney and Ironside who were not seeking re-election.

Councillor Yuill echoed the remarks of Councillors Laing and Flynn, and added his own thanks to Council staff for their professionalism and good advice. He advised that only one of his members was retiring and thanked Councillor Malone for her service. He also added his good wishes to Councillor Kiddie and was pleased to hear his health was improving. Councillor Yuill concluded by wishing all members who were not seeking re-election good luck for the future.

Councillor Boulton expressed her own thanks to the Lord Provost, particularly in respect of his work with the third and cultural sectors, highlighting the high esteem in which he was held in those fields. She also thanked Councillor Laing for her efforts as Council Leader, all members who were not seeking re-election and Council staff.

Councillor Donnelly paid tribute to the Lord Provost and wished him well in his endeavours outwith the Council. He also expressed his good wishes towards Councillor Kiddie and wished all members well for the future.

Lastly, Councillor Laing thanked members for their kind words and added that despite the robustness of politics she had enjoyed working with all members during her time as Council Leader. She paid her own tributes to those members not seeking re-election, particularly Councillors Carle, Cooney, Jean Morrison and Nathan Morrison in her own group, as well as Councillor Ironside who she had paid tribute to earlier in the meeting. Councillor Laing hoped that members would be able to move Aberdeen forward as much in the next five years as they had done in the past five years.

**The Council resolved:-**

to concur with the remarks of the various members.

**In accordance with the decision recorded under Article 3 of this minute, the following three items of business were considered with the press and public excluded.**

## DECLARATIONS OF INTERESTS

The Depute Provost and Councillors Flynn and Young declared interests in the following item of business by virtue of their position as Council appointed representatives on the Board of Shaping Aberdeen Housing LLP, and considered that the nature of their interests required them to leave the meeting and took no part in the Council's deliberations thereon.

Councillor Delaney also declared an interest in the following item of business and considered that the nature of his interest required him to leave the meeting and also took no part in the Council's deliberations thereon.

## SHAPING ABERDEEN HOUSING LLP 5 YEAR BUSINESS PLAN - CHI/16/326

36. With reference to Article 24 of the minute of its meeting of 14 December 2016, the Council had before it a joint report by the Interim Director of Communities, Housing and Infrastructure and the Interim Director of Corporate Governance which provided an update on progress with the Shaping Aberdeen Housing LLP and sought approval of the 5 Year Business Plan and various other matters to allow the project to proceed.

### The report recommended:-

that the Council -

- (a) note the following:-
- (1) progress to date;
  - (2) the Shaping Aberdeen Housing LLP Board approval of the 5 Year Business Plan on 13 January 2017;
  - (3) for the purposes of VAT, that the Council would opt not to tax sites sold to Shaping Aberdeen Housing LLP, subject to the Council's ability to make this decision and subject to the approval of the Head of Finance. The 30 year financial model and the 5 Year Business Plan reflected this VAT position on land transactions; and
  - (4) the process for approval of the Shaping Aberdeen Housing LLP's Business Plan:-
    - Shaping Aberdeen Housing LLP Board approval on 13 January 2017
    - Places for People Homes Limited Board approval by 15 March 2017
    - Full Council approval on 15 March 2017; and
- (b) approve the following:-
- (1) the Shaping Aberdeen Housing LLP's 5 Year Business Plan (Appendix 1) which was derived from the 30 year financial model;
  - (2) the loan facility of up to the value of £18million from the Council to the LLP providing an investment opportunity to the Council subject to final terms and conditions being agreed by the Head of Finance in conjunction with the Head of Legal and Democratic Services and the Interim Director of Communities, Housing and Infrastructure;
  - (3) the extension of the £3million capital budget for meeting the initial development costs prior to sites being transferred from the Council to the LLP noting the provisions for recovery of these costs through top-slicing

## Council Meeting, 15 March 2017

- capital receipts from projected land sales as previously agreed at the meeting of the Council on 20 August 2014;
- (4) staff resources to support the programme as follows:-
- the conversion of three posts of the Housing Programme Team (Housing Programme Manager, Senior Land and Development Manager and Administrative Assistant) to permanent posts; and
  - the deletion of one fixed term post of the Housing Programme Team (Consents Negotiator) noting that this post was vacated in January 2016;
- (5) funding the staff resources would be met by top-slicing capital receipts arising from land sales to Shaping Aberdeen Housing LLP;
- (6) that delegated authority be given to the Interim Director of Communities, Housing and Infrastructure to purify on the final land value receipt for the site at East Woodcroft taking cognisance of changes in market conditions and noting the recommendation agreed at the meeting of the Council on 8 October 2015; and
- (7) that delegated authority be given to the Interim Director of Communities, Housing and Infrastructure to purify on the final land value receipt for the site at Summerhill taking cognisance of changes in final construction programme, final construction and abnormal costs and developer contributions and noting the recommendation agreed at the meeting of the Council on 8 October 2015. The net land value requires to be purified as described above.

**The Council resolved:-**

- (i) to approve the recommendations;
- (ii) to instruct the Chief Executive to negotiate with Places for People on the delivery of 1,000 affordable homes and report back to the next Council meeting on the mechanism by which this could be achieved; and
- (iii) to agree that a media release be issued immediately following the decision, giving details of the Council's decision on the Shaping Aberdeen Housing LLP 5 Year Business Plan.

**COMPLAINTS REVIEW COMMITTEE - 26 JANUARY AND 31 JANUARY 2017 - CG/17/029**

37. The Council had before it a report by the Interim Director of Corporate Governance which presented the minutes and recommendations from the Social Work Complaints Review Committee meetings of 26 and 31 January 2017.

**The report recommended:-**

that the Council approve the recommendations and the minutes of the Social Work Complaints Review Committee meetings of 26 and 31 January 2017.

**The Council resolved:-**

to approve the recommendation.

Council Meeting, 15 March 2017

**CITY CENTRE MASTERPLAN PROJECT EN10: UNION TERRACE GARDENS -  
OUTLINE DESIGN, BUSINESS CASE, DEVELOPMENT COSTS AND  
PROCUREMENT STRATEGY - APPENDICES B AND F**

38. With reference to Article 21 of this minute, the Council had before it Appendices B (Estimated Capital Costs) and F (Business Case) to the report by the Interim Director of Communities, Housing and Infrastructure.

**The Council resolved:-**

to refer to the decision at Article 21 of this minute.

**The press and public were excluded from the meeting for consideration of the following item which dealt with confidential information in terms of Section 50A 3(b) of the Local Government (Scotland) Act 1973.**

**CORPORATE GOVERNANCE SERVICE - INTERIM MANAGEMENT  
ARRANGEMENTS AND THE IMPLICATIONS OF 'IR35' - OCE/17/006**

39. With reference to Article 14 of the minute of meeting of the Finance, Policy and Resources Committee of 9 March 2017, the Council had before it a report by the Chief Executive which responded to the terms of an emergency motion regarding use of agency personnel and demonstrated how this would be achieved at chief officer level. The report also addressed the implications of the taxation rules 'IR35' and advised of proposed interim management arrangements within Corporate Governance in the lead up to re-structure.

**The report recommended:-**

that the Council -

- (a) note the proposal to reduce reliance on agency expenditure associated with interim cover at chief officer level;
- (b) note the proposed short-term management arrangement within the Corporate Governance Directorate;
- (c) note the potential implications of IR35; and
- (d) delegate authority to the Chief Executive to extend the contracts of the three individuals currently covering chief officer roles appropriate to the circumstances pertaining to each post and for a maximum period of six months.

**The Council resolved:-**

to approve the recommendations.

- **GEORGE ADAM, Lord Provost.**



## ABERDEEN CITY COUNCIL

Town House,  
ABERDEEN, 17 May 2017

### STATUTORY MEETING OF ABERDEEN CITY COUNCIL

At Aberdeen and within the Town House on the Seventeenth Day of May, Two Thousand and Seventeen, at a meeting held in terms of Section 3(3) of the Local Government (Scotland) Act 1973.

#### COUNCILLORS

YVONNE ALLAN	CLAIRE IMRIE
CHRISTIAN ALLARD	FREDDIE JOHN
ALISON ALPHONSE	JENNIFER LAING
PHILIP BELL	DOUGLAS LUMSDEN
MARIE BOULTON	SANDRA MACDONALD
DAVID CAMERON	NEIL MacGREGOR
JOHN COOKE	AVRIL MacKENZIE
NEIL COPLAND	CATRIONA MacKENZIE
WILLIAM CORMIE	ALEXANDER McLELLAN
BARNEY CROCKETT	CIARÁN McRAE
STEVEN DELANEY	M. TAUQEER MALIK
ALAN DONNELLY	TOM MASON
JACQUELINE DUNBAR	ALEXANDER NICOLL
LESLEY DUNBAR	JAMES NOBLE
SARAH DUNCAN	JOHN REYNOLDS
STEPHEN FLYNN	GILLIAN SAMARAI
GORDON GRAHAM	PHILIP SELLAR
ROSS GRANT	JENNIFER STEWART
MARTIN GREIG	SANDY STUART
DELL HENRICKSON	GORDON TOWNSON
RYAN HOUGHTON	JOHN WHEELER
BRETT HUNT	and
MICHAEL HUTCHISON	IAN YUILL

Angela Scott, Returning Officer, in the Chair;

**The agenda and reports associated with this minute can be found at:-**  
<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=122&MId=5657&Ver=4>

**Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.**

## Council Meeting, 17 May 2017

**ELECTION OF COUNCILLORS - OCE/17/007**

1. The Returning Officer laid before the meeting the following declaration:-

Aberdeen City Council

Local Government Election - 4 May 2017

I, Angela Scott, as Returning Officer for the Aberdeen City Council give notice that the successful candidates in this election are as follows:-

<b>Ward</b>	<b>Candidate and Description</b>	<b>Stage at which elected</b>	<b>Number of valid votes</b>	<b>Number of votes rejected as void</b>
Dyce/Bucksburn/ Danestone	<b>Barney Crockett</b> - Aberdeen Labour making it happen	6	6,608	145
	<b>Neil MacGregor</b> - Scottish National Party (SNP)	1		
	<b>Avril MacKenzie</b> - Scottish Conservative and Unionist	1		
	<b>Gill Samarai</b> - SNP	6		
Bridge of Don	<b>Alison Alphonse</b> - SNP	1	7,236	114
	<b>Brett Hunt</b> - Scottish Conservative and Unionist	1		
	<b>John Reynolds</b> - Independent	7		
	<b>Sandy Stuart</b> - SNP	9		
Kingswells/ Sheddocksley/ Summerhill	<b>David Cameron</b> - SNP	5	5,043	85
	<b>Steve Delaney</b> - Scottish Liberal Democrats	1		

## Council Meeting, 17 May 2017

Ward	Candidate and Description	Stage at which elected	Number of valid votes	Number of votes rejected as void
	<b>John Wheeler</b> - Scottish Conservative and Unionist	7		
Northfield/Mastrick North	<b>Jackie Dunbar</b> - SNP	1	4,382	180
	<b>Gordon Graham</b> - Aberdeen Labour making it happen	8		
	<b>Ciarán McRae</b> - SNP	6		
Hilton/Woodside Stockethill	<b>Neil Copland</b> - SNP	1	4,537	137
	<b>Lesley Dunbar</b> - Aberdeen Labour making it happen	6		
	<b>Freddie John</b> - Scottish Conservative and Unionist	8		
Tillydrone/Seaton/Old Aberdeen	<b>Ross Grant</b> - Aberdeen Labour making it happen	1	3,217	133
	<b>Alexander McLellan</b> - SNP	1		
	<b>Jim Noble</b> - SNP	9		
Midstocket/Rosemount	<b>Bill Cormie</b> - SNP	1	4,755	80
	<b>Jenny Laing</b> - Aberdeen Labour making it happen	7		
	<b>Tom Mason</b> - Scottish Conservative and	1		

## Council Meeting, 17 May 2017

Ward	Candidate and Description	Stage at which elected	Number of valid votes	Number of votes rejected as void
	Unionist			
George Street/ Harbour	<b>Dell Henrickson</b> - SNP	1	3,622	103
	<b>Ryan Houghton</b> - Scottish Conservative and Unionist	9		
	<b>Michael Hutchison</b> - SNP	5		
	<b>Sandra Macdonald</b> - Aberdeen Labour making it happen	7		
Lower Deeside	<b>Philip Bell</b> - Scottish Conservative and Unionist	1	6,811	52
	<b>Marie Boulton</b> - Independent	6		
	<b>M. Tauqeer Malik</b> - Aberdeen Labour making it happen	8		
Hazlehead/ Queens Cross/ Countesswells	<b>John Cooke</b> - SNP	5	7,508	131
	<b>Martin Greig</b> - Scottish Liberal Democrats	1		
	<b>Claire Imrie</b> - Scottish Conservative and Unionist	5		
	<b>Jennifer Stewart</b> - Scottish Liberal Democrats	1		

## Council Meeting, 17 May 2017

Ward	Candidate and Description	Stage at which elected	Number of valid votes	Number of votes rejected as void
Airyhall/Broomhill/Garthdee	<b>Douglas Lumsden</b> - Scottish Conservative and Unionist	1	6,116	54
	<b>Gordon Townson</b> - SNP	2		
	<b>Ian Yuill</b> - Scottish Liberal Democrats	1		
Torry/Ferryhill	<b>Yvonne Allan</b> - Aberdeen Labour making it happen	7	5,598	144
	<b>Christian Allard</b> - SNP	9		
	<b>Alan Donnelly</b> - Scottish Conservative and Unionist	1		
	<b>Catriona MacKenzie</b> - SNP	9		
Kincorth/Nigg/Cove	<b>Sarah Duncan</b> - Aberdeen Labour making it happen	8	5,176	120
	<b>Stephen Flynn</b> - SNP	1		
	<b>Alex Nicoll</b> - SNP	4		
	<b>Philip Sellar</b> - Scottish Conservative and Unionist	1		

Dated at Aberdeen, this Seventeenth Day of May, Two Thousand and Seventeen.

Angela Scott  
Returning Officer

Council Meeting, 17 May 2017

## **ELECTION AND INSTALLATION OF THE LORD PROVOST**

2. The Returning Officer addressed the Council and sought nominations for the Office of Lord Provost.

Councillor Flynn proposed, seconded by Councillor Nicoll:-

That Councillor Jackie Dunbar be elected Lord Provost of the City.

Councillor Lumsden further proposed, seconded by Councillor Boulton:-

That Councillor Barney Crockett be elected Lord Provost of the City.

Councillors Jackie Dunbar and Crockett spoke in support of their respective candidacies.

There being two nominations, the Council voted as follows:-

For Councillor Jackie Dunbar (21) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Delaney, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart, Townson and Yuill.

For Councillor Barney Crockett (23) - Councillors Allan, Bell, Boulton, Crockett, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Mason, Reynolds, Sellar, Jennifer Stewart and Wheeler.

Declined to vote (1) - Councillor Greig.

The Council therefore elected Councillor Barney Crockett to be Lord Provost of the City in terms of the relevant statutes. Councillor Barney Crockett having declared acceptance of the said Office, the Chief Executive duly invested him with the insignia of Office and delivered into his keeping the silver keys of the City.

The Chair was then vacated by the Returning Officer and taken by the Lord Provost.

- **ANGELA SCOTT**, Returning Officer

## **LORD PROVOST'S REMARKS**

3. The Lord Provost stated that he fully appreciated the candidacy of Councillor Jackie Dunbar, and emphasised that nobody was more proud than he was having been elected Lord Provost this day.

Council Meeting, 17 May 2017

## **DETERMINATION OF URGENT BUSINESS**

4. The Council was requested to determine that the following items of business be considered as matters of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973:-
5. Appointment of Members to Committees and Appointment of Conveners and Vice Conveners
  6. Appointment of Members to Sub Committees, Groups and Outside Bodies
  14. Council Business

### **The Council resolved:-**

to accept items 5, 6 and 14 as matters of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973.

## **APPOINTMENT OF DEPUTE PROVOST**

5. The Lord Provost sought nominations for the role of Depute Provost.

Councillor Flynn proposed, seconded by Councillor Jackie Dunbar:-  
That Councillor Cormie be appointed Depute Provost.

Councillor Laing further proposed, seconded by Councillor Boulton:-  
That Councillor Mason be appointed Depute Provost.

Councillors Cormie and Mason spoke in support of their respective candidacies.

There being two nominations, the Council voted as follows:-

For Councillor Cormie (19) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

For Councillor Mason (22) - Lord Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Mason, Reynolds, Sellar and Wheeler.

Declined to vote (4) - Councillors Delaney, Greig, Jennifer Stewart and Yuill.

### **The Council resolved:-**

to appoint Councillor Mason to the role of Depute Provost.

## **COUNCILLOR JENNIFER STEWART**

6. At this juncture, Councillor Jennifer Stewart addressed the Council and announced that she was resigning from the Liberal Democrats and would now be independent. Councillor Jennifer Stewart thereupon moved to the other side of the Chamber and sat with the members of the Independent Alliance Group, between the Conservative and Labour members.

## Council Meeting, 17 May 2017

At the invitation of the Lord Provost, the Senior Democratic Services Manager indicated that an adjournment would be required to recalculate the allocation of committee places within item 5 on the agenda to take account of Councillor Jennifer Stewart joining the Administration. The Lord Provost agreed to such an adjournment.

Upon recommencement of the meeting, the Senior Democratic Services Manager advised that a signed Coalition Agreement had been presented to him which stated that the Administration comprised the members of the Conservative, Labour and Independent Alliance Groups. Councillor Boulton confirmed that Councillor Jennifer Stewart was now a member of the Independent Alliance Group.

**The Council resolved:-**  
to note the position.

### **APPOINTMENT OF COUNCIL LEADER AND DEPUTE LEADER**

7. The Lord Provost sought nominations for the positions of Council Leader and Depute Leader.

Councillor Boulton moved, seconded by Councillor Bell:-

That the Council appoint Councillors Laing and Lumsden as Co-Leaders.

Following a query by Councillor Flynn with regard to the above proposal, the meeting adjourned to enable the Head of Legal and Democratic Services to look into the matter.

Upon recommencement of the meeting, the Head of Legal and Democratic Services advised that he remained of the view that it was possible for the Council to appoint Co-Leaders within the terms of its Standing Orders, however there were some complicating factors, particularly with regard to financial aspects, and he therefore requested that the Council wait until further advice could be given before any decision be taken with regard to Co-Leaders.

Councillor Boulton therefore withdrew her aforementioned motion.

Councillor Boulton proposed, seconded by Councillor Lumsden:-

That Councillor Laing be appointed Council Leader

Councillor Jackie Dunbar further proposed, seconded by Councillor Nicoll:-

That Councillor Flynn be appointed Council Leader

Councillors Laing and Flynn spoke in support of their respective candidacies.

There being two nominations, the Council voted as follows:-

For Councillor Laing (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.



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For Councillor Flynn (19) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (3) - Councillors Delaney, Greig and Yuill.

**The Council resolved:-**

to appoint Councillor Laing as Council Leader.

Councillor Laing moved as a procedural motion, seconded by Councillor Houghton:-  
That the Council do not appoint a Depute Leader at this time.

On a division, there voted:-

For the procedural motion (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.

Against the procedural motion (22) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Delaney, Jackie Dunbar, Flynn, Greig, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart, Townson and Yuill.

**The Council further resolved:-**

to adopt the procedural motion, and therefore make no appointment to the position of Depute Leader at this time.

**In terms of Standing Order 29.7, Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart and Townson intimated their dissent against the foregoing decision.**

**The Lord Provost intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as a number of decisions required to be taken at the meeting this day in accordance with the Council's Standing Orders.**

**APPOINTMENT OF MEMBERS TO COMMITTEES AND APPOINTMENT OF CONVENERS AND VICE CONVENERS - CG/17/049**

8. The Council had before it a report by the Head of Legal and Democratic Services which sought approval of the composition and membership of the Council's committees, to appoint Conveners and Vice Conveners, to agree the payment of senior

## Council Meeting, 17 May 2017

councillor allowances and to agree the appointment of external members to the Education and Children's Services Committee.

**The report recommended:-**

that the Council -

- (a) agree the compositions of the committees listed in paragraph 3.1.1 on the basis of the allocations contained within Appendix 1;
- (b) appoint a Convener and Vice Convener to the committees listed in paragraph 3.1.1, as appropriate, on the basis of the information contained within paragraph 3.3.1;
- (c) appoint members to the committees listed in paragraph 3.1.1 on the basis of the agreed compositions;
- (d) nominate a Vice Chairperson for the Integration Joint Board;
- (e) appoint members to the Guildry and Mortification Funds Committee as set out in paragraph 3.2.4;
- (f) appoint members and substitutes to the Aberdeen City Region Deal Joint Committee as set out in paragraph 3.2.5;
- (g) appoint members to the Special Licensing Objections Committee as set out in paragraph 3.2.6;
- (h) agree the payment of senior councillor allowances in accordance with the guidance set out in paragraph 3.3.2;
- (i) agree the appointment of external members to the Education and Children's Services Committee as set out in section 3.4; and
- (j) nominate one member and one substitute member to be appointed to the North East Scotland Pension Fund Pensions Board, on the basis of the information contained within section 3.5.

There was circulated a revised version of Appendix 1 as follows:-

<b>Committee</b>	<b>SNP</b>	<b>Con.</b>	<b>Lab.</b>	<b>Lib. Dem.</b>	<b>Ind.</b>	<b>Total</b>
Education and Children's Services	8	5	4	1	1	19
Audit, Risk and Scrutiny	7	4	3	1	2	17
Communities, Housing and Infrastructure	7	4	3	1	2	17
Finance, Policy and Resources	7	4	3	1	2	17
Licensing Committee	7	4	4	1	1	17
Planning Development	7	5	3	1	1	17

## Council Meeting, 17 May 2017

Committee	SNP	Con.	Lab.	Lib. Dem.	Ind.	Total
Management						
Petitions	6	4	4	1	0	15
Urgent Business	5	3	3	1	1	13
Appeals	3	3	2	1	0	9
Pensions Committee	3	3	2	1	0	9
Integration Joint Board	2	1	1	0	0	4
<b>Total</b>	62	40	32	10	10	154

Councillor Laing moved, seconded by Councillor Lumsden:-

That the Council approve recommendation (a) subject to the revised version of Appendix 1 above.

Councillor Flynn moved as an amendment, seconded by Councillor Jackie Dunbar:-

That the Council do not approve recommendation (a), and that a revised approach be taken in respect of the allocations contained within Appendix 1.

On a division, there voted:-

For the motion (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.

For the amendment (18) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai and Townson.

Declined to vote (3) - Councillors Delaney, Greig and Yuill.

Absent from the division (1) - Councillor Sandy Stuart.

**The Council resolved:-**

to adopt the motion.

Councillor Laing moved, seconded by Councillor Lumsden:-

That in relation to recommendation (b), the Council appoint the following Conveners and Vice Conveners, and Spokesperson for Regeneration and Transport:-

## Council Meeting, 17 May 2017

<b>Committee</b>	<b>Convener</b>	<b>Vice Convener(s)</b>
Finance, Policy and Resources Committee	Councillor Lumsden	Councillor Graham
Communities, Housing and Infrastructure Committee	Councillor Allan	Councillors Bell and Hunt
Education and Children's Services Committee	Councillor Wheeler	Councillor Lesley Dunbar
Audit, Risk and Scrutiny Committee	Councillor Flynn	Councillor Yuill
Petitions Committee	Councillor Imrie	
Urgent Business Committee	Councillor Laing	Councillor Lumsden
Planning Development Management Committee	Councillor Boulton	Councillor Jennifer Stewart
Licensing Committee	Councillor Reynolds	Councillor Boulton
Pensions Committee	Councillor Donnelly	Councillor Reynolds
Appeals Committee	Councillor Houghton	
Licensing Board	Councillor Boulton	
Regeneration and Transport Spokesperson - Councillor Grant		

Councillor Flynn moved as an amendment, seconded by Councillor Jackie Dunbar:-  
That in relation to recommendation (b), the Council appoint the following:-

<b>Committee</b>	<b>Convener</b>
Finance, Policy and Resources Committee	Councillor Flynn

## Council Meeting, 17 May 2017

<b>Committee</b>	<b>Convener</b>
Communities, Housing and Infrastructure Committee	Councillor Nicoll
Education and Children's Services Committee	Councillor Cameron
Audit, Risk and Scrutiny Committee	Councillor Flynn with Councillor Yuill as Vice Convener
Petitions Committee	Councillor McRae
Urgent Business Committee	Councillor Flynn with Councillor Nicoll as Vice Convener
Planning Development Management Committee	Councillor Cooke
Licensing Committee	Councillor Townson
Pensions Committee	Councillor Allard
Appeals Committee	Councillor Catriona MacKenzie
Licensing Board	Councillor Cameron

On a division, there voted:-

For the motion (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.

For the amendment (19) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (3) - Councillors Delaney, Greig and Yuill.

**The Council further resolved:-**  
to adopt the motion.

## Council Meeting, 17 May 2017

**The Council further resolved:-**

in relation to recommendation (c), to agree that the names of members of committees be provided to the Head of Legal and Democratic Services in due course.

Councillor Laing moved, seconded by Councillor Donnelly:-

That in relation to recommendation (d), the Council nominate Councillor Duncan for the position of Vice Chairperson of the Integration Joint Board.

Councillor Flynn moved, seconded by Councillor Jackie Dunbar:-

That in relation to recommendation (d), the Council nominate Councillor Samarai for the position of Vice Chairperson of the Integration Joint Board.

On a division, there voted:-

For the motion (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.

For the amendment (19) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Jackie Dunbar, Flynn, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart and Townson.

Declined to vote (3) - Councillors Delaney, Greig and Yuill.

**The Council further resolved:-**

to adopt the motion.

**The Council further resolved:-**

- (i) to appoint the Lord Provost and Depute Provost to the Guildry and Mortification Funds Committee, and note that the Master of Mortifications would be appointed as part of agenda item 12;
- (ii) to appoint Councillors Boulton, Laing and Lumsden as the substantive members of the Aberdeen City Region Deal Joint Committee, with Councillors Flynn, Graham and Yuill as substitute members;
- (iii) to agree that the Special Licensing Objections Committee comprise 5 members, with 2 SNP members, 1 Conservative member, 1 Labour member and 1 Independent Alliance member;
- (iv) to agree the payment of senior councillor allowances in accordance with the guidance set out in paragraph 3.3.2 of the report within the parameters of the various positions as agreed above;
- (v) to agree the appointment of external members to the Education and Children's Services Committee as set out in section 3.4 of the report; and
- (vi) to nominate Councillor John to be appointed to the North East Scotland Pension Fund Pensions Board, on the basis of the information contained within section 3.5 of the report, with the name of the substitute member to be provided by the Opposition in due course.

Council Meeting, 17 May 2017

**The Lord Provost intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency to enable members to be appointed to various bodies at the earliest opportunity.**

**APPOINTMENT OF MEMBERS TO SUB COMMITTEES, GROUPS AND OUTSIDE BODIES - CG/17/053**

9. The Council had before it a report by the Head of Legal and Democratic Services in connection with the appointment of members to sub committees and working groups, and which sought the appointment of members to a small number of outside bodies pending the outcome of a wider review.

**The report recommended:-**

that the Council -

- (a) approve the compositions for the sub committees and working groups listed in Appendix 1;
- (b) note that the membership of the sub committees and working groups listed in Appendix 1 would be appointed by the relevant committees;
- (c) appoint members to the outside bodies listed in Appendix 2, noting that those outside bodies were due to hold meetings prior to 30 June 2017; and
- (d) delegate authority to the Head of Legal and Democratic Services following consultation with the Group Leaders, to approve and determine the appointment, or nomination, as the case may be, of an elected member or elected members to any outside bodies where elected member participation was urgently required prior to the Council meeting on 21 June 2017. Once agreed, these appointments or nominations, as the case may be, shall be reported to the next full Council meeting.

**The Council resolved:-**

- (i) to approve the compositions for the sub committees and working groups listed in Appendix 1 on the basis of:-

<b>Number of Members</b>	<b>Composition</b>
4	1 SNP, 1 Conservative, 1 Labour and 1 Liberal Democrat <u>or</u> Independent
5	1 SNP, 1 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent
6	2 SNP, 1 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent
7	2 SNP, 2 Conservative, 1 Labour, 1 Liberal Democrat and 1 Independent

## Council Meeting, 17 May 2017

- (ii) to note that the membership of the sub committees and working groups listed in Appendix 1 would be appointed by the relevant committees;
- (iii) to appoint the following members to the outside bodies listed in Appendix 2:-

<b>Outside Body</b>	<b>Members</b>
Aberdeen Airport Consultative Committee	Lord Provost and Councillors MacGregor, Avril MacKenzie and Samarai
Aberdeen Greenspace Trust Ltd.	Councillor Malik and 3 other members to be confirmed
KIMO	Councillor Donnelly
AECC	Councillor Reynolds
NHS Grampian Board	Councillor Lumsden

- (iv) to delegate authority to the Head of Legal and Democratic Services following consultation with Group Leaders, to approve and determine the appointment or nomination, as the case may be, of an elected member, or elected members to any outside bodies where elected member participation was urgently required prior to the Council meeting on 21 June 2017, including the remaining outside bodies contained within Appendix 2. Once agreed, these appointments or nominations, as the case may be, shall be reported to the next Council meeting.

#### **APPOINTMENT OF MEMBERS TO ABERDEEN CITY LICENSING BOARD - CG/17/054**

**10.** The Council had before it a report by the Head of Legal and Democratic Services which advised of the Council's statutory duty to establish the Aberdeen City Licensing Board and to elect the appropriate number of members to the Board.

**The report recommended:-**  
that the Council -

- (a) determine the number of members to be elected to the Licensing Board; and  
(b) elect members to the Licensing Board.

**The Council resolved:-**

- (i) to agree that the Licensing Board comprise nine members, on the basis of 5 members of the Administration and 4 members of the Opposition; and  
(ii) to note that the names of the members would be provided in due course.



Council Meeting, 17 May 2017

### **SCHOOL PLACINGS AND EXCLUSIONS APPEAL COMMITTEE - POOL OF MEMBERS - CG/17/048**

11. The Council had before it a report by the Head of Legal and Democratic Services which sought approval of the process for the appointment of a pool of Councillors and external members from which individuals would be drawn to form the membership of the School Placings and Exclusions Appeal Committee as required by Section 28D(1) of the Education (Scotland) Act 1980 as amended.

**The report recommended:-**

that the Council -

- (a) appoint all elected members on the Education and Children's Services Committee, plus two members per political group and up to two Independent members to the School Placings and Exclusions Appeal Committee;
- (b) delegate authority to the Senior Democratic Services Manager to (i) reappoint all existing external members set out in Appendix A to the report; and (ii) appoint individuals who fall into the following categories, subject to a training session being attended and a clear PVG check being returned:
  - 1. parents of children of school age;
  - 2. people who in the opinion of the authority have experience in education; or
  - 3. people who in the opinion of the authority are acquainted with the educational conditions in the area of the authority;
- (c) agree that former members of former School Boards/Parent Councils; former teachers; and members of the Council who have demitted office meet the criteria as set out in the Education (Scotland) Act 1980 for external members of the School Placings and Exclusions Appeal Committee and may be appointed by the Senior Democratic Services Manager accordingly; and
- (d) appoint the Senior Democratic Services Manager, or his/her nominee, as the Clerk to the School Placings and Exclusions Appeal Committee.

**The Council resolved:-**

to approve the recommendations subject to (a) being amended to reflect that **up to** two members per political group, and up to two Independent members, be appointed to the School Placings and Exclusions Appeal Committee, in addition to all elected members on the Education and Children's Services Committee.

### **LOCAL REVIEW BODY - POOL OF MEMBERS - CG/17/052**

12. The Council had before it a report by the Head of Legal and Democratic Services which sought approval to appoint all Councillors to form the membership of the Local Review Body.

**The report recommended:-**

that the Council -

- (a) appoint all Councillors to be members of the statutory Local Review Body pool; and
- (b) note that all Councillors would be provided with the appropriate training.

**The Council resolved:-**

to approve the recommendations.

**RE-ESTABLISHMENT OF LOCAL LICENSING FORUM - CG/17/051**

**13.** The Council had before it a report by the Head of Legal and Democratic Services which advised of the Council's statutory duty to re-establish the Aberdeen City Local Licensing Forum and to present a list of persons nominated to serve on the Forum for the duration of the next Council term.

**The report recommended:-**

that the Council -

- (a) agree to re-establish the Local Licensing Forum as per its statutory duty and re-appoint the nominated members listed in Appendix A to the report as per item 5(4) of the Forum's constitution as at Appendix B to the report; and
- (b) determine whether it wishes to appoint representatives to the Forum and, if so, to make such appointments.

**The Council resolved:-**

- (i) to approve recommendation (a); and
- (ii) to not appoint any Council representatives to the Forum.

**APPOINTMENT OF BAILLIES - CG/17/050**

**14.** The Council had before it a report by the Head of Legal and Democratic Services which requested that consideration be given to appointing Baillies to assist the Lord Provost in the performance of his duties.

**The report recommended:-**

that the Council -

- (a) determine whether or not the office of Baillies should continue;  
If the Council determine that the office of Baillies should continue, it is further recommended that the Council -
- (b) appoint such number of Baillies as it deems appropriate;
- (c) note the decision of Council of 16 May 2012, whereby it was agreed that any serving former Lord Provost would automatically become a Baillie;
- (d) agree that the allocation of robes and chains be at the discretion of the Lord Provost;
- (e) agree that the Baillies will receive no remuneration; and
- (f) note that those undertaking civic duties on behalf of the Lord Provost are entitled to claim reimbursement from the Council's Civic Head Allowance.

**The Council resolved:-**

- (i) to agree that the office of Baillies should continue;
- (ii) to appoint Councillors Cormie, Delaney, Donnelly, Malik and Jennifer Stewart as Baillies;
- (iii) to note that Councillor Reynolds would automatically become a Baillie as a serving former Lord Provost; and

## Council Meeting, 17 May 2017

- (iv) to approve recommendations (d), (e) and (f).

### **MISCELLANEOUS HISTORICAL COUNCIL APPOINTMENTS - CG/17/046**

**15.** The Council had before it a report by the Head of Legal and Democratic Services which provided information on historical offices of the Council and sought appointments to those offices.

**The report recommended:-**

that the Council appoint members to the following historical offices:-

- (1) Master of Shore Works;
- (2) Master of Kirk and Bridge Works;
- (3) Master of Mortifications; and
- (4) Master of the Guild Brethren's Hospital

**The Council resolved:-**

- (i) to appoint Councillor Allan as Master of Shore Works;
- (ii) to appoint Councillor Greig as Master of Kirk and Bridge Works;
- (iii) to appoint Councillor Reynolds as Master of Mortifications; and
- (iv) to appoint Councillor Donnelly as Master of the Guild Brethren's Hospital.

### **CONVENTION OF SCOTTISH LOCAL AUTHORITIES (COSLA) - OCE/17/008**

**16.** The Council had before it a report by the Chief Executive which sought a decision as to whether the Council should re-join COSLA.

**The report recommended:-**

that the Council -

- (a) agree whether or not to re-join COSLA, and should the decision be to re-join:-
- (b) agree the five members to take the Council's places on the Convention;
- (c) agree whether or not the Council's Convention members should nominate any member(s) of the Council for the positions of President or Vice President of COSLA; and
- (d) agree a Council nominee for each of the four COSLA Boards.

Councillor Laing moved, seconded by Councillor Donnelly:-

That the Council -

- (1) instruct the Chief Executive to confirm whether or not COSLA would be requiring a payment for the two years in which Aberdeen City Council was not a member;
- (2) instruct the Chief Executive to write to the Chief Executive and President of COSLA inviting them to a meeting with the Group Leaders; and
- (3) agree to receive a report at its August 2017 meeting to consider COSLA membership in light of the outcomes of (1) and (2) above.

Councillor Flynn moved as an amendment, seconded by Councillor Yuill:-

That the Council -

## Council Meeting, 17 May 2017

- (1) instruct the Chief Executive to confirm whether or not COSLA would be requiring a payment for the two years in which Aberdeen City Council was not a member; and
- (2) agree to re-join COSLA with immediate effect.

On a division, there voted:-

For the motion (23) - Lord Provost; Depute Provost; and Councillors Allan, Bell, Boulton, Donnelly, Lesley Dunbar, Duncan, Graham, Grant, Houghton, Hunt, Imrie, John, Laing, Lumsden, Macdonald, Avril MacKenzie, Malik, Reynolds, Sellar, Jennifer Stewart and Wheeler.

For the amendment (22) - Councillors Allard, Alphonse, Cameron, Cooke, Copland, Cormie, Delaney, Jackie Dunbar, Flynn, Greig, Henrickson, Hutchison, MacGregor, Catriona MacKenzie, McLellan, McRae, Nicoll, Noble, Samarai, Sandy Stuart, Townson and Yuill.

**The Council resolved:-**  
to adopt the motion.

**The Lord Provost intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency as the matter was time critical and the Council meeting was the only decision making forum available.**

#### **COUNCIL BUSINESS - OCE/17/009**

17. The Council had before it a report by the Chief Executive which addressed two matters relating to Council business in future weeks.

**The report recommended:-**  
that the Council -

- (a) note that the Chief Executive would bring to its meeting on 21 June 2017 a report on her use of emergency powers in relation to Kingsmead Nursing Home; and
- (b) agree that the Head of Legal and Democratic Services be authorised to change the dates of the forthcoming meetings of the Housing Cases Review Sub Committee, the Petitions Committee and the Finance, Policy and Resources Committee in order to clear the Council diary for 7 and 8 June 2017.

**The Council resolved:-**  
to approve the recommendations.  
**- BARNEY CROCKETT, Lord Provost.**

**COUNCIL**  
**BUSINESS STATEMENT**  
**21 JUNE 2017**

Please note that this statement contains a note of every report which has been instructed for submission to Council. All other actions which have been instructed by the Council are not included, as they are deemed to be operational matters after the point of decision.

Reports which are overdue are shaded

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
1.	Council 02.03.16 Article 13	<p><b><u>Integration Joint Board (IJB) for Health and Social Care</u></b></p> <p>The Council instructed the Chief Executive to provide an update report to members on matters relating to the IJB that she considered to be of interest to them at the Council meetings of 17 August and 14 December 2016 and quarterly thereafter, such reports including financial monitoring information in relation to the IJB.</p>	<p>Quarterly reports to be received. The Council received the last report on 15 March 2017</p> <p>A report is on the agenda.</p>	Chief Executive	21.06.17
2.	Council 31.10.13 Article 17	<p><b><u>Community Planning Aberdeen - Development Plan</u></b></p> <p>The Council agreed to receive six monthly updates on progress with the implementation of the Development Plan.</p>	<p>The Council received the last six month progress report on 14 December 2016.</p> <p>A report is on the agenda.</p>	Interim Director of Communities, Housing and Infrastructure	21.06.17

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
3.	Finance and Resources 12.11.09 Article 22	<p><b><u>Community Planning Partnership - Fairer Aberdeen Fund</u></b></p> <p>The Finance and Resources Committee instructed the Director of Corporate Governance to provide twice yearly updates in February and October to the Aberdeen City Alliance (now Community Planning Aberdeen) and the Corporate Policy and Performance Committee on the outcomes achieved through the investment of the Fairer Scotland Fund (now Fairer Aberdeen Fund).</p>	<p>The Council received the last six month progress report on 14 December 2016.</p> <p>A report is on the agenda.</p>	Interim Director of Communities, Housing and Infrastructure	21.06.17
4.	Finance, Policy and Resources 01.12.16 Article 4	<p><b><u>Site at Beach Esplanade/King Street</u></b></p> <p>The Finance, Policy and Resources Committee agreed to approve the minute subject to amending Article 5(iii) to read 'that in relation to item 22 (Site at Beach Esplanade/King Street), to instruct officers to take forward the full Council resolution on 16 December 2015 with the founding trustees of the Aberdeen Islamic Charitable Trust and to report back to Council on progress at the meeting on 21 June 2017.</p> <p>The Council resolution of 16 December 2015 (Article 26) was as follows:-</p> <p>(i) to confirm that it is still the intention of the Council to see the site developed as a Mosque and Islamic Centre; and</p> <p>(ii) to instruct the Head of Land and</p>	<p>As a result of the decision at full Council of 16 December 2015, a subsequent meeting was held with the Aberdeen Islamic Charitable Trust (AICT) to discuss terms on the possible transfer and development of the site identified as OP85 on the Local Development Plan.</p> <p>Terms are in the process of being discussed to offer ACIT a development lease subject to a long stop date in order to appraise the feasibility of their project before a ground lease will be realised.</p> <p>The details of the final proposal will require further approval from the Finance, Policy and Resources Committee which will aim to be reported at its meeting on 30 November 2017.</p>	Interim Director of Communities, Housing and Infrastructure	21.06.17

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
		Property Assets to continue the dialogue with the Muslim Community to progress the development of a Mosque and Islamic Centre, taking account of all previous correspondence and Council decisions and report to the Property Sub Committee in June 2016.	<b>It is therefore recommended that this item be transferred back to the Finance, Policy and Resources Committee Business Statement.</b>		
5.	Communities, Housing and Infrastructure 24.01.17 Article 7	<p><b><u>Houses in Multiple Occupation (HMOs) Overprovision</u></b></p> <p>The Communities, Housing and Infrastructure Committee resolved:-</p> <ul style="list-style-type: none"> <li>(i) to note the high concentration of HMOs within the Froghall, Powis and Sunnybank and Old Aberdeen neighbourhoods;</li> <li>(ii) to note the information provided towards meeting the requirement to complete assessment of the need for housing accommodation and the extent to which HMO accommodation is required to meet that in the city and including the Froghall, Powis and Sunnybank, Old Aberdeen and Garthdee neighbourhoods;</li> <li>(iii) to instruct officers to consult on the draft HMO overprovision policy at appendix 13. This policy would apply in Froghall, Powis and Sunnybank, Old Aberdeen and Garthdee neighbourhoods. The overprovision</li> </ul>	A report will be submitted to the Council meeting in August 2017.	Interim Director of Communities, Housing and Infrastructure	21.06.17

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
		<p>threshold applies if there is a concentration of HMOs in any one particular Census Output Area within the Froghall, Powis and Sunnybank, Old Aberdeen and Garthdee neighbourhoods in excess of 10% of qualifying residential properties in that neighbourhood; and</p> <p>(iv) to instruct officers to report back to Council in June 2017.</p>			
6.	Council 15.03.17 Article 15	<p><b><u>Aberdeen International Youth Festival (AIYF) Governance Review</u></b></p> <p>The Council (1) noted that the proposal to incorporate AIYF within Castlegate Arts Limited was no longer a viable option; (2) requested that the Trustees of AIYF investigate the options laid out in section 5.7 of the report, providing an achievable project plan which considered the future governance of the organisation and the delivery model of AIYF; and (3) requested that the Trustees of AIYF submit the project plan to the Council meeting on 21 June 2017 to ensure that all funding provided by the Council was appropriately spent.</p>	A report is on the agenda.	Director of Education and Children's Services	21.06.17



<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
7.	Council 15.03.17 Article 36	<p><b><u>Shaping Aberdeen Housing LLP 5 Year Business Plan</u></b></p> <p>The Council approved a number of recommendations and instructed the Chief Executive to negotiate with Places for People on the delivery of 1,000 affordable homes and report back to the next Council meeting on the mechanism by which this could be achieved.</p>	A Service Update will be provided.	Chief Executive	21.06.17
8.	Council 17.05.17 Article 17	<p><b><u>Emergency Powers</u></b></p> <p>The Council noted that the Chief Executive would bring to its meeting on 21 June 2017 a report on her use of emergency powers in relation to Kingsmead Nursing Home.</p>	A report is on the agenda.	Chief Executive	21.06.17
9.	Council 17.08.16 Article 16	<p><b><u>Corporate Parenting</u></b></p> <p>The Council considered the annual report on progress with the implementation of the corporate parenting responsibility and instructed officers to report back on the further implementation of the corporate parenting responsibility to Council in 2017.</p>		Director of Education and Children's Services	23.08.17
10.	Council 06.10.16 Article 9	<p><b><u>UNISON Ethical Care Charter</u></b></p> <p>The Council (1) agreed to sign up to UNISON's Ethical Care Charter; (2) agreed that the Leader of the Council sign the</p>		Head of Commercial and Procurement Services	23.08.17

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
		Charter on behalf of the Aberdeen City Council; (3) noted that the Integration Joint Board had remitted to the Chief Officer of the Integration Joint Board the task of developing an action plan and timescales for implementing the Charter; and (4) agreed that a report be brought back to Full Council on progress by August 2017.		Chief Officer, Aberdeen Health and Social Care Partnership	
11.	Council 17.05.17 Article 16	<p><b><u>Convention of Scottish Local Authorities (COSLA)</u></b></p> <p>The Council (1) instructed the Chief Executive to confirm whether or not COSLA would be requiring a payment for the two years in which Aberdeen City Council was not a member; (2) instructed the Chief Executive to write to the Chief Executive and President of COSLA inviting them to a meeting with the Group Leaders; and (3) agreed to receive a report at its August 2017 meeting to consider COSLA membership in light of the outcomes of (1) and (2) above.</p>		Chief Executive	23.08.17
12.	Council 15.03.17 Article 13	<p><b><u>Committee Orders of Reference and Standing Orders</u></b></p> <p>The Council (1) noted that the new Standing Orders did not contain provisions equivalent to the existing Standing Orders 28 (Committees of the Council), 37 (General Delegations to Committees), 38</p>		Head of Legal and Democratic Services	11.10.17

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
		(Exclusions from Delegations) and 39 (Expenditure on Hospitality), and agreed that these would remain in force until such time as alternative Committee Orders of Reference were presented and the Council Travel Policy was amended; (2) agreed that the existing Committee Orders of Reference remain in force for the time being, with alternative proposals to be brought to Council in due course; and (3) agreed that "Part III - Officers of the Council" (with the exception of Standing Order 45 - Report by Chief Officers) of the existing Standing Orders also remain in force for the time being, with alternative proposals to be brought to Council in due course.			
13.	Council 15.03.17 Article 23	<b><u>Aberdeen Inward Investment Plan</u></b>  The Council agreed to receive annual updates on the Aberdeen Inward Investment Plan starting in May 2018.		Interim Director of Communities, Housing and Infrastructure	May 2018
14.	Council 24.06.15 Article 13	<b><u>Local Authority Community Covenant</u></b>  The Council agreed to receive a report at a future meeting once the Scottish Government had reviewed the Scottish Veterans Commissioner's report <i>Transition in Scotland</i> and decided how it wishes to take its recommendations forward.		Chief Executive	Upon review by the Scottish Government

<u>No.</u>	<u>Minute Reference</u>	<u>Council/Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>
15.	Council 06.03.13 Article 16	<p><b><u>Welfare Reform</u></b></p> <p>The Council, amongst other things, approved the steps taken by officers to develop a policy and practice response and agreed to receive further reports in due course as measures were implemented.</p>	<p>A progress report was noted by the Council on 21 August 2013. Further reports were contained within the Information Bulletin for the Council meetings on 14 May 2014 and 16 December 2015.</p> <p>The final outcome of discussions between the Scottish and UK Governments regarding the devolution of decisions around welfare reform is awaited. Once this is clear an update will be provided in the Information Bulletin.</p>	Interim Director of Communities, Housing and Infrastructure	As and when required
16.	Council 14.12.16 Article 23	<p><b><u>Berryden Corridor Improvements Scheme - Compulsory Purchase Order</u></b></p> <p>The Council instructed officers to report to a future meeting of Council to seek a resolution to make the Compulsory Purchase Order once the supporting documents are completed.</p>		Interim Director of Communities, Housing and Infrastructure	<b>Date to be confirmed</b>

**COUNCIL  
MOTIONS LIST  
21 JUNE 2017**

Please note that this statement tracks all Notices of Motion (relevant to Council) submitted by members, until the point of disposal. The motion will remain on the statement until the Council has agreed to remove it.

**Reports on motions which are overdue are shaded**

<u>No.</u>	<u>Motion</u>	<u>Date of Council Meeting</u>	<u>Decision of Council</u>	<u>Action taken/Proposed Future Action</u>	<u>Responsible Officer</u>	<u>Due Date</u>
1.	<p><b><u>Motion by Councillor Grant</u></b></p> <p>“Council notes First Aberdeen has announced the planned withdrawal of the X40 and 11 services from Kingswells with similar withdrawals having already been made right across the city. Notes that bus operators in Aberdeen appear to put profit before the needs of passengers who often rely upon buses to get to and from work.</p> <p>Agrees to instruct the Chief Executive to explore all options for Aberdeen City Council to facilitate the running of a bus service, those options to include the setting up of a company and/or working in partnership with an operator who already holds a PSV bus operator’s licence, and to report back to Council in June 2017.”</p>	<p>15.03.17</p> <p>Article 30</p>	To approve the terms of the motion.	A report is on the agenda.	Chief Executive	21.06.17

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# Agenda Item 8.3

CYCLE 3 - COMMITTEE STATISTICS				
The Tracker Shows the Reports Which are Expected to be Submitted to Future Committee Meetings				
Report Title	Committee date	Report author	Head of Service	Purpose of Report
Ethical Care Charter Update	23.08.17	Claire Duncan	Sally Wilkins	An update on the progress with implementing the Ethical Care Charter
Corporate Parenting: Annual Update	23.08.17.	Maggie Cruickshanks/Dave Bliss	Bernadette Oxley	Annual update
Revised Council Strategic Business Plan		C Monaghan	Angela Scott	
Council Operating Structure – senior management	23.08.17.	C Monaghan	Angela Scott	
COSLA Membership	23.08.17.	C Monaghan	Angela Scott	
Sistema Evaluation	23.08.17	Gayle Gorman	Gayle Gorman	Dec. DLT
Appeals Committee Procedure	23.08.17		Fraser Bell	
Houses in Multiple Occupation Overprovision	23.08.2017	Graeme Stuart	Derek McGowan	To note the high concentration of HMOs within the Froghall, Powis and Sunnybank and Old Aberdeen neighbourhoods. Note the information provided towards meeting the requirement to complete assessment of the need for housing accommodation. Instruct Officers to consult on the draft HMO overprovision policy
CYCLE 4 - COMMITTEE STATISTICS				
The Tracker Shows the Reports Which are Expected to be Submitted to Future Committee Meetings				
Report Title	Committee date	Report author	Head of Service	Purpose of Report
AFC Kingsford Stadium (Planning)	11.10.17	Daniel Lewis	Eric Owens	Planning App
CYCLE 5 - COMMITTEE STATISTICS				
The Tracker Shows the Reports Which are Expected to be Submitted to Future Committee Meetings				
Report Title	Committee date	Report author	Head of Service	Purpose of Report
Community Planning Aberdeen, Development Plan (6 monthly report)	13/12/2017	Michelle Cochlan	Derek McGowan	Update
Fishing memorial for Aberdeen	13/12/2017	Lesley Thomson	Helen Shanks	
AIYF governance	13/12/2017	Lesley Thomson	Helen Shanks	
CSWO Annual Report	13/12/2017	Bernadette Oxley	Bernadette Oxley	annual report
Scheme of Governance: Officer Delegations; Proper Officer Register; Committee Terms of Reference	13/12/2017	Fraser Bell		

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## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21st June 2017
REPORT TITLE	Exercise of Delegated Powers - Kingsmead Nursing Home
REPORT NUMBER	OCE/17/013
LEAD OFFICER	Angela Scott
REPORT AUTHOR	Martin Murchie

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### **1. PURPOSE OF REPORT:-**

The purpose of this report is to inform Council on actions taken on behalf of the Council by the Chief Executive regarding Kingsmead Nursing Home.

### **2. RECOMMENDATION(S)**

That the Council note the actions taken to secure the safe provision of services at Kingsmead Nursing Home.

### **3. BACKGROUND**

3.1 In December 2016, the Care Inspectorate undertook an unannounced inspection of Kingsmead Nursing Home. The service was graded as follows against the Quality Standards:

- Quality of care and support – Unsatisfactory
- Quality of environment – Weak
- Quality of staffing – Unsatisfactory
- Quality of management and leadership – Unsatisfactory

3.2 In order to comply with the Care Inspectorate requirements set out in the December 2016 report, the provider was required, by the Care Inspectorate, to take immediate action to ensure the following requirements were met by 1st of June 2017:-

### **“Quality of Care and Support**

- i. The provider must demonstrate that the service has systems in place to ensure that the needs of the individual residents are regularly assessed, monitored and adequately met;*
- ii. The provider must demonstrate that personal plans record all risk, health, welfare and safety needs in a coherent manner which identifies how needs are met;*
- iii. The provider must ensure that people using the service who experience behaviour changes have an appropriate assessment, and an individualised plan of care which sets out the actions to be taken to support their distress reactions. The provider must ensure that staff consistently respond promptly and appropriately to residents who experience distress. The provider must also ensure that staff are skilled to provide effective care and support in such instance;*
- iv. The approach to skin care and tissue viability requires to be improved.*

### **Quality of Environment**

- i. The provider must ensure that all records and documents of a confidential nature are suitably stored and secured, to prevent breaches of confidentiality.*

### **Quality of Staffing**

- i. In order to support ongoing staff training and professional development the provider needs to fully implement its staff development policy;*
- ii. The service develops separate training and encourages professional links for staff working in Crown Street.*

### **Quality of Management and Leadership**

- i. The service provider must make significant improvements to ensure that there is effective concern and complaint management.”*

3.3 The Care Inspectorate (CI) and the Aberdeen City Health and Social Care Partnership (ACHSCP) had significant concerns about the lack of progress towards implementing the CI’s recommendations.

#### **4. USE OF EMERGENCY POWERS**

4.1 The Scheme of Delegation allows the Chief Executive to take “any action on behalf of the Council which s/he considers necessary in the event of an emergency - with emergency defined in accordance with that detailed in the Civil Contingencies Act 2004 - on the basis that any such action shall be reported to the next meeting of the Council or relevant committee or sub-committee as an item on the agenda.”

4.2 Given the concerns of the Care Inspectorate, the Chief Executive instructed the Head of Legal Services to terminate the contract between the Council and the service provider for service provision at Kingsmead with effect from 0700 on Saturday 1 April 2017, in order to secure the welfare of the residents of the nursing home. The action was deemed necessary in order to ensure the wellbeing of the residents of the home and ensure continuation of care and support for them. In addition, the Chief Executive took steps to:

- prepare a team to take over all aspects of the nursing home’s operation from 0700 on 1 April 2017;
- arrange for Bon Accord Care (BAC) to prepare a strategy for assuming full responsibility of the home;
- secure a short-term license with the owner of the building; and
- authorise officers to incur the unbudgeted expenditure necessary to secure the welfare of the nursing home’s residents.

4.3 At all times, the welfare of the residents of the home was paramount.

#### **5. CURRENT POSITION**

5.1 Since 1 April 2017, BAC has taken on full operational responsibility for the continuing care at the home. They have ensured that they are CI compliant. The Care Inspectorate have visited informally twice since 1 April and have told officers that they are happy with the level of improvement seen.

5.2 The Council and the Aberdeen City Health and Social Care Partnership (ACHSCP) continue to provide support to BAC in terms of care provision and infrastructure support.

#### **6. FUTURE PLANNING**

6.1 As supported by the Council, the Nursing Home will continue to provide for the existing and equivalent cohort of services users. Further consideration is being given, as a matter of priority, to who will undertake that model of delivery in the longer term, as well as how the existing capacity might be developed. A report is scheduled to be

submitted to the meeting of Full Council on 21 June setting out an options appraisal.

## **7. POST INCIDENT REVIEW**

7.1 A post incident review of the circumstances which led to this exercise of emergency powers has been undertaken. This review:

a) examines the particular events and situation at Kingsmead Nursing Home; and

b) assesses the effectiveness of, and lessons learned for, the system of risk management, including contract and supply chain management. The post incident review will be submitted to the Council's Audit, Risk and Scrutiny Committee.

## **8. FINANCIAL IMPLICATIONS**

8.1 As indicated above, the actions which were taken to secure the safe provision of services to residents of Kingsmead Nursing Home required unbudgeted expenditure to be incurred.

8.2 This is currently estimated to total £56,000 for the first month of operation and £25,000 a month for the next five months. These figures are estimated at this stage as not all the staffing costs have been processed through payroll and the income for the client contribution is still to be processed.

## **9. LEGAL IMPLICATIONS**

9.1 The Adult Support and Protection (Scotland) Act 2007 places duties on the Council to intervene to prevent harm to adults at risk including those affected by disability, mental disorder, illness or mental infirmity or who are unable to safeguard their own well-being. The Social Work (Scotland) Act 1968, and associated Acts, places duties on the Council to make suitable arrangements to provide care services to those assessed as needing such services.

9.2 A Licence to Occupy was entered into between ACC and the owner of the building to occupy the Kingsmead Care Home.

9.3 Bon Accord Care have been providing the services from 1 April 2017 in accordance with the Service Provision Agreement between ACC and BAC. Arrangements are being entered into with residents to formalise the changes in the care provider.

## 10. MANAGEMENT OF RISK

- 10.1 The actions taken, at very short notice, were carried out in recognition of the risk to the health and wellbeing of the residents of Kingsmead Care Home at that point in time. Evidence from other areas suggests that a sudden and unexpected move to a new home for elderly, frail residents can have a negative impact on their wellbeing and the Health and Social Care Partnership took the view that the best option was to enable the residents to remain in their own environment and provide improved care and support to them in the care home. Further, there were not sufficient other available care home places in the city at that point and some of the residents would have had to have been moved to a care home outwith Aberdeen, potentially causing them and their families further distress.

## 11. IMPACT SECTION

**Economy** - None directly.

**People** - The delegated powers described in this report were used to protect vulnerable people. The Local Outcome Improvement plan includes the following Improvement Outcome:-

*"We will respond robustly and proportionately to concerns about the wellbeing and vulnerability of individuals and their risk of harm."*

The Council also has a clear moral and statutory duty to protect citizens.

The further report to be submitted to the Council on future options for Kingsmead Nursing Home, will focus on options which best support current and future residents.

**Place** - None directly.

**Technology** - None directly.

## 12. BACKGROUND PAPERS

None.

## 13. APPENDICES (if applicable)

None.

#### 14. REPORT AUTHOR DETAILS

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## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21st June 2017
REPORT TITLE	Aberdeen City Integration Joint Board
REPORT NUMBER	OCE/17/012
LEAD OFFICER	Angela Scott
REPORT AUTHOR	Martin Murchie

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### **1. PURPOSE OF REPORT:-**

The report provides the Council with details of the arrangements put in place for governance of the Integration Joint Board (IJB).

### **2. RECOMMENDATION(S)**

That the Council notes the content of this report.

### **3. BACKGROUND/MAIN ISSUES**

- 3.1 The Council has instructed the Chief Executive to provide quarterly reports to members on matters relating to the IJB that she considers to be of interest to them at Council meetings, such reports including financial monitoring information in relation to the IJB.

#### **3.1.2 Purpose and Strategic Planning**

- 3.1.2.1 The Board agreed at its meeting on 15 November 2016 that the first review of the Strategic Plan be carried out between June and September 2017. The Council will, of course, be consulted on this review and attention should be given to, amongst other key areas, the alignment of the Strategic Plan to Community Planning Aberdeen's Local Outcome Improvement Plan.

The Partnership's first annual report was agreed by the Board on 6<sup>th</sup> June 2017. It should be noted that the nine national health and wellbeing outcomes identified by the Scottish Government are under review to ensure that they are fit for purpose.

The Partnership is proposing to establish a tiered planning framework that seeks to align governance, strategy, business processes, workforce and outcomes. It is anticipated that this will be completed in late 2017.

Locality Leadership Groups have been established and will continue to implement and develop the Partnership's four locality areas and their plans. It is envisaged that the Partnership will produce its locality plans in late 2017.

### **3.1.3 Board Governance**

3.1.3.1 As previously reported, the Board engaged the **Good Governance Institute** (GGI) to provide support identifying and delivering the key governance requirements, including:-

- a methodology for assessing board effectiveness and establishment of a baseline using a maturity matrix;
- production of a Board Assurance and Escalation Framework;
- improvement and definition of the Board's organisation, behaviours, dynamics and sense of strategic purpose.

GGI remain engaged and have made recommendations for the further development of governance arrangements. These have been agreed by the IJB and progress is being monitored and reported.

3.1.3.2 The Audit and Performance Systems (APS) Committee at their 11<sup>th</sup> April 2017 meeting considered a report which identified sources of assurances which would be used to assess the effectiveness of the governance principles contained in the CIPFA\SOLACE 'Delivering Good Governance in Local Government: Framework'.

Aberdeen City Council has recently adopted a new local code of corporate governance based on this framework and the Committee agreed to follow suit by establishing a local **code of corporate governance** for the Integration Joint Board (IJB).

3.1.3.3 The Audit and Performance Systems (APS) Committee at their 11<sup>th</sup> April 2017 meeting also considered the Annual Governance Statement for the IJB, which is a key part of the annual accounts, and agreed to delegate authority to the Chief Finance Officer to complete the governance statement and provide responses to Aberdeen City Council and NHS Grampian that reasonable assurance can be placed upon the adequacy and effectiveness of the Aberdeen City IJB's systems of governance.

3.1.3.4 As part of its normal operations, the IJB is subject to independent assurance through the Care Inspectorate; Healthcare Improvement Scotland; the Health and Safety Executive; as well as its external auditors. All relevant external independent assurance reports will be reported to the Council.



3.1.3.5 The Board has established an **Integration and Transformation Programme Board** to consider priorities as identified through localities and provide added value and influence strategic decision making in relation to improving health and wellbeing.

3.1.3.6 The Board has agreed a **developmental timetable** for IJB and Committee members in 2017/18. The development programme includes knowledge of financial governance, scrutiny, risk management and the Board's duties in relation to community justice. The timetable will be updated throughout the year.

### **3.1.4 Reserved and Delegated Powers**

3.1.4.1 Aberdeen City Council and NHS Grampian have delegated a range of statutory functions in respect of health and social care to the IJB. It is important to note that these functions have been delegated and not transferred. This means that the statutory accountability for the functions still remains with the Council and NHS Grampian, under the direction of the IJB.

3.1.4.2 Work is ongoing with officers within Legal and Democratic Services to make suitable amendments to ACC's Scheme of Delegation which shall address operational and statutory delegations to officers in order to fulfil the delivery of the Integration of health and social care agenda. The Board have been advised that the Scheme will be "aligned" to the development of Aberdeen City Council's revised Scheme of Delegation, which, as Members will be aware, is being reviewed as part of a comprehensive review of the Council's governance arrangements. This review will provide clarity on the nature and applicability of ACC's Scheme of Delegation to the role of Chief Officer and her executive team. A report will be tabled to the IJB at the conclusion of the review of the Scheme, which will clarify the remit and responsibilities of the Chief Officer, Head of Operations and the Chief Financial Officer in respect of the operational management and deliverability of the integrated services.

3.1.4.3 Legislation requires the IJB to set out a mechanism for implementing the Strategic Plan and this takes the form of **Directions** from the IJB to Aberdeen City Council and NHS Grampian which set out the services and functions to be delivered by each organisation and the associated budget for this.

3.1.4.4 It is the responsibility of the Chief Officer to ensure that the IJB Directions are made in accordance with the legislative framework and regulations which apply to NHS Grampian and Aberdeen City Council and that they are, consequently, legally competent.

3.1.4.5 The Chief Executive has requested that an agreed process be adopted for the issuing of IJB Directions. Specifically:-

- that an appropriate template is developed and consistently used for all Directions;
- that consultation is undertaken with the Council’s Head of Legal Services to provide assurance that proposed Directions are legally competent;
- that IJB Directions which propose “major changes” to the delivery of services, be issued only following engagement with the Council’s elected members; and
- that where IJB Directions are required for the delivery of services, but no “major change” is proposed, these be submitted to the Council annually for information.

#### 3.1.4.6

It is the responsibility of the Chief Officer to ensure that the IJB Directions are made in accordance with the legislative framework and regulations which apply to NHS Grampian and Aberdeen City Council and that they are, consequently, legally competent.

### 3.1.5 Financial Governance

3.1.5.1 The Audit and Performance Systems (APS) Committee at their 11<sup>th</sup> April 2017 meeting considered a report giving the results of a review undertaken by the Aberdeen City Health & Social Care Partnership’s Executive Team of financial governance arrangements.

3.1.5.2 The review was conducted on the governance requirements contained in the Chartered Institute of Public Finance and Accountancy (CIPFA)’s statement on the ‘Role of the Chief Financial Officer in Local Government (2016)’.

3.1.5.3 In relation to some of the principles, further development work was identified. The Committee were advised that this work was largely already in process.

3.1.5.4 The Board held a Special Meeting on 7<sup>th</sup> March 2017 following confirmation of the funding delegated by both the Council and NHS Grampian for 2017-18.

#### 3.1.5.5

The Board were advised of the following budget pressures for 2017/18:-

	£’000
Staff Increments and Pay Awards	2,206
Apprenticeship Levy (0.5%)	415
Bon Accord Care (pay and non-pay Inflation)	255
Prescribing	559
Hosted Services Budget Pressures	522
Energy and Business Rates increases	31
Aberdeen City Council (share of £80m)	3,090
<b>Total Budget Pressure</b>	<b>7,078</b>

3.1.5.6 Budget savings of £4,837,000 were identified, reducing the budget gap for 2017/18 to £2,241,000.

3.1.5.7 The IJB has significant **Integration and Change** funding available to help transform the services provided. In 2017/18 these are likely to amount to £28m of which £17m has been provisionally allocated. The IJB agreed to balance the budget deficit by using £2,241,000 from the “Integration and Change Budget”.

### **2016/17**

3.1.5.8 The Board received a financial update on 7<sup>th</sup> March 2017 meeting covering budget performance for the year to 31<sup>st</sup> December. The Board were advised that the financial position for 2016/17 has remained relatively stable with the only major budget issue identified to date being an increase in prescribing costs. At the 31 December, the position showed an overspend on mainstream budgets of £1,480,000, which is more than offset by an underspend on the integration and change funds of £10,630,000, providing a net underspend of £9,150,000.

3.1.5.9 The Integration Scheme makes provision, in the first year of operation, for any overspend which cannot be recovered or funded from uncommitted reserves to be met by the partner organisation to which the spending Direction for the service is given i.e. the partner organisation with operational responsibility for the services. In future years, both partners, or one partner, can make a one off payment to be recovered from their baseline payment to the IJB in the next financial year.

3.1.5.10 The Chief Finance Officer (CFO) of the IJB will be responsible for developing the **financial strategy** of the IJB including the production of its Medium Term Financial Plan to link to the IJB’s Strategic Plan. The CFO will also be responsible for the completion of the IJB’s Annual Financial Statement, which outlines the financial resources included in the Strategic Plan and the use of those resources in each financial year of the Plan. The priority over the first year was given to producing a balanced budget. Provisional figures were presented to the IJB showing the budget requirement for the next five years, assuming the funds delegated by the Council\NHS and services delivered remained the same.

3.1.5.11 In agreeing its **reserve strategy** earlier in 2016/17 it was agreed that the IJB’s position on reserves would be considered during the budget and year-end processes.

3.1.5.12 The Board agreed to earmark £2.5 million of the integration and change fund underspend as a risk fund. The intention of this fund is to cover the IJB should some of the budget risks identified in the setting of the budget change over the financial year. This equates to 1% of the mainstream budget and if necessary will be available to support the health and social care services indicated in the strategic plan.

- 3.1.5.13 The reserves policy is supported by the Director of Finance of NHS Grampian and the Section 95 Officer of the Council.
- 3.1.5.14 As part of the IJB's budget process the Board agreed a contract level for Bon Accord Care, a wholly owned subsidiary of the Aberdeen City Council.

	£'000
2016/17 Contract Level	26,150
Pay Inflation	224
Incremental Drift	161
General Inflation	23
Postages	9
Apprenticeship levy	112
2016/17 Budget Gap	286
Adjustment to Childrens Services	(116)
Savings required	(560)
<b>2017/18 Contract Level</b>	<b>26,289</b>

- 3.1.5.15 The Board at their meeting on 28<sup>th</sup> March, 2017 agreed to issue a Direction to the Council to prepare and issue contract variations to all appropriate contracted providers in relation to the 2.6% uplift to ensure payment of the Living Wage and to prepare and issue contract variations to providers of a sleepover service to award additional funding in relation to the payment of these at an average hourly rate equivalent to the National Minimum Wage. The Direction is attached as Appendix A to this report.
- 3.1.5.16 At the Board's meeting on 6<sup>th</sup> June 2017 they approved a 2.8% uplift to Adult Social Care self-directed support packages, where a Personal Assistant is employed, from 1<sup>st</sup> April 2017 at a cost of £120,000 to allow the Personal Assistants to receive the **Scottish Living Wage** of £8.45 per hour. In approving this, the Board also approved a Direction which is attached as Appendix B to this report.

### 3.1.6 System of Risk Management

3.1.6.1 In line with the approved **Risk Management Framework**, the Audit and Performance Systems Committee is regularly reviewing the Corporate Risk Register. Most recently this was done on 10<sup>th</sup> January, 2017. The Committee were advised that work was ongoing to strengthen the cohesiveness between Operational and Strategic Risk Registers. The development of the registers will continue to be monitored by ACC to ensure they adequately reflect the risks being carried by the IJB on behalf of the Council.

3.1.6.2 Both the Risk Management Policy and the "Statement of Risk Appetite" are scheduled to be reviewed during 2016/17. The 3 North East HSCPs are seeking to recruit on a fixed term basis a Health & Safety advisor to

undertake a review of appropriate H&S matters.

3.1.6.3 The IJB agreed on 28<sup>th</sup> March 2017 to continue to use the Aberdeen City and Aberdeenshire Councils' Internal Auditors.

3.1.6.4 An annual audit plan was agreed by the Audit and Performance Systems Committee in March 2017 which includes a single review:-

- Integration and Change Funding

3.1.6.5 It remains a responsibility of the Council, through its Audit, Risk & Scrutiny Committee, to assess risks and commission internal audit reviews on the control environment for the delivery of adult social care. Such reviews included within Aberdeen City Council's Internal Audit Plan 2017/18 are:-

- Social Work Payroll
- Financial Assessments
- Care Management
- Social Work Transport

3.1.6.6 At their meeting in August 2016, the Council agreed that the conveners of audit committees from Aberdeen City Council; Aberdeenshire Council; and the IJB should come together to avoid duplication of effort, whilst ensuring that both parent bodies receive necessary assurances. An initial meeting was held which discussed what internal audit reports the IJBs wished produced by NHS Grampian's internal auditors. A further meeting is being arranged to continue these discussions.

3.1.6.7 A full post incident review of the circumstances which led to the exercise of emergency powers in respect to the operation of **Kingsmead Nursing Home** has been conducted (This is the subject of a separate report to the Council on 21<sup>st</sup> June 2017). This review a) examines the particular events and situation at Kingsmead Nursing Home, and b) assesses the effectiveness of, and lessons learned for, the system of risk management, including contract and supply chain management. The post incident review will be submitted to the Council's Audit, Risk and Scrutiny Committee.

### **3.1.7 Information Governance**

3.1.7.1 A Joint Information Sharing Group has endorsed a proposed Data Sharing Agreement with National Services Scotland (NSS) and consideration is now being given as to how Council and NHSG approve this agreement.

### **3.1.8 Clinical Care Governance**

3.1.8.1 The **Clinical and Care Governance Committee** provides assurance to the IJB in relation to the quality and safety of services planned and/or delivered by the IJB. Its key role is to ensure that there are effective structures, processes and systems of control for the achievement of the IJB's priorities,

where these relate to regulatory compliance, service user experience, safety and the quality of service outcomes. To support this role, the CCGC is informed by the clinical and care governance arrangements in place across NHS Grampian and Aberdeen City Council.

- 3.1.8.2 It also assures the IJB that services respond to requirements arising from regulation, accreditation and other inspections' recommendations. The Committee will consider and approve high value clinical and care risks, consider the adequacy of mitigation, the assurance provided for that mitigation and refer residual high risks to the Board. It has a key role in assuring the Board that learning from governance systems across services, including learning arising from incidents, complaints and identified risks, is shared and embedded as widely as possible.
- 3.1.8.3 The Clinical and Care Governance Committee is monitoring the implementation of recommendations from the **Joint Inspection of Adult Health and Social Care Services** in Aberdeen City Health and Social Care Partnership (ACHSCP) report, which was completed in January 2017. At their March 2017 meeting members of the Committee requested a final report on the implementation of the action plan in 6 months' time.
- 3.1.8.4 The Clinical and Care Governance Committee receives, on a quarterly basis, details of any governance issues or concerns that the **Clinical & Care Governance Group** agreed should be escalated to the committee. At their April 2017 the Committee considered a summary of issues, which predominantly related to challenges of capacity and workforce availability.
- 3.1.8.5 Other matters considered by the Committee in April 2017 included:-
- Arrangements within ACHSCP General Practices to Monitor Adverse Events / Complaints;
  - An analysis of feedback (complaints) regarding both NHS and social work;
  - Improving understanding of the scale and impact of falls in Aberdeen hospitals, clinical and surgeries.

### **3.1.9 System of Performance Management**

- 3.1.9.1 The **Audit and Performance Systems Committee** performs the role of reviewing and reporting on the effectiveness of the governance structures and systems in place and on the quality of the assurances the Board receives. It has a moderation role in relation to the consistency of risk assessment. It also has oversight of information governance issues.
- 3.1.9.2 Progress on implementing the Framework for Performance, Governance and Improvement was reported to the Board in January 2017.
- 3.1.9.3 National guidance requires Partnerships to produce an **annual report on**

**performance** using the ‘core suite of indicators’. The Annual Report was approved by the Board on 6<sup>th</sup> June 2017. The integration authority is required to provide a copy of the annual performance report to its constituent authorities, Aberdeen City Council and NHS Grampian and, accordingly, it is attached to this report as Appendix E.

3.1.9.4 Beyond the annual report, it is for the IJB to decide the breadth and depth of performance monitoring and the frequency of reporting. Beyond the required national indicators, the Partnership has begun to identify other relevant metrics which suit particular local requirements. This includes consideration of new measures that are more sensitive to change and improvement. In reporting positive progress, a report to the Board in January noted that this workstream “still has a long way to go”.

3.1.9.5 It is planned that the Audit and Performance Committee will be the main recipient of all performance data and intelligence and that decisions on exception reporting to Board level will be taken by this committee.

3.1.9.6 The Board considered a report at its March 2017 meeting which provided an update on transformational activity and sought approval to incur expenditure as follows:-

<b>Project</b>	<b>Approved Expenditure</b>
Establishment of Mental Health Community Hubs, for an initial two year period	£1,024,340 (total for two years)
Enhancing the Independent Sector Contribution to Integrated Services Project through the provision of a grant to Scottish Care	Up to £423,498 (total for three years)
Continue the THInC project through to 31 March 2018	£73,775
Continue the Post Diagnostic Support project through to 31 March 2018	£104,000

3.1.9.7 Directions to both ACC and NHSG were approved to deliver these projects. The Direction to ACC is attached as Appendix C to this report.

3.1.9.8 The Board considered further transformation projects at their meeting on 8<sup>th</sup> June 2017. The Board agreed to incur expenditure and delegate authority to the Chief Officer to issue Directions to both ACC and NHSG, once full business cases had been agreed by the Executive Board for the following projects:

<b>Project</b>	<b>Approved Expenditure</b>
Hospital at Home – Model of Service Delivery	£2,219,000 (total for three years)
Enhancing the Third Sector Contribution to Integrated Services in Aberdeen City	£243,130 (total for two years)

District Nurse Succession Planning	£284,000 (total for four years)
Enhanced Pharmacy Support	£296,000 (total for two years)
Testing Buurtzorg Principles	£1,121,378 (total for two years)

Once these Directions have been received they will be reported to the Council.

3.1.9.9 The Transformation programme is overseen by the **Integration and Transformation Programme Board**.

The Transformation Programme includes the following priority areas for strategic investment:

- Acute Care at Home
- Supporting Management of Long Term Conditions – Building Community Capacity
- Modernising Primary and Community Care
- Culture Change/ Organisational Change
- Strategic Commissioning and Development of Social Care
- Information and Communication Technology and Technology Enabled Care (included within a wider work programme also including infrastructure and data sharing)
- Delayed Discharge

3.1.9.10 These programmes, consisting of a range of individual and linked projects, seek to support the delivery of the objectives and aspirations as set out in the Strategic Plan.

3.1.9.11 The Board, at their meeting on 6<sup>th</sup> June, 2017, considered and approved a report and a Direction (attached as Appendix D to this report) which proposed the development an **interim housing option**, specifically two fully furnished, fully serviced ACC properties, for people who have low level support needs and are delayed in hospital awaiting housing adaptation or rehousing. This is designed to temporarily accommodate those who are delayed in hospital due to housing needs and positively impact on the current number of bed days lost. This will require consideration by ACC in terms of availability of properties and adaption of the Council's Scheme of Allocation.

3.1.9.12 Regular one to one meetings between Joint Accountable Officer and ACC and NHS Grampian CEOs continue and are attended by the Council's S95 Officer where the financial and non-financial performance of the IJB is reviewed.

3.1.9.13 At the most recent meeting, further refinement was agreed to the regular performance dashboard. In addition, it was agreed that 4 key improvement plans would be reviewed in future, along with the Board's Transformation



Programme. The group also agreed to formalise the collaborative approach to budget setting across the executive teams. A “**Budget Protocol between ACC; NHS Grampian and the Aberdeen IJB**” was agreed at the Council’s meeting on 22<sup>nd</sup> February, 2017 and by the IJB on 7<sup>th</sup> March 2017. This sets out a collaborative approach to budget setting, including both executive and non-executive engagement, ensuring that there is transparency throughout the process and that the decision making role of the IJB is respected.

### **3.1.10 Procurement Governance**

- 3.1.10.1 A **commissioning plan** will be developed showing, in more detail, the IJB’s commitment to transform the configuration and delivery of the integrated health and social care services across all sectors to meet the needs of the local population. The Plan will be a statement of intent and as such an invitation to the third, independent and housing sectors to participate in the collaborative development and implementation of these.
- 3.1.10.2 The substance and detail of this commissioning plan will influence future directions that the IJB gives to Council and Health Board in respect of delegated services that they deliver on behalf of the IJB. This plan will be produced in the second quarter of 2017.
- 3.1.10.3 A **Market Facilitation** steering group has been established to oversee the development of a Market Facilitation plan. It is envisaged that this plan will be presented to the IJB for approval and publication, along with the Commissioning Plan referred to above, in the second quarter of 2017. Market facilitation is an integral element of the commissioning cycle and the Partnership intends to build on ongoing dialogue with partners in the third, independent and housing sectors to develop a market facilitation plan which will outline the key principles to underpin commissioner provider relationships as well as activities which will support the reshaping of existing care models across all of the sectors.

## **4. FINANCIAL IMPLICATIONS**

There are no financial implications arising directly from this report. Finance is, however, a key element of the governance arrangements of which this report provides details.

## **5. LEGAL IMPLICATIONS**

There are no legal implications arising directly from this report.

## 6. MANAGEMENT OF RISK

Any significant risks will be identified and managed as appropriate. The report includes details of the system of risk management as well as identified financial risks.

## 7. IMPACT SECTION

**Economy** - None directly.  
**People** - None directly.  
**Place** - None directly.  
**Technology** - None directly.

## 8. BACKGROUND PAPERS

None.

## 9. APPENDICES (if applicable)

Appendix A - Direction – Scottish Living Wage  
Appendix B - Direction – Funding Uplift for Self-Directed Support Options 1 and 2  
Appendix C - Direction – Independent Sector Contribution to Integrated Services, Continuation of Post Diagnostic Support project.  
Appendix D - Direction – Interim Step Down Housing – Delayed Discharge  
Appendix E - Aberdeen City Health & Social care Partnership Annual Report 2016/17

## 10. REPORT AUTHOR DETAILS

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**INTEGRATION JOINT BOARD**

**DIRECTION**

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT  
2014

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The **ABERDEEN CITY COUNCIL** is hereby directed to deliver for the Board, the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the Board's Strategic Plan and existing operational arrangements pending future directions from the Board.

**Approval from IJB received on:-**

28<sup>th</sup> March 2017

**Description of services/functions:-**

To prepare and issue contract variations to all appropriate contracted providers of adult social care services in relation to a 2.6% uplift to ensure payment of the Scottish Living Wage of £8.45 per hour.

To prepare and issue contract variations to providers of sleepover services to award additional funding in relation to the payment of these at an average hourly rate equivalent to the National Minimum Wage of £7.50 per hour.

**Reference to the integration scheme:-**

**Link to strategic priorities (with reference to strategic plan and commissioning plan):-**

There is a direct link between the recruitment and retention of good quality staff on the quality of care provided. The provision of these uplifts in rates ensures that providers who are contracted to provide adult social care services are able to recruit and retain good quality staff. The 2.6% uplift in relation to the Living Wage could in addition be used to enhance Fair Working Practices such as training. This direction, therefore, supports the provision of high quality services that have a positive impact on personal experiences and outcomes.

**Timescales involved:-**

Start date:- 1<sup>st</sup> April 2017

Both of these contract variations to take effect from 1<sup>st</sup> April 2017 until further notice.

**Associated Budget:-**

Details of funding source:- Integration and Change funding of £1.95 million.

Availability:- Additional funding identified through 2017/18 settlement.

**INTEGRATION JOINT BOARD**

**DIRECTION**

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT  
2014

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The **ABERDEEN CITY COUNCIL** is hereby directed to deliver for the Board, the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the Board's Strategic Plan and existing operational arrangements pending future directions from the Board.

**Approval from IJB received on:-**

6 June 2017

**Description of services/functions:-**

Approves the 2.8% uplift to Adult Social Care SDS packages awarded under Options 1 and 2 where a Personal Assistant is employed from 1<sup>st</sup> April 2017 at a cost of £120,000 to allow the personal assistants to receive the Scottish Living Wage of £8.45 per hour.

Approves that if the additional uplift payments should they be applied and not passed onto the Personal Assistants the ACHSCP reserve the right to retract the offer of the uplift to the supported person. This will be formally recorded in written communication provided to the supported person when informing them of the agreed uplift in rates.

**Reference to the integration scheme:-**

Services: services listed in Annex 2, Part 2 of the Aberdeen City Health and Social Care Integration Scheme.

Functions:- functions listed in Annex 2, Part 1 of the Aberdeen City Health and Social Care Integration Scheme.

**Link to strategic priorities (with reference to strategic plan and commissioning plan):-**

- Develop a consistent person centred approach that promotes and protects the human rights of every individual and which enable our citizens to have opportunities to maintain their wellbeing and take a full and active role in their local community.
- Promote and support self-management and independence for individuals for as long as reasonably possible.
- Contribute to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.
- Strengthen existing community assets and resources that can help local people with their needs as they perceive them and make it easier for people to contribute to helping others in their communities.

**Timescales involved:-**

Start date:- 1<sup>st</sup> April 2017

Both of these changes to take effect from 1<sup>st</sup> April 2017 until further notice.

**Associated Budget:-**

Details of funding source:- Integration and Change funding.

Availability:- Additional funding identified through 2017/18 settlement.

INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT  
2014

---

The **Aberdeen City Council** is hereby directed to deliver for the Board, the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the Board's Strategic Plan and existing operational arrangements pending future directions from the Board.

**Approval from IJB received on:-** 28 March 2017

**Description of services/functions:-** Enhancing the Independent Sector Contribution to Integrated Services, Continuation of Post Diagnostic Support project. High level description of these services is as per attached Project Summary reports.

**Reference to the integration scheme:-** These projects will contribute to the evidence that the Partnership will be obliged to demonstrate how well the nine National Health and Wellbeing outcomes are being met (section 2). Annex 2, Part 2 identifies a range of services, some of which are provided through contractual arrangements with the independent sector (relevant to Enhancing the Independent Sector Contribution to Integrated Services project), and Health improvement services (relevant to Continuation of Post Diagnostic Support project.)

**Link to strategic priorities (with reference to strategic plan and commissioning plan):-** This direction seeks to support delivery of the following strategic priorities:

- Develop a consistent person centred approach that promotes and protects the human rights of every individual and which enable our citizens to have opportunities to maintain their wellbeing and take a full and active role in their local community.
- Support and improve the health, wellbeing and quality of life of our local population.
- Promote and support self-management and independence for individuals for as long as reasonably possible.
- Contribute to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.

- Strengthen existing community assets and resources that can help local people with their needs as they perceive them and make it easier for people to contribute to helping others in their communities.
- Support our staff to deliver high quality services that have a positive impact on personal experiences and outcomes.

**Timescales involved:-**

Start date:- 1 April 2017

End date:- 31 March 2018 (Continuation of Post Diagnostic Support project).  
31 March 2020 (Enhancing the Independent Sector Contribution to Integrated Services project).

**Associated Budget:-**

Details of funding source:- Integrated Care Fund.

- Continuation of Post Diagnostic Support Project - £104,000
- Enhancing the Independent Sector Contribution to Integrated Services Project - £423,498 (total for three years)

Availability:- Confirmed



**DIRECTION**

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT  
2014

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The **ABERDEEN CITY COUNCIL** is hereby directed to deliver for the Board, the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the Board's Strategic Plan and existing operational arrangements pending future directions from the Board.

**Approval from IJB received on:-** 6<sup>th</sup> June 2017

**Description of services/functions:-** Interim Step-Down Housing – a new model of service delivery designed to reduce housing related delayed discharge. A high level description of this project is set out in the attached Project Summary.

**Reference to integration scheme:-**

Services: services listed in Annex 2, Part 2 of the Aberdeen City Health and Social Care Integration Scheme.

Functions:- functions listed in Annex 2, Part 1 of the Aberdeen City Health and Social Care Integration Scheme.

**Link to strategic priorities (with reference to strategic plan and commissioning plan):-** This direction seeks to support delivery of the following strategic priorities:

- Develop a consistent person centred approach that promotes and protects the human rights of every individual and which enable our citizens to have opportunities to maintain their wellbeing and take a full and active role in their local community.
- Support and improve the health, wellbeing and quality of life of our local population.
- Promote and support self-management and independence for individuals for as long as reasonably possible.

- Value and support those who are unpaid carers to become equal partners in the planning and delivery of services, to look after their own health and to have a quality of life outside the caring role if so desired.
- Contribute to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.

**Timescales involved:-**

Start date:- 1<sup>st</sup> July 2017

End date:- until specified otherwise

**Associated Budget:-**

Details of funding source:- Integrated and Change Fund and will be overseen by the Delayed Discharge Group

- Interim Housing Proposal: £46,723.00.

Note: Costs provided for one-year test of change and include capital adaptation costs.

Availability:- Confirmed

**APPENDIX E**

Aberdeen City Health & Social Care partnership

Annual Report 2016/17

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Aberdeen City Health & Social Care Partnership  
*A caring partnership*



# **Transforming Care Through Integration**

**Aberdeen City Health Integration Joint  
Board**

**Annual Report 2016-17**





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**If you require further information about any aspect of this Annual Report please contact:**

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# 1. Exciting and Dynamic Times

## **Welcome from the IJB Chair**

I warmly welcome the publication of this, our first Annual Report which sets out how we have performed in establishing both the Integration Joint Board and the Health and Social Care Partnership and how we are working towards fulfilling the ambitions and priorities outlined in our Strategic Plan.

I am delighted to have taken over the Chair of the IJB following the baton being passed to me from the IJB's first Chair, Cllr Len Ironside CBE. Cllr Ironside steered the IJB during its first 10 months of live operation and was a champion for integration and improving outcomes for people. My aim now as Chair is to continue to build upon the strong foundations we have made and to drive our ambitions of delivering significant transformation improved outcomes for people in Aberdeen. I will be supporting our new IJB members who have joined us since the Local Government elections in May 2017 in fulfilling their important roles as members of the IJB in setting the direction and ensuring sound governance for our endeavours.

We aim to be one of the top performing IJBs in Scotland – one which attracts the best people and professionals to work with us and which strives to reduce inequalities in health and improve the wellbeing of our communities. We have made a start and I look forward to leading a Board and supporting an Executive Team in making even greater progress in across this year and into the next.

Jonathan Passmore, MBE, Chair

## **Chief Officer Foreward**

We can be proud of what we have achieved in our first 12 months of operation. We have lived within our means during this challenging financial year and delivered a balanced budget for 2017/18, accommodating payment of the Scottish Living Wage to our external care providers. We have also maintained a continuity of service for the people who depend upon us during this time of significant change.

We have made significant strides towards establishing the necessary senior management structure to give us the leadership capacity to deliver on our strategic priorities – and we have established our own strong 'Team Aberdeen' identity as a Partnership by holding our first Transformation Conference and HEART Awards celebration.

We have opened our new £4.3million Len Ironside Centre to cater for some of Aberdeen's most vulnerable adults – and we have driven our priority of reducing



delayed discharge to a point where we are seeing real results in reducing both the numbers of people delayed as well as the length of time people are delayed.

We have laid the groundwork to establish Link Workers in every GP practice and to pilot the Buurtzorg care-at-home model in our emerging Localities, while at the same time creating the foundations for our Carers Strategy and our Commissioning Plan.

These are exciting and dynamic times for health and social care in Aberdeen as we forge ahead on our journey of change, transformation and improvement – and I want to thank every colleague for their help, their support and their great ideas over the past year.

There are demographic and financial challenges ahead but, strongly supported by our Integration Joint Board, we will meet them together as a team and develop sustainable solutions which meet the needs of all who rely upon our services.

Judith Proctor, Chief Officer.

## 2. Executive Summary

The population of Aberdeen City is ageing with a **projected 70% increase in people over the age of 75 by 2037**. This is likely to place enormous pressure on health and social care services and forces us all to think differently about how we achieve and maintain good health and well-being.

Our ambitious transformation programme is developing new models of care to support people with long term health conditions and provide traditional hospital (acute) care in communities or even at home. The development of an adaptable and sustainable workforce is key to this, and we aim to develop our assets across primary, community, social care and the third sector. Underpinning all of this is a positive can-do organisational climate with staff and communities being fully engaged and supported to do their very best for the people of Aberdeen.

The drive for effective performance and high quality of care is at the heart of everything we do. Working within a framework adapted from the Care Quality Commission, we monitor measures that are most important to us as a quality organisation. These are based on those where we have the greatest level of accountability and leverage to improve. In some cases the data may be limited and





the measures may be imperfect, but we can still use it to understand where we are, and where we want to be.

**Safe:** Developing systems and approaches to keep people and communities safe from harm is a priority of the Community Planning Partnership. Our role in this is to raise awareness of risk and to ensure referrals are made for adult support and protection when appropriate. This is an area where referrals are inconsistent– a situation we wish to understand better and improve.

**Effective:** Co-ordination of care between professionals is a key ingredient in improving health and well-being outcomes for people in Aberdeen. **In the first year of Partnership, we have maintained a downward trend in the rate of emergency admissions to hospital each month, and in the number of bed days used for unscheduled care – a trend which we believe will place us in the top quartile of all Scottish Partnerships next year.**

Alcohol consumption and related harm is a significant public health issue in Scotland and particularly so in Aberdeen. Our focus in this first Partnership year has been to increase the number of alcohol brief interventions that are delivered in settings outside of GP surgeries, reaching more people in need of support.

**Responsive:** Increasing the uptake of self-directed support and reducing unmet need for social care are all indicators of independent living. **There has been little change in performance of services in the past year – a situation we aim to improve in 2017/18.**

**Reducing the number of people affected by delays in hospital discharge has been a key priority for us this year and one where improvement has been considerable.** Improved operational processes, effective service commissioning and the combined ‘one team’ ethos has improved the experience of care for many older people and their families. Against the context of an ageing and growing population, our focused efforts have meant that fewer people are delayed in hospital when they are ready to be discharged. **At the end of our first full Partnership year, the number of people in hospital each month with standard delays reduced by 22% and the number of avoidable hospital bed days reduced by 47%.**

**Caring:** **Almost 89% of care for people in the last six months of their life takes place at home or in a homely setting.** This compares well with other places in Scotland, but our aim in 2017/18 is to drive improvement in palliative and end of life care which reflects best practice and accords as much as possible with the needs and wishes of patients and their families.



**Well- led:** The driving ethos of the Partnership is that staff engagement, participation and delegated authority promotes trust and autonomy – an important factor in a modern, adaptive organisation. The use of ‘i-Matter’ as a feedback and participation tool will be extended into our second year, aiming to work with staff to enhance team working and address difficult issues such as staff sickness. Our transformation programme to develop staff and culture includes effective communication, co-location of teams, information sharing and leadership development. We have placed particular importance on Partnership identity and awarding staff for efforts that have made a notable difference in the job that they do.

### 3. Our Partnership

*“We are a caring partnership working together with our communities to enable people to achieve fulfilling, healthier lives and wellbeing”*

The Aberdeen City Health and Social Care Partnership (ACHSCP) formally came into existence in February 2016 with the approval of its Integration Scheme by Scottish Ministers. The Integration Joint Board (IJB) – the Partnership’s board of governance, strategy and scrutiny – became responsible for its delegated health and social care functions on the 1<sup>st</sup> of April 2016.

Integration ‘go live’ was a hugely significant event, given the many different arrangements that we were obliged to have in place as well as the obvious requirement to ensure continuity of care and support for the many individuals who use our health and social care services across the city..

We believe that our integration transition was successful and gave us a positive platform to begin the transformation of our services and deliver the vision and ambitions of our Strategic Plan.



The IJB is growing in its leadership role and relationships within it are positive and supportive of good decision-making. We have navigated significant governance challenges arising from the legislation with a focus on enabling the IJB's decision-making authority and siting this appropriately within delegations from partner organisations.

**Did you know...**

That one of the ways that we ensure that the **voice of people who use our services and carers** in the city is heard is through the participation of their representatives on our Integration Joint Board?

They fulfil a crucial role in articulating the user and carer experience and we will develop support networks for them and the many different organisations that operate in the city to support them.

At its first meeting last year, the IJB agreed our strategic ambitions and priorities, and set out its expectations about the scale and pace of our transformation programme. The IJB is clear that they now expect the Chief Officer and her Executive Team to deliver the anticipated benefits from the many different change activities and initiatives that are being progressed by staff across the Partnership.



held seven public meetings over the last year, establishing the relationships and procedures required to effectively deliver the strategic plan



prepared and agreed its first joint budget



established and operated two sub committees (Audit and Performance System Committee and Clinical and Care Governance Committee)



hosted its first annual conference and an awards ceremony



agreed spend for several significant transformation projects



established performance management and risk frameworks



held several workshops to inform IJB members of the services for which the IJB has strategic responsibility



in conjunction with Aberdeen City Council opened a new day care centre called the 'Len Ironside Centre'



approved and is in the process of implementing a new management structure

The Chief Officer's Executive Team is now firmly established and is supporting the IJB with its discussions and decision-making, leading the organisation and improving our service delivery. The senior management structure below the Executive Team has also been established and the final posts are anticipated to be filled in the first few months of the new financial year. Providing this enhanced leadership capacity will significantly help with the scale and pace of our transformational change activity.

The commitment and motivation of our staff underpins our ambitions and priorities and their involvement is at the heart of everything we do and hope to achieve. Some



of the many initiatives that we have put in place to support improved relationships and engagement includes:

- Establishing a Joint Staff Forum with trade union and staff side representation.
- Supporting trade union and staff side representation on the IJB.
- Developing our Organisational Development (OD) Plan.
- Developing a Workforce Plan.
- Promoting the Aston Team tool
- Rolling out the 'iMatter' engagement tool across the partnership
- Developing an 'ACHSCP specific' Induction for new staff.
- Publishing a bi-monthly 'Partnership Matters' newsletter
- Developing a programme of Executive Team job shadowing sessions/workshops

## **Our Strategic Plan:**

Our Strategic Plan outlines the demographic and financial challenges that the partnership must address as it sets out its strategic ambitions and priorities for the delegated health and social care services.

Our priorities are:

- Develop a consistent person-centred approach that promotes and protects the human rights of every individual and which enable our citizens to have opportunities to maintain their wellbeing and take a full and active role in their local community.
- Support and improve the health, wellbeing and quality of life of our local population.
- Promote and support self-management and independence for individuals for as long as reasonably possible.
- Value and support those who are unpaid carers to become equal partners in the planning and delivery of services, to look after their own health and to have a quality of life outside the caring role if so desired.
- Contribute to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.
- Strengthen existing community assets and resources that can help local people with their needs as they perceive them and make it easier for people to contribute to helping others in their communities.
- Support our staff to deliver high quality services that have a positive impact on personal experiences and outcomes.



During the first full year of operation, our focus has been on establishing the building blocks to enable the transformation of service delivery in future years. Pivotal to our ambitions is having a locality model that connects us to our communities and which underpins the delivery of our integrated health and social care services.

- We have established Leadership Groups in our four localities. The membership of these groups includes residents, community activists and locality based colleagues from across the health, social care, third and independent sectors.
- These groups are reaching out into their communities and initiating conversations about what matters to local residents. This is informing and influencing the development of our locality profiles and plans.
- The Chairs of the Leadership Groups also sit on our Strategic Planning Group to ensure a stronger strategic, locality based coherence across all our planning activities.

#### **Did you know...**

That profiles for each of our four localities highlighting the area's assets as well as the health and wellbeing of the local population are being developed.

Each Locality Leadership Group will use their own profiles as the basis for their engagement activities with their local communities so that appropriate priorities can be agreed, with a key focus on building on existing **community strengths and assets**.

Another key activity where significant progress has been made is in our good, positive and improving relationships with our partner organisations in the third and independent sectors. Aberdeen Council for Voluntary Organisations (ACVO) and Scottish Care (the umbrella group for many of our care home and care at home provider organisations) have both played a prominent role in the constructive discussions that have taken place about how we ensure that improved personal experiences and outcomes for the many different people who use, and rely on, our services are delivered.

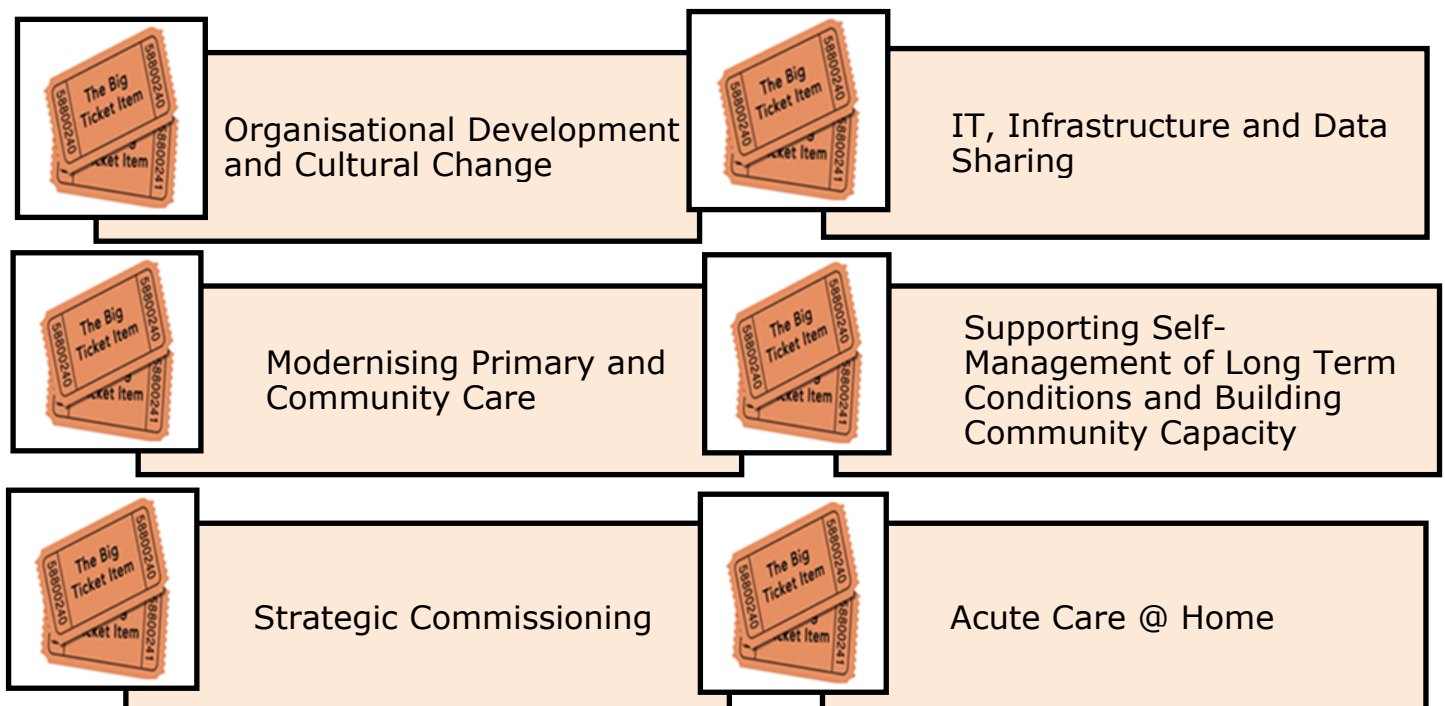


## 4. The Case for Change

Our Strategic Plan has made it clear that because of the impending demographic and financial challenges we can't continue to deliver services as we have traditionally done. We need more than just incremental change to ensure our solutions are fit for the 21st century: we need transformation.

Our IJB expects us to deliver significant transformational change at pace, to improve the personal experiences and outcomes for individuals who use our services now and for those who will do so in the future. It has outlined in its Transformation Plan, the six 'big ticket' items that it wishes to see progressed and completed and has set up the Integration Transformation Programme Board to oversee an ambitious programme of work that will fulfil our strategic priorities and deliver our strategic vision.

### Our 'Big Ticket' Items are:





## **Organisational Development & Cultural Change**

In its broadest sense, our partnership includes colleagues who work for our partner agencies (Aberdeen City Council and NHS Grampian) as well as those colleagues who work in the third and independent sectors, our carers and volunteers.

Reshaping our services in order to deliver them differently will require the partnership to invest in its workforce across all these sectors.

This enabler work-stream recognises that people are key to delivering our integration and transformation ambitions. Activities in this work-stream will support this new “Team Aberdeen” culture to be developed and will support the development of people in the right places and with the right skills and attributes to support people in communities. The work-stream also recognises the anxiety many of our staff will feel as we transition into our new partnership and integrate at every point of delivery, aligning with our values of caring, person-centred and enabling.

### **During 2016/17 we have:**

- **Firmly established the ACHSCP brand identity.**
- **Delivered the Partnership’s first Conference: Taking Care of Transformation #TCOT16**
- **Delivered the Partnership’s first Staff and Partner Celebration Event: “Having Exceptional Achievement Recognised Together – HEART Awards**
- **Established multi-partner and community Locality Leadership Groups, tasked to develop and delivery locality plans for each locality**
- **Launched an online innovation platform called ‘OurIDEAS’ for colleagues across the partnership to share and develop their ideas.**
- **Designed a series of shadowing opportunities for the Executive Team along with a programme of workshops for 3<sup>rd</sup> and 4<sup>th</sup> tier managers.**
- **Developed a series of engagement opportunities via social media, including locality-based Facebook pages and a unique Twitter handle for ACHSCP.**





**Did you know.....**

That the Partnership's first conference, Taking Care of Transformation: TCOT 2016 was held in November 2016 and brought together around 300 staff and partners, with a shared agenda of innovation, transformation and integration.

**IT, Infrastructure and Data Sharing**

Effective and linked ICT systems will be an essential, enabling component of the various integration and transformation themes. Our ambitions to innovate and transform will be hampered if there is a continued reliance on current, single service systems.

We are developing an integrated IT system, associated equipment and infrastructure that reflects and supports the alignment of our multi-disciplinary teams with our localities. The effective use of ICT will also assist in the bringing together of our new organisation and help to ensure that our staff and wider partnership community have opportunities to participate and engage with our planning and service delivery processes, including being able to influence and identify innovation opportunities.

**During 2016/17 we have:**

- **Relocated the Healthy Hoose into the new Middlefield Community Hub**
- **Completed the new Len Ironside Centre**
- **Agreed additional ICT and Business Development capacity to support delivery of our ICT work stream**
- **Commenced testing of a data-sharing and video-conferencing virtual hub to support better care to be delivered more efficiently**
- **Supported the roll-out of public wifi in health and social care facilities in the South Locality**
- **Developed a service agreement for data-sharing across HSCP services including performance monitoring**
- **Developed a single shared file for the Executive Team**
- **Begun work towards trialling Microsoft Office 365 across the partnership**



**Did you know.....**

That, in conjunction with our partner, Aberdeen City Council, in spring 2017 we opened a brand new community asset: the Len Ironside Centre?

This valuable resource provides support and activities, helping some 50 adults with severe learning and physical disabilities. The expansive facilities including an extensive outdoor sensory garden, a hi-tech computer room, a specially adapted kitchen and café area, a special sensory room and a large dining room/lounge which can double up as a theatre, and will provide an opportunity to explore and develop community-centred relationships.

**Acute Care @ Home**

We are seeking to develop a Hospital at Home service that will provide, for a limited time period, active treatment by appropriate professionals, in the individual's home, of a condition that would otherwise require acute hospital in-patient care.

The development of such a service fits with our ambition for our strategic intentions to have a greater preventative impact especially since we know that prolonged length of stay for the frail elderly and those with long-term conditions can lead to a higher risk of acquired infection and other complications such as loss of confidence, function and social networks.

**During 2016/17 we have:**

- **Engaged with a range of stakeholders to develop an options appraisal of different Hospital at Home Models**
- **Developed a project proposal for a phased 'roll out' of a hospital @ home model, which was approved by the Executive Programme Board for progression to full business case**
- **Developed a draft specification for a new Hospital at Home service**

**Supporting Self-Management of Long-Term Conditions and Building Community Capacity**

This work stream recognises that pressures on mainstream primary and community care services cannot be reduced through a "more of the same" approach. The work stream seeks to shift our relationship with communities to enable a more co-



productive approach and to nudge the culture towards being more empowered and responsible in relation to ourselves and each other.

There is a strong consensus across the Partnership in support of developing new 'lower level' support and link posts embedded in our communities and in our locality teams. There is clear alignment with what our statement of intent says in relation to improving health and wellbeing, reducing health inequalities, taking greater responsibility for our health and wellbeing and letting innovation flourish in our localities.

**During 2016/17 we have:**

- **Developed a case for rolling out Link Workers in every practice in the City**
- **Continued to support a range of dementia-related services**
- **Supported the early roll-out of 'Making Every Opportunity Count'**
- **Facilitated the Silver City project - a self-management approach to tackling social isolation for the older population at high risk of hospital admission**
- **Continued to deliver the Golden Games**
- **Worked in communities in the South Locality, adopting a co-production approach to develop innovative solutions to local challenges**

**Did You know...**

A co-production developed, locality based Falls Clinic involving Occupational Therapists, Physiotherapists, District Nurses and Clinical Support Workers now takes place monthly in Kincorth.

This clinic benefits people who have had a fall, have lost confidence due to slips and trips or who are unsteady on their feet. During their clinic appointment service users develop their own, individualised "Falls Action Plan" with support from staff. Service users are encouraged to self-manage some areas of their falls risk with guidance from clinic staff. Referral on to other specialist services, provision or review of walking aids, home assessments for provision of equipment and adaptations to the home environment are all common outcomes following clinic appointments.

**Modernising Primary & Community Care**

This proposed investment recognises that there are a range of elements that will help modernise and develop primary care. An approach that offers a menu of change for primary care to test, will give the widest spread of change activity, enable practices to step in at a level they can manage and will grow new models appropriate for their context.



Collaborative working, in locality hubs, with increased pharmacist provision, social work links and GP-led beds will help to reduce admissions to hospital, prescribing costs and provide more sustainable primary and social care services. These hubs will be supported by the design of integrated health and care teams, local communities and a 'Team Aberdeen' and person-centred culture and ethos throughout our wider organisation. Different approaches may include models such as the 'Buurtzorg' model and Advanced Nursing and Allied Health Professional (AHP) roles in the community.

**During 2016/17 we have:**

- **Developed a business case and received approval to roll-out Community Mental Health Hubs across the city**
- **Established a Project Team to design and implement an integrated care model in Aberdeen's communities using the Buurtzorg Principles**
- **Progressed a project proposal relating to a multi-skilled pharmacy team to business case stage**
- **Developed new ways of working at Dyce Medical Practice**

**Did You Know...**

At Denburn Medical Practice, the traditional model for accessing services has been turned on its head, and a new approach adopted which uses a range of techniques including proactive GP-led triage, increased use of telephone consultations, and removing barriers to patient contact by increasing the number of practice telephone lines and changing the reception culture.

This logical, person-centred approach has **increased productivity by 50%:**

- Clinical contacts for each GP have **increased from 110 per week to 220 per week.**
- The non attendance for booked appointments (Did Not Attend or DNA) rate has practically been eliminated resulting in **savings of £20,000 per year.**
- Out of Hours contacts have **reduced by approximately 20%.**
- There are no backlog appointments.

**Strategic Commissioning**



This proposal is fundamental to our ambition to work with our partners across all sectors in reshaping the services that we deliver to address the common challenges that we face. A coherent commissioning approach will be pivotal to the people who use our services having improved personal experiences and outcomes.

Other anticipated benefits include a more resilient, local marketplace, innovative and effective care models and contractual arrangements that are fit for purpose.

**During 2016/17 we have:**

- **Established a Market Facilitation Steering Group to oversee the development of our agreed facilitation principles and activities**
- **Provided additional funding to Scottish Care to enhance their developmental capacity for working with the care at home/care home sectors**
- **Established a range of work streams to develop service specifications for key commissioning activities**

## 5. How Are We Doing?

### Our Performance Framework

Achieving our aims and objectives depends on having an effective performance framework to measure progress. There are hundreds of indicators used to monitor the services we deliver, the quality of care we offer and the outcomes we achieve. Our approach has been to develop a structured framework for managing information to ensure the right information reaches the right people at the right time. This helps prevent information overload and ensures that important information is not missed.

We are operating in a constantly changing environment and what we measure now to assess performance is likely to develop as we pool data between health and social care, particularly at locality and community level. During our first year we have drawn on indicators that help to assure performance of current practice and support continuous improvement. They are based on aspects of care and management where we have the greatest level of accountability and leverage to improve. In some cases the data may be limited and the measures may be imperfect, but we can still use it to understand where we are, and where we want to be.

The national and local indicators we use are contextualised around a balanced performance framework adapted from the Care Quality Commission.

**Safe** – how well do our services protect people from abuse and avoidable harm

**Effective** – how well does the care and treatment we provide and commission achieve good outcomes, help people maintain quality of life and is based on the best available evidence



Table 5.1 summarises our current situation and the progress we have made in our first year. This draws from measures which have been set nationally ones we have chosen locally to align with our strategic goals and ambitions. Each indicator shows the most recent performance position and the proportionate change from the baseline position of April 2016 when the Partnership became 'live'. A trend line is also shown based on historical data, enabling change and improvement to be viewed in a longer term context.



Summary Table Headline Indicators

Cat	Title	UB Baseline	Current Position	% Change	Scotland	Latest Period	Trend Points	Long Term Trend
Safe	Falls rate per 1,000 population aged 65+ (Annualised)†	19.1	18.8	-1.6%	21	2016/17	7 Annual	
	Percentage of adults supported at home who agreed they felt safe	83%	83%	NA	84%	2015/16	2 Biennial	
	Number of new referrals to initial investigation under adult protection	98	106	+8.2%	-	2016/17 Q4	8 Quarters	
	Percentage of social care complaints responded to in time*	62%	84%	+35.5%	-	2016/17 Q2	6 Quarters	
	Number of NHS complaints and % responded to in time	104 (76.0%)	106 (70.8%)	-6.9%	-	2016/17	4 Annual	
Well Led	Percentage of adults supported at home who agreed that their health and social care services seemed to be well co-ordinated	77%	77%	NA	75%	2015/16	2 Biennial	
	Average number of days to sickness lost per employee in social care (rolling 12 months)*	11.6	13.0	+12.1%	-	Jan-17	Monthly Rolling 12	
	Average percentage of work hours per month lost to sickness absence - NHS staff	5.0%	4.9%	-2.9%	5%	2016/17 Q4	8 Quarters	
Effective	Premature mortality rate per 100,000 persons*	464	464	NA	441	2015	6 Annual	
	Emergency admission rate (per 100,000 population, Annualised) †	9,977	9,796	-1.8%	11,874	2016/17	7 Annual	
	Emergency bed day rate (per 100,000 population Annualised) †	100,979	102,840	+1.8%	106,531	2016/17	6 Annual	
	Readmission to hospital within 28 days (per 1,000 population Annualised) †	88.4	89.4	+1.2%	96	2016/17	6 Annual	
	Total % of adults receiving any care or support who rated it as excellent or good	82%	82%	NA	81%	2015/16	2 Biennial	
	Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency†	23.506%	23.400%	-0.4509%	21%	2016/17	6 Annual	
	Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections*	79%	79%	NA	83%	2015/16	2 Annual	
	Number alcohol brief interventions	1047	1030	-1.6%	-	2016/17 Q4	8 Quarters	
Responsive	Percentage of adults supported at home who agreed that they are supported to live as independently as possible	82%	82%	NA	84%	2015/16	2 Biennial	
	Total combined % carers who feel supported to continue in their caring role	42%	42%	NA	41%	2015/16	2 Biennial	
	Percentage of adults with intensive care needs receiving care at home	55%	55%	NA	62%	2016/17	5 Annual	
	Number of days people spend in hospital when they are ready to be discharged (per 1,000 population)†	1,765	1,223	-30.7%	915	2016/17	5 Annual	
	Number of delayed discharges per month at census. Standard and Code 9.	86	58	-32.6%	-	Mar-17	12 Monthly	
	Number and proportion of eligible people taking up self directed support	227 (6.9%)	233 (7%)	+1.4%	-	Mar-17	2 Half Yearly	
	Number of unmet social care hours	1878	1462	-22.2%	-	2016/17 Q4	4 Quarterly	
Caring	Percentage of adults able to look after their health very well or quite well	96%	96%	NA	94%	2015/16	2 Biennial	
	Percentage of adults supported at home who agreed that they had a say in how their help, care, or support was provided	78%	78%	NA	79%	2015/16	2 Biennial	
	Percentage of people with positive experience of the care provided by their GP practice	86%	86%	NA	87%	2015/16	2 Biennial	
	Percentage of adults supported at home who agree that their services and support had an impact on improving or maintaining their quality of life	80%	80%	NA	84%	2015/16	2 Biennial	
	Proportion of last 6 months of life spent at home or in a community setting†	88.2%	88.8%	+7%	87%	2016/17	5 Annual	

† Projections based on data to 2016/17 Q3 data are shown where annual 16/17 data is not yet available. The annual data will be released by ISD early June 17.  
\* Latest information available is before current period

Table 5.1. Headline Performance National & Local Indicators



## Safe

As a Community Planning Partner, we have a responsibility to keep people and communities safe from harm and our collective aim is to develop systems and approaches that raise awareness and identify risk. Supporting all Partners and agencies to refer vulnerable adults for support and protection is a key objective and we have set improvement outcomes to do this collectively. These involve increasing the number of referrals from the HSCP (and other agencies) and identifying a sensitive way to measure appropriateness. **The number of referrals at the end of 2015/16 (the baseline position) was 98 and we have seen a rise of 8% at the end of 2016/17.**

## Effective

Supporting people to live fulfilling and healthy lives is at the heart of what we do. During our first year our 'award winning' Silver City Team helped older people take up new hobbies and build confidence in looking after their health and well-being. A new Advanced Nurse Practitioner in Kincorth focuses specifically on supporting older people and helping to co-ordinate care. These are just two examples where new efforts are helping to build individual resilience in health and well-being for people in our communities.

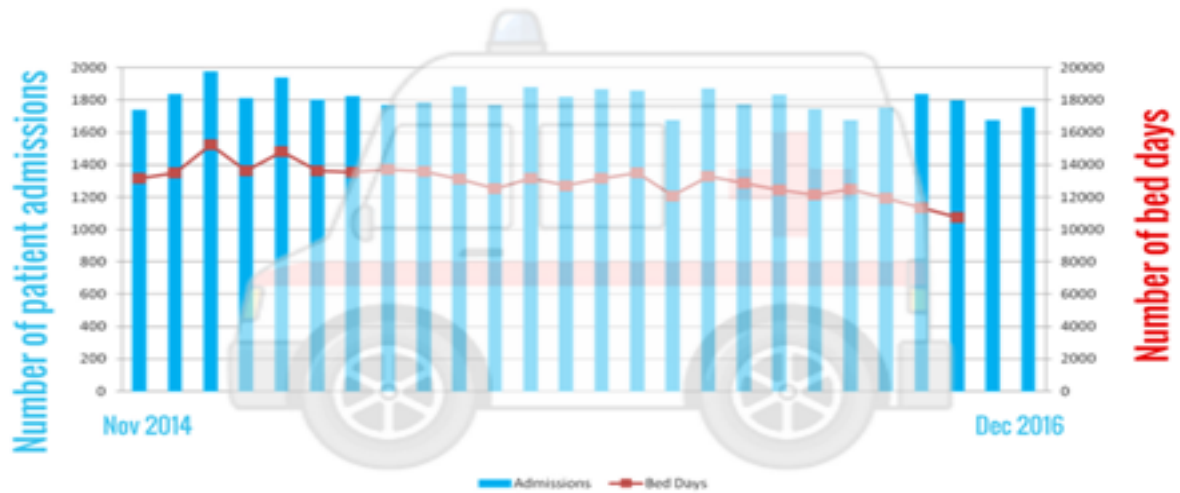
Confident individuals, supported communities and effective co-ordination of care between professionals are key ingredients in improving health and well-being outcomes for people in Aberdeen. One measure of progress is the number of emergency hospital admissions. **In the first year of Partnership, we have maintained a steady downward trend in the rate of emergency admissions to hospital each month, and in the number of bed days used for unscheduled care – a trend which we believe will place us in the top quartile of all Scottish Partnerships next year.**

Figure 5.1 illustrates the reduction in patient admissions each month from November 2014 to December 2016.





## Emergency Hospital Admissions



**Figure 5.1. Emergency admissions and hospital bed days used**

Alcohol consumption and related harm is a significant public health issue in Scotland and the rate of alcohol related hospital admissions in Aberdeen City is statistically higher than Scotland overall.<sup>1</sup> Whilst there are many universal prevention interventions (such as alcohol pricing), the HSCP aims to widen access to individual support and behaviour change through alcohol brief interventions (ABIs). For the past number of years this intervention has relied heavily on GPs, and Aberdeen City Practices conduct almost two thirds of all ABIs in Grampian. Our focus in this first Partnership year has been to increase the number of ABIs offered in wider settings, aiming to reach even more people in need of support. **So whilst the number of ABIs has not increased between 2015/16 and 2016/17 overall, the balance between those delivered by GPs and wider settings has changed.** This is as a result of increased staff training within the Alcohol and Drug Partnership and the identification of new opportunities to deliver ABIs – a more sustainable model for the future.

### **Responsive**

For some people, support and care is needed to help people lead an independent life. 'Self-directed support' (SDS) is an arrangement that allows people to choose how their support is provided and gives them as much control as they want of their

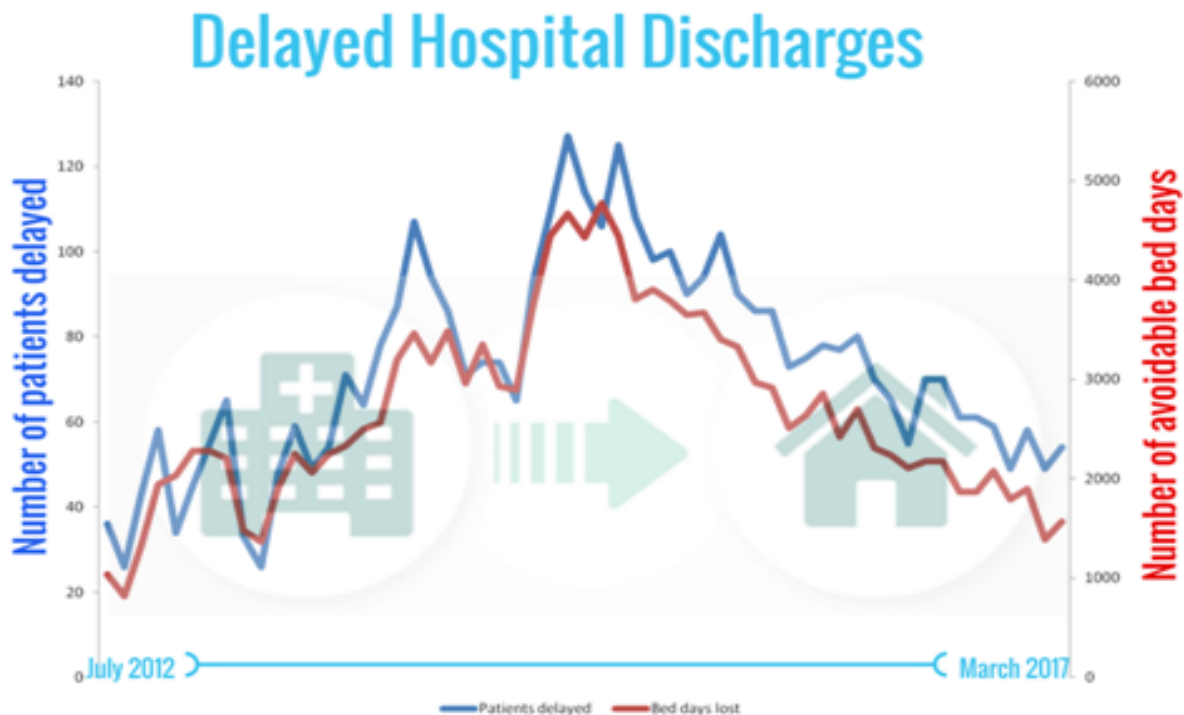
<sup>1</sup> ScotPho Alcohol profiles



individual budget. It can include support for daily living, to go to college, to be employed or to enjoy leisure pursuits more. Having greater control of your life leads to improved health and well-being and the HSCP is working hard to encourage people to take advantage of SDS. **In the past year there has been little change in the proportion of people who take up SDS (options 1 and 2) at just 7% of all eligible people, this is a situation we wish to improve upon in 2017/18.**

With a growing number of older people living with high and complex care needs, the need for social care services is increasing, alongside workforce recruitment and retention challenges. This situation can lead to 'unmet need', affecting individuals who are struggling to cope and putting strain on carers and family members. In some cases it can lead to hospital admission and the risk of delayed discharge. Unmet need can be difficult to define and harder still to measure. The data we capture may be incomplete or imperfect, but it gives us an initial indication of progress as we improve data quality. **Over the past year, there has been a downward trend in both the number of clients awaiting care and the number of hours required.** This reflects the collaborative approach to commissioning services between HSCP staff and care providers.

Delays in being discharged from hospital affect mainly older people and usually occur because of the time needed to secure care home accommodation or to arrange social support for returning home. Figure 5.2 shows the number of 'standard' patients delayed each month and the number of hospital bed days used per month from July 2012 until March 2017. **This improving situation, which at its peak culminated in 125 patients delayed in hospital in January 2015, is set in context of reducing care home capacity and a loss of some 160 beds since 2012.**



**Figure 5.2. Delayed standard discharges and bed days used**

The steady improvement from early 2015 is the result of Partnership efforts during the shadow period and the first live year of operation. These endeavours were initially focused on improving operational processes which have since matured, and we are now seeing the impact of specific initiatives. Over the past year, our health and social care staff have worked particularly hard to co-ordinate services for patients and to secure appropriate follow-on care. Increasing the number of 'intermediate care' beds has allowed patients and their families more time in an appropriate environment to consider their care home options.

### **Caring**

Person centred care and positive experiences of services are features of the caring organisation to which we aspire. Humanising health and social care is the way we will achieve this, where success is based on the way care is delivered as well as health outcomes. Measuring our progress so far has been based on large scale surveys of service satisfaction and we aim to do more here in the coming years. Nonetheless this information has highlighted aspects of care where improved experience of care may be needed, particularly in primary care and in home care.

**Almost 89% of care for people in the last six months of their life takes place at home or in a homely setting.** This compares well to Scotland overall, but our aim is to drive improvement in palliative and end of life care which reflects best practice and



accords as much as possible with the needs and wishes of patients and their families. Invasive, painful and costly treatment in acute hospital is not always the best course of action. Through our transformation programme, we will be aiming to find sensitive and person-centred ways to improve this and to combine facts and values in our measurement to ensure we keep in touch with the human factors of quality.

### **Well-led**

The driving ethos of the Partnership is that staff engagement, participation and delegated authority promotes trust and autonomy – an important factor in a modern, adaptive organisation. Our transformation programme to develop staff and culture includes effective communication, co-location of teams, information sharing and leadership development. We have placed particular importance on Partnership identity and awarding staff for efforts that have made a notable difference in the job that they do.

An indication of an engaged, supported and motivated workforce is absenteeism.

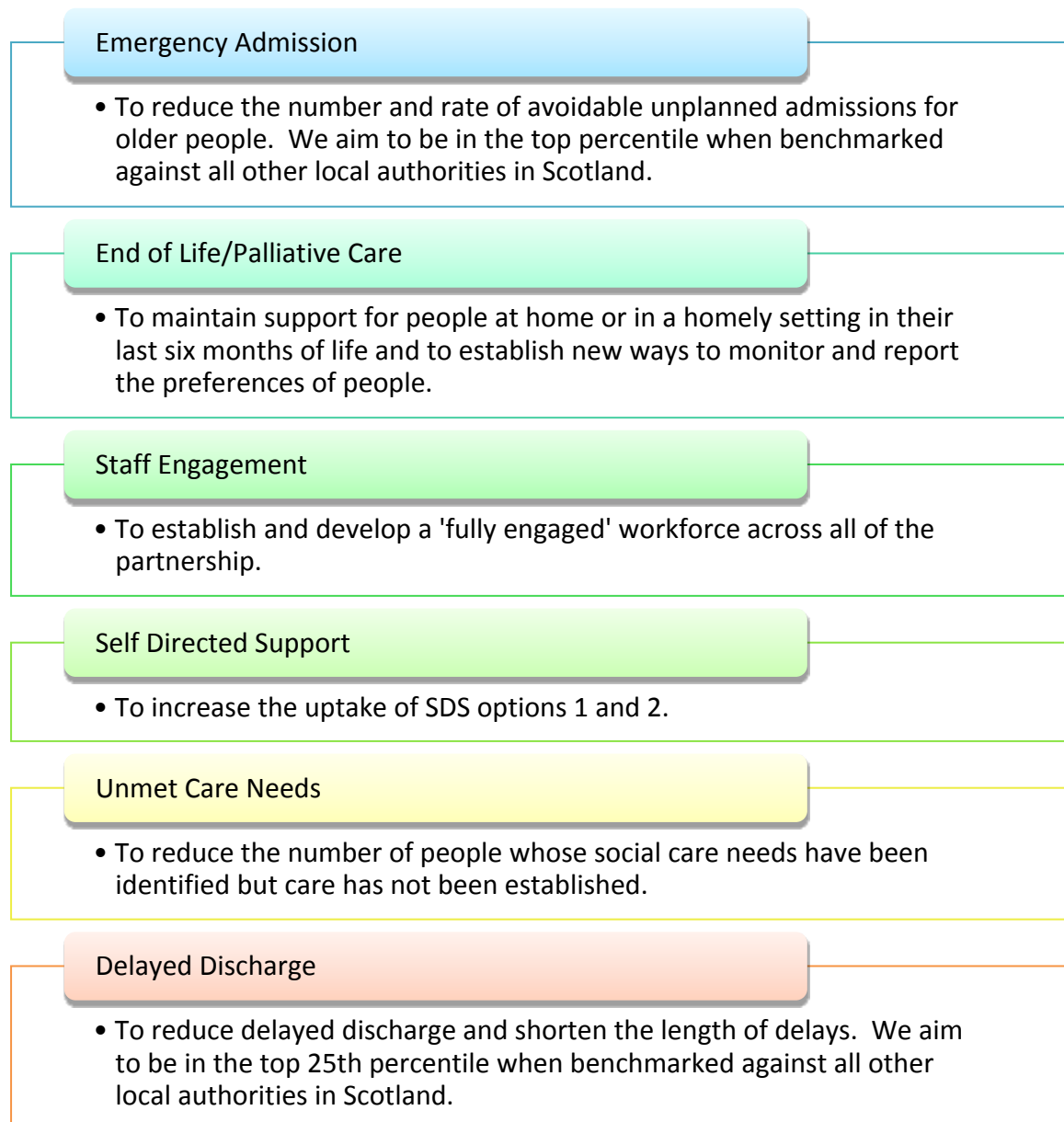
**Over the past year, sickness absence in social care (headcount 560) has increased and the average number of sickness days per employee in a year is currently thirteen. This is measured differently for health care staff (headcount 1381), where the average percentage of work hours lost per month due to sick leave is just under 5% and similar to the national average for Scotland.**

During the past year we introduced “i-Matter”, a feedback tool for staff which provides a measure of engagement, communication and motivation. Our plan for 2017/18 is to use the tool pro-actively to engage with staff and teams on ways to address and improve sickness absence. This is a key area of improvement work affecting culture and productivity.

### **Driving improvement 2017/18**

We believe our Partnership efforts and focus over the past year have impacted positively towards many national and local outcomes as demonstrated by the progress shown against our baseline position.

In addition to our ambitious transformation plans we have identified a number of key areas which will be a focus for our improvement activities during 2017/18. These include:



**Figure 5.3 ACHSCP Improvement Priorities.**

Our performance in these areas will be reported to the IJB and its Audit and Performance Systems Committee throughout the year and highlighted in next year's annual performance report.

## **Our Financial Stewardship**

The Integration Joint Board (IJB) has a responsibility under the Public Bodies (Joint Working) (Scotland) Act 2014 to set a balanced budget. The funds for the Integration Joint Board are delegated from Aberdeen City Council and NHS Grampian with the purpose of delivering the IJB's Strategic Plan. The level of funding available to the



IJB is heavily influenced by these organisations' grant settlements from the Scottish Government.

The level of funding delegated to the IJB at the start of the 2016/17 financial year was (Figure 5.4):

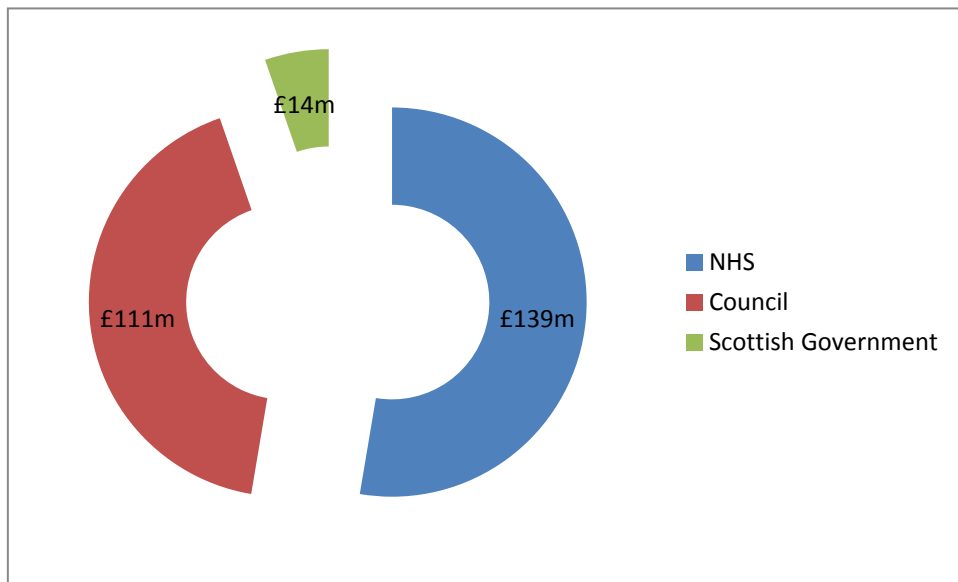


Figure 5.4 IJB Funding.

### The IJB's Position at 31<sup>st</sup> March 2017

The Integration Joint Board has an ambitious strategic plan which seeks to transform the health and social care services under its remit within Aberdeen City. In order to facilitate this, additional funding has been provided by the Scottish Government which can be used to help transform services, support integration and reduce delayed discharges. This additional funding is now all mainstreamed and recurring.

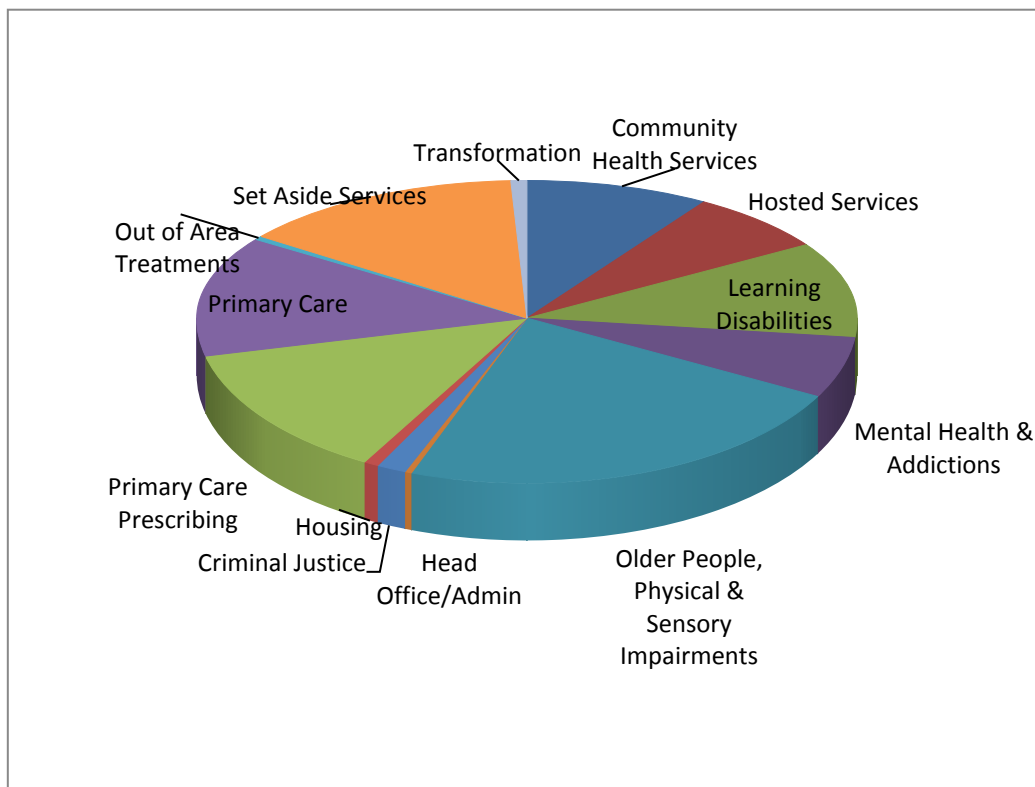
It is important to note that whilst the allocation of this funding is extremely useful in terms of delivery of the strategic plan, other services are being transformed from within mainstream budgets on a continuous basis. A good example of this is our public health and wellbeing team who are now undertaking new duties linked to the delivery of the strategic plan.

In reality the whole budget is available to integrate, change and transform.



<b>Service</b>	<b>Gross Expenditure (£)</b>
Community Health Services	31,649,313
Learning Disabilities	29,264,461
Mental Health & Addictions	18,304,741
Older People, Physical & Sensory Impairments	69,719,818
Criminal Justice	4,413,345
Housing	2,197,288
Primary Care	36,846,589
Primary Care Prescribing	40,125,916
Hosted services	21,207,851
Out of Area Treatments	1,219,506
Set Aside Services*	46,732,000
Head Office/Admin	1,007,021
Transformation	2,856,283
	<b>305,544,132</b>

**Table 5.2 Service Expenditure (\* these relate to the services delivered in the Acute Sector for which the IJB is responsible for Strategic Planning but not Operational Delivery. This is a notional budget)**



**Figure 5.5 Service Expenditure 2017/18 Financial Year.**

A proposed budget for 2017/18 which outlined budget pressures, budget reductions and an indicative budget position for the next five financial years was presented to a special meeting of the IJB on 7<sup>th</sup> March.

The proposed balanced budget was approved.

### **Did You Know...**

In February 2017, 230 colleagues came together to celebrate at the partnership's first ceremony to celebrate the exceptional work of our extended workforce across the partnership. The HEART Awards – 'Having Exceptional Achievement Recognised Together' – aimed to celebrate the exceptional work of colleagues in ACHSCP and its partner organisations.

At the event, as well as showcasing some exceptional talent and achievements of staff within the partnership, 5 awards were presented under different categories:

- Hearing Others: The Communication and Inclusion Award
- Empowering People: The Enablement Award
- The Respect and Equality Award
- #Team Aberdeen: The Integration Award
- Our Pick: The Staff Choice Award.





## 6. Looking Forward

In addition to everything that we have highlighted thus far there are also a key number of activities that are already underway and we are going to highlight because of their importance to the partnership's ambitions and priorities. We look forward to reporting on the completion of all these in next year's annual performance report.

These include:

### **Buurtzorg:**

The Buurtzorg model of community care is a consistent person-centred approach that seeks to enable our citizens and their friends, family and neighbours to have opportunities to take a full and active role in their wellbeing. The integrated nurse and care worker teams will be supported to self-manage, taking the appropriate decisions in the right place at the right time.





### **Link Workers:**

Appropriate person-centred wellbeing support is organised through a dedicated community orientated member of staff in each practice, called the Link Worker. Such Link Workers aim to improve people's resilience where people see themselves as part of an interconnected whole, by supporting them to link more closely with their communities and opportunities in the community. The implementation of Link Workers will directly support the strategic priorities for the ACHSCP. A project team has been set up to drive this high profile innovative intervention forward. Work is ongoing to procure a partner provider to deliver the Link Worker resource, in partnership with our GP practices, and embedded in local communities.

### **Carers Strategy:**

This strategy is being developed in a co-productive manner with carers, recognising the very important role that many thousands of unpaid carers undertake and the supports that we need to provide in order for them to feel able to continue in this role.

We are developing our Carers Strategy in line with the Carers (Scotland) Act 2016 and this will outline how we hope to develop our understanding of the carer role, be able to identify more readily who are carers are and what informal and formal supports can be offered to them.

### **Locality Teams:**

The operationalisation of our locality model has commenced with the recruitment of our Heads of Localities and an initial alignment of service functions within our senior leadership team.

With assistance from a design support organisation we will be working with our staff across the four localities to develop our vision of integrated, multi-disciplinary, locality based teams working in and with our local communities.

### **Conclusion.**

When the IJB published its Strategic Plan on 1<sup>st</sup> April last year it emphasized the need to ensure that the day to day delivery of services was not compromised by our integration transition or the commencement of our transformation programme.

On integration 'go live' day we gave ourselves a very positive platform for our next steps. Our performance over the past year, on the whole, has been good. It will be better next year.



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COMMITTEE	COUNCIL
DATE	21 <sup>st</sup> June 2017
REPORT TITLE	Governance Review: integration of health and social care - delegation of powers and procurement
REPORT NUMBER	CG/17/075
LEAD OFFICER	Fraser Bell
REPORT AUTHORS	Jess Anderson and Alison Watson

**1. PURPOSE OF REPORT:-**

To set out and seek approval for revised governance arrangements in relation to powers delegated to the Chief Executive of Aberdeen City Council to authorise expenditure in respect of the delivery of adult social care services and the implementation of any Direction issued to the Council by the IJB.

**2. RECOMMENDATION(S)**

It is recommended that Council:-

- 2.1 approves the appointment of the Chief Officer of the Integrated Joint Board (IJB), in terms of section 64 of the Local Government (Scotland) Act 1973 (“the 1973 Act”), as an Officer of the Council for the purposes of exercising the powers as set out in the Aberdeen City Council Delegated Powers 2017.
- 2.2 approves the amendment of the Council’s Scheme of Delegation as set out in Appendix A; and
- 2.3 approves the amendment of the Aberdeen City Council Procurement Regulations as set out in Appendix B.

**3.1 SCHEME OF DELEGATION**

**Background**

- 3.1.1 The Council’s existing Scheme of Delegation (which is currently under review) states that a Chief Officer has a number of General Delegations. The Chief Officer of the IJB also has a number of specific statutory delegations in respect of their role and is the operational lead in respect of Adult Social Care Services. These specific delegations also extend to the Head of Adult Social Care Services (now known as the Head of Operations). The current Chief Officer is not an employee of Aberdeen City Council although they are

considered to be a member of the Corporate Management Team and is held to account by the Council's Chief Executive.

- 3.1.2 The delegation of social care functions by the Council to the IJB in 2016 has resulted in the IJB issuing binding Directions to the Council and the NHS respectfully to direct them to deliver services in pursuance of every function which has been delegated to the IJB. A Direction must set out how each integrated health and social care function is to be exercised and the budget associated with that. The Council is legally required to comply with a Direction. In April 2016, the IJB issued a general Direction to both the Council and NHS to continue to deliver services forthwith.
- 3.1.3 When the IJB issues a Direction to the Council, ACC governance arrangements apply in respect of implementing that Direction. In practical terms, this means that the Direction is sent to the Chief Executive as Head of Paid Service, who then directs the Chief Officer (CO) as the operational lead for Adult Social Care Services, to implement the Direction. At the Council meeting of 2 March 2016, Council approved a recommendation which authorised the CO to facilitate and implement any Direction issued to the Council by the IJB. This gives the CO delegated powers to act upon any Direction made to the Council.

### **Proposal**

- 3.1.4 It is proposed that the Council formally appoints the CO of the IJB as an officer of the Council under the 1973 Act, so that the post-holder has powers afforded to a Director under the Council's Standing Orders and Scheme of Delegation. It is recommended that in terms of good governance, and with more detailed Directions anticipated from the IJB for the procurement of operational services, Council make such an appointment.

## **3.2. PROCUREMENT**

### **Background**

- 3.2.1 Operationally, the implementation of a Direction will likely result in a requirement on the CO to procure services on behalf of the Council. Where the Council needs to enter into a contract to implement a Direction from the IJB, that the CO must follow the Council's Procurement Regulations.
- 3.2.2 The Aberdeen City Council Procurement Regulations state at Regulation 5.4 that Directors (including the Chief Officer of the Integrated Health & Social Care Partnership) have responsibility to ensure staff in their directorate follow the ACC Procurement Regulations for all contracts let by their Directorate and are accountable to the Council for the performance of their duties in relation to contract management. Each Director must be able to evidence that the procurements are compliant with these Procurement Regulations and associated Procurement Guidance Notes.
- 3.2.3 Presently, where the contract or procurement value is below £50,000 (for supplies/services) or £250,000 (for works), the Regulations state that a

Delegated Procurer can approve the total estimated expenditure without the need for Committee approval. A Delegated Procurer is any officer holding Delegated Procurement Authority and authorised to carry out procurement activities. A Delegated Procurer is designated as such by the Head of Commercial and Procurement Services as holding the relevant Delegated Procurement Authority. Where the value of the contract is over £50,000 (for supplies/services) or over £250,000 (for works), the ACC Procurement Regulations state that approval of Committee is required prior to the procurement being undertaken.

- 3.2.4 There is no Adult Services Committee within the Council's committee structure and the Orders of Reference for the Finance, Policy and Resources Committee do not provide for approvals for contracts of Adult Social Care Services. At present, this means that approval of expenditure where the value of the contract is over the thresholds set out in section 3.2.3 would have to be given by Full Council prior to going out to tender, even though the IJB has already approved the estimated expenditure. In light of the nature and extent of Adult Social Care services, it is likely that the number of reports to Full Council seeking to implement Directions from the IJB will be frequent unless the proposed amendments are made to the Scheme of Delegation and Procurement Regulations. Additionally, Council is unable to determine the budget and type of service, as this will have been set by the IJB in the Direction which the Council must comply with. In order to avoid this duplication, alternative governance arrangements are proposed below.

### **Proposal**

#### **3.2.5 *Contracts or Procurements below the value of £50,000/£250,000***

Regulation 4.1.1.1 of the ACC Procurement Regulations enables a Head of Service to give authority to conduct any procurement where the estimated value of a contract is below £50,000 (supplies/services) or £250,000 (works) so long as it is carried out by a Delegated Procurer.

#### **3.2.6 *Contracts or Procurements of or above the value of £50,000/£250,000***

It is proposed that, instead of seeking approval from Full Council as is required by ACC Procurement Regulations 4.1.1.2 and 4.1.1.3, the Chief Officer, either as a result of a Direction from the IJB to the Council and where appropriate, as provided for in the Direction, a Business Case, submits the relevant approval form to the Chief Executive, or a person nominated by her, who, subject to the approval of the Head of Finance and Head of Commercial and Procurement Services would be enabled to approve such expenditure. This would be done by way of the Chief Officer submitting an IJB Procurement Request form to the Chief Executive (see form at Appendix C) attaching a copy of the relevant Direction and/ or Business Case.

- 3.2.7 Officers consider that this proposal would permit a more effective and streamlined approach to service delivery whilst ensuring that there are adequate governance arrangements around the approval process similar to "special circumstances" set down in Regulation 3.10 of the ACC Procurement Regulations.

#### **4. FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from the recommendations of this report.

#### **5. LEGAL IMPLICATIONS**

The recommendations contained within this report will enable better use of resources, avoid duplication of work and ultimately provide clear governance arrangements. It will enable the Council to implement Directions within a clear framework and ultimately timeously, reducing the impact on operational delivery.

#### **6. MANAGEMENT OF RISK**

Whilst the Council's new Scheme of Delegation is due to be tabled before Council in October 2017, officers recommend that Council puts in place this framework outlined in this report now. This mitigates the requirement on officers to invoke "special circumstances" under the ACC Procurement Regulations or taking procurement authorisations to Council when the IJB have set the strategic aim and scope for service delivery and assigned a budget for that service.

- Financial - A Direction requiring procurement over the threshold will only go ahead on the approval of the Chief Executive, the Head of Commercial and Procurement Services and the Head of Finance. If approval is not obtained, the matter may be referred to the Full Council for consideration.
- Employee - None
- Customer / citizen - Having to go to Full Council in such instances could impact on service delivery, by including a second "approval" process which can have an impact on the procedural timescales which are prescribed by the ACC Procurement Regulations, particularly when the budget for the delivery of operational services has been determined by the IJB.
- Environmental - None
- Technological - None
- Legal - All reports going to the IJB follow the same consultation process as the Council's committees. For example, they are subject to consultation with Head of Finance and Head of Legal and Democratic Services for regulatory compliance.
- Reputational - None



## 7. IMPACT SECTION

The proposals within this report promote and facilitate the “Working in Partnership” agenda within the [Aberdeen City Council Strategic Business Plan](#).

### **Economy**

The proposals will improve the Council’s use of resources by making the process more streamlined and less cumbersome and ensure that decision making is clear and transparent. Additionally, the CO will ultimately be responsible for commissioning Adult Social Care Services. The budget for the delivery of operational services has already been determined by the IJB.

### **People**

The proposals outlined in this report will result in the practicalities of implementing and progressing with the Integration agenda being more streamlined, thus allowing the Aberdeen City Health and Social Care Partnership to meet the objectives set by the IJB. Further, removing the need for additional approval by Committee will result in Directions being implemented more timeously, which will in turn, have a positive impact on the “client” end user.

There are no negative impacts on the people of Aberdeen arising from this report.

The proposal empowers the CO and her management team to implement IJB Directions and progress with the objectives of the Transformation project by delegating the appropriate powers to the appropriate people to enable effective operational delivery.

### **Place**

The recommendations within this report will ensure that the decision making and framework is in place to support the Directions from the IJB in how services will be delivered within the City. Integral to that is the interaction between the CO and Aberdeen City Council in terms of the delivery of adult social care services. The Council is still accountable for service delivery and the impact of those services on the people and place of Aberdeen.

### **Technology**

There is no direct impact on technology arising from this report.

## 8. BACKGROUND PAPERS

*ACC Financial Regulations*  
*ACC Procurement Regulations*  
*ACC Delegated Powers*

**9. APPENDICES (if applicable)**

Appendix A Amended Scheme of Delegation in so far as it relates to the power of the Chief Executive to approve expenditure.

Appendix B Amendment of ACC Procurement Regulations

Appendix C IJB Procurement Request

**10. REPORT AUTHOR DETAILS**

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## **APPENDIX A**

### **Amendment to the Scheme of Delegation**

#### **Chief Executive**

- 1) To approve (or a person nominated by them) any procurement or contract, as a result of a Direction from the Integrated Joint Board to the Council and/ or a relevant business case, where the estimated value of the contract is of or above £50,000 (supplies / services) or £250,000 (works) subject to the approval of the Head of Finance and the Head of Commercial and Procurement Services

**APPENDIX B**  
**AMENDMENT TO ABERDEEN CITY COUNCIL PROCUREMENT**  
**REGULATIONS**

**4.1.1.5      *Expenditure of the Integrated Joint Board***

*The Chief Executive of Aberdeen City Council, or a person nominated by them, may approve expenditure of, or more than, £50,000 (Goods and/or Services) or £250,000 (Works) in relation to any Direction and where appropriate, as provided for in the Direction, a Business Case issued to Aberdeen City Council by the Integrated Joint Board to undertake a tender process, without the need for the approval of Committee in accordance with Procurement Regulations 4.1.1.3 and 4.1.1.4 above, subject to the approval of the Head of the Commercial and Procurement Service and the Head of Finance*

**APPENDIX C**  
**IJB PROCUREMENT REQUEST FORM**

ATTACHED AS PAPER APART.

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**INTEGRATION JOINT BOARD**

**PROCUREMENT REQUEST FORM**

**UNDER ABERDEEN CITY COUNCIL PROCUREMENT REGULATION 4.1.1.5**

<b>To:</b>	Angela Scott, Chief Executive, ACC Craig Innes, Head of Commercial and Procurement Services, ACC Steve Whyte, Head of Finance, ACC		
<b>From:</b> <b>Email:</b> <b>Tel:</b> <b>Date:</b>	[Head of Commissioning Service/ Chief Officer details to go here]		
<b>Date of Request:</b>	[ ]	<b>Deadline for decision to be made (and consequences should no decision be made):</b>	[ ]
<b>Request:</b>	You are hereby requested to approve expenditure of, or more than £50,000 (Goods and/or Services) or £250,000 (Works) in relation to the Direction and where appropriate, as provided for in the Direction, a Business Case issued to Aberdeen City Council by the Integrated Joint Board attached hereto, to undertake a tender process without the need for the approval of Committee in accordance with Aberdeen City Council Procurement Regulations 4.1.1.3 or 4.1.1.4 (as applicable).		
<b>Description of the Supplies, Services or Works to be Procured:</b>	[ ]		
<b>Total estimated expenditure:</b>	[ ]		
<b>Approval from IJB received on:</b>	[ ]		
<b>Copy of the original report to IJB attached hereto:</b>	Yes / No		
<b>Copy of Direction attached hereto:</b>	Yes / No		



<b>Request under Procurement Reg. 4.1.1.5</b>	<b>Chief Executive</b>	<b>Head of Commercial &amp; Procurement</b>	<b>Head of Finance</b>
<b>Approval Given:</b>	<b>Yes / No</b>	<b>Yes / No</b>	<b>Yes / No</b>
<b>Date:</b>			
<b>Comments:</b>			



## ABERDEEN CITY COUNCIL

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COMMITTEE	COUNCIL
DATE	21 JUNE 2017
REPORT TITLE	APPOINTMENTS TO OUTSIDE BODIES, AMENDMENTS TO COMMITTEE PLACES AND COUNCIL DIARY
REPORT NUMBER	CG/17/078
LEAD OFFICER	FRASER BELL
REPORT AUTHOR	ALAN THOMSON

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### **1. PURPOSE OF REPORT:-**

The report seeks approval of the new policy on the appointment of Elected Members to Outside Bodies and accordingly makes recommendations for those bodies which require or request such appointments; the report also seeks approval of changes made to the composition of various committees and seeks a delegation to allow the Head of Legal and Democratic Services to set and amend the calendar of Council, Committees and Sub-Committees.

### **2. RECOMMENDATION(S)**

The Council is recommended to:-

- (a) Approve the draft policy on the appointment of Elected Members to Outside Bodies as set out at Appendix 1 to the report;
- (b) Appoint Elected Members to the Outside Bodies listed in Appendix 3 to the report;
- (c) Agree to make no appointment to the Outside Bodies listed in Appendix 4 to the report and note that these will be removed from the Outside Bodies Register;
- (d) Instruct the Head of Legal and Democratic Services to ensure that the necessary formalities are addressed with respect to the resignations and nominations of Elected Members to the Outside Bodies listed in Appendices 3 and 4.
- (e) Instruct the Head of Legal and Democratic Services to keep the proposed policy and the Outside Bodies Register under review to

ensure that the levels of support the Council provides to these Outside Bodies through an Elected Member appointment is consistent with the policy.

- (f) Approve the changes to the compositions of the various committees as set out in paragraph 3.6.1 of the report.
- (g) Delegate authority to the Head of Legal and Democratic Services to set and amend the calendar of Council, Committee and Sub Committee meetings, following consultation with the Lord Provost and Council Leader and to update the Scheme of Delegation accordingly.
- (h) Note the various appointments approved under delegated authority since the Statutory Council meeting, contained within Appendix 5, and approve any outstanding appointments.

### **3. BACKGROUND**

#### **3.1 Review of Appointments to Outside Bodies**

3.1.1 An Outside Body can be either a corporate or an unincorporated body which is not part of the Council's own governance structure but whose work helps Council to fulfil its own responsibilities and/or improving community life in Aberdeen. Aberdeen City Council provides support to a large number of Outside Bodies. This includes administrative or financial support, and/or Elected Member or senior officer representation. To ensure this support meets the Council's duty to secure best value, and that adequate resource is in place to support such appointments, the Council is reviewing accountability and governance arrangements with other organisations, as well as financial requirements where appropriate.

3.1.2 This exercise forms part of a wider review of the Council's governance framework to ensure that the Council is compliant with the Chartered Institute of Public Finance and Accountancy's (CIPFA) internationally recognised seven principles of good governance. A key aim of this review is to develop a clearer understanding of the relationships the Council has with all external bodies and organisations.

3.1.3 The purpose of this exercise was to review current practices on appointments of Elected Members to Outside Bodies and develop a policy which sets out:

- (i) the criteria on which Aberdeen City Council will appoint Elected Members to Outside Bodies; and
- (ii) guidance on Elected Members roles and responsibilities once appointed.

3.1.4 The proposed policy is set out at Appendix 1 to this report.

3.1.5 As a result of the exercise, a Register of Outside Bodies has been created which is to be maintained by the Head of Legal and Democratic Services.

The Register will contain all relevant information such as the Outside Bodies purpose, requirements, and key contacts. A corresponding Specific Exclusion Register will also be maintained by the Head of Legal and Democratic Services detailing those appointments where Elected Members are able to take advantage of a Specific Exclusion as detailed in the proposed policy.

### **3.2 Policy**

- 3.2.1 The Policy was drafted after a benchmarking exercise. Other Local Authorities were contacted to ascertain what arrangements they have in place. Although Aberdeenshire have a similar questionnaire, as in the appendix contained within the proposed Policy, which was sent out to their Outside Bodies, they do not have a written policy on appointments. Orkney Islands Council and Shetland Islands Council, also do not have formal policies, however, they do have Council decisions on the types of organisations to which appointments will be recommended. Fife Council, Angus Council and Central Bedfordshire have policies.
- 3.2.2 This policy has been developed taking into account best practice elsewhere and significantly strengthened in line with recommendations from CIPFA, the Good Governance Institute (GGI) and Audit Scotland.

### **3.3 Arm's Length External Organisations**

- 3.3.1 CIPFA recommended a preference to not appoint Elected Members to Arm's Length External Organisations (ALEOs), primarily due to the increased scope for conflicts of interests to arise. CIPFA has clarified that this recommendation is a preference, and accept that the Council may still wish to appoint Elected Members to ALEO boards due to the increased assurances and scrutiny gained by doing so. They have advised that the Council may wish to consider implementing their recommendation over a period of time and there is no expectation that the Council would simply stop appointing Elected Members with immediate effect to the six ALEOs that currently require Elected Members.
- 3.3.2 It is therefore recommended that Aberdeen City Council continue to appoint Elected Members to the six ALEOs for the timebeing in accordance with the proposed policy, but with a framework of safeguards built around these appointments. Additional safeguards include enhanced training to help ensure Elected Members have clarity on their responsibilities to the ALEO, conflict of interest risks and their potential liability.
- 3.3.3 The ALEOs were asked what skills and competencies they would like to see from appointed members. Some of the ALEOs have indicated what these expectations are, and these are detailed in Appendix 2. It is proposed that the Council give consideration to the skills and competencies being suggested by the ALEOs when considering appointees to those ALEOs.

### **3.4 Trusts**

- 3.4.1 It is also recommended that Elected Members are appointed to active trusts, if a legal requirement of the trust's constitution. Appendix 3 details if the Council is obliged to appoint to an Outside Body or if it is discretionary. The trusts are being reviewed as part of a linked workstream of the Governance Review with a view to rationalising the number of dormant trusts which are doing little more than using funds (often more than their annual income) to meet statutory accounting costs. By amalgamating or winding up trusts, the Council can ensure that funds are disbursed for appropriate purposes, whether by a new trust or a third party charity to which funds are transferred.
- 3.4.2 Aberdeen City Council is the sole trustee for 8 charitable and non-charitable trusts, and is also asked to appoint Elected Members to around 15 charitable trusts. The Council is also responsible for over 70 non-charitable public trusts and funds. The Council's relationships with these trusts are currently under review with a view to reducing the amount of trusts that Aberdeen City Council support. Options being considered include winding up and amalgamating the trusts where appropriate, subject to resolution by the trustees which may include private individuals for some trusts. This is a time consuming process which indicatively will take at least two years to complete. If the Council decides that it no longer desires to support a trust, the process for resigning from the trust may be time consuming, and will involve agreement with the remaining trustees how the trust should continue. Elected Members acting as trustees may need to remain on the trust until the trust deed is amended.

### **3.5 Appointments**

- 3.5.1 At the Statutory Council Meeting, held on the 17 May 2017, the Council was asked to make appointments to a small number of Outside Bodies, as these bodies required elected member participation prior to the meeting of Full Council on 21 June 2017. Some of these appointments were made under delegated authority following the meeting and these are detailed in Appendix 5. Elected Members are now asked to consider appointing to the remaining Outside Bodies listed in Appendix 3 in accordance with the proposed policy.
- 3.5.2 Questionnaires were sent to all existing Outside Bodies in January 2017, with several follow up reminders also being sent. A number of Outside Bodies replied to the request for information to advise that they did not require Elected Members, or that are no longer in operation. Several Outside Bodies failed to respond to the request for information, despite several attempts to contact them. It is recommended that these bodies are also removed from the register of Outside Bodies. If these bodies contact the Council looking for representation in the future, they will be asked to complete a questionnaire before they are considered for recommendation in accordance with any approved policy. A list of the bodies to be removed from the Register is contained within Appendix 4.
- 3.5.3 It is recommended that the policy is kept under regular review, and any appointments or nominations made in May and June 2017 are reviewed to ensure that they are still providing assurance to the Council, are not exposing

the Elected Members or Council to unacceptable risk and that they continue to provide best value. Elected Members appointed to Outside Bodies are encouraged to report to the Head of Legal and Democratic Services if they are of the view that the appointment is not of continuing benefit to the Council as set out in the proposed policy.

- 3.5.4 Most previous appointments ended automatically on the day of the election, as per section 61 of the Local Government (Scotland) Act 1973. Depending on the constitution of the Outside Body, there are various different processes for nominating or appointing to the Outside Body and for resignations of the previous office holders. These can range from a simple notification to more formal letters or documents. It is recommended that the Council delegates to the Head of Legal and Democratic Services to arrange for these administrative processes to be executed as required.

### **3.6 Committee Places**

- 3.6.1 Following the Statutory Council meeting on 17 May 2017, the various groups within the Administration have swapped places on a number of committees, which needs to be ratified by the Council on the basis that the compositions are now different to what was previously agreed:

- Education and Children's Services Committee – Conservative now 4 places instead of 5. Independent Alliance now 2 places instead of 1
- Audit, Risk and Scrutiny Committee – Conservative now 5 places instead of 4. Independent Alliance now 1 place instead of 2
- Communities, Housing and Infrastructure Committee – Labour now 4 places instead of 3. Independent Alliance now 1 place instead of 2
- Finance, Policy and Resources Committee – Conservative now 5 places instead of 4. Independent Alliance now 1 place instead of 2
- Licensing Committee – Labour now 3 places instead of 4. Independent Alliance now 2 places instead of 1
- Planning Development Management Committee – Conservative now 4 places instead of 5. Independent Alliance now 2 places instead of 1
- Pensions Committee – Conservative now 2 places instead of 3. Independent Alliance now 1 place instead of no places.
- Aberdeen City Region Deal Joint Committee - Councillor Houghton to replace Councillor Boulton as a substantive member
- Community Planning Aberdeen Board - Councillor Graham to replace Councillor Sellar

### **3.7 Council, Committee and Sub Committee Meetings**

- 3.7.1 The new Standing Orders were approved at the Council meeting in March 2017, and the revised Scheme of Delegated Powers is due to be presented to Council for approval towards the end of 2017. In the meantime, the Head of Legal and Democratic Services requires delegated authority to set and amend the calendar of Council, Committee and Sub Committee meetings, following consultation with the Lord Provost and Council Leader.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no direct financial implications arising from the recommendations of this report.
- 4.2 The Council has a duty to secure best value, under section 1 of the Local Government (Scotland) Act 2003. As demands on the Council and Elected Members increase, it is essential that the Council keep all of its activities under review to ensure that it is securing best value for the residents of Aberdeen.
- 4.3 Each individual charitable trust has statutory financial obligations and Aberdeen City Council is responsible for the administration of some of these charitable trusts. The cost of administering these trusts is sometimes greater than their annual income. Rationalisation of the trusts will seek to minimise these costs and ensure trust money is best used for its intended purposes.

## **5. LEGAL IMPLICATIONS**

- 5.1 Acceptance of the recommendations in the report is not considered to pose any legal risk to the Council and will ensure that the Council meets its statutory obligations. Depending on the constitution of the body, the appointment of a member to an Outside Body could be a statutory duty or a requirement of a trust deed. If the Council failed to appoint to these bodies, it could face enforcement action. However, it is more likely that an agreement could be obtained with remaining trustees to amend the trust deed and allow Elected Members to resign from trustee duties. The process may involve appointing Elected Members to the trust to allow them to participate in the discussions with the other trustees to amend the trust deed or wind up the trust.
- 5.3 Not all appointments are mandatory, however, and officers have endeavoured to identify the appointments or nominations that are mandatory or discretionary in Appendix 3.

## **6. MANAGEMENT OF RISK**

- 6.1 The purpose of the policy and the review is to ensure resources are allocated to the right places, and risks to Elected Members are mitigated through

implementation a number of safeguards for Elected Members, around liability and insurance.

6.2 In recommending appointments or nominations of Elected Members to Outside Bodies, the Council needs to ensure:

- roles and responsibilities are understood;
- conflicting interests are effectively managed;
- risks are appropriately assessed and managed; and
- Elected Members' time is being effectively used.

6.3 The policy has been developed in light of the CIPFA Principles of Good Governance, in particular the following:

- Behaving with Integrity;
- Ensuring Openness and Stakeholder engagement;
- Defining outcomes;
- Determining the interventions necessary; and
- Managing risks and performance.

## **7. IMPACT SECTION**

7.1 Once decisions have been made as to appointments or nominations to the bodies contained within the report, the relevant organisations will be contacted as to the representatives nominated or appointed.

### **7.2 Economy**

There will be no impact on economy arising from the recommendations.

### **7.3 People**

The report may be of interest to the public as it establishes memberships of outlined bodies in accordance with statute.

An Equality and Human Rights Impact Assessment is not required as the proposal does not disproportionately impact on persons with protected characteristics compared to persons without such characteristics.

### **7.4 Place**

There will be no direct impact on the environment or the community arising from these recommendations. Many of the Outside Bodies do benefit the local environment, the local and wider community and make Aberdeen a better place to live and work.

### **7.5 Technology**

There will be no impact on technology arising from the recommendations.

**8. BACKGROUND PAPERS**

<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

**9. APPENDICES (if applicable)**

Appendix 1 – Policy on Appointment of Elected Members to Outside Bodies

Appendix 2 – ALEO skills and competencies

Appendix 3 - Recommendations for Appointment

Appendix 4 – Outside Bodies recommended to be removed from Register

Appendix 5 – Outside Body appointments approved under delegated authority

**10. REPORT AUTHOR DETAILS**

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# Aberdeen City Council

## Policy on Appointments of Elected Members to Outside Bodies



# Aberdeen City Council

## Policy on Appointments of Elected Members to Outside Bodies

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Version	1.0
Effective From	June 2017
To be Reviewed	June 2018
Application of Policy	Council-wide
Policy Author	Alan Thomson, Solicitor

# 1. Purpose

- 1.1 This policy sets out the criteria for that will inform recommendations to the Council in respect of appointments or nominations of Elected Members to Outside Bodies. The Policy also sets out the responsibilities of Elected Members once appointed to an Outside Body.
- 1.2 In recommending appointments or nominations of Elected Members to Outside Bodies, the Council need to ensure:
  - roles and responsibilities are understood;
  - conflicting interests are effectively managed;
  - risks are appropriately assessed and managed; and
  - Elected Members' time is being effectively used.
- 1.3 The policy and questionnaire have been developed in light of the CIPFA (Chartered Institute of Public Finance and Accountancy) Principles of Good Governance, in particular the following:
  - Behaving with Integrity
  - Ensuring Openness and Stakeholder engagement
  - Defining outcomes
  - Determining the interventions necessary
  - Managing risks and performance
- 1.4 The policy and questionnaire have also been considered in light of the findings and recommendations from:
  - the Good Governance Institute report on Assurance Development Programme: Risk Management System and in particular to its recommendations on risk management systems and improving informal relationships between Arms Length External Organisations (ALEOs) and Council members and officers; and
  - Audit Scotland's guidance from its series on "How Councils Work".
- 1.5 The Council also has a duty to secure best value, under section 1 of the Local Government (Scotland) Act 2003. As demands on the Council and Elected Members increase, it is essential that the Council keep all of its activities under review to ensure that it is securing best value.

# 2. Definition of an Outside Body

- 2.1 An Outside Body can be either a corporate or an unincorporated body which is not part of the Council's own governance structure but whose work helps Council to fulfil its own responsibilities and/or improving community life in Aberdeen. It is a body whose functions make a substantial contribution to the achievement of the Council's overall aims and objectives, as set out in its approved policies, plans and strategies, and to the delivery of essential local services

**2.2** The term includes a diverse range of organisational purposes and structures and is in effect a “label of convenience” rather than an exact description. We have categorised Outside Bodies as follows:

**2.2.1 Statutory**

An organisation to which the Council is required by statute to make appointments and where not doing so would affect the Council’s ability to properly discharge its functions and obligations.

**2.2.2 National/international**

An organisation which directly or indirectly represents local government (or aspects of its work) at regional, national or international level and whose membership comprises representatives of some or all local authorities.

**2.2.3 ALEO**

- While there is no statutory definition of an ALEO, the Council has adopted the Following the Public Pound definition of ALEO which is a body that it formally separate from a council but is subject to its control and influence.
- ALEOs are bodies through which councils seek to carry out some of their functions, other than on a straightforward contractual basis.
- They are often used by councils as an efficient and cost effective way of delivering public services including services relating to leisure, arts, culture, employment, economic development and urban regeneration, waste management, property development and social care.
- ALEOs usually take the form of companies or trusts and some can register as charities (provided they have a wholly charitable purpose) or as limited liability partnerships.

**2.2.4 Local**

- A local organisation or group, falling within one or more ward boundaries, which seeks the Council’s assistance in meeting local needs.
- A voluntary/community organisation which receives funding from the Council and Elected Member representation will provide a valuable mechanism for the exchange of information and views.
- An organisation or discussion/liaison group where Council representation will in some other way provide clear ‘added value’ to either the Council or local communities in Aberdeen.

**2.2.5 Trusts.**

A trust is usually set up where assets (eg property, investments) are given by one person (the Donor) to another (the Trustees) with the intention that it should be applied for the benefit of a third party or the public (the Beneficiary). Once this occurs, the trustees own the asset, but can only apply it in accordance with the trust for the benefit of the beneficiaries.

A trust is not regulated by an external regulator (unless it is a charitable trust), but is subject to various legislation, eg Trusts (Scotland) Acts 1921 and 1961. If it is charitable it will be subject to charity law and regulated by the Office of the Scottish Charity Regulator (OSCR).

- 2.3 Although this policy refers to the appointment of Elected Members to Outside Bodies, it should be clarified that for certain Outside Bodies, the Council will nominate an Elected Member, who will then in turn be appointed by the Outside Body. For example, the Council may nominate an Elected Member to be a Director on the board of a company. However, the decision on whether or not to appoint the Elected Member to the company may be the responsibility of the company's existing board members.

### 3. Criteria for Appointing Elected Members

- 3.1 Outside Bodies seeking appointments or nominations of Elected Members, with the exception of statutory appointments, will be asked to complete a questionnaire as set out in Appendix 1
- 3.2 Elected Member appointments or nominations to Outside Bodies will only be made if there are clear strategic or policy benefits from this arrangement for either the Council or local communities.
- 3.3 The following criteria will be considered, on a case by case basis, before recommendation to council for appointments or nominations of Elected Members to Outside Bodies:
- a. the Outside Body has appropriate and transparent governance arrangements in place, dependent on its size and type;
  - b. the Outside Body has adequate liability insurance in place, appropriate to its size, purpose and type;
  - c. the Outside Body provides training on the Elected Members duties and obligations under the appointment; and
  - d. there are clear arrangements in place for Elected Members to exit from the Outside Body.
- 3.4 In addition to 3.3, if the Outside Body requests an Elected Member to act in a decision making capacity it will provide the Council with their:
- a. most recent accounts prepared and audited in accordance with the requirements of the Companies Act 2006, or the Charities Accounts (Scotland) Regulations 2006; and
  - b. 1 year business plan and three year summary business plan, if their annual budget exceeds £10,000 or details of the income and expenditure requirements for the forthcoming year if their budget is less than £10,000.

- 3.5** Appointments to Outside Bodies may not be recommended if:
- a. the Outside Body has significant outstanding disputes or liabilities which are likely to impact on its future viability or solvency;
  - b. the Outside Body has not met for more than 1 year without good reason;
  - c. the appointment of an Elected Member is not the best or only way of achieving the aims of the Outside Body; and
  - d. the anticipated time commitment of the Elected Member does not justify the strategic objective of the Council.
- 3.6** All applications for appointments or nominations of Elected Members will be considered on an individual case by case basis, taking into account the size and legal status of the Outside Body.
- 3.7** The Head of Legal and Democratic Services will, after review of completed questionnaires, and taking into account all of the information provided to him or her, recommend to Council on whether Elected Members should be appointed or nominated to an Outside Body or not.
- 3.8** Elected Members should be aware that if they are appointed or nominated based on the recommendation of the Head of Legal and Democratic Services, the final decision on whether or not they accept the appointment or nomination is their own.
- 3.9** Committee Services will maintain a register of Outside Bodies, which will be reviewed on a regular basis, on behalf of the Head of Legal and Democratic Services. Any new requests for appointments or nominations of Elected Members should be sent to Committee Services. If any Outside Body should cease to exist or no longer require Elected Member support, notifications should also be sent to Committee Services.

## 4. The capacity in which Elected Members serve on Outside Bodies

- 4.1** The capacity in which Elected Members serve on Outside Bodies will mainly depend on:
- what legal form each Outside Body takes, and in particular whether it is incorporated as a separate legal entity or not;
  - whether the appointment is to the main body or to a particular committee or sub-committee of the Outside Body; and
  - whether the Elected Member is acting as a voting or non-voting member.

- 4.2 Depending on the terms of the appointment, Elected Members may serve as either:
- a board, executive or management committee member (voting);
  - a committee or sub-committee member (voting);
  - an ordinary member (voting only at the AGM);
  - a company director (voting);
  - a charity trustee (voting);
  - an observer (non-voting); or
  - a member of a discussion or liaison forum (where voting may not apply).
- 4.3 An observer is a person who is not a member of the Outside Body but is invited to attend in order to give the body the benefit of the Council's views and to keep the Council informed of the body's actions.
- 4.4 The capacity in which the Elected Member serves, along with the Outside Body's duties and accountabilities under the law, as well as to any parent body or regulator, will determine the extent of the member's responsibilities and liabilities.

## 5. Elected Members' Responsibilities and Potential Liabilities

### 5.1 General Duties

In general, Elected Members who are appointed to Outside Bodies should:

- a. understand clearly the Outside Body's purposes and main objectives and their own role in the Outside Body;
- b. attend meetings regularly and take an active, informed and supportive role in the body's affairs;
- c. take care always to act in the best interests of the Outside Body and in accordance with its rules or governing document, while contributing their knowledge and experience as a Elected Member;
- d. satisfy themselves that the Outside Body has transparent governance arrangements, regular reports on its activities and sound financial management, with accounts regularly monitored; and that annual reports and accounts are submitted in timely fashion;
- e. seek to protect the body's assets and manage its affairs prudently;
- f. be aware of the main risks the body faces (including funding risks) and the steps to be taken to deal with them;
- g. ensure it maintains its membership, so that the work of running the Outside Body and

- any financial obligations continue to be shared by a reasonable number of people;
- h. behave ethically in accordance with the Outside Body's own code of conduct, if they have one, or otherwise the Councillors' Code of Conduct;
  - i. not gain or seek to gain from their appointment any benefit or remuneration (beyond any travel, remuneration or other allowances formally approved by the body);
  - j. ensure the Outside Body has appropriate health and safety and equal opportunities policies and adequate insurance arrangements;
  - k. seek to safeguard the Council's interests on those bodies which are funded by or through the Council, to the extent that this does not conflict with their duties towards the Outside Body; and
  - l. seek advice from the Head of Legal and Democratic Services or other relevant Council officer if they have concerns about the running of the body.

**5.1.2** Elected Members shall cease being a member of the Outside Body when they cease to be an Elected Member. In the circumstances where an Outside Bodies constitution provides otherwise, the Elected Member shall be asked to voluntarily resign their membership of the Outside Body when they cease to be an Elected Member.

**5.1.3** The type of organisation to which the Council makes appointments to is diverse. The circumstances will vary widely from one Outside Body to another, but for convenience they have been divided below between corporate and non-corporate bodies.

## **5.2 Corporate Bodies**

**5.2.1** A corporate body has its own legal personality and is responsible for its own governance arrangements, finances and contractual responsibilities. The body itself will incur direct liability for its actions or inactions. Individual members who are acting within any mandate given to them by that body will usually be protected by limited liability if it becomes insolvent (except in the case of wrongful or fraudulent trading).

**5.2.2** An Elected Member appointed to a corporate body must, when attending meetings of the body act in that body's best interests, which may not necessarily be the same as the Council's best interests. Elected Members may of course bring to bear their own experience and knowledge as an Elected Member, and may have regard to the Council's interests, but have a duty to exercise independent judgement when making decisions. Elected Members should not claim to act or give the impression that they are acting under a Council instruction.



- 5.2.3** In the event of a clear conflict of interests the Elected Member should consider whether it is:
- a. Interest that can be effectively managed e.g. it can be dealt with by declaring an interest and withdrawing from either the Outside Body's meeting or the Council's meeting, or
  - b. so frequent or significant that it prevents the Elected Member from effectively fulfilling their responsibilities towards the Outside Body, in which case resignation from the body should be considered.
- 5.2.4 Corporate bodies include:**
- statutory or chartered corporations (including local authorities, non-departmental public bodies, NHS trusts, colleges and community, foundation or voluntary schools);
  - companies limited by shares;
  - companies limited by guarantee (not-for-profit, including incorporated charities where liability is normally limited to a nominal £1);
  - industrial and provident societies (not-for-profit, including most housing associations); and
  - and limited liability partnerships.

In many cases the body will have accountability requirements to a regulator such as the Audit Scotland, another inspectorate or government department, or Companies House.

**5.2.5 Registered Companies**

A Elected Member appointed to a registered company may, depending on the approach taken by that Outside Body, be expected to become a company director rather than an observer. If appointed as a company director, the Elected Member will be acting on behalf of the body itself, not as a 'representative' of the local authority, even though the Council may have appointed them. Company directors must have their appointment filed with Companies House and must abide by the company's own Memorandum and Articles of Association. Under the Companies Act 2006 a company director has duties:

- a. to act within the company's powers;
- b. to promote the success of the company;
- c. to exercise independent judgement;
- d. to exercise reasonable care, skill and diligence;
- e. to avoid conflicts of interest;
- f. not to accept benefits from third parties; and
- g. to declare any interests in a proposed transaction or arrangement entered into by the company.

### 5.2.6 Statutory Bodies

In some cases a Elected Member will be acting as the Council's representative on a board, committee or body that is exercising specific statutory functions which are distinct from the Council's own functions and where Council membership is required by law. These would include, amongst others, the NHS Grampian Health Board, the Grampian Valuation Joint Board, the Aberdeen City Integration Joint Board, the Robert Gordons College Board of Governors and the Aberdeen Airport Consultative Committee.

5.2.7 While each body will have its own purpose and constitutional arrangements, in general an appointed Elected Member can be expected to play their part in supporting the body's work, but taking particular account of the need to safeguard the Council's best interests and those of its communities. There may be some potential for conflicts of interest where there is a financial relationship such as a levy between the body and the Council.

## 5.3 Non-corporate Bodies

5.3.1 A non-corporate body has no separate legal personality<sup>1</sup> and is in effect a collection of individuals who will usually be acting together under a formal structure such as a constitution, rules or terms of reference that have been agreed between the members.

### 5.3.2 Advisory, Consultative or Liaison Bodies

In many cases Elected Members will be appointed to an advisory, consultative or liaison body of some kind. It could take the form of a joint committee, partnership arrangement or discussion forum between the local authority and one or more other public and/or private or third sector organisations<sup>2</sup>. Again, the Elected Member appointed will be acting as the Council's representative and contributing to that body's purposes while taking account of the best interests of Aberdeen City and its residents.

5.3.3 Examples would include local government forums such as Aberdeen Outdoor Access Forum key partnerships such as the Community Safety Partnership and the North East Scotland Fisheries Development Partnership. The potential for incurring liabilities or conflicts of interest as a result of membership is likely to be minimal.

5.3.4 In other cases the 'body' will be more of an informal discussion group, acting as a forum for the exchange of views and information and inter-agency consultation, often on quite local issues. Council appointments have previously been made to groups, forums, advisory groups and community partnerships or working groups. With no decision making powers, the scope for liabilities or conflicts of interest arising should again be minimal. The exception would be where, for example, such Outside Bodies made representations in respect of planning or licensing applications.

### 5.3.5 Registered Charities

A charity in Scotland is an organisation registered with the Office of the Scottish Charity Regulator (OSCR) having met the charity test. To meet the charity test, an organisation must have only charitable purposes and must provide public benefit in Scotland or elsewhere.

<sup>1</sup> Legal Personality: Independent existence under the law, especially in the context of a company being separate and distinct from its owners. One of the main advantages of the company structure is the limitation of liability that the separate legal personality gives to the members.

<sup>2</sup> Third sector organisations' is a term used to describe the range of organisations that are neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations, self-help groups and community groups), social enterprises, and co-operatives. ([www.nao.org.uk](http://www.nao.org.uk))

5.3.6 When appointed to a charity, Elected Members will be acting as 'Charity trustees' A Charity Trustees are defined as people having the general control and management of the administration of a charity. Charity trustees can also sometimes be known as committee members, directors or board members. Charity trustees are not only responsible for their own actions, they are also responsible for the actions and decisions taken by the charity trustees when acting together

5.3.7 Charities and charitable trusts can be conveniently subdivided into:

a. endowed grant-making trusts

Trustees' duties are:

- primarily to protect the trust's assets: and ;
  - ensure the charity is well-managed in accordance with its stated purposes (including disbursement of its funds, for instance as small educational or welfare grants).
- b. voluntary organisations and community associations
- These exist to provide some kind of local service;
  - can present more risks particularly if they have charge of annual budgets and/or financial reserves, or contractual obligations towards staff, property or suppliers;
  - for this reason most of those voluntary or community groups to which the Council has made appointments have already incorporated themselves as companies limited by guarantee, a form which presents less risk to individual members.

5.3.8 Where the Outside Body is a registered charity there will also be specific accountability requirements towards the Office of the Scottish Charity Regulator (OSCR) which require trustees to always act in accordance with the charity's stated purposes (set out in its charity registration and constitution or trust deed) and to submit an annual report and accounts.

### 5.3.9 Other Unincorporated Associations

An unincorporated association, having no separate legal existence, is no more than a group of individuals who agree to pursue a common purpose. Elected Members may be asked to make a financial contribution, for example in the form of a subscription, and to sign a membership agreement which can include an agreement to contribute to liabilities incurred by other members.

5.3.10 When a member acts on behalf of the unincorporated association, for example in buying equipment to be used by the association, he/she incurs a personal liability for the cost of that equipment and then seeks to recover that expenditure from the funds of the association or from the other members of the association. In particular cases, the association may be regarded in law as a partnership in which case each member may be personally liable for any debts incurred by any member of the association.

5.3.11 Due to this potential liability the Council will not ordinarily appoint voting members to unincorporated associations such as local community associations or sports clubs where there is a significant risk of personal liability.

## 5.4 Council's obligations to Elected Members

5.4.1 The Council will inform and advise Elected Members of their Roles and Responsibilities under different types of appointments, and will provide training so that Elected Members are aware of what is expected of them before they accept an appointment. Ongoing advice and training, where appropriate, will also be available to Elected Members.

5.4.2 It is ultimately the responsibility of the Elected Member to decide whether they should accept the nomination or appointment. Once appointed, the Elected Member is responsible for their role on the Outside Body.

## 6. Indemnity and Insurance Cover

6.1 The Council's Indemnity for Elected Members and officers provides cover in connection with any liability the Elected Member may incur by reason of any action, or failure to act, which has been authorised by the Council or which forms part of, or arises from, any duties or functions placed upon the Elected Member. This includes functions arising from the Elected Member's service on an Outside Body, where the Elected Member has been officially appointed by the Council and the Outside Body itself does not provide its own cover. Insurance cover is only provided, however, when either the Elected Member is sitting on the Outside Body purely to represent the Council, or the body on which the Elected Member sits is acting only in the interests of the Council.

- 6.2 This means that the Council's insurance-backed indemnity would extend to:
- membership of statutory bodies, where the Elected Member would be acting as the Council's representative (in situations where the body did not provide its own cover);
  - to membership of the many advisory, consultative or liaison bodies of which the Council is a member; and
  - and to situations where the Council's representative was appointed purely as a non-voting observer on a company or other incorporated body.
- 6.3 Insurance cover will not be provided, however, where the Elected Member was appointed by the Council to serve as either a company director or a charity trustee, where their primary obligations would be to that body rather than to the Council. In this situation the Outside Body should be expected to provide its own indemnity, to avoid any potential liability falling back upon the Council.
- 6.4 For the avoidance of doubt, Aberdeen City Council's insurance will not cover Elected Members acting in a decision making capacity on an Outside Body such as a company or trust, as the Elected Member will not be acting in the normal course of their duties. Decisions made for these types of Outside Body are made solely in the interests of that Outside Body and not the Council. Elected Members should ensure that the Outside Body has adequate insurance arrangements in place, or should arrange their own insurance cover.
- 6.5 As a matter of principle, Council nominations or appointments will not ordinarily be made, other than as non-voting observers, to companies or charities which have not provided their own insurance-backed indemnities to appointed Elected Members, nor to any unincorporated association where there is a significant risk of personal liability.
- 6.6 To avoid any potential liability, non-voting observers sitting on registered companies should take care not to exercise undue influence over the decision making processes of those companies.
- 6.7 In no circumstances will the Council's indemnity/insurance cover Elected Members who are serving on an Outside Body in a personal capacity, i.e. at their own choice rather than by formal Council appointment.

## 7. Conflicts of Interests

- 7.1 As set out in Section 4 above, Elected Members appointed by the Council to an Outside Body will, when sitting on that body, often have duties to the Outside Body which take precedence over their duties to the Council. This will depend on the type of Outside Body on which they serve. Elected Members will therefore wish to consider, at any time when it appears that the Outside Body's interests may conflict with the Council's interests, whether that conflict prevents them from taking part in decision-making either at the Outside Body's meeting or at the Council's meeting.
- 7.2 The Councillors' Code of Conduct provides guidance to Elected Members on specific areas such as potential Conflicts of Interest between their role on Outside Bodies and their role as a Council Member.
- 7.3 Where an Elected Member has an interest as a member of an Outside Body, such an Elected Member may be obliged to declare an interest under paragraph 5.8 of the Code when matters arise concerning the Outside Body to which he or she has been nominated or appointed. Elected Members may also be required under section 4 of the Councillors Code of Conduct to register their appointment on the Register of Interests.
- 7.4 In terms of paragraph 5.18 of the Code, a 'Specific Exclusion' may apply to any Elected Member who has been nominated or appointed or whose appointment has been approved by the Council and who has registered an interest under section 4 of the Code as a member of certain listed Outside Bodies.
- 7.5 Where the Specific Exclusion applies, an Elected Member may participate in the consideration, discussion and voting of any matter relating to the Outside Body in question so long as the Elected Member declares his or her interest at the meeting.
- 7.6 The Specific Exclusion does not apply in respect of any matter of a quasi-judicial or regulatory nature. For example, this will include situations where the Outside Body in question:
- is applying to the local authority for a licence, a consent, or an approval;
  - is making an objection or representation;
  - has a material interest concerning such a licence, consent, or approval; or
  - is the subject of a statutory order of a regulatory nature, made, or proposed to be made, by the local authority.
- 7.7 The list of bodies to which an Elected Member may have been nominated or appointed and to which the Specific Exclusions apply is exhaustive (as set out in paragraph 5.18(2)(a)-(d) of the Code). This means that a declarable interest would require a withdrawal from the meeting if it is not covered by the exclusion.

- 7.8 Committee Services maintain a register of Outside Body Appointments where the Specific Exclusion applies on behalf of the Head of Legal and Democratic Services.
- 7.9 Elected Members should be familiar with the relevant areas in the Councillors Code of Conduct, and the accompanying guidance from the Standards Commission. Officers within Legal and Democratic Services can offer advice on whether or not you have a declarable interest.
- 7.10 The Standards Commission also provide advice on the Councillors Code of Conduct and in particular, have provided an advice note in relation to ALEOs. (<http://www.standardscommissionscotland.org.uk/education-and-resources/professional-briefings>)
- 8 **Amendments to the Policy**
- 8.1 Non-material amendments can be made to the Policy by the Head of Legal and Democratic Services, following consultation with the Lord Provost, without the requirement to report to Council.
- 8.1.1 Such amendments will be notified to all Members once completed.
- 8.2 Material amendments to the Policy, may only be approved after consideration of a report to the Council by the Head of Legal and Democratic Services.

## APPENDIX 1

# APPOINTMENT OF COUNCILLORS TO OUTSIDE ORGANISATIONS QUESTIONNAIRE

Please complete and return this form and provide any supporting information at your earliest convenience to [LegalSupportServices@aberdeencity.gov.uk](mailto:LegalSupportServices@aberdeencity.gov.uk)

Aberdeen City Council is collecting this data in order to have a fair, open, and transparent system for nominating councillors to outside bodies so as to determine if any such nomination is appropriate and in what capacity the councillor will be acting.

Any information and data provided to Aberdeen City Council shall remain at all times the property of the Council and will be treated in the strictest of confidence, under the Data Protection Act 1998. All personal data acquired by the Council shall only be used for the purposes specified in this form and shall not be further processed or disclosed without your explicit consent.

The Council shall take all reasonable precautions to preserve the integrity and prevent any corruption or loss, damage or destruction of your data and information. This information and data will be retained by the Council, but neither contact nor financial details will be disclosed. Some information or data may be made publically available in Council Reports.

Please note that should the Council agree to continue to nominate a councillor(s) to your organisation, it is a requirement that your organisation enter into an agreement with the Council detailing the terms of the nomination with reference to the answers detailed below.

Please answer all questions to the best of your ability.

If there are any questions that you are unsure of, please do not hesitate to ask for guidance by emailing [LegalSupportServices@aberdeencity.gov.uk](mailto:LegalSupportServices@aberdeencity.gov.uk)



## Section 1

DETAILS OF ORGANISATION		
Name of organisation		
Address of organisation		
Telephone number of organisation		
Website of organisation		
Email contact for organisation		
Contact Person for organisation		
Type of organisation (please tick appropriate box)	Trust	
	Company Limited by Guarantee	
	Club	
	Community Interest Company	
	Industrial & Provident Society	
	Scottish Charitable Incorporated Organisation (SCIO)	
	Other – please provide details	
Please submit your organisation's founding documents e.g. Constitution, Articles of Association, Trust Deed etc. along with this form. We cannot process the application until we have all relevant information.		
DETAILS OF PERSON COMPLETING FORM		
Name of person completing form		
Address of person completing form		

Telephone number of person completing form	
Email address of person completing form	
Role of person completing form in the organisation	
<b>REQUIREMENTS</b>	
Please state how many councillors are requested	
Please state the proposed period of appointment	
Please state the capacity in which a councillor is required by ticking the relevant box.  Decision-Making (as a director, trustee or executive of the organisation that is as full member of organisation with voting and decision-making powers). Please complete sections 2 and 3 below if checking this box.	<b>Observer</b> (as a councillor with no voting rights or decision-making powers, simply advising on Council's position) Please complete <b>section 2</b> below only if checking this box
	<b>Decision-Making</b> (as a director, trustee or executive of the organisation that is as full member of organisation with voting and decision-making powers). Please complete sections 2 and 3 below if checking this box.

## SECTION 2

To be completed by all new organisations. Please put a tick in one of the boxes either “Yes”, “No” or “N/A” and provide any additional information in the requisite box which may assist the council with determining your application for representation. It may be that some of the questions are not relevant for your type of organisation.

	<b>Accountability</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Any additional information</b>
1.	Please confirm the organisation’s strategic aims and purposes under Any additional information				
2.	Are there clear arrangements for the councillor(s) to choose to exit from the organisation? Please give details under Any additional information column				
3.	Has the organisation adequate rules in place to govern the way its finances are handled?				
4.	Has the organisation adequate liability insurance cover in place in respect of the undernoted heads of claim and will these be renewed annually?				
(i)	directors/trustees/executives/officials indemnity				
(ii)	public liability insurance				
(iii)	employers				
(iv)	defamation (libel and slander)				
(v)	professional negligence/indemnity				
5.	Has the organisation any outstanding disputes or liabilities which are likely to impact on its future viability or solvency?				
6.	Has the organisation met within the last year?				

7.	Is the appointment a requirement in terms of a Trust Deed?				
8.	Where councillors are already appointed to the organisation, has there been councillor attendance at the meetings of the organisation within the last year? Please give details in the Any additional information column, i.e., type, number and date of meetings				
9.	Approximately how much of a time commitment on average per month is it expected that the councillor would require to make in relation to any appointment? Please provide details in the Any additional information column				
10.	Is having an Aberdeen City Council councillor involved the best or only way of achieving the aims of the organisation.				
11.	Does the organisation provide training on the Councillor's duties and obligations under the appointment? Please provide details in the Any additional information column.				
12.	Please provide any further information which you feel may be relevant (Please limit response to one A4 page maximum)				

## SECTION 3

To be completed only by organisations requesting Councillor Nomination in a decision making capacity (i.e. as trustee/director/member with full voting rights).

Please put a tick in one of the boxes either "Yes", "No" or "N/A" and provide any additional information in the requisite box which may assist the council with determining the application for nomination for representation. A summary of the accounting requirements of the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 is set out in Guide to Finance Details Requested.

A	Financial Requirements	Yes	No	N/A	Any Additional Information
A1	Is the organisation is a registered company? If so, a copy of their most recent accounts prepared and audited in accordance with the requirements of the Companies Act 2006 must be submitted to the council with this application OR				
A1	Is the organisation a small charity, other than a registered company? If so, a copy of their most recent accounts prepared and audited in accordance with the Charities Accounts (Scotland) Regulations 2006 must be submitted to the council with this application OR				

A1	<p>Is the organisation a charitable company which is a large company over the audit threshold set out in the Companies Act 2006 and requires to have an audit under that legislation as well as the Charities Accounts (Scotland) Regulations 2006? If so, the organisation must submit to the council with this application a copy of their most recent accounts prepared and audited in accordance with both the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006,</p> <p>OR</p>				
A1	<p>Is the organisation neither a charity nor other incorporated body? If so, the criteria set out in the Charities Accounts (Scotland) Regulations 2006 will be used to determine the accounting information that requires to be submitted to the council subject to the exception that where the annual liability of the organisation is less than £3,000 per annum an independent examiner's report on the accounts is not required and a certified copy of the organisation's final accounts will suffice and will be submitted with this application.</p>				
B	<p>Financial Information Requirements depending on annual budget of organisation</p>				

B1	<p>For all organisations, there should be provided with this application, satisfactory evidence that:</p> <p>Where the annual budget of the organisation is greater than £100,000 per annum, there shall be provided to the council a detailed one year business plan and a summary three year business plan including financial information all of which shall be acceptable to the council OR</p>				
B1	<p>Where the annual budget of the organisation is less than £100,000 per annum, there shall be provided to the council details of expenditure requirements and income expected for the forthcoming year which shall be acceptable to the council</p>				



**Shaping  
Aberdeen**





## APPENDIX 2 ALEO SKILLS AND COMPETENCIES

### **ABERDEEN SPORTS VILLAGE**

The expectations on Board members;

**Strategy.** Non-Executive Directors should constructively challenge and help develop proposals on strategy.

**Performance.** Non-Executive Directors should scrutinise the performance of senior management in meeting agreed goals and objectives and monitor the reporting of performance.

**Risk.** Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.

The qualities and competencies asked for are;

- integrity
- high ethical standards
- sound judgement
- willingness to challenge constructively
- interpersonal skills
- confidence
- understanding of how conflict occurs and how to deal with it effectively
- behavioural skills
- listening skills
- ability to communicate ideas
- sensitivity, openness and awareness of non-verbal communication
- persuasiveness
- leadership and self-awareness, ability to gain respect and attention
- critical thinking, creativity and strategic awareness
- business acumen, ability to identify new business opportunities
- forward perspective, willingness to embrace change and innovation
- an inquiring and inquisitive mind – with an ability to assimilate, assess and analyse information, especially financial information
- co-operation and team working
- facilitation skills
- the ability to take the wider, strategic view
- political astuteness and ability to play the ‘diplomat’
- determination, with the tenacity and drive to succeed
- keenness to gain new knowledge and skills to develop competences further
- availability to prepare for and attend meetings
- an ability to identify potential problems and deal with risk
- and finally, a sense of humour and a love of sport and physical activity!

ASV recently completed a Board skills matrix and identified 3 areas in skills, knowledge and experience that we would value in an appointment.

2. Strong financial background	Financial planning/management
	Knowledge of regional and national economy
	Experience in business risk management
	Knowledge of continuity planning
7. Customer Service/Sales development	Experience of sector
12. Building/Estate management (FM)	Experience of estate and facility management
	Property development and raising of capital

Aberdeen Sports Village currently has 2 elected members appointed to the Board and there is an expectation that they attend all Board meetings (4 meetings per year). We are content with this arrangement and would not wish to see the number of elected members increase or decrease.

**ABERDEEN SNOW SPORTS (GARTHDEE ALPINE SPORTS)**

We see our non-executive directors as providing leadership to the company and assisting in setting the strategic aims of the business. We see that the board members are collectively responsible for promoting the success of the business. To achieve this we regularly prepare a skills matrix on the skills of the current board members and would actively recruit new members where a skills gap was identified. The skills identified are for example management, IT, PR, HR, accounts. The qualities and competencies therefore of a new member would depend on any identified skills gap.

We would like that any new member being appointed to our Board would understand the principles of acting as a Trustee in a charity and also the principles of acting as a non-executive Director of a limited company as we are both. The main areas of accountability for the member would be strategy, performance, risk and people.

In order to carry out their role our directors meet regularly and each member of the Board is required to be able to dedicate enough time to the role to perform the role effectively.

It would be our intention going forward, to ensure that any new Board member has the correct training in place before taking up the position. We would induct the new member but ideally they would have or would be willing to undertake the appropriate Institute of Director training.

It is important to us that any elected member to our Board understands all of the above and that they have a duty of care to Garthdee Alpine Sports and that the business of the Board is private.

### **ABERDEEN HEAT AND POWER**

Role of elected Members. – primarily to have an interest in promoting the aims of the Company – to deliver affordable heat to alleviate fuel poverty, through the development of district heating systems across Aberdeen.

The remit of the board is to oversee the company's financial position, establishing and working with a sub group structure (two sub groups of Policy & Operations and Development, which have their own remits to develop specific projects and provide financial and operational support to the board), establishing and supporting a staffing structure, approving operational and governance policies and procedures, approving business plan, annual budget and annual accounts, approving purchase of major contracts for gas and electricity, authorising signing of legal documents.

Board meetings are quarterly, and at least one representative must be present to be quorate (see below), and Sub Groups also meet quarterly to support the Board.

Representatives would expected to join at least one sub group but not essential for a quorate meeting, but this gives more breadth to the operations and development of the company.

Any experience in business financial acumen is advantageous, as is any legal experience, and knowledge of Customer care, marketing / PR, planning, HR, funding mechanisms would also be advantageous.

### **SPORT ABERDEEN**

When Members express an interest, they will be given sight of the information pack [to be provided separately] along with an invitation to meet with the Chairman Fred Dalgarno and the Chief Executive of Sport Aberdeen. We would convene this at our HQ and make an introduction to Sport Aberdeen and set out how we do business. This would be informal and could be on a 1-2-1 basis or group, it would depend on what Members would want to do.

We would hope that by setting out the role and its requirements, along with what we have ahead, that members could make an informed decision about whether they match up and wish to commit to joining the Board.

*Note: Information for Sport Aberdeen can be supplied on request. Some Outside Bodies have provided additional information, which can be provided on request.*

APPENDIX 3 - OUTSIDE BODIES TO REMAIN ON REGISTER - ELECTED MEMBER APPOINTMENT/NOMINATION RECOMMENDED

KEY:	MANDATORY	DISCRETIONARY					
NAME	TYPE OF ORGANISATION	PURPOSE	NATURE OF APPOINTMENT	MANDATORY /DISCRETIONARY	NO OF APPOINTMENTS	ANY OTHER RELEVANT INFORMATION	REASON TO APPOINT
Aberdeen Bulawayo Trust	Charitable Trust SC009373	Aberdeen Bulawayo Trust, a registered charity which provides humanitarian assistance and supports Bulawayans with medicines, educational materials and other practical assistance.	Decision Making	Mandatory within the trust deed	7 councillors and one external	Accounts audited yearly and ACC Head of Finance acts as treasurer. Councillors can resign however a replacement would need to be found	To relieve poverty for the inhabitants of Zimbabwe and arrange publicity and funding for the City of Bulawayo
Aberdeen Endowments Trust	Charitable Trust SC010507	The trust is a local education charity with most of the funds going to meet the fee costs of youngsters who otherwise would not be able to attend Robert Gordons College. A relatively small amount of financial support is disbursed for other educational purposes to people who belong to Aberdeen.	Decision Maker	Mandatory	3 (2 of which need to be members of the Education Committee)		Requirement of Trust Deed
Aberdeen Foyer	Company Limited by Guarantee SC184423	Aberdeen Foyer works to alleviate and prevent homelessness and unemployment by providing support services to young people aged 16-25 in relation to accommodation, education and training, guidance, job searching, work experience, voluntary, leisure and social facilities etc.	Observer	Discretionary	2	Appointment is not the requirement of the constitution according to the questionnaire.	As per the purposes above. In scope with Council's aims and responsibilities for homelessness
Aberdeen Heat and Power	ALEO - Company limited by Guarantee	An independent not-for-profit company established by the Council and partners to oversee the introduction of combined heat and power schemes, initially in Stockethill.	Director	Mandatory – ALEO	Council can appoint up to 2 Directors (Article 38.1)	Aberdeen Heat & Power (AHEP) and Aberdeen City Council have a long-term framework in place. ACC are 1 of 5 members of the company to develop and operate district heating systems within Aberdeen for the benefits of the people of Aberdeen.	Contractual arrangement with the Company set-up to provide heating for Council Tenants
Aberdeen Inspired / Aberdeen Business Improvement District Board	Company limited by Guarantee	Aberdeen Inspired is Aberdeen City Centre's Business Improvement District that represents over 700 city centre businesses within the city centre.	Decision Making	Mandatory	1		Consistent with ACC economic development and City Centre transformations aims.

Aberdeen Lads Club	SCIO SC046505	The club is well established in the Tillydrone area which was founded in 1924 to promote the moral, social and physical wellbeing of young people, particularly in deprived areas of the city. The club runs an urban aid project and groups such as mother and toddlers and after school clubs, as well as the general programme of the Club.	Decision maker	Discretionary. Councillor members on the management committee known as the A.L.C Executive Committee and manage the business on a voluntary basis. Meets every 6 weeks. No constitution specified though OSCR website refers to one.	3 <u>local</u> councillors	Appointment is not the requirement of the constitution according to the questionnaire.	Supports integrated childcare and community learning facility , young people and their parents in the Tillydrone area.
Aberdeen Outdoor Access Forum	Advisory Forum	Aberdeen Outdoor Access Forum brings together all of the key stakeholders in access to the outdoors.The forum consists of representatives of all of the key interest groups. The Forum advises ACC and any others consulting it on outdoor access issues and offers assistance in the resolution of any outdoor access disputes. Scottish Natural Heritage, NHS Grampian and the Forestry Commission Scotland are also members.	Observer	Mandatory	2	The Forum meets every three months	The Forum is a statutory body set up as a result of the Land Reform Scotland Act 2003 and is therefore advisory to the Council. Assists with environmental duties.
Aberdeen Sports Village	<b>ALEO</b> - Joint Venture with University of Aberdeen SC038689	Aberdeen Sports Village is the premier sport and exercise facility in Scotland, hosting an array of world class sporting facilities. A partnership between the University of Aberdeen, Aberdeen City Council and sportscotland, the Village first opened to the public in August 2009.	Director	Mandatory - Partnership Agreement (ALEO)	2		Agreement between co-venturers requires equal representation on the Board. ASV helps deliver services on behalf of ACC.

Alcohol and Drugs Partnership	Statutory partnership	Works in partnership with public sector agencies such as NHS Grampian, Fiscal Service and the Scottish Prison Service to monitor delivery of Drugs and Alcohol strategies for Aberdeen City.	Decision making	Mandatory - statutory/agreement	2	Meets 4 times per year	The Aberdeen City Alcohol & Drugs Partnership is a statutory body, arising from a directive from the Scottish Government. It involves partners from NHS Grampian; Aberdeen City Council; Health & Social Care Partnership; Police Scotland; Scottish Fire & Rescue Service; ACVO; and other relevant bodies.
Association for Public Service Excellence (APSE)	Unincorporated Association	The Association for Public Service Excellence (APSE) is a networking community that assists local authorities who are striving to improve their frontline services. APSE works with more than 250 local authorities across the UK to advise and share information and expertise on a broad range of frontline public services. These councils are supported by a team of experts, who draw upon a wealth of knowledge in areas such as policy and practice, as well as in vital frontline service areas.	Decision maker	Discretionary – open to all who are committed to delivering quality cost effective services	1		Reputational and promotion of public excellence
Care and Repair Initiative Scotland - Aberdeen Agency	SCIO SC015306	Offer a free service to owner-occupiers and tenants of private landlords who live within Aberdeen City. Clients must be either elderly, disabled or suffering from long term illness.	Decision making	Discretionary	Up to 4 - can be officers, elected members or a combination thereof.		The charity provides practical assistance to people aged 60 years and over, people with disabilities and people with long term health conditions to allow them to continue to live within their own homes as independently as possible. They can award hardship grants. Ties in with the Council's priority of Smarter Living

Champions Board	Board	Champions Board is a forum where care experienced young people have direct access to the decision makers in the city. The Champions consist of Chief Officers from organisations in the city that have Corporate Parenting responsibilities under the Children and Young People (Scotland) Act 2014.	Decision making	Mandatory	2	Although our Champions Board has existed since 2014 it is only in the last 6 months, following an award of funding from the Life Changes Trust, that momentum has again picked up. There was a Champions Board meeting held in March and this was our first substantial meeting since the funding had been awarded. The focus of the March meeting was Education. The meeting in June will focus on Aftercare.	Compatible with services provided by Education and Childrens Services.
Citizens Advice Bureau Management Committee	Company Limited by Guarantee	Provide advice, information, advocacy and representation to anyone in the area on a wide variety of subjects such as debt, benefits, housing, family problems, legal issues, employment, consumer etc	Observer. NB. Councillors are appointed as representatives and are then invited (automatically) to become directors. To date, since 2008, all councillors have become directors except for one.	Discretionary	3		In ACC's interest – supporting advancement of education, relief of those in need and community development. Ties into council priorities of smarter living and people.
Disabled Persons Housing Service	Company limited by Guarantee	The service, partly funded by Aberdeen City Council, offers housing advice, information and advocacy to disabled people, their families and carers. The housing advice offered includes social housing (council, housing associations and co-operatives) private housing (ownership, part ownership and private renting) and sign-posting to any other related services.	Decision Making	Discretionary however has been attended fully in the last 6 months	1	Councillor may resign at any time, financial information is provided and positive, minimal risk for the council	Should appoint as they promote the welfare of people with disabilities in need of housing in or around Aberdeen City
East Grampian Coastal Partnership Management Group	Company limited by Guarantee	The East Grampian Coastal Partnership (EGCP) is a voluntary group of individuals and organisations who have an interest in the wellbeing of the local coast between Kinnaird Head, Fraserburgh and the mouth of the River North Esk, by St Cyrus.	Observer	Discretionary	2		Fits in with ACCs environmental duties.
Fairer Aberdeen Fund Board	Statutory Board	The Board has been established by the City Alliance to manage the transition of funding to the Fairer Scotland Fund.	Decision Making	Mandatory - sub group of Statutory body	4		sub group of the Community Planning Partnership



Garthdee Alpine Sports Board	ALEO - Company limited by Guarantee SC037683	There has been a dry ski slope in Garthdee since 1967. Now known as Aberdeen Snowsports the current facility was set up as a charitable trust in 2007 by Aberdeen City Council. The council still own the site and Aberdeen Snowsports manage and operate the slopes and the football pitches. Governed by a Board of Directors currently made up of representatives of Aberdeen City Council, RGU and University of Aberdeen and people from the business community in Aberdeen.	Director	Mandatory - ALEO	Council entitled to appoint 5 Directors		ALEO - assists Council to provide sport facilities for community.
Gordon Highlanders Museum Board	Charitable Trust SC022039	Preserving the heritage of the Gordon Highlanders for the North East and is one of Aberdeen's main tourist attractions. Also has a strong educational programme with a popular workshop on the 2 <sup>nd</sup> World War which has become one of the main study destinations for this subject in the North East. The museum also caters for corporate entertainment and community of family functions or meetings.	Observer. Appointed to advisory board. Councillors are not formal trustees.	Discretionary	5 (Association happy to reduce the number to 4)	Association pleased with the input of the Councillors over the past few years. Low risk. 3 Board meetings per year - approximately 2 hours per meeting.	Reputational risk for failure to appoint Councillor to this organisation. In line with ACC's educational/tourism aims and purposes.
Grampian Houston Association	Club/Small charity	Promotes a twinning link with the city of Houston and maintains an informal network of contacts in Houston. Supports and organises educational, social, vocational and business exchanges with Houston. Organises a programme of business meetings and social events for association members.	Member with decision making powers	Discretionary - no evidence of being mandatory and has the option to resign as per Section 2.2.	4	The financial information provided is from 2001 and there is little information on what input/involvement they require from the Councillor.	Further investigations required as to purpose of Councillor involvement.

Grampian Regional Equality Council (GREC)	Company Limited by Guarantee SC396286.	Works towards eliminating racism in the Grampian area, equal opportunities for all and to promote good relations between people in a multi-racial society. Works in partnership with the Commission for Racial Equality and provides over 80 training sessions per year	Decision maker- Director of the Company GREC Ltd also on Board. 2 elected members of each local authority in Grampian. Current membership is Cllr Malik and Cameron- articles of Association.	Mandatory. As Articles of Association require elected membership	2	Appointment is not the requirement of the Trust Deed or constitutional document according to the questionnaire. Purposes- to promote equality and diversity in the NE Scotland, promote religious/ racial harmony, advancement of education, citizenship or community development and partnership working.	Helps organisation ensure it is aligned with the wider objectives and priorities of the Council
Grampian Valuation Joint Board	Statutory Board	The Grampian Valuation Joint Board was established as part of the 1996 reorganisation of local government in terms of The Valuation Joint Boards (Scotland) Order 1995 and is vested with the functions of the three valuation authorities (Aberdeen City Council, Aberdeenshire Council and Moray Council) in the area of the former Grampian Region. With the agreement of the three councils the Board also has responsibility for the Electoral Registration function.	Decision Making	Mandatory - statutory	6	The Board is responsible for the administrative side of the valuation process: ensuring that there are sufficient staff/offices to fulfil the valuation function monitoring accounts, performance, audit and complaint matters. The Board and its members cannot however become involved in valuation decisions made by the Assessor. The Assessor has an independent professional valuation role which is required by the courts to be free of political influence or interference.	Statutory duty
Highland Reserves Forces and Cadets Association	Other	The Reserve Forces and Cadets Associations are responsible for promoting the Volunteer Reserve Forces of all three services within the community through liaison with local authorities, employers, Trade Unions and other influential groups	Decision Maker	Mandatory	1		Limited information, need to get hold of the handbook but would be appear to be a group that supports the whole of North of Scotland from Dundee onwards and it would be inappropriate for ACC not send a representative. Low risk for Councillor that is appointed. High risk to reputation for failure to appoint.
MacDonald Art Committee	Trust	Administers a fund set up for the purchase of works of art for display at the Art Gallery, Schoolhill.	Decision-making	Mandatory - council trust	4	Has not met for several years. Consideration being given to future of the Trust by Finance and Legal colleagues.	Appointment required – Council Trust

Marguerite McBey Trust	Charitable Trust SC031654	Advances the education of the people of Aberdeen and others through promotion and support of the arts by the protection, conservation and development of the Fine Art Collection at Aberdeen Art Gallery.	Decision-making	Mandatory	2	Ad hoc and not regular meetings	Requirement of Trust Deed
North East Agricultural Advisory Committee	Statutory partnership	An advisory body to the Councils in North East Scotland on all rural affairs, with particular interest in agriculture and rural employment, farm incomes, farming policy, conservation, diversification of farming including forestry, tourism and farm industries, the implications of change in farming practice and land use, and the provision of infrastructure, services and facilities in rural areas.	Observer	Mandatory	5	Aberdeenshire Council clerk this committee	Partnership agreed with ket stakeholders. Assists Council in its environmental duties.
North East of Scotland Climate Change Partnership	Statutory partnership	The NESCCP consists of 17 public and private sector organisations with a mission to Work together to reduce the impact of climate change in the North East of Scotland. The partnership includes membership of private and public sector organisations.	Observer - see other information	Mandatory	1	Aberdeen City Council (ACC) presently holds Chair of the partnership, currently held by an elected member and secretariat, previously elected member representative have also attended in an observer role. Chair and Secretariat are rotating positions.	Public bodies have to meet requirements and report on progress with meeting public bodies duties under the Climate Change (Scotland) Act 2009. Required reporting includes a section on climate change governance.
North East of Scotland Port Welfare Committee (Merchant Navy Welfare Board (MNWB))	Private company limited by guarantee SC039669	reduce the impact of climate change in the North East of Scotland.	Observer	Discretionary as obserational only	1 for 2 and a half hours every 3 months	Financial information is good and well audited, Board is well run and meetings happen every three months.	Important to support the Merchant Navy Welfare Board in Aberdeen a city with a large port to support issues that may affect seafarers and their families.
North East Scotland Fisheries Development Partnership	Statutory partnership	To act as an advisory body to the Councils of North East of Scotland and the industry, and to provide support to fishing dependent communities.	Observer	Mandatory	4	Aberdeenshire Council clerk this committee	Partnership agreed with ket stakeholders. Assists Council in its environmental duties.

North East Sensory Services (NESS)	Private Limited company	NESS, the first integrated joint sensory service in Scotland, helps blind and deaf people by providing information, equipment and support.	Observer	Discretionary - can resign at any time	1	Previous Council rep was Councillor Ironside who has retired. Training – meeting with Chief Executive for induction sessions.	Worthy objectives; long-established organisation
Peacock Visual Arts Ltd	Company Limited by Guarantee SC014840	Promotes art and all aspects of visual media. Is the main contemporary visual arts organisation in the North East of Scotland and provides the widest range of visual arts production facilities openly available in Scotland.	Decision Making	Mandatory per Articles of Association. May be Officers or Elected Members, or combination of both.	3	Working on compiling an induction policy for Members.	Worthy objectives, well organised in terms of documentation; financial management; regular meetings etc.
Printfield Community Project / Woodside Network	Registered Charity SC001762 / Voluntary Group	The association's objects are: The advancement of community development and the relief of the needs of the people of the Printfield area of the City of Aberdeen, and in furtherance of this by; i) Promoting and providing services designed to improve the quality of life of the residents of the area. ii) Working in partnership with other bodies to achieve the purposes.	Observer	Discretionary	2		Will be of interest to local Woodside councillors - engagement with community.
Proctor's Orphanage Trust	Trust	Established 1890 with purpose of building and operating an orphanage. Orphanage taken over by Grampian Regional Council around 1960, but ownership of building remained with Trust. Facility closed in mid 1990's. Building remains unsold.	Decision Making	Mandatory in the trust deed	5 plus one from Aberdeenshire	Head of Finance acts as treasurer. Trust to be reviewed as part of Governance Review.	Providing vulnerable children up to the age of 16 with care services

Robbs Trust	Charitable Trust SC002872	Awards grants to persons engaged in further education. The Trust is a public charitable trust which benefits: (1) Aberdeen Endowments Trust, (2) ARI via NHS Grampian Endowments Trust, (3) Aberdeenshire Education Trust, (4) Several Ministers of the Church of Scotland and (5) The poor in certain of the above Ministers parishes.	Decision Making	Mandatory	2	Trustees can resign by giving notice in writing. Trustee training session held for new Trustees. Time commitment – 1 hour per month.	Endowment Trust – unclear why Councillor representation is required. Apparently only distributed £15K last year whilst paying administration of £25K
Robert Gordons College Board of Governors	Trust	The College has three parts consisting of a nursery, a junior school and a senior school with over 1400 pupils attending.	Decision Maker	Mandatory	4 in total, 2 of which to be members of Education Committee. Must include "Convener" – is this the Council Leader? Currently the Leader is not appointed.	Not clear whether there is a requirement for the Convener of the Council or Education Committee – neither appointed at the moment.	Requirement of Trust Deed
Robert Nichol Trust	Trust	Awards grants to persons engaged in further education. The applicants must have been born in Aberdeen or the County of Aberdeen or, if born elsewhere, resided therein for at least 5 years prior to date of application.	Decision Maker - – To adjudicate, along with other trustees, on applications received for awards from the trust.	Mandatory – Required by the terms of the Will of the late Robert Nichol.	1	The Trustees met on 13.05.16 and 31.08.16 to consider applications for the awards from the trust.	To adjudicate, along with other trustees, on applications received for awards from the trust.
Rubislaw Field Committee	The council, Grammar school and former Pupils Club jointly manage the Rubislaw Sports field via committee	The council, Grammar school and former Pupils Club jointly manage the Rubislaw Sports field via committee	Decision making	Mandatory	3		Supports the access to sports and health and feeds back to ACC priorities.

Satrosphere	Private Limited company Limited by Guarantee - SCO14922	Satrosphere is registered in Scotland as a charity and was set up to promote an awareness in the community in the North East of Scotland of the significance of science and technology in society, and in particular, to provide an exhibition to entertain and educate through exploring scientific concepts with interactive exhibits. Satrosphere Science Centre is no longer a registered museum, although with over 50,000 visitors last year, we are still a significant visitor attraction.	Decision Making	Discretionary	Articles of Association specify that the Local Authority shall appoint up to 2 directors to the Board of Directors. At present 1 Councillor is appointed. Current director is no longer an elected member.		In line with Council aims. Receives common good funding
Shopmobility Management Committee	Registered Charity SC018633	Enhances the lives of disabled people by providing manual and powered wheelchairs, powered scooters, volunteer escorts and parking. The scheme is managed by people with disabilities.	Observer	Discretionary	1	To relieve the needs of people with disabilities, by providing equipment and support with the object of improving their mobility and conditions of life.	Not required by constitution "but in everyone's best interest as they are one of our funders" - check the funding arrangement/grant conditions
Sport Aberdeen	ALEO - Company limited by Guarantee SC040973	Sport Aberdeen is a registered charity committed to creating opportunities, inspiring people and changing lives through sport and physical activity. Deliver sport and physical activity services on behalf of Aberdeen City Council. This includes: <ul style="list-style-type: none"> <li>•6 swimming pools</li> <li>•9 sports centres</li> <li>•1 ice rink</li> <li>•3 golf facilities</li> </ul>	Director	Mandatory - ALEO	3	Quarterly meetings of the Board with the option to sit on additional Committees every two months.	Closely linked to the Council's strategic objectives and is an ALEO. Reports through the Council's Governance Hub.

St Machar Parents Support Project	Registered Charity SC035404	Project works with parents and their children on issues relating to the childrens education. It provides information, advice and support, both on an individual level and in groups, to generate the right attitude to education and the importance of it, and also the importance of the role of the parents in education. It works in the Great Northern Partnership area, i.e. Sandilands, Printfield, Middlefield and Tillydrone.	Observer	Discretionary	1 Councillor	Councillor appointed has been emailed agenda monthly but has not attended. Councillor would have to commit to 1 – 1.30 hours per month.	Promotes welfare of parents, guardians and carers who have responsibility for young people attending school within St Machar Academy catchment and assists with advancing the education of young people. Ties into Council's priorities re children/young people welfare and wellbeing and empowering communities.
Transition Extreme Limited Board	Charity SC036358 Company Limited by Guarantee	Transition Extreme opened it's doors in 2007, and has a variety of facilities for the local community. Offering an indoor climbing wall, skatepark, cafe, recreational space, learning zone, martial arts and meeting facilities. Transition Extreme uses urban sports and their cultures to attract and engage the local youth population.	Decision Maker	Discretionary	1		This organisation assist the Councils aims by providing sporting facilities for the community.

<p>University of Aberdeen - University Board</p>	<p>SCIO SC013683</p>	<p>Attends to the governance and policy direction of the University</p>	<p>Decision making. Nominated Councillor will be charitable Trustee as well as a governor of the University</p>	<p>Mandatory in terms of Ordinance</p>	<p>1 – University Court is currently reviewing composition and it is expected that in future there will be no requirement for a Council rep. Unlikely to be until later in 2017 and University Court is encouraging Council to appoint meantime</p>	<p>0.4 days per month. Full induction provided. Currently in the process of changing composition of Court. One of those changes is that there will cease to be a position specifically reserved on our Court for a member of the Council. In future, the Court will, however, routinely notify the Council of any vacancies on our Court and the Council would be welcome to submit an application from a member for that vacancy. However, that change has yet to take effect as it requires Privy Council approval and so for the time being the position is unchanged and there continues to be a nominee from the City Council on the Court. It is perhaps, however, any member who is nominated being aware of the fact that any appointment to Court could be only short-term depending on how long it takes for us to receive Privy Council approval.</p>	<p>Encouraging appointment / close partner of the Council. May just be temporary appointment.</p>
<p>Veterans Champion</p>	<p>Champion - point of contact.</p>	<p>Veterans Scotland's aim is to establish cooperation and coordination between Veterans Organisations in Scotland, to act as a focal point for all matters concerning the ex-Service community within Scotland and to represent these matters to Government at all levels. They are councillors who have volunteered to support Veterans in their area who have problems, and they do so because they care about our welfare.</p>	<p>Advisory</p>	<p>Mandatory - Covenant signed by Council</p>	<p>1</p>		<p>Council has signed a conanant agreement, worthwhile cause, reputational damage if no appointment.</p>



Violence Against Women Forum	Strategic Partnership	The Aberdeen Domestic Abuse Partnership brings together all the appropriate agencies in the City to tackle domestic abuse and support those affected by it. The Partnership links to Aberdeen Futures and the Community Plan for Aberdeen through the Health and Social Care Challenge Forum. The Partnership launched its strategy to address domestic abuse in the City in Spetember 2004.	Decision Maker	Discretionary	2	Meetings every two months – currently chaired by a Councillor	Consistent with ACC dutes under the Adult social care.
Visit Aberdeen Destination Marketing Organisation	Company Limited by Guarantee	VisitAberdeenshire is the Destination Management Organisation (DMO) for the city of Aberdeen and surrounding area of Aberdeenshire. The new DMO was set up in April 2016 following the amalgamation of three regional tourist bodies, Banffshire Coast Tourism Partnership, VisitAberdeen and Visit Royal Deeside. The all-encompassing DMO promotes the region nationally, internationally and globally to both leisure and business tourists.	Decision Making	Mandatory - stated in the articles of association	1	Councillor has attended all meetings in the last 6 months and general legal training is provided to the councillor	To promote tourism and gain more income for Aberdeen and Aberdeenshire.
William Harvey Trust	Trust	Provides support and education for poor, deaf and dumb persons and protection and reformation of females who have been of dissolute habits.	Decision Maker	Mandatory - Trust Deed	Lord Provost + 1 Cllr	The Trust was set up by a Deed of Mortification executed by William Harvey in 1844. It makes grants, donations or gifts to organisations, therefore lower risk	Although origaial purposes seem dated, the Trust makes contributiouns to local charities that support ACCs functions for supporting people with disabilities

World Energy Cities Partnership	US Charity (non-profit organisation)	A partnership between 12 'energy cities' around the world, bound together by a co-operative agreement signed by the Mayors of all the Cities directed by an elected President and Vice- President, and supported by a Secretariat office, based in Houston. Membership allows the exchange of petroleum industry knowledge and economic and infrastructure development strategies, which is important to each City in their task of supporting the local energy sector.	Decision Making	Discretionary - aberdeen signs up and membership fees due annually	Lord Provost	attendance at 2 annual events is obligatory, both approx. 5 days (international venues)	Multinational partnership comprising 19 of the world's leading energy cities that drive and shape the global energy sector. Share information, best practice and address issues of environmental stewardship. Ties in with the Council's priority of a Smarter Environment and environmental sustainability.
Aberdeen Performing Arts	ALEO - Company Limited by guarantee SC033733	A non-profit making company with charitable status set up to run HM Theatre, the Music Hall and Aberdeen Box Office.	Decision Making	Mandatory - ALEO	4		This ALEO was set up to deliver services on behalf of ACC - three buidlings are owned by ACC.

**APPENDIX 4 - OUTSIDE BODIES TO BE REMOVED FROM REGISTER - NO ELECTED MEMBER APPOINTMENT RECOMMENDED**

KEY:	NO RESPONSE	OTHER	
NAME OF ORGANISATION	No of Members	REASON	NOTES
Aberdeen and Aberdeenshire Tourism Company	1	NO RESPONSE	
Aberdeen Art Gallery and Museum - Friends of the Gallery	1	NO RESPONSE	
Aberdeen Business Improvement District Board	1	DUPLICATE	See Aberdeen Inspired.=
Aberdeen Community Safety Partnership	3	DISBANDED	
Aberdeen Forward Ltd	2	DISSOLVED	
Aberdeen Renewable Energy Group	2	NO RESPONSE	ACC Company
Aberdeen Safer Community Trust - Board of Management	1	NO REQUIREMENT	
Aberdeen Sports Council Executive Committee	1	NO REQUIREMENT	
Aberdeen Torshavn Commission	2	NO RESPONSE	
Aberdeen Victim Support Scheme	1	NO REQUIREMENT	Aberdeenshire removed
Association of North Sea Societies	1	NO RESPONSE	
Association of Port Health Authorities	1	NO REQUIREMENT	
Castlegate Arts Ltd	2	NO REQUIREMENT	ACT Aberdeen
Chris Anderson Trust	4	WOUND UP	Trust Register
Community Health Partnership		WOUND UP	Replaced by IJB
Community Planning Aberdeen		DUPLICATE	
Convener Court of Old Aberdeen Hammermen Trade and the Fleshers and Fishers Trade Society	3	NO RESPONSE	
Cowdray Hall Committee	5	WOUND UP	
Cycling Champion	1	NOT AN OUTSIDE BODY	<b>Should retain visibility of this somewhere but remove from OB list</b>
Enterprise North East Trust Ltd	1	NO RESPONSE	Aberdeenshire retained
Gaelic Education Advisory Group	2	DOESN'T MEET	
General Committee for Older People's Week	1	NO REQUIREMENT	
George, James and Alexander Chalmers Trust	3	NO RESPONSE	Aberdeenshire removed
Grampian Community Care Charitable Trust	2	NO RESPONSE	
Grampian Housing Association Ltd	1	NO REQUIREMENT	
Grampian Joint Older People's Strategy	1	NO RESPONSE	
Homeless Action Scotland	1	NO RESPONSE	
Instant Neighbour Charitable Trust	1	NO REQUIREMENT	
Inter-Authorities Standing Group on Gaelic	1	NO RESPONSE	
Jack Wood Trust	6	TO BE WOUND UP	Trust Register
Langstane Housing Association Ltd	1	NO REQUIREMENT	
Local Licensing Forum	1	Council decided on 17 May 2017 not to appoint	
Mental Health Aberdeen	1	NO RESPONSE	
Middlefield Community Project Management Committee	3	NO RESPONSE	
Mitchell's Hospital Trust	2	WOUND UP	Trust Register
Museums Galleries Scotland	1	NO RESPONSE	
National Council on Deafness	1	NO REQUIREMENT	Associated with Scottish Council on Deafness
National Society for Clean Air and Environmental Protection	1	NO RESPONSE	Not known at address
North East of Scotland Japan Trust	2	NO RESPONSE	Trust Register

North East of Scotland Tourism Partnership (NESTour)	2	NO RESPONSE	Not known at address
North East Touring Arts Co-ordinating Association	2	NO REQUIREMENT	PREVIOUSLY FUNDED BY COUNCIL, WILL APPLY FOR FUNDING
Northern Community Justice Authority	2	TO BE DISBANDED	
Northfield Area Forum	3	HASN'T MET FOR 2 YEARS	
POLIS	1	NO RESPONSE	ACC is not member on their website
Primrosehill Family Centre	3	NO REQUIREMENT	NOW KNOWN AS ABERLOUR
Royal Scottish National Orchestra	1	NO RESPONSE	
SCARF	2	NO REQUIREMENT	
Scottish Accident Prevention Council - Home Safety Committee	1	DISBANDED	CLLR GRAHAM HAS ADVISED THAT ORGS NO LONGER EXIST
Scottish Accident Prevention Council - Road Safety Committee	1	DISBANDED	CLLR GRAHAM HAS ADVISED THAT ORGS NO LONGER EXIST
Scottish Accident Prevention Council - Water and Leisure Committee	1	DISBANDED	CLLR GRAHAM HAS ADVISED THAT ORGS NO LONGER EXIST
Scottish Council on Deafness	1	NO REQUIREMENT	<b>Nominated contact required - normally an officer</b>
Scottish Joint Negotiating Committee for Teaching Staff	1	Discussed with Kirsten Foley - ACC are bound by decisions of SNCT, but do not appoint CLRs to the Board. Possible for officers to be appointed by the Board,	<b>Should retain visibility of this group somewhere but remove from OB list</b>
Scottish Local Government Against Poverty	2	NO RESPONSE	letter not delivered - no entry to building
SITA Management Board	1	NO RESPONSE	
Social Investment North East		NO REQUIREMENT	
Voluntary Service Aberdeen Board	1	NO REQUIREMENT	Lord Provost is honorary president of board, but not required for meetings
Woodside Area Forum	3	ROLLED UP WITH WOODSIDE NETWORK AND PRINTFIELD	
Woodside Neighbourhood Community Planning and Regeneration Network	3	DUPLICATE	See PRINTFIELD and Woodside Network

**APPENDIX 5 - APPOINTMENTS APPROVED UNDER DELEGATED AUTHORITY  
SINCE THE STATUTORY COUNCIL MEETING**

<b>Body</b>	<b>Members required</b>	<b>Members appointed</b>
Aberdeen International Youth Festival Trust	7	Councillors Boulton, Duncan and Imrie  1 Liberal Democrat name to be provided.  SNP have declined to appoint therefore 3 further places are available. 2 places were offered to the SNP but 1 other place also exists.
Shaping Aberdeen Housing LLP	3	Councillors Boulton, Flynn and Macdonald
North Sea Commission and East of Scotland European Consortium	1	Councillor Reynolds
Scotland Excel – Centre for Procurement Expertise for Local Government	2 plus 2 substitutes	Councillors Donnelly and Reynolds.  Subs – Councillors Laing and Lumsden
Scottish Councils Committee on Radioactive Substances	1	Councillor Bell
AECC	2	Councillor Donnelly  (Councillor Reynolds was appointed by Council on 17 May 2017)
NESTRANS	4 plus 4 substitutes	Councillors Bell, Macdonald, Nicoll and Jennifer Stewart  Subs – Councillors Graham, Hunt, Hutchison and 1 Liberal Democrat to be confirmed

Body	Members required	Members appointed
SDPA	6 plus 6 substitutes	<p>Councillors Cooke, Graham, Grant, Hunt, Jennifer Stewart and Yuill</p> <p>Subs – Councillors Bell, Copland, Cormie, Macdonald, Mason and Reynolds</p>
Aberdeen City Heritage Trust	4	Lord Provost and Councillors Donnelly, MacGregor and Jennifer Stewart
Gomel Trust	6	Councillors Allan, Cooke, Donnelly, Lesley Dunbar, Catriona MacKenzie and 1 Liberal Democrat to be confirmed

## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21 June 2017
REPORT TITLE	Final Update on the Improvement Plan following the 2013 Community Planning Audit
REPORT NUMBER	CHI/17/110
DIRECTOR	Angela Scott, Chief Executive and Chair of Community Planning Aberdeen Management Group
REPORT AUTHOR	Michelle Cochlan, Community Planning Manager

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### **1. PURPOSE OF REPORT:-**

- 1.1 This report provides a final update on progress made by Community Planning Aberdeen (CPA) in addressing the key areas of improvement identified by Audit Scotland as part of the Community Planning Audit in 2013. It also provides an update on progress made by CPA in meeting the community planning requirements of the Community Empowerment (Scotland) Act 2015.

### **2. RECOMMENDATIONS**

- 2.1 Council is asked to approve the final update report on the 2013 Community Planning Audit Improvement Plan.

### **3. BACKGROUND/MAIN ISSUES**

- 3.1 In 2013 Community Planning Aberdeen (CPA) volunteered to be one of three Community Planning Partnerships (CPP) in Scotland to undergo a new Audit of Community Planning. Audit Scotland found that, whilst partnership working in Aberdeen had increased, there was limited evidence that this was having a significant impact in tackling the sharp inequalities within the City or on redirecting resources towards priorities. The final report concluded that significant changes were required to put the CPP in a position to meet the challenging agenda set out in the joint Scottish Government and COSLA Statement of Ambition for community planning published in 2012.
- 3.2 The aspirations set out within the 2012 Statement of Ambition have since become statute as part of the Community Empowerment Act (Scotland) 2015. The Act places a legal duty on the Council and all public service agencies to

demonstrate that they are making a significant impact on the achievement of outcomes as a result of partnership working.

- 3.3 This paper provides a final progress update against the plan developed following the Audit in 2013 and also in meeting the community planning requirements of the Community Empowerment (Scotland) Act 2015.

#### **4. Community Planning Aberdeen – Key developments**

- 4.1 Since the last update to Council in December 2016, Community Planning Aberdeen (CPA) has made continued progress in taking forward the development plan from the Audit; and in meeting the requirements of the Community Empowerment (Scotland) Act 2015. Key developments include:

##### 4.1.1 Local Outcome Improvement Plan 2016-26: Community Justice Drivers

On 27 February, CPA approved an amendment to the Aberdeen City Local Outcome Improvement Plan (LOIP) 2016-26 to incorporate priority Community Justice drivers for improvement. This amendment ensures that the Community Planning Partnership meets the requirements of the Community Justice (Scotland) Act 2016 for community justice partners to publish a plan in relation to community justice for the area. CPA is leading the way nationally in embedding plans for Community Justice into the LOIP. Incorporating the Community Justice Drivers within the city wide plan ensures the Partnership is taking a holistic approach to planning for the improvement of outcomes across the city and has a clear oversight of progress in achieving these. A supplementary Delivery Plan will contain activities in support of the improvement of the Community Justice outcomes which will be progressed by the CPA's new Community Justice Group.

##### 4.1.2 Locality Plans 2017-27

In February and March of this year, the Council and Community Planning Aberdeen approved three draft Locality Plans 2017-27 which underpin the city wide LOIP 2016-26. The Locality Plans cover the areas of:

- Torry
- Middlefield, Mastrick, Cummings Park, Northfield, Heathryfold
- Seaton, Tillydrone and Woodside

These areas have been identified as experiencing significantly poorer outcomes than other areas of Aberdeen. The Locality Plans ensure that the vision for Aberdeen as 'a place where all people can prosper' is a reality, even for our City's most disadvantaged communities. The plans have been endorsed as living documents which will continue to be developed in consultation with the communities living in these neighbourhoods. Locality Partnerships have been established for each of the localities area to oversee the development and delivery of the plans. At least 50% of the members of these groups are to be from communities themselves. Local elected members



and local partner staff are also represented on these groups to ensure effective and meaningful partnership work is taking place in these areas. As part of the Locality planning process, three Participatory Budgeting projects called “U Decide” were launched with the aim of driving up and re-engaging community participation in Locality Planning as well as identifying community based solutions to the priorities identified within each of the Locality Plans. The Localities “U Decide” Process was delivered between October 2016 and March 2017 in the three Localities. Residents of the Localities voted on local projects that they wished to be funded. £250k was allocated through the process with the funding provided by the Council, the Scottish Government and Community Planning Aberdeen. The process is considered to have been highly successful as can be demonstrated through the following results:

- 156 bids from local groups, individuals and organisations
- 3694 residents voted across the Localities (An average of 8% of the population of the Localities)
- 33% of voters were U12
- 40 bids were successful with an average grant size of £7000 (lowest award £600 – highest award £15,000)
- 93% of voters think it is a good process and would participate again
- 93% of voters felt more empowered to make changes in their community

#### 4.1.3 Community Planning Aberdeen Infrastructure

A new structure is being implemented to ensure that CPA is effectively organised to deliver on the commitments within the LOIP and Locality Plans. The structure was approved by the CPA Board on 12 December 2016 and the new groups, including the Community Justice Group and Locality Partnerships mentioned above, have now all had their inaugural meeting. Improvement work has begun. The Management Group will use a scale to measure the progress of the groups in delivering change and the confidence that these changes will result in improvement.

#### 4.1.4 Outcome Management and Improvement Framework

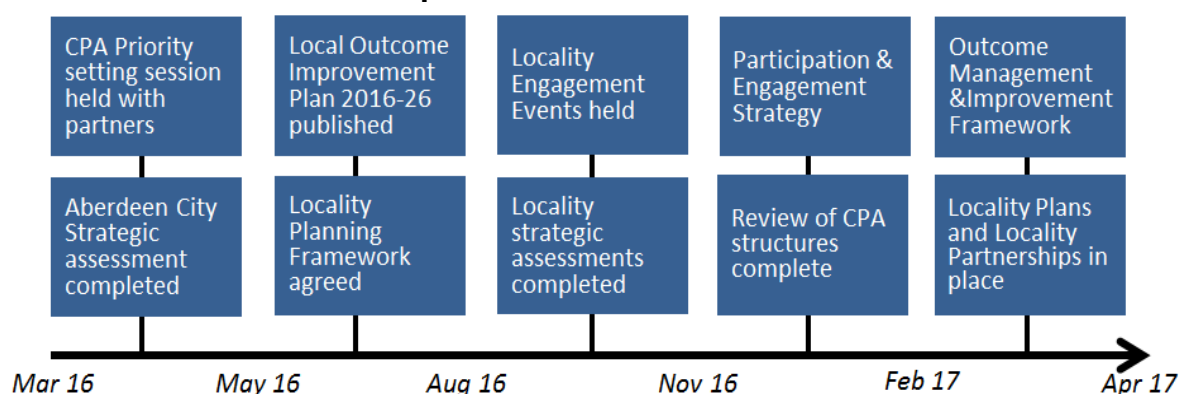
The Partnership has approved an Outcome Management and Improvement Framework which sets out CPA’s arrangements for effective scrutiny of the delivery of the LOIP and Locality Plans by the CPA Board and Management Group. Reports to every meeting of the Management Group and CPA Board to provide an overview of the improvement activity taking place across the Partnership and where each of the groups are on the progress scale mentioned above. The reports will include data to evidence the impact of the improvement work and highlight any barriers to success that groups need senior management’s help to remove. This will provide assurance to the Community Planning Aberdeen Board that improvement activity is taking place in support of achieving the longer term improvement aims within the LOIP and Locality Plans.

The first Annual Report against the Local Outcome Improvement Plan 2016-2026 will be considered by the CPA Board in September 2017. This report will include key outcome highlights against the new Locality Plans 2017-27, with the first full Annual Outcome Improvement Reports against each Locality Plan being produced in August 2018.

4.2 The majority of the actions within the CPA Development Plan from the Community Planning Audit in 2013 are now complete. The only improvement action outstanding relates to the alignment of partnership resources to the priorities within the LOIP. As part of the budget setting process for 2017/18, the Partnership agreed to undertake a comprehensive review of CPA’s approach to joint resourcing to ensure the Partnership has sustainable resources to deliver the LOIP and locality plans. Appendix 1 and 2 to this report provide a detailed update on all actions within the CPA Development plan; and progress in meeting the community planning requirements of the Community Empowerment Act.

4.3 The timeline below illustrates the progress made in community planning over the last twelve months.

**2016/17 Timeline of Completed Milestones**



**5. FINANCIAL IMPLICATIONS**

5.1 There are no direct financial implications arising from the recommendations of this report.

**6. LEGAL IMPLICATIONS**

6.1 There are no direct legal implications arising from the recommendations of this report.

**7. MANAGEMENT OF RISK**

7.1 The Aberdeen City strategic assessment and locality level strategic assessments provide a robust evidence base for decision making and have

been critical to the development of the new Local Outcome Improvement Plan and Locality Plans. As with any evidence based model, their strength lies in the breadth and depth of the supporting data, and the quality of the analysis. The establishment of a cross Partner Data Group has helped to mitigate any risk by providing quality assurance measures at various stages to ensure the integrity of the information contained within the Strategic Assessment.

## **8. IMPACT SECTION**

- 8.1 This section demonstrates how the proposals within this report impact on the strategic themes of Aberdeen City Council and Community Planning Aberdeen, as set out in the [Aberdeen City Local Outcome Improvement Plan 2016-26](#) and the [Aberdeen City Council Strategic Business Plan](#).

### **Economy**

This report includes an update on the development of the Local Outcome Improvement Plan 2016-26 and Locality Plans 2017-27 which take forward the themes of economy, people, place and technology. However, there is no direct impact on economy arising from the recommendations of this report.

### **People**

This report includes an update on the development of the Local Outcome Improvement Plan 2016-26 and Locality Plans 2017-27 which take forward the themes of economy, people, place and technology. However, there is no direct impact on people arising from the recommendations of this report.

### **Place**

This report includes an update on the development of the Local Outcome Improvement Plan 2016-26 and Locality Plans 2017-27 which take forward the themes of economy, people, place and technology. However, there is no direct impact on place arising from the recommendations of this report.

### **Technology**

This report includes an update on the development of the Local Outcome Improvement Plan 2016-26 and Locality Plans 2017-27 which take forward the themes of economy, people, place and technology. However, there is no direct impact on technology arising from the recommendations of this report.

## **9. BACKGROUND PAPERS**

The following papers were used in the preparation of this report.

[Community Empowerment \(Scotland\) Act 2015, Guidance and Regulations published 25 October 2016](#)

[Draft Aberdeen City Local Outcome Improvement Plan 2016-26 and approach to Locality Planning – Report to Council on 17 August 2016](#)

**10. REPORT AUTHOR DETAILS**

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## APPENDIX 1 Progress against CPA Audit Improvement Plan

Improvement agenda - recommendation	Actions	Date	Status	Update on progress	Evidence
Identify a limited number of strategic priorities on which the community planning partnership can make an impact	Strategic Assessment considered by CPAMG	April 2016	<b>Complete</b>	The Final Aberdeen City Strategic Assessment 2015/16 was endorsed by the CPA Board on 9 May 16. The strategic assessment provided the evidence base for the new Local Outcome Improvement Plan endorsed by Council on 17 August and the Community Planning Aberdeen Board on 22 August 2016. The document was approved as a living document and amendments have since been made to reflect further development work and the inclusion of community justice priorities. The document has been produced well in advance of the statutory requirement to have a LOIP in place by October 2017.	<a href="#">Final Strategic Assessment and outcome from priority setting event – CPA Board, 9 May 16</a>  <a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>
	Strategic Assessment considered by CPA Board	May 2016	<b>Complete</b>		
	Priority setting workshop CPA Board	March 2016	<b>Complete</b>		
	Priorities agreed in revised SOA/LOIP	August 2016	<b>Complete</b>		
Ensure that CPA has a strategic oversight of all significant partnership working to help ensure that there is a match between resources and strategic priorities	Discussions on structures to deliver	August 2016	<b>Complete</b>	A review of CPA infrastructure has been carried out to ensure the Partnership is effectively organised to deliver on the new Local Outcome Improvement Plan. The CPA Board approved the final recommendations of the review on 12 December. The new structure has been in operation since 1 April 2017.	<a href="#">Final Report on the Review of CPA Infrastructure – CPA Board, 12 Dec 16</a>
	New structures established	January 2017	<b>Complete</b>		
Review the approach to community engagement to help avoid any duplication of effort by different organisations	Community Empowerment Act Working Group to initiate drafting of community engagement strategy	December 2015	<b>Complete</b>	A new Community Engagement Group has been established as part of the new CPA structure. This Group will take forward the new city wide Engagement, Participation and Empowerment Strategy which was approved by CPA Board on 12 December 2016.	<a href="#">Community Planning Aberdeen Community Engagement Strategy – CPA Board, 12 Dec 16</a>

Improvement agenda - recommendation	Actions	Date	Status	Update on progress	Evidence
	Locality/ neighbourhood planning from SOA/LOIP initiated	June 2016	<b>Complete</b>	The group also has oversight of the community engagement taking place across localities to ensure a joined up approach across partnerships and communities. CPA agreed its Locality Planning Framework on 20 June 2016. In line with the requirements of the Community Empowerment Act, CPA has identified three localities within the City which experience 'significantly poorer outcomes' than other areas in Aberdeen. For each of these localities, a draft Locality Plan has been agreed which will be developed and delivered by a new Locality Partnership which has been established for each area.	<a href="#">Final Report on the Review of CPA Infrastructure – CPA Board, 12 Dec 16</a>  <a href="#">Locality Planning Aberdeen Report – CPA Board, 20 June 16</a>  <a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>
Review the level of representation of partner organisations to help ensure that CPA Board members have sufficient seniority to contribute to decision-making	<p>Discussions on structures to deliver</p> <p>New structures established</p>	<p>August 2016</p> <p>January 2017</p>	<p><b>Complete</b></p> <p><b>Complete</b></p>	The CPA Board approved the final recommendations of the review of CPA infrastructure at its meeting on 12 December. Membership of the Partnership was refreshed as part of the review to ensure representation of partner organisations is appropriate at all levels of the governance structure. The new structure has been in operation since 1 April 2017.	<a href="#">Final Report on the Review of CPA Infrastructure – CPA Board, 12 Dec 16</a>
Strengthen the scrutiny of performance, by regularly providing monitoring reports to theme groups and to the CPA Board	Following completion of SOA/LOIP agreed reporting schedule approved	February 2016	<b>Complete</b>	An outcome management and improvement framework was approved by the CPA Board on 27 April. The framework will ensure that the CPA Board receives the information it needs to scrutinise Partnership performance in the delivery of local outcomes. The first Annual Performance Report against the LOIP 2016-26 will be considered by the CPA Board in September 2017.	<a href="#">Outcome Management and Improvement Framework – CPA Board, 27 Feb 17</a>

Improvement agenda - recommendation	Actions	Date	Status	Update on progress	Evidence
Hold partners to account for their contribution to shared objectives and use this to help drive improvements.	Priorities agreed in revised SOA/LOIP	August 2016	<b>Complete</b>	The Local Outcome Improvement Plan was endorsed by Council on 17 August and the Community Planning Aberdeen Board on 22 August 2016.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>
	Locality Plans agreed	April 2017	<b>Complete</b>	The draft Locality Plans were endorsed by the Community Planning Aberdeen Board on 27 February and Council in March 2017. Locality Partnerships have been established and will develop these drafts further from April 2017.	<a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>
	Reporting schedule approved	February 2017	<b>Complete</b>	An outcome management and improvement framework was approved by the CPA Board on 27 April. The framework will ensure that the CPA Board receives the information it needs to scrutinise Partnership performance in the delivery of local outcomes. The first Annual Performance Report against the Locality Plans will be considered by the CPA Board in September 2018.	<a href="#">Outcome Management and Improvement Framework – CPA Board, 27 Feb 17</a>
For each strategic priority, set performance targets that provide a stronger focus on outcomes and community impact.	Performance targets agreed following revision to SOA/LOIP	August 2016	<b>Complete</b>	The Local Outcome Improvement Plan 2016-26 has been developed using the principles of the IHI Model for Improvement, a recognised improvement methodology originating from health. CPA has committed to using the improvement methodology to understand and demonstrate impact on delivering better outcomes. The LOIP uses driver diagrams to translate strategic priorities into meaningful action and measures. These will be monitored through the new outcome management and improvement framework.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>

Improvement agenda - recommendation	Actions	Date	Status	Update on progress	Evidence
Ensure that reliable performance data is available to match targets. Avoid setting targets that cannot be monitored.	Strategic assessment work continues	April 2016	<b>Complete</b>	The Final Aberdeen City Strategic Assessment 2015/16 was endorsed by the CPA Board on 9 May 16.	<a href="#">Final Strategic Assessment and outcome from priority setting event – CPA Board 9 May 16</a>
	Assess via regular monitoring reports	February 2017	<b>Complete</b>	The new outcome management and improvement framework approved by CPA Board on 27 February will ensure that the CPA regularly monitors performance against the improvement aims set within the LOIP. Implementation of the framework will involve ensuring that systems are in place to ensure that the data being collated and reported is accurate and reliable.	<a href="#">Outcome Management and Improvement Framework – CPA Board, 27 Feb 17</a>
Assess the impact made by Fairer Scotland and Challenge Funds.	Annual review of Fairer Aberdeen Fund	April 2016	<b>Complete</b>	Six month and Annual Reports on the Fairer Aberdeen Fund are submitted to Aberdeen City Council	<a href="#">Fairer Aberdeen Annual Report, CPA Board 9 May 16</a>
Identify the total resources available to all partners and determine how resources can be targeted and aligned towards agreed priorities and outcomes.	CPA Board Consideration of resources contribution by Partners	April 2016	<b>Complete</b>	On 27 February 2017, CPA Board agreed a joint budget of £1,647,422 for 2017/18. This includes contributions from the Council, Police Scotland, NHS Grampian, Scottish Fire and Rescue Service and Nestrans. The money is used to pay for the the Fairer Aberdeen Fund, City Voice and support to the Aberdeen Civic Forum.	<a href="#">Community Planning Budget 2017/18, 27 Feb 17</a>
	Fairer Aberdeen Fund and other resources further aligned with LOIP priorities	April 2017	<b>In progress</b>	As part of the budget setting process for 2017/18, the Partnership agreed to undertake a comprehensive review of CPA's approach to joint resourcing to ensure the Partnership has sustainable resources to deliver the LOIP and locality plans.	



Improvement agenda - recommendation	Actions	Date	Status	Update on progress	Evidence
	Participatory budgeting pilots extended	April 2017	<b>Completed</b>	Participatory budgeting (pb) is an example of a tool which is being tested by CPA to engage communities in decisions about delivery of local services. It has been used for the Fairer Aberdeen Fund and for three Locality PB projects held between September 2016 to March 2017. The continued role of PB will be considered as part of the review of the CPA joint resourcing.	<a href="#">Participatory Budgeting - CPA Board, 27 Feb 17</a>
Assess the impact of the 'whole-systems' approach, currently being piloted in education and community safety.	<p>Northfield Total Place annual review</p> <p>Priority Families programme agreed</p> <p>Priority Families Service established</p> <p>Community Safety Hub review</p>	<p>February 2016</p> <p>July 2016</p> <p>January 2017</p> <p>February 2017</p>	<p><b>Complete</b></p> <p><b>Complete</b></p> <p><b>Complete</b></p> <p><b>Complete</b></p>	Best Practice and lessons learned from Northfield Total Place continue to inform the development and delivery of the new Locality Planning Framework in Aberdeen. Locality Planning brings together a range of initiatives and programmes which have been targeted at our most disadvantaged communities to ensure we are taking a robust, coordinated and preventative approach to planning for improvement in these areas. Our priority families service is one example of a preventative programme which will provide targeted support to our most vulnerable families. The first phase of the review of the Community Safety Hub has been completed to identify key areas for improvement. The next phase will build on the initial findings to propose recommendations which will improve the Hub and ensure it is focussed on prevention.	<p><a href="#">Northfield Total Place – CPA Board 1 February 16</a></p> <p><a href="#">Locality Planning Aberdeen Report – CPA Board, 20 June 16</a></p> <p><a href="#">Draft Locality Plans – CPA Board, 27 Feb 17</a></p> <p><a href="#">Priority Families – CPA Board, 20 June 16</a></p>

## APPENDIX 2 Progress in meeting Community Empowerment Act: Part 2 Community Planning

Key Theme	Requirements	Status	Update on Progress	Evidence
<b>Achievement of outcomes</b>	The Act requires CPA to demonstrate that it is making a significant impact in the achievement of outcomes as a result of working together and that it is acting with a view to reducing inequalities of outcome which result from socio-economic disadvantage.	<b>In progress</b>	The development and publication of the Aberdeen City Local Outcome Improvement Plan 2016-26 and underpinning Locality Plans 2017-27 is a significant step forward in recalibrating the way community planning partners in Aberdeen work together to deliver improved outcomes. The outcome management and improvement framework that was approved by the CPA Board on 27 April will ensure that the CPA Board receives the information it needs to scrutinise Partnership performance in the delivery of LOIP and Locality Plans. The first Annual Performance Report against the LOIP will be considered by the CPA Board in September 2017.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>  <a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>  <a href="#">Outcome Management and Improvement Framework – CPA Board, 27 Feb 17</a>
	This includes deploying resources in support of agreed outcomes in a way which promotes prevention.	<b>In progress</b>	As part of the budget setting process for 2017/18, the Partnership agreed to undertake a comprehensive review of CPA's approach to joint resourcing to ensure the Partnership has sustainable resources to deliver the LOIP and locality plans.	<a href="#">Community Planning Budget 2017/18, 27 Feb 17</a>
<b>Local Outcome Improvement Plan</b>	The Act requires CPA to prepare and publish a LOIP which sets out the priority local outcomes it proposes to improve with details of how, by when and what difference this will make to local people.	<b>Complete</b>	The Local Outcome Improvement Plan was approved by Community Planning Aberdeen Board on 22 August 2016. The document was endorsed as a living document which will continue to evolve as our understanding of impact increases and approach to improvement matures. Since August a number of amendments have been made to reflect further development work and the inclusion of community justice priorities. The document has been produced well in advance of the statutory requirement to have a LOIP in place by October 2017.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>

Key Theme	Requirements	Status	Update on Progress	Evidence
	CPA must take into account the needs and circumstances of the people residing in Aberdeen and consult as it considers appropriate.	<b>Complete</b>	A strategic assessment of Aberdeen City was undertaken during 2015/16 to provide a robust evidence base for the development of the LOIP. The document combines local data with knowledge of local issues to provide a comprehensive picture of the needs and circumstances of the people of Aberdeen. The strategic assessment was used as part of a priority setting event held in March 2016 to ensure a deeper understanding of the issues facing our communities. Three community events were held during September and October 2016 to explore these issues with local people and engage them in the process of identifying solutions and ideas for improvement. Community engagement will be integral to the ongoing development of the LOIP.	<a href="#">Final Strategic Assessment and outcome from priority setting event – CPA Board 9 May 16</a>
	LOIPs should state what long term outcomes will be different for communities in 10 years and include contributory actions, indicators and targets for the short (1 year) and medium (3 years) terms	<b>Complete</b>	The driver diagrams within the LOIP clearly demonstrate the connect between the long term outcomes that the Partnership aims to improve and the actions and improvements it is making in the short and medium term. For each of the primary and secondary drivers in the LOIP, the plan identifies 1, 3 and 10 year improvement aims to ensure the Partnership can monitor whether it is having the desired impact. This will allow the Partnership to take corrective action and steer resources towards the delivery of better outcomes.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>
	LOIPs should be in place and signed off by 1 October 2017	<b>Complete</b>	The Local Outcome Improvement Plan was endorsed by Council on 17 August and the Community Planning Aberdeen Board on 22 August 2016. This is more than a year in advance of the requirement of the Community Empowerment Act to have a LOIP in place by October 2017.	<a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a>

Key Theme	Requirements	Status	Update on Progress	Evidence
	CPA will be required to report progress against the LOIP annually for the period 1 April to 31 March. Reporting must focus on improvement in the achievement of outcomes and how CPA has participated with community groups during the reporting year.	<b>In progress</b>	The first Annual Performance Report against the LOIP will be considered by the CPA Board in September 2017.	<a href="#">Outcome Management and Improvement Framework – CPA Board, 27 Feb 17</a>
<b>Locality Planning</b>	The Act requires CPA to divide the City into smaller areas for the purpose of community planning to identify localities where people experience significantly poorer outcomes than other people across the City and Scotland as a result of socio-economic disadvantage.	<b>Complete</b>	CPA agreed its Locality Planning Framework on 20 June 2016. In line with the requirements of the Community Empowerment Act, CPA has identified three localities within the City which experience 'significantly poorer outcomes' than other areas in Aberdeen. On the basis of the city wide strategic assessment, the areas agreed were: Locality 1 - Torry Locality 2 - Cummings Park, Heathryfold, Middlefield, Northfield, and Mastrick Locality 3 - Seaton, Tillydrone, and Woodside	<a href="#">Locality Planning Aberdeen Report – CPA Board, 20 June 16</a>
	Localities should have a maximum population size of 30,000 residents	<b>Complete</b>	In line with the requirements of the Act, the population size of each Locality is as follows: Locality 1 – Approx 10,500 Locality 2 – Approx 20,500 Locality 3 – Approx 15,000	<a href="#">Locality Planning Aberdeen Report – CPA Board, 20 June 16</a>
	For each of these areas, CPA must publish a locality plan which sets out the priority outcomes it proposes to improve for the locality with details of how, by when and what difference this will make to local people. .	<b>Complete</b>	For each of these localities, CPA has worked with communities to produce a Locality Plan. The draft Locality Plans were endorsed by the Community Planning Aberdeen Board on 27 February and Council in March 2017. Locality Partnerships have been established and will develop these drafts further from April 2017.	<a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>
	In preparing the locality plans, CPA must take into account the needs and circumstances of the people residing in the locality and consult as	<b>Complete</b>	For each locality a detailed strategic assessment was conducted to provide a robust evidence base for the development of the Locality Plans. The locality strategic assessments combine	<a href="#">Locality Strategic Assessments – CPA Board, 12 Dec 16</a>

Key Theme	Requirements	Status	Update on Progress	Evidence
	it considers appropriate.		local data with knowledge of local issues to provide a comprehensive picture of the needs and circumstances of the people living in the localities. The strategic assessments were used to inform discussions with communities as part of three community events held during September and October. The purpose of the events was to engage local people in the locality planning process. The events enabled communities to identify the issues and priorities for their area and play an active part in identifying possible solutions.	
	Locality plans should state what long term outcomes will be different for communities in 10 years. Locality plans should include contributory actions, indicators and targets for the short (1 year) and medium (3 years) terms.	<b>Complete</b>	The Locality Plans include driver diagrams to clearly demonstrate the connect between the long term outcomes that the Locality Plan aims to improve and the actions and improvements being delivered in the short and medium term. For each of the primary and secondary drivers in the Locality Plan, the plan identifies 1, 3 and 10 year improvement aims to ensure the Locality Partnership can monitor whether it is having the desired impact. This will allow the Locality Partnership to take corrective action and steer resources towards the delivery of better local outcomes.	<a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>
	Locality plans should be in place and signed off by 1 October 2017	<b>Complete</b>	Draft Locality Plans were endorsed by the Community Planning Aberdeen Board on 27 February and Council in March 2017 as living documents. This is several months in advance of the statutory deadline of 1 October 2017. These plans will continue to evolve as we progress joint working with communities. Locality Partnerships have been established to lead on the development and delivery of these plans from April 2017.	<a href="#">Draft Locality Plans 2017-27 – CPA Board, 27 Feb 17</a>

Key Theme	Requirements	Status	Update on Progress	Evidence
	CPA will be required to review progress against each locality plan and report on this annually for the period 1 April to 31 March. Reporting should focus on improvement in the achievement of each local outcome during the reporting year.	<b>Complete</b>	An outcome management and improvement framework was approved by the CPA Board on 27 April. The framework will ensure that the CPA Board receives the information it needs to scrutinise Partnership performance in the delivery of local outcomes. The first Annual Performance Report against the LOIP 2016-26 will be considered by the CPA Board in September 2017.	<a href="#">Locality Planning Aberdeen Report – CPA Board, 20 June 16</a>

## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21 <sup>st</sup> June 2017
REPORT TITLE	Fairer Aberdeen Fund 6 month progress report 2016-17
REPORT NUMBER	CHI/17/111
DIRECTOR	Bernadette Marjoram, Interim Director
REPORT AUTHOR	Susan Thoms, Programme Coordinator

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### **1. PURPOSE OF REPORT**

- 1.1 To provide Members with the 6 month progress report 2016-17 for the Fairer Aberdeen Fund programme, and the allocation of funding for 2017-18.

### **2. RECOMMENDATION(S)**

- 2.1 The Council is asked to:
- a) Consider and advise the Fairer Aberdeen Board of the Council's comments on the 6 month progress report for 2016-17, at Appendix 1.
  - b) Note the information at Appendix 2 listing the initiatives being funded in 2017-18.
  - c) Note the information at Appendix 3 relating to the Participatory Budgeting event carried out by the Fairer Aberdeen Board in October 2016.
  - d) Agree that further Fairer Aberdeen annual and 6 month progress reports are issued as Service Updates in future.

### **3. BACKGROUND/MAIN ISSUES**

- 3.1 The Finance, Policy and Resources Committee of 12<sup>th</sup> November 2009 agreed that half yearly updates should be provided for the Corporate Performance and Policy Committee on the outcomes achieved through the investment in Fairer Aberdeen Fund. Following agreement in 2013 that the Council would oversee the community planning process, these updates now come to this meeting for approval. This report includes the 6 Month Report for 2016-17 at Appendix 1 and the list of initiatives being funded in 2017-18 at Appendix 2. It is proposed that future annual and 6 month updates take the form of a Service Update in future.

- 3.2 The 6 Month Progress Report details how the Fund was used and the impact it had during the first 6 months of 2016. £1,500,000 was awarded to 45 projects, supporting work in regeneration areas and across the City with vulnerable groups and individuals. Grants ranged from £2,000 to £155,000 in value. Some of the achievements are summarised here:
- 3.3 A total of 19,788 people were involved in, or benefited from, funded initiatives, 3,585 of them were under 16 years old. 843 volunteers contributed 157,137 hours of volunteering time, worth £2.1m. (Volunteering is generally valued as the average hourly pay rate in the area, in Aberdeen this was £13.60. (Office of National Statistics, the Annual Survey of Hours and Earnings (ASHE)).
- 3.4 1,036 people received money advice or income maximisation advice, with a total financial gain of £1,111,928, an average of £1,073 per person.
- 3.5 1,347 affordable loans, totalling £1,009,899, were provided by the credit unions.
- 3.6 193 tons of free food was distributed and 5,111 food parcels were given out to 1,710 beneficiaries.
- 3.7 173 people moved into work. 23 access centres in areas of high unemployment offered weekly employment support drop in sessions. 98 young people were involved in activities designed to increase their opportunities to move into positive destinations, and 49 young people moved onto employment, education or training.
- 3.8 48 Community Food Outlets operated in local communities, 27 of them in Sheltered Housing complexes, and free food was distributed to 129 organisations through FareShare.
- 3.9 227 people accessed 2,490 sessions of mental health counselling provision, 88 of them were under 16 years old, and counselling was provided in 7 regeneration neighbourhoods. 60% of clients showed a decreased score in their HAD scales (Hospital/Anxiety-Depression monitoring forms).
- 3.10 Home-Start supported 28 families in regeneration areas and 6 of these families no longer require social work support.
- 3.11 1,435 people participated in activities and services provided in Community Projects and Flats. Cummings Park, Seaton and Tillydrone Community Flats are wholly funded by Fairer Aberdeen, and a number of organisations use these venues to deliver services within the areas. The number of attendances to use their facilities including phone, computers, making enquiries and getting information totalled 8,185.
- 3.12 286 people participated in Adult Learning activities and 136 people were involved in producing community media. 6 hour-long programmes, representing key issues and news from the regeneration areas, were produced and broadcast weekly by members of the local communities. Community magazines were produced and distributed 3 times a year in 7 regeneration areas. Volunteers contributed over 12,000 hours producing community media at SHMU.



- 3.13 89 older people registered as new learners with Silver City Surfers to learn IT skills and how to use the internet. Beneficiaries included people with disabilities, sensory impairments and dementia.
- 3.14 The Fairer Aberdeen Board agreed to allocate £10,000 to undertake a participatory budgeting exercise during 2016-17. Participatory budgeting (PB) is recognised internationally as a way for local people to have a direct say in how, and where, public funds can be used to address local needs. PB originated in Porto Alegre, Brazil in the late 1980s and has since spread to over 1,500 localities around the world. It was born from a desire to reallocate public money locally and democratically to where it was needed most. When PB is adopted its use can be very important in helping individuals feel connected to each other and to their communities and can instil a sense of ownership, trust and connectivity.
- 3.15 The Scottish Government supports PB as a tool for community engagement which sits alongside the objectives of the Community Empowerment (Scotland) Act 2015. An additional £10,000 was awarded to match the Fairer Aberdeen funding from the Community Choices Fund, and consultancy from PB Partners was available to support the process. An additional £5,000 was contributed by the Aberdeen Integrated Health and Social Care Partnership.
- 3.16 The Fairer Aberdeen Board established a PB steering group of community representatives and partners supported by the Coordinator and Development Officer to plan the process, and the PB event took place in October 2016. 60 people attended the event including the Scottish Government Minister for Communities and Housing, and the event was opened and awards presented by the Council Leader. 25 residents of the Froghall, Powis and Sunnybank area attended and were eligible to vote. There were 22 applications received and 12 projects were successful in securing funding. 24 feedback forms were received from voters who attended, the feedback was positive with respondents feeling more able to influence decisions, and that PB was a fair way to allocate funding.
- 3.17 A report on the Fairer Aberdeen PB event is at Appendix 3.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The Fairer Aberdeen Fund is allocated by Aberdeen City Council, and is aimed at tackling poverty and deprivation; supporting partners to work together to tackle area-based and individual poverty; and to help more people access and sustain employment opportunities. Funding supports initiatives and services for the most disadvantaged communities and vulnerable people across the City.
- 4.2 In 2016-17 the Council agreed a sum of £1.625m to be managed by the Fairer Aberdeen Board on behalf of Community Planning Aberdeen. The same sum was agreed for 2017-18.
- 4.3 An application process is in place to ensure funding is allocated to appropriate programmes and projects. Organisations funded by the Fairer Aberdeen Board are

required to meet specific terms and conditions and comply with State Aid regulations, where required, and to comply with “Following the Public Pound “ financial guidance.

## **5. LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications arising from the recommendations of this report.

## **6. MANAGEMENT OF RISK**

### **Financial**

Failure to continue to address the needs of Aberdeen’s most disadvantaged communities would have a detrimental effect for the individuals and communities involved and potentially increased costs in the long term for public services. Supporting people into employment, maximizing people’s income, providing early intervention in relation to education and health is not only a better outcome for individuals but reduces the costs involved in responding to the effects of poverty in the long run.

### **Employee**

None

### **Customer / citizen**

None

### **Environmental**

None

### **Technological**

None

### **Legal**

None

### **Reputational**

Many of the funded projects are valued and appreciated within local communities for the support they provide residents and the positive impact they have. Over 20,000 beneficiaries and volunteers would be negatively impacted, and services significantly reduced, if funding was unavailable.

## **7. IMPACT SECTION**

### **Economy**

- 7.1 The initiatives and programmes being funded support frontline services that are provided by the Council, Community, Voluntary and other public sector partners with

90% of the fund allocated to voluntary and community organisations. The Fairer Aberdeen Board takes a participatory approach to allocating funding, with the majority of the Board being made up of community representatives, with knowledge of the regeneration areas.

- 7.1.1 The Board regularly monitors the programme to ensure there is no duplication of provision and will continue to review projects as necessary and appropriate.

### **People**

- 7.2 The main purpose for the fund is targeting disadvantaged communities and vulnerable groups and individuals. The Fairer Aberdeen Board has agreed the following outcomes:

- Maximising income
- Getting people into work
- Improving mental health and well being
- Building stronger safer communities
- Increasing skills and creativity

- 7.2.1 The Fairer Aberdeen Fund also contributes to a wide range of objectives contained within the Councils policy statement, 'Aberdeen –the Smarter City' in relation to "challenging inequalities wherever they exist and bringing our communities closer together."

- 7.2.2 Fairer Aberdeen Fund initiatives also contribute to the delivery of the Council's Anti-Poverty Strategy and have an important role in responding to Welfare Reform changes.

- 7.2.3 The Fairer Aberdeen Board, which represents a partnership, participatory approach, comprises of the Chair of Community Planning Aberdeen, three Aberdeen City Elected Members, one representative from Aberdeen Council for Voluntary Organisations, one representative from NHS Grampian, one representative from Police Scotland, seven representatives from priority regeneration areas (appointed through the Regeneration Matters Group), and three representatives from the Aberdeen Civic Forum.

### **Place**

- 7.3 The Fairer Aberdeen Fund plays an important part in providing services that tackle poverty and contribute to improving wellbeing for the city's most disadvantaged communities and vulnerable individuals. The programme responds to locally identified issues and addresses unemployment, providing financial inclusion services, improving health and literacies and enabling more sustainable and safer communities.

## **8. BACKGROUND PAPERS**

None

**9. APPENDICES (if applicable)**

Appendix 1 - Fairer Aberdeen 6 month progress report 2016-17  
Appendix 2 - Fairer Aberdeen Programme 2017-18  
Appendix 3 – Fairer Aberdeen U Decide Report

**10. REPORT AUTHOR DETAILS**

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# Fairer Aberdeen Fund

## 6 Month Progress Report (1<sup>st</sup> April – 30<sup>th</sup> Sept 2016)

In 2016-17 Aberdeen City Council allocated £1,625,000 to the Fairer Aberdeen Fund. The fund is managed by the Fairer Aberdeen Board on behalf of Community Planning Aberdeen, and members are from Aberdeen City Council, partner organisations and communities.

The main purpose for the fund is targeting disadvantaged communities and vulnerable groups and individuals. The Board has agreed outcomes, neighbourhoods and vulnerable groups as priorities for use of the Fund:

### Priority Outcomes:

- Maximising income
- Getting people into work
- Improving mental health and well being
- Building stronger safer communities
- Increasing skills and creativity

### Priority Neighbourhoods:

- Cummings Park
- Middlefield
- Northfield
- Seaton
- Tillydrone
- Torry
- Woodside

### Priority Groups:

- People living in poverty
- Lone parents and families with children
- Unemployed people
- Children and young people
- People with health issues
- Older people
- Minority groups where an identified need can be evidenced

From 1<sup>st</sup> April to 30<sup>th</sup> September over £1,500,000 has been allocated to 45 initiatives, supporting projects in Regeneration Areas and work across the City with vulnerable groups and individuals. This report details how the fund has been allocated and the progress made from April to September 2016.

# Maximising income

£436,464 was allocated to this theme, which aims to improve access to affordable financial services and products, deliver financial education initiatives, and provide coordinated advice and information services.

St Machar Credit Union and North East Scotland Credit Union Access Project promote access to saving schemes and affordable loans across all the priority areas.

Financial Capability at the Foodbank, Citizens Advice Bureau Money Advice Outreach Project, Care and Repair and Aberdeen Illness and Disability Advice offer advice and information. Cash in your Pocket acts as a central hub for its financial inclusion partners.

Food Poverty Action Aberdeen aims to generate as much produce as possible for the benefit of those in food poverty, and to provide access to financial, employability and educational support and information.

**Over the 6 months 1,347 affordable loans, totalling £1,009,899, were provided by the credit unions. Money and income maximisation advice was provided for 1,036 people, resulting in client financial gain of £1,111,928, an average of £1,073 per person. CFINE distributed 193 tonnes of free food and provided 5,111 food parcels for 1,710 people.**

As can be seen in the table below, most of the projects are on track to achieving their full year target for 2016-17.

Indicator	April-Sept 2015	Target 16-17 (full year)	April-Sept 2016
Number of Credit Union adult savers	4473	4750	4676
Number of Credit Union junior savers	1872	2500	2133
Number of affordable loans provided by Credit Unions	1087	3600	1347
Amount of affordable loans provided by Credit Unions	£885,978	£1,500,000	£1,009,899
Total savings deposited with Credit Unions	£1,518,035	£2,250,000	£2,343,148
Number of credit union collection points	14	10	14
Number of people receiving money advice	191	375	155
No. of people receiving income maximisation advice	1162	1905	1036
Number of households receiving maximising income/charitable funding advice from Care & Repair	144	330	168
Total client financial gain	£1,467,077	£1,878,280	£1,111,928
Number of referrals to Cash In Your Pocket database	1146	1500	752
Quantity of free produce distributed in tonnes	160	300	193
Number of 5kg food parcels distributed by CFINE foodbank	n/a	10,000	5,111
Number of CFINE food bank beneficiaries	n/a	4,000	1,710

# Getting People into Work

£235,602 was allocated to ensuring that people had access to the support and skills they needed to return to work.

Pathways Employability service supports people into work, offering help with CVs, job searches and completing application forms. They run weekly drop in sessions in all the priority areas.

North East Sensory Services Employment Service supports people with sight and/or hearing impairments, as well as helping people retain employment.

Station House Media Unit delivers the SHMU Train Initiative, as well as early intervention work in schools. The Princes Trust Team Programme offers training and development programmes for young people.

Pathways also manage the Support Fund which helps to pay expenses that can be a barrier to returning to work.

**Over the 6 months 173 people moved into work. Weekly employment support drop in sessions were run in 23 venues in priority neighbourhoods. 98 young people were involved in employability initiatives with 49 of them moving on to employment, education or training. Pathways are well on target to meet their full year target with 173 people into work in the 6 month period.**

As can be seen in the table below, most of the projects are on track to achieving their full year target for 2016-17.

Indicator	April-Sept 2015	Target 16-17 (full year)	April-Sept 2016
Number of people into work	141	267	173
Number of people accessing the Support Fund	53	100	50
Access Centres in areas of high unemployment offering weekly Employment Support drop In sessions	14	14	23
Number of young people involved in MCMC activities	83	194	98
Number of young people moving on to employment, education or training	48	99	49
Number of people supported into work by Pathways	125	225	165
Number of people engaged and registered with NESS	39	45	46
Number of people supported into work by NESS	5	8	1
Number of people supported to retain work by NESS	21	15	24
Number of young people supported into work, education or training	48	99	49

# Improving Health and Wellbeing

£334,746 was allocated to health and wellbeing and reducing health inequalities.

Pathways to Wellbeing and Mental Health Aberdeen provide counselling services in all of the priority areas, these continue to be oversubscribed and have long waiting lists. There has been an increase in young people seeking youth counselling.

Seaton Support for Recovery offer support to people recovering from drug, alcohol and mental health issues.

Printfield Feel Good and Tillydrone Health and Wellbeing projects offer complementary health treatments and Healthy Roots continue to maintain Manor Park in Middlefield.

Homestart offers home visiting support to families in need, and Cyrenians Street Alternative volunteer workers fulfil a diverse range of roles to support and give advice to homeless people. The Community Food Development project continues to improve access to affordable and healthy food.

Befriend a Child provides one to one support and friendship to vulnerable youngsters who could particularly benefit from participating in various activities/interests not normally available to them.

**Over the 6 months 315 people accessed mental health counselling provision. 88 of them were under 16 years old. 48 Community Food Outlets were operating, 27 of them in sheltered housing complexes. Home-Start supported 28 families in regeneration areas and 6 of these families no longer need social work support.**

As can be seen in the table below, some of the figures achieved are up compared to the same time period in 2015, and all are on line to meet the full year target for 2016-17.

Indicator	April-Sept 2015	Target 16-17 (full year)	April-Sept 2016
Number of operational Community Food Outlets	79	80	48
Number of Community Food Outlets operating in Sheltered Housing	15	41	27
Amount of sales in Community Food Outlets	£44,050	£85,000	£55,000
Number of adult clients using mental health counselling provision	208	370	227
Number of clients under 16 using mental health counselling provision	118	150	88
Number of counselling sessions provided	2,378	2,650	2,490
Number of new and existing clients using the Seaton Recovery project and support on a regular basis	32	35	33
Number of people attending Cyrenian's Street Alternative sessions	20	20	20
Number of families supported by Home-Start	24	30	28
Number of families supported by Home-Start no longer needing Social Work support	2	5	6
Number of children and young people attending Befriend a Child youth clubs	20	48	16



# Building Stronger, Safer Communities

£286,308 was allocated to supporting neighbourhood projects and services and contributing to community safety.

Community Flats in Cummings Park, Printfield, Seaton and Tillydrone offer a range of services and activities as well as providing venues for other organisations to work within local communities. They also provide first stop information and advice regarding changes to the benefit system and make referrals to appropriate agencies for local people requiring support.

Middlefield Youth Flat offers services for young people, and for younger children through its Under 11s work. Additional youth activities are provided by the Big Bang Drumming Group, ACT Attack and Fersands Youth Work Support.

Family support work and a Twos group are funded in Fersands Family Centre and Choices Relationship Revolution aims to raise awareness of gender based violence amongst young people.

Operation Begonia provides additional police patrols to engage with on street sex workers. With reduced numbers of calls to the police regarding on street prostitution and fewer women encountered, Operation Begonia also continue to target off street sex workers.

Community Integration Support Service provides intensive support, to prisoners, based on the individual's Community Reintegration Plan allowing them to partake in a variety of activities which include radio/film/music sessions.

**Over the 6 months there were 560 hours of patrols engaging with on street sex workers, 1,435 people engaged in services and activities in community flats and there were 8,185 attendances to use facilities at community flats.**

As can be seen in the table below, most of the projects are on track to achieving their full year target for 2016-17.

Indicator	April-Sept 2015	Target 16-17 (full year)	April-Sept 2016
Number of new women encountered through Operation Begonia	9	30	6
Number of hours of patrols engaging with on street sex workers	320	960	560
Numbers of call to the Police regarding 'on street' prostitution for Local Policing Areas of City Centre and Seaton	10	18	9
Number of offenders participating in community reintegration programme in prison	35	60	71
Number of people participating in activities and services provided by Community Projects and Flats	2401	1,016	1,435
Number of attendances at Community Flats to use facilities including phone, computers and information/enquiries	7380	12,485	8,185
Numbers of young people using the Middlefield Youth Flat	129	130	60
Number of children registered at Printfield After School Club	54	60	52

# Increasing Skills and Creativity

## Increasing Skills and Creativity

£160,082 was allocated to supporting learning and creative activities.

Station House Media Unit supports Community Media and Youth Media.

WEA Reach Out Skills Programme provides a wide range of learning activities with an emphasis on Literacy and Numeracy.

Silver City Surfers provides IT sessions for older people, WEA focuses on providing literacy support for non-traditional learners, and Literacies for Life, delivered by the Adult Learning Service, provides literacy opportunities.

St Machar Parent Support Project Positive Lifestyles supports parents, particularly with issues arising from welfare reforms.

**Over the 6 months there were 286 people involved Adult Learning activities and 89 people registered as new learners with Silver City Surfers. 407 organisations worked in partnership with SHMU and 136 people were involved in producing community media, contributing 12,856 volunteer hours.**

As can be seen in the table below, all of the projects are on track to achieving their full year target for 2016-17.

Indicator	April-Sept 2015	Target 16-17 (full year)	April-Sept 2016
Number of people participating in WEA Reach out Skills Programme	n/a	110	91
Number of people involved in producing Community Media at SHMU (radio shows + magazines)	125	130	136
Number of new learners registered with Silver City Surfers	203	157	89
Number of organisations working in partnership with SHMU	291	300	407
Number of people registered as new learners with Silver City Surfers	83	157	89
Number of young people participating in Youth Media (radio and TV)	61	50	66
Number of participants attending the Positive Lifestyles Programme	143	160	113
Number of volunteers involved in SHMU media	125	130	167
Number of volunteer hours contributed to SHMU media	16,271	18,500	12,846

## Fairer Aberdeen Programme 2017-18

The Fairer Aberdeen Fund is allocated by Aberdeen City Council to tackle poverty and deprivation. The Fund is dispersed and managed by the Fairer Aberdeen Board, made up of representatives from the regeneration areas, the Civic Forum, the Council, Aberdeen City Health and Social Care Partnership, Police Scotland and ACVO (Aberdeen Council of Voluntary Organisations).

The Fund focuses on neighbourhoods that fall within the most deprived 0-15% in Scotland according to the Scottish Index of Multiple Deprivation, as well as supporting vulnerable groups and individuals.

Funding of £1.625m was made available for 2017-18 to support initiatives fitting with the main priorities decided by the Board. At their meeting in March 2017 the Fairer Aberdeen Board allocated £1,459,000 to 44 projects, supporting work in regeneration areas and across the City with vulnerable groups and individuals. Grants range from £2,000 to £155,000 in value.

### Maximising income

£438,809 was allocated to this theme, aiming to improve access to affordable financial products and services and delivering coordinated advice and information services. Funding was awarded to 9 initiatives including CAB and credit unions, as well as Food Poverty Action Aberdeen which coordinates food bank work in the City and Cash In Your Pocket which aims to which supports people to access the employability and financial inclusion support they need.

#### Funded initiatives

Aberdeen Illness and Disability Advice Service  
 Castlehill Housing Association - Care and Repair Funding Officer  
 CFINE (Community Food Initiatives NE) - Cash In Your Pocket  
 CFINE (Community Food Initiatives NE) - Food Poverty Action Aberdeen  
 CFINE (Community Food Initiatives NE) - Financial Capability at the Foodbank  
 Citizens Advice Bureau - CAB Money Advice Outreach Project  
 Grampian Housing Association - SMART Money Management for Women  
 North East Scotland Credit Union - NESCU Credit Union Access Project  
 St Machar Credit Union

### Getting people into work

£245,700 was allocated to this priority, aiming to provide access to support and skills needed to return to work, support personal development and training and deliver in work support. Funding was awarded to 4 initiatives including Pathways which provides support to residents of priority areas into employment by providing tailored support for people from the first stages of job seeking through to securing and maintaining employment.

#### Funded initiatives

Aberdeen Foyer - Princes Trust Team Programme  
 North East Sensory Services - NESS Employment Service  
 Pathways to Employment  
 Station House Media Unit - SHMU Train Initiative

### Improving mental health and wellbeing

£335,183 was allocated to this priority, aiming to reduce health inequalities, improve mental health and wellbeing and increase access to affordable healthy food. Funding was awarded to 12 initiatives

including mental health counselling for young people and in priority areas and access to affordable, healthy food through community food initiatives.

Funded initiatives

Seaton Support for Rehab and Recovery  
Aberdeen Cyrenians Street Alternatives  
Aberdeen Foyer Reach  
Befriend a Child Youth Clubs  
CFINE (Community Food Initiatives NE) - Community Food Development Project  
Home-Start Aberdeen  
Mental Health Aberdeen - ACIS Youth Counselling  
Mental Health Aberdeen - Calsayseat Counselling  
Mental Health Aberdeen - Torry Adult Counselling  
Pathways to Wellbeing  
Printfield Community Project - Feel Good Project  
Tillydrone Community Flat - Health & Well Being Project

**Building stronger, safer communities**

£277,287 was allocated to this theme, aiming to improve access to services in regeneration areas, increase community safety and support community involvement and participation. Funding was awarded to 14 initiatives including community projects and flats which provide a venue for a range of services and support to be delivered to local residents.

Funded initiatives

Aberdeen Lads Club - Big Bang Drumming Group  
Choices Aberdeen - Relationship Revolution  
Cummings Park Community Flat  
Fersands Community Project - Youth Work Support  
Fersands Family Centre - Family Support Worker  
Fersands Family Centre - Twos Group  
STAR Community Flat  
Middlefield Community Project - Middlefield Under 11s and Volunteer Work  
Middlefield Community Project - Middlefield Youth Flat  
Printfield Community Project  
Scottish Police Authority - Operation Begonia  
St George's Church - ACT Attack  
Station House Media Unit - Community Reintegration Support Service  
Tillydrone Community Flat

**Increasing skills and creativity**

£161,556 was allocated to this theme which aims to support learning and creative opportunities. Funding was awarded to 5 initiatives including Station House Media Unit which supports volunteers to produce magazines and radio programmes exploring and addressing local community issues and developing skills by providing training and support.

Funded initiatives

Silver City Surfers  
St Machar Parent Support Project - Positive Lifestyles  
Station House Media Unit - Community Media  
Station House Media Unit - Youth Media  
WEA - Reach Out

“

It gives people the chance to directly influence how funding is allocated.”

# FAIRER ABERDEEN PB



The Fairer Aberdeen Board decided in March 2016 to allocate funding to undertake a Participatory Budgeting (PB) process, with the expectation this would be matched by funding from the Scottish Government. A successful funding bid to the Community Choices Fund, and an additional contribution from Aberdeen City Health and Social Care Partnership meant a total of £25,000 was available.

The Board was asked to take part in a steering group to plan and deliver the PB process and 12 people agreed to this, 6 community representatives from the regeneration areas, 2 representatives from the Civic Forum, and 4 representatives from Partner agencies (Aberdeen City Health and Social Care Partnership, Police Scotland and ACVO). Support for the implementation of PB was available from PB Partners and the process was supported and facilitated by the Fairer Aberdeen Coordinator and Development Officer.



“ We all get the chance to apply and have a say where funding is spent.”

**Your Streets, Your Say**

Now is your chance to VOTE on new projects that aim to get people involved in Froghall, Powis and Sunnybank! £25,000 is available to be awarded to projects that get most votes. Everyone living in the area and aged over 12 years is eligible to vote. (You need to register from 9.30-10am on the day to be able to vote). Lunch will be provided and successful projects announced on the day.

**Sunnybank Primary School**  
Saturday 29<sup>th</sup> October  
9.30am - 1.30pm

DECIDE Community Planning in Aberdeen  
Aberdeen City Health & Social Care Partnership  
Fairer Aberdeen fund

“Overall, a great success; feedback from those participating was very positive, and even with slightly lower numbers than expected, there was a real buzz at the event with people networking and interacting enthusiastically. It was great to see the Minister for Communities and Housing, as well as the Council Leader attending.”

Alan Budge, PB Partners



“ Everyone can feel included.”




HOME ABOUT PROJECTS WHEN IT'S ALL HAPPENING



Menu

Lily Pad Coffee Shop  
Posted on October 23, 2016 by jamsmithoo



Wheels Are Fun  
October 23, 2016

Summary of project: Funding is required to purchase pedal go karts and scooters called Y-flikers. There had been difficulty in engaging over 12s to get involved in outdoor activities; however they showed a great deal of enthusiasm for this project. Adults will also be involved to encourage family driven activities. The project will get young ... More

The steering group agreed to hold the PB process in the Froghall, Powis and Sunnybank area, as defined by the Community Council boundaries. This is an area with pockets of deprivation, but it does not fall into the 0-15% most deprived, so does not usually benefit from funding targeted at the regeneration areas. It was felt the level of funding was not high enough to hold a City wide event, and the Board members were keen to support an area where there are needs, but fewer funding opportunities. The theme of the PB process was tackling social isolation and exclusion, around the theme of connected communities and health and wellbeing.

It was decided to call the event 'Your Streets, Your Say', as well as to use the 'U Decide' branding which is being used for other PB events in Aberdeen.

An information and training session was held with The Democratic Society to explore the use of Participatory Budgeting Digital Tools. The session included the opportunity to try out the digital packages which are available. The steering group decided against the use of digital tools for this event; however one of the Civic Forum representatives created a website that was used as a simple digital tool to display applications and promote the event.

Community based contacts from Sunnybank Community Centre, Froghall Community Centre, Powis Residents Group and Froghall, Powis and Sunnybank Community Council helped support applicants and promote the PB process. Police Scotland provided valuable support with distributing information and application forms, as did the Community Wardens in the area.



“

Very participative event!”



As I live in the area I valued this event as a great opportunity to improve our surroundings and meet people.”



The voting day was held on the 29<sup>th</sup> of October at Sunnybank School. 60 people attended and 25 were eligible to vote.

22 applications were received totalling £39,093, although two were withdrawn as one was duplication and the other organisation managed to get the venue they were looking for funding for through community contacts made during the process.

Of the 20 that went through to the voting stage 12 projects were successful in receiving enough votes to be awarded funding from the £25,000 available.

24 feedback forms were received. 18 people had enjoyed attending the event, 1 had not. Of the 19 people who answered whether they felt more or less able to influence decisions affecting their local area after the event 8 people said they felt a lot more able to influence decisions in their area and 11 people said they felt a bit more able. 15 people thought that PB was a fair way to allocate funding, while 2 didn't think so and 2 didn't know.

Most of those attending were already involved in their community, either volunteering, attending residents groups or being a member of a local organisation, however all but one said they had met new people who live in the area, found out more about local groups or more about what was happening in the area. 5 People said they had found out more about how decisions were made in the area and about Council/public processes.

There were some negative aspects to the event, some felt that 2 minutes was not long enough to present ideas, and the number of people attending who were eligible to vote was not as high as expected. It is anticipated that greater use of digital tools could improve participation in future events.

Susan Thoms & Anne Knight  
Fairer Aberdeen Support Team

For more information contact  
sthoms@aberdeency.gov.uk



PB is community empowerment at its best.”

Jenny Laing, Council Leader





“

It gives people who use the funding a direct say in what happens, which motivates people to participate.”

“

People active in communities know the most about their communities.”

“

All well organised and friendly – SO enjoyed it all!!!”

#### AND THE WINNERS ARE!!!

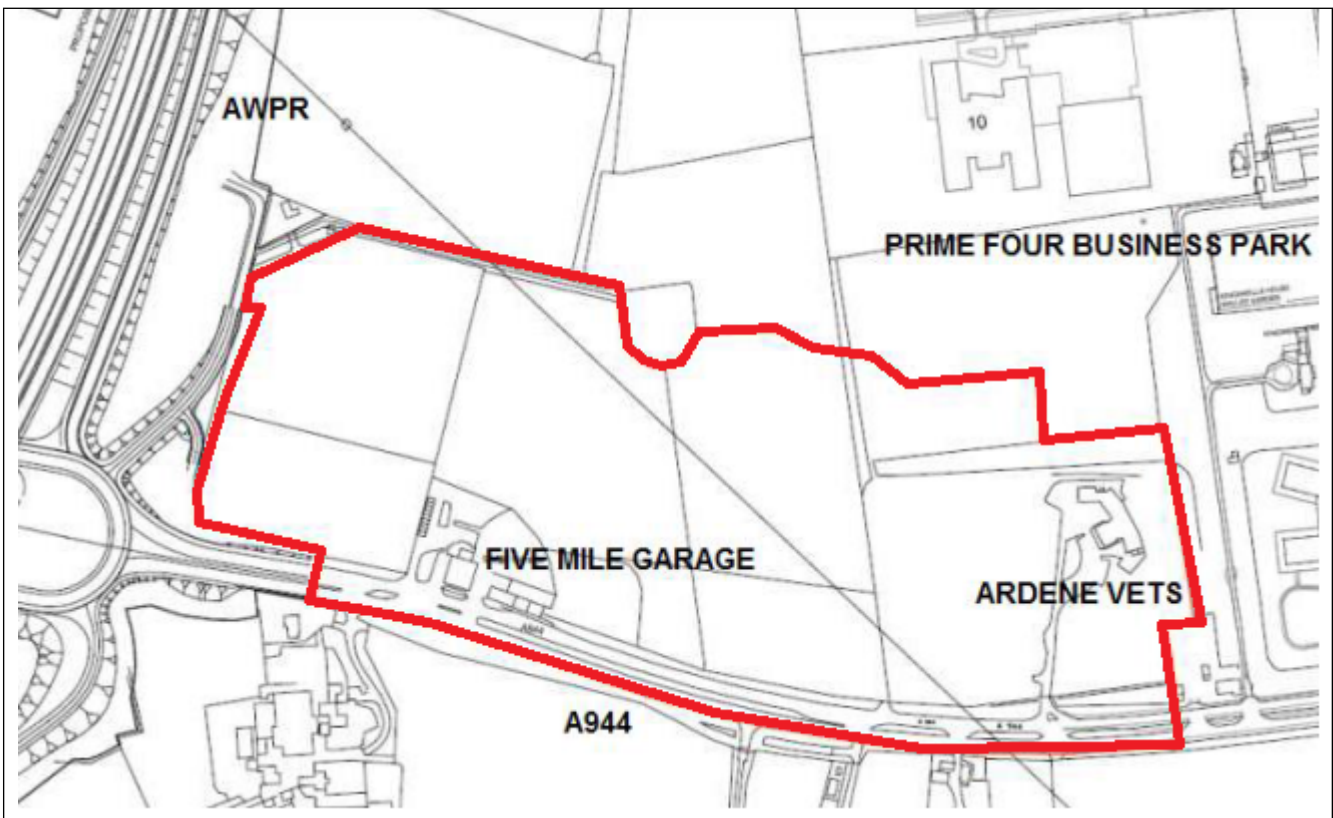
Sunnybank Improvements  
 Cycle Repairs @Man shed  
 Froghall Community Garden  
 Graffiti Art Work  
 Lily Pad Coffee Shop  
 Community Café  
 Community Centre Decorating  
 Community Games Room  
 Community Centre Decorating  
 Ping Pong Powis  
 Tooled Up – Powis in Bloom  
 Get Fit Outside  
 Wheels Are Fun

Friends of Sunnybank Park  
 Froghall Community Centre  
 Froghall Community Centre  
 Froghall Community Centre  
 Froghall Community Centre  
 Powis Community Centre  
 Powis Community Centre  
 Powis Community Centre  
 Powis Community Centre  
 Powis Residents Group  
 Powis Residents Group  
 Sunnybank Community Centre  
 Sunnybank Community Centre



 <b>ABERDEEN</b> CITY COUNCIL	<b>Full Council</b>
	Report by Interim Head of Planning and Sustainable Development
	21 June 2017

<b>Application Type:</b>	Planning Permission in Principle
<b>Application Reference:</b>	P161429/PPP
<b>Application Submission Date:</b>	4 October 2016
<b>Application Description:</b>	Major Development mixed use commercial (up to 30,000m <sup>2</sup> ) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works.
<b>Site Address:</b>	Site OP40, Prime Four Business Park, Kingswells, Aberdeen
<b>Ward:</b>	Kingswells / Sheddocksley / Summerhill
<b>Community Council:</b>	Kingswells Community Council
<b>Case Officer:</b>	Matthew Easton



**RECOMMENDATION: Refuse**

## **Previous Report**

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A report on this planning application appeared on the agenda for the 15 March 2017 Full Council meeting; however the item was withdrawn from the agenda by officers prior to consideration by members.

The reason for this withdrawal was that following the finalisation of the report, its inclusion within the published papers and shortly before the date of the Council meeting, an unexpected and unsolicited financial offer was made to the Council by the applicant. The applicant believed the offer would help mitigate the significant adverse impact of the proposed development on the city centre. As a result, officers considered it necessary to consider and assess this offer, alongside seeking legal and professional advice on the form and nature of that offer. Given the time constraints, there was no option but to withdraw the application from the agenda, to allow this work to be completed. That consideration has concluded and advice has been obtained, and is considered in detail towards the end of this updated report.

Simultaneously to officers considering withdrawal of the application from the agenda, on being informed of the reports recommendation of refusal, the applicant also sought deferral of the applications consideration, so that several matters within the report could be discussed further, with a view to addressing those matters to the satisfaction of officers, or at least coming to a consensus of opinion on the impact of the proposed development. Officers have considered these requests and concluded that further discussion would not be beneficial and would not alter the recommendation of this report.

## **Executive Summary**

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From before the 'Main Issues' stage, through the drafting and then subsequent adoption of the Local Development Plan 2017 ('LDP') in January this year, the Council has already considered and rejected the concept of large scale retail development at Prime Four and confirmed that the site should remain as employment land available for high quality business park use. Prime Four is the region's premier business park and allowing an alternative use in the most highly visible part of the site, would remove an opportunity to compete nationally and internationally for high quality businesses that are looking for sites within such an environment. The Council's established position should be given considerable weight.

Although it has been argued by the applicant that Aberdeen has a lack of out-of-town retail parks, any comparison with Glasgow and Edinburgh, with their individual characteristics, circumstances and separate planning policies, should not be relied upon to justify an out-of-town retail park in Aberdeen, particularly in this case where the location is inherently unsustainable, being separated and distant from nearly all centres of population within the city and primarily reliant on the use of the private car. In contrast, Aberdeen has benefited from the Council's implementation of the 'town centre first' principle, which has provided investors with confidence to progress with significant developments over the past decade, such as the opening of Union Square, extension and refurbishment of the Bon Accord

Centre and investment in the St.Nicholas Centre. The city centre's dominance in the region should be seen as strength to build upon and as a catalyst for further sustainable economic investment and growth within and around that city core.

The Aberdeen City and Aberdeenshire Retail Study ('ACARS'), undertaken on behalf of the Council in 2013, was a wide-ranging analysis of the retail situation in the north east of Scotland. It considered a range of factors in coming to a recommendation to inform the drafting of the LDP with a suitable retail strategy for the city. Since that time, the regional economic downturn and lower national economic growth rates are expected to result in lowered population projections and therefore lower available retail expenditure within the region than set out in ACARS. It is therefore considered that the retail floor space identified within the LDP and the space already coming forward will be more than sufficient to address any retail deficiencies within the city. It is also clear there is an appetite for delivering significant levels of retail space within the city centre, evidenced through the live applications and pre-application work underway with developers. It is important to note that this city centre retail development could be at risk if investor confidence is undermined. Furthermore, approval of the application would send the undesirable message that the Council is not serious about implementing the City Centre Master Plan ('CCMP'), a strategy which requires significant level of private investment to achieve its aims. To summarise, it is considered that the applicant has failed to demonstrate that there is a proven need or deficiency in provision which would justify the kind of retail development that is proposed.

A further factor of significant importance is the current health of the city centre. In this regard indicators of vitality, such as a reduction in the number of retailers and increase in the number of non-retailing uses, suggest that parts of the city centre may be struggling. When considered jointly with the significant levels of trade which the proposed development would divert away from the city centre, estimated to be 5.7% (£66.35m) by the applicant or 9% (£88.93m) by the Council's own consultant, the conclusion is that there would likely be a significant adverse impact on the vitality and overall viability of Aberdeen city centre if the proposed development were to proceed.

The planned Aberdeen growth model sees the creation of large new communities around the periphery of the urban area; this eventuality was identified by ACARS as creating retail deficiencies in the convenience shopping sector. The granting of planning permission for the proposal at Prime Four would jeopardise delivery of mixed use centres within the new communities at Countesswells and Newhills, as there is a high potential that retailers would be attracted to the Prime Four development rather than the sustainably positioned mixed use centres within the new communities.

The proposed development fails to meet the policy test with regards to accessibility, as it would not be easily accessible by regular, frequent and convenient public transport services and would largely be dependent solely on access by private car, encouraging trips which otherwise may not occur and thus increasing pressure on the road network and exacerbating air quality levels. The Council's roads officers have objected to the application due to lack of information on the extent and scale of the development's impact on the road network.

Whilst the applicant does not agree with planning officer's view that there would be a significant adverse impact on the vitality and viability of the city centre, and believe that their development would have a negligible impact, in order to mitigate against this impact, they have made an offer of £5 million to the Council. They suggest this money be ring-fenced for a specific initiative identified from the CCMP which could help improve the city centre. However, officers, with assessment having been undertaken by the Economic Development Service, have not identified that a financial contribution of £5 million would mitigate the impact of the development.

The impact of the development on the city centre is complex and a one-off financial contribution is not considered an appropriate way to address the impact of the development. Indeed the acceptance of an unwarranted financial contribution, with no substantive background as to how the figure has been arrived at and which doesn't address the issue which it purports to, would be unreasonable and unjustified in terms of policy tests referred to later in this report and could expose the Council to significant risk of legal challenge.

It is for these reasons that the recommendation remains one of refusal.

## **APPLICATION BACKGROUND**

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### **Site Description**

The site comprises 13.3 hectares of predominately agricultural land located to the south-west of the existing Prime Four Business Park ('Prime Four'), itself located to the west of Kingswells. The southern part is relatively flat at 140m AOD whereas the northern part rises steeply to 155m AOD at the site boundary, beyond which the land continues to rise.

Ardene House Veterinary Practice is located at the eastern end and is enclosed by mature woodland belts to the north and east. Beyond this are Kingswells House (dating from 1666 and category B-listed) and Prime Four, comprising several large modern office buildings and a hotel with associated parking and landscaping.

The southern boundary features the Five Mile Garage, Five Mile Caravan Park and vacant cottages and post office, all accessed from the A944 (Skene Road) which forms the southern boundary. To the south of the road is the Backhill of Broadiach Farm, where the land raises up towards Kingshill Wood.

The Aberdeen Western Peripheral Route ('AWPR') and its South Kingswells Junction is currently under construction around 100m to the west and when finished will join the A944 at this point. The Borrowstone Road (Kingsford to Clinterty) forms the west boundary and is to be stopped up as part of the AWPR works and thereafter only provide access to East Kingsford Cottage, which is on the edge of the north western boundary.

The land beyond the northern boundary is agricultural with pockets of woodland, and is allocated for specialist employment use as Opportunity Site 69 ('OP69') and likely to form

phase 4 of Prime Four. A category C-listed 17<sup>th</sup> century dry-stone wall enclosure, known as 'Friends Burial Ground' is some 150m to the north.

High voltage power lines cross the site from south-east to the north-west.

### **Relevant Planning History**

- Previously greenbelt, the site was released for development in the Aberdeen Local Development Plan 2012 ('LDP 2012') as part of the wider 50 hectare OP40 allocation, which has now become Prime Four.
- In June 2013, at the developer bid stage of the Proposed Aberdeen Local Development Plan 2015 ('PLDP 2015'), a proposal (ref: B0309) was made by the applicant to alter the OP40 allocation to allow a mix of employment, retail and leisure uses. The bid was not carried forward as a preferred proposal to the Proposed LDP 2015 and the reasons for this are considered in the evaluation section of this report.
- A proposal of application notice (PoAN) in relation to this application was submitted for this proposal in June 2016 and a public consultation event took place on 31<sup>st</sup> August 2016.
- The Aberdeen Local Development Plan 2017 ('the LDP') was adopted in January this year, within which the site and Prime Four are zoned for specialist employment use. A further 13 hectares, immediately to the north of the application site, has been allocated as an extension to Prime Four and is known as OP63.

## **APPLICATION DESCRIPTION**

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### **Description of Proposal**

Planning permission in principle is sought for the development of the site for a retail park of up to 30,000sqm (gross) of retail space. This is proposed to including class 1 (retail), class 3 (food and drink) and other ancillary uses such as offices, along with associated landscaping, infrastructure and access works.

It is intended that 26,013sqm (gross) of the retail space would be for comparison goods. Initially the applicant indicated that the development would focus on clothing and fashion retailers, however more recently this has changed to general comparison goods and bulky goods retailers. The comparison space would be accompanied by a 3,716sqm (gross) convenience retail goods store, or in other words, a supermarket.

Food & drink premises such as restaurants or coffee shops are also proposed.

At planning permission in principle stage it is not expected that detailed design of the layout of buildings would be submitted. However an indicative layout of how the development could look has been provided, which shows units of varying sizes in a retail warehouse

format with large areas of surface car parking situated adjacent, all fronting the A944. Although it appears that a significant level of the floor space is missing from this indicative layout, it does show –

- One very large retail unit of 7,432sqm (80,000sqft), suitable for a ‘department store’ type retailer.
- One large retail unit of 3,252sqm (35,000sqft)
- Nine retail warehouse units of between 697sqm to 3,252sqm (7,500sqft to 35,000sqft)
- Ten retail units of between 279sqm and 465sqm (3,000sqft – 5,000sqft)
- Four food and drink units totalling 1,115sqm (12,000sqft)

The applicant reports confirmed occupier interest from various comparison retailers: Boots, JD Sports, Cotswold Outdoors, Next and Superdrug, all of whom have stores in Aberdeen city centre.

### **Supporting Documents**

All drawings and supporting documents listed below can be viewed on the Council’s website at <https://publicaccess.aberdeencity.gov.uk/>, apart from the Ecological Impact Assessment. The following supporting documents have been submitted –

- Archaeological Desk Based Assessment
- Ecological Impact Assessment (*restricted access only*)
- Drainage Assessment
- Design Statement
- Flood Risk Assessment
- Geo-Environmental Desk Study
- Landscape and Visual Assessment
- Planning Statement
- Pre-Application Consultation Report
- Retail Impact Assessment (‘RIA’)
- Socioeconomic Report
- Transport Assessment (‘TA’)
- Tree Survey
- Utility Infrastructure Design Statement

### **Pre-Application Consultation**

A public event was held by the applicant on Wednesday 31<sup>st</sup> August 2016 from 1pm to 7pm at the Prime Four management suite. It took the form of a drop-in session where display materials were available and members of the applicant’s design team were there to answer questions. Twenty-two people are reported to have attended. The applicant states that there was mixed feedback to the proposal, with most agreeing the concept was acceptable but having significant reservations with regards to traffic and amenity.

## **Pre-Determination Hearing**

Following the submission of the planning application a public hearing was held on the 18<sup>th</sup> January 2017. The hearing afforded the applicant and other interested parties the opportunity to address and be questioned by councillors prior the matter being referred to the Full Council for determination. The minutes of the meeting are available at <https://committees.aberdeencity.gov.uk/mgAi.aspx?ID=43075>.

## **Reason for Referral to Council**

The application is before members of the Full Council because under section 38A of the Town and Country Planning (Scotland) Act 1997, any application where a pre-determination hearing has been held, must be determined by the Full Council. Such hearings are required in respect of applications for major developments which are considered to be significantly contrary to the vision or wider spatial strategy of the development plan, which in this case comprises the Aberdeen Strategic Development Plan 2014 and the Aberdeen Local Development Plan 2017.

## **CONSULTATIONS**

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**Aberdeenshire Council** – Object on the basis that it has not been demonstrated that the proposed development would not adversely impact upon the vitality and viability of existing town centres within Aberdeenshire. On review of the applicant’s revised retail assessment, the objection is maintained.

**Aberdeen City and Shire Strategic Development Planning Authority** – Consider the application contrary to the Aberdeen City and Shire Strategic Development Plan, which is up-to-date and relevant to the application. It is advised that the proposal will result in the loss of strategically important employment land and have a negative impact on the city centre, which itself is able to accommodate significant retail growth if demand exists. Further the application is in an unsustainable location in that it will have a very small catchment in terms of access by walking, cycling and public transport, compared to the city centre.

**Aberdeen Western Peripheral Route Managing Agent** – No response.

**ACC – City Centre Masterplan (CCMP) Team** – There are no planning policy grounds on which the Prime Four proposals should be granted, there is clear substantiated evidence of identified proposals and land available for retail development within the City Centre – both through the CCMP and current proposals before the City Council and a risk that within the established statutory planning framework. There would be adverse impact on the city centre which is the prime regional retail centre in the north east of Scotland - and for which the CCMP remains a material consideration – if the Prime Four proposal were to be granted planning permission.

**ACC – Economic Development Service** – In relation to the applicant’s RIA submitted initially and the revised RIA –

- The study likely understates the vacancy rate in Aberdeen City centre and thus overstates the retail health of the area.
- It is likely that that the turnover and economic potential of the site has been overstated.
- Initial assumptions relating to population and expenditure from the development have not been sufficiently modified to reflect Aberdeen’s short to medium-term economic outlook and likely overstate the growth potential.

As welcome as a contribution of £5 million towards projects in the City Centre Masterplan would be, it does not appear that it would be able to offset the effect of the trade removed from the city centre.

**ACC – Environmental Health Service** – No objection but raise the following matters that would need to be addressed through conditions.

- Should the development involve the decommissioning and demolition of the Five Mile Garage, it will be necessary for conditions to be attached to any planning permission granted requiring a risk based site investigation to be carried out in accordance with best practice.
- If the development were to be operational 24 hours a day then the potential for noise to affect nearby residential properties would need to be taken into account. Offices at Prime Four could also be affected by noise.
- Any catering premises may create odour issues which would need to be addressed.
- During construction measures should be taken to limit noise and dust.

**ACC – Flooding and Coastal Protection Team** – Further detailed information on flooding and drainage issues requested. No objection in principle.

**ACC – Roads Development Management Team** – Object due to lack of information on the extent and scale of the development’s impact on the road network. Full comments are attached to this report however in summary advice and comments are also provided on the following matters –

- Access by foot will be effectively limited to the southern ends of Kingswells. A segregated cycle facility with separate pedestrian provision should be provided either through the site or along the site frontage and through the site to allow for pedestrian and cycle access to potential future development to the north.



- A link for bus services between the proposed retail development and the existing Prime Four development is required. The applicant has proposed to include bus laybys on the A944 close to the site access, with a signalised pedestrian crossing connecting to the westbound bus stop. However, it would not be desirable to introduce a further set of traffic signals on the A944 in this location. Therefore the crossing provision should initially be at the access junction and once this junction is signalised, incorporated within the signal phasing.
- Parking is proposed at 10% below the Councils maximum parking standards, which in principle is acceptable and details of disabled, motorcycle and cycle parking should be required.
- It is proposed to construct a new junction with the A944 to access the development. Roads officers are unwilling to consent to a full 'all ways' signalised junction at the early stages of the development. Therefore only a left in/ left out arrangement will be permitted until such time as either: 25% of the non-food retail is occupied; or any amount of food retail is occupied
- The modelling exercise shows that the impact of the development on the local road network is smaller in the peak hour, in terms of queuing and delay, with the introduction of traffic signals as opposed to a left in/ left out operation. Roads officers however retain concern in respect of the additional delay to the primary route (A944) that vehicles will experience out with the peak times, on introduction of additional traffic signals.
- Roads officers retain concerns that the trip generation of the development will be higher than that reported given the methodology applied to establishing this and the reported potential occupiers. However it is acknowledged that the application is for a use class and that the trip attraction calculations are within this classification.
- Concerns also relate to the base traffic methodology used; however given the unknowns surrounding the impact of the AWPR the approach is accepted. The assessment has also likely underestimated the volume of trips attributed to surrounding committed developments by using flows from the LDP process and not updating these with the more accurate planning application (supporting more detailed transport information) flows. Nonetheless committed development has, to an extent, been accounted for.

**Archaeology Service** – Conditions should be attached requiring a standing building survey and a programme of archaeological works.

**Developer Obligations Team** – New developments are required to install or upgrade core paths that are designated within the site and contribute to any cumulative impacts on surrounding core paths. This would be determined by the proposed layout which would be examined at matters specified in conditions (MSC) stage.

**Kingswells Community Council** – In general agreement that retail is a suitable use on the site. However, the following concerns are raised –

- Considering the areas identified for development, it is unlikely that a retail development of this scale and the associated car parking and landscaping could be facilitated on this site in a manner that complies with the key objectives identified in the Development Framework. A smaller development should be considered.
- All possible access solutions should be investigated and the selected option should address the needs of the community during off peak times as well as the needs of commuters during peak times. The transport assessment should consider all traffic from all phases of Prime Four and all other known developments. All future upgrades should be considered to avoid a piecemeal approach.
- The Council should determine the effects that an out-of-centre retail development would have on the city.

**Scottish Environment Protection Agency (SEPA)** – No objection but raise the following matters that should be addressed.

- Wetlands in the southern section of the site contain a natural spring which is thought to act as primary source of water for the Den Burn. The Ecological Assessment states that within this area is an example of a ground water dependant terrestrial ecosystem, which is moderately groundwater dependant and therefore should be protected. A condition should be attached to any consent requiring further survey work be carried out, demonstrating that the water environment would be protected.
- The initial details of permanent surface water drainage are acceptable in principle and it has been demonstrated that there is space within the site. However it is yet to be confirmed how this will be achieved in detail; a condition should require a detailed scheme.
- A condition should require a Construction Method Statement.
- Part of the site lies within the medium likelihood (0.5% annual probability or 1 in 200 year) flood extent of the SEPA Flood Map and may therefore be at medium to high risk of surface water flooding. SEPA agree with the flood risk assessment (FRA) that development should not be located in low points in the topography that have been identified by the Flood Map as being at risk of flooding. SEPA support the recommendation that finished floor levels should be raised above ground levels and for ground profiling to mitigate any potential overland flows.
- The proposed utilisation of existing combined sewer structures in the area is acceptable.

**Scottish Water** – No response received.

**Transport Scotland** – Advises that conditions relating to a restriction on the amount of floor space permitted (to tie in with that proposed in the application) and the submission of a travel plan, be attached to any permission the council may give

## **REPRESENTATIONS**

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Twelve letters of representation have been received from eleven different organisations, predominately with interests in retailing or the city centre. They are –

- Aberdeen Civic Society
- Aberdeen Inspired (Business Improvement District for the city centre)
- BMO Real Estate (owners of Bon Accord and St. Nicholas Centres)
- CDL Countesswells (developer for the Countesswells mixed use development)
- Columbia Threadneedle (owners of Kittybrewster and Lower Berryden Retail Parks)
- Ellandi LLP/ Lone Star (managers and owners of the Trinity Centre)
- Union Square Developments / Hammerson (owners of Union Square)
- Knight Property Group (owners of the Capitol office development)
- Rockspring (owners of the former BHS building and Aberdeen Indoor Market)
- Standard Life Assurance (owners of Beach Boulevard and Denmore Road Retail Parks)

All representations object to the proposal and the matters which they raised and grouped together and summarised below.

### **Failure to Comply with National, Regional and Local Policy**

1. The proposal is contrary to the ‘town centre first principle’ in National Planning Framework 3 (NPF3) and Scottish Planning Policy (SPP).
2. An out-of-town retail development is contrary to the aim of the Strategic Development Plan (SDP) to regenerate Aberdeen city centre.
3. The site is not allocated for retail development and represents a significant departure from the LDP and is contrary to retail policy by failing to meet any of the requirements identified.
4. Retail development at the site has already been promoted by the applicant through the LDP review process and was rejected by the Council.
5. The appropriate way to promote such a significant departure from the LDP would be through the next review of the LDP, not a speculative planning application.

### **Retail Impact and Sequential Test**

6. The Council has set out a clear and comprehensive strategy for the delivery of additional retail floor space up to 2035 – supported by the 2013 Aberdeen City and Aberdeenshire Retail Study (ACARS). There is therefore no requirement for the proposed development.

7. The development would be in direct competition with the city centre and any benefit from the development would be at the city centre's expense, in terms of retail and spin-off expenditure.
8. Approval of the development would undermine the role of the city centre and cast doubt on the Council's commitment to regenerating the city centre through the City Centre Masterplan (CCMP). This would send out a concerning message to investors and operators.
9. The retail assessment submitted is not fit for purpose, due to significant deficiencies in the methodology and figures used, assumptions made and conclusions drawn. It underestimates the level of quantitative trade diversion from the city centre and implications on turnover.
10. The applicant's sequential test is simplistic, does not adhere to the process set out in SPP and misinterprets case law. No effort has been made to demonstrate that the development cannot be reasonably be altered or reduced in scale to allow it to be accommodated in a sequentially preferable location.
11. Comparisons of the retailing situation in other parts of Scotland, such as Glasgow and Edinburgh, are not appropriate and no way justify the proposal.

### **Transportation and Sustainability**

12. The A944 is an important route into Aberdeen and traffic management in the area must be considered in detail.
13. The validity and robustness of the applicant's transport assessment is questioned.
14. An out-of-town retail park of the size proposed would significantly undermine the Council's aim of encouraging modal shift towards more sustainable methods of transport.

## **MATERIAL CONSIDERATIONS**

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### **Legislative Requirements**

Sections 25 and 37(2) of the Town and Country Planning (Scotland) Act 1997 require that where, in making any determination under the planning acts, regard is to be had to the provisions of the Development Plan (comprising the Strategic Development Plan and Local Development Plan) and that determination shall be made in accordance with the plan, so far as material to the application unless material considerations indicate otherwise.

Due to the objection which has been received from Aberdeenshire Council, should members wish to approve the application, the Council would be required to notify Scottish

Ministers of its intention so that Ministers can decide whether to call-in the application for their own determination.

### **National Planning Policy**

- National Planning Framework 3 (2014)
- Scottish Planning Policy (2014)

### **Regional Planning Policy**

- Aberdeen City and Shire Strategic Development Plan (2014)

### **Local Planning Policy**

- Aberdeen Local Development Plan (2017)
  - Policy D2: Landscape
  - Policy NC1: City Centre Development - Regional Centre
  - Policy NC4: Sequential Approach and Impact
  - Policy NC5: Out of Centre Proposals
  - Policy I1: Infrastructure Delivery & Planning Obligations
  - Policy T2: Managing the Transport Impact of Dev
  - Policy T3: Sustainable and Active Travel
  - Policy T4: Air Quality
  - Policy NE1: Green Space Network
  - Policy NE5: Trees and Woodlands
  - Policy NE6: Flooding, Drainage and Water Quality
  - Policy NE8: Natural Heritage

New retail development is identified in the LDP at: Marischal Square, Crooked Lane/George Street, Aberdeen Market and Upper/Basement Floors of 73-149 Union Street, alongside further expansion and improvements to the existing retail stock in the City Centre Retail Core. Further opportunities for retail expansion within the city centre are identified through the City Centre Masterplan as outlined below.

### **Interim Planning Guidance**

Guidance relevant at the Planning Permission in Principle Stage –

- Hierarchy of Centres Interim Planning Guidance

### **Other Material Considerations**

Aberdeen City and Aberdeenshire Retail Study (ACARS) – Produced in 2013, ACARS provided an up to date assessment of retail provision within Aberdeen City and Aberdeenshire and provided an assessment of potential future demand and supply for retail floor space within this area for the next 15 years. The primary purpose of ACARS was to provide a basis for the development of plans and proposals for retail and related activities in the SDP and LDPs being prepared for the Aberdeen City and Aberdeenshire Councils.

With regard to Aberdeen City, the study recommended a retail development strategy which identifies up to 30,000sqm (gross) of new retail floor space to be located in the city centre, alongside new floor space within new communities and Countesswells, Grandholm and Newhills.

Aberdeen City Centre Masterplan (CCMP) – Approved by the Full Council in June 2015, the CCMP outlines a 20 year development strategy for Aberdeen City Centre. It identifies a series of projects that will support future economic growth and will secure more benefits and opportunities for the communities of Aberdeen City and Shire. The projects are complemented by a robust, costed and achievable delivery programme and together these provide a framework for managing city centre type development up to 2035.

There are seven projects which are expected to focus on increased retail activity in the city centre –

- Aberdeen Indoor Market (CM06)
- Bon Accord Centre (CM07)
- Independent Aberdeen (CM08)
- St Nicholas Centre (CM09)
- Trinity Centre (CM10)
- Union Street Conservation Area Improvement Scheme (CM11)
- Union Square (CM12)

In combination with other identified projects with the masterplan it is expected that around 50,000sqm of retail and leisure floor space could be delivered within the CCMP area.

Strategic Investment Plan (SIP) - The Council's Strategic Infrastructure Plan focuses on the development of the enabling infrastructure needed to realise the city's aspirations to be an even more attractive, prosperous and sustainable city and deliver growth. Regeneration of the city centre is identified as a key goal of the SIP.

## **EVALUATION**

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### **National Planning Policy**

Scottish Ministers, through Scottish Planning Policy ('SPP'), expect the planning system, amongst other things, to focus on outcomes, maximising benefits and balancing competing interests; play a key role in facilitating sustainable economic growth, particularly the creation of new jobs and the strengthening of economic capacity and resilience within communities; and be plan-led, with plans being up-to-date and relevant.

SPP emphasises that it is important that planning supports the role of town centres (a generic term which includes city centres) to thrive and meet the needs of their residents, businesses and visitors for the 21st century. The 'town centre first' principle, stemming from the Scottish Government's 'Town Centre Action Plan', promotes an approach to wider

decision-making that considers the health and vibrancy of town centres and limits situations where out-of-centre locations are regarded as acceptable for uses which generate significant footfall.

The above principles are replicated in the Aberdeen Local Development Plan 2017 ('LDP') which promotes a strong and thriving city centre as a key attribute in delivering the wider strategic aims of the Aberdeen City and Shire Strategic Development Plan 2014 ('SDP') and in this regard the LDP policies and proposals seek to enhance its role as a key commercial centre.

## **Spatial Strategy of the Development Plan**

### Application Site – Background

The SDP has a target of having at least 20 hectares of marketable employment land<sup>1</sup> available of a standard which will attract high-quality businesses or be suitable for company headquarters. With the SDP target in mind, 50 hectares of land at Kingswells was allocated in the LDP 2012 for specialist employment use. Part of this has now become Prime Four, the success of which has seen an extended allocation carried forward into the newly adopted LDP.

Prime Four has an attractive environment with high quality buildings at which several global companies, predominately involved in the North Sea oil and gas industry, have opted to locate their office premises. Prime Four is also home to several facilities which directly support the business park, such as the 'Village Urban Resort' hotel, 'Kingswellies' Nursery and the 'Fresh Café'.

### Drafting of the Aberdeen Local Development Plan 2017

In June 2013, at the developer bid stage of the Proposed LDP 2015, a proposal (ref: B0309) was made by the applicant to alter part of the existing OP40 allocation, to allow a mix of employment, retail and leisure uses.

In considering that proposal, the Council discounted the option as it was considered there was no quantitative deficiency of convenience retail provision in the west of the city. Rather it was considered that new communities such as Countesswells will require retail space to meet day-to-day and occasional main food shopping requirements. However, such provision should be made within a more convenient location within those new communities, in order to reduce the need to travel and to support wider sustainability objectives. It was also found that a retail development in this location had the potential to have a wide catchment area, given its prominence and location next to the new AWPR junction. It was considered that small scale retail development that would support the employment development at Prime Four and that could, to a limited extent, serve residents in Kingswells

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<sup>1</sup> *Marketable employment land* means land that as well as meeting business requirements, has a secure planning status, can be serviced within five years and is accessible by walking, cycling & public transport.

may have been appropriate, but that there was no justification for a larger retail use. Therefore the proposal was not carried forward to the Proposed LDP 2015 or indeed the now adopted LDP.

The Council has therefore already assessed the principle of the proposals and taken the position that it wishes to see specialist employment use remain at Prime Four, in order that the city can respond to any increase in demand for high quality employment land. This desire is supported by the Aberdeen City and Shire Strategic Development Planning Authority, which in their representation to this application, highlight that it is vital that short-term decisions are not made in response to the current economic climate, without reflecting on the long-term consequences. Additionally, it is not considered that the proposed retail development is either required or sustainable.

Even if an argument was made for additional retail space being allowed within the city, beyond that identified in the LDP, the Council's established position is that Prime Four is not a suitable location.

#### Policy B2 (Specialist Employment Areas)

The existing LDP zoning as specialist employment land sees Policy B2 explain that within such areas, in order to maintain a high quality environment, only class 4 (business) uses shall be permitted. Principally Class 4 activities associated with research, design and development, knowledge-driven industries and related education and training will be encouraged. There is no provision within Policy B2 for large scale retail developments. Therefore the proposal conflicts with this aspect of the policy.

However, other facilities which would directly support the business park are permitted by Policy B2. Such facilities should be aimed primarily at meeting the needs/catchment of businesses and employees within the specialist employment area itself. In this case it is apparent that the type and scale of the retail development proposed would have a significantly larger catchment area than simply the business park itself. In fact what is proposed would attract consumers from across the north east of Scotland. The proposal therefore also conflicts with this aspect of Policy B2.

#### Extension to Prime Four Business Park

The Proposed LDP, published in March 2015, included a 13 hectare expansion of Prime Four, which is located immediately to the north of the application site and was previously green belt. In the Scottish Government reporter's examination of the Proposed LDP 2015, it was concluded that the site should be allocated for specialist employment use, given the economic success and quality of the existing Prime Four Business Park and the likelihood that the development would deliver significant economic benefit. This expansion site was therefore allocated as OP63 for specialist employment use on adoption of the LDP. Whilst it is accepted that the economic climate has changed during the period within which the LDP was drafted, as already emphasised, any acceptance by the Council that large scale retail use is acceptable at Prime Four would undermine the arguments made to have further land



allocated at Prime Four and also undermine the potential for the city to respond to any upturn in demand for high quality business land. 'Internationalisation', in particular promoting the investor readiness of the region across global markets, is a key strand of the Regional Economic Strategy, approved by the Council in December 2015. Reducing the availability of immediately developable commercial space could compromise the overall competitiveness of the region and the success of the economic strategy.

To summarise, through the drafting and adoption of the LDP, the Council has already considered and rejected the concept of retail development at Prime Four and confirmed that the site should remain as employment land available for high quality business park use. Furthermore, the proposed development is contrary to Policy B2 (Specialist Employment Areas) of the LDP on account that it proposes a use which is not considered acceptable within such areas. The Council's position on the uses it sees appropriate for the site has only recently been confirmed through the adoption of the LDP and considerable weight should be given to this.

### Supply of Employment Land

The latest employment land supply figures are contained in the Employment Land Audit 2016 ('ELA'). This sets out figures up to the end of 2015 and shows a total of 205 hectares of marketable employment land available in Aberdeen City. This appears to compare favourably to the SDP target of 60 hectares being available at all times (including the lifetime of the 2017 LDP – up to 2022). However, there are a number of further issues that need to be borne in mind and these are discussed below.

Of the 205 hectares of marketable land identified, only 46 hectares is regarded as immediately available. This immediately available land exists in a limited number of locations – Dyce Drive, Peterseat and Altens East, with smaller plots elsewhere. The ELA also shows that there was 26.5 hectares under construction at the time – all at Dyce Drive, Prime Four and a small amount at Altens East. Beyond the study period of the ELA, around 24 hectares of marketable land at Rowett North is now under construction, to deliver the new Aberdeen Exhibition and Conference Centre. This means that around 25% of the marketable land identified in the ELA has already been developed or is under construction. Taking these factors into account and whilst it is accepted that development activity of employment land has reduced since 2015/16, what is clear is that Aberdeen needs to have a generous supply of readily available employment land in order to be prepared for any economic upturns, which can result in a significant amount of development occurring in a short space of time – as has been the case.

As well as the quantity of employment land available, the SDP also requires to address locational and qualitative issues. Taking the first of these, marketable employment land should be available in a range of places. In this regard, most of Aberdeen's employment land is concentrated in three areas – Bridge of Don, Dyce and south of the city around Cove and Altens. Beyond this, other than 10 hectares of allocated land at Countesswells, which has yet to be delivered, the only major employment area in the western part of Aberdeen (from the A96 in the north to the A90 at Charleston) is Prime Four. Losing

employment land from this large swathe of the city to other uses would therefore run contrary to the requirement for a range of places to have employment land available. It should be noted that the use of the word 'places' rather than 'sites' is significant in this context, as most employment land 'sites' are concentrated into the three areas identified. Importantly Prime Four is the only significant place with employment land availability within the western part of the city and therefore should be retained for that purpose.

### Aberdeen Local Development Plan (2017) – Retail Strategy

In 2013 the 'Aberdeen City and Aberdeenshire Retail Study' ('ACARS') was commissioned jointly by Aberdeen City Council, Aberdeenshire Council and the Aberdeen City and Shire Strategic Development Planning Authority ('SDPA'). The recommendations in ACARS supported the drafting of the 2017 LDP and the retail allocations within it. It

ACARS shows, based on a set of assumptions, there is potential for developing an additional 30,000-35,000sqm of retail floor space in the city centre by 2022. This potential was driven by a combination of then predicted expenditure growth per capita and large population increases within the catchment area served by the city centre. Additional floor space would also help to prevent excessive expenditure leakage and maintain the city centre as the primary retail area in the North East. It is important to note however that unlike for housing or employment land, the Council is not required to have a certain level of new retail floor space available within the city, the potential therefore identified does not represent a 'shortfall' which must be met. However in the interests of the economic development of the city, it is clearly desirable to be able to meet any demand there is for new retail space.

In order to inform the retail strategy of the new LDP, a number of potential scenarios were considered. Each were evaluated in a relatively sophisticated way, taking account of the extent to which they would address retail deficiencies (both quantitative and qualitative), the overall impacts on the level of retailing within the study area which provides the basis for identifying overall net economic benefit and finally the different potential adverse retail impacts on identified retail centres which may arise.

The preferred scenario recommended by ACARS was the creation of retail space within new housing sites at Countesswells, Newhills and Grandholme and the development of approximately 30,000sqm of new floor space for comparison goods within the city centre. It was acknowledged however that this the scenario would result in adverse retail impact on Fraserburgh and Torry town centres and have potential adverse impacts on Peterhead Town Centre and existing District Centres in north Aberdeen and Kittybrewster Retail Park. The total amount of floor space proposed in the study area was significant and would require innovation in its delivery. As such this was the scenario which informed the LDP and the allocations within in it.

One of the scenarios discounted by ACARS featured a further 30,000sqm of new comparison floor space to be located out-with the city centre and mirrors the current proposal. That scenario was rejected on the grounds that it would have high adverse

impacts on the city centre and other retail centres and for its potential to undermine city centre retail investment. It is important to note that developers and retailers are likely to see out-of-centre sites as being more attractive, as they would be easier and cheaper to develop in comparison with sites in the city centre – but would not have the same cumulative benefits and sustainable credentials. For these reasons and the belief that the level of floor space was beyond anything required to address the deficiency identified, saw the scenario discounted.

However, the applicant incorrectly claims that ACARS finds the two scenarios to have the same impacts, whereas as outlined above, this is clearly not the case. The applicant thus appears to base their case for the retail park on the second scenario, despite it being disregarded by ACARS and subsequently the Council in adoption of the LDP.

### **City Centre First Principle**

Both the SDP and LDP recognise that the city centre plays a major role in the commercial, economic, social, civic and cultural life of Aberdeen and beyond into the wider North East region. A target is set by the SDP of ensuring Aberdeen city centre remains one of the top-20 retail areas in the UK. In this context it is vital for the future prosperity of Aberdeen that the city centre is enhanced and promoted as a resilient, safe, attractive, accessible and well-connected place which contributes to an improved quality of life.

Retailing is identified by the LDP as a major activity in the city centre and, as the region's main shopping destination, it is important to maintain and improve the visitor experience on offer to maintain Aberdeen's strength and competitiveness. The LDP supports the delivery of this vision through applying policies which positively promote what can happen and where, further informed by the City Centre Masterplan and Delivery Programme ('CCMP').

LDP Policy NC1 (City Centre Development – Regional Centre) states that the city centre is the preferred location for retail, office, hotel, commercial leisure, community, cultural and other significant footfall generating development serving a city-wide or regional market. Proposals for such uses (unless on sites allocated for that use in the LDP) shall be located in accordance with the sequential approach. This approach is known more generally as the 'town-centre first principle' and it offers a range of benefits over out-of-town development, including making developments highly accessible rather than only being available to those with cars, as well as generating spin-off trade for other city centre uses such as leisure, cultural, and food & drink. It is therefore clear that for a development of the type and size proposed, the preferred location is the city centre, or if that is not possible, one of the existing town, district or neighbourhood centres located within the city.

In this case the proposal must be considered as an out-of-centre proposal, as it is not within any existing retail centre or identified site for new retail development, triggering the requirements of Policy NC5 (Out-of-Centre Proposals). NC5 establishes that all significant footfall generating development appropriate to designated centres, when proposed on a site that is out-of-centre, will be refused planning permission unless all of the following five requirements are met.

1. No other suitable site in a location that is acceptable in terms of Policy NC4 (Sequential Approach and Impact) is available or likely to become available in a reasonable time.
2. There is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed.
3. There will be no adverse effect on the vitality or viability of any centre listed in Supplementary Guidance.
4. The proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycling and public transport routes which link with the catchment population. In particular, the proposed development would be easily accessible by regular, frequent and convenient public transport services and would not be dependent solely on access by private car.
5. The proposed development would have no significantly adverse effect on travel patterns and air pollution.

In order to assess retail issues and policies, the applicant has submitted a retail impact assessment ('RIA'), produced by Lambert Smith Hampton ('LSH'). In response the independent retail planning consultancy that produced ACARS on behalf of the Council, Hargest Planning Ltd. ('HPL') was appointed to review the RIA for the Council. This has helped inform officer's assessment of the RIA and wider consideration of the application. In terms of the five requirements of Policy NC5, each is considered separately in the following sections.

### **Sequential Approach**

*Requirement 1 – No other suitable site in a location that is acceptable in terms of Policy NC4 is available or likely to become available in a reasonable time.*

Policy NC4 requires developers to undertake what is known as a sequential test, a process for choosing sites for retail and other significant footfall generating developments. The approach first looks for sites in city centre, then edge of city centre, then town and district centres, then sites on the edge of these centres, and as a least preferable option finally out-of-centre sites which are accessible by public transport.

In carrying out the test, recent case law and SPP requires the developer to take a flexible approach in applying the test and to consider whether the proposal could reasonably be altered or reduced in scale, to allow it to be accommodated at a sequentially preferable location or locations.<sup>2</sup> In response the LSH report considered ten sites within and on the edge of the city centre. All were found to be unsuitable or unavailable. Seven town and district centres were considered but again discounted, largely due to the constraints of

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<sup>2</sup> *Tesco Stores Ltd v Dundee City Council* [2012] UKSC 13

existing development around the centres which limits expansion opportunities. All sites considered are shown in appendix 1.

There were initial concerns over the sequential test approach the applicant had taken and the lack of information on what format the proposal would take. Further information and explanation indicated that the parameters applied were too limited and an updated test was subsequently undertaken.

The Council's retail consultant and officers have reviewed the sequential test carried out and agree that there are no sequentially preferable sites within the Aberdeen City boundary which could accommodate the form and scale of development proposed. However, that is not to say that there are not more appropriate alternative locations out-with identified centres in other parts of the city, which for example are in more accessible locations.

Furthermore although the applicant in their revised assessment reduced the site area of the proposed development by the use mezzanine floors to accommodate part of the floor space, no attempt has been made at disaggregating any of the elements, such as the convenience floor space, to determine if the same quantum of development could be accommodated across a number of sites and still be successful with a smaller floor space in a more sequentially preferable location. This may have opened up a number of other more sustainable locations for consideration.

Additionally, although the LDP does not require applicant's to consider sites located out-with the city boundary, such as within Aberdeenshire, due to the regional catchment area the proposal would have, officers consider it worth investigating. With that in mind, Aberdeenshire Council have advised that they would consider there to be no sites within Aberdeenshire which would be capable of accommodating the proposed development. It is reported however that there are smaller sites allocated at Inverurie, Ellon and Blackdog, which could accommodate some of the floor space proposed.

To conclude, although the case for a retail park has not been justified; officers consider that the applicant has demonstrated there are no sequentially preferable sites within Aberdeen's existing retail centres which would be capable of accommodating the development strictly as proposed. However, because no attempt has been made to disaggregate elements of the proposal, the sequential test carried out is not considered robust. Although not considered as part of the applicant's own assessment, neither would it appear that there are any suitable sites within Aberdeenshire that may be sequentially preferable in terms of being located within an identified centre.

### **Retail Capacity and Deficiency**

*Requirement 2 – There is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed.*

This aspect of the policy requires the applicant to demonstrate that there is a deficiency in the retail offer in Aberdeen and that the development would address that deficiency. In this

regard the applicant's position on quantitative need is that the scale of expenditure in the Aberdeen catchment area is more than sufficient to justify the retail floor space proposed, whilst also accommodating the other emerging and proposed retail floor space in the city identified in the LDP. In concluding this the applicant relies on the ACARS study to suggest that there is a quantitative retail deficiency in Aberdeen, that is to say consumers are spending money out-with the city/catchment because there is insufficient retail provision within it to accommodate a higher level of expenditure. It is also contended that the proposals in the LDP are unlikely to deliver the floor space expected by 2022 and even if they managed to do so, they would not address the level of deficiency that exists.

In order to consider this issue in full and to determine whether there is in fact a deficiency which needs to be addressed; estimates of existing and future population and available expenditure need to be determined along with the level of existing retail floor space and turnover. This assessment is undertaken below.

### Quantitative – Population and Expenditure Growth

It is acknowledged that since ACARS was undertaken in 2013, the economic situation in the Aberdeen and north east of Scotland has changed considerably. Since mid-2014 the region has experienced a protracted economic downturn as a result in of the significant drop in the price of North Sea oil and gas. The economic boom which occurred between 2010 and 2014 is unlikely to be replicated in the near to mid-term, if at all.

One indicator of the economic performance of the area is population growth, this is also an important factor in retail impact assessment as it is the base on which assumptions regarding increases in available expenditure are made.

Since 2013, the National Records of Scotland ('NRS') 2012 based population growth projections for the period of 2017 – 2022 have been published and indicate an expected growth of 5.7% for Aberdeen City and 4.6% for Aberdeen City and Aberdeenshire together. In the most recent projection, based on 2014 data, this reduced to 3.5% and 4.0% respectively, which would result in a regional population of 521,022 in 2022. Whilst it is significant that these projections represent an apparent slowdown in population growth, it must also be noted that they were produced using data related to the period before the dramatic downturn in the regional economy and the result of the referendum on leaving the European Union. Currently all the indications are that as a result of these factors, actual growth and migration into the region will be substantially lower than the 2014 based estimates, with NRS data suggesting that the 2015 mid-year figure has been overestimated by 0.3%, which may appear small but when related to one year is significant. The regional economic slow-down coupled with an expectation that wider national economic growth will slow over coming years as the United Kingdom's exit from the EU approaches leads to the conclusion that the population estimates (thus expenditure levels available) used by the applicant are significantly over optimistic.

As a reducing population would result in lower levels of available expenditure in the region, this has two implications, in terms of retail impact assessment. The first is that the

estimated retail capacity would be reduced and the second is that existing stores will have lower turnover, as there are less consumers to spend money. This would result in the proposed development having a higher impact on existing centres than estimated by the applicant, using the outdated data.

A second set of population growth data, used by the applicant, has been supplied by information services group Experian. This suggests growth of 4.4% in the period of 2017 – 2022, resulting in a significantly higher predicted regional population of 633,204 in 2022. With a 2011 census population of 476,000, the Experian figures utilised by the applicant appear to be wildly inaccurate and do not appear to take into account the reality of the economic situation in the north east of Scotland. To explain, the 2014 data predicted figure would be exceeded by 112,182, whilst the 2011 population in itself would require to grow by 157,204. This shows the variances in data and the need to use reliable and up to date sources.

In reviewing the RIA, HPL considered that the applicant has made unrealistic assumptions with regards to population forecasts and thus appears to have made significant errors in calculating the available expenditure per capita. The HPL review of the RIA found that total available expenditure within the ACARS area is overestimated by 2-5%. Although this may appear to be a small figure, retail impact assessments are highly sensitive to small variations.

The applicant also claims that the comparison goods turnover of the proposed development would be entirely consumed by their predicted growth in comparison goods expenditure in the ACARS study area between 2017 and 2022. However, this is considered unlikely given the economic conditions and wider discussion above.

The conclusion is that the RIA overestimates existing and future turnover in existing and proposed floor space, which results in a significant underestimate of the potential retail impact.

#### Quantitative – Overtrading

The applicant also relies heavily on the notion that retailers in the city centre are 'overtrading'. That is to say existing city centre stores are successful but cannot meet customer demand due to expansion constraints which would allow additional floor space to be developed, and thus latent expenditure is available which should be directed to new stores at Prime Four, without a significant impact on the city centre. However, whilst 'overtrading' is a useful concept for identifying quantitative deficiencies, HPL conclude that the applicant has underestimated average turnover of retailers, with the difference between what the applicant suggests and what ACARS estimated, being £152.3m. This, in combination with the overall health of the city centre as a whole, and the opportunities to expand the retail offer - result in the extent of overtrading in the city centre being significantly overestimated. It therefore follows that any impact on the city centre as a result of Prime Four would be significantly greater than suggested by the applicant. Notwithstanding, even if an element of over trading exists, as national and local policy

promotes, it would be better addressed by the creation of further space within the city centre, rather than in an out-of-centre retail park.

#### Quantitative – Expenditure Leakage

ACARS identified that there is around £110m per annum of retail expenditure leakage from the whole study area (Aberdeen City and Aberdeenshire). However, it is important to note that whilst this is a significant figure, much of it is attributed to outlying areas close to Moray and Angus. For example someone living in north Aberdeenshire may travel to Elgin in Moray to complete their weekly shop, rather than going to somewhere within Aberdeenshire, equally people may choose to undertake destination based shopping such as by visiting larger national or international destinations. Thus it is not reasonable to expect that all expenditure available within a catchment can be retained therein. Moreover, this leakage is the gross figure and does not take into account the inflow of expenditure from out-with the study area (such as from consumers living in Elgin or Dundee), which when taken into account results in a far lower net-outflow figure of £14.1m in 2013 and an estimated outflow in 2017 of £20.8m. Although it should again be reiterated, that these predictions pre-date the current economic situation.

Perhaps more significantly, the applicant's retail study, in support of their position that there is a retail deficiency in Aberdeen, incorrectly attributes the £110m figure to Aberdeen City only, rather than the whole ACARS study area. For Aberdeen City, there is in fact a net-inflow of expenditure from outside the ACARS area of £60.85m. The gross leakage identified by ACARS therefore does not, in any way, support the applicant's position that there is a quantitative retail deficiency in Aberdeen which has not been addressed.

#### Qualitative – Comparisons with Other Scottish Cities

The applicant takes the view that when compared to Edinburgh or Glasgow, Aberdeen suffers from a lack of out-of-town retail parks; however this argument ignores the differences between such cities. To explain, whilst Aberdeen is relatively isolated and is the regional focus of the north east, Edinburgh and Glasgow are large conurbations with multiple retail centres which are sustained by the significantly larger surrounding populations. It should also be appreciated that different regions will also be subject to different planning policies, tailored for the region's own specific circumstances. Whilst SPP requires planning authorities to support sustainable economic growth, there is no requirement to have out-of-town retail parks, as appears to be suggested by the applicant. In essence it appears to be the argument, that because there are out-of-town retail parks elsewhere, that this is justification for the same to happen in Aberdeen.

If any comparison is made, it would be important to note that it is apparent that there are concerns in both Edinburgh and Glasgow with the growth of out-of-town retail parks and their impacts. In 2013, Edinburgh City Council refused an application for an extension to the Fort Kinnaird Retail Park, which would have allowed a new Debenhams department store to open. A subsequent appeal to the Scottish Government was dismissed, as it was found that the increase in turnover at Fort Kinnaird would increase the impact that the retail park



already had on Edinburgh city centre.<sup>3</sup> Concern also exists in Glasgow with the expansion of Braehead Shopping Centre in Renfrewshire, where Glasgow City Council objected to the proposal by Renfrewshire Council to designate Braehead as a 'Town Centre', due to the impact it would have on Glasgow city centre. Otherwise, out-of-town centres (Springburn and Glasgow Fort) were developed to address identified retail deficiencies in particular areas of Glasgow and identified in the Glasgow LDP, which in its production would have considered the impact these new centres would have on the city centre. In comparison, there is no identified requirement for a new retail park at Kingswells, or indeed elsewhere within the ACARS catchment – with the 'town centre first' approach having seen retail requirements accommodated.

From this it can be concluded that large retail parks, by and large, rather than complementing the city centres of Edinburgh or Glasgow, are in fact in direct competition. Therefore, whilst the applicant argues that Aberdeen's lack of out-of-town retail is a weakness, in contrast it should be seen as a strength which reinforces the city centre's dominance in the region and focus for sustainable economic growth anchored by retail attractions. Indeed Aberdeen has benefited from the Council's implementation of the town centre first principle which has provided investors with confidence to proceed with significant developments over the past decade, such as the opening of Union Square and expansion of the Bon Accord Centre, with further additions programmed. Therefore it is recommended that no weight is given to comparisons with the situation in terms of retail parks found in Edinburgh or Glasgow.

### Summary

In summary, the ACARS study was a wide-ranging analysis of the retail situation in the north east of Scotland, which considered a range of factors in coming to a recommendation to inform the LDP. Through the adoption of the LDP the council have been through a process of determining a suitable retail strategy for the city. This process assumed a realistic yet optimistic outlook in terms of population and expenditure growth, based on the data available and circumstances at that time. Now, the regional economic downturn and lower national economic growth estimates are expected to result in lower population projections and therefore lower available retail expenditure within the region. It is therefore considered that the retail floor space within the LDP, and already coming forward, would be more than sufficient to address any retail deficiencies within the city. In contrast the applicant has failed to demonstrate that there is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed, thereby failing to fulfil the requirement of criterion 2 of Policy NC5.

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<sup>3</sup> DPEA Appeal Decision Notice PPA-230-2113

## **Retail Impact on Retail Centres**

*Requirement 3 – There will be no adverse effect on the vitality or viability of any centre listed in Supplementary Guidance.*

The conclusion of the applicant's RIA is that in their test year of 2022, there would be a 5.7% (£66m) impact on turnover in the city centre. In contrast, the review by HPL using their own assumptions, considers the impact to be in the order of 9% or £88m. It is important to note that these figures relate to the total turnover of the entire city centre.

In coming to a conclusion on the impact, the turnover of the proposed development, its trade draw and trade diversion all need to be considered, along with an examination of the relative health of any affected retail centre.

### Quantitative – Turnover of the Proposed Development

The turnover of the proposed development is calculated by applying the average sales density to the level of proposed floor space. The higher the turnover, the larger the impact on the city centre and other centres would be. In their assessment the applicant has used an annual turnover figure of £19.23m for convenience goods and £101.44m for comparison goods.

However, HPL's review found that this stated turnover of the proposed development has been significantly underestimated, particularly due to inappropriate sales densities being applied for comparison goods. For example, many of the retailers selected as part of the assessment have below average sales densities. Thus the underestimation in turnover underplays the impact the development would have on the city centre and other retail centres. HPL suggest that applicable annual turnover figures for comparison goods of between £112.5m and £122.5m would be more appropriate for comparison goods, thus c.10-12% greater than considered in the applicants RIA.

### Quantitative – Trade Draw and Diversion

The applicant estimates that the development would draw 60% of its trade from the city centre and that the existing retail parks would have 10% of their trade diverted. With such a high proportion of trade coming from the city centre by the applicant's own admission, it is therefore difficult to see how their position that the retail park would complement, rather than be in competition with the city centre, can be relied upon.

Notwithstanding HPL found that the applicant's already significant trade diversion assumptions are themselves unrealistic and appear to also indicate that an unreasonably high proportion of trade would be diverted from retail park locations and locations outside the north east, such as Edinburgh and Glasgow. Rather it is the position of officers that it is a reasonable assumption that consumers visit these larger cities for the wider retail, leisure and cultural offering available, rather than simply to visit the same shops that they could in Aberdeen, or to in isolation visit a particular brand offering that is not located in Aberdeen presently. Given the types of retailers which the applicant has suggested have shown

interest in occupying the retail park (Boots, JD Sports, Cotswold Outdoors, Next and Superdrug), it appears highly questionable to suggest that the retail park would stop significant levels of leakage to the central belt, by providing attractions which are not presently available or could not reasonably be located within the city or other centre. Rather, it would be in direct competition with the city centre with replicated offerings.

HPL also consider that for a development of this significant scale, there is a lack of sensitivity testing within the retail impact assessment, the result being that there is a higher degree of uncertainty in the results of the assessment.

In terms of the reduction in turnover that the city centre would experience, the RIA suggests that there would be a reduction of £66.35m or 5.7% of total city centre turnover. Additionally the RIA view is that the city centre is in good health and that in such circumstances any figure below 10% would result in an insignificant impact. HPL have carried out their own review and calculates the impact to be in the order of £88m or 9% for all turnover and rising to 10% for comparison goods turnover, thus between 3.3 and 4.4% greater impact.

Based on the information provided, the impact on the city centre and town centres is significantly underestimated by the applicants study.

Furthermore, beyond the direct impact upon the city centre in terms of a reduction in turnover, there are also indirect impacts which need to be considered, such as footfall levels, dwell-time and effects on investor confidence. These are essentially the risks which go beyond the more immediate trade diversions noted above and are a matter of judgement – but potentially even more significant in their impact on vitality and viability and future health or growth potential.

#### Qualitative – Health of the City Centre

In order to determine the magnitude of the impact on the city centre, its relative health needs to be examined so that its ability to absorb any impact can be determined. The applicant considers the city centre to be good health whereas the assessment carried out by HPL suggests that parts of the city centre may be in decline. Members may also wish to apply their own understanding of the health of the city centre as a retailing destination and whether or not it is in good health.

It is clear that the applicants position is that Prime Four is intended to fill an unmet demand, rather than to compete with existing stores in the city centre. Moreover, they contend that Prime Four proposals are tailored to address a specific requirement from retailers, many of whom already have a presence in city centre. They argue that these retailers do not require additional city centre stores and instead wish to add to their offer with retail park representation, which the applicant suggests would not prejudice the delivery of sites identified for retailing in the city centre or threaten the existence of any existing retailers, in part due to the assumption that they are 'overtrading'.

A key factor in the city centre's viability and vitality, up until now, is the presence of a large numbers of national multiple retailers, exactly the retailers which the applicant suggests they are looking to attract to Prime Four. Whilst it is suggested such retailers wish to open new stores, in addition to those already within the city centre, no evidence has been provided of this and the reality is that if additional stores were opened, trade would be diverted away from those existing city centre stores as consumers spread their expenditure over numerous locations, or avoid coming into the city centre at all – removing the potential for linked trips to other offerings and any additional spending associated to leisure, restaurant or cultural facilities.

The presence of a very large unit in the indicative plans is of particular concern, as the market for such a scale limits the only retailers who would occupy such a unit to department stores such as John Lewis or Debenhams, both currently anchor stores within city centre shopping centres. The presence of anchor stores is a magnet which attracts other retailers to locate in the surrounding vicinity, thus if such department stores were to relocate to an out-of-town retail park, this could have significant implications on the wider locales/city centre and knock-on effects in terms of the loss of other retailers, as they followed their anchor. Whilst the applicant asserts that Prime Four is expected to be occupied by the same retailers as are in the city centre, there is nothing to stop retailers which are new to the city locating at Prime Four, thereby diverting potential new retailers away from the city centre. Therefore potential presence of a large department store would make Prime Four an extremely attractive proposition to retailers who are new to Aberdeen looking to open their first store, which it is argued would be contrary to the town centre first principle and to the health of the city centre.

Officers are aware of the use so called 'no-poaching' conditions by other planning authorities. Such a condition could require any retailer which has a city centre presence and wished to locate to Prime Four to agree to maintain their city centre presence for a particular period of time, thereby on the face of it maintaining the vitality and viability of the city centre. Whilst case law has found this approach to be lawful<sup>4</sup>, it is considered by officers that such conditions would only represent a short term solution to preventing any retailers from relocating out of the city centre. It would not stop the ultimate dilution of retail expenditure, which would be to the wider detriment of the city centre. Even if retailers were to retain their stores within the city centre, the replication of existing provision at Prime Four would remove an incentive for people to visit the city centre. Overall such an approach could only be considered if the need for the development was accepted in all other respects, but protection of particular retail offerings in the city centre was to be given.

ACARS found the vacancy rate within the city centre of 7.4% (66 of 891 units) in 2013. Updated figures provided by the applicant and sourced from Experian show a vacancy rate of 9.47% (71 of 1024 units) in February 2016, although those figures covers a wider survey area than was considered by ACARS, so isn't directly comparable. The applicant however carried out their own assessment in January 2017 of the area that corresponds with the city

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<sup>4</sup> R (Skelmersdale Ltd Partnership) v West Lancashire BC [2016] EWHC 109 (Admin).

centre as defined in the LDP (slightly smaller than the area considered by ACARS) and found a vacancy rate of 8.3% (68 of 818 units).

As a further reliable comparator, in October 2016 the vacancy rate for the Aberdeen Business Improvement District area was 9.7% (93 of 975 units), with an increase to 10.5% (102 of 976) in January 2017 and drop to 9.3% (91 of 977) in April 2017.

Appendix 2 shows a graph of the vacancy rate on Union Street and the top sector of Holburn Street, a more concentrated sample area of a total of 203 units, between February 2012 and February 2017. The rate has varied between a low of 10.3% (22 vacant units) in July 2015 to a high of 14.3% (29 units) in September 2013 and July 2016. The rate in February 2017 was 12.3% (25 units).

The vacancy data from the city centre and Union Street shows that despite a decline in the wider economy, there is no clear corresponding increase in the number of actual vacancies during that period. Rather vacancies have remained relatively stable with only minor increases and decreases and remain below the Experian UK average of 11.18%.

Notwithstanding, there appears to be a significant decline in the number of retailers within the city centre between 2013 and 2017. ACARS shows a figure of 21.1% of floor space being used for non-retail uses (also known as retail services – such as estate agents, travel agents, hairdressers, food and drink uses and banks & financial services) in 2013, whereas the applicant's figures show a figure of 37.1% in January 2017. The area survey by the applicant was smaller than that covered by ACARS and focused on the city centre as defined by the LDP, resulting in a smaller area being covered and more peripheral parts of the city centre, where it would be expected to find more non-retail uses, being excluded. This shows a decline in the proportion of floor space used by convenience and comparison retailers, with them being replaced by non-retail occupiers. It is also apparent that the city centre has an increased level of lower quality occupiers, such as charity shops and short term occupiers, than in the past. Although it is acknowledged that the city centre serves a wide range of purposes and these other uses are essential to it remaining vibrant, the reduction in comparison and convenience retailers indicates a significant weakening city centre with regards to its retail function, both in terms of volume and quality of offering, and thus requires investment and support rather than evidencing a city centre which is faring well and that could absorb significant competition from a large new out-of-centre retail park.

The Council has recognised that the city centre has its challenges and in order to address them, the Aberdeen City Centre Masterplan (CCMP) was approved by Full Council in June 2015. The CCMP outlines a 20 year development strategy for Aberdeen city centre and identifies a series of ambitious but deliverable projects that will support future economic growth and will secure more benefits and opportunities for the communities of Aberdeen City and Aberdeenshire. The projects are complemented by a robust, costed and achievable delivery programme and together these provide a framework for managing city centre development up to 2035. Many aspects of the CCMP rely heavily on private sector investment in order to achieve its goals. The Councils Strategic Infrastructure Plan (SIP) also identifies regeneration of the city centre as a key goal.

It has been made clear through representations made to this application that these investments would be in jeopardy should the proposal take place. The owners of shopping centres, those with property investments within the city centre and other interested parties indicate unanimously that the possibility of a significant new out-of-centre retail destination within the city would affect investor confidence and be a substantial factor in deciding whether future investment in the city centre would be viable or indeed proceed.

It is clear that there is investor interest in the city centre at the moment, with several developments coming forward. At the time of writing an application for planning permission in principle (Ref:152005) is currently being considered by the Council for the expansion of Union Square, which would potentially see 11,148sqm of retail floor space, 4,665sqm of food and drink use and 4,645sqm of leisure space. A planning permission in principle application (Ref: 170353/PPP) was submitted in early April 2017 for the expansion of the Bon Accord Centre into George Street / Crooked Lane (8,500sqm of floor space including retail, food and drink, office and other commercial) and discussions are underway on the future of the former BHS unit and Aberdeen Indoor Market on Union Street and Market Street respectively. It is clear there is an appetite for delivering the identified retail space within the city centre, but this could be at risk if investor confidence is undermined.

It has also been highlighted by the city centre business improvement district representative, Aberdeen Inspired, that the proposal has created considerable uncertainty in the city centre property rental market, with prospective tenants delaying investment decisions pending the determination of the application. Correspondence received from Callum McCaig MSP and Kirsty Blackman MSP also indicates that they have been approached by city centre businesses concerned that trading conditions are already challenging and that the development would undermine both consumer and business confidence.

Officers are also of the strong opinion that approval of the application would send the undesirable message that the Council is not serious about implementing the CCMP, or indeed supporting the future success of the city centre. There is also the real risk that the city centre misses out on investment opportunities.

It is also incredibly important to be aware that the city centre functions not only as a retail centre, but a focus for leisure, business, culture and civic activities. Any downturn in retail activity would not only affect retailers but would have knock-on effects on the wider city centre. The proposal at Prime Four also includes an undefined level of class 3 (food and drink) floor space. This is sought to complement the retail offer proposed at Prime Four and make it a more attractive place to visit than if its offer was solely retail. It could also increase the number of customers visiting the retail park, perhaps as a 'one-stop-shop' and increase the dwell-time which people spend there. This would further reduce people's incentive to visit the city centre, with a resultant reduction in trade for city centre food and drink uses, reducing the vitality and viability of the centre as a whole.

New retail development is identified in the LDP at: Marischal Square, Crooked Lane/George Street, Aberdeen Market and Upper/Basement Floors of 73-149 Union Street, alongside further expansion and improvements to the existing retail stock in the City Centre Retail

Core. Further still additional opportunities for retail expansion within the city centre are identified through the City Centre Masterplan, as outlined below.

To summarise, indicators of vitality such as a reduction in the number of retailers, increase in the number of non-retailing uses and an increase in vacancies, suggest that parts of the city centre may be declining. When considered jointly with the significant levels of trade which the proposed development would capture, the conclusion of HPL and officers is that there is likely to be a significant adverse impact on the vitality and viability of Aberdeen city centre if the proposed development were to proceed, contrary to part 3 of NC5.

#### Qualitative – Health of Other Centres

The impact on other retail centres within Aberdeen would generally be less significant, with the exception of the Lower Berryden Retail Park, which it is expected would have high impacts, with a drop of 7.5% (£8.81m) in turnover of comparison goods. However it is not expected that it would affect the vitality or viability of the retail park, such that it would close.

For a development which has a regional catchment there will of course be cross-boundary impacts as consumers travel between different local authority areas for shopping. No analysis has been carried out by the applicant on the potential impacts on centres such as Westhill or Inverurie and therefore Aberdeenshire Council have objected to the proposal. Officers agree that it would have been beneficial for an analysis of the wider impact to be considered but in the absence of any analysis, it is not possible to determine whether there would be an impact on Aberdeenshire.

#### **Accessibility and Air Quality**

*Requirement 4 – The proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycling and public transport routes which link with the catchment population. In particular, the proposed development would be easily accessible by regular, frequent and convenient public transport services and would not be dependent solely on access by private car.*

*Requirement 5 – The proposed development would have no significantly adverse effect on travel patterns and air pollution.*

An objective of the SDP is to ensure all new development contributes towards reducing the need to travel by car and encourage walking, cycling and public transport. Following on from this the LDP identifies that the location of development can have significant impact on travel choices, with accessibility to jobs and services one of the key criteria used to determine where development should go.

In this regard the peripheral location of the Prime Four site to the city would result in a significant traffic generating use being located in an area only served by public transport between the City Centre and Westhill. Only a very small part of the residential part of Kingswells would be within a reasonable walking distance. The catchment area of the

development would be regional, however only a very small proportion of the catchment population would be able to reach the development by a sustainable means of transport. In comparison, the city centre is linked to the vast majority of the region by bus routes, most towns and villages within Aberdeenshire and further afield by bus routes, to several towns within the north-east by rail links and is within walking distance for a significantly greater proportion of Aberdeen's population than Prime Four. It is acknowledged that Prime Four Business Park is in a similar position in terms of accessibility; however it was allocated through the adoption of the 2012 LDP when it would have been considered as part of the wider development strategy for the city and scored against other potential employment land development options on a range of criteria, including accessibility. This strategic justification for the current proposal does not exist.

No information has been submitted to demonstrate that the development would have no significantly adverse effect on travel patterns and air pollution. Therefore the proposal fails on this aspect of the policy.

Thus the proposed development significantly fails to meet the policy test of NC5, with regards to accessibility as it would not be easily accessible by regular, frequent and convenient public transport services and would largely be dependent solely on access by private car, for the vast majority of its catchment, encouraging trips which otherwise may not occur if the offer was made within the city centre.

#### Summary of Compliance with Policy NC5

To conclude, it is considered that the sequential test could have been more robust and that there is the potential for the development to be disaggregated and more sequentially preferable and accessible sites to be found, in accordance with the first part of the policy. The applicant has failed to demonstrate that there is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed, thereby failing to fulfil the requirement of the second part. When considered jointly with the significant levels of trade which the proposed development would capture and health indicators of the city it is considered that there is likely to be a significant adverse impact on the vitality and viability of Aberdeen city centre if the proposed development were to proceed. The proposed development would not be easily accessible by regular, frequent and convenient public transport services and would largely be dependent solely on access by private car, encouraging trips which otherwise may not occur, failing to meet the policy test with regards to accessibility.

The proposal therefore fails on four of the five criteria in terms of Policy NC5 (Out-of-centre Proposals).

Following the withdrawal of the application from the agenda of the Council meeting on 15 March 2017 the applicant expressed a desire to continue dialogue with the Council and HPL on the methodology used and assumptions made in the retail impact assessment. However HPL have advised that whilst agreeing in certain circumstances assumptions can be useful, such further discussion would not alter the conclusions that have already been



provided. If the applicants were to adopt some or all of the assumptions that HPL have identified as unreliable, then it is anticipated that their assessments would be closer to those that are set out in ACARS and HPL's indicative RIA. Importantly HPL do not consider that the assessments set out in ACARS and the indicative RIA would alter as a result of further dialogue and therefore officers did not consider it necessary to continue discussions.

### **Impact on Aberdeen's New Communities**

The planned Aberdeen growth model sees the creation of large new communities around the periphery of the urban area; this eventuality was identified by ACARS as creating retail deficiencies in the convenience shopping sector. This in turn was recognised by the SDP, which explains that to create sustainable mixed communities, retail services must be one of the main considerations in preparing masterplans and development briefs for new development. Mixed use centres within these new communities is vital to their success as sustainable places for people.

To address these potential deficiencies, the LDP identified town centres to be situated in Newhills and Grandhome as well as new floor space at Countesswells. This floor space would form part of more expansive mixed use centres which are expected to include uses such as shops, cafes, doctors, dental surgeries and other community uses. Food stores would act as anchor tenants within the mixed use centres, without which it is likely to be very difficult to attract other retailers and services.

Countesswells (3,000 homes) and Newhills (4,400 homes) are both located in the west of the city, respectively 1.2km and 3.8km from the application site. Through the drafting and adoption of the LDP it was determined that the most appropriate locations for the new retail space to serve these new communities, was in the communities themselves, in order that they were as sustainably accessible as possible and a critical mass of uses could be created to support one another.

Planning permission has been granted for both Newhills and Countesswells, with work having started at the latter and the first of 239 homes in phase one expected to be occupied before summer 2017. It is acknowledged that the build-out of these sites will take between 10 and 20 years, with the mixed use centre at Countesswells not expected for several years yet. However the developer for Countesswells has indicated through representations, that they have already had interest from potential occupiers of the food store. The developer has also raised concerns that this interest could be seriously undermined by the granting of planning permission for a retail park at Prime Four. Having considered this, officers agree that there is a high potential that retailers would be attracted to the Prime Four development rather than the sustainably positioned mixed use centres within the new communities, and primarily designed to primarily serve that settlements needs. If this diversion were to occur there is the potential that there would be no critical mass of uses or footfall within the new communities, which would be essential to sustain other community facilities such as local retail services or food and drink uses. The potential result would be that large areas of the city would have no sustainable access to shops or community facilities, contrary to the vision of the LDP to create sustainable mixed use communities.

To summarise, the granting of planning permission for the proposal at Prime Four would be contrary to Policy LR1, which seeks to prevent any development which would jeopardise the full provision of any new community allocation. It is considered that the delivery of mixed use centres within the new communities at Countesswells and Newhills would be significantly jeopardised by the Prime Four proposal.

## **Transportation**

A Transport Assessment (TA) has been submitted in support of the application and has been reviewed by the Councils Roads Development Management Team.

It is proposed that the development would be accessed from a new junction onto the A944. Roads officers are not in favour of this being a signalised junction which is operational during the early phases of development and instead recommend that a left in/ left out arrangement is initially implemented in order to minimise delay on the A944. At a later trigger point (either 25% of the comparison retail floor space or any of the convenience floor space being occupied) a signalised junction would then be installed which could be linked to other signals on the A944 to ensure traffic flows are optimised.

The applicant's transport consultant has carried out a modelling exercise that shows the impact of the development on the local road network. This has shown that in the peak hour there is a lower impact in terms of queuing and delay with the introduction of traffic signals, as opposed to a left-in/left-out operation. However out with peak times, the introduction of traffic signals would result in additional delay on the A944.

Concerns have also been raised by officers in relation to the base traffic methodology, however given the unknowns surrounding the impact of the AWPR the figures chosen have been agreed to by roads officers. It is also considered that the TA has also likely underestimated the volume of trips attributed to surrounding committed development, by using flows applied during the LDP process and not updating these with the more accurate flows reported during consideration of planning applications. It is understood that the Council's modelling, which was used by the applicant, underestimates traffic flow. However, that model is currently being updated to address this issue. Nonetheless committed development has to an extent been accounted for and the approach is accepted by Roads officers.

In terms of the traffic impact of the development on the wider network, in the absence of the strategic transport fund, the applicant is required to undertake an analysis to determine what, if any, impact there would be and what can be done to mitigate any identified impact. Despite requests, the applicant has not provided any analysis of the wider network, which would be expected to cover: roads within the city, the AWPR and roads within Aberdeenshire Council's area. The TA shows that the impact on Lang Stracht and Skene Road in the PM peak would be 7% and therefore warrants further investigation. Although the applicant disputes the requirement for further investigation (because any employment use proposed at the site (the use for which it is zoned for) would also generate traffic)

Roads officers confirm that further investigation is required as per national guidance on transport assessments. This work has not been undertaken.

Although discussions were had between the applicant and the Council with regards to contributing to a future study to examine the whole A944 corridor, the study has no funding allocated to it and it is apparent that that study will not take place for at least several months. In terms of moving forward with this application, is not a viable option. Therefore roads officers are unable to determine what the impact of the development may be, and on that that basis roads officers object to the application.

Parking levels 10% below the maximum have been accepted by roads officers, which would result in 1410 parking spaces being provided. Details of motorcycle, bicycle and disabled parking could be agreed through conditions.

The general lack of sustainable accessibility of the site has been discussed previously, however roads officers are of the view that should the application be approved a public transport route between the development and the existing business park should be established This could be subject to a condition relating to how and when it is delivered. In the meantime bus stops would be provided on the A944 and passengers would need to cross the dual carriageway in order to access the development on foot, either on arrival or departure. A pedestrian crossing would be provided at the site access junction and incorporated into the traffic signal sequence for that junction once it was signalised

In summary, although certain transportation matters have been addressed, due to the failure to demonstrate an acceptable impact on the road network, or appropriate measures to mitigate any impact, the proposal fails to respond satisfactorily to Policy T2 (Managing the Transport Impact of Development).

### **Financial Offer from Applicant**

Whilst the applicant believes that their development would have a negligible impact upon the city centre, in an attempt to mitigate against this impact, they have made an offer of £5 million to the Council. The applicant suggests that these monies would be ring-fenced for a specific initiative identified from the City Centre Masterplan ('CCMP'), which could help improve the city centre.

Such a contribution would have to be secured through a planning obligation, which in itself must meet all of the five policy tests set out in Scottish Government Circular 3/2012 (Planning Obligations and Good Neighbour Agreements). These tests are that a planning condition or obligation must –

- 1) be necessary to make the proposed development acceptable in planning terms;
- 2) serve a planning purpose and, where it is possible to identify infrastructure provision requirements in advance, should relate to development plans;
- 3) relevant to the proposed development either as a direct consequence of the development or arising from the cumulative impact of development in the area;

- 4) fairly and reasonably relate in scale and kind to the proposed development; and
- 5) be reasonable in all other respects.

Taking each point in turn:

Necessity – in terms of necessity there is no national or local planning policy, which would suggest that developments which have an impact upon retail centres can mitigate their impact through a financial contribution. The anticipated impact on the city centre is complex and relates not only to the direct financial impact on city centre in terms of loss of trade, but also to wider city centre footfall, spin-off trade to other uses such as leisure and cultural attractions, as well as investor confidence. Officers have not identified that a financial contribution would mitigate the impact of the development and do not consider it an appropriate way to do so. This is evidenced by the fact that this avenue was not considered in the initial assessment of the proposals.

Planning Purpose – in relation to this second test, the applicant has explained that they envisage the contribution going towards a project, such as public realm improvements, which would make the city centre a better place to visit, easier to move around/ within and generally be more competitive. They also suggested that it could be used to improve public transport links to Kingswells. Whilst it is accepted that these are all matters which relate to planning, no specific project has been identified, neither has it been quantified exactly how the contribution would mitigate the impact of the development. The Council's Economic Development Service has confirmed that £5 million in itself could help deliver a CCMP project. However there are reservations in terms of what exactly £5 million could achieve in counteracting the significant and ongoing impacts that the proposed Prime Four development would have, which leads onto tests three and four.

Relevance, Fairness and Reasonableness – any obligation must be related directly to the development and fairly and reasonably relate in scale and kind to its impact. In this context the applicant has been unable to explain how they arrived at the figure of £5 million and how exactly it would mitigate the impact of their proposed development. Both the Council's Economic Development Service and the Council's retail consultant HPL have highlighted that they do not believe that one off payment would significantly mitigate the impact of the development. Indeed HPL's estimates are that £88.93 million of trade per annum would be lost from the city centre, whereas the applicants contend a lower figure of £66.35 million per annum. Clearly a £5 million contribution would therefore be approximately equivalent to the loss of trade from the city centre within each 3-4 week period of the operation of the completed Prime Four development. Given that development would be expected to operate for many decades, therefore the impact in terms of trade loss would be substantially larger than the offer made. This suggests that it would not go any significant way towards achieving its purpose of mitigating the impact of the development.

As already indicated, the approval of the development would also likely undermine investor confidence in the city centre. This risks the compound impact of loss of future city centre investment, which also amounts to significantly more than the £5 million proposed by the applicant. As an example the proposed Union Square extension is reported to represent

£200 million worth of investment, whereas the Bon Accord Centre also proposes an extension and public realm works requiring a large capital outlay to be made.

Finally, all conditions or obligations must be reasonable in all other respects. Officers consider that acceptance of an unwarranted financial contribution with no substantiation as to how the figure has been arrived and which would not in fact address the issue which it purports to, would be most unreasonable and expose the Council to significant risk of legal challenge.

### **Other Matters**

There are residential properties in the vicinity, the closest being East Kingsford Cottage which is on the north-west boundary of the site. The potential change in circumstances in the area around the cottage would be substantial, with significant levels of activity being generated in what is at the moment is a largely countryside setting. Notwithstanding, the site is already zoned for development and the some impact on amenity is likely to be experienced if the site is developed as a business park. Through the design and layout of the development any amenity issues could be addressed so as not to be unacceptable.

Largely technical matters relating to drainage, tree protection, contaminated land, archaeology, and protection of the environment have been satisfactorily addressed and could be subject to conditions requiring further information to ensure mitigation.

### **Notification to Scottish Ministers**

If the resolution of the Council is to approve this application contrary to recommendation then, because of the formal objection from Aberdeenshire Council, the application would have to be notified to the Scottish Government with a willingness to approval subject to suitably drafted conditions. Scottish Ministers would then decide whether they wished to call-in the application for their own determination, or whether to refer it back to the Council to issue the consent.

### **Conclusion**

To conclude, the proposal is for a significant amount of new retail floor space which would have a regional catchment area. Through the drafting and adoption of the LDP concluding in January this year, the Council has already considered and rejected the concept of retail development at Prime Four and confirmed that the site should remain as employment land available for high quality business park use. This established position of the Council should be given considerable weight.

The applicant has demonstrated there are no sequentially preferable sites within Aberdeen's existing retail centres which would be capable of accommodating the development strictly as proposed. However, because no attempt has been made to disaggregate elements of the proposal, the sequential test carried out is not considered robust.

It is also argued that Aberdeen has a lack of out-of-town retail parks, in comparison to Glasgow and Edinburgh. However, these cities have their own set of circumstances and planning policies and should not be relied upon to justify an out-of-town retail park in Aberdeen, which would be located in an inherently unsustainable location and has no accepted requirement in terms of addressing identified retail deficiencies. In contrast, the city centre's dominance in the region should be seen as strength to be enhanced. Aberdeen has benefited from the Council's implementation of the town centre first principle, which has provided investors with confidence to proceed with significant developments over the past decade.

The Aberdeen City and Aberdeenshire Retail Study, undertaken on behalf of the Council in 2013, was a wide-ranging analysis of the retail situation in the north east of Scotland which considered a range of factors in coming to a recommendation to inform the LDP and a suitable retail strategy for the city. Since then the regional economic downturn and lower national economic growth are expected to result in lower population projections and therefore lower available retail expenditure within the region. It is therefore considered that the retail floor space within the LDP and already coming forward would be sufficient to address any retail deficiencies within the city. It is also clear there is an appetite for delivering the identified retail space within the city centre, evidenced through the live applications and pre-application work underway, but this could be at risk if investor confidence is undermined. Furthermore approval of the application would send the undesirable message that the Council is not serious about implementing the City Centre Master Plan, a strategy which requires significant level of private investment to achieve its aims. It is considered that the applicant has failed to demonstrate that there is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed.

Indicators of vitality, such as: a reduction in the number of retailers, and the increase in the number of non-retailing uses, suggest that parts of the city centre may be declining. When considered jointly with the significant levels of trade which the proposed development would divert and capture, the conclusion is that there is likely to be a significant adverse impact on the vitality and viability of Aberdeen city centre if the proposed development were to proceed.

Officers have not identified that a financial contribution would mitigate the impact of the development and do not consider it an appropriate way to do so. The acceptance of an unwarranted financial contribution with no substantiation as to how the figure has been arrived and which would not in fact address the issue which it purports to, would be unreasonable and expose the Council to significant risk of legal challenge from third parties.

Finally, the proposed development significantly fails to meet the policy test with regards to accessibility as it would not be easily accessible by walking, cycling or regular, frequent and convenient public transport services and would largely be dependent solely on access by private car, encouraging trips which otherwise may not occur. No information has been provided to demonstrate that proposed development would have no significantly adverse

effect on travel patterns or air pollution.

It is for these reasons that the recommendation is one of refusal.

## **RECOMMENDATION AND REASONS**

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### **RECOMMENDATION: Refuse**

#### **Reasons for Recommendation**

1. The proposed development is contrary to Policy B2 (Specialist Employment Areas) of the LDP on account that it proposes a use which is not considered acceptable within such areas. Prime Four is the regions premier business park and allowing an alternative use in the most highly visible part of the site would remove an opportunity to compete nationally internationally for high quality businesses that are looking for sites within such an environment.
2. The proposed development is considered to be contrary to Policy NC5 (Out-of-centre Proposals) of the LDP as it has not been demonstrated –
  - (i) that no other suitable site in a location that is acceptable in terms of Policy NC4 (Sequential Approach and Impact) is available or likely to become available in a reasonable time.
  - (ii) that in qualitative and quantitative terms there is a proven deficiency in provision of the kind of development that is proposed;
  - (iii) that here will be no adverse effect on the vitality or viability of the city centre or other identified retail centres, rather it is considered there would be a significant impact on the vitality and viability of the city centre; and
  - (iv) that the proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycling and public transport routes which link with the catchment population, rather it is considered that the development would encourage trips by the private car.
  - (v) The proposed development would have no significantly adverse effect on travel patterns and air pollution.
3. The proposed development is contrary to Policy LR1 (Land Release Policy) of the LDP as it is considered that it would significantly jeopardised the delivery of mixed use centres within the new communities at Countesswells and Newhills.
4. The proposed development is contrary to Policy T2 (Managing the Transport Impact of Development) and it fails to demonstrate an acceptable impact on the road network, or appropriate measures to mitigate any impact.

**Eric Owens**

Interim Head of Planning and Sustainable Development

## **Appendix 1**

### Sites Considered by the Applicant's Sequential Test

#### **City Centre**

- Aberdeen Indoor Market / Former BHS, Union Street
- Denburn / Woolmanhill
- George Street / Crooked Lane
- Robert Gordons College and University, Schoolhill
- Robert Gordons College, St Andrews Street
- Union Square Car Park
- Union Street (No. 73-149)

#### **Edge of City Centre**

- Broadford Works, Maberley Street
- Palmerston Road
- Virginia Street / Regent Quay

#### **Town and District Centres**

- Torry Town Centre
- Rosemount Town Centre
- Danestone District Centre (Tesco etc.)
- Dyce District Centre (ASDA etc.)
- Middleton Park District Centre (ASDA etc.)
- Rousay Drive / Langstract District Centre (Tesco etc.)
- Upper Berryden District Centre (Sainsbury's etc.)

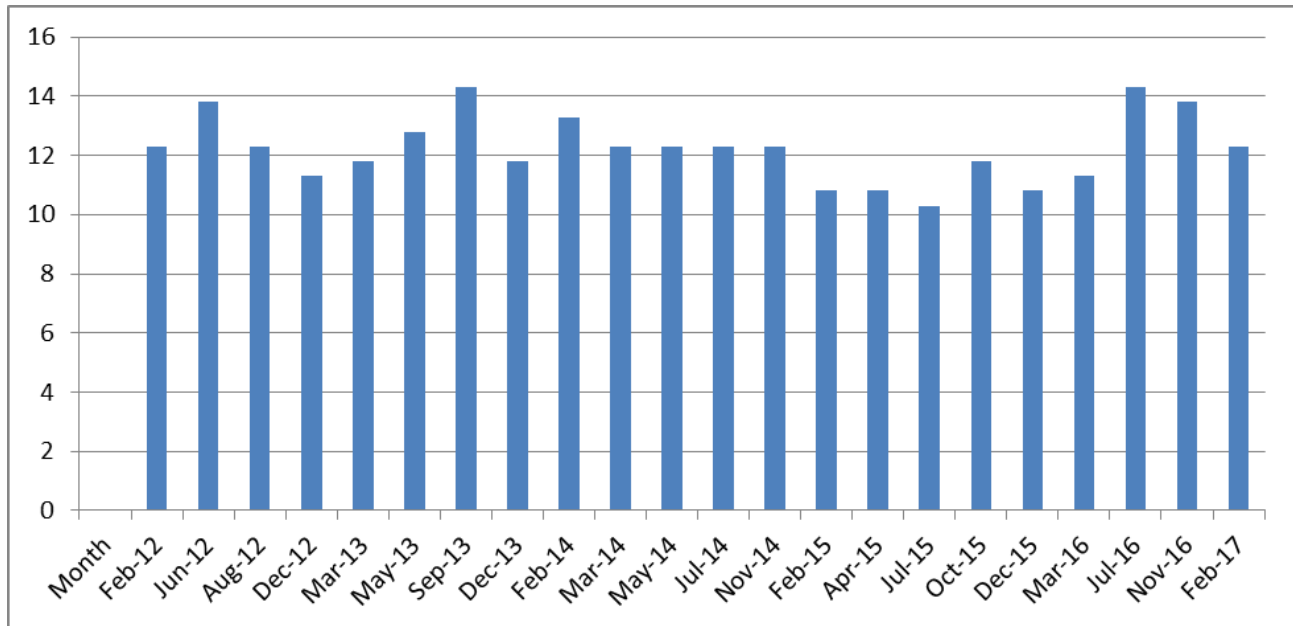
#### **Commercial Centres**

- Beach Boulevard Retail Park (ASDA, Aldi, Iceland etc.)
- Bridge of Don Retail Park (B&Q etc.)
- Garthdee Retail Park (ASDA, Sainsbury's, B&Q etc.)
- Kittybrewster Retail Park (DFS, Harveys, Halfords etc.)
- Lower Berryden Retail Park (Mecca Bingo, Next etc.)



## Appendix 2

Percentage Vacancy Rates on Union Street and top sector of Holburn Street (February 2012 – February 2017)



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Our Ref SA/ED  
Your Ref 161429/PPP

Please ask for: Stephen Archer  
Direct Dial: [REDACTED]  
Email : [REDACTED]

**Stephen Archer**  
Director of Infrastructure Services  
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LP-3 Aberdeen 3

12 December 2016

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Planning & Sustainable Development  
Communities, Housing & Infrastructure  
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AB10 1AB

Dear Sir

**CONSULTATION REQUEST FOR PLANNING PERMISSION IN PRINCIPLE FOR MAJOR DEVELOPMENT MIXED USE COMMERCIAL (UP TO 30,000M<sup>2</sup>) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS AT PRIME FOUR BUSINESS PARK, KINGSWELLS.**

Thank you for the consultation request on the above development which we received on the 11 October 2016. As previously advised the Councils formal response required to be agreed by the Infrastructure Services Committee meeting on 1 December 2016.

At this meeting it was agreed:

**That Aberdeenshire Council object to the proposed development on the basis that it has not been demonstrated that the proposed development would not adversely impact upon the vitality and viability of existing town centres within Aberdeenshire.**

In addition to the above noted objection it was also agreed that the formal response to the consultation should:



**Request that Aberdeenshire Council be consulted on any additional information submitted in relation to the retail impact of the proposed development or any additional information or addendums to the Transport Assessment in order that the Council can fully consider any changes to the proposal and assess impacts upon Aberdeenshire.**

Please note that should additional information be submitted in relation to the above objection Aberdeenshire Council would welcome the opportunity to review this in order to ascertain whether the objection to this development could be removed.

I trust that the above is order but should you have any questions or wish to discuss any of the above then please contact David MacLennan on [REDACTED] or [REDACTED]

I hope the above is of some assistance.

Yours faithfully

[REDACTED]

**Stephen Archer**  
**Director of Infrastructure Services**

Our Ref SA/ED  
Your Ref 161429/PPP

Please ask for Stephen Archer  
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9 February 2017

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Dear Sirs

**Consultation Request for Planning Permission in Principle for Major Development Mixed Use Commercial (up to 30,000m<sup>2</sup>) including Retail (Class 1), Food and Drink (Class 3), Other Ancillary Uses (such as Offices) and Associated Landscaping, Infrastructure and Access Works at Prime Four Business Park, Kingswells.**

Thank you for your letter of 25 January and the opportunity to review the additional supporting information submitted by the applicants in relation to the above planning application.

I would confirm that having now reviewed this additional information Aberdeenshire Council would maintain its objection to the proposed development as outlined in original response of 12 December 2016.

Please note that should further information again be submitted in relation to the Council's objection Aberdeenshire Council would welcome the opportunity to review this in order to ascertain whether the objection to this development could be removed.

I trust that the above is order but should you have any questions or wish to discuss any of the above then please contact David MacLennan on 01224-664257 or [david.maclennan@aberdeenshire.gov.uk](mailto:david.maclennan@aberdeenshire.gov.uk)

I hope the above is of some assistance.

Yours faithfully



**Stephen Archer**  
Director of Infrastructure Services

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<b>PLANNING PROPOSAL</b>	
<b>Local planning authority: Aberdeen City Council</b>	
<b>Proposal:</b> Planning Permission in Principle for a major mixed use commercial development (up to 30,000m <sup>2</sup> ) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works.	
<b>Reference No: 161429PPP</b>	<b>Date received: 11 October 2016</b>
<b>Case Officer: Matthew Easton</b>	<b>Target date:</b>

<b>STRATEGIC PLANNING OBSERVATIONS</b>
<p><b>Context</b></p> <p>An application for planning permission in principle has been submitted by Prime Four Limited. The application seeks approval for retail development on lands forming part of the Prime Four Business Park, part of the employment land allocation adjacent to the AWPR junction between Kingswells and Westhill. The proposed development would comprise the following;</p> <ul style="list-style-type: none"> <li>• 26,013 sq. m. of class 1 floor space (clothes and fashion)</li> <li>• 3,716 sq. m. of food store and ancillary food and drink</li> </ul> <p>Total retail floorspace proposed is 29,739 sq. m. (GFA), as a comparison Union Square has 30,986 sq. m GFA of retail floorspace [as stated in the Aberdeen City and Aberdeenshire Retail Study 2013 (ACARS)].</p> <p><b>Strategic Development Plan</b></p> <p>The Aberdeen City and Shire Strategic Development Plan (SDP) was approved by Scottish Ministers on 28 March 2014, replacing the Aberdeen City and Shire Structure Plan (2009). The Aberdeen City Local Development Plan (2012) is four years old and Aberdeen City Council received the examination report on their replacement Local Development Plan in late September 2016. The development plan for Aberdeen City is therefore fully up-to-date, with the new LDP expected to be adopted in the next few months.</p> <p>The SDP is ambitious in its strategy for change, facilitating growth in focused places in order to deliver the significant and properly planned infrastructure required for this growth (SDP paras 3.5 and 3.9), while enhancing quality of life. In terms of the plan's spatial strategy (p8-23), Prime Four Business Park falls within the Aberdeen City "Strategic Growth Area" (p12-13).</p> <p>The plan is framed around a vision, spatial strategy and a series of aims and objectives; with those relating to economic growth, sustainable development &amp; climate change, sustainable mixed communities, quality of environment and accessibility being the most relevant to this application. The SDP sets a strong framework for investment decisions. The purpose of the SDP is to focus the right development in the right places and to prevent inappropriate and poorly located development.</p> <p><b>Spatial Strategy</b></p> <p>The SDP acknowledges the importance of Aberdeen City, Scotland's third largest city, as an asset both regionally and nationally. The plan places particular emphasis on the critical importance of the City Centre as being vital to the economic future of the area (SDP para 3.21). The regeneration of the City Centre and improving the quality of the City Centre's shopping environment are therefore of the utmost importance. A key facet of this is</p>

acknowledging a strong retail sector must be maintained in order to have a successful city centre which is attractive to business, residents and tourists.

The importance of reducing travel distances and making walking, cycling and public transport more attractive is also highlighted as being vital for the future (SDP para 3.16). This again focuses attention on the City Centre.

While the application does sit within one of the plan's 'Strategic Growth Areas', it is not within or adjacent to either the City Centre or other defined town or neighbourhood centre and has the potential to impact significantly on the City Centre which is afforded significant protection within the plan. This issue will be considered in more detail below.

### **Economic Growth – Employment Land**

The SDP and LDP have identified the application site as specialist employment land and not for retail. Under the SDP there are 105 hectares of employment land allocated until 2026 and a strategic land reserve of 70 hectares to 2035. The two opportunity sites at Prime Four account for 63ha of this land. A target of the SDP is to have at least 20 hectares of employment land within strategic growth areas to be of a standard which will attract high quality businesses or be suitable for company headquarters. Existing and future development at Prime Four is considered high quality. The current proposal seeks planning permission in principle to repurpose land from specialist employment to a retail centre. There is no justification at the current time for this change. Indeed, the applicant has only recently argued through the LDP examination that additional employment land was required at this location.

The Employment Land Audit 2014/15 demonstrates there is a healthy supply of employment land in Aberdeen City and Aberdeenshire. However, removing allocated specialist employment land and replacing it with retail development would have negative consequences for the future development of the area. It is vital that short-term decisions are not made in response to the current economic climate without reflecting the long-term consequences.

### **Economic Growth – Retail**

The SDP seeks to ensure that regional retail services are appropriate while protecting the vitality of city and town centres. Para 4.2 of the SDP stresses the importance of a strong retail sector to create opportunities for economic growth in the context of guaranteeing the vitality and viability of town centres. The vitality and viability of existing centres, particularly the city centre, is of fundamental importance. The SDP promotes the use of the sequential approach to new retail development in line with Scottish Planning Policy (SDP para 4.2).

The ACARS identifies potential retail capacity based on a set of assumptions. This does not equate to a 'shortfall' which needs to be met, as claimed by the applicant. Indeed, base data used by the applicant dates from 2013 and is therefore out-of-date. Much has changed over the last three years in Aberdeen, including much reduced population projections from National Registers of Scotland (growth over 25 years down from 28% to 17% - although these are not forecasts in any event). Vacancies in the city centre have also increased since 2013, along with deteriorating trading conditions.

While the applicant claims that "Aberdeen is falling behind other cities in failing to offer sub-regional retail parks" (Retail Capacity Study para 5.15), the clear priority of the SDP – reflected in the LDP, City Centre Masterplan and ACARS – is the city centre's health and vitality, not creating competition for it. The proposal in its current form would require the entire amount of retail floor space recommended for the City Centre in the ACARS to be located in one out-of-town location.

The applicant seems to try to justify the proposal by suggesting that because Aberdeen has proportionately lower out-of-town floorspace than other Scottish cities, it needs more.



However, the SDP has a clear focus on the city centre and not doing anything which would have a significant negative impact on it.

Neither the SDP nor the LDP make reference to supporting a large scale out of town retail park in any location. The development plan makes provision for mixed use communities with appropriate levels of retail facilities. The area of floorspace proposed would be out of scale and poorly located in relation to the housing and employment allocations for this area. Kingswells is a distinct community and Prime Four is, in concept and reality a specialist employment area. The proposal is a large, isolated and car dependent retail park with limited physical links to existing communities. The focus of justifying statements is on drive-time catchments rather than catchments by walking, cycling and public transport.

The application is contrary to the proposed retail strategy contained in ACARS 2013. The proposal would mean a large proportion of supposed retail capacity is focused on an out of town retail park which is inconsistent with the SDP, SPP and LDP retail policies and proper planning and development which focus remain in the existing and new communities.

The ACARS (Table 7) would identify Zone 29N as the closest area for retail expansion to the subject site. Proposed development is envisaged as 5,500sq.m. GFA and 3,500sq.m. NFA which would accommodate something similar to a supermarket and ancillary uses for a town centre serving future residential development at OP38 in Countesswells/West Aberdeen. Development at Prime Four would make retail development in the new communities less likely and as a consequence make the communities less sustainable (SDP paras 4.38-4.39).

In a regional context the applicant's Retail Capacity Study focuses only on retail sites (potential and existing) within Aberdeen City and neglects to consider existing retail outside the City. Given the site's proximity to Westhill and Inverurie in particular, the study is considered to be inadequate in its consideration of the proposals potential regional impacts. Indeed, even with a limited focus on Aberdeen City there seems to be little justification for why trade diversion of £55m per annum is an acceptable impact on the City Centre.

### **Sustainable Mixed Communities**

The proposal is clear in that it is for retail alone and not mixed use and while it is acknowledged by the SPD (Para 4.34) that retail is an important component of a successful mixed community it is only one such factor. The uses proposed are not integrated in a sustainable fashion given the scale of the development and its proximity to established or planned developments.

There could be considerable potential impacts at a site located so close to the AWPR and its junction with an east/west arterial road. Retail development is required and would be considerably better located within a new community rather than sandwiched between key regional infrastructure and a business park.

### **Accessibility**

The objective of the SDP is to ensure all new development contributes towards reducing the need to travel by car and encourage walking, cycling and public transport. This location will be a significant traffic generating use in a location only served by public transport between the City Centre and Westhill. It will have no residential walk-in catchment and would create further danger on the Aberdeen-west cycle route, which needs to be further upgraded (although it is recognised that there are proposals to upgrade this).

The accompanying Transport Assessment (TA) proposes a signalised junction 300m from the AWPR/A944 roundabout to facilitate access to the site, this would facilitate pedestrian access and public transport stops. The TA also discussed vehicular, pedestrian and cyclist access to the site but does not specifically address the SDP's target of reduced car movements.

**Scottish Planning Policy**

Paragraphs 58 and 59 of Scottish Planning Policy place a strong emphasis on the health and vibrancy of town centres. Para 63 states that Development Plans should identify and specify the functions of commercial centres. The subject site has not been designated or identified for commercial purposes. Furthermore the sequential town centre first approach of SPP para 68 would place retail development firstly in established areas and require justification as to the lack of suitable locations for a similar development in these locations.

**OTHER OBSERVATIONS AND POLICY CONCLUSION**

The applicant's retail statement is well short of the analysis required to demonstrate the impacts of a proposal of this nature and scale. In particular, its analysis of impacts in both Aberdeen and particularly Aberdeenshire are very limited and it uses misleading arguments to try to justify the proposal. It is understood that an independent assessment of the analysis is being conducted for Aberdeen City Council and this is welcome.

The applicant's 'Retail Capacity Study' suggests that because Aberdeen City Council allocated employment land at Prime Four it has already accepted the principle of high footfall uses in this location under the 'Town Centre First' principal. However, Prime Four was allocated in the City LDP adopted in 2012, prior to the publication of SPP (2014) and the adoption of the Town Centre First Principle. As a consequence, no such conclusion can be drawn.

The applicant's Retail Capacity Study (para 8.21 and elsewhere) claims that the net economic benefit of the proposal is a key material consideration. However, no attempt has been made to demonstrate what the net economic benefit would be. Various gross figures are quoted in various supporting documents (both for employment as well as economic impact), but these are not an appropriate assessment of the net economic benefit. Draft guidance was issued earlier this year by the Scottish Government, but no account has been taken of this guidance. Without a proper assessment, it is not clear what the net economic benefit might be.

The applicant's interpretation of SPP and the 'Tesco' legal case are queried in so far as their interpretation relates to shopping centres rather than individual shops.

The strong framework for investment decisions set by the SDP (SDP Aims, p6) requires strong decision-making on applications which clearly contradict the strategy of the plan.

This application is contrary to the Aberdeen City and Shire Strategic Development Plan (2014), which is up-to-date and relevant to this application. The proposal will result in the loss of strategically important employment land and have a negative impact on the City Centre which is itself able to accommodate significant retail growth if demand exists. The application is in an unsustainable location in that it will have a very small catchment in terms of access by walking, cycling and public transport compared to the City Centre.

**Author:** Tom Walsh

**Date:** 14 December 2016

# MEMO



ABERDEEN  
CITY COUNCIL

To	Matthew Easton Planning & Infrastructure	Date	24/05/2017
		Your Ref.	P161429 (ZLF)
		Our Ref.	TR/GW/1/51/2
From	Roads Projects		
Email	[REDACTED]		
Dial	[REDACTED]		
Fax	[REDACTED]		

Roads Projects  
**Communities, Housing and Infrastructure**  
Aberdeen City Council  
Business Hub 4  
Ground Floor North  
Marischal College  
Broad Street  
Aberdeen AB10 1AB

## Planning application no. P161429

**Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works**

This is an updated set of roads comments, taking into account points made by Ross McDonald on 13/03/2017 in an email to myself (Scott Lynch).

## 1 Development Proposal

- 1.1 I note that the application is for a mixed use development comprising food retail, non-food retail, food and drink and ancillary office use. The Transport Assessment has been based on 26,013sq.m. of non-food retail, 3,716sq.m. of food retail. I will therefore request conditions be attached to any consent that the development be limited to these levels.
- 1.2 The TA has assumed that any food and drink provision would be ancillary to the retail and it is therefore assumed that the only food and drink provision would be within retail stores (for example a café in the proposed foodstore, café within the nonfood stores) and that there are no standalone food/ drink units (e.g. no standalone coffee shops cafes or restaurants). To accord with the TA a condition is requested to this effect.

## 2 Walking and Cycling

- 2.1 The TA includes walking distances to the site and are given by isochrones. It is noted that areas of Kingwells and Westhill are considered to be in walking range of the proposed development. Access by foot will be effectively limited to the southern ends of Kingswells. Infrastructure is in place to provide for this connection. Internal connections will be determined at the appropriate detailed application stage.
- 2.2 The applicant has indicated a willingness to improve the core path along the site frontage to a 3m wide shared use path and include a Toucan crossing facility on the site access arm of the access junction. The Council is currently undertaking

a review of cycle provision along the A944 with a view to the creation of a fully segregated continuous route and will therefore require a higher standard of facility to be provided to match this. A segregated cycle facility with separate pedestrian provision should be provided either through the site or along the site frontage. The cycle facility should be a minimum 3m in width, appropriately segregated from the pedestrian provision which should be 2m in width. The cycle route should be incorporated into the access junction signals such that cyclists are able to pass through the junction at the same time as the main flow of traffic on the A944. Appropriate conditions for the delivery of this will be required.

- 2.3 While the access junction operates as a left in/ left out arrangement, appropriate provision must be made so that cyclists have priority over other vehicles at all times.
- 2.4 A pedestrian and cycle link to the existing and yet to be built out elements of Prime Four should be made, and a condition to this effect should be made.
- 2.5 Segregated pedestrian and cycle links to the same standard as above should also be provided through the development to allow for potential future development to the north. A condition is requested that prior to work commencing on site the route for this be identified and thereafter provided.

### **3 Public Transport**

- 3.1 The TA includes details of a range of bus services on the A944 which are regular and frequent. However, users of the retail development using public transport will need to cross the dual carriageway either on arrival or departure. This is not accepted as providing an adequate service and public transport access is regarded as a key element of access for the entire area of the Prime Four development. A link for bus services between the proposed retail development and the existing Prime Four (OP40) development is required. The applicant has proposed to include bus laybys on the A944 close to the site access, with a signalised pedestrian crossing connecting to the westbound bus stop. It would not be desirable to introduce a further set of traffic signals on the A944 in this location. Therefore the crossing provision should be initially be at the access junction and once this junction is signalised, it should be incorporated within the signals.
- 3.2 The Council retains a desire that a through route be provided for public transport between the proposed retail park and the existing parts of Prime Four, which will then provide onward connections to the Kingswells Park-and-Ride and Kingswells. It is therefore requested that prior to construction of the last retail unit starting, the route of a public transport link be identified. Thereafter this route is to be implemented at an agreed point, prior to 100% completion of the development.
- 3.3 The Council is keen to avoid a situation where the development remains near completion for a length of time and the bus link is not delivered. Therefore a condition is requested to ensure that this does not happen. The specifics of this condition would need to be agreed between all parties.

## **4 Parking**

- 4.1 There is no indication of the car parking layout available in the TA. Parking is proposed at 10% below the Councils maximum car parking standards which in principle is acceptable.
- 4.2 No information has been provided in respect to the provision for disabled parking, motorcycle parking or cycle parking which would be expected at this stage. It will therefore be expected that each of these will be provided, at a minimum, to accord with standards and a condition is requested to this effect, including that cycle parking be sheltered. Additionally a condition is sought that details of parking provision be provided for all modes of travel.

## **5 Development Vehicle Access**

- 5.1 It is proposed to construct a new junction with the A944 to access the development. The Council is unwilling to consent to a full 'all ways' signalised junction at the early stages of the development. Therefore only a left in/ left out arrangement will be permitted until such time as a certain trigger point has been reached.
- 5.2 Initially, these trigger points have been set as, either:
  - 25% of the non food retail is occupied
  - Any amount of food retail is occupied
- 5.3 A design for the left-in/left-out access junction will be required prior to construction. An amended signalised access junction design will be required taking account of comments made above, and a condition for the provision of this is requested prior to construction commencing. The applicant is to be responsible for the full cost of designing and implementing both stages of the junction, including any amendments required to neighbouring junctions should it be decided by the Council that a linked signal design is desired, and a condition to this effect is requested.

## **6 Internal Road Layout**

- 6.1 This will be developed through the detailed application stages.

## **7 Local Road Network**

- 7.1 The applicant's transport consultant has carried out a modelling exercise that shows the impact of the development on the local road network. It has been shown in the peak hour that there is a smaller impact in terms of queuing and delay in the peak hour with the introduction of traffic signals as opposed to a left-in/left-out operation.
- 7.2 The Council however retain concern in respect to the additional delay to the primary route (A944) that vehicles will experience outwith the peak times with the advent of additional traffic signals.
- 7.3 Concerns also relate to the base traffic methodology. However, given the unknowns surrounding the impact of the AWPR these are agreed. The assessment has also likely underestimated the volume of trips attributed to surrounding committed development by using flows from the LDP process and

not updating these with the more accurate planning application flows. Nonetheless committed development has been accounted for.

7.4 Section 7.3.1 of the TA confirms that the committed development has been included from the Countesswells TA, with the remainder included in the ASAM flows. The Countesswells TA includes the following as committed development:

- Pinewood
- Hazledene
- Prime Four Phase 1
- Morrisons
- Tesco
- Arnhall

The remainder of committed development has been accounted for in the ASAM modelling as confirmed in section 8.2.4 of the Countesswells TA. Therefore, such developments as Phases 2-4 of Prime Four, Newhills and Maidencraig have been accounted for through ASAM. It is unclear how the Countesswells development has been accounted for. It is generally understood that ASAM4a underestimated development flow, hence the current project to update the model. The TA for the retail park has made use of ASAM4a data for all development apart from the above bulleted developments. It is therefore correct to say that the committed development is likely to be underestimated as it places a heavy reliance on ASAM data which is known to underestimate traffic.

7.5 Nonetheless, the baseline situation has been accepted and that acceptance is maintained. Comments made are only to highlight the underestimation.

7.6 The Committee Report used the wording “to an extent” (quoted from Ross McDonalds email of 13 March 2017 to ACC) describing the committed development to Members. This is Planning’s wording, however given the comments above, that it is not incorrect or misleading.

## **8 Travel Plan Framework (Travel Plan/Residential Travel Pack)**

8.1 A Travel Plan will be required for this site and should be provided for by imposing a generic condition.

## **9 Strategic Impact**

9.1 Our response to the first TA stated “A threshold analysis will be required of the surrounding junctions, and given that this site is not presently included within the LDP this will need to extend in all directions, and again Aberdeenshire Council should be consulted.” Due to errors on our end, this response was not submitted to the applicant in time.

However, this sentiment was repeated in response to the second TA. This stated that, “As mentioned in our original response, a threshold analysis will be required of the surrounding junctions. Given that this site is not presently included within the LDP, this will need to extend in all directions, and again Aberdeenshire Council should be consulted.”

9.2 It is clear from the above that the extent of the impact of the development had to be extended from that which was in the TA by extending the threshold assessment. Impacts on the Lang Stracht and Skene Road in the PM peak are around 7% which is above that which would require detailed analysis and a threshold assessment of further junctions, in line with national TA guidance.

The applicants transport consultant responded to ACC on 1 February 2017 at 11:54 by email. In respect to the threshold assessment issue this states “*a threshold analysis will be required of the surrounding junctions, and given that this site is not presently included within the LDP this will need to extend in all directions, and again Aberdeenshire Council should be consulted*’. This is incorrect. The site is allocated in the LDP for major development, albeit for employment uses. Traffic is traffic, regardless of the land use, and ACC are leading a study to assess the traffic associated with the recently adopted LDP. If a major office development were to go ahead instead it would have worse traffic impacts than a retail park during the critical weekday peak hours. This is particularly the case during the AM peak hour, because retail does not generate much traffic during the weekday AM peak. Office do. [sic]”

- 9.3 It would have still been required to adhere to national guidance by providing a full assessment, starting with the threshold assessment, if the proposal was for employment use (as per the LDP). The fact that this proposal is for retail use does not change this requirement.
- 9.4 The Council did agree that the study would identify the impact of the assessment on the wider network, however this study has not been commenced, and has no funding allocated to it. Therefore traditional TA approaches have to be taken when the desire is to determine the application. This starts with the requested threshold assessment.
- 9.5 The applicant’s transport consultant was requested to carry out an assessment, in the form of a threshold assessment, of the impact of the development. This is in accordance with national and local transport planning guidance. While contributions to mitigate the wider impact of the development would be made in lieu of works, it is necessary to determine through the TA process the full extent of the impact of the development. In this, it is also necessary to establish if and to what extent the impact of the development extends to Aberdeenshire Council’s network.
- 9.6 The applicant’s transport consultant has declined to provide the information relating to the threshold analysis and the extent and scale of the impact despite requests. Therefore the extent and scale of the impact of the development cannot be fully identified.

## **10 Conclusion**

- 10.1 In light of the above concerns in respect of the unknown scale and extent of the impact, Roads Development Management would have to object to the planning application in its’ current form.

## **Roads Development Management**

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Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works

Site OP40 Prime Four Business Park Kingswells Aberdeen Ref. No: 161429/PPP

Kingswells Community Council (KCC) is in general agreement that retail is a suitable use on the development site. However, we have some concerns that would need to be addressed.

KCC has the following observations on the above PPIp:

## Framework

The following is an extract from the Design Statement

### 4.1 Key Objectives

The key objectives of the OP40 Development Framework are as follows:

- **Create a landscape which reflects the rural character of Aberdeenshire; relates to the surrounding area and takes its references from the natural heritage**
- **Create settings for buildings which are sympathetic, balanced and mitigate their visual impact on the landscape.**
- **Create external environments which enhance the daily living experience (e.g. spaces for outdoor socialising and exercise)**
- Create a high quality environment by the considered design of external features such as footpaths, street furniture, woodland belts and boundary walls.
- Provide multiple connections and maximum choices for people to use sustainable travel modes to travel to work, e.g. walk, cycle, or bus.
- Create opportunities for ecological enhancements, biodiversity and nature conservation.

The following is a comment inserted by the Design Team

Whilst the challenges of working with a different programme are recognised there is no reason why these key objectives as envisioned for the OP40 Framework cannot equally apply to a retail development on the same site.

KCC contends that the items highlighted in bold are less likely in a 30,000 sq.m retail development than could be achieved with an office development similar to that provided on the Prime Four site.

The applicant has indicated the intention to provide the maximum amount of car parking space for a retail development. Based on the floor areas quoted, KCC has calculated the following car parking requirement.

### **Non-residential car parking spaces – all maximum amounts**

<b>1: RETAIL</b>			
<b>Land Use</b>	<b>City Centre</b>	<b>Inner City</b>	<b>Outer City</b>
Food retail outlets (>1000m <sup>2</sup> GFA)	1 per 40m <sup>2</sup>	1 per 22m <sup>2</sup>	1 per 14m <sup>2</sup>
Non-food retail outlets (>1000m <sup>2</sup> GFA)	1 per 50m <sup>2</sup>	1 per 30m <sup>2</sup>	1 per 20m <sup>2</sup>
Food/non-food retail outlets (<1000m <sup>2</sup> GFA)	1 per 70m <sup>2</sup>	1 per 40m <sup>2</sup>	1 per 30m <sup>2</sup>

**Extract from Aberdeen City Council's 'Transport and Accessibility' Supplementary Guidance**

<b>Type of Retail</b>	<b>Area Sq. m.</b>	<b>Floor Area per Car Provided for Outer City</b>	<b>Cars</b>
Food	3,716	14	265
Non Food	26,013	20	1,300
Total	29,732		1,565

**Calculation of Maximum Car Parking Spaces**

The maximum car parking provision for the proposed retail development represents a car park approximately 1.7 times the size of the Kingswells Park & Ride. The design document suggests that the entrance will include an avenue similar to the existing Prime Four Boulevard and that the visual impact of the car park will be reduced by the use of 'rooms' and landscaping. The resulting design will require car parking with a much larger area than a 'standard' carpark.

KCC has concerns about the potential visual impact of such a large carpark. For commercial reasons, Drum Group will clearly want to make the whole retail site as visible as possible. However, KCC considers that the height of the buildings alone as well as a new road junction will make the site perfectly visible to passing traffic. Effective screening of the carpark from the A944 should be a key requirement.

**Considering the areas identified for development it is unlikely that a design of 30,000 sq.m of high-class retail and the associated car parking and landscaping could be facilitated on this site in a manner that complies with the key objectives identified in the Framework, and a smaller development should be considered.**

## Traffic Assessment

KCC is concerned about the cumulative impact of additional traffic on the A944 and would like to raise the following points in relation to the traffic assessment (TA).

The TA shows that the new AWPR roundabout is severely under pressure from increases in traffic levels. The applicant plans to provide an additional lane to the roundabout and its approach roads.

As the Prime Four development is more than 50% complete and is part of a masterplan, KCC considers that the TA should be performed for the whole development to ensure that as the various phases come on stream there is a schedule of improvements required to provide adequate access to the site. Each new phase identifies new surprises and this defeats the primary role of a masterplan. This will allow the best possible solutions to be found for the TA, rather than the incremental upgrades that are currently proposed.

The A944 may be subject to large increases in traffic from Phase 4 and Phase 5 of the Prime Four development and a 20,000 seat football stadium. All of these developments will be proposed at the same time and they all should be included in a TA. It is noted that Transport Scotland made a similar comment in their response to the TA.

The TA may have underestimated the traffic flows and KCC asks that ACC confirm that the TA addresses the following:

- The design statement suggests that there will be a future link from the Boulevard forming the access to the proposed retail park through the Prime Four site. This will generate additional traffic that has not been included in the current TA.
- The TA for the Prime Four site has been approved for a floor area up to 91,769 sq.m. It is unclear if this area includes the Phase 4 OP63 site.
- Section 7.4.1 describes the traffic from the Ardene House office development. KCC has been advised by Drum Group that the vet will not be vacating the site and the Phase 5 footprint includes the previously approved office development. The office development will not now take place. It is not clear if the traffic from this development is included in the TA.
- KCC appreciates that the TA should account for all the peak time traffic. The current TA makes a reduction in the traffic generated by the proposed retail park during the morning peak to account for 'pass-by' traffic. KCC think this would result in an underestimate of the traffic flow. Any shoppers at that time would be on the road for the sole purpose of shopping and would add to the existing flow

figures. It is very unlikely the pass-by traffic at morning peak would have time to shop, and would be focused on getting to work. KCC concedes that pass-by shoppers exist for evening peak.

- The provision for multiple modes of transport is admirable, but retail units generate shopping that needs to be taken back to the purchaser's home. This would generally require a car. The use of walking, public transport and cycling are not suited to the transfer of bulky purchases. Consequently, the TA should reflect this in increased traffic flows.
- The design team suggest that the Retail Development would employ 1,500 people. Are these journeys included in the TA?

## Alternative Design of Access to the Proposed Retail Park

As an alternative to additional signalised junction on the A944, KCC would like the following options to be considered:

- to access the site from the existing Prime Four Boulevard.
- A roundabout (possibly with part time traffic lights) as an alternative to a full time signalised junction.
- an upgraded spur off the AWPR roundabout.

Prime Four has a network of internal roads and they should be used more to assist the distribution of Prime Four traffic. Direct access off the A944 is an ideal solution for Prime Four, but is not necessarily the best solution for the wider road network.

The TA concentrates on mitigating the effects of peak time traffic, but the effect of having an additional signalised junction on the A944 at off-peak times causes delays and more inconvenience for the community on a 24 / 7 basis. Having too many junctions on the A944 creates a stop/start journey as there is often no coordination between sets of traffic lights. More natural traffic flows can be obtained using a roundabout.

An option to access the Prime Four site off the AWPR roundabout would be a natural flow off the roundabout. It is not the same as the study included in the TA, as there would be no U-turn and resulting issues with stacking vehicles.

**KCC asks that all the possible access solutions are investigated and that the selected option addresses the needs of the community during off peak times as well as the needs of commuters during peak times. We also ask that the TA considers all the traffic from all phases from Prime Four development and all other known developments. All future upgrades should be considered to avoid a piecemeal approach.**

## Out-of-Centre Retail Development

KCC is aware that having out of centre retail could have an impact on the city centre and nearby settlements including Kingswells, Newhills, Countesswells and Westhill. KCC asks that ACC considers the impact of the proposed development and how it fits with the requirements of the ALDP.

**It is for ACC to determine the effect that an out-of-centre retail development will have on the city.**

## Conclusion

KCC concludes that a 30,000 sq.m retail park will be difficult to provide in compliance with the Framework, and will have 'massing' issues. Further evidence is required to ensure that the application can be provided in compliance with the planning criteria set out in the Framework document.

The TA should consider the concerns raised by KCC and alternative means of accessing the site should be investigated.

ACC should consider the city wide implications of the proposed development.

KCC considers that the provision of retail on this development site is an appropriate use of the site if we receive a satisfactory and convincing response to our concerns.

Regards,

Ian Cox,  
Secretary,  
Kingswells Community Council

**Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works**

Kingswells Community Council has reviewed the additional information provided in the retail assessments and have the following comments:

- All of our previous comments stand.
- KCC would welcome some retail in Kingswells on the Prime Four site, but still have reservations regarding the form. The indicative layout would not be acceptable as it does not comply with the Framework. It illustrates most of KCC's concerns.
  - The site is overdeveloped
  - The adverse impact of the car park has not been mitigated by splitting into 'rooms'
  - Landscaping is almost non-existent.
  - The proposed development is a very large retail park – confirmed by ACC's consultant.
- KCC will abide by ACC's judgement regarding the impact the proposed retail will have on Aberdeen and the NE of Scotland. We have the following observations:
  - There appear to be many failings in the assessment made by the developer.
  - If the proposed development will have an adverse impact, then Prime Four should give way for the greater good of Aberdeen and the NE.
  - The proposed development is described as a very large retail park. Perhaps a smaller development would be acceptable, and other options should be explored.



Regards

Ian Cox  
Secretary  
Kingswells Community Council

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# Comments for Planning Application 161429/PPP

## Application Summary

Application Number: 161429/PPP

Address: Site OP40 Prime Four Business Park Kingswells Aberdeen

Proposal: Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1) , food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works|cr|

Case Officer: Matthew Easton

## Customer Details

Name: Mr Dominic Fairlie

Address: c/o 5 Louisville Avenue Aberdeen

## Comment Details

Commenter Type: Amenity Body

Stance: Customer objects to the Planning Application

Comment Reasons:

Comment:Aberdeen Civic Society would like to make the point that the A944 is a major road leading to Aberdeen and there has been, and continues to be, major development along it. We would therefore request that traffic management is considered in detail.

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11<sup>th</sup> November 2016

Dear Mr Easton,

**Objection to planning application reference: 161429**

**Aberdeen Inspired**

Aberdeen Inspired is the Business Improvement District for Aberdeen city centre, led and funded by the city centre business community with the remit of representing the interests of nearly 700 levy payers and adding value to the services provided by Aberdeen City Council and other public bodies.

Our mission is *“To attract, sustain and boost business and investment in Aberdeen City Centre through influence, inspiration and innovation.”* To achieve that we have identified four key themes, including promoting the city centre, enhancing the visitor experience (with retail focussed initiatives), and providing a unified voice on behalf of our levy payers.

As a result of our efforts, over the last 6 years, more than £5m has been invested in Aberdeen City Centre. Our objectives for 2016-21 include attracting more visitors and increasing their spending and dwell time in the city centre, encouraging continued inward investment across all sectors, and being the voice of business in the city centre on a range of strategic issues. The anticipated investment over the next 5 years is in the region of £6.5m in projects designed to meet those and other objectives to improve the city centre.

At a more strategic level, we have played an active role in contributing to the debate on the future of the city centre and engaged with and supported the development of the City Centre Masterplan and Delivery Programme, and we are fully committed to lending our support to the implementation of that plan.

On behalf of our levy payers we wish to object to planning application 161429 for a major development mixed use commercial, food and drink, other ancillary uses and associated landscaping and infrastructure and access works at Prime Four Business Park, Kingswells. The proposals are contrary to our mission and objectives, as well as being contrary to national, regional and local planning policy and to the vision and objectives of the City Centre Masterplan and Delivery Programme. The following paragraphs explain our reasoning in more detail.



## National context

### National Planning Framework

National Planning Framework 3 (NPF3) is the spatial expression of the Scottish Government's Economic Strategy – with a focus on supporting sustainable economic growth and the transition to a low carbon economy. It is a statutory document that must be taken into account in the preparation of all strategic and local development plans in Scotland and planning decisions should support its delivery. NPF3 reflects the importance of town centres as a key element of the economic and social fabric of Scotland and refers to the town centre first principle, which is further expanded upon in Scottish Planning Policy (SPP).

### Scottish Planning Policy 2014

SPP, which sets out national planning policies which reflect Scottish Ministers' priorities for the operation of the planning system and for the development and use of land, begins with "*a presumption in favour of development that contributes to sustainable development*". The supporting text explains that policies and decisions should then be guided by a number of principles set out in the SPP, including supporting town centre and regeneration policies. Those policies include the requirement for the planning system to apply the town centre first principle when planning for uses which attract significant numbers of people (including retail) and ensuring decision-making supports successful town centres.

The town centre first principle was developed by the Scottish Government and CoSLA. The principle recognises that "*Town centres are a key element of the economic, social and environmental fabric of Scotland's towns; often at the core of community and economic life, offering spaces in which to live, meet and interact, do business, and access facilities and services. We must take collective responsibility to help town centres thrive sustainably, reinvent their function, and meet the needs of residents, businesses, and visitors for the 21<sup>st</sup> century.*" (<http://www.gov.scot/Topics/Built-Environment/regeneration/town-centres/TheTownCentreFirstPrinciple>)

The principle requests that "*Government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of proportionate and best value decision making, seeking to deliver the best local outcomes regarding investment and de-investment decisions, alignment of policies, targeting of available resources to priority town centre sites, and encouraging vibrancy, equality and diversity.*" (<http://www.gov.scot/Topics/Built-Environment/regeneration/town-centres/TheTownCentreFirstPrinciple>)



SPP sets out a sequential test to the determination of planning applications for retail and other developments. That means that town centres (including city centres and local centres) should be considered first as the location for such developments with out-of-centre locations, such as that for the current proposals, at the bottom of the hierarchy. The aim of this approach is to recognise and prioritise the importance of town centres and encourage a mix of developments which support their vibrancy, vitality and viability.

Although SPP recognises that there will be development proposals in edge of town and out-of-town locations which are contrary to the development plan, it states that it is for applicants to demonstrate the more central options have been thoroughly assessed and that the impact on existing town centres is acceptable. Whilst we acknowledge that the application of the principle is not a statutory duty, SPP is a significant material consideration in the determination of planning applications and support for town centres has a statutory basis in NPF3.

The retail impact analysis submitted with this application will therefore require to be assessed robustly to ensure that it is able to demonstrate any impact, both on the city centre and on the network of other centres identified in the development plan, is acceptable.

In addition, SPP requires development to give due weight to net economic benefit and an independent assessment should be made of any property benefits, including risks and available evidence. In accordance with Scottish Government Draft Advice on Net Economic Benefit and Planning (2016) applications contrary to the development plan (as this application is) must demonstrate the net economic impact, including the number of jobs it is expected to create once operational. In the context of retail development, proposals must take account of any possible displacement effect. As such it should be demonstrated that any economic benefits, including in terms of jobs, are additional to those which already exist. The test is the comparison between the economic position with and without the development.

The Advice is clear that in calculating the net benefit of a new retail centre, any displacement should also be taken into account with the net benefit of the proposed centre compared to the situation where planning permission is not given, to take into account deadweight effects. The Advice also states that where a site is allocated for a different type of development (in this case employment) there is likely to be a greater level of uncertainty attached to assessing the economic value of safeguarding the site for the proposed use. The applicant must therefore be able to demonstrate that not only will the proposed development not impact on the vitality and viability of the city centre and other identified retail centres, but that the provision of retail on this site will have a greater economic benefit than its allocated use for employment.



Also in making an assessment of both the retail impact and net economic benefit it should also be recognised that the town centre first principle also applies to leisure, office, entertainment and civic uses, which can serve to improve the diversity, vitality and viability of the city centre, and to support its retail function. As such, any impact should be judged not just in terms of the direct impact on retail within the city and other town centres, but also in terms of the knock on effects such an impact may have on the overall vitality and vibrancy of those centres.

### **Regional Policy**

The Aberdeen City and Shire Strategic Development Plan 2014 (SDP) vision is for the City and Shire to be “...an even more attractive, prosperous and sustainable European city region and an excellent place to live, visit and do business.” The Plan recognises that Aberdeen city centre is an important asset for the region and identifies it as a priority regeneration area vital to the economic future of the area. It states that “...we need to take determined action to create a city centre to be proud of and which reflects the global status and ambitions of the city and the wider region” and highlights the BID as indicative of the private sector’s willingness to actively take part in its regeneration.

In line with SPP the SDP promotes a sequential approach to identifying sites for new retail development across the strategic development plan area.

The Plan also includes a target for Aberdeen city centre to remain one of the top-20 retail areas in the UK and identifies the need to put in place a City Centre Development Framework (now superseded by the City Centre Masterplan) as a major project fundamental to achieving the plan’s vision.

Any proposals for out-of-town retail run contrary to the principles of the SDP for supporting city centre regeneration as set out above.

### **Local context**

#### **Strategic Infrastructure Plan**

City centre regeneration was identified as a priority project for the city to underpin economic growth in 2013 through the Council’s Strategic Infrastructure Plan (SIP), developed in partnership with local, national and international stakeholders. As well as committing to the development of the city centre masterplan, the SIP identifies a number of specific projects to support city centre regeneration. Over the last few years significant public and private sector investment has been invested in those, and other initiatives, directed towards regeneration.



ABERDEEN  
*inspired*

## City Centre Masterplan and Delivery Programme

The City Centre Masterplan and Delivery Programme is founded in the SIP and development plan policy and has been adopted by the Council as Supplementary Planning Guidance, giving it statutory status as a material consideration in the determination of all planning applications.

The Masterplan was developed by the Council with input from stakeholders across the city. The vision articulated in the Masterplan is “*Aberdeen: A city centre for a global city with the purpose of the Masterplan being to energise the city centre to deliver prosperity and better quality of life for all.*” Objectives include creating a stronger and more diverse city centre economy, ensuring the city centre meets the needs of the wider population and is planned and governed to reflect a wider metropolitan role.

## Local Development Plan

Consistent with national and regional policy, both the extant and emerging Aberdeen Local Development Plans (ALDP) include policies to support the city centre. The spatial strategy of both plans promotes the city centre as the commercial, economic, social, civic and cultural heart of Aberdeen and recognises that a vibrant city centre is vital to Aberdeen’s future prosperity and to achieving the wider strategic aims of the development plan. As such the plans, supported by the City Centre Development Framework/City Centre Masterplan and Delivery Programme Supplementary Guidance, include policies that positively promote the city centre and require the application of the sequential approach and retail impact assessment, as set out in SPP, to all retail development.

In addition, it should be noted that Policy B11 – Business and Industrial Land in the adopted LDP does not support the use of employment land for other purposes, other than those aimed primarily at meeting the needs of business and employees within the business and industrial area. The supporting information submitted with the application states that the proposals will serve residents in existing and proposed communities and indeed cites a catchment of up to 330,000 with the completion of the AWPR and the new housing developments. That is clearly contrary to Policy B11.

Policy B11 in the Proposed Plan strengthens the presumption against development of non employment uses on sites allocated for business and industrial land in explicitly stating that “*Land zoned for business and industrial uses on the Proposals Map...shall be retained for Class 4 (Business), Class 5 (General Industrial) and Class 6 (Storage and Distribution) uses and safeguarded from other conflicting development types.*” That means that even should the retail impact assessment demonstrate the proposed development is acceptable in retail terms, the current proposed site is not an appropriate location for such development given its allocation for employment and business uses.



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That is particularly so given that Drum Property promoted the inclusion of the extension of Prime Four in the Proposed Plan as a Specialist Employment Area to allow for the further development of the site pending access becoming available for Phase 4 of the existing allocation. The argument was accepted by the Council due to the exceptional success of the existing site and the positive economic impact it has had on the City with the demand for plots continuing. The independent Scottish Government Reporter, appointed to review representations on the Proposed Plan also accepted the case for an allocation to extend Prime Four on the basis of the weight given to the economic benefit of the existing Business Park. Allowing any part of the allocated land to be used for non-employment purposes would not only be contrary to policy but would undermine the arguments made for the need for the further extension of the site.

The Reporter, in response to a representation made to the LDP Examination seeking to re-allocate undeveloped employment land for other types of development elsewhere in the City, stated that, *"...the plan needs to maintain a sufficient supply of employment land in appropriate places, as required by the SDP. It would not be right to re-allocate such land for other uses simply because current market conditions have not favoured its early development for employment purposes."* (Report to Aberdeen City Council, Proposed Aberdeen Local Development Plan Examination, 2016, Issue 25). The same argument should apply whatever the proposed alternative use and whatever the location.

Although the applicant aims to make a case for the proposed development, it is submitted that none of those factors override the principle objection to the application, which is that it is contrary to national, regional and local policy and would undermine the aims of the City Centre Masterplan.

### **Conclusions**

It is clear from the narrative set out above that national, regional and local policy is aimed at supporting town centres in general and Aberdeen city centre specifically. Much public and private sector investment has been directed towards the regeneration of the city centre over the last few years. Whilst the applicants maintain that the city centre is well placed to withstand any impacts from the proposed development the collective commitment to achieving a joint vision for the city centre, as articulated through the Masterplan, and momentum towards achieving that are only now gathering real pace. It is vital that any proposals for out of town development do not undermine or jeopardise the excellent progress which has, and is continuing to be made. It is for those reasons that we object to this application, and would ask that it is refused.



Adrian Watson, *MBA, MSc, BSc (Hons)*

Chief Executive Officer



Dear Mr Easton,

**Objection to planning application reference: 161429**

Thank you for the opportunity to make a further representation on the above application in response to the revised retail impact assessment submitted by the applicant on 25 January 2017.

Our initial letter of objection highlighted Aberdeen Inspired's primary interest as being in supporting our levy payers, and the City Council, in regenerating the city centre in line with the City Centre Masterplan and Delivery Programme, and maximising the value of the considerable public and private sector investment that has been made in the city centre over the last few years, as well as significant levels of future programmed investment.

We objected to the application on the grounds that it is contrary to our mission and objectives, as well as being contrary to national, regional and local planning policy and to the vision and objectives of the City Centre Masterplan and Delivery Programme.

The policy context for determining the application requires a town centre first approach for uses, including retail, which attract significant numbers of people, and ensuring decision-making supports successful town centres. That in turn necessitates the application of the sequential test set out in Scottish Planning Policy to demonstrate that more central options have been thoroughly assessed and that the impact on existing town centres is acceptable. The importance of Aberdeen city centre being a successful place is set out in regional and local policy. It is, therefore, vital that the revised retail impact assessment is again assessed by an independent expert to ensure that it has properly and satisfactorily addressed the deficiencies in the application of the sequential test highlighted in the report by Hargest Planning Ltd.

We would also wish to reiterate the importance of recognising that the city centre is not just a focus for retail but also for leisure, office, entertainment and civic uses, which can serve to improve the diversity, vitality and viability of the city centre, and to support its retail function. As such, any impact should be judged not just in terms of the direct impact on retail within the city and other town centres, but also in terms of the knock on effects such an impact may have on the overall vitality and vibrancy of those centres.

In our previous letter we drew attention to the requirement of Scottish Planning Policy for development to give due weight to net economic benefit and the need for an independent assessment

to be made of any proposed benefits, including risks and available evidence. The assessment is even more important where the site is allocated for a different type of development and there is therefore likely to be a greater level of uncertainty attached to assessing the economic value of safeguarding the site for the proposed use. Scottish Government guidance states that the applicant must be able to demonstrate that not only will the proposed development not impact on the vitality and viability of the city centre and other identified retail centres, but that the provision of retail on this site will have a greater economic benefit than it's allocated use for employment.

There is no evidence that such an assessment has been carried out by the applicant as part of the revised retail impact, or indeed as a separate assessment, and we would emphasise that, given the potential impact of a development of the scale proposed on the city centre, this should be a fundamental requirement if the application is to be considered for approval.

Should the Council be minded to grant planning permission in principle for the application then we would request that a condition be applied to prevent retailers moving from the city centre to the new development for a period of 5 years. Such a condition was found to be valid in *R. (Skelmersdale LP) v West Lancashire BC [2016] EWCA Civ 1260*.

Finally we would urge the Council to recognise the considerable uncertainty that the submission of this application has created in the city centre rental property market, with prospective tenants delaying making investment decisions pending the determination of the application. A timeous decision is therefore required.

Yours sincerely



Adrian Watson,  
Chief Executive, Aberdeen Inspired



Mr Matthew Easton  
Planning & Building Standards  
Aberdeen City Council  
Marischal College  
Broad Street  
Aberdeen, AB10 1AB

Our ref : STEW0046/aps/jew

Your ref : 161429/PPP

By e-mail only

11 November 2016

Dear Sirs

**Planning Application Ref: 161429/PPP  
Proposed Major Commercial Development including Retail and Food & Drink Uses,  
Prime 4 Business Park  
Objection on behalf of Countesswells Developments Ltd**

We act on behalf of CDLCountesswells Developments Ltd (CDL) in relation to the above. In this capacity we object to the proposed development on the grounds set out below.

By way of general context, it is important to note that the controlled release of land for development has been a key element of development plan policy to date and still forms an important part of the proposed new Local Development Plan (LDP). One of the identified strategic priorities for such new development is Countesswells which lies to the south east of the current application site. Your council granted planning permission in principle for the major mixed use development at Countesswells, including the creation of a new town centre, on 1st April 2016. The proposals contained within the current planning application at Prime 4 Business Park have the capacity to seriously undermine implementation of the approved Countesswells proposals.

**Grounds of Objection**

CDL objects to planning application 161429/PPP on the following grounds:

**Failure to Comply with Development Plan Policy**

Section 25 of The Town & Country Planning (Scotland) Act 1997 as amended by the Planning etc (Scotland) Act 2006 requires that planning applications should be determined in accordance with the prevailing development plan unless material considerations indicate otherwise.

The current application site is allocated for business and industrial use (Opportunity Site OP40) within the adopted LDP. The site continues to be allocated for such use under the proposed replacement LDP (site OP29). Furthermore, the latter proposes an extension to the business park on greenbelt land to the northwest (Site OP63) due to the demand for good quality business/industrial land and the perceived success of the initial phases of the Prime 4 Business Park.

Given this context, the proposals within the current application are clearly contrary to the development plan and, as a result, planning permission should be refused. There are no material considerations to indicate otherwise. Indeed, the material considerations set out in the remainder of this letter add weight to the conclusion that the proposals are so clearly contrary to development plan policy that they must be refused.

The current proposals are also contrary to the approved Development Framework and Phase 1 Masterplan for the Prime 4 Business Park. This Development Framework has the status of 'Supplementary Guidance' having been approved by the council as the basis for development and a material consideration in the determination of any planning applications. It forms part of the Development Plan having been approved by the Scottish Government as such. Within the Development Framework the current application site is clearly allocated for business/industrial use. While there is provision for a 'community hub' within the business park site to include complementary facilities such as a hotel, restaurants and retail floorspace, these are all clearly limited in scale and ancillary to the prime business park use.

The applicant seeks planning permission in principle for up to 30,000sq m of retail floorspace. This scale of development could never reasonably be considered as ancillary to the business park. The reality is that the applicant has disregarded the provisions of the Development Plan and is seeking approval for a major departure that both reduces the supply of good quality land for employment uses and would introduce a major retail development in an unsustainable, out-of-centre location.

Finally, in relation to the Development Plan, it is notable that the applicant did not make representations to the council seeking allocation of the current application site for retail and related purposes. Publication of the proposed new LDP was the opportunity for them to do so as this would have allowed consideration of such proposals at the LDP Examination. In the absence of compelling evidence regarding the need for the proposed development there is no sound reason for the adopted and emerging new LDP provisions to be set aside at this time.

### **Lack of Detail**

The submitted planning application form refers to a 'major commercial development including retail (Class 1) and food & drink (Class3)' uses with no further detail. While there is some limited description of the proposed development as a 'retail park' within the design and access statement, the planning statement and the retail capacity study, the applicant

has nowhere provided a proper indicative layout to demonstrate the likely form and nature of the proposed development. Given the scale of development proposed, the scope for harm to be caused to other existing and proposed retail centres and the importance attached to the landscape 'rooms' within the Kingswells Development Framework the applicant should have been required to make available some form of illustrative layout drawings. In the absence of any such material interested parties such as CDL can only base their comments on the brief written descriptions of the proposals.

Paragraph 2.1 of the submitted Retail Capacity Study suggests that the proposals could involve up to 26,013sq m of Class 1 retail floorspace for the sale of comparison goods, particularly 'clothing and fashion', ie specifically not restricted to bulky goods. In addition a foodstore of 3,716sq m is proposed. Table 6 of the study indicates that the combined turnover of the proposed development would be over £106m, making it second only to the City Centre and Garthdee. For such a scale of development to be devoid of detail regarding the number, nature and size of units is inappropriate.

The applicant makes much in the submitted supporting documents of the fact that the scale of development proposed cannot be accommodated within or on the edge of an existing centre. However, such conclusions cannot be soundly reached without knowing more regarding the proposed unit sizes and anticipated range of goods to be sold. In the absence of any detail it is entirely possible that the development could be accommodated within or on the edge of an identified centre, particularly the city centre – paragraph 69 of the SPP stresses the need for flexibility on the part of all parties including developers in considering such matters. If no details are forthcoming from the applicant we respectfully suggest that the council has no option but to refuse planning permission due to lack of essential information.

### **Retail Capacity and the Sequential Approach**

In seeking to justify the application proposals the applicant refers at length to the Aberdeen City and Aberdeenshire Retail Study of 2013. In particular, they highlight the broad conclusions regarding the potential available expenditure within the city region by 2022 assuming population growth estimates are met. However, in so doing they ignore the proposed development strategy within the study. This clearly sets out the preferred locations for any new retail floorspace, namely Aberdeen City Centre, existing centres and the various new development areas including Countesswells.

Table 7 of the Retail Study Executive Summary notes that there could be capacity for up to 5,500sq m of convenience floorspace in the West Aberdeen/Countesswells area assuming development of the land release sites at Countesswells and east of Kingswells. It notes that 'a proportion of floorspace is encouraged to be provided within Countesswells to form the basis of a new centre'.

In relation to the provision of wider mixed convenience and comparison floorspace the table also noted that a new centre at Countesswells is to be provided comprising both convenience and comparison floorspace. No target quantum of floorspace is identified but given the scale of new housing development proposed to the west of Aberdeen including Countesswells the suggestion is that comparison floorspace could be around 1,500sq m.

The current application proposals therefore run contrary to the findings of the 2013 retail study as the latter clearly seeks to focus new comparison shopping floorspace within the city centre while allowing for new convenience floorspace within new centres to be provided as part of the LDP land release programme. To the west of Aberdeen Countesswells is clearly the preferred location for any new retail floorspace that cannot be accommodated within or on the edge of Aberdeen City Centre or one of the other existing town or district centres.

The Development Framework and Phase 1 Masterplan for Countesswells envisages the new community as a residential led mixed use development of around 3,000 homes with employment, education, retail, leisure and community uses. A fundamental part of the Development Framework is the creation of a community/commercial focus in a new Countesswells town centre. Proposals for the Countesswells town centre as provided for in Development Plan Policy and Supplementary Guidance would be seriously undermined by a major retail development in close proximity as proposed within the current planning application.

The important role of the new town centre at Countesswells is given further weight by the wording of Condition 16 as applied to the Planning Permission in Principle granted on 1<sup>st</sup> April 2016. The condition states that a retail impact assessment (RIA) for the town centre should assess the proposed scale and mix of town centre uses (Class 1, 2, 3, 7 and 11) and any impact on nearby town, districts or neighbourhood centres and the city centre. The RIA has also to assess the scale and mix of uses required 'to meet the retail and leisure needs of Countesswells **and adjacent residential communities**' (our emphasis).

The clear intention of planning policy and the planning permission in principle at Countesswells is that the new town centre should serve the wider area as well as Countesswells. The proposed retail development at the Prime 4 Business Park would run directly contrary to this key aim of prevailing planning policy. It would both undermine the efforts of CDL to attract investment and operator interest in the new town centre and would also lead to the town centre lacking some of the key components that would make it a vibrant community focus.

CDL has a legitimate right to expect that it should be given the opportunity to implement its planning permission in line with the approved Development Framework without the commercial basis of the proposals being undermined by the current application. Provision of Countesswells town centre forms part of the approved Phase 1 proposals. As such, land can be made available for an appropriate amount of retail floorspace to serve Countesswells

and the surrounding area without undermining the vitality and viability of any other existing centres. This has been the council's planning strategy for West Aberdeen in both existing and proposed LDPs and there is no sound reason for the council to depart from the strategy at this time.

The applicant claims to have addressed the sequential approach in the submitted retail capacity study. However, we respectfully suggest that scant regard has been paid to the various opportunities for provision of additional retail floorspace in and on the edge of the city centre and other town/district centres. In particular, the development opportunity at Union Square and Palmerston Road to the south of Union Square has been dismissed without proper consideration.

At Paragraph 7.16 of the submitted retail capacity study it is stated that the land at Union Square is 'not available to our client'. The applicant's position in relation to any site is irrelevant to the application of the sequential approach – the test is merely whether an opportunity site is available to the market and suitable for the intended use. It is clear that there are suitable, available sites in sequentially preferable locations, Union Square being one. Again, as already noted above, the lack of detail provided by the applicant makes it impossible for anyone to draw the conclusions that it does regarding the sequential approach.

LDP Policy RT1 requires that retail developments should be located in accordance with the hierarchy and sequential approach set out and as given more detail in the supplementary guidance on Retail Centres. Where the catchment area to be served is city wide (as is confirmed here by the retail capacity study) the city centre is the preferred location. Retail parks are noted as appropriate for bulky goods retailing rather than general comparison goods and even then only if there are no suitable city centre or town centre sites. Figure 1 of the Retail Centres supplementary guidance also confirms that large scale general comparison goods retailing should be located in the city centre.

LDP Policy RT2 states that retail developments appropriate to town centres will be refused planning permission where proposed in out-of-centre locations. The only exceptions are noted as being when there are no suitable sites in acceptable locations and where there will be no significant adverse effect on the vitality or viability of any identified retail location. As has already been noted, neither of these situations apply in this instance. Proposed LDP Policies NC4 and NC5 contain similar provisions. The sequential approach is also embedded in Scottish Planning Policy and the approved Strategic Development Plan. The proposal within the current application fail to meet any of these planning policy requirements and so should be refused.

### **Lack of Sustainability**

The proposed retail park development cannot be described as sustainable. It occupies a classically out-of-centre location, isolated from the nearest existing and proposed residential

communities. While there are some commuter bus services passing the site the closest bus stops are beyond easy walking distance at Kingswells Park and Ride. There are no existing, local circumferential bus routes linking the site to the residential areas to the north and south. By virtue of its location immediately adjoining the proposed AWPR junction it can be expected to generate mostly car based trips.

The proposed retail park would have no wider community and/or commercial role, something that is fundamental to sustainability. There are no proposals for Class 2 financial and professional offices, community facilities, medical or leisure facilities. In contrast the approved town centre proposals at Countesswells provide for a full range of community facilities including a medical centre, an education campus including a secondary school, primary school, library facilities and town park.

### **Conclusion**

The proposals contained within the current planning application do not accord with development plan policy and involve an unacceptable, unjustified departure from the development plan. They involve the loss of allocated, highly marketable land for business/industry and are contrary to the approved development framework for the site. The retail park would be of a scale and nature inappropriate for an isolated, out-of-centre location. It has not been adequately demonstrated that there are no suitable and available sites in sequentially preferable location. The proposals would seriously undermine the proposals for a new town centre nearby as part of the approved Countesswells development.

For all of these reasons planning permission should be refused.

We would appreciate if you could acknowledge receipt of this objection and ensure that we are kept informed of progress towards the determination of the application. We also reserve our right to expand on these comments should the applicant submit further supporting information.

Yours sincerely

  
Adrian P Smith  


cc. client

Matthew Easton  
Planning & Building Standards  
Aberdeen City Council  
Marischal College  
Broad Street  
Aberdeen, AB10 1AB

Our ref : STEW0046/aps/jew

Your ref : 161429/PPP

By e-mail only

7 February 2017

Dear Mr Easton

**Planning Application Ref: 161429/PPP**  
**Proposed Major Retail Development, Prime 4 Business Park**  
**Supplementary Objections on behalf of Countesswells Developments Limited**

As you know, we act on behalf of Countesswells Developments Limited (CDL) in relation to the above. In this capacity we took part in the pre-determination hearing on 18 January 2017.

At the hearing the applicant confirmed the intention that the retail development of up to 30,000sq m gross should operate under an open Class 1 consent, ie with no restriction on the range of goods that can be sold. The proposal as outlined in the planning application includes a foodstore of some 3,716sq m gross. At the hearing the applicant confirmed that other interested, potential occupants included Boots and Superdrug.

CDL remains firmly of the view that the applicant has overstated the capacity for new retail development. This has been confirmed by the council's own retail consultant in the review of the original Retail Capacity Assessment dated January 2017. The figures produced by the council's own consultant are still to be preferred.

CDL has planning permission in principle for the new community at Countesswells and the first phase of housing is at an advanced stage of completion. A fundamental part of Countesswells is the creation of a mixed community with a new town centre that provides commercial and community facilities. The applicant's presentation at the pre-determination hearing confirmed the fears of CDL that the proposed retail development at Prime 4 will seriously undermine the efforts of CDL in delivering a mixed use town centre as provided for in the LDP, the Development Framework and Masterplan (which is formal Supplementary Guidance) and the planning permission in principle.

Since the hearing the applicant has submitted a revised retail assessment. This confirms that trade would be drawn from the approved new town centre at Countesswells. While the

predicted impact might be limited this would still be enough to undermine the proposals for Countesswells town centre.

CDL has two key concerns regarding the proposed retail development as follows:

- A foodstore would be the key anchor for Countesswells town centre – the retail study provides for this to be up to 5,500sq m gross. CDL has interest from potential foodstore operators but this would be seriously undermined by any consent at Prime 4 allowing a foodstore of up to 3,716sq m gross. Despite the claims of the applicant in the retail assessment the retail study does specifically state that Countesswells is the preferred location for any new foodstore in West Aberdeen. Should the council be minded to grant planning permission for the current application it is vital, therefore, that it should specifically preclude a foodstore being part of this.
- Another key element of Countesswells town centre will be the provision of health facilities including a doctor's surgery and dentist. The only logical location for any new pharmacy in West Aberdeen is therefore within Countesswells town centre, adjoining the health facilities. Licensing restrictions could well preclude this being achieved if Boots or Superdrug were permitted to occupy any of the retail units at Prime 4. Should the council be minded to grant consent for the proposed retail development they should specifically preclude the provision of a pharmacy.

We would be obliged if you could acknowledge receipt of these supplementary objections and ensure that we are informed of progress as the application proceeds towards determination. If any matters require clarification, please contact Adrian Smith in our Glasgow office.

Yours sincerely



Adrian P Smith



cc. client



SV10245/05

11<sup>th</sup> November 2016

Development Management Team  
Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen AB10 1AB  
FAO Matthew Easton [REDACTED]

Dear Sir

**MAJOR DEVELOPMENT: MIXED USE COMMERCIAL (UP TO 30,000M2) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS AT SITE OP40 PRIME FOUR BUSINESS PARK, KINGSWELLS, ABERDEEN.  
APPLICATION REFERENCE 161429/PPP**

We act on behalf of Zurich Assurance Limited, and write with reference to the above application submitted recently to Aberdeen City Council.

Our clients own Kittybrewster Retail Park and Lower Berryden Retail Park.

On behalf of our clients we wish to formally object to the principle of the proposed development. Our grounds for objecting to the proposed development are set out below.

### **Background**

The application site covers an area of approximately 13 ha (32 acres) and is located within the Aberdeen City Local Authority Area, and within the Kingswells / Sheddocksley Ward. The site lies circa. four miles to the west of Aberdeen City Centre and circa. two miles to the east of Westhill (Aberdeenshire Council). The settlement of Kingswells is adjacent to the east.

The application seeks permission in principle for retail uses to complement the existing business park, and create a commercial mixed use scheme.

Drum Property Group are advancing proposals which involve the development of up to **26,013sqm** (gross) of Class 1 Retail floorspace which would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers... In addition, the proposals would include a **3,716sqm** (gross) foodstore and ancillary food and drink premises.

The retail proposals are significant. The site is not designated for retail in the Local Development Plan, and as such is significantly contrary to it, and constitutes an out-of-centre location in the context of Scottish Planning Policy (SPP).

### **Policy Context**

Section 25 of the Town and Country Planning (Scotland) Act 1997 as amended by the Planning etc. Scotland Act 2006 requires all planning applications to be determined in accordance with the development plan unless material considerations indicate otherwise.

The Development Plan comprises the Aberdeen City and Shire Strategic Development Plan, and the Aberdeen Local Development Plan, adopted 29 February 2012.

Aberdeen City Council are in the process of replacing the Local Development Plan. Their Proposed Plan has recently been the subject of Examination and the Reporter's Report has now been received by the City Council.

The site of the subject proposals is identified in the emerging Local Development Plan as an extension to the Prime Four development. It is allocated as Green Belt in the current extant Local Development Plan.

The review of the LDP and the Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

Briefly stated it is submitted that the proposed development does not comply with the Development Plan and there are no material considerations, either presented by the applicant nor are evident in our assessment, that would indicate otherwise.

### SDP

Aberdeen City of identified as a strategic growth area within the SDP. Paragraph 3.15 states that "*Aberdeen is Scotland's third-largest city and the regional centre for employment, retail, culture, health and higher education as well as being the region's transport hub – with road, rail, sea and air links.*"

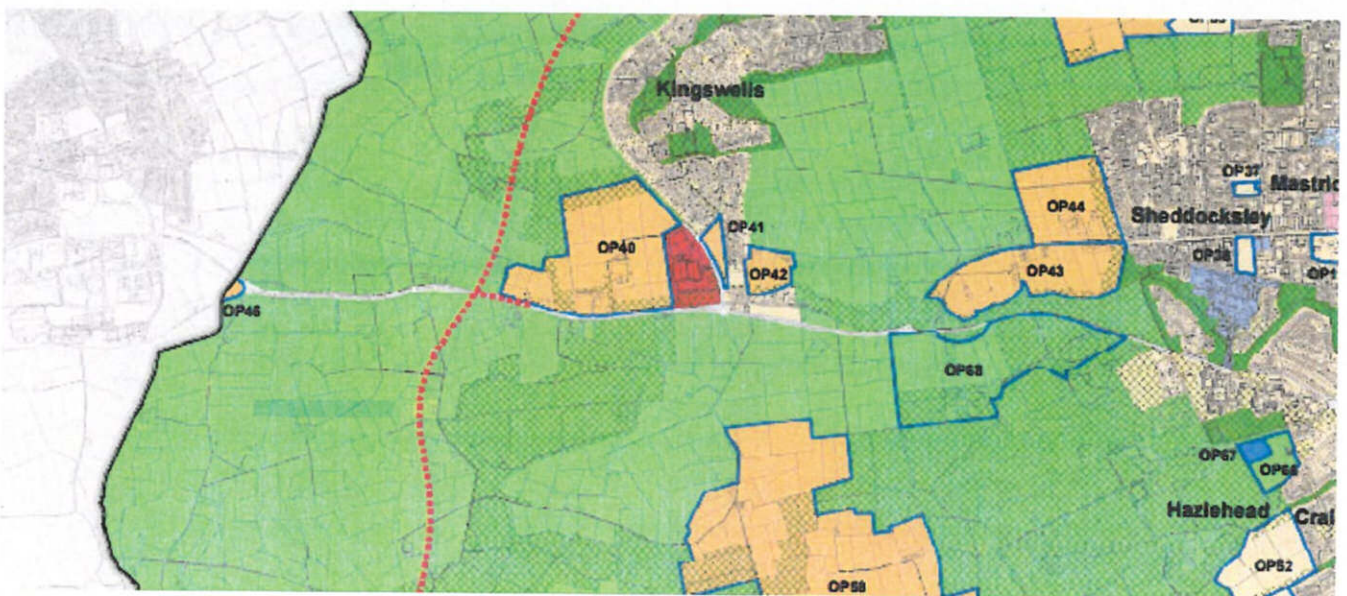
The SDP continues at 4.2 that "*in line with Scottish Planning Policy, a sequential approach will be taken when identifying sites for new retail development across the strategic development plan area.*"

It is stated at paragraph 4.40 that "*to create sustainable mixed communities, retail services must be one of the main considerations in preparing masterplans and development briefs for new development. We will take a sequential approach to new retail development. However, we will also support existing retail centres to make sure that the needs of the community are met now as well as in the future.*"

### LDP

The site of the subject proposals is allocated as Green Belt (NE2) and as part of the Green Space Network (NE1).

An extract of the Proposals Map is copied below:-



## Material Considerations

As noted above, the review of the LDP and the Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

### Scottish Planning Policy (SPP)

Paragraph 1. of SPP recognises that *"the planning system has a vital role to play in delivering high-quality places for Scotland."* It continues that *"Scottish Planning Policy (SPP) focuses plan making, planning decisions and development design on the Scottish Government's Purpose of creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth."*

Core Values of the Planning Service include that Scottish Ministers expect for the planning service to perform to a high standard and to pursue continuous improvement are noted at paragraph 4. of SPP, include:-

- focus on outcomes, maximising benefits and balancing competing interests;
- play a key role in facilitating sustainable economic growth, particularly the creation of new jobs and the strengthening of economic capacity and resilience within communities;

Paragraph 24. of SPP states that *"the Scottish Government's central purpose is 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."*

Further it states at paragraph 27. that *"the Government Economic Strategy indicates that sustainable economic growth is the key to unlocking Scotland's potential and outlines the multiple benefits of delivering the Government's purpose, including creating a supportive business environment, achieving a low carbon economy, tackling health and social problems, maintaining a high-quality environment and passing on sustainable legacy for future generations."*

In this respect it is stated that *"this SPP introduces a presumption in favour of development that contributes to sustainable development."*

Paragraph 58. states that *"NPF3 reflects the importance of town centres as a key element of the economic and social fabric of Scotland."* It continues that *"...town centres are at the heart of their communities and can be hubs for a range of activities" and that "it is important that planning supports the role of town centres to thrive and meet the needs of their residents, businesses and visitors for the 21st century."*

SPP states (at paragraph 39.) that *"planning should direct the right development to the right place."*

As previously, SPP states (at paragraph 60.) that planning for town centres should be flexible and proactive, enabling a wide range of uses which bring people into town centres. In this respect it is stated that the planning system should:-

- apply a town centre first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure, offices, community and cultural facilities;
- encourage a mix of uses in town centres to support their vibrancy, vitality and viability throughout the day and into the evening; and
- ensure development plans, decision-making and monitoring support successful town centres....

In specific relation to commercial centres paragraph 63. states that:-

*"Plans should identify as commercial centres those centres which have a more specific focus on retailing and/or leisure uses, such as shopping centres, commercial leisure developments, mixed retail and leisure developments, retail parks and factory outlet centres. Where necessary to protect the role of town centres, plans should specify the function of commercial centres, for example where retail activity may be restricted to the sale of bulky goods."*

Paragraph 68. States that development plans should adopt a sequential town centre first approach when planning for uses which generate significant footfall, including retail and commercial leisure uses, offices, community and cultural facilities and, where appropriate, other public buildings such as libraries, and education and healthcare facilities.

It continues that this requires that locations are considered in the following order of preference:-

- town centres (including city centres and local centres);
- edge of town centre;
- other commercial centres identified in the development plan; and
- out-of-centre locations that are, or can be, made easily accessible by a choice of transport modes.

Paragraph 69. states that *"planning authorities, developers, owners and occupiers should be flexible and realistic in applying the sequential approach, to ensure that different uses are developed in the most appropriate locations."*

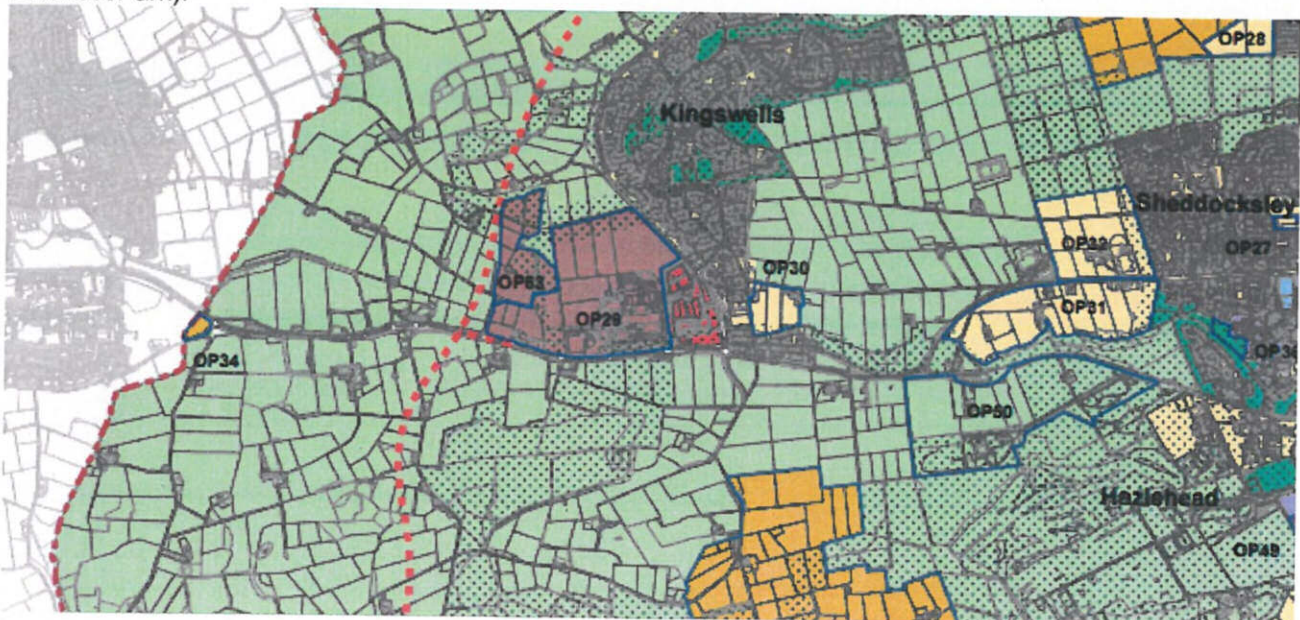
It continues that where a retail development over 2,500 sqm is proposed outwith a town centre, contrary to the development plan, SPP requires a retail analysis to be undertaken. In relation to transportation matters, SPP refers to making sound choices on the location of new development (at paragraph 280.) and placing a focus on places well served by public transport (paragraph 279).

#### **Aberdeen Local Development Plan – Proposed Plan**

The LDP identifies Kingswells as a direction for growth. The plan, at 2.2, states that

*"Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land. A further extension to this is proposed. The main housing sites are at Maiden Craig (750 homes) on the A944 corridor and at Greenferns (1,350 homes plus 10ha employment land). The AWPR will provide benefits to this area with junctions proposed to the north and south-west of Kingswells."*

An extract of the Proposed Plan Proposals Map is copied below. The plan suggests allocations in line with the strategy, including to the west of Kingswells at OP63 (Prime Four Extension) and OP29 (Prime Four BusinessPark):-



The plan refers to OP63 (Prime Four Extension) as accommodating some 13ha of employment land and OP29 (Prime Four Business Park) as accommodating 50ha. A masterplan is noted as being a requirement for the development of OP63.

In relation to the Network of Centres paragraph 3.18 states that the city centre plays a major role in the commercial, economic, social, civic and cultural life of Aberdeen and the wider North East. It continues that it is an important regional centre providing a focus for employment and business interaction, it offers access to a wide range of goods and services, it is a place where many people meet socially and choose to live and visit.

Paragraph 3.19 states that the City Centre is is vital for the future prosperity of Aberdeen that the city centre is enhanced and promoted as a resilient, safe, attractive, accessible and well-connected place which contributes to an improved quality of life, noting that the Plan supports the delivery of this vision within a framework of securing sustainable development and continuing that this will be achieved through applying policies which positively promote what can happen, and where, in tandem with the City Centre Masterplan and Delivery Programme.

Policy NC4 of the plan relates to the Sequential Approach and Impact. It states that:-

*"All significant footfall generating development appropriate to town centres should be located in accordance with the hierarchy and sequential approach as set out below and detailed in Supplementary Guidance Hierarchy of Centres:*

*Tier 1 : Regional Centre*

*Tier 2 : Town Centres*

*Tier 3 : District Centres*

*Tier 4 : Neighbourhood Centres*

*Tier 5 : Commercial Centres*

*Proposals serving a catchment area that is city-wide or larger shall be located in the city centre. Retail proposals shall preferably be located in the City Centre Retail Core.*

*Proposals serving a catchment area of a size similar to that of a town centre or district centre shall be located in a town centre or a district centre. They may also be located in the city centre. Proposals serving a catchment area of size similar to that of a neighbourhood centre shall be located in a neighbourhood centre.*

*They may also be located in any centre that is in the first, second or third tiers of the hierarchy.*

*Proposals for bulky goods shall only be located in a commercial centre if a suitable site is unavailable in the first, second or third tiers of the hierarchy.*

*Proposals for significant footfall generating development on an edge-of-centre site will not be supported unless:*

- *the proposal is one that would have been appropriately located in the centre to which it relates;*  
*and*
- *in the centre to which it relates no suitable site for the proposal is available or is likely to become available in a reasonable time.*

*In all cases, proposals shall not detract significantly from the vitality or viability of any centre listed in the Supplementary Guidance, and shall accord with all other relevant policies in the Plan, including those relating to design, access and amenity.*

*In major new development areas that are more than 800m walking distance from shopping facilities, permission may be granted for the establishment of a new second, third or fourth tier centre. Developers may be required to reserve land for this purpose.*

*Retail Impact Assessments should be undertaken where a retail development over 2,500sqm gross floorspace outwith a defined regional or town centre is proposed which is not in accordance with the development plan.*

*An analysis of impact should be undertaken where a significant footfall generating development over 2,500sqm gross floorspace outwith a defined regional or town centre is proposed which is not in accordance with the development plan.*

*A restriction may be imposed on the amount of comparison goods floorspace allowed within convenience shopping developments outside the city centre or other town centres."*

Policy NC4 of the plan relates to Out of Centre Proposals. It states that:-

All significant footfall generating development appropriate to designated centres, when proposed on a site that is out-of-centre, will be refused planning permission if it does not satisfy all of the following requirements:

- "1 no other suitable site in a location that is acceptable in terms of Policy NC4 is available or likely to become available in a reasonable time.*
- 2 there will be no adverse effect on the vitality or viability of any centre listed in Supplementary Guidance Hierarchy of Centres.*
- 3 there is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed.*
- 4 the proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycling and public transport routes which link with the catchment population. In particular, the proposed development would be easily accessible by regular, frequent and convenient public transport services and would not be dependent solely on access by private car.*
- 5 the proposed development would have no significantly adverse effect on travel patterns and air pollution."*

The retail proposals are significant. The site is not designated for retail in the Local Development Plan, and as such is significantly contrary to it, and constitutes an out-of-centre location in the context of Scottish Planning Policy (SPP).

It is submitted that the proposed development would have a significant impact on the City Centre, and will significantly undermine the Development Plan strategy in this respect.

## **Conclusion**

In conclusion on behalf of our client we wish to formally object to the principle of the proposed development.

The information submitted with the current application and which appears on the Council's planning portal appears in no way to justify the development. No detailed assessment of planning policy has been provided for example, and should be requested of the applicant.

The correct process to promote exceptions to policy would be through a review of the Local Development Plan, and not by a speculative application which appears to be accompanied by limited, if any, policy justification.

We would submit that based on the forgoing assessment the proposed development is contrary to the LDP, and indeed represents a significant departure.

No material considerations, either submitted by the applicant nor assessed here support the proposed development where no justification is provided. The LDP Report of Examination underlines the Council and Scottish Government's position relative to the site.

Neither indicate the development warrants a departure from the development plan.

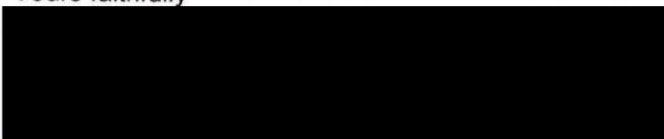
We trust that the above objection will be given due regard in the Council's consideration of the proposed development.

We would reserve the right at this stage to supplement our objections in the event that additional information is submitted by the applicant.

As noted above the review of the SDP and LDP Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

We would be grateful to receive acknowledgement of the receipt of the objection and would be pleased to further discuss.

Yours faithfully

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**COLUMBIA THREADNEEDLE**

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11 November 2016

Matthew Easton (Planning Officer)  
Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen  
AB10 1AB

**Sent by Email and Post**

Dear Mr Easton

**Application Ref: 161429/PPP: Mixed Use Commercial Development at Site OP40, Prime Four Business Park, Kingswells, Aberdeen  
Full Objection by Ellandi LLP**

Further to our letter dated 21 November 2016, we are now in a position to set out our full objection to the above mentioned proposal which focuses on the merits of the Applicant's retail assessment contained within the Retail Capacity Study prepared by LSH and dated September 2016.

By way of background, Ellandi manage the Trinity Shopping Centre in Aberdeen City Centre on behalf of Lone Star. As a major investor in the City Centre, we are committed to ensuring that new development occurs in the right place and at the right time to help sustain and strengthen the City Centre as an attractive, sustainable and commercially viable place to live, work, shop and visit for a range of uses and activities. This latest proposal by Drum Property Group Ltd is of significant concern to Ellandi and its investors.

Our full review of the Applicant's retail assessment is provided as Enclosure 1 to this letter. This demonstrates that the Applicant's retail assessment is not fit for purpose due to the significant deficiencies in the methodology used, assumptions taken and conclusions drawn. It is therefore wholly insufficient to demonstrate that the application proposal complies with the existing Local Development Plan 2012 (LDP) and soon to be adopted Local Development Plan 2016 – both of which place significant emphasis on protecting Aberdeen City Centre's role as the region's main shopping destination and as the preferred location for significant footfall generating uses of a regional / city-wide scale.

Furthermore, our assessment illustrates that the Applicant has failed to demonstrate compliance with all criteria set out at Paragraph 73 of Scottish Planning Policy (SPP), namely:

- the Applicant's approach to sequential assessment does not adhere to the process for sequential assessment set by the SPP due to a misinterpretation of case law - as a consequence, the sequential assessment undertaken is insufficient to demonstrate that all city centre, edge of city centre and other commercial centre options have been assessed and discounted as unsuitable or unavailable;
- the scale of development proposed is inappropriate, and there have been no efforts on the part of the Applicant to demonstrate that the proposal cannot reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location;
- the proposal is presented as a means to address qualitative and quantitative deficiencies within the city region – this will however be at the expense of City Centre sites that have been identified in the existing

and emerging LDP to address identified capacity for additional retail floorspace; and

- the Applicant's economic trade draw analysis utilises inappropriate assumptions which serve to underplay the impacts of the proposed development. The assessment it is not fit for purpose and places undue weight on the quantitative impacts of the proposal without due regard to the associated qualitative impacts which must be taken into consideration as part of any assessment of retail impact. In this regard, the Applicant has failed to demonstrate that the proposal will not lead to a significant adverse impact on the vitality and viability of Aberdeen City Centre.

We would add to the above and enclosed by noting that Aberdeen operates a Plan-led system which must be followed unless material considerations indicate otherwise (Town and Country Planning (Scotland) 1997 Act). Our assessment of the proposed development concludes that the purported benefits associated with the proposed development (as set out in the Applicant's Retail Capacity Study and other associated documents) are by no means sufficient to outweigh its clear non-compliance with the adopted LDP and the Aberdeen City and Shire Strategic Development Plan 2014 (SDP). Moreover, it categorically fails to address the overarching objective of the SPP in regard to town centres and retailing which is to apply a town centres first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure. A town centres first policy is intended to support town and city centres, where these exist, or new centres only when they are supported by the Development Plan.

In this case, the scale of the proposed development is not envisaged in the existing and soon to be adopted Local Development Plan 2016. Indeed, within the emerging LDP, the City Council has set out a clear and comprehensive strategy for the delivery of additional retail floorspace up to 2035 / 36, informed by a comprehensive masterplanning exercise and the ACARS.

Moreover, there is evidence of a clear and demonstrable willingness on the part of City Centre investors to deliver this additional retail floorspace within the City Centre itself including the scheme by Hammerson to redevelop the Union Square car park (Application Ref: 152005). This scheme alone has the potential to deliver up to 11,148 sqm of retail floorspace, 6,503 sqm of new leisure space and 4,645 sqm of food and drink uses. While there may well be an appetite from retailers to have additional facilities outwith the City Centre, this is not a material consideration of any weight as quite clearly retail planning policy at all levels directs these retailers to town centre locations first and foremost. Indeed, the fact that these retailers would like to have additional representation at Prime Four does not overcome the fact that their very presence in this location will conflict with retail planning policy at all levels and significantly and irreversibly undermine Aberdeen City Centre's position at the top of the north east Scotland retail hierarchy.

In addition to the above, we note with interest that the Applicant has placed significant emphasis on the fact that both Glasgow and Edinburgh have significant out of centre retail provision, which on the face of it appears to operate quite successfully alongside more traditional retail provision within the city centres themselves. However, what this fails to take into account is that how other city regions operate is not a policy consideration and it is by no means sufficient justification that Aberdeen requires similar provision. Instead, it simply serves to illustrate the commitment of Aberdeen City Council to its town centres first policy and its clear emphasis on preserving and enhancing the vitality and viability of Aberdeen City Centre. The City Centre has benefitted significantly from this emphasis on the town centres first principle – it holds the dominant position in the north east for shopping and in recent years there have been several key city centre developments such as the development of Union Square and the upgrading of the Bon Accord and St. Nicholas Centres. Going forward, there are sufficient opportunities over the lifetime of the existing and emerging LDP to meet the identified capacity for new retail floorspace. Taking all this into consideration, there is no overwhelming quantitative or qualitative need to deliver the proposed floorspace in this location.

The impact of out of centre development on planned investment such as that proposed within the existing and emerging LDP is summarised by the ACARS. This concludes that there is a need to facilitate and support the growth of Aberdeen City Centre and:

*"to maintain the City Centre as the principal retail location serving the north east of Scotland. The primary focus of the City Centre will be for comparison goods retailing. However, it is recognised that the delivery of new sites within the City Centre is a difficult and protracted process reflecting a range of development constraints including complex land ownership. Therefore, in order to provide the maximum opportunity for City Centre development to proceed, some restraint is proposed for out-of-centre retail proposals elsewhere in the City and Shire." (Page 76, emphasis added).*

As the Applicant points out at Paragraph 5.8 of its Retail Capacity Study, the ACARS also advises that:

*"the development of land in the City Centre for new retail will be a protracted, complex and costly process and could be undermined by relatively easy alternatives elsewhere in the City." (Page 63, emphasis added).*

We do not dispute that there is significant potential for additional retail floorspace in the Aberdeen catchment area (this is to be expected), however this is quite clearly being planned for (as is required) through the emerging Local Development Plan (and the City Centre Masterplan) in far more sustainable locations, in accordance with recommendations of the ACARS and in line with the town centres first approach. The fact that the delivery of additional retail floorspace can be difficult to achieve in City Centre locations does not give developers 'carte blanche' to deliver unsustainable proposals elsewhere – if anything, it further highlights the need for the City Council to uphold the town centres approach to allow these City Centre developments to come forward in line with what is envisaged in the existing and emerging LDP.

### **Concluding Remarks**

To conclude, we find that the application fails to demonstrate that the scheme is compliant with national, sub-regional and local policy objectives which seek to maintain and strengthen the vitality and viability of Aberdeen City Centre and to strengthen its position at the top of the retail hierarchy.

For all the reasons cited above and in the enclosed analysis, we maintain our objection to the proposed development and respectfully request that it is recommended for refusal by officers.

We would also ask that the Council requires the Applicant to address all of the points we have raised within our representation and if further material is submitted, all consultees are given an opportunity to review and comment on the additional material.

Please do contact me if you have any queries on the content of this letter and its enclosures and I will be happy to assist.

Yours sincerely



**Richard Hutchinson**  
**Asset Manager**  
**Ellandi LLP**

Enclosure 1      Ellandi Assessment of Prime Four Retail Capacity Study

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Ellandi Management Ltd (No. 07464853)  
Registered Office: 3C Princes House, 38 Jermyn Street, London SW1Y 6DN

Prime Four Retail Capacity Study (LSH)	Ellandi Response
<p><u>Existing Retail Provision</u></p> <p>Section 4 of the Applicant's Retail Capacity gives consideration to existing retail provision in the Study Area, focusing on Aberdeen and assessing its position in a regional and national context. The following statements are made by the Applicant:</p> <ul style="list-style-type: none"> <li>Paragraph 4.2 states that the Aberdeen City and Aberdeenshire Retail Study (2013) estimates that retail expenditure leakage from Aberdeen is in the order of £110m.</li> <li>Paragraph 4.3 states that whilst there is a significant quantum of expenditure leaking from the Aberdeen City region, the City's catchment is considered to be extremely resilient. It goes on to state that this is part due to the fact that out of centre retail competition is limited with a very modest supply of retail warehousing in and around the city and with much of this focused on bulky goods retail.</li> <li>Paragraph 4.4 states that the existing retail parks [in Aberdeen] have limited overall significance in terms of the region's retail provision, supporting the view that the north east has [a] very limited retail park offering when compared with other major Scottish cities.</li> <li>Paragraph 4.5 states that when Aberdeen is compared with other major Scottish cities, particularly Edinburgh and Glasgow, it can be seen that the retail offering of the City is lacking.</li> <li>Paragraph 4.6 states that this view is supported by the ACARS which establishes that the Aberdeen City Region can accommodate a significant quantum of additional comparison goods floorspace and advises that the barriers to this are a perceived lack of retailers and the simple physical restrictions of the City Centre to accommodate new retail floorspace.</li> <li>Paragraph 4.6 also refers to a public statement by Andrew Turnbull (Senior Lecturer at Robert Gordon University) in regard to the Aberdeen retail market: <i>"My suspicion is that Aberdeen has lagged behind and continue to lag behind other centres of retail in Scotland – it's never really had sufficient opportunities for retail. I think its a combination of lack of provision relative to other retail centres and also the lack of availability of appropriate land. It's not a question of can you get good retail space, its a question of can you get good retail space"</i>.</li> <li>Paragraph 4.7 states that the absence of a robust and complimentary retail centre within the Aberdeen City area is perhaps the key reason why the region has failed to meet the clear quantitative requirement for additional retail floorspace.</li> <li>Paragraph 4.8 notes that unlike Aberdeen, both Edinburgh and Glasgow benefit from having a number of sub-regional retail parks which complement their city centres. It goes on to refer to x2 tables which show how the two cities accommodate national retailers in several locations, meeting retailer demand whilst maintaining vital and viable centres. It also refers to a chart prepared by the Applicant which indicates that Aberdeen has a lower ratio of out of town space to residents than other Scottish cities (namely Dundee, Glasgow and Edinburgh).</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant places much emphasis on the fact that £110m has been identified as leaking from the Aberdeen catchment – the implication being that the proposed development will serve to stem this leakage through the provision of additional retail floorspace at Prime Four Business Park. It fails however to interrogate this leakage (which is identified through the ACARS2 2013) – if it did, then it would discover that whilst this expenditure leakage is significant, it is particularly significant for peripheral locations close to Moray (Zones 2 and 4+5) and Angus (especially Zone 22). There is also leakage across the whole of the Study Area, with a significant number of residents undertaking occasional trips to larger centres (notably Glasgow). Lastly, it would find that the flows of expenditure leaking out of the Study Area are generally balanced by flows of expenditure into Aberdeen from those living outwith the Study Area (Paragraph 2.74, ACARS 2013) – an important point, as clearly leakage from the catchment is effectively being 'cancelled out' by inflows of expenditure from elsewhere and is not as big an issue as the Applicant would suggest.</li> <li>In regard to the expenditure that is leaking from the catchment, we consider that it is highly unlikely that the proposal will claw back expenditure leaking towards Angus – most notably because the proposal is a significant distance from those residing in Zone 22 – the same applies Zones 2, 4+5 (in respect of expenditure leakage towards Moray), albeit to a lesser extent. In regard to the catchment wide expenditure leakage to Glasgow, it should be noted that no indication is given within the ACARS as to whether this leakage is to out of centre provision (e.g. Braehead and / or retail parks) or Glasgow City Centre (the Study does not distinguish between the two). If it is the latter (which we suspect is the case), then the proposed development is certainly not the type of retail floorspace that will encourage those currently choosing to shop in Glasgow City Centre to stay within the catchment and undertake their comparison goods shopping – it will instead replicate retailing that is already available in Aberdeen City Centre. Should the Applicant have an alternative view, then it should provide evidence to substantiate this (i.e. a bespoke household survey).</li> <li>There is a clear need to maintain Aberdeen's position in the retail hierarchy and provide for the retail needs of the catchment. This will not be achieved however through a retail park such as that proposed on the outskirts of the City Centre. It is only Aberdeen City Centre that will be able to compete 'head on' with the likes of Glasgow – a Centre which provides an experience that goes beyond just retailing, offering a wide variety of services and facilities such as leisure, entertainment facilities and recreation uses (including cinemas, restaurants, bars and pubs, night-clubs, casinos); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities). Only Aberdeen City Centre can provide this comparable experience.</li> <li>The Applicant's statement at Paragraph 4.3 simply serves to illustrate that the City Centre's resilience is in part due to the modest supply of out of centre retail floorspace.</li> <li>The quote from Andrew Turnbull extracted from a Press and Journal article is taken entirely out of context. Firstly, the quote does not in itself justify the need to deliver a new retail park on the outskirts of the City Centre. It is not a statement of policy - it is a quote from a newspaper article. Moreover, it simply acknowledges that there are constraints to the delivery of additional retail floorspace in Aberdeen and that there are still opportunities for investors in the City (despite the decline in oil prices) – something which the ACARS and emerging LDP both acknowledge and readily seek to address. Secondly, despite these constraints, it remains that Aberdeen is the third most popular city in Scotland and the number one destination for retailing in the north east. It has all the major stores and facilities one would expect to find in such a City Centre, including a number of key department stores, representation from a number of national and international brands and four indoor shopping centres. Moreover, there is a clear appetite to deliver additional retail floorspace (both Hammerson (Union Square) and BMO (Bon Accord and St. Nicholas) are proposing an extension to their existing offers). The constraints associated with delivering new retail floorspace in Aberdeen City Centre is not sufficient to justify upwards of 30,000 sqm of retail / town centre floorspace in an unsustainable location such as Prime Four Business Park – the retail park will simply replicate the City's retail offer, competing head on with existing retail facilities that serve to anchor the City Centre and attract footfall and undermine any attempts to deliver meaningful and sustainable retail development in the City's core retail areas.</li> <li>The Applicant also places significant emphasis on the fact that both Glasgow and Edinburgh have significant out of centre retail provision, which it considers trade successfully alongside more traditional retail provision within the city centres themselves. What this fails to take into account however is how these other city regions choose to operate is not a policy consideration at any level and it is by no means sufficient justification that Aberdeen requires similar provision. Instead, it simply serves to illustrate the commitment of Aberdeen City Council to its town centres first policy and its clear emphasis on preserving and enhancing the vitality and viability of Aberdeen City Centre. The City Centre has benefitted significantly from this emphasis on the town centres first principle – it holds the dominant position in the north east for shopping and in recent years, there have been several key city centre developments such as the development of Union Square and the upgrading of the Bon Accord and St. Nicholas Centres. Going forward, there are sufficient opportunities over the lifetime of the existing and emerging LDP to address the identified capacity for new retail floorspace. Taking all this into consideration, there is no overwhelming need to deliver the proposed floorspace in this location.</li> </ul>

The Need for New Retail Floorspace

Section 5 of the Applicant's Study seeks to address the need for new retail floorspace in Aberdeen and the surrounding area, referring in particular to the Aberdeen City and Aberdeenshire Retail Study (ACARS, October 2013) undertaken by Hargest Planning Ltd.

The following statements are made by the Applicant:

- Paragraph 5.2 states that the ACARS report acknowledges that because of the challenges in delivering new floorspace in the last decade, retail provision in the area, specifically comparison goods retail, has not matched growth in expenditure [...]. It goes on to state that the ACARS report advises that *"it is difficult to imagine the identification of sufficient sites to accommodate the scale of new floorspace that would be implied by the growth in available expenditure (ACARS, Page 60)"*.
- Paragraph 5.3 states that in terms of Aberdeen City Centre, the ACARS study comments that there is enormous potential for additional retail floorspace, ranging from £120 to £140m in 2017 which could support 55,000 sqm of retail floorspace. It states that the ACARS report acknowledges that this is an 'enormous market potential' driven by a combination of expenditure growth and large population increases within the catchment area.
- Paragraph 5.4 states that over the longer term, for the period 2022 – 2027, the ACARS report advises that the scale of potential floorspace for Aberdeen is 'enormous' [...] the implied figure is 60-65,000 sqm of gross retail floorspace.
- Paragraph 5.5 states that the ACARS report suggests that it is difficult to consider the scale of new floorspace being developed in the City Centre over this period due to there being limitations on the number of retailers seeking to invest in Aberdeen and the sheer physical constraints of delivering the scale of floorspace which could be supported.
- Paragraph 5.7 states that in terms of delivering new floorspace, the ACARS study does not support the identification of specific locations for new retail floorspace but does indicate that there is significant potential within the City as a whole.
- Paragraph 5.8 refers to the following statement within the ACARS: *"the development of land in the City Centre for new retail will be a protracted, complex and costly process and could be undermined by relatively easy alternatives elsewhere in the City"*.
- Paragraphs 5.9 and 5.10 refer to the three scenario options set out in the ACARS for the delivery of new retail floorspace. It acknowledges that ACARS considered the likely impacts associated with these scenarios and recommends that Scenario 3 be implemented largely on the premise that it would support retail investment in the City Centre and minimise potential impacts on existing centres.

- National (SPP), sub-regional (SDP) and local planning policy (LDP) (inter alia) direct that developments such as that proposed should only be considered where the proposal will help to meet qualitative or quantitative deficiencies. The Applicant has sought to address this particular policy consideration at Section 5 of its Retail Capacity Study, referring to the ACARS which identifies a need to deliver additional retail floorspace within Aberdeen up to 2027. The Applicant also draws attention to a number of passages within the ACARS to highlight the scale of retail floorspace that is required to meet identified need.
- We acknowledge the findings of the ACARS (which, for avoidance of doubt, adopts a scenario which supports retail investment in the City Centre), however much of what it says in the context of the need to provide additional retail floorspace has been taken out of context by the Applicant. For example, the ACARS' reference to the need for between 60 and 65,000 sqm is only made in respect of one scenario that has been tested by the Study ('Scenario 5'). The ACARS tests three scenarios in total and concludes by recommending that Scenario 3 be adopted by the City Council which seeks to meet all retail deficiencies together with 30,000 sqm GFA floorspace within the City Centre. Scenario 5 is rejected on grounds of potential adverse impacts and potential undermining of City Centre retail investment.
- Indeed, the conclusions of the ACARS are quite clear in regard to where this new retail floorspace should be directed and how the Council should go about doing this. It certainly does not advocate the provision of a large retail park on the outskirts of Aberdeen City Centre. Conversely, its recommended retail strategy is to plan for the provision of 30,00 sqm GFA of new retail floorspace within the City Centre and to support Aberdeen City Centre as the principal shopping location serving the whole of the north east of Scotland - *"this support should include both the enhancement of retail provision and the protection of the City Centre against adverse retail impact from retail developments outwith the City Centre"* (Paragraph 6.7, ACARS, emphasis added). The rationale for adopting this approach is clear: *"the recommended strategy is identified to be based on Scenario 3 subject to reducing the scale of retail floorspace in order to support retail investment in the City Centre, to minimise potential adverse impacts on existing centres and to facilitate re-use of vacant floorspace"* (Paragraph 5.58).
- It is also important to note that since the ACARS was published in 2013, the City Council has made significant progress in terms of seeking to address the identified quantitative and qualitative deficiencies identified by the ACARS and to implement the recommended retail strategy in the ACARS to focus retail investment in the City Centre. This includes:
  - the preparation of a City Centre Masterplan and Delivery Programme 2015 (to be adopted as supplementary guidance) with a commitment to the preparation of further 'spin-off' masterplans to provide more detail on specific projects and interventions in due course; and
  - the finalisation of the LDP 2016 which refers back to the findings of the ACARS and allocates a series of strategic sites for retail development including Marischal Square, Crooked Lane / George Street, Aberdeen Market and Union Street.
- The Proposed LDP has recently been through Examination, with the Reporters concluding on 23 September 2016 that subject to minor modifications, the retail policies are consistent with the objectives of SPP – including Paragraph 30 which requires Development Plans to positively seek opportunities for meet the development needs of the Plan area in a way that is flexible enough to adapt to changing circumstances over time.
- If the qualitative and quantitative deficiencies in Aberdeen was so overwhelming, then it would have been for the emerging LDP to determine where this could be met outwith the City Centre. In this case, the emerging LDP (and indeed the Reporters presiding over the LDP Examination) concluded that there are sufficient opportunities within the City Centre (and other town centre locations) to meet the City's retail needs.
- There are no unresolved issues associated with meeting the retail needs of the City and as such no modifications to the LDP have been recommended by the Reporters which would in any way qualify the Applicant's assertion that the proposal is required to meet a quantitative or qualitative deficiency in the provision of retail floorspace. In this regard, it cannot be concluded that there is a 'need' for the proposed development.

Aberdeen City Centre Health Check

Section 6 of the Applicant's Study seeks to examine the current health of Aberdeen City Centre in order to reach a conclusion as to whether its overall health and ability to withstand the impact of a new retail centre in Aberdeen.

In regard to the health of Aberdeen City Centre, the following conclusions are drawn:

- Utilising data from the ACARS, Paragraph 6.3 states that Aberdeen City Centre is in good health with only 66 vacant units, accounting for 7.4% of units and 5.0% of floorspace within the City Centre – below the UK national average of 12.0% (Experian). Paragraph 6.5 goes on to state that this view is supported by the fact that there are no notable clusters of vacant premises, although as might be expected, vacancies are more prevalent in secondary locations.
- Paragraph 6.8 states that yields for prime city centre investments are reported to be in the order of 7% although there are suggestions that yields have compressed over the last 6-9 months and are probably now closer to 6%. (There is no evidence put forward by the Applicant to support the 6% figure).
- Paragraph 6.9 concludes that the size of the City Centre provides a wide range of choice for shoppers seeking both national (and international) brands and also independent local shops.
- Paragraph 6.10 notes that retailer demand in Aberdeen remains very strong. It states that according to EGi data, there are 59 identified requirements, comparing favourably with other Scottish cities with Dundee having 35 recorded requirements, Edinburgh 88, Glasgow 186 and Inverness 34. It goes on to state that Drum Property have confirmed retailer interest from a significant number of UK multiple retailers who wish to increase their representation in the Aberdeen City Region, particularly from fashion, clothing and footwear retailers that have requirements for ne retail units un the order of 2,500 to 20,000 sqft GFA.
- Paragraph 6.11 confirms that Aberdeen has excellent accessibility by a wide range of transport modes including bus and rail.
- Paragraph 6.12 notes that pedestrian flows are as high as 50,000 persons per day in the prime retail locations. Union Street has a daily flow of 33,000 persons per day.
- Paragraph 6.13 concludes that the City Centre is in reasonable condition and that it is generally clean. It also confirms that parts of the City Centre are pedestrianised or traffic calmed which enhances pedestrian amenity.
- Paragraph 6.14 provides the Applicant's overall conclusions in regard to the health of Aberdeen City Centre, confirming that it remains the dominant retail centre in north east Scotland and one of the strongest retail centres in Scotland as a whole. It notes that the City Centre has been particularly successful in attracting shoppers from an extensive catchment area due to the breadth of it retail and leisure offer, its accessibility and integrated transport provision. Moreover it states that the City Centre continues to perform exceptionally well with relatively low levels of vacant commercial floorspace.

- The Applicant's review of the current health of Aberdeen City Centre is, in our view, wholly lacking – it lacks detailed analysis and instead relies on high level data to justify its conclusions. Given the scale of retail floorspace proposed at Prime Four, one would expect a full review of the health of Aberdeen City Centre to be undertaken by the Applicant themselves, instead of relying on data which can now be regarded as out of date (SPP requires that health checks be conducted every two years).
- Our own view is that whilst Aberdeen City Centre continues to perform well as Scotland's third largest centre, it remains vulnerable in the face of retail development such as that proposed. Going forward, it will need to maintain and enhance its position at the top of the north east retail hierarchy to preserve and / or enhancing its vitality and viability. This is confirmed by the City Centre Masterplan which notes that for many, Aberdeen is the commercial shop window for the region and concludes that less employment and commercial activity will have an impact upon perceptions of the City that could ultimately have a negative impact upon the wider region. Conversely, it concludes that a thriving, dynamic commercial centre will better reflect the prosperity and opportunity that already exists in the area and will contribute to growth in North East Scotland and the UK as a whole.
- The supporting evidence base to the Masterplan also highlights a series of challenges facing the City Centre – a number of which appear to have been overlooked by the Applicant. These include:
  - a weakness in the retail and a quite narrow commercial (and cultural) leisure offer;
  - the elongated nature of the Centre - while there is a fairly compact retail heart, Union Street and George Street serve to dilute this effect - generally, the more compact a centre the more viable it is;
  - the environmental quality of some retail streets which are in need of improvement;
  - the central retail circuit does not operate effectively – there are weak links between the prime shopping centre of Union Square and Union Street.
- The above factors point to a Centre that does have its challenges and that it is not entirely resilient in the face of competing development such as that proposed. The fact that the Applicant has failed to 'dig beneath the surface' in regard to the health of the Centre is important because, in the case of large centres such as Aberdeen, quantitative impact assessment / economic analysis can serve to mask the likely impacts of a proposal. Indeed, by its very nature, the comparison goods turnover of the City Centre is very high and as a result, any impact figure resulting from a trade draw analysis will be seemingly 'de minimis' as the turnover of proposals are smaller in comparison.
- In such circumstances, a judgement as to whether the impact of a proposal (in trade draw terms) is 'significantly adverse' can only be reached taking into account local circumstances which is derived from a robust qualitative assessment of the health of the centre. The assessment of numerical impact or trade draw must therefore be set against more qualitative judgements such as impact on investor confidence, the nature of retailers, vacancies and pedestrian flows. In this case, the Applicant's assessment of the health of the City Centre is considered overly optimistic and fails to take into account a number of vulnerabilities. As a result, the impact of the proposed development on the City Centre is likely to be far greater then is anticipated by the Applicant.
- Lastly, the Applicant fails to acknowledge that a key contributing factor to the City Centre's current vitality and viability is the presence of a large number of national multiple retailers which help to attract visitors to the centre and in turn help to drive customers to smaller stores and facilities – it is precisely these types of operations that will be undermined by the proposed development if approved. Indeed, whilst it is unlikely that the proposal will lead to their closure (we acknowledge that many will want to maintain a presence in Scotland's third largest city), it will however undermine their ability to attract visitors to the City Centre as people choose to frequent the retail park instead. In this regard, the proposal will have an amplified impact on the health of an already vulnerable City Centre.

Sequential Site Analysis – Methodology and Area of Search

The Applicant's sequential site assessment as required by Scottish Planning Policy and the LDP is contained at Section 7.0 of the its Retail Study.

- Paragraph 7.3 states that in terms of suitability, regard should be had to the Supreme Court's Judgement of Tesco Stores Ltd v Dundee City Council 2012 ('Dundee' decision).
- Paragraph 7.4 states that the Supreme Court's position frames the Applicant's consideration of alternative sites. It goes on to state that what is required in this instance is a site capable of accommodating circa 30,000 sqm of gross retail floorspace together with associated car parking and associated food and drink uses. In order to deliver a development which meets specific, identified retailer requirements, it is considered that a site of 10.05 ha is required.
- Section 7 of the Retail Study goes on to review a series of sites in Aberdeen City Centre which have been identified through the ACARS. Paragraph 7.6 sets the tone for this assessment, noting that the City Centre presents inherent challenges in terms of accommodating new retail floorspace with the ACARS study commenting that *"the redevelopment of sites within the City Centre for new retail floorspace will be a complex and difficult process"*. Paragraph 7.6 also notes that the application proposals have been shaped by specific requirements from retailers who already have representation in Aberdeen City Centre and who wish to strengthen their representation in the Aberdeen City region but who have no requirement for further City Centre space.

- National (SPP), sub-regional (SDP) and local planning policy (LDP) (inter alia) directs that developments such as that proposed should only be considered where the all town centre, edge of town centre and other commercial centre options have been assessed and discounted as unsuitable or unavailable. They also require Applicants to demonstrate that proposals cannot be reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location.
- It is our strong view that the Applicant has categorically failed to address this latter requirement which quite clearly specifies that Applicants demonstrate a degree of flexibility when applying the sequential test.
- In this case, the Applicant is seeking planning permission for 30,000 sqm (gross) of unrestricted Class 1 floorspace with no end users identified. The scope for flexibility in this case is therefore significant - a point which was recently addressed at an Appeal relating to the extension and sub-division of a Homebase store in Leamington Spa (APP/T3725/A/14/2218334). Whilst this Appeal relates to a planning decision in England, it was issued in January 2015 (after Dundee) and clearly confirms that as there were no named operators, *"the scope for flexibility here should be greater than otherwise"* (Paragraph 19).
- The need for a greater degree of flexibility by applicants in the execution of the sequential test was also supported by an Inspector presiding over a Section 78 Appeal / Secretary of State decision in Exeter, Devon (APP/Y1110/W/15/3005333). Again, whilst this is an English decision, it clearly grappled with the complexities of the Dundee decision and concluded, quite categorically, that potential sequential sites / buildings should be assessed on their potential to accommodate the proposed floorspace of the application proposals, with adequate servicing arrangements, but without necessarily the need for surface level parking. This decision calls into question the Applicant's methodology which is to only properly consider sites which can accommodate the proposal in full, including associated car parking, servicing and public realm areas with a site area measuring 10.05 ha.
- In our view, the Applicant should be required to significantly reduce the total site area to be assessed as part of its sequential approach. Indeed, without named operators, it is very hard to see how the Applicant has shown the flexibility that is required by SPP at Paragraph 73.
- Turning to the matter of whether or not the Applicant should be required to consider the 'disaggregation' of its proposal, we accept that this is not explicitly referred to in SPP. Notwithstanding this, it is prudent to note that the Court held in the Dundee judgement that, when it comes to flexibility, local planning authorities are expected to consider different built forms and sub-division of large proposals:  
*"As part of such an approach, they are expected to consider the scope for accommodating the proposed development in a different built form, and where appropriate adjusting or sub-dividing large proposals in order that their scale may fit better within existing developments in the town centre"* (Paragraph 28).
- It is also important to note that the proposed ASDA store that was the subject of the Dundee decision was a free-standing store in a single building which could only have been reduced in size through the disaggregation of the store's offer. Similarly, the English North Lincolnshire decision (commonly referred to as the Zurich judgement) (which is also often referred to as justification for not disaggregating a proposal) related to a proposal for a Marks and Spencer store where the only available site in the town centre would have required the operator to split its food and non-food offer.
- Our interpretation of the relevant case law is that where an application proposal comprises a number of separate units or different uses with no end users (such as that proposed), a combination of more central sites should be considered provided that they do not require any of the individual retailers to disaggregate their offer. Indeed, there is a fundamental difference between the disaggregation of a single store compared with the sub-division of individual retailers in a larger proposal such as that proposed. The Applicant is therefore wrong as a matter of law in only assessing sites on the basis that they can accommodate the application proposal in full. In doing so, it makes a mockery of the sequential test as all that is required to pass the test in its view is to increase the size of proposals until no more centrally located sites can accommodate the entirety of that proposal.
- We also note that the Applicant has reviewed a series of City Centre sites as part of its flawed sequential assessment – a number of which are, in our view, capable of accommodating the proposed development in a disaggregated form. Moreover, the development constraints that have been identified (ownership, the historic environment and flooding) do not render these sites unsuitable - a point illustrated by the fact that the LDP has allocated some of these sites for retail development with a view to them being able to accommodate the retail capacity that was identified in the ACARS (this allocation process would have involved a sequential assessment and these sites have now been scrutinised by the Reporters).
- The fact that these sites do have some constraints and may take time to come forward is precisely why the City Council needs to resist developments such as that proposed – not least because they will be competing head on for the same retailers and customers. These City Centre sites need to be given breathing space to come to fruition – developments such as that proposed can undermine investment decisions and can be the tipping point for a decision as to whether or not bring a site forward.
- In summary, we find the Applicant's sequential assessment to be entirely lacking with undue weight placed upon selected passages within both the Dundee case to justify its approach which is incorrect as a matter of law. The sites that are reviewed are all too readily dismissed owing to a flawed methodology / approach. Greater flexibility and disaggregation is required to ensure the SPP requirement to consider a reduced / altered scheme has been satisfied. Without this more robust assessment being carried out, there are clear grounds for refusal of this application.
- We would conclude by noting that the relative ease of deliverability of the proposed development should hold very little weight in the determination of this application. This is because it will be at the expense of genuinely sustainable town centre development, including the redevelopment of sites identified in both the City Centre Masterplan and the emerging LDP.

Sequential Site Analysis – Sites Assessed

- The following sites have been assessed by the Applicant:
  - Land at Denburn / Woolmanhill (1.9 ha) – the Applicant discounts this site concluding that it is not available owing to it being in operational use by the NHS. Furthermore, the site is not considered suitable for the proposed development by virtue of the site being too small to accommodate the proposed development and because its redevelopment would require the loss of Grade A listed buildings.
  - Land at Schoolhill, Robert Gordon College and University (0.6 – 2.0 ha) – the Applicant discounts this site concluding that the land is not available with the University having recently disposed of its surplus assets.
  - Land at George Street / Crooked Lane, Aberdeen (0.6 ha) – the Applicant discounts this site concluding that is neither available or suitable for the proposed development on the basis that it is incapable of accommodating the scale of floorspace proposed.
  - 73 – 149 Union Street (0.3 ha) – the Applicant discounts this concluding that it is not suitable for the proposed development as it cannot accommodate a sufficient quantum of retail floorspace. It also concludes that the ownership and listed building constraints impact on its deliverability.
  - Aberdeen Market (0.35 ha) – the Applicant discounts this site as it is considered to be neither available or suitable for the proposed development as it cannot accommodate a sufficient quantum of retail floorspace.
  - Land at Virginia Street / Regent Quay (2.6 ha) – the Applicant discounts this site, concluding that it is neither available or suitable for the proposed development as its redevelopment would require the loss of listed buildings and development constraints in respect of flood risk would need to be overcome. It also concludes that it is unavailable as the site is in multiple ownerships.
  - Union Square Surface Car Park – the Applicant dismisses this site, concluding that it is neither available or suitable for the proposed development. The applicant considers that it is incapable of accommodating the scale of floorspace proposed in the format required, moreover that the land is under the control of Hammerson and thus unavailable. The Applicant refers to the Dundee case to justify its conclusions in regard to this site, noting that the key determining factor is whether an alternative site is suitable for the proposed development and not whether the proposed development can be altered or reduced so that it can be made to fit an alternative site. It notes that the application proposal is fundamentally different in their form and nature to what is being proposed at Union square through Application Ref: 152005). In view of this, it states that the Applicant’s proposals are incapable of being altered or reduced to fit onto the existing car park at Union Square, even if a degree of flexibility were to be applied. It concludes this point by noting that to accommodate the proposed retail floorspace at Union Square, it would be necessary to develop over multiple levels – something which would not meet retailer requirements. Lastly, the Applicant notes that the application proposal has been tailored to address a specific deficiency within the city Region’s offer by providing retailers with the opportunity to increase their representation in the City – an arrangement which is consistent with other major Scottish cities – in view of this, it concludes that the car park opportunity at Union Square is unsuitable to accommodate the proposed development.
  - Union Square South, Palmerston Road (2.6 ha) – the Applicant discounts this site as it considers that it is unavailable in the short term due to it being occupied by a range of uses. Moreover, it considers that the site is unsuitable as its redevelopment would require the loss of listed buildings and because there is no retailer demand for a new retail centre at this location.

- See above – it is considered that these sites should be reassessed in view of the requirement for the Applicant to apply a greater degree of flexibility in undertaking its sequential assessment, as well as considering these sites for their suitability and availability for accommodating a disaggregated form of the proposed development.
- For the avoidance of doubt, it is absolutely not acceptable for the Applicant to argue that because the retailers that they are seeking to attract to the proposed development are already represented in the City Centre, City Centre sites can be dismissed on grounds that they are ‘unsuitable’. In respect of this particular point, regard should be had to a recent High Court decision in Mansfield (Aldergate Properties and Mansfield District Council [8th July 2016] – High Court of Justice (Case No: CO/6256/2015). This concluded, quite categorically, that the “*individual corporate personality of the applicant or intended operator*” is not relevant to the application of the sequential approach and indeed would be “*the antithesis of planning for land uses*” (Para 38). In his judgement in this case Mr Justice Ouseley clearly states that: “*It is not intended that the absence of an up-to-date plan creates a rather different world in which retailers could enjoy a much greater degree of temporary freedom based on their individual commercial interests*” (Para 36). He adds that the NPPF “*cannot therefore be interpreted as requiring “suitability” and “availability” simply to be judged from the retailer’s or developer’s perspective, with a degree of flexibility from the retailer, and responsiveness from the authority*” (Para 37).
- This view can reasonably be applied in a Scottish context (SPP requires Applicants to consider sites for their ‘suitability’ and ‘availability’) and as such no weight can be placed on any argument put forward by the Applicant that City Centre sites are not ‘suitable’ as the intended occupiers are not seeking representation in the City Centre.



Sequential Site Analysis - Conclusions

The following conclusions are drawn by the Applicant:

- While it is evident that there are development opportunity sites in Aberdeen City Centre, in all cases the sites are considered neither available or suitable to accommodate the proposed development. Furthermore, it notes that almost all of the sites have significant development constraints relating to ownership, the historic environment and flooding.
- The Applicant notes that the Prime Four proposal has been tailored to address specific requirements from retailers that already have a presence in Aberdeen City Centre. It notes that these retailers do not require additional City Centre representation and instead wish to invest in other parts of the City region – a pattern of development that has been successfully followed in Edinburgh and Glasgow. It is noted that the proposed development will not prejudice the delivery of sites for retailing in the emerging LDP as the majority of retailers wishing the occupy space at Prime Four have no requirement for additional City Centre representation.
- The Applicant also considers that the rationale for the proposed development is not dissimilar to the case in support of the adjacent Prime Four Business Park which was borne out of a requirement to deliver modern, large format business space to meet an identified requirement in the office and business markets. In view of this, it cites Paragraph 68 of SPP which states that development plans should adopt a sequential town centre first approach when planning for uses which generate significant footfall, including offices. It is asserted that because in allocating the site for office uses, the Council followed the sequential approach with regard to the Business Park (and ultimately concluded that there are no sequentially preferable sites) it accepts that Prime Four is a suitable and sustainable location for high footfall generating uses. Accordingly, it considers that the Council has already confirmed that the site meets the sequential approach to site selection as set out in Paragraph 68 of SPP.
- The Applicant notes that the site is highly accessible from all directions and benefits from having excellent public transport links with Kingswells Park and Ride facility forming an integral part of Prime Four. The local cycle path network is also considered to make sustainable transport viable.
- It concludes by noting that what separates Prime Four from other opportunities is the issue of effectiveness and deliverability. The land at Prime Four is under the full control of the applicant and is free from any significant development constraints. Accordingly, it can be relied to come forward for development immediately, meeting the requirement for new retail floorspace in Aberdeen. It is therefore considered that the Applicant's proposals demonstrate full compliance with the sequential approach to site selection as set out in the SPP and LDP.

See above.

Economic Analysis – Key Assumptions

Section 8 of the Retail Capacity Study provides an assessment of the trade draw impacts of the proposal:

- The Applicant's Catchment Area is defined taking into account the scale of the proposed retail floorspace, its regional function and considering those areas it is most likely to have an influence on. The zones comprising the Applicant's catchment area correspond with the ACARS.
- Paragraph 8.2 sets out the population levels for each of these zones. The Applicant's catchment area comprises 32 zones in total which equates to 402,554 people in 2017 and 410,962 in 2022. No indication is given as to the source of the population data that has been used.
- The Applicant notes at Paragraph 8.3 that the per capita expenditure for each of the zones have been obtained and that these figures have been adjusted to take account of Special Forms of Trading (SFT). A review of the Applicant's full economic trade draw analysis at Appendix 1 (Table 2) would suggest that the EPC is derived from the ACARS – however no indication is given as to how SFT has been calculated and indeed how the EPC is projected to 2022.
- The Applicant's assessment of total retail expenditure is summarised at Paragraph 8.4 and contained at Table 3 of the economic trade draw analysis (Appendix 1). The Applicant asserts that between 2017 and 2022, the available comparison goods expenditure within the catchment is expected to rise by £236m, while convenience goods expenditure is expected to increase by £47m.
- Paragraph 8.5 states that in terms of existing retail floorspace, an estimate based on company average trading density has been made of the turnover of existing facilities within the Catchment Area. These figures are then set against the actual turnover of these stores, as referenced in the ACARS. The Applicant concludes by noting that existing centres and stores are significantly overtrading, which it considers translates into a need for additional retail floorspace, particularly for comparison goods.
- Paragraph 8.6 of the Study provides an indication as to the turnover of the proposed development, noting that it would provide 26,013 sqm of general comparison goods floorspace, together with 3,716 sqm of convenience goods floorspace. The sales densities of this floorspace is estimated to be £5,300 per sqm and £10,000 per sqm respectively which equates to a total comparison goods turnover of £110.29m and a convenience goods turnover in the order of £14.86m.
- The Applicant notes at Paragraph 8.7 that when considering the turnover of the floorspace against the available expenditure generated by the catchment, it is evident that the proposals will only assist in meeting part of the quantitative need for additional retail provision in the catchment area, and will leave capacity for additional floorspace elsewhere within the catchment. Indeed, it notes that only 8% of the available expenditure in the catchment would be entirely consumed by the £236m growth in expenditure between 2017 and 2022.

We have reviewed the Applicant's assumptions which underpin its economic trade draw analysis and have the following observations:

- It would appear that the Applicant has utilised the figures contained within the ACARS to calculate the total available expenditure within the defined catchment area. We are unsure however whether these figures (population / expenditure per head) have been re-based to reflect the passing of time since the ACARS was published and indeed whether or not they have been projected utilising the most up to date forecasts (which can be sourced from retail forecasters such as Experian / Pitney Bowes etc). Moreover, no indication has been given as to what allowance has been made for SFT and whether or not this is based upon the latest estimates produced by Experian / Pitney Bowes etc. Clarification on these points is required if the Applicant's estimate of total available expenditure for both comparison and convenience goods is to be relied upon.
- We note the Applicant has undertaken an assessment of overtrading, presumably to demonstrate that there is an immediate qualitative deficiency in the amount of floorspace that is currently provided in the defined catchment area (particularly for comparison goods). Whilst we do not dismiss these findings, we note that this qualitative deficiency would be better addressed in a sustainable City Centre location (such as the Union Square Surface Car Park which already has planning permission to provide up to 11,000 sqm of retail floorspace). It is also notable that in addition to addressing quantitative and qualitative deficiencies, Applicants are required to satisfy a number of other retail policy tests as prescribed by SPP at a national level.
- We have reviewed the Applicant's assessment of the turnover of the proposed development. Given the scale of the proposed development, we consider these to be broadly reasonable (although not necessarily the worse-case scenario as many retailers will have average sales densities above £5,300 and £10,000 per sqm for comparison and convenience goods respectively). We would however emphasise that the potential turnover of the proposal is significant, representing approximately 10% of the turnover of Aberdeen City Centre. With a total turnover of £125.15m it is also:
  - over 10 times higher than the turnover of Rosemount Town Centre (£12.34m) (ACARS, Page 37);
  - over 20 times higher than the Torry Town Centre (£5.92m) (ACARS, Page 37) – Aberdeen's main town centres and second only in the retail hierarchy to Aberdeen.
- Lastly, the Applicant asserts that the proposals will only assist in meeting part of the quantitative need for additional retail provision in the catchment area and that it will leave capacity for additional floorspace in the catchment: We have two observations in regard to this particular statement:
  - Firstly, this statement is incorrect. Both the ACARS and the LDP adopt a strategy to provide 30,000 sqm of retail floorspace within the City Centre – the proposed development will simply absorb this capacity at the expense of the vitality and viability of the City Centre.
  - Secondly, it is naive to consider that a retail proposal of this magnitude would not make retailers and developers think twice about investing in the City Centre – the proposal will not only accommodate retailers who would have otherwise sought representation in the City Centre, it will also compete head on with the City Centre for custom. The truth of the matter is that the proposed development will serve to set back the delivery of sustainable City Centre retail development though saturating the market with unfettered retail floorspace that has a clear competitive advantage over City Centre sites (such as the ability to offer free, surface car parking and ease of access by car from a main arterial route into the City Centre).

Economic Analysis – Qualitative Issues

- Paragraph 8.8 reasserts the Applicant's previous argument that the retail offer within the Aberdeen City Region does not compare favourably with other major Scottish cities insofar as there is a large gap in the distribution of non food retail floorspace. It states that the proposed development will provide for consumer choice by ensuring that a good distribution of locations is achieved to improve accessibility for the whole region.
- Paragraph 8.9 goes on to state that the proposals have been designed to maximise the qualitative benefits that can accrue to the Aberdeen area, namely that it estimated that the proposal will 'claw back' approximately £19m of the £110m trade which is currently leaving the catchment area to more distant stores and centres. It notes that the proposals present an opportunity to make a significant qualitative improvement to the existing retail offer in Aberdeen, satisfying operator requirements and helping to meet a significant requirement for new retail floorspace in the catchment.

- We have already provided a clear explanation as to why Glasgow and Edinburgh's retail composition is not considered to be a material consideration in the determination of this application.
- We would add to this by noting in recent years, concerns have been expressed as to the growing influence of the retail parks in Glasgow and Edinburgh over their respective catchments. The most recent example of this concern is in the case of Fort Kinnaird in Edinburgh which sought to extend the existing retail park to provide a new Debenhams department store comprising of 5,612 sqm. A planning application for this extension was refused by Edinburgh Council on 25 October 2013 and dismissed by a Reporter following an Appeal Inquiry on 19 March 2015. Amongst other things, Paragraph 98 of the Appeal decision concludes:  
  
*"[...] I find that Fort Kinnaird is already competing with the City Centre and that the increase in turnover at Fort Kinnaird that would result from the proposed development would increase the competition with the City Centre. By reinforcing the already strengthening fashion, clothing and beauty components of the retail offer at Fort Kinnaird, the format of the proposed development would increase the impact that Fort Kinnaird has on the City Centre. By further enhancing investor confidence, the proposed development would be likely to increase impact on the City Centre in the future. [...]"*
- The Reporter concluded by noting that the proposed development would not accord with the town centre first principle, that the sequential approach had not been satisfactorily followed and that it did not accord with the "Promoting Town Centres" section of Scottish Planning Policy.
- This in itself is a clear indication that the retail parks referred to by the Applicant do not accord with the town centres first approach and that there is concern over their dominance of the retail market in these areas. In this regard, the Applicant's conclusions that the only way to enhance customer choice in Aberdeen is through the provision of an out of centre retail park and that this is a model that is being followed successfully elsewhere, must be dismissed.

Economic Analysis – Trade Draw

- Paragraphs 8.10 – 8.19 provide an overview of the Applicant's assessment of trade draw which is supported by the Applicant's economic analysis tables at Appendix 1.
- Paragraph 8.11 notes that the growth in expenditure, coupled with the level of surplus capacity within the Study Area, means that the trading impact of the proposal will be benign and that it can co-exist with existing stores and centres. Notwithstanding this, the Applicant has undertaken an assessment of the likely trading effects of the proposal.
- Paragraph 8.12 refers to Table 7 of the economic analysis indicating that this sets out the trade draw pattern that has been adopted for the proposed retail floorspace. This draw, the Applicant asserts, has been assessed taking into account the location and distribution of population, the socio-economic characteristics of the area, the characteristics of existing and proposed retail provision within the catchment and the accessibility of the application site by all modes of transport.
- Paragraph 8.13 notes that the application proposals are focused on the provision of comparison goods retailing, with a particular focus on clothing and fashion. As such, it considers that the majority of the proposals turnover will be trade diverted from existing retail destinations in the Aberdeen catchment which are significantly overtrading and from trade which is currently leaking to more distant centres, particularly Edinburgh and Glasgow.
- The Applicant assumes that the proposal will capture 17% of trade that is currently leaking from the Aberdeen catchment (£19m) which is considered to be a conservative estimate (Paragraph 8.14).
- It goes on to state that the proposals are a direct response to established retailer requirements, many of whom have existing city centre representation and have a requirement for additional retail floorspace in the Aberdeen catchment. It notes that this is largely due to existing stores not being able to satisfy customer demand and the need to relieve significant levels of over-trading. It also notes that there is sufficient expenditure within the Aberdeen catchment to allow retailers to justify multiple stores.
- Paragraph 8.16 deals with the likely comparison goods trade draw of the proposal from stores and facilities within Aberdeen City Centre, concluding that it will draw £55m in total, equating to a 5.2% comparison goods impact on the City Centre (which will have a turnover of £1,066m in 2022. It concludes by noting that the effect of this impact will be to modestly reduce levels of over-trading and that there will be no detrimental impact on the vitality and viability of the City Centre as a result of the proposed development.
- Paragraph 8.17 deals with the trade draw impacts of the proposal on stores and facilities outwith the city centre, concluding that the proposals will draw some trade from the retail parks at Berryden, Beach Boulevard, Garthdee and Kittybrewster (£11m) with some trade drawn from Portlethen and the emerging retail floorspace at Chapleton east of Elsick (£5m). It is concluded that in no case will the proposed development threaten the existence of these retail destinations as in most cases, their focus is not on general comparison goods retailing.
- Paragraph 8.18 deals with the trade draw impacts of the proposed convenience store which it regards to be focused on similar sized and functioning stores within the catchment. With this in mind, it concludes that the largest impact will be on similar sized and functioning stores at Garthdee and Berryden (£9.5m). Paragraph 8.19 also acknowledges that some impact will be felt by more local convenience goods stores and facilities in Westhill Town Centre, concluding that this are likely to be in the order of 1.6%.
- Paragraph 8.20 concludes by noting that Aberdeen does not provide sufficient comparison goods floorspace capable of satisfying shopper's requirements. It considers that the proposed development will provide the north east with a retail destination which the Aberdeen catchment currently lacks, enabling shoppers to meet their shopping needs and bringing Aberdeen up to a level of provision that is consistent with other major Scottish cities.

- The Applicant's assessment of trade draw follows a standard model and as such we do not have any comments in regard to its general approach to assessing quantitative impact. We do however have a number of observations in relation to the Applicant's trade draw assumptions that we wish to highlight:
  - The Applicant considers that the proposal will capture 17% of trade that is currently leaking from the Aberdeen catchment (£19m – all from Glasgow and Edinburgh (Table 7 of the Retail Capacity Study) which is considered to be a conservative estimate. This assumption is wholly unsubstantiated for the following reasons:
    - the ACARS does go into detail as to how leakage from the catchment currently occurs (for example, it does not differentiate between retail park and city centre shopping in respect of Glasgow – see comments above). There is even less detail in regard to leakage to Edinburgh. As we have also noted above, the proposal will not be sufficient to prevent a general preference for the local population to undertake their comparison goods shopping in Glasgow and Edinburgh – both centres are significantly larger than Aberdeen and provide a comprehensive and well-rounded shopping experience. The proposed retail park will instead replicate existing provision in Aberdeen City Centre and remove the incentive for existing customers to visit.
    - A large proportion of leakage from the catchment will be as a result of people working outwith the catchment and choosing to shop in this location – no account is taken of this by the Applicant and there is no analysis of this in the ACARS.
- Without a clear indication as to where this trade will be clawed back from, substantiated by evidence (such as a bespoke household survey focusing on the reasons for residents choosing to shop outwith the catchment), there can be absolutely no reliance on this particular trade draw assumption.
- The amount of trade drawn from the retail parks at Berryden, Beach Boulevard, Garthdee and Kittybrewster (£11m) is overestimated. This is because, as the Applicant points out in Section 4 of its Retail Capacity Study, these retail parks are largely bulky goods / value orientated in nature and as such unlikely to compete on a like for like basis with the proposed development (which by the Applicant's own admission is to be focused on the fashion sector).
- Taking into account the above, we consider that the likely trade draw of the proposal from destinations other than the City Centre has been overestimated (it concludes that £30m will be drawn from existing retail parks and from stores and facilities outside of the catchment). This has the effect of underestimating the quantitative impact on the City Centre.
- In addition to the above we note that little or no attempt has been made by the Applicant to undertake an assessment of the qualitative impacts of the proposal which, in our view, will be significant. These qualitative impacts include:
  - impact on investor confidence – the proposal will have a direct impact decisions to invest in the City Centre – a large, out of centre retail park coming on stream will reduce the overall attractiveness of investing in the City Centre;
  - impact on customer perceptions - as we highlighted above, Aberdeen is the commercial shop window for the region – competing investment outwith this location will have an impact upon perceptions of the City that could ultimately have a negative impact upon the wider region;
  - amplified impacts on local, independent business who rely on the footfall generated by anchor stores for custom;
  - impact on commercial rents;
  - potential relocation of businesses to Prime Four from the City Centre (where dual representation is no longer required) – whilst the Applicant indicates this is not the intention of the proposal, there would be nothing to stop this happening in the future.
- In addition to the above, we note with interest that the description of development also includes food and drink uses (Class 3). No attempts have been made by the Applicant to address what the impact of this aspect of the proposal will be – indeed no reference is made to these uses in its Retail Capacity Study. Our view is that placing food and drink uses at the proposal site will enhance the attraction of the retail park and remove yet another reason for shoppers to visit the City Centre. This will not only result in a loss of trade to occupiers in the City Centre it will also increase the patronage of / dwell time at the retail park increasing the likelihood of people diverting their trade to the retail park from the City Centre. Food and beverage uses in this location represent the further erosion of the need to visit Aberdeen City Centre thus impacting on its overall vitality and viability.
- The resultant effect is that the impact of the proposed development has been significantly underestimated to the extent that we do not consider the Applicant has satisfactorily demonstrated that there will be no significant adverse effect on the vitality and viability of Aberdeen City Centre.
- The need for comparison goods floorspace in Aberdeen has already been assessed by Aberdeen City Council and is subsequently being planned for in the emerging LDP – this concludes quite categorically that there is no need direct surplus capacity identified by the ACARS towards out of centre locations and that any major requirements for new retail floorspace can be satisfactorily accommodated within the City Centre.

Assessment of Positive Economic Impact

- In addition to the above, the Applicant seeks to highlight the net economic benefits associated with the proposed development, which it regards to be a key material consideration in the determination of the application (Paragraph 8.21).
- Paragraph 8.22 notes that the retail industry makes a direct contribution to economic prosperity with people directly employed by retailers as well as employees supported in the wider supply chain. It notes that as a result, the proposal has the ability to create more than 500 new jobs, something that would make a significant contribution to the Aberdeen economy.
- Paragraph 8.23 states that it is apparent from the level of surplus capacity within the catchment area that the trading impact of the proposed floorspace will be a benign one and that it can co-exist with Aberdeen City Centre and the other centres in the catchment. It goes on to state that the proposed retail floorspace will not threaten the existence of any existing retailers that trade from Aberdeen City Centre and will not prejudice the development of additional retail floorspace which may come forward in the future.
- Paragraph 8.24 notes that the proposed development at Prime Four will not affect the SDP commitment to the City Centre as it has a much broader role than simply a retail destination and it has a deep breadth of offer in terms of food and drink, leisure, retail, residential, recreational and business space. Paragraph 8.25 goes on to state that the city Centre has a completely different role to the other major shopping destinations in Aberdeen and it provides a different shopping experience. The proposed development is intended to fill a trading gap rather than compete with existing stores in the City Centre.
- The Applicant notes that the proposed retail floorspace will meet the immediate requirements of the market and will significantly improve access for potential customers in the catchment area. It is considered that the location of the proposal will not divert significant numbers of existing customers from the existing stores in the City Centre (Paragraph 8.26). It is further noted that the new retail floorspace will improve competition and choice as well as securing a qualitative improvement which will serve the western quadrant of Aberdeen and parts of Aberdeenshire. The Applicant concludes by noting that the City will experience direct benefit from this qualitative improvement, boosting market confidence in the region.

- The Applicant refers to a series of economic benefits associated with the proposed development which it regards as material considerations of weight in the determination of the planning application. This includes the number of jobs to be created by the proposal.
- Officers should treat these purported benefits with considerable caution in the determination of this application. Indeed, whilst we do not doubt that the proposed development will create new employment opportunities – these opportunities are likely to be at the expense of the jobs lost or relocated as a result of the proposed development (displacement rather than creation). The proposed development will compete head on with existing businesses in the City Centre. We also find the employment generation figures set out in the Applicant’s submission to be overstated.
- We would add to the above by noting that not only will the proposal undermine the City’s overarching retail strategy (which is to direct new retail floorspace to allocated centres and to maintain Aberdeen City Centre’s position at the top of the north east retail hierarchy), it is also unsustainable. It does not offer the range of benefits that can be achieved through in-centre development including the provision of centrally located floorspace which is genuinely accessible to all (not just those who have access to a car) and the ability for linked trips with other services and facilities in the City Centre.

Conclusions

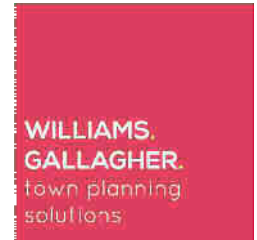
The Applicant's conclusions are set out in Section 9.0 of the Retail Capacity Study:

- Paragraph 9.1 notes the current deficiency of retail floorspace in the Aberdeen City Region and the ACARS which describes the scale of the retail opportunity in Aberdeen as 'enormous'.
- In terms of quantitative need, the Applicant asserts that it has demonstrated that the scale of the existing surplus expenditure in the Aberdeen catchment areas is more than sufficient to justify the proposed retail floorspace and that its assessment shows that the proposal represents a valuable opportunity to make a significant qualitative improvement to shopping provision in the Aberdeen catchment.
- It goes on to note that national planning policy requires that a sequential approach be adopted for the selection of preferred locations for retail development. Its review of Aberdeen Centre concludes that that there are no suitable and available sites either in or on the edge of the City Centre.
- Paragraph 9.4 notes that despite its out of centre location, Prime Four is an established and sustainable business location, is already allocated for development and that it is the only viable site within the area which is capable of accommodating the proposed store and meeting the requirement for a new retail centre to serve the Aberdeen catchment. Moreover, it is considered that the proposal is tailored to address a specific requirement from retailers, many of whom already have a presence in the City Centre. It is stated that these retailers do not require additional City Centre representation and instead wish to invest in other parts of the City Region. As a result, it is considered that the proposal will not prejudice the delivery of sites identified for retailing in the City Centre (Paragraph 9.5).
- In terms of impact on Aberdeen City Centre, Paragraph 9.6 notes that the overall impacts of the proposed development on the City Centre will be benign. It also states that it has been demonstrated that the City Centre is currently in good health and is well placed to withstand any impacts from the proposed development.
- Overall, it is considered that the proposal will have positive effects, both at strategic and local levels. At the strategic level, it is considered that the proposal will add a major new retail attraction to the region to ensure that it is in the strongest position to claw back trade that currently leaks to more distant facilities outwith the catchment area. At a local level, it is considered that the proposal has the potential to create significant new jobs.
- The Study concludes by noting that Aberdeen's position as a retail destination cannot survive indefinitely without investment to maintain its position within the retail hierarchy and its ability to serve those who live within its substantial catchment. It notes that there is a requirement for diversification in the north east retail market and a vital element of the proposals is the reinforcing of the retail role in the face of so many external competitive pressures. The Applicant considers that the proposal offers the opportunity to address these challenges and to re-position Aberdeen as one of Scotland's main retail destinations.

- We disagree with the Applicant's conclusions in regard to the acceptability of the proposed development in retail planning terms for the following reasons:
  - the Applicant's approach to sequential assessment does not adhere to the process for sequential assessment set by the SPP due to a misinterpretation of case law - as a consequence, the sequential assessment undertaken is insufficient to demonstrate that all city centre, edge of city centre and other commercial centre options have been assessed and discounted as unsuitable or unavailable;
  - the scale of development proposed is inappropriate, and there have been no efforts on the part of the Applicant to demonstrate that the proposal cannot reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location;
  - the proposal is presented as a means to address qualitative and quantitative deficiencies within the city region – this will however be at the expense of City Centre sites that have been identified in the existing and emerging LDP to address identified capacity for additional retail floorspace; and
  - the Applicant's economic trade draw analysis utilises inappropriate assumptions which serve to underplay the impacts of the proposed development. The assessment it is not fit for purpose and places undue weight on the quantitative impacts of the proposal without due regard to the associated qualitative impacts which must be taken into consideration as part of any assessment of retail impact. In this regard, the Applicant has failed to demonstrate that the proposal will not lead to a significant adverse impact on the vitality and viability of Aberdeen City Centre.
- We would add to the above and enclosed by noting that Aberdeen operates a Plan-led system which must be followed unless material considerations indicate otherwise (Town and Country Planning (Scotland) 1997 Act). Our assessment of the proposed development concludes that the purported benefits associated with the proposed development (as set out in the Applicant's Retail Capacity Study and other associated documents) are by no means sufficient to outweigh its clear non-compliance with the adopted LDP and the Aberdeen City and Shire Strategic Development Plan 2014 (SDP). Moreover, it categorically fails to address the overarching objective of the SPP in regard to town centres and retailing which is to apply a town centres first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure. A town centres first policy is intended to support town and city centres, where these exist, or new centres only when they are supported by the Development Plan.
- In this case, the scale of the proposed development is not envisaged in the existing and soon to be adopted Local Development Plan 2016. Indeed, within the emerging LDP, the City Council has set out a clear and comprehensive strategy for the delivery of additional retail floorspace up to 2035 / 36, informed by a comprehensive masterplanning exercise and the ACARS.
- Moreover, there is evidence of a clear and demonstrable willingness on the part of City Centre investors to deliver this additional retail floorspace within the City Centre itself including the scheme by Hammerson to redevelop the Union Square car park (Application Ref: 152005). This scheme alone has the potential to deliver up to 11,148 sqm of retail floorspace, 6,503 sqm of new leisure space and 4,645 sqm of food and drink uses. While there may well be an appetite from retailers to have additional facilities outwith the City Centre this is not a material consideration of any weight as quite clearly retail planning policy at all levels directs these retailers to town centre locations first and foremost. Indeed, the fact that these retailers would like to have additional representation at Prime Four does not overcome the fact that their very presence in this location will conflict with retail planning policy at all levels and significantly and irreversibly undermine Aberdeen City Centre's position at the top of the north east Scotland retail hierarchy.
- In addition to the above, we note with interest that the Applicant has placed significant emphasis on the fact that both Glasgow and Edinburgh have significant out of centre retail provision, which on the face of it appears to operate quite successfully alongside more traditional retail provision within the city centres themselves. However, what this fails to take into account is that how other city regions operate is not a policy consideration and it is by no means sufficient justification that Aberdeen requires similar provision. Instead, it simply serves to illustrate the commitment of Aberdeen City Council to its town centres first policy and its clear emphasis on preserving and enhancing the vitality and viability of Aberdeen City Centre. The City Centre has benefitted significantly from this emphasis on the town centres first principle – it holds the dominant position in the north east for shopping and in recent years there have been several key city centre developments such as the development of Union Square and the upgrading of the Bon Accord and St. Nicholas Centres. Going forward, there are sufficient opportunities over the lifetime of the existing and emerging LDP to meet the identified capacity for new retail floorspace. Taking all this into consideration, there is no overwhelming quantitative or qualitative need to deliver the proposed floorspace in this location.
- The impact of out of centre development on planned investment such as that proposed within the existing and emerging LDP is summarised by the ACARS. This concludes that there is a need to facilitate and support the growth of Aberdeen City Centre and:
  - *"to maintain the City Centre as the principal retail location serving the north east of Scotland. The primary focus of the City Centre will be for comparison goods retailing. However, it is recognised that the delivery of new sites within the City Centre is a difficult and protracted process reflecting a range of development constraints including complex land ownership. Therefore, in order to provide the maximum opportunity for City Centre development to proceed, some restraint is proposed for out-of-centre retail proposals elsewhere in the City and Shire."* (Page 76, emphasis added).
  - As the Applicant points out at Paragraph 5.8 of its Retail Capacity Study, the ACARS also advises that:
    - *"the development of land in the City Centre for new retail will be a protracted, complex and costly process and could be undermined by relatively easy alternatives elsewhere in the City."* (Page 63, emphasis added).
- We do not dispute that there is significant potential for additional retail floorspace in the Aberdeen catchment area (this is to be expected), however this is quite clearly being planned for (as is required) through the emerging Local Development Plan (and the City Centre Masterplan) in far more sustainable locations, in accordance with recommendations of the ACARS and in line with the town centres first approach. The fact that the delivery of additional retail floorspace can be difficult to achieve in City Centre locations does not give developers 'carte blanche' to deliver unsustainable proposals elsewhere – if anything, it further highlights the need for the City Council to uphold the town centres approach to allow these City Centre developments to come forward in line with what is envisaged in the existing and emerging LDP.

7 February 2017

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Sent by Email

Dear Mr Easton

**Prime Four Business Park - Retail Proposal (161429/PPP)  
Updated Retail Assessment**

We are writing to you today on behalf of our client Ellandi LLP (owners of the Trinity Shopping Centre in Aberdeen City Centre) regarding the abovementioned application and in response to the additional material that has been submitted by the Applicant in support of the proposed retail park at Prime Four Business Park – namely the updated Retail Impact Assessment (RIA) by LSH dated January 2017. This letter should be read in conjunction with Ellandi's previous representation dated 11 November 2016.

We have briefly reviewed this latest submission, alongside the report by Hargest Planning Ltd (HPL) which provides a comprehensive review of the information contained in the RIA Update. We understand that this report incorporates and supersedes the initial review of the Retail Capacity Assessment undertaken for Aberdeen City Council by HPL.

Of particular interest to Ellandi are the conclusions of the HPL report in relation to retail impact:

- the RIA Update fails to demonstrate that there is quantitative or qualitative retail deficiency in provision of the kind of retail development proposed that would be addressed by the proposal;
- given the scale of the proposed development and the uncertainty associated with the Aberdeen economy the information contained in the RIA Update and other supporting documents fails to provide a reliable and robust assessment of potential retail impact on existing or proposed centres;
- the RIA Update significantly underestimates the magnitude of retail impact anticipated to arise from the proposed development;
- the applicants have failed to demonstrate the impact that the proposal will have on the vitality or viability of retail locations (tiers 1 to 4) listed in the SG Hierarchy of Centres and so fails to satisfy the requirements of the relevant parts of Policies NC4 and NC5 of the adopted LDP, the relevant provisions in the SDP and SPP;
- HPL have undertaken an independent indicative assessment of the potential impact of the proposal which identifies that the proposal is likely to have a significant adverse impact on the vitality and viability of Aberdeen City Centre.

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# Representation to proposed retail development at Prime Four Business Park, Kingswells (Ref: P161429/PPP)

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On behalf of Union Square Developments Ltd

The Savills logo consists of a solid yellow square positioned above the word "savills" in a lowercase, sans-serif font. The text is colored in a dark red or maroon shade.

# Representation to proposed retail development

Prime Four Business Park, Kingswells (Ref: P161429/PPP)

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## Executive Summary

The site at Prime Four Business Park is allocated as Opportunity Site OP40 within the adopted LDP, which accommodates 50 ha of employment land over the period 2007–2023. The emerging LDP maintains this allocation, subject to the designation of the subject Prime Four site as a Specialist Employment Area (2017–2026), situated within the Green Space Network.

Contrary to the adopted and emerging LDP allocation and wider retail strategy, and supplementary City Centre Masterplan provisions, proposals have been submitted for significant levels of retail floorspace (c. 30,000 sq.m gross of Class 1), the majority of which will be utilised for comparison goods (26,013 sq.m).

The LDP is clear in its direction that proposals with a city-wide (or larger) catchment should be located in the City Centre. The supporting case incorrectly concludes that there are no suitable sequentially preferable sites / opportunities available, utilising a narrow assessment without sufficient flexibility, based on an unjustified quantum of retail floorspace.

The proposals would have a material impact on the vitality and viability of Aberdeen City Centre: the predicted turnover of the proposals and associated quantitative impacts have been underestimated and, moreover, the proposals will compete with the active proposals at Union Square and Bon Accord and the wider delivery of the City Centre Masterplan.

The socio-economic case put forward in support of the proposals is considered to overestimate the construction employment generated by the proposals, whilst confirming that the proposals will be of a high street nature (by way of the operational employment estimate). The population growth quoted fails to provide justification for the quantum of retail floorspace proposed at this location and at this time, ahead of the proper LDP process.

In transportation terms, the proposals are clearly less accessible than the City Centre and are largely car dependent. A review by Dougall Baillie Associates of the submitted Transport Assessment, drawing also on commentary by Transport Scotland, has concluded that the operational assessment carried out is fundamentally flawed, representing a significant under-estimation of likely traffic generation.

## 1. Introduction

### Introduction

- 1.1 This representation has been prepared on behalf of **Union Square Developments Limited** in order to formally object to the proposals at **Prime Four Business Park, Kingswells, Aberdeen (Ref: P161429/PPP)** for:

*Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works*

### Background

- 1.2 The Council has recently approved a City Centre Masterplan (CCMP) to seek to improve and enhance retail, leisure, office and residential accommodation in Aberdeen City Centre. The application at Prime Four Business Park is wholly contrary to the aims of the City Centre Masterplan and planning policies contained in the adopted and emerging Local Development Plan (LDP / Proposed Plan). If these proposals are allowed to proceed they would wholly undermine the Council's approved strategy to reinvigorate Aberdeen City Centre.
- 1.3 In light of the strategy set out in the CCMP, and in accordance with its retail strategy and retail policies contained within the LDP, there are currently a number of retail proposals being brought forward in Aberdeen City Centre. As part of these, Union Square Developments Limited (a wholly owned subsidiary of Hammerson plc, a major owner and operator of city centre shopping centres in the UK and around Europe) has submitted an application for Planning Permission in Principle to improve the retail and leisure facilities at Union Square (planning application ref: P152005).
- 1.4 The Union Square proposals actively meet the prevailing LDP policy and CCMP objectives and the sustainable economic growth objectives which underpin the planning policy hierarchy, delivering significant economic, social and environmental benefits via substantial levels of investment and jobs; an improved choice of facilities which can be sustainably accessed by all; utilisation of existing infrastructure; and, a positive impact on the surrounding urban landscape through high quality architecture. The multiple benefits are evident.
- 1.5 In contrast, the proposals at Prime Four Business Park are wholly contrary to the objectives and policies contained throughout the planning policy hierarchy, constituting – to all intents and purposes for the city of Aberdeen – not only 'out-of-centre' but 'out-of-settlement' development. This will undermine Local Development Plan and City Centre Masterplan objectives, and create a facility which ultimately is not accessible for all and will undermine progress on improving public transport infrastructure within the City / City region.

## 2. Submitted Supporting Documentation

- 2.1 Given the scale of that proposed – mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) – the application was screened under The Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2011.
- 2.2 As no formal EIA was required for the development of the previous Prime Four development phases, Aberdeen City Council considered it unlikely that there would be significantly different effects upon the environment which would require a formal EIA. The Council noted in its Screening Opinion that a series of supporting documents should be submitted with the application. These were listed (and submitted on) as:
- Transport Assessment (19/10)
  - Retail Impact Assessment (3/10)
  - Tree Survey Report (3/10)
  - Protected Species Survey (24/10 Geo-Environmental Desk Study)
  - Flood Risk Statement (19/10)
  - Drainage Statement (19/10)
  - Landscape Statement (08/11)
  - Design and Access Statement (20/10)
  - Pre-Application Consultation Report (03/10)
  - Supporting Planning Statement (20/10).
- 2.3 In addition to those reports, the applicant has submitted additional information to support the application in the form of:
- Socio-Economic Report (19/10)
  - Utility Infrastructure Design Statement (03/10)
  - Planning Sustainability Statement (03/10)
  - Archaeological Desk Based Assessment (03/10).
- 2.4 The sections below focus on the key areas of concern in respect of the potential impact of the proposals on Aberdeen City Centre, planning policy context and highways concerns.
- 2.5 Notwithstanding that, the recently submitted Landscape and Visual Impact Assessment identifies a number of major impacts on the current setting of the area without suggesting any significant mitigation of these. Whilst the area is allocated for a different type of development the current proposals will be of an alternative form and scale to those previously envisaged. There is of course no guarantee that the current allocation will be delivered and that should, in our opinion, not be an excuse to remove the requirement for mitigation measures to be proposed to reduce the significance of the identified major visual impacts.
- 2.6 It is also notable that the only design parameters set out in the design and access statement stated that building heights will be less than 16m, with retail warehousing normally being constructed with eaves heights of 8m and roof heights of 10m. It is considered that for a development of this scale, further indicative design

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details should be provided in order that the potential impacts on the landscape setting in this area can be properly assessed and any required mitigation measures agreed with the Council.

## 3. Planning Context

### Adopted Aberdeen Local Development Plan (2012)

- 3.1 Within the context of the adopted Aberdeen Local Development Plan (2012)(LDP) the site is allocated as Opportunity Site OP40, to accommodate 50 ha employment land over the period 2007 – 2023 under policy LR1: Land Release.

#### *Policy LR1: Land Release*

- 3.2 Housing and employment development on sites allocated in Phase 1 will be approved in principle within areas designated for housing or employment. Development on an allocated site or in close proximity to an allocation that jeopardises the full provision of the allocation will be refused.
- 3.3 The site sits within Masterplan Zone 2: Kingswells, where there is a requirement for a Masterplan covering sites OP40, OP41 (50 houses) and OP42 (120 houses) to ensure joined up delivery of essential infrastructure.

### Emerging Aberdeen Local Development Plan (2015)

- 3.4 The **Proposed Aberdeen Local Development Plan (2015)** (Proposed Plan) maintains the opportunity site allocation (OP29 Prime Four Business Park, Kingswells – 50ha) but designates the Prime Four site as a Specialist Employment Area (2017 – 2026), situated within the Green Space Network. The plan notes that OP29 is covered by an approved Development Framework, as well as Masterplans for previous phases 1, 2 and 3 of the business park. It is explicitly recognised that the site holds the opportunity to attract high quality businesses or be suitable for company headquarters.
- 3.5 The plan stipulates that the allocation ‘provides employment opportunities in a part of the city where there is little employment land. A further extension to this is proposed’, identified as site OP63, to the north-west of the OP29 site. A Masterplan is required for OP63 Prime Four Extension, which comprises a further 13 hectares of employment land in period from 2017 to 2026.
- 3.6 The proposed land use mix is therefore contrary to both the adopted and emerging site allocations.

### Local Development Plan Preparation Process (2012 – 2016)

- 3.7 Drum Kingswells Business Parks Limited (Drum) promoted 3 bids for inclusion in the forthcoming LDP through its statutory consultation process, including a bid to alter the existing zoning for the application site (formerly phase 4). Following assessment this proposal was identified as undesirable in the Council’s Main Issues Report (2013). Drum’s response was that the site was already zoned for employment uses and that retail allocation would help diversify the range of uses and ensure that Prime Four remains a successful and attractive business location, with all of the economic benefits that brings to Aberdeen. The suggested mix of uses included: business, retail, leisure, service and food and drink uses and in particular it could accommodate the new convenience retail identified as a requirement for west Aberdeen.

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- 3.8 The response highlighted the requirement for 5,500sqm convenience retailing to the west of the city (zone 29N) in the **Aberdeen City and Aberdeenshire Retail Capacity Study (2013) (ACARS)**, with a quantum to be provided at Countesswells. Drum suggested that this would be more sustainable located at Prime Four, due to its proximity to the AWPR junction and that it was already an established location (Paragraphs 10.2 and 11.3). At no point was a case made for the scale of comparison retail floorspace now sought. (Clearly, local convenience retail should be convenient to access on foot – Prime Four is not a location ‘in’ a settlement, as Countesswells would be; similarly, there are more accessible locations in zone 29N than Prime Four.)
- 3.9 The site was carried through to the Proposed Plan (2015) and amended from an ‘employment’ designation to ‘Specialist Employment Areas’, reflecting the high quality of the business park.
- 3.10 In their response to the Proposed Plan consultation, Drum stated that they ‘fully support site OP63’s inclusion as a Specialist Employment site and extension to the existing allocation (identified as OP29). The letter recaps the success of the park, the mix of uses; and that the first three phases were now at capacity. It goes on to state that further land was ‘now required in order that occupier demand can continue to be met’, this was ‘in spite of recent reports regarding the impact of the fall in oil price’.
- 3.11 In Schedule 4 of the Reporter’s Report, the Council defended the allocation of OP63, a formerly ‘undesirable’ option in the MIR, saying that subsequently ‘several factors have come to light and been considered which have led to the designation of this site for development. The south west corner of site OP29 is constrained and undevelopable at present due to access issues. The Prime Four Business Park has been exceptionally successful, bringing a significant positive economic impact to Aberdeen over the last 3 years. The developable land has been built out and demand for plots is continuing’.
- 3.12 In his examination report, the Reporter concludes that Prime Four is ‘a high quality business park to the west of Kingswells’, which is ‘clearly a successful development in terms of its economic benefit to the city region and the attractive working environment it provides. The first three phases of the business park are complete, and a fourth phase remains to be developed within Site OP29. This area is carried forward from the adopted plan and is not subject to any representations before this examination’.
- 3.13 Indeed, the future development of Prime Four is subject of an approved Development Brief and several approved Masterplans. The Development Brief provides a strategic framework and sets landscape and design parameters for the overall development, to ensure continuity of design and that all phases remain focussed on the vision for the development. The Masterplans cover individual phases of development and provide more detail on the design of each particular phase which now conflicts with what is proposed for this site
- 3.14 The Reporter understood that ‘the particular reasons for the release of Site OP63 relate to the exceptional demand for employment land in this area, and access constraints on part of the existing site’, but noted that ‘despite issuing a further information request (partially) regarding the supposed access constraints on the final phase of the existing site, (he remained) unclear as to the nature of these constraints. Plans included within the draft development framework for the OP63 site show access arrangements within the established OP29 allocation that appear workable without requiring additional land in OP63’.



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- 3.15 The Reporter assumed that the allocation of OP63 'is intended to provide a short term alternative to the development of the final phase of Site OP29', despite not being 'fully satisfied that a convincing and coherent case has been made either that OP29 suffers from serious access constraints or that the release of OP63 is required to compensate for an inability to develop the remainder of OP29'.
- 3.16 Whilst the Reporter could identify no strategic need for the allocation of OP63, given the fact that the AWPR would alter the landscape in that part of the greenbelt, its location as an extension to the existing business park and 'the economic success and quality of the existing Prime Four Business Park, (he considered) it likely that development would deliver a significant economic benefit. Scottish Planning Policy (required him) to give due weight to the economic benefit of development, and for this reason, on balance, (he concluded) that the allocation should be maintained'. Thus OP63 was allocated on the basis that this would allow the continuous development of the existing business park for 'Specialist Employment' purposes, as a prelude to the development of OP29 for the same use.
- 3.17 The site has therefore been assessed through the relatively recent review of the LDP with the potential for retail facilities put forward and discounted through this process. It remains allocated for employment uses and should be brought forward in line with the adopted policy, Development Brief and approved Masterplans.
- 3.18 Given this planning context, the only means by which the proposals can be assessed is against the retail policies within the prevailing planning policy context as an out of centre site. We consider these matters in detail in the following section.

## 4. Retail Matters

### Introduction

- 4.1 The emerging Aberdeen Local Development Plan (LDP) 2016 is now at an advanced stage having been through formal examination by the Scottish Government. The modified LDP is being presented to Full Council on 14 December where approval to adopt is expected. The Scottish Ministers will be notified thereafter, commencing the statutory 28 day period (during which time the Council cannot adopt the Plan and the Scottish Ministers may make a response).
- 4.2 As such, the 2016 LDP is a strong material consideration for development management purposes alongside the existing adopted 2012 LDP.

### The Prime Four Business Park Proposals

- 4.3 The Supporting case set out in the LSH Retail Capacity Study clarifies that the proposals comprise *“development of up to 26,013 sq.m (gross) of class 1 retail floorspace which would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers in response to confirmed market demand. In addition, the proposals would be complemented by a 3,716 sq.m (gross) foodstore and ancillary food and drink premises”*. (Paragraph 2.1)
- 4.4 This clearly constitutes a significant quantum of non-local Class 1 retail floorspace to introduce to an out-of-centre location in sequential terms, which is wholly outwith the established retail hierarchy.

### City Centre Masterplan

- 4.5 The City Centre Masterplan was commissioned in light of the recognised need to address the challenges facing Aberdeen City Centre and improve its quality for all, allowing it to better compete with other City Centres in Scotland and become a global City Centre in line with its economic context. The process included extensive public and stakeholder engagement, with more than 4000 people living and working in Aberdeen involved, concluding with a multi-million pound regeneration plan for Aberdeen City Centre.
- 4.6 Proposed LDP Policy NC1 explicitly states that city centre development must contribute towards delivery of the vision for the city centre as a major regional centre as expressed in the City Centre Masterplan. Appendix 4 clarifies that *“New Masterplans and/or Development Frameworks for the following developments will be adopted as Supplementary Guidance ... [inter alia including] City Centre Masterplan and Delivery Programme”*. Appendix 5 includes the Masterplan within the full suite of Supplementary Guidance documentation, further confirming it to be a material consideration for development management purposes.
- 4.7 The Masterplan sets eight objectives to provide a framework for delivering it’s vision, which include:
- Growing the City Centre Employment Base – the Masterplan cites that the service sector, with particular emphasis on retail *“will play a fundamental role in Aberdeen’s future success”* and sees *“increasing the breadth and depth of this offer alongside a step-change in quality”* as *“critical to delivering the vision”*. (Page 19)

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- A Metropolitan Outlook – in recognising that proposals for the city centre have a wider metropolitan context, the City Centre must meet the needs of the wider population (i.e. not just local), including business interests of the City, Shire and beyond, by developing appropriate business, entertainment and transport infrastructure and programmes.
- 4.8 Within Section 8, the Masterplan recognises the investor and retailer focus on 'quality' and top performing UK retail centres. The current retail offer is described as *"bland in both range of shops and shopping environments"*, with acknowledgment that there is *"un-met retail capacity and scope to expand the Bon Accord and Union Square shopping centres, the opportunity to create diversity and distinctiveness in Aberdeen's retail offer lies in those areas that connect these anchors"*. (Page 40)
- 4.9 The Masterplan promotes a range of projects linked to economy, environment and infrastructure aim to enhance the attractiveness and viability of the City Centre core. It identifies that there is the opportunity to create a higher quality retail circuit via increased provision, enhanced experience, diversity of retail, complementary uses (e.g. food & drink) and improved public realm. (Page 40)
- 4.10 The City Centre Masterplan Executive Summary document identifies that the 49 projects identified have the potential to accommodate 66,960 sq.m retail and leisure floorspace (including upgrade of existing accommodation). (Page 39)
- 4.11 Clearly, the proposal for c. 30,000 sq.m of major retail floorspace at Prime Four will have a major adverse effect undermining the entire foundation of the Masterplan. It is highly illuminating that the LSH Retail Capacity Study makes no attempt to address the issue and show how the City Centre Masterplan delivery would not be compromised. Its inability to do so can only lead to the conclusion that there can be no logical outcome other than compromise of the City Centre Masterplan delivery.

## Planning Policy Assessment

- 4.12 The key adopted 2012 LDP policies for assessment of the Prime Four proposals are largely mirrored by the corresponding emerging 2016 LDP policies. In commenting on the key criteria of each:

### Adopted LDP Policy RT1 Sequential Approach and Retail Impact / Emerging Policy NC4 Sequential Approach and Impact

- 4.13 The Policy begins by directing that all development appropriate to town centres should be located in accordance with the identified hierarchy and sequential approach (as set out in the Policy and associated detailed in the Hierarchy of Centres Supplementary Guidance).
- Comment: The Prime Four proposals fall completely outwith the identified hierarchy of centres defined within adopted and emerging planning policy.
- 4.14 Policies RT1 / NC4 specify the Council's clear position on the sequential approach, stating that *"Proposals serving a catchment area that is city-wide or larger shall be located in the city centre"*, and preferably in the City Centre Business Zone (adopted policy) or City Centre Retail Core (emerging policy).

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- Comment: the proposals are significant in scale with a corresponding city-wide reach. They are in locational terms wholly divorced from the City Centre, whilst also detracting from aspirations to maintain its current offer and expand in line with the LDP and City Centre Masterplan. The proposals are contrary to this policy provision.
- 4.15 Both adopted and emerging policy is clear that in all cases, proposals shall not detract significantly from the vitality or viability of any centre listed in the Supplementary Guidance, and shall accord with all other relevant policies in the Plan, including those relating to design, access and amenity. Those proposals over 2,500 sq.m not in accordance with the LDP should be supported by a Retail Impact Assessment (RIA).
- Comment: The Retail Capacity Study prepared in support of the Prime Four application concludes that the *“overall impacts of the proposed development on the city centre will be benign”*. This is contested (see commentary on Policy RT2 / NC5 Criterion 2 below).

## Adopted LDP Policy RT2 Out of Centre Proposals / Emerging Policy NC5 Out of Centre Proposals

- 4.16 Adopted and emerging policy is explicit in stating that proposals for town centre uses – such as that proposed at Prime Four – should be refused where they do not satisfy all the policy criteria requirements relating to the sequential approach to site selection; retail impact; quantitative and qualitative deficiencies; accessibility; and, travel patterns/air quality. In considering each in turn:

***(1) No other suitable site in a location that is acceptable in terms of policy RT1 [or emerging Policy NC4] is available or is likely to become available in a reasonable time***

- 4.17 The sequential approach to site selection is well established at all levels of the planning policy hierarchy. In line with the provisions of Scottish Planning Policy (SPP), both adopted and emerging local planning policy direct development in accordance with the defined retail hierarchy, requiring sequentially preferable alternative sites to be discounted as unavailable or unsuitable.
- 4.18 In this respect, the applicant proposes almost 30,000 sq.m of Class 1 retail floorspace at an ‘out of centre’ site located well outwith the urban area of Aberdeen and on the very periphery of the Council area. As established, the (wholly unjustified) scale of that proposed; the corresponding city-wide reach; and, the location means the proposed development site is itself not acceptable in terms of LDP Policy RT1 / Policy NC4 given the clear conflict with the adopted and emerging strategy contained therein.
- 4.19 The sequential assessment undertaken on behalf of the applicant asserts that in order to deliver a development which meets the specific identified retailer requirements a site of 10.05 ha is required, and attempts to justify this narrow and inflexible approach via select passages from the Supreme Court’s Judgement in Tesco Stores Ltd v Dundee City Council (2012). The sentence quoted has to be read in context. That broad proposition was qualified in paragraphs 28 and 29 of his judgement. Paragraph 28 refers to the sequential approach set out in NPPG 8, referring to the need for “flexibility and realism” and that developers and retailers as part of such an approach: *“are expected to consider the scope for accommodating the proposed development in a different built form, and where appropriate, adjusting or subdividing large proposals in order that their scale may fit better with existing development in the town centre.”* Paragraph 29 of the judgement explains that, following the foregoing in paragraph 28 *“it would be an oversimplification to say that the characteristics of the proposed development, such as its scale, are*

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*necessarily definitive for the purposes of the sequential test.*” Moreover, there is of course a substantial body of supplementary case law on the sequential approach, presenting a number of further nuances depending on the corresponding proposal / development context.

4.20 In addition, the current SPP, which was published 2 years after the Dundee decision, acknowledges that *“Planning authorities, developers, owners and occupiers should be flexible and realistic in applying the sequential approach”*. (Paragraph 69) It goes on to clarify that out-of-centre locations should only be considered for uses which generate significant footfall where *“the scale of development proposed is appropriate, and it has been shown that the proposal cannot reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location”*. In this regard, it is our contention that the scale is excessive and could easily be reduced to accommodate fewer retailers – this is quite distinct from forcing individual retailers to operate in formats which they do not wish to operate.

4.21 The sequential assessment considered eight sites:

- Site 1: Land at Denburn / Woolmanhill;
- Site 2: Land at Schoolhill, Robert Gordon College and University;
- Site 3: Land at George Street / Crooked Lane, Aberdeen;
- Site 4: 73-149 Union Street, Aberdeen;
- Site 5: Aberdeen Market, Union Street, Aberdeen;
- Site 6: Land at Virginia Street / Regent Quay, Aberdeen;
- Site 7: Union Square Surface Level Car Park, Aberdeen; and,
- Site 8: Union Square South, Palmerston Road, Aberdeen.

4.22 It is submitted that the narrow sequential assessment carried out by LSH does not consider all the sequentially preferable LDP Opportunity Sites in sufficient detail, nor, all sites / locations within or on the edge of the hierarchy of centres in Aberdeen which can accommodate the retail floorspace proposed at Prime Four. There has been a lack of flexibility shown in the failure to consider the scope of disaggregating the proposals. Clearly, when a scheme of this scale is predominantly a speculative, comparison goods proposal, there is great scope to sub-divide the proposal (see for example, the Reporter’s conclusions at the Atholl House Appeal, East Kilbride [Ref: PPA-380-2031] and the cases R v Cambridge City Council, 2000 WL 1274079, Scottish Widows plc v Cherwell DC [2013] EWHC 398 and Truro City Council v Cornwall City Council [2013] EWHC 2525).

4.23 In addition to the sites listed above, one example is proposed opportunity site OP75 Denmore Road, which is not included in the applicant’s sequential assessment. In line with the policy designation, a good level of (bulky) retail floorspace can be provided at the 4.56ha site in line with the retail hierarchy. While the sequential assessment claims that a site of 10.05ha is required, this is based on the unjustified quantum of retail floorspace proposed and takes no account of potential mezzanine floorspace. Reducing the proposal in scale and utilising maximum site efficiencies would go a long way in making the Denmore Road site suitable for development. This coupled with just some of the city centre opportunities would more than account for the identified retail capacity within Aberdeen.

4.24 With regard to Site 7 Union Square, the LSH commentary accepts that *“there is no question that the Union Square site has the ability to accommodate additional retail floorspace.”*

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4.25 It is however considered incorrect to claim that the proposals are “*fundamentally different in their form and nature to what is being proposed at Union Square and our client’s proposals are incapable of being altered or reduced to fit onto the existing car park at Union Square, even if one allowed for some degree of flexibility. To accommodate the proposed retail floorspace at Union Square it would be necessary to develop our client’s proposals over multiple levels something which would not meet with retailer requirements.*” The applicant’s argument concludes by stating that the extensive development proposals have been “*tailored to address a specific requirement from retailers, many of whom already have a presence in Aberdeen City Centre. These retailers do not require additional city centre representation and instead wish to invest in other parts of the city region. This is important as the proposals will not prejudice the delivery of sites identifies for retailing in the city centre*”. (Paragraph 9.5)

4.26 In response to these assertions, it is clear that:

- the quantum of floorspace *could* be accommodated at Union Square alone
- it is not credible to assert that the floorspace proposed is ‘fundamentally different’ to that being proposed at the likes of Union Square (or Bon Accord or otherwise) – unrestricted comparison/convenience goods retail floorspace is proposed and would be permitted without being limited to individual retailers. Large, modern floorplates are capable of being provided at locations such as Union Square alongside all other expected retailer requirements (i.e. that proposed does not relate to bulky goods retailing, and the associated requirements for e.g. high shelving)
- there is a lack of evidence to demonstrate that the demand from retailers within the City Centre is significant, especially when this is presented as justification for an out of centre proposal of this scale. Moreover, those occupiers who have been identified to be in agreement to open units at Prime Four already have representation across the retail hierarchy in Aberdeen and a new significant floorplate at Prime Four may well result in a consolidation of their existing operations (via a reduction in locations and/or scale).

4.27 In discussing these points in greater detail:

(1) **The quantum of floorspace proposed could be accommodated at Union Square alone**, as is demonstrated by the current planning application which includes for floorspace of c. 38,500 sq.m (gross)

(2) While much is made of the Prime Four proposals having been shaped by “*retailer requirements, many of whom already have a presence in Aberdeen City Centre*”, only Boots and Next have been claimed as tenants, with recent press reports that the applicant is in active discussions with retailers new to Aberdeen (<https://www.pressandjournal.co.uk/fp/news/aberdeen/1046717/designs-for-100million-retail-park-on-outskirts-of-aberdeen-revealed/>). This brings the out of centre proposals at Prime Four into direct competition with the active City Centre proposals and wider LDP / City Centre Masterplan provisions, with Prime Four seeking to divert retailers from the new floorspace being delivered in the City Centre. None of these are bulky goods retailers with any such associated retailing requirements.

(3) Indeed, at section 2.2 of the LSH report, it states that the development of up to 26,013 sq.m (gross) of Class 1 retail floorspace “*would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers in response to confirmed market demand*”. Clearly, this type of retailing can be accommodated in a range of unit sizes (as is provided for at Union Square and elsewhere within the City Centre).

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(4) Even if the Prime Four scheme consisted primarily of retailers who already have representation in the City Centre / wider hierarchy (i.e. who were seeking additional representation) (which is not the case), the applicant or for that matter, the retailers themselves, will be unable to provide any guarantee of their continued city centre or retail hierarchy presence beyond their current leases. Clearly, retail is a dynamic sector and there are ongoing changes in the way people are shopping. Even a reduced presence of key retailers in the City Centre i.e. whereby they opt for smaller stores in the City Centre and substantially larger (cheaper) floorplates in out of centre location(s), such as Prime Four, would result in the dominance of the City Centre being challenged. This scenario is unacceptable in terms of the sequential approach and there have been notable decisions where the Scottish Government has upheld the appropriate retail hierarchy (for example, Fort Kinnaird in Edinburgh Ref: PPA-230-2113).

(5) **The retail element of the proposals is for unrestricted Class 1 floorspace and can only be assessed as such.** As set out within Circular 4/1998: The Use of Conditions in Planning Permissions, conditions restricting occupancy to a particular occupier should only be used when special planning grounds can be demonstrated and where the alternative would normally be refusal of permission (paragraph 91). A permission personal to a company is generally inappropriate. Conditions of this type will scarcely ever be justified in the case of permission for the erection of a permanent building (paragraph 92).

Moreover, as concluded by the Scottish Government at the Debenhams appeal in Edinburgh (Ref: PPA-230-2113):

*“54. If a permission were subject to a condition requiring Debenhams to be the occupier, a proposed change in occupier after initial occupation by Debenhams might nevertheless be difficult to resist. For example, it might be argued that, without a change in occupier, the building would be left empty, contrary to the principle of making efficient use of existing capacities of buildings (Scottish Planning Policy, paragraph 29).*

*55. I find that government policy in circular 4/1998 and the possible difficulty in seeking to enforce an occupancy condition cast great doubt on the appropriateness of imposing an occupancy condition on any permission for the proposed development. The most that might be done is imposition of a first occupancy condition, but I find it hard to view such a condition as being much more than a token gesture. I therefore conclude that any permission should not be subject to an occupancy condition.”*

In supplementing the above, the High Court decision in Mansfield states at paragraph 35 that “*“suitable” and “available” generally mean “suitable” and “available” for the broad type of development which is proposed in the application by approximate size, type, and range of goods. This incorporates the requirement for flexibility ... and excludes, generally, the identity and personal or corporate attitudes of an individual retailer. The area and sites covered by the sequential test search should not vary from applicant to applicant according to their identity, but from application to application based on their content. Nothing in Tesco v Dundee City Council, properly understood, holds that the application of the sequential test depends on the individual corporate personality of the applicant or intended operator.*” (Aldergate Properties and Mansfield District Council, High Court of Justice, Case No CO/6256/2015)

(6) Comments on the availability of the car park site at Union Square are not positive grounds supporting the Prime Four proposals; the Union Square site is of course available for development in that they are already the subject of alternative, competing proposals by our client. Floorspace will be developed and made available in a reasonable timeframe. These proposals however will be compromised by the approval of

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substantial levels of retail floorspace at Prime Four, leading to a dilution of the retail offering in the City Centre and undermining the City Centre Masterplan.

- 4.28 Given the foregoing i.e. that planning permission will be granted for Class 1 retail units, not for individual retailers, and the fact that Union Square and other City Centre sites can accommodate the retailers mentioned or courted, it is untrue to assert that the proposals are *“fundamentally different in their form and nature to what is being proposed at Union Square”*. **As such, there is clear conflict with the delivery of sites identified – and being actively progressed – for retailing within the City Centre.**
- 4.29 Paragraph 7.27 of the LSH report also concludes that *“what separates Prime Four from other opportunities is the issue of effectiveness and deliverability.”* Again, this is contested. The development proposals at Union Square – as currently being assessed by Aberdeen City Council – are wholly effective and deliverable. Similarly, proposals are being advanced by Bon Accord at George Street / Crooked Lane, and are expected to be approved and built out in a reasonable timeframe (delivering 10,000 sq.m of new floorspace across a range of uses). Marischal Square is also on site in the process of delivering 2,193 sq.m of class 1 retail floorspace by June 2017.
- 4.30 In combination with Union Square and Bon Accord, there is considered to be a good supply of quality new retail floorspace in Aberdeen City Centre, which will combine to significantly improve the quantitative and qualitative retail offer. Moreover, sites like Aberdeen Market are now considered to be more developable following the freeing up of the anchor store floorspace (formerly BHS). Granting further floorspace in an unsustainable location will not only undermine the progress of these three sites, but also undermine the delivery of the LDP and wider City Centre Masterplan provisions.

***(2) There will be no significant adverse effect on the vitality or viability of any retail location listed in Supplementary Guidance: Hierarchy of Retail Centres.***

- 4.31 Vitality and viability is affected in both quantitative and qualitative terms.
- 4.32 The LSH assessment concludes that the *“overall impacts of the proposed development on the city centre will be benign”*.
- 4.33 The retail impact calculation predicts comparison goods impacts within the City Centre of 9% (Bon Accord), 18% (St Nicholas) and 11% (Union Square). The corresponding predicted total diversion of trade (£48m, from a total predicted turnover of £110.29m) and effects are not considered to be ‘benign’, and will be of greater impact. Indeed, if the proposed floorspace is calculated to trade at £6,000 per sq.m, this generates a total turnover of some £124.86m. In addition, the quantitative assessment makes substantial assumptions with regard to clawback of leaked expenditure which is highly questionable when key anchors are identified to be retailers already with comprehensive representation in the City. This again would simply lead to greater impacts.
- 4.34 Moreover, the convenience turnover figure appears to be subject to error, whereby the net floorspace is shown to be only 40%. For a supermarket of this scale, the net figure is likely to be 55%-65% or even higher, depending on the operator. Accordingly, and in also utilising a more robust sales density, this could mean the new supermarket could have a turnover of closer to £27.78m, as opposed to the £14.86m shown in the LSH assessment. Clearly, this would produce different (greater) retail impacts.



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- 4.35 Indeed, clearly, the retail impact estimations made show just one possible scenario – no sensitivity analysis has been provided testing alternative scenarios where higher sales densities are achieved by the proposed floorspace with improved gross to net efficiencies or, where there is an increased level of trade diversion from existing stores/centres within the catchment (i.e. less clawback). As such, the submitted quantitative assessment is considered to be fundamentally flawed and insufficient for a proposal of this magnitude.
- 4.36 Regardless of the retail impact figures, the fact that the new development would (a) rely on existing town centre retailers opening new stores (with no guarantee that their City and District Centre stores would continue (or, continue with the same scale of store, and an inevitable loss of trade from the City Centre) and (b) compete with the City Centre (as exists and is proposed) for new retailers looking to open their first stores in Aberdeen, means that there will be an adverse effect on the vitality (and to some degree, viability) of the City Centre. Moreover, spin off trade normally spent in the City Centre will then also be diverted away and lost.
- 4.37 The quantum of development proposed will compromise the planned investment in and improvement of the City Centre and, by extension, delivery of the City Centre Masterplan. There are active City Centre proposals which are already the subject of formal planning applications (i.e. at the two main shopping centres in Aberdeen), whilst new retail floorspace is being delivered at Marischal Square. Beyond this immediate pipeline, there are other available sites (as set out above) which should not be held back from being taken forward by inappropriate out of centre development.
- 4.38 Moreover, as stated, there is no way to control that the proposed occupiers for Prime Four would each retain their town centre stores (or other stores within the retail hierarchy), in the current format and extent. Development of this scale would simply draw footfall away from the City Centre and undermine attempts to attract new retailers to the City, which would ordinarily lead to an improvement in the quality of the retail offer (and not simply aiming to replicate it and diffuse the retail spend and City Centre vitality).
- 4.39 In conclusion, there would be clear impact on the LDP and City Centre Masterplan delivery, competing for retailers and trade, thereby undermining vitality and viability. Quantitative retail impacts are also likely to be substantially higher than suggested.

***(3) There is, in qualitative or quantitative terms, a proven deficiency in provision of the kind of development that is proposed***

- 4.40 The Aberdeen City and Aberdeenshire Retail Study (ACARS) establishes a quantitative and qualitative retail deficiency in Aberdeen. Notwithstanding, this deficiency is accounted for in quantitative terms by the provisions of the recently approved City Centre Masterplan, which the Union Square proposals are fully in accordance with and an immediate result of. In qualitative terms, the operators signed up so far to the scheme are not considered to meet this qualitative deficiency, given that both have stores already in the City Centre or existing retail parks within the established (protected) retail hierarchy. It is unclear as to how a fourth Next or Boots store – the two tenants announced thusfar – would materially improve the shopping provision within Aberdeen, especially to such an extent as to justify a new out of centre retail location, with the risks that this poses and implications that this has across a number of planning considerations.
- 4.41 Moreover, in working towards the SDP aim of maintaining Aberdeen as a top 20 retail destination, clearly, new high quality retailers are best accommodated within the City Centre, the only place where an

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appropriate critical mass of quality can be achieved to maintain (and improve on) this status. Disparate shopping facilities at extremely peripheral – and currently non-existent – locations such as Prime Four will not best achieve this aim.

*(4) The proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycle and public transport routes which link with the catchment population. In particular, the proposed development would be easily accessible by regular, frequent and convenient public transport services and would not be dependent solely on access by private car.*

4.42 Transportation issues are dealt with at Section 6 and Appendix 1 of this objection. Despite the attempts to argue to the contrary, there can be no question that the site is a poor relation in accessibility terms to those which exist within the City Centre, including Union Square. The site is not readily accessible to the majority of the catchment and is reliant upon the private motor car.

*(5) The proposed development would have no significantly adverse effect on travel patterns and air pollution*

4.43 Transportation issues are fully dealt with at Section 6 and Appendix 1 of this objection. Clearly, the floorspace as proposed will result in significantly changed traffic flows, and will be much less accessible than the City Centre for most shoppers.

## Proposed LDP Policy NC1 City Centre Development – Regional Centre

4.44 The policy states that “*the city centre is the preferred location for retail, commercial, leisure and other significant footfall generating development serving a city-wide or regional market*” in delivering the City Centre Masterplan vision. Moreover, supporting paragraph 3.22 specifically states new development should be directed to City Centre Retail Core.

- Comment: proposals of the scale submitted are contrary to the aspirations of Policy NC1 at the site location, and will directly undermine both active proposals and immediate opportunities for new retail development in the City Centre.

## Proposed LDP Policy NC2 ‘City Centre Retail Core and Union Street’

4.45 This policy reinforces the Council’s position that the City Centre Retail Core is the preferred location for major retail developments, and where such sites are not available, within the wider City Centre.

- Comment: proposals of the scale submitted are contrary to the aspirations of Policy NC2 at the site location, and will directly undermine both active proposals and immediate and future opportunities for new retail development in the City Centre.

## 5. Socio-economics

### Introduction

5.1 The socio-economic case for retail development at Prime 4 Business Park has been prepared by Rettie & Co.

5.2 In commenting on the key conclusions reached:

#### *Prime Four Business Park Context*

5.3 While it is acknowledged that Prime Four is a top ranking business park, it is not accepted that retail uses of the scale proposed are required to enable it to continue to grow and reach its full potential. The cherry picking of business parks throughout the UK is not considered to provide sufficient justification for this approach – clearly, each have their own set of economic, political and spatial drivers which have resulted in local decisions being taken to allow retail as part of the development mix.

5.4 Any new centres should be properly planned and come forward through the LDP process, and it is likely that any eventual, new (and modest) levels of comparison retail in the area will form part of the eventual Countesswells development. The Prime Four proposals constitute speculative development proposals which conflict with the existing strategy, and should not be supported at this time.

#### *Aberdeen Retail Offer*

5.5 It is fully accepted that the retail offer in Aberdeen could be improved. Notwithstanding, the City Centre must lead the way in delivering significant improvements. This is already being addressed by the redevelopment proposals at Union Square, Bon Accord and Marsichal Square, with an extensive complimentary strategy set out within the newly prepared City Centre Masterplan. This emerging floorspace is not accounted for within the pipeline data quoted in the supporting case.

5.6 Aberdeen is in this regard well placed to achieve the balance of retail which is clearly led by the City Centre and less focused on out of town retail parks than is the case in other cities within Scotland and the wider UK, all in line with the planning principles of supporting a defined hierarchy of centres and securing high levels of vitality and viability.

#### *Retail Tenants*

5.7 It is not disputed that some large retailers such as Next – at the current time – operate within a city centre and retail park concurrently. Indeed, this is already the case in Aberdeen, with Next having representation at both Bon Accord and Union Square within the City Centre and at Berryden Retail Park.

5.8 Clearly though, retailing is a dynamic sector and should Next open at Prime Four, there could be no guarantees that they would not consolidate their existing presence within the retail hierarchy. Regardless though, as set out in detail in the previous section, planning permission would not be made personal to an individual retailer.

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## Population Growth

- 5.9 The projected population growth quoted is substantial and additional facilities will be required, but only in the medium to longer term, which should be properly planned for and not the subject of speculative development proposals. There was no corresponding case made to the emerging LDP process to support retail uses at this location.
- 5.10 Moreover, convenience retailing will be a significant part of any new local requirement. Population growth to the west does not justify local comparison goods facilities of the scale proposed in conflict with the existing LDP and City Centre Masterplan strategy.
- 5.11 While the points regarding increased population catchments due to the AWPR are noted, it is important to recognise that the large scale comparison retailing being assessed would in any case benefit from an extensive North East catchment.
- 5.12 Moreover, the statistics are considered to only emphasise the car based nature of the proposal.

## Retail Impact

- 5.13 Retail impact assessment for out-of-centre proposals of this scale should incorporate sufficient sensitivity testing. This is discussed in greater detail within Section 5.

## Job Creation

- 5.14 Clearly, retail development generates new direct and indirect jobs at different levels, both during construction and in operation.
- 5.15 While such estimations are by their nature broad, the submitted socio-economic case however appears to over-estimate the job creation associated with the proposals.
- 5.16 A range of jobs will be generated through the construction phase of the proposed development, which would include a number of stages including site preparation, building construction, roads and access work and engineering works. The level of temporary construction employment generated can be estimated by dividing the capital cost estimate for the project (£65m) by the gross average output per construction industry employee per annum (£37,727). The forecast number of temporary construction jobs supported nationally by the project would be 1,723 job years. This can be converted to a permanent full time equivalent (FTE) job figure using the standard ratio of ten construction job years to one FTE job. The gross generation of 1,723 job years thus translates to 172 FTE jobs over the construction period. This equates to 1,084 jobs (non FTE) when utilising a conversion rate of 6.3 (see Hammerson et al, Demonstrating the True Value of Shopping Centres, 2013, p.5).

Direct Construction Employment Generation	Capital Costs	Job Years	Full Time Equivalent
	£65m (estimate)	1,723	172 FTE (Savills estimation)
			400 FTE (Applicant estimation)

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- 5.17 In addition there will however be wider economic impacts, known as the 'multiplier effect'. Indirect impact / employment will be created amongst suppliers as a result of purchases from the new activity generated by the project (supply chain impacts of construction and their knock on effects, i.e. increase in output and income up and down the supply chain). Induced impacts occur as construction workers and suppliers' employees spending on local goods and services, thereby bringing further benefits in terms of new jobs/skills, and increases in household income, leading to an increase in spending and demand / output in the economy).
- 5.18 Research commissioned by the UK Contractors Group in 2012 showed that the construction industry is a key contributor to the economy. Every £1 spent on construction output is estimated to generate £2.84 in total economic activity (i.e. GDP increase) as a result of direct impacts, indirect impacts and induced impacts. (Calculated using Input – Output data from the ONS, *Construction in the UK Economy*, May 2012)
- 5.19 Lastly, the following provides an estimation of the level of operational employment arising from the proposals, calculated in accordance with the Employment Densities Guide (3rd Edition) (2015):

Direct Operational Employment Generation from Proposals	Retail Floorspace	Area (sq.m) per FTE (estimation)	Full Time Equivalent
	29,729 sq.m	20 (if solely high street retailers)	1,486 FTE (Savills estimation 1)
	29,729 sq.m	55 (estimation, if equal mix of high street and non high street retailers)	540 FTE (Savills estimation 2)
	29,729 sq.m	90 (if retail warehouse)	330 FTE (Savills estimation 3)
			c. 1,500 FTE (Applicant estimation)

- 5.20 The above calculations therefore strongly suggest that the proposals are anticipated by the applicant to be of a fully high street nature (i.e. non-bulky, and competing with the City Centre).

### Conclusion

- 5.21 In summary, the socio-economic case for the proposals is considered to overestimate the employment generated in construction while confirming that the proposals will be of a high street nature (by way of the operational employment estimate). While the population growth referred to is noted, this does not justify comparison retailing of the scale proposed at this new location and at this time, in advance of the proper LDP process. The case for incorporating new uses – based on the experiences elsewhere in a number of select locations – is considered to be overly simplistic and unconvincing, with a failure to acknowledge the planning, economic, spatial and political contexts within such locations.

## 6. Transport

### Introduction

- 6.1 The applicants have submitted a Transport Assessment (TA) prepared by Fairhurst. In order to properly review this, we instructed Dougall Baillie Associates, Highways Engineers of long standing and experience to review the TA.
- 6.2 Their key concern is that the submitted TA appears to significantly under estimate the likely traffic generation from the proposals and in turn misrepresents likely impacts on the road network. Their general comment is that the two week period from the issuing of the Scoping Proposal for the TA (5<sup>th</sup> October 2016) to the receipt of comments from Transport Scotland (14<sup>th</sup> October) to the submission of the TA to Aberdeen City Council (19<sup>th</sup> October) is an extraordinarily short period of time for all parties to properly consider matters and for the applicants to finalise a TA suitable for a development of this scale.

### Development Details

- 6.3 In para. 3.1.4, the TA notes that 'the proposed Aberdeen Local Development Plan (2015) recognises the success of the existing Prime Four Business Park and has proposed a further 13 hectares of employment land identified as 'OP63 – Prime Four Extension'. Further research indicates that part of the case made for the extension was due to the success to the existing employment site and the difficulty in accessing the part of the site now proposed for the retail development.
- 6.4 Under Parking the TA notes that '*Parking provision within the site would be in accordance with ACC parking standards. .... This could include a reduction in car parking to allow for linked trip aspects which are common within retail parks. Detailed car parking proposals would be discussed in connection with future detailed planning applications.*' The TA does not include any assessment of parking provision in line with ACC standards or include any indication of the proposed reduction in parking.

### Existing Transport Conditions

- 6.5 The TA makes the link between residential, employment and retail development and the potential to minimise vehicle trips if these uses are in close proximity to each other.
- 6.6 We would question the walking catchment identified in the TA which suggests that the retail development would have a walking threshold of 2,400m. The TA suggests that this catchment is supported by the TAG however, it clearly contradicts PAN 75 which notes that local amenities should be within 1600m. TAG does suggest that walking journey times of up to 20-30 mins are appropriate however, it also notes that '*The choice of time-band may vary in response to the use and scale of the development. People may be prepared to travel further for some activities, for example, to a sports stadium than to a shop.*'
- 6.7 Our view is that people are less likely to walk to a retail development when they will be required to carry home any purchases. In our view the 1600m remains the most appropriate distance to apply to retail development. The TA identifies that only a very small area of Kingswells lies within this distance.

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- 6.8 We would note that while the TA makes the case for the 2400m walk-in catchment, the trip generation does not reflect this to any particular extent.
- 6.9 The assessment of public transport identifies the relative proximity of existing bus stops at between 750m and 1000m. This exceeds the generally accepted limit of 400m.

## Trip Generation and Distribution

- 6.10 The trip generation characteristics of the development site were issued to TS and ACC as part of the Scoping Proposals document. The TS response of 14<sup>th</sup> October accepts the proposed trip generation characteristics however, our view is that the assessment underestimates the vehicle trip generation of the food retail element.
- 6.11 The TA indicates vehicle trip generation equivalent to those indicated in Table 5.1. These rates are based on data from the industry standard TRICS database but are based on multi-modal survey of sites sized between 1,825m<sup>2</sup> and 11,101m<sup>2</sup>.
- 6.12 It is the case that retail visitor trip rates tend to decrease with increasing GFA, the inclusion of a site of 11,101m<sup>2</sup> will influence the resulting trip rates. For comparison purposes, we have undertaken an assessment of potential vehicle trips rates based on sites between 1000m<sup>2</sup> – 6000m<sup>2</sup> and 1000m<sup>2</sup> – 8000m<sup>2</sup>. The results of this assessment are also included in Table 6.1, below.

	Weekday AM		Weekday PM		Saturday	
	Trip Rates		Trip Rates		Trip Rates	
	Arrivals	Departures	Arrivals	Departures	Arrivals	Departures
Fairhurst TA	1.911	1.507	4.117	4.279	4.575	4.575
1000m <sup>2</sup> -6000m <sup>2</sup>	3.746	2.751	9.989	10.116	7.063	7.343
1000m <sup>2</sup> -8000m <sup>2</sup>	3.143	2.495	6.565	6.721	4.771	4.759
	Trips		Trips		Trips	
	Arrivals	Departures	Arrivals	Departures	Arrivals	Departures
Fairhurst TA	71	56	153	159	170	170
1000m <sup>2</sup> -6000m <sup>2</sup>	139	102	371	376	262	272
1000m <sup>2</sup> -8000m <sup>2</sup>	117	93	244	250	177	177

Table 6.1 – Vehicle Trip Generation Comparison

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- 6.13 As indicated the vehicle trip rates for the smaller range option are significantly higher and during the weekday evening peak would result in approximately 200% of the trip generation used in the TA. The larger range option is also significantly higher than those used in the TA resulting in approximately 160% of the trips used in the TA.
- 6.14 We are of the view that the development vehicle trip generation and therefore road network impact are significantly underestimated. Whilst the trip generation figures have been accepted by Transport Scotland, given the length of time taken to review the scope of the TA the Council should ask Transport Scotland to re-confirm this position.
- 6.15 With regard to the distribution of trips TS have commented that they consider a higher proportion of trips should travel to and from the site via the AWPR (south) this, in turn, increases the impact of the development on this new junction. This TS comment is not addressed in the TA.
- 6.16 It is noted that the TA discounts new trip generation by 20% to account for linked trips. It is our experience that there is little justification for discounting trips between food stores and non-food stores. TS reflects this view but accept a 10% discount on the basis that research indicates that 11% of car shoppers bought durable goods as part of their main food shopping trips. Our view is that the durable goods are bought in large supermarkets where they form part of the retail offer

### Traffic Modelling and Capacity Testing

#### Base Traffic Flows

- 6.17 The TA notes that base traffic flows have been sourced from Countesswells New Community Development TA. In response to the Scoping Proposal document, TS question why this data is to be used when Fairhurst have previously used traffic flows extracted from the Aberdeenshire Council's 2023 Paramics Model in their assessments of the Prime Four employment and Aberdeen FC proposals. TS notes that the flows proposed for use are significantly lower than those in the Aberdeenshire Paramics Model. TS has suggested that use of the flows presented in the TA would not reflect a robust assessment of the road network. Our view would be that it would be good practice for the assessment to be consistent with the approach taken in Prime Four assessment. Furthermore, given the proximity of the development site to the AWPR, it would be prudent to use a robust base traffic data set. In both cases this would be the data extracted from the Aberdeenshire Paramics Model
- 6.18 The TA notes that base traffic flows have been sourced from Countesswells New Community Development TA. In response to the Scoping Proposal document, TS question why this data is to be used when Fairhurst have previously used traffic flows extracted from the Aberdeenshire Council's 2023 Paramics Model in their assessments of the Prime Four employment and Aberdeen FC proposals. TS notes that the flows proposed for use are significantly lower than those in the Aberdeenshire Paramics Model. TS has suggested that use of the flows presented in the TA would not reflect a robust assessment of the road network. Our view would be that it would be good practice for the assessment to be consistent with the approach taken in Prime Four assessment. Furthermore, given the proximity of the development site to the AWPR, it would be prudent to use a robust base traffic data set. In both cases this would be the data extracted from the Aberdeenshire Paramics Model.



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## Committed Development Traffic

- 6.19 The flows used in the TA include traffic generated by the Countesswells and Prime Four development sites. In responding to the Scoping Proposals, TS suggest that an assessment of the traffic generation of both Aberdeenshire and Aberdeen LDP's be included in the TA along with the traffic generation of the Aberdeen FC proposals. TS note that the interaction of the AFC proposals and the proposed retail site be considered particularly during the Saturday afternoon peak. This has not been addressed in the TA.
- 6.20 The omission of a cumulative assessment, together with an inconsistent use of base traffic data would result in an assessment that does not address the impact of the proposed development in a robust way.

## Junction Capacity Analysis

- 6.21 The TA includes only summary tables of the analysis results however, based on our observations of development trip generation together with TS's comments on base traffic flows and committed development we would comment as follows:

### *Proposed A944 / AWPR Kingswells South Roundabout Junction*

- 6.22 The analysis summary indicates impacts on each of the main junction approaches with a maximum Ratio of Flow to Capacity (RFC) of 118% predicted to occur during the morning peak on the AWPR Nbd Off Slip. This is predicted to result in an increase in queue of 15 vehicles (approx 90m) compared to the base reference case. The maximum RFC predicted during the evening peak is 115% with a queue of 157 vehicles, an increase of 63 vehicles compared to the base reference case.
- 6.23 The TA proposes capacity improvements to the junction layout which would see three lane entries introduced on all main approaches. These are currently indicated as two lane entries. This is proposed without any widening of the circulatory carriageway or indication as to how the circulatory carriageway would be marked to accommodate the additional lanes.
- 6.24 Entry path radius is noted in the Design Manual for Roads and Bridges (DMRB) as '*the most important determinant of safety at roundabouts*'. We have carried out an assessment of entry path radii resulting from the capacity improvements proposed in the TA. With regard to the improvements to the A944 approaches and the AWPR Sbd Off Slip, we do not anticipate that the proposals would significantly affect the entry path radii. Our assessment indicates that there would be a significant impact on the AWPR Nbd Off Slip. Our view is that the proposed improvement increases the entry path radius to such a degree that it exceeds the parameters set down in the DMRB. We would anticipate that this would not be acceptable to TS.
- 6.25 As noted previously, we are of the view that the development traffic impact is significantly underestimated. TS have also queried the base traffic data used. On the basis of this we do not consider the analysis to reflect a robust assessment of the operation of this junction.

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## *A944 / Prime Four Access Junction and Kingswells Roundabout*

- 6.26 The analysis summary of this linked signal network indicates a maximum Degree of Saturation (DoS) of 92.1% on the A944 Ebnd approach. The TA notes that this junction currently operates on a MOVA control which the LINSIG analysis cannot reflect. This is correct however as noted previously, we are of the view that the development traffic impact is significantly underestimated. TS have also queried the base traffic data used and identified a requirement for a cumulative assessment including Aberdeen FC proposals and LDP traffic. Based on this we do not consider the analysis to reflect a robust assessment of the operation of these two junctions.

## *A944 / New Countesswells Access 'Jessiefield' Signal Junction*

- 6.27 The analysis summary of this signal controlled junction indicates a maximum Degree of Saturation (DoS) of 84.1% on the Lang Stracht Westbound approach. This would indicate that the junction operates within capacity however, as with the other junctions we consider the development traffic generation to be significantly underestimated. This, together with the base traffic data used and omission of a cumulative assessment has in our view resulted in an underestimation of demand on the road network and an assessment that would not reflect a robust assessment of the operation of this junction.

## *Proposed A944 / Prime Four Phase 5 Signal 'All Movements' Junction*

- 6.28 The analysis summary of this signal controlled junction indicates a maximum Degree of Saturation (DoS) of 81.9% on the A944 Eastbound approach. This would indicate that the junction operates within capacity however, as with the other junctions we consider the development traffic generation to be significantly underestimated. This, together with the base traffic data used would not reflect a robust assessment of the operation of this junction.
- 6.29 As part of a wider timetable recast, Transport Scotland are currently working to dual the line between Aberdeen and Inverurie, to provide a new half-hourly service (15/ 20 min peak), with a new station at Kintore, by March 2019. This will combine with the new hourly Aberdeen – Montrose service (Aberdeen Crossrail).
- 6.30 Prime Four relies solely on the road network for access, with high car ownership in the North East; 85% of households in Aberdeenshire have access to a car; and Aberdeen City has the highest number of cars per household of all Scotland's principal cities. Rail usage in the North East increased significantly, with a net increase in rail passengers between 2004/05 and 2012/13 of 90% - significantly higher than the national growth of 47% over the same period. Over the same period bus patronage only increased by 6.5% over the same period. As such, in terms of promoting a sustainable location it would be remiss of the Council; and a backward step to allow such a substantial retail development to occur in an out of centre location with such convenient access by private car, but no rail access. Certainly it would be counter to the substantial rail investment in the region.

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## Summary Highways Position

- 6.31 The proposed development is located on a site currently identified for employment use.
- 6.32 The site is located to the west of Kingswells. We consider it an Out of Town Centre location.
- 6.33 The TA overestimates the walk-in catchment of the development.
- 6.34 A scoping document was issued on the 5<sup>th</sup> October. A response from Transport Scotland, dated the 14<sup>th</sup> October, is included in the TA. The TA dated the 19<sup>th</sup> of October does not address any of the points raised in the Transport Scotland response. On this basis alone, we consider that the TA fails to reflect a robust assessment of the development impact on network operation and should be updated to take account of the Transport Scotland response.
- 6.35 The TA identifies that the development will have a significant impact on the operation of the AWPR Kingswells roundabout. While the TA proposes increasing the number of lanes entering the roundabout on the main approaches to the junction, no markings of the circulatory carriageway are included to demonstrate how the junction would operate.
- 6.36 We consider the proposed widening of the AWPR Nbd off slip approach would increase the entry path radius to be outwith the parameters set out in the DMRB. We would anticipate that this proposed capacity improvement would be unacceptable to Transport Scotland on safety grounds.
- 6.37 Transport Scotland consider that base traffic data extracted from the Aberdeenshire Paramics model would be more appropriate than the traffic data used in the TA. Transport Scotland have requested clarification on why this data has not been used when Fairhurst have previously used this model data in assessments of other development proposals in the vicinity of the development.
- 6.38 Transport Scotland note that the Aberdeenshire Paramics model traffic data is significantly higher than that used in the TA. They have expressed concern that the TA will not reflect a robust assessment of road network operation.
- 6.39 We consider that the TA underestimates the vehicle trip generation of the proposed development. The TA discounts the trip generation to account for linked trips. We consider that there is limited justification for this reduction in vehicle trip generation.

## 7. Summary & Conclusions

7.1 Union Square Developments Limited formally object to the proposed significant levels of Class 1 retail floorspace (26,013 sq.m of comparison and ) at Prime Four Business Park proposals on the following grounds:

- The proposals are **contrary to the adopted and emerging LDP site allocations** which support employment uses.
- The proposals are **contrary to the adopted and emerging LDP retail strategy**, which is clear in its direction that proposals with a city-wide (or larger) catchment should be located in the City Centre. The City Centre Masterplan delivery would be further compromised.
- The proposals **fail to meet with the requirements of the sequential approach**, as set out within SPP, the adopted Aberdeen City Local Development Plan 2012 and the emerging Aberdeen City Local Development Plan 2016 (Proposed Plan), incorrectly concluding that there are no suitable sequentially preferable sites / opportunities available, utilising a narrow assessment without sufficient flexibility, based on an unjustified quantum of retail floorspace.
- The supporting case attempts to justify the proposed significant retail floorspace by citing the circumstances of **individual retailers**, which has been demonstrated by case law and appeal decisions to be inappropriate.
- The proposals would have a **material impact on the vitality and viability of Aberdeen City Centre**, contrary to adopted LDP policies RT1 and RT2 and emerging LDP policies NC4 and NC5: the turnover of the proposals and associated quantitative impacts have been underestimated; and, the proposals will compete with the delivery of the LDP/Proposed Plan and City Centre Masterplan, seeking to divert retailers (who are new to Aberdeen) to Prime Four, away from the active proposals at Union Square and Bon Accord.
- The **socio-economic** case for the proposals is considered to overestimate the employment generated in construction whilst confirming that the proposals will be of a high street nature (by way of the operational employment estimate). While the population growth referred to is noted, this does not justify comparison retailing of the scale proposed at this new location and at this time, in advance of the proper LDP process. The case for incorporating new uses – based on the experiences elsewhere in a number of select locations – is considered to be overly simplistic and unconvincing, with a failure to acknowledge the economic, spatial and political contexts within such locations.
- The proposals are detached from the urban form of both Aberdeen and Kingswells. In **transportation terms**, the site is **inaccessible**, being unreachable by rail and reliant on the private car and infrequent and distant bus services (the site is currently between 750 and 1,000 metres from a bus stop without any proposals to improve this provision).

## Representation to proposed retail development

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- A review by DBA of the submitted **Transport Assessment**, drawing also on commentary by Transport Scotland, has concluded that the operational assessment carried out is **fundamentally flawed** and that the conclusions drawn from this assessment cannot be justified.
- The supporting case is not supported by a sufficiently detailed Landscape and Visual Impact Assessment (LVIA), whilst the low rise development is in any case out of sync with the Development Framework provisions.

7.2 We trust that the representation will be given full consideration in the assessment of the Prime Four proposals.

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**Additional representation to  
proposed retail development at  
Prime Four Business Park,  
Kingswells (Ref: P161429/PPP)  
(February 2017)**

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On behalf of Union Square Developments Ltd



# Representation to proposed retail development

Prime Four Business Park, Kingswells (Ref: P161429/PPP)

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## 1. Introduction

- 1.1 This representation has been prepared on behalf of **Union Square Developments Limited** in order to maintain formal objection to the proposals at **Prime Four Business Park, Kingswells, Aberdeen (Ref: P161429/PPP)**:

*Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works*

- 1.2 This representation supplements that previously submitted on behalf of Union Square Developments Limited, clarifying our client's position in response to the following documents submitted on behalf of the applicant:

- Retail Impact Assessment (Update) (January 2017) – Lambert Smith Hampton ('RIA Update')
- Transport Assessment (October 2016) – Fairhurst ('TA')



## 2. Retail Matters

2.1 The submitted Retail Impact Assessment (Update) ('RIA Update') fundamentally provides additional information in the form of:

- an indicative scheme layout
- replacement justification on the need for new retail floorspace (Section 5)
- supplementary consideration of sequentially preferable sites (Section 7)
- additional Retail Impact Analysis & quantitative figures (Section 8)

2.2 In supplementing the existing comprehensive response, the following commentary is submitted with respect to the Prime Four proposals:

### Retail Park Scale and Format

2.3 The RIA Update clarifies that the proposals are indeed of a standard out of town retail park format:

*"This indicative layout illustrates the proposed retail development being provided in a modern retail park warehouse format, mostly likely split across 16 new retail units of varying sizes and supported by surface level car parking. The indicative layout indicates a number of the unit including mezzanine floors, meaning not all of the proposed retail floorspace is being split across individual retail units. (Para 2.5)*

*Our client's application seeks to deliver a retail park development in a retail warehouse format. (Para 2.6)*

*The proposed retail park will largely be of appeal to general comparison goods and bulky goods retailers and to be commercially attractive to occupiers, the scheme must proceed in the proposed retail warehouse format. (Para 2.7)*

2.4 The 'Indicative Retail Park Layout' shows a full range of retail unit sizes, whereby maximum flexibility is clearly being sought by the applicant (to allow any market interest attracted to be accommodated), over an extensive, unjustified floorspace quantum:

*"emerging proposals involve the development of up to 26,013 sq.m (gross) of Class 1 retail floorspace to be occupied by a range of comparison goods retailers, with a likely focus on general comparison and bulky goods retailers in response to confirmed market demand. In addition, the proposals would be complemented by 3,716 sq.m (gross) of convenience retail floorspace and ancillary food and drink premises."*

2.5 In this respect, the units range from a 40,000 sq.ft unit to small 3,000 sq.ft units, as follows:

- Unit 1: 40,000 sq.ft + mezzanine (40k sq.ft)
- Unit 10: 25,000 sq.ft + mezzanine (10k sq.ft)
- Units 2 & 9: 15,000 sq.ft
- Units 3, 4, 7 & 8: 10,000 sq.ft

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- Units 5 & 6: 7,500 sq.ft
- Unit 11: 6,000 sq.ft
- Units 12 & 13, 15: 5,000 sq.ft
- Units 17, 18, 19, & 20: 3,000 sq.ft

2.6 In addition to the large format 'anchor units', the submitted store sizes take in a number of smaller units i.e. 6,000 sq.ft and below. These units are far more easily accommodated within the existing hierarchy of centres. The size of these units confirms the conflict that the proposals will have with efforts seeking to attract retailers to the City Centre.

## Operator Interest

- 2.7 The RIA Update identifies that there will be a "likely focus on general comparison and bulky goods retailers in response to confirmed market demand". The RIA Update has identified occupier interest from Boots, JD Sports, Cotswold Outdoors, Next and Superdrug (though none are understood to have been reported in the RIA Update as having formally committed to the scheme).
- 2.8 A first key point here is that planning permission would not be made personal to any individual retailers (see previous Savills representation which draws on Circular 4/1998: The Use of Conditions in Planning Permissions and PPA-230-2113) and what is being applied for is a major retail scheme, in a wholly out of centre location, with little restrictions.
- 2.9 The operators referred to are typical high street retailers who already have an extensive existing representation throughout the retail hierarchy in Aberdeen:

Retailer	Address	Sequential Location
Boots	1) 161 Union Street, Aberdeen, AB11 6BB	City Centre Retail Core
	2) Bon Accord Centre, Aberdeen, AB25 1HZ	City Centre Retail Core
	3) Union Square Shopping Centre, Aberdeen, AB11 5PF	City Centre Retail Core
	4) Foresterhill Health Centre, Aberdeen, AB25 2AY	OOC
	5) 475 Great Western Road, Aberdeen, AB10 6NN	Mannofield Neighbourhood Centre
	6) Garthdee Road Retail Park, Garthdee Road AB10 7AY	Garthdee Commercial Centre
	7) Mastrick Shopping Centre, Aberdeen, AB16 6JR	Mastrick Neighbourhood Centre
	8) 27 Scotstown Road, Aberdeen, AB22 8HH	Scotstown Neighbourhood Centre
	9) Unit 1-2 Dyce Shopping Centre, Aberdeen, AB21 7LW	Dyce District Centre
	10) Aberdeen Airport Airside, Aberdeen, AB21 7DU	OOC
JD Sports	1) 1 East Terrace, Union Square Shopping Centre, Aberdeen AB11 5RD	City Centre Retail Core
Cotswold Outdoor	1) The Atrium, Union Square Shopping Centre, Aberdeen AB11 5PS	City Centre Retail Core
Next	1) Bon Accord Centre, Aberdeen, AB25 1UH	City Centre Retail Core
	2) Unit 6, Union Square Shopping Centre, Aberdeen AB11 5PN	City Centre Retail Core
	3) Unit 4, Berryden Retail Park, Berryden Road, Aberdeen, AB25 3SG	Lower Berryden Commercial Centre

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Superdrug	1) St Nicholas Centre, Aberdeen, AB10 1HW 2) Bon Accord Centre, Unit 39, Aberdeen, AB25 1HZ 3) The Trinity Centre, Unit 13, Aberdeen, AB11 6BE	City Centre Retail Core City Centre Retail Core City Centre Retail Core
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## Retail Deficiencies

- 2.10 Given the foregoing – the range of unit sizes and general comparison goods retailers – the argument that *“the type of retail proposed at Prime Four is quite different to that which exists and is proposed in the City Centre”* is considered to be flawed.
- 2.11 Moreover, it is effectively argued by the applicant that the existing representation of the named retailers in the City Centre, and their apparent desire to open an additional store at the application site, is justification to create a new (unsustainable and otherwise wholly inappropriate) retail location. Attempting to meet any existing quantitative or qualitative deficiency in this way is considered to be highly questionable.
- 2.12 The creation of a new retail location would have profound impacts on investor confidence in the City Centre. Approving that proposed would seriously undermine the ability of City Centre redevelopment from coming forward, creating uncertainty and competing for any new retailers.
- 2.13 Clearly, one of the key issues with respect to the proposals is the direction of travel of any new retail operators to Aberdeen. The quantum of development proposed will compromise the planned investment in and improvement of the City Centre and, by extension, delivery of the City Centre Masterplan and the existing/emerging LDP. Any retail deficiency is accounted for in quantitative terms. There are active City Centre proposals which are already the subject of formal planning applications (i.e. at the two main shopping centres in Aberdeen), whilst new retail floorspace is being delivered at Marischal Square. Beyond this immediate pipeline, there are other available sites (e.g. Denmore Road and those in the City Centre Masterplan) which should not be undermined from being taken forward by inappropriate out of centre development.
- 2.14 It is considered key that any additions constitute qualitative improvement to Aberdeen’s retail provision (and wider urban form). There has been no evidence provided that such retailers would commit to new stores at Prime Four (and no certainty could be secured that this would not be at the expense of some of the existing store estate), but even then, it is unclear how additional stores from retailers who already have strong representation in the city would help meet broader aspirations to make Aberdeen more attractive (e.g. the SDP aim of maintaining Aberdeen as a top 20 retail destination). In this regard, clearly, new high quality retailers are best accommodated within the City Centre, the only place where an appropriate critical mass of quality can be achieved to maintain (and improve on) this status. Disparate shopping facilities at extremely peripheral – and currently non-existent – locations such as Prime Four will not best achieve this aim.
- 2.15 The conclusions of Hargest in the February 2017 must also be noted, who concludes that the RIA Update fails to demonstrate that the retail development proposed at Prime Four meets a corresponding quantitative or qualitative retail deficiency, pointing to an incorrect interpretation of the ACARS projections on expenditure growth and quantitative retail deficiency; a failure to account for macro economic changes such as a

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sustained low oil price and geo-political uncertainties; and, unconvincing analysis with respect to the asserted lack of retail floorspace in out of centre locations (and associated comparisons).

## Sequential Assessment

### *Application of the sequential assessment and appropriate case law*

- 2.16 We fully maintain our previous commentary with respect to the sequential approach and the requirement for an appropriate level of flexibility – the central consideration here – which, in these circumstances (i.e. an extremely large and generally speculative retail park proposals), has far reaching implications.
- 2.17 As a point of clarification regarding the RIA Update makes reference to the Atholl House appeal (Ref: PPA-380-2031). In this regard, the scale of that proposal is materially different that proposed currently at Prime Four (scenario 2 equated to 3,716 sq.m). Subdividing an already modest retail warehouse proposal would materially change the character of what was proposed there (in stark contrast to what is being proposed at Prime Four). Indeed, the relevant point here is that the Reporters were *“satisfied that this judgement [Tesco Stores Ltd v Dundee CC [2012] UKSC 13] does not undermine the principle of disaggregation in appropriate cases”*, in line with the various case law presented on behalf of the local authority.
- 2.18 It is asserted that the current proposals are such an appropriate case. The circumstances at play i.e. the scale / extent of the proposals, and their generally speculative nature, mean that they have great flexibility to still function successfully at a much reduced scale. Such circumstances are quite distinct from any assertion that single store operations, or even more modest retail park proposals, should be disaggregated / reduced substantially in scale.

### *Updated Sequential Assessment*

- 2.19 The RIA Update provides the following additional site assessment:
- **Edge of City Centre** – Site 9 Land at Virginia Street / Regent Quay, Aberdeen & Site 10 Bradford Works, Maberley Street
  - **Town Centre & District Centre Opportunities** – Torry TC, Rosemount TC, Danestone DC, Dyce DC, Middleton Park DC, Rousay Drive (Langstracht) DC, Upper Berryden DC
  - **Commercial Centres** – Kittybrewster RP, Garthdee RP, Lower Berryden RP, Beach Boulevard RP, Bridge of Don RP
- 2.20 While the RIA Update assessment charts the remainder of the Aberdeen City sequential hierarchy, it is considered to be flawed as it has been completed on the assumption that (a) the scale of the proposal is appropriate (with associated site area requirements); and, (b) there is no requirement for disaggregation in this case.
- 2.21 As has been shown in our previous representations and by the likes of Hargest (February 2017), the scale is unjustified and inappropriate. It therefore follows that defining and applying an appropriate level of flexibility on this is therefore problematic. The scale of the proposal in the first instance must be appropriate i.e. it is not an acceptable approach to simply devise a huge scale of proposal, of a 'catch all' format and in an

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unsustainable location, to simply allow for an argument to be run that a site of that scale proposed (unsurprisingly) cannot be located within a more central location. This is key in framing what is an appropriate level of flexibility and the size of site required to accommodate development.

- 2.22 The applicants have sought to show this flexibility by revising their original claim that a site of 10.05 hectares is required *"to meet the specific identified retailer requirements"*, stating instead that the proposal can be accommodated on a site of 5.5 hectares (RIA Update, Paragraph 7.6) In this respect, firstly, neither the quantum of retail floorspace proposed nor the asserted retailer requirements have been substantiated. Second, this (admittedly much reduced) site area has been shown to accommodate the same level of retail floorspace (30,000 sq.m) through site design efficiencies. **Taken together then, when flexibility is applied on both variables – floorspace quantum and layout – it follows that a reduced level of floorspace could be accommodated on smaller site still, leading to potentially significantly different conclusions in the sequential assessment.**
- 2.23 In any case, the sequential assessment is already considered to fail on account of the available / suitable (emerging) LDP development opportunity site **OP75 Denmore Road**. In line with the Commercial Centre policy designation, the vast majority of the retail floorspace proposed (which is not otherwise justifiable in any case) could be provided at the 4.56ha site. **Even without reducing the proposal scale to any substantial degree (having utilised maximum site efficiencies), the Denmore Road site would in broad terms be suitable for development. It is contested that the site layout would be insurmountable in delivering retail floorspace.**
- 2.24 This coupled with just some of the **city centre opportunities** would more than account for the identified retail capacity within Aberdeen. As stated, the Union Square is a key proposal here which will deliver 11,148 sq.m retail floorspace within an overall extension of some 27,870 sq.m. The units being provided here are directly comparable in scale with much of what is being proposed at Prime Four.
- 2.25 Other retail provision within the Proposed LDP – including Grandholme Town Centre, Countesswells Town Centre and Rowett South Town Centre – is noted within the policy section of the RIA Update (page 12) but is not addressed in the sequential assessment. Leaving aside the retail park element, it is maintained that the convenience aspect of the proposals would more appropriately be accommodated at these locations. Settlements such as Inverurie and Westhill are similarly not assessed.
- 2.26 Lastly, the planning policy hierarchy requires that, for an out of centre site to be acceptable in terms of the sequential approach, it must be accessible by a range of transport modes (and not reliant on the private car). As stated, the proposals are detached from the urban form of both Aberdeen and Kingswells. In transportation terms, the site is inaccessible, being unreachable by rail and reliant on the private car and infrequent and distant bus services (the site is currently between 750 and 1,000 metres from a bus stop without any proposals to improve this provision). The site therefore fails this policy requirement.

## Retail Impact

- 2.27 As set out in our previous representation, and assessed in detail by the latest Hargest analysis (February 2017), quantitative retail impacts would be "significantly" higher than suggested by the applicant, even before cumulative impacts are considered. The scale of the proposed development combined with prevailing

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economic uncertainties and the parameters contained in the RIA Update mean it fails to provide a reliable and robust assessment of potential retail impact on existing or proposed centres. The actual adverse impact that would take place would have a material effect on the vitality and viability of Aberdeen City Centre, and would directly undermine the planned investment in the City Centre.

- 2.28 Indeed, regardless of the retail impact figures produced, it is clear that the new development would (a) rely on existing town centre retailers opening new stores (with no guarantee that their City and District Centre stores would continue in the same extent or scale, with an inevitable loss of trade from the retail hierarchy, and (b) compete with the City Centre (as exists and is proposed) for new retailers looking to open their first stores in Aberdeen. This further confirms that there would be an adverse effect on the vitality and viability of the City Centre and wider retail hierarchy.
- 2.29 Development of this scale would simply draw footfall away from the City Centre and undermine attempts to attract new retailers to the City, which would ordinarily lead to an improvement in the quality of the retail offer (and not simply aiming to replicate it and diffuse the retail spend and City Centre vitality). Moreover, spin off trade normally spent in the City Centre will then also be diverted away and lost.
- 2.30 Ultimately, there would be clear impact on the LDP and City Centre Masterplan delivery, competing for retailers and trade, thereby undermining vitality and viability.

## Concluding Assessment

- 2.31 Clearly, the pertinent retail impact tests must be considered together as a whole, alongside the provisions of the rest of the LDP, SG and material considerations such as the City Centre Masterplan.
- 2.32 Adopted / emerging LDP Policies RT1 / NC4 specify the Council's clear position on the sequential approach, stating that *"Proposals serving a catchment area that is city-wide or larger shall be located in the city centre"*, and preferably in the City Centre Business Zone (adopted policy) or City Centre Retail Core (emerging policy). The proposals are significant in scale with a corresponding city-wide reach. They are in locational terms wholly divorced from the City Centre, whilst also detracting from aspirations to maintain its current offer and expand in line with the LDP and City Centre Masterplan. **The proposals are contrary to this policy provision.**
- 2.33 Adopted LDP Policy RT2 Out of Centre Proposals / Emerging Policy NC5 Out of Centre Proposals is explicit in stating that proposals for town centre uses – such as that proposed at Prime Four – should be refused where they do not satisfy all the policy criteria requirements relating to the sequential approach to site selection; retail impact; quantitative and qualitative deficiencies; accessibility; and, travel patterns/air quality.
- 2.34 The City Centre Masterplan Executive Summary document identifies that the 49 projects identified have the potential to accommodate 66,960 sq.m retail and leisure floorspace (including upgrade of existing accommodation). (Page 39) Clearly, the proposal for c. 30,000 sq.m of major retail floorspace at Prime Four will have a major adverse effect undermining the entire foundation of the Masterplan. The Masterplan promotes a range of projects linked to economy, environment and infrastructure aim to enhance the attractiveness and viability of the City Centre core. It identifies that there is the opportunity to create a higher

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quality retail circuit via increased provision, enhanced experience, diversity of retail, complementary uses (e.g. food & drink) and improved public realm. (Page 40)

- 2.35 Indeed, this policy thrust is advanced and consolidated in the Proposed LDP Policies NC1 and NC2.
- 2.36 Proposed LDP Policy NC1 'City Centre Development – Regional Centre' states that *"the city centre is the preferred location for retail, commercial, leisure and other significant footfall generating development serving a city-wide or regional market"* in delivering the City Centre Masterplan vision. Moreover, supporting paragraph 3.22 specifically states new development should be directed to City Centre Retail Core. Clearly, the proposals of the scale submitted are contrary to the aspirations of Policy NC1 at the site location, and will directly undermine both active proposals and immediate opportunities for new retail development in the City Centre.
- 2.37 Proposed LDP Policy NC2 'City Centre Retail Core and Union Street' reinforces the Council's position that the City Centre Retail Core is the preferred location for major retail developments, and where such sites are not available, within the wider City Centre. Proposals of the scale submitted are contrary to the aspirations of Policy NC2 at the site location, and will directly undermine both active proposals and immediate and future opportunities for new retail development in the City Centre.

## 3. Transportation

### Introduction

- 3.1 The applicants initially submitted a Transport Assessment (TA) dated October 2016. Dougall Baillie Associates (DBA), Highways Engineers of long standing and experience reviewed this TA and comments were included in the November 2016 representation.
- 3.2 The key concern identified as part of this review was that the submitted TA appeared to significantly underestimate the likely traffic generation from the proposals; and in turn misrepresents likely impacts on the road network. The two week period from the issuing of the Scoping Proposal to the submission of the TA to Aberdeen City Council was an extraordinarily short period of time for all parties to properly consider matters and for the applicants to finalise a TA suitable for a development of this scale.
- 3.3 An amended TA was submitted in December 2016 following further discussion between Fairhurst, Aberdeen City Council and Transport Scotland. The updated TA identifies that amendments to the initial TA include:
- Removal of traffic from the consented circa 17,000sqm Ardene House office proposal on the basis that it would not proceed and would be replaced by the retail proposal.
  - Agreement that the retail proposal will benefit the road network during the weekday AM peak hour in comparison to the consented Ardene House office proposal alone.
  - Only 10% linked trips will be used, rather than 20%.
  - Amended trip distribution.
  - Subsequent alterations to AWPR Kingswells South roundabout mitigation drawings as necessary to account for revised traffic flows.
- 3.4 It is noted that the issues discussed do not address the issue of City and Shire LDP traffic as noted in Transport Scotland's response of 14 November 2016.

### Details of Development

- 3.5 The details of development remain unaltered from the initial TA, however the amended TA notes at para. 3.4.1 that parking will not exceed ACC's parking standards; and continues that it will be reduced by at least 10%. It does not state that the 10% reduction will be below ACC standards although this is inferred.

### Existing Transport Conditions

- 3.6 The assessment of *Existing Transport Conditions* in the amended TA is largely unchanged from the initial TA albeit, First Groups intention to withdraw the X40 bus service is acknowledged.
- 3.7 Again, we question the walking catchment identified in the amended TA, suggesting that the retail development would have a walking threshold of 2,400m. While this catchment is supported in the Transport Assessment Guidance (TAG), it clearly contradicts the established policy set out in PAN 75 Planning for Transport, which notes that local amenities should be within 1,600m. TAG does suggest that walking journey times of up to 20-30 mins are appropriate however, it also notes that 'the choice of time-band may



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vary in response to the use and scale of the development. People may be prepared to travel further for some activities, for example, to a sports stadium than to a shop’.

- 3.8 Our view remains that people are less likely to walk to a retail development when they will be required to carry home any purchases. In our view the 1,600m remains the most appropriate distance to apply to retail development. The TA identifies that only a very small area of Kingswells lies within this distance.
- 3.9 The assessment of public transport identifies the relative proximity of existing bus stops at between 750m and 1,000m. This exceeds the limit of 400m set out in PAN 75; and reiterated in Scottish Planning Policy (2014), ‘planning permission should not be granted for significant travel-generating uses at locations which would increase reliance on the car and where access to local facilities via public transport networks would involve walking more than 400m’.

## Trip Generation and Distribution

- 3.10 While Transport Scotland accepted the trip rates used in the initial, they do not appear to have been subject to any further discussion with ACC and our previous comments in relation to underestimation of vehicle trip generation stand. We have included our assessment of the trip generation characteristics of the food retail element from the November representation.
- 3.11 The TA indicates vehicle trip generation equivalent to those indicated in Table 6.1. These rates are based on data from the industry standard TRICS database but are based on multi-modal survey of sites sized between 1,825m<sup>2</sup> and 11,101m<sup>2</sup>.
- 3.12 It is the case that retail visitor trip rates tend to decrease with increasing GFA, the result of this will be that the inclusion of a site of 11,101m<sup>2</sup> will tend to reduce the resulting trip rates. For comparison purposes, we have undertaken an assessment of potential vehicle trips rates based on sites between 1,000m<sup>2</sup> – 6,000m<sup>2</sup> and 1,000m<sup>2</sup> – 8,000m<sup>2</sup>. The results of this assessment are also included in Table 6.1, below.

	Weekday AM		Weekday PM		Saturday	
	Trip Rates		Trip Rates		Trip Rates	
	Arrivals	Departures	Arrivals	Departures	Arrivals	Departures
Fairhurst TA	1.911	1.507	4.117	4.279	4.575	4.575
1000m <sup>2</sup> -6000m <sup>2</sup>	3.746	2.751	9.989	10.116	7.063	7.343
1000m <sup>2</sup> -8000m <sup>2</sup>	3.143	2.495	6.565	6.721	4.771	4.759
	Trips		Trips		Trips	
	Arrivals	Departures	Arrivals	Departures	Arrivals	Departures
Fairhurst TA	71	56	153	159	170	170
1000m <sup>2</sup> -6000m <sup>2</sup>	139	102	371	376	262	272
1000m <sup>2</sup> -8000m <sup>2</sup>	117	93	244	250	177	177

Table 6.1 – Vehicle Trip Generation Comparison

- 3.13 As indicated, the vehicle trip rates for the smaller range option are significantly higher and during the weekday evening peak would result in approximately 200% of the trip generation used in the TA. The larger range option is also significantly higher than those used in the TA resulting in approximately 160% of the

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trips used in the TA. We remain of the view that the development vehicle trip generation and therefore road network impact are significantly underestimated.

- 3.14 The amended TA has addressed the distribution of development trips to reflect the comment received from Transport Scotland that a larger proportion of trips would travel to and from the development via the AWPR south.
- 3.15 The amended TA discounts vehicle trip generation by 10% on the basis of TRICS Research Report 05/1 - Trip Attraction Rates of Developments with Multiple Retail and Leisure Uses. This document was reviewed and, while it does suggest that multi-use development would typically experience a reduction in overall trip generation, the research is based on Saturday data. In our view, the logic of this is sound as shopping trips at the weekend are more likely to include visits to other nearby destinations. We consider that this would be less likely during the morning or evening commuting peak periods. We also note that the research states that, where generous parking is provided, the trip reduction can be lost entirely. A definition of generous parking is not included and it cannot be established if the proposed parking levels would offset any reduction in shared trips.
- 3.16 The TA adopts a pass-by rate of 30% during the weekday evening peak. While we tend to agree that this would be appropriate for the food retail element, in our experience it generally is the case that a pass-by rate of 10% is used for non-food retail. The combination of the applied shared and pass-by rates is that the TA only considers the impact of 60% of the overall trip generation on the wider road network during the evening peak period.

## Traffic Modelling and Capacity Testing

### Base Traffic Flows

- 3.17 The TA base traffic flows have been sourced from the Countesswells New Community Development TA. In response to the Scoping Proposal document, Transport Scotland questioned why this data was used when Fairhurst previously used traffic flows extracted from the Aberdeenshire Council's 2023 Paramics Model in their assessments of the Prime Four employment and AFC Kingshill proposals. Transport Scotland noted that the flows proposed for use are significantly lower than those in the Aberdeenshire Paramics Model. This issue has not been addressed in the updated TA and it remains our view that it would be good practice for the assessment to be consistent with the approach taken in the Prime Four assessment.
- 3.18 Furthermore, given the proximity of the development site to the AWPR, it would be prudent to use a robust base traffic data set. In both cases this would be the data extracted from the Aberdeenshire Paramics Model.

### Committed Development Traffic

- 3.19 The flows used in the TA include traffic generated by the Countesswells and Prime Four development sites. In responding to the Scoping Proposals, Transport Scotland suggest that an assessment of the traffic generation of both Aberdeenshire and Aberdeen City LDP's be included in the TA along with the traffic generation of the Aberdeen FC proposals. Transport Scotland note that the interaction of the AFC proposals and the proposed retail site be considered particularly during the Saturday afternoon peak. This has not been addressed in the updated TA.

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- 3.20 The amended TA notes 'A number of committed development sites, with planning consents, were considered in the Countesswells TA. The 2033 Design year ASAM flows also account for a number of allocated sites in both Aberdeen City and Aberdeenshire LDPs.' It does not identify these sites. The TA continues 'Fairhurst are contend that there is no need to consider other undeveloped LDP sites with no planning permission as being committed developments.'
- 3.21 While we are unaware of what was discussed and agreed in their meeting of 25th November 2016, the position taken in the TA is contrary to that previously suggested by Transport Scotland. It remains our view that the omission of a cumulative assessment, together with an inconsistent use of base traffic data would resulted in an assessment that does not address the impact of the proposed development in a robust way.

### Junction Capacity Analysis

- 3.22 The amended TA includes only summary tables of the analysis results however, based on our observations of development trip generation together with Transport Scotland's comments on base traffic flows and committed development we would comment as follows:

#### *Proposed A944 / AWPR Kingswells South Roundabout Junction*

- 3.23 The analysis summary indicates impacts on each of the main junction approaches with a maximum Ratio of Flow to Capacity (RFC) of 111% predicted to occur during the evening peak on the A944 East approach. This is predicted to result in an increase in queue of 32 vehicles (approx 190m) compared to the base reference case. The maximum RFC predicted during the morning peak is 108% Due to the removal of Ardene House traffic generation this reflects a reduction compared to the base reference case.
- 3.24 The amended TA proposes revised capacity improvements to the junction layout which would see widening of the A944 east and AWPR Nth Bound Offslip approaches.
- 3.25 Entry path radius is noted in the Design Manual for Roads and Bridges (DMRB) as 'the most important determinant of safety at roundabouts'. We have carried out an assessment of entry path radii resulting from the capacity improvements proposed in the TA. With regard to the improvements to the A944 approach we do not anticipate that the proposals would significantly affect the entry path radii. Our assessment indicates that there would be a significant impact on the AWPR Northbound Off Slip. Our view remains that while reduced in scale, the proposed improvement would still increase the entry path radius to such a degree that it exceeds the parameters set down in the DMRB. We would anticipate that this would not be acceptable to Transport Scotland.
- 3.26 As noted previously, we are of the view that the development traffic impact is significantly underestimated. Transport Scotland have also queried the base traffic data used and identified a requirement for a cumulative assessment including Aberdeen FC proposals and LDP traffic. On the basis of this we do not consider the analysis to reflect a robust assessment of the operation of this junction.

#### *A944 / Prime Four Access Junction and Kingswells Roundabout*

- 3.27 The analysis summary of this linked signal network indicates a maximum Degree of Saturation (DoS) of 87.4% on the A944 Eastbound approach. The TA notes that this junction currently operates on a MOVA control which the LINSIG analysis cannot reflect. This is correct however as noted previously, we are of the

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view that the development traffic impact is significantly underestimated. Transport Scotland have also queried the base traffic data used and identified a requirement for a cumulative assessment including Aberdeen FC proposals and LDP traffic. Based on this, we do not consider the analysis to reflect a robust assessment of the operation of these two junctions.

## *A944 / New Countesswells Access 'Jessiefield' Signal Junction*

3.28 The analysis summary of this signal controlled junction indicates a Degree of Saturation (DoS) of 83.0% on the Lang Stracht Westbound approach. This would indicate that the junction operates within capacity however, as with the other junctions we consider the development traffic generation to be significantly underestimated. This, together with the base traffic data used and omission of a cumulative assessment has in our view resulted in an underestimation of demand on the road network and an assessment that would not reflect a robust assessment of the operation of this junction.

## *Proposed A944 / Prime Four Phase 5 Signal 'All Movements' Junction*

3.29 The analysis summary of this signal controlled junction indicates a maximum Degree of Saturation (DoS) of 89.7% on the A944 Eastbound approach. This would indicate that the junction operates within capacity however, as with the other junctions we consider the development traffic generation to be significantly underestimated. This, together with the base traffic data used and omission of a cumulative assessment has in our view resulted in an underestimation of demand on the road network and an assessment that would not reflect a robust assessment of the operation of this junction.

## Summary Highways Position

- 3.30 The proposed development is located on a site currently identified for employment use. Given the location of the development, the TA overestimates the walk-in catchment of the development. We would consider the proposals to be in an Out of Town Centre location.
- 3.31 The TA has been amended following discussions with Transport Scotland and ACC however, in our view, the amended TA still underestimates the traffic generation of the development site and on this basis alone, we consider that the TA fails to reflect a robust assessment of the development impact on network operation.
- 3.32 The TA identifies that the development will have a significant impact on the operation of the AWPR Kingswells roundabout.
- 3.33 We consider the proposed widening of the AWPR Northbound off slip approach would increase the entry path radius to be outwith the parameters set out in the DMRB. We would anticipate that this proposed capacity improvement would be unacceptable to Transport Scotland on safety grounds.
- 3.34 In their scoping response, Transport Scotland considered that base traffic data extracted from the Aberdeenshire Paramics model would be more appropriate than the traffic data used in the TA. Transport Scotland requested clarification on why this data has not been used when Fairhurst have previously used this model data in assessments of other development proposals in the vicinity of the development. The amended TA fails to address this point.

## Representation to proposed retail development

Prime Four Business Park, Kingswells (Ref: P161429/PPP)

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- 3.35 Transport Scotland note that the Aberdeenshire Paramics model traffic data is significantly higher than that used in the TA. They have expressed concern that the TA will not reflect a robust assessment of road network operation. The amended TA fails to address this point.
- 3.36 We consider that the TA underestimates the vehicle trip generation of the proposed development. The TA discounts the trip generation to account for linked trips. We consider that there is limited justification for this reduction in vehicle trip generation.

## 4. Summary & Conclusions

4.1 Union Square Developments Limited formally maintain objection to the proposed significant levels of Class 1 retail floorspace (26,013 sq.m of comparison and 3,716 sq.m) at Prime Four Business Park proposals on the following grounds:

- The proposals are **contrary to the adopted and emerging LDP site allocations** which support employment uses.
- The proposals are **contrary to the adopted and emerging LDP retail strategy**, which is clear in its direction that proposals with a city-wide (or larger) catchment should be located in the City Centre. The City Centre Masterplan delivery would be further compromised.
- The proposals **fail to meet with the requirements of the sequential approach**, as set out within SPP, the adopted Aberdeen City Local Development Plan 2012 and the emerging Aberdeen City Local Development Plan 2016 (Proposed Plan), incorrectly concluding that there are no suitable sequentially preferable sites / opportunities available, utilising a narrow assessment without sufficient flexibility, based on an unjustified quantum of retail floorspace.
- The supporting case attempts to justify the proposed significant retail floorspace by citing the circumstances of **individual retailers**, which has been demonstrated by case law and appeal decisions to be inappropriate.
- The proposals would have a **material impact on the vitality and viability of Aberdeen City Centre**, contrary to adopted LDP policies RT1 and RT2 and emerging LDP policies NC4 and NC5: the turnover of the proposals and associated quantitative impacts have been underestimated; and, the proposals will compete with the delivery of the LDP/Proposed Plan and City Centre Masterplan, seeking to divert retailers (who are new to Aberdeen) to Prime Four, away from the active proposals at Union Square and Bon Accord.
- The **socio-economic** case for the proposals is considered to overestimate the employment generated in construction whilst confirming that the proposals will be of a high street nature (by way of the operational employment estimate). While the population growth referred to is noted, this does not justify comparison retailing of the scale proposed at this new location and at this time, in advance of the proper LDP process. The case for incorporating new uses – based on the experiences elsewhere in a number of select locations – is considered to be overly simplistic and unconvincing, with a failure to acknowledge the economic, spatial and political contexts within such locations.
- The proposals are detached from the urban form of both Aberdeen and Kingswells. In **transportation terms**, the site is **inaccessible**, being unreachable by rail and reliant on the private car and infrequent and distant bus services (the site is currently between 750 and 1,000 metres from a bus stop without any proposals to improve this provision).
- A review by DBA of the submitted **Transport Assessment**, drawing also on commentary by Transport Scotland, has concluded that the operational assessment carried out is **fundamentally flawed** and that

## Representation to proposed retail development

Prime Four Business Park, Kingswells (Ref: P161429/PPP)

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the conclusions drawn from this assessment cannot be justified. Fundamentally, the TA underestimates the vehicle trip generation of the proposed development.

- 4.2 In conclusion, the additional layout and operator information provided only serves to confirm the conflict with opportunities throughout the existing retail hierarchy which are supported by the Council and are being progressed. The additional sequential assessment demonstrates how site efficiencies can be achieved in layout; however, it does not show flexibility on the quantum of retail floorspace proposed, which would further reduce the required land take for a reasonably functioning retail park, thereby undermining the conclusions of the sequential assessment (even before disaggregation is considered). The quantitative information provided fails to demonstrate that there will be no material impact on vitality and viability of the retail hierarchy in Aberdeen – quantitative retail impacts would be significantly higher than that suggested by the applicant, even before cumulative impacts are factored. Finally, the unsuitability of the location in sustainability terms is unchanged by the additional submissions, with inaccessibility remaining a major issue.
- 4.3 We trust that the foregoing, and that submitted previously, will be given full consideration in the assessment of the Prime Four proposals.

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09 November 2016

## KNIGHT PROPERTY GROUP

Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen  
AB10 1AB

Dear Sirs

**Proposal:** Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works  
**Address:** Site OP40 Prime Four Business Park Kingswells Aberdeen  
**Application Ref:** 161429/PPP

We write in relation to the above proposals for site OP40 Prime Four Business Park Kingswells Aberdeen. Knight Property Group have significant assets throughout Aberdeen city centre and the wider area itself, including the recently completed refurbishment and extension of the former art deco Capitol theatre at the west end of Union Street which provides 75,000sqft of grade-A commercial floorspace for which PWC take occupation in a matter of a few weeks.

Alongside other prominent city centre developments currently underway, this is a significant development for both Knight Property Group and for the regeneration of the city centre as a whole. Investment in the Capitol redevelopment alone totals £30 million. As such, and as a local company, Knight Property Group are firmly committed to enhancement of the vitality and viability of the city centre and its development as a regional hub for commercial, retail, leisure and residential activity.

### Spatial Strategy

The Spatial Strategy in the Proposed Aberdeen Local Development Plan (2015)(Proposed Plan)<sup>1</sup> echoes that of the current Aberdeen Local Development Plan (2012)(LDP) and the approved Strategic Development Plan (2014)(SDP) for the region:

*Our strategy promotes the city centre as the commercial, economic, social, civic and cultural heart of Aberdeen. The maintenance of a vibrant city centre and the enhancement of its fine buildings and open spaces is vital to Aberdeen's future prosperity and to sustaining its attractiveness as a place to live and visit. A strong and thriving city centre is a key attribute in delivering the wider strategic aims of the Strategic Development Plan and our policies and proposals seek to enhance its role as a key commercial centre.*

<sup>1</sup> Reference throughout this letter is made to policies and allocations in the Proposed Aberdeen Local Development Plan (2015) (Proposed Plan), as amended by the recent Report of Examination, where necessary. This emerging Local Development Plan (LDP) will be approved for adoption on 14<sup>th</sup> December 2016 and will form part of the extant Development Plan at the time of determination of this application.

The applicants, Prime Four Ltd. claim that there will be a 'benign' impact on the city centre, however despite the fact that the supporting documents claim that the *retail impact of this development on city centre retail is estimated to be relatively small – just 4.31%*, the reality is that the development of circa 30,000sqm retail space to the west of the city, with easy access from the AWPR and unrestricted surface car parking will cause significant harm to the Council's efforts to encourage modal shift towards more sustainable methods of transport.

Proposed Plan Policy **NC1 City Centre Development – Regional Centre** cites the city centre as the *preferred location for significant footfall-generating development serving a city-wide or regional market*, such as the proposed development, as acknowledged in its supporting planning statement.

Similarly policy **NC2 City Centre Retail Core and Union Street** defines the *City Centre Retail Core* as the *preferred location for major retail developments*; and *where sites are not available in the City Centre Retail Core, then sites elsewhere in the city centre may be appropriate*.

### **Aberdeen City Centre Masterplan**

Aberdeen City Centre Masterplan (CCM) was approved in June 2015 and as a 20-year development strategy for the city centre it is in its infancy. Commitment to implementation of the Masterplan and the 49 projects identified within that *'will support future economic growth and will secure more benefits and opportunities for the communities of Aberdeen City and Shire'* has been strong; with the appointment of a City Centre Director and delivery team and establishment of a reference group in quick succession demonstrate the Council's ambition to see the strategy delivered.

The Masterplan acknowledges that:

*In more recent times investment in the city centre has not kept pace with the periphery of the city. There is now a renewed appreciation of the social, cultural and economic value of city centres, Aberdeen city centre needs to reassert itself with a clear vision that establishes future priorities. However, this should be achieved in a way which reflects the unique history of the city so that Aberdeen remains distinctive and rooted in place and culture.*

However it also highlights the complacency of recent years in the lack of investment, due to the high oil price and ease of Greenfield development to cater to the industry:

*As the metropolitan centre of a globally significant economic region, Aberdeen city centre's importance to the economy of the region and the nation should not be underestimated. The city centre should be the heart of the Aberdeen and Aberdeenshire economy; a hub where people come together to work, learn, collaborate, trade, invent and promote – this is clearly not currently the case and the city centre needs (for the good of the region as a whole) to reinvent itself as the metropolitan and commercial heart of the wider Aberdeen economic region.*

The CCM recognises that the city centre requires transformation to fulfil its role as a regional hub, attracting office and residential activity back from the periphery and reintroducing a more sustainable access strategy. Clearly the approval of such a significant attraction on the periphery of Kingswells, let alone the periphery of the city centre is significantly damaging to the regeneration of the city centre.

## Land Use

Prime Four Business Park and the allocated development land to its west are designated as **Specialist Employment Areas** in the Proposed Plan. The site forms part of site OP29, allocated to provide 50ha employment land under the terms of **policy B2** between 2017 and 2026, as a continuation of the Masterplanned development of phases 1-3 of the park.

*In areas that are identified as Specialist Employment Areas on the Proposals Map, only Class 4 (Business) uses shall be permitted in order to maintain a high quality environment. Activities associated with research, design and development, knowledge-driven industries and related education and training will be encouraged in these areas.*

*Facilities that directly support business uses may be permitted where they enhance the attraction and sustainability of the Specialist Employment Area for investment. Such facilities should be aimed primarily at meeting the needs of businesses and employees within the Specialist Employment Area.*

At 30,000 sqm the proposed development is not of a complimentary nature to directly support the businesses, such as the community hub that is currently proposed in the approved Masterplan and Development Framework; and in direct conflict with this policy.

## Retail Use

The application site lies within allocation OP40 in the current LDP. Drum Kingswells Business Park Ltd. sought the change of use of the application site to accommodate retail, leisure and commercial uses through the Council's *Call for Sites* (2013) and *Main Issues Report* (2014) (MIR) consultations, simultaneously seeking an extension to the Prime Four Business Park to accommodate overwhelming commercial requirements and to maintain a supply of developable commercial land to meet these requirements as there were (unspecified) access constraints to the immediate development of OP40.

The *Aberdeen City and Aberdeenshire Retail Capacity Study* (2013)(ACARS) identified capacity for 5,500sqm convenience retail floorspace in zone 29N, to the west of Aberdeen. Whilst the ACARS suggested that some of this floorspace *should be located in the Countesswells development to serve local day-to-day and limited main food shopping needs*; in their MIR consultation response Drum sought that the full amount be provided at Prime Four.

This was on the basis that as no site had been specifically identified within the zone for this floorspace, its allocation within OP40 would *add to spectrum of uses being offered to occupiers, who seek to maximise the benefits they can offer to their employees*. It was also argued that *given the sites proximity to both the AWPR junction and the Kingswells Park and Ride, there is a strong argument to say that locating the acknowledged retail requirement at Prime Four is the most sustainable option. It is clear that working and shopping in the same Park reduces car journeys on the network*. This justification did not focus on local retail provision, pedestrian or cycle access to local convenience retail – it was suggested purely to cater to the residents of the business park and car-borne trips.

The Council did not accept these arguments and the Proposed Plan continued the allocation for employment development at Prime Four, adding in its supporting text for Kingswells and Greenferns that:

*Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land.*

In their response to the Proposed Plan consultation (2015), Drum supported this allocation and the inclusion of further commercial land as OP63.

## Summary

In conclusion the above development is highly speculative and does not cater for an identified need. It runs counter to national, regional and local planning policy, which seeks to locate such developments with a regional catchment in the city centre. Approval of the above development would have a damaging impact on the economy of the city centre and undermine the primacy of the Development Plan, which is particularly up-to-date.

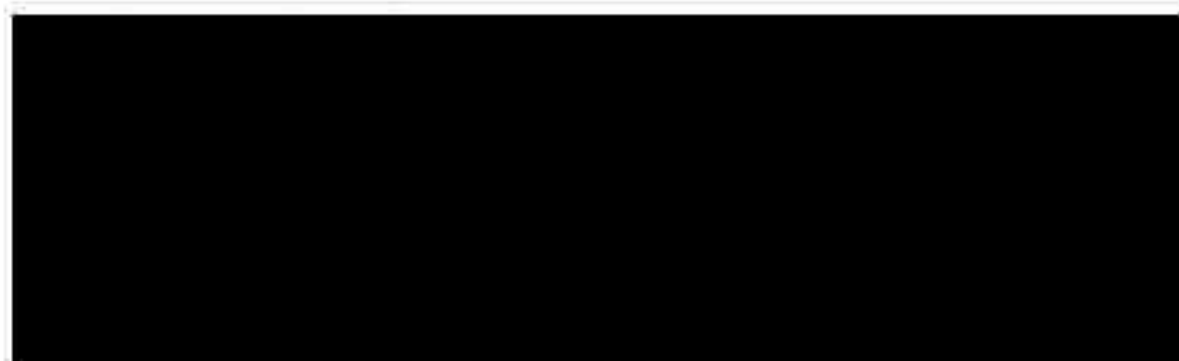
Drum promoted retail development on the application site through the recent LDP review and after consideration the employment designation was upheld. The proposed development is of a regional scale and significance and should be located in the city centre, in accordance with national, regional and local planning policy and where such retail capacity exists.

We should not further rip the heart out of our city centre and move retail to the outskirts, we should be investing in the city centre and bringing footfall back in order to stimulate our many local and national traders who operate from Aberdeen city centre.

The Council has invested considerable time and money in creating a City Centre Masterplan to drive transformation and investment, which relies heavily on public and private sector investment in delivering the vision for the city centre. The approval of a significant retail development that would be such a direct threat to the success of the transformation of the city centre, the Council's proposals for city centre access and significant mode shift would be reckless and combative to attempts to secure buy-in to its proposals.

We would be happy to discuss any of the above with the Council or the applicants, should you wish to do so please do not hesitate to contact me.

Yours sincerely

A large black rectangular redaction box covering the signature area.

**HOWARD CRAWSHAW**  
Director

06 February 2017



Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen  
AB10 1AB

KNIGHT PROPERTY GROUP

Dear Sirs

**Proposal:** Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works  
**Address:** Site OP40 Prime Four Business Park Kingswells Aberdeen  
**Application Ref:** 161429/PPP

Following the submission of updated information in support of the above proposals, we write to augment our objection of 9<sup>th</sup> November 2016. Following a review of the Retail Impact Assessment (Update)(RIA) and Transport Assessment (TA) we maintain our objection to the above proposals for at site OP40 Prime Four Business Park Kingswells Aberdeen.

Knight Property Group have significant assets throughout Aberdeen city centre, including the recently completed refurbishment of the former art deco Capitol theatre at the west end of Union Street to provide 75,000sqft of grade-A commercial floorspace over 9 levels.

Alongside other prominent city centre developments currently underway, this is a significant development for both Knight Property Group and the for the regeneration of the city centre as a whole. Investment in the Capitol redevelopment alone totals £30 million. As such, and as a local company, Knight Property Group are firmly committed to enhancement of the vitality and viability of the city centre and its development as a regional hub for commercial, retail, leisure and residential activity.

### Proposed Design and Layout

Following further information requests details on the nature and form of the proposed scheme have only just been made available. The applicant maintains that this proposal is not speculative, if this is the case then why were such details not available when the application was submitted? The submitted layout shows an out of town retail park, split over 16 warehouse units of varying sizes, with potential for mezzanine flooring and surface-car only car parking.

The RIA stipulates that the development "must" proceed in the proposed retail warehouse format and "must" provide clustered retail units, which are regular in shape, with capacity for high shelving and storage, to have adjacent at-grade customer car parking with trolley bays, and be supported by a service yard with easy access to storage areas. The justification for this is that the proposed retail park will largely be of appeal to general comparison goods and bulky goods retailers and to be commercially attractive to occupiers, the scheme must proceed in the proposed retail warehouse format.

However the retailer interest reported by the applicant comprises Boots, JD Sports, Cotswold Outdoors, Next and Superdrug – none of which are bulky goods retailers and all of whom operate and have operated from multiple city centre and out-of-centre locations in Aberdeen for many years.

The RIA asserts however that "sequentially, Aberdeen city centre cannot accommodate a new retail warehouse park and neither can any of the other centres identified in the development plan". It seems the more likely reason that the development "must" be of the specified size and format is in order to manufacture justification for its location.

It is unclear what the benefits to Aberdeen, and in particular the city centre would gain from an out-of-town development that seeks to duplicate existing city centre retail units.

### **Retail Justification**

Aberdeen & Aberdeenshire Retail Capacity Study (2013) (ACARS) tested 3 of 6 scenarios for retail development in the region; of these scenario 3 formed the basis of the recommended strategy and forms the basis of the adopted Local Development Plan policy.

- Scenario 1: Do Minimum –assumes only "committed" developments plus a modest amount of retail development within the proposed redevelopment of St Nicholas House in the City Centre.
- Scenario 3: Development, meeting all retail deficiencies identified, plus 30,000 sq m GFA floorspace for comparison goods within the City Centre).
- Scenario 5: Addressing deficiencies plus comparison floorspace development within the City Centre (i.e. Scenario 3) together with a further 30,000 sq m GFA comparison floorspace elsewhere in Aberdeen City (outwith the City Centre).

Following testing, ACARS recommended a strategy based on scenario 3 "in order to support retail investment in the City Centre, to minimise potential adverse impacts on existing centres and to facilitate re-use of vacant floorspace".

Scenario 5 was rejected "on grounds of potential adverse impacts and potential undermining of City Centre retail investment" (table 5.7: Summary Evaluation of Development Scenario Options).

The study notes that "the provision of large scale comparison floorspace in new areas of Aberdeen will be much easier than redevelopment of land within the City Centre; which could easily be undermined by relatively easy alternatives elsewhere. Therefore a balance needs to be struck between providing new comparison floorspace in new District Centres and support for the provision of new City Centre floorspace".

The proposed site is neither an existing nor a new District Centre, in the heart of an established or developing residential neighbourhood. The RIA contends that the submitted proposals "can comfortably co-exist with the city centre and will not prejudice any planned investment in the city", however the reality set out in the RIA is that they aim to provide retail floorspace at all costs, including and mainly the vitality of the city centre.

### **Impact on the City Centre**

The applicant's RIA concludes that that the retail impacts associated with the proposed development will be "benign", with "no significant adverse impact on any of the defined centres", and "no question that the proposed retail park at Prime Four can comfortably co-exist with Aberdeen city centre and the other centres within the catchment".

We contend that the impact analysis in the RIA grossly underestimates the scale of impact on the city centre, not just in terms of retail capacity, but of vitality of the centre as a whole. The Council has invested over a million pounds on the preparation and implementation of a Masterplan for the City Centre, confirming the Council's commitment to the regeneration of its civic heart.

We contend that the assertion that the "proposals can comfortably co-exist with the city centre and will not prejudice any planned investment in the city" is absolutely untrue. There is a very real risk of knocking fragile investor confidence in the city centre, if the Council were to permit a development that flies in the face of its recently adopted Local Development Plan and Masterplan.

## Accessibility

The TA overestimates the walk-in catchment of the proposals. The heavy reliance on the Park and Ride, which is located over 1 km away from the site is unrealistic, especially for a development that seeks to attract bulky goods retailers. The existing bus services and infrastructure are sub-standard and far exceed the established guidelines set out in PAN 75.

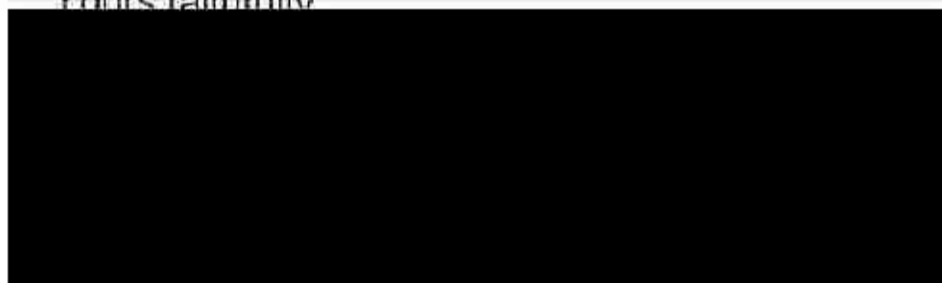
The proposals are much less accessible by all forms of public transport than the city centre, which is the transport hub for the region; they are heavily reliant on car-based traffic and accessibility from the AWPR, in a region with the highest car ownership in Scotland this runs contrary to Aberdeen City and Shire's efforts to reduce traffic and promote more sustainable forms of travel.

The Scottish Government is committed to the provision of additional crossrail services within the next two years, with an hourly 'local' service across the city between Inverurie Montrose, stopping at all stations; additional services to create a half hourly service between Aberdeen and Inverurie; and additional early morning and late evening services to Elgin, Keith, Huntly and Insch. This seeks to increase the accessibility and attractiveness of the city centre access by public transport. The proposals run contrary to aims to increase public transport use, the notion that a development that would serve to reverse any gains appears misguided.

This objection is an addendum to our earlier submission and the two should be read together. We reiterate that the Council has invested considerable time and money in creating a City Centre Masterplan to drive transformation and investment, which relies heavily on public and private sector investment in delivering the vision for the city centre. The approval of a significant retail development that would be such a direct threat to the success of the transformation of the city centre, the Council's proposals for city centre access and significant mode shift would be reckless and combative to attempts to secure buy-in to its proposals.

We would be happy to discuss any of the above with the Council or the applicants, should you wish to do so please do not hesitate to contact me.

Yours faithfully



**HOWARD CRAWSHAW**  
Director

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09 November 2016

## KNIGHT PROPERTY GROUP

Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen  
AB10 1AB



Dear Sirs

**Proposal:** Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works  
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**Knight Property Group plc** 62 Queen's Road Aberdeen AB15 4YE

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The applicants, Prime Four Ltd. claim that there will be a 'benign' impact on the city centre, however despite the fact that the supporting documents claim that the *retail impact of this development on city centre retail is estimated to be relatively small – just 4.31%*, the reality is that the development of circa 30,000sqm retail space to the west of the city, with easy access from the AWPR and unrestricted surface car parking will cause significant harm to the Council's efforts to encourage modal shift towards more sustainable methods of transport.

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### **Aberdeen City Centre Masterplan**

Aberdeen City Centre Masterplan (CCM) was approved in June 2015 and as a 20-year development strategy for the city centre it is in its infancy. Commitment to implementation of the Masterplan and the 49 projects identified within that *'will support future economic growth and will secure more benefits and opportunities for the communities of Aberdeen City and Shire'* has been strong; with the appointment of a City Centre Director and delivery team and establishment of a reference group in quick succession demonstrate the Council's ambition to see the strategy delivered.

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## Land Use

Prime Four Business Park and the allocated development land to its west are designated as **Specialist Employment Areas** in the Proposed Plan. The site forms part of site OP29, allocated to provide 50ha employment land under the terms of **policy B2** between 2017 and 2026, as a continuation of the Masterplanned development of phases 1-3 of the park.

*In areas that are identified as Specialist Employment Areas on the Proposals Map, only Class 4 (Business) uses shall be permitted in order to maintain a high quality environment. Activities associated with research, design and development, knowledge-driven industries and related education and training will be encouraged in these areas.*

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At 30,000 sqm the proposed development is not of a complimentary nature to directly support the businesses, such as the community hub that is currently proposed in the approved Masterplan and Development Framework; and in direct conflict with this policy.

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This was on the basis that as no site had been specifically identified within the zone for this floorspace, its allocation within OP40 would *add to spectrum of uses being offered to occupiers, who seek to maximise the benefits they can offer to their employees*. It was also argued that *given the sites proximity to both the AWPR junction and the Kingswells Park and Ride, there is a strong argument to say that locating the acknowledged retail requirement at Prime Four is the most sustainable option. It is clear that working and shopping in the same Park reduces car journeys on the network*. This justification did not focus on local retail provision, pedestrian or cycle access to local convenience retail – it was suggested purely to cater to the residents of the business park and car-borne trips.

The Council did not accept these arguments and the Proposed Plan continued the allocation for employment development at Prime Four, adding in its supporting text for Kingswells and Greenferns that:

*Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land.*

In their response to the Proposed Plan consultation (2015), Drum supported this allocation and the inclusion of further commercial land as OP63.

## Summary

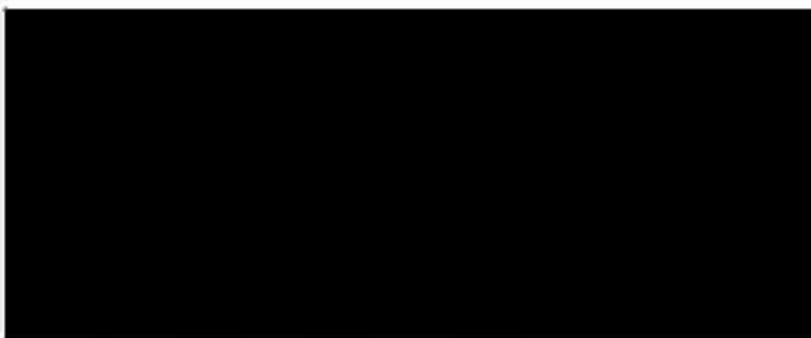
In conclusion the above development is highly speculative and does not cater for an identified need. It runs counter to national, regional and local planning policy, which seeks to locate such developments with a regional catchment in the city centre. Approval of the above development would have a damaging impact on the economy of the city centre and undermine the primacy of the Development Plan, which is particularly up-to-date.

Drum promoted retail development on the application site through the recent LDP review and after consideration the employment designation was upheld. The proposed development is of a regional scale and significance and should be located in the city centre, in accordance with national, regional and local planning policy and where such retail capacity exists.

The Council has invested considerable time and money in creating a City Centre Masterplan to drive transformation and investment, which relies heavily on public and private sector investment in delivering the vision for the city centre. The approval of a significant retail development that would be such a direct threat to the success of the transformation of the city centre, the Council's proposals for city centre access and significant mode shift would be reckless and combative to attempts to secure buy-in to its proposals.

We would be happy to discuss any of the above with the Council or the applicants, should you wish to do so please do not hesitate to contact me.

Yours sincerely



**JAMES BARRACK**  
Managing Director

06 February 2017



Planning and Sustainable Development  
Aberdeen City Council  
Business Hub 4  
Marischal College  
Broad Street  
Aberdeen  
AB10 1AB

KNIGHT PROPERTY GROUP

By Email: [pi@aberdeencity.gov.uk](mailto:pi@aberdeencity.gov.uk)

Dear Sirs

**Proposal:** Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works  
**Address:** Site OP40 Prime Four Business Park Kingswells Aberdeen  
**Application Ref:** 161429/PPP

Following the submission of updated information in support of the above proposals, we write to augment our objection of 9<sup>th</sup> November 2016. Following a review of the Retail Impact Assessment (Update)(RIA) and Transport Assessment (TA) we maintain our objection to the above proposals for at site OP40 Prime Four Business Park Kingswells Aberdeen.

Knight Property Group have significant assets throughout Aberdeen city centre, including the recently completed refurbishment of the former art deco Capitol theatre at the west end of Union Street to provide 75,000sqft of grade-A commercial floorspace over 9 levels.

Alongside other prominent city centre developments currently underway, this is a significant development for both Knight Property Group and the for the regeneration of the city centre as a whole. Investment in the Capitol redevelopment alone totals £30 million. As such, and as a local company, Knight Property Group are firmly committed to enhancement of the vitality and viability of the city centre and its development as a regional hub for commercial, retail, leisure and residential activity.

### Proposed Design and Layout

Following further information requests details on the nature and form of the proposed scheme have only just been made available. The applicant maintains that this proposal is not speculative, if this is the case then why were such details not available when the application was submitted? The submitted layout shows an out of town retail park, split over 16 warehouse units of varying sizes, with potential for mezzanine flooring and surface-car only car parking.

The RIA stipulates that the development "must" proceed in the proposed retail warehouse format and "must" provide clustered retail units, which are regular in shape, with capacity for high shelving and storage, to have adjacent at-grade customer car parking with trolley bays, and be supported by a service yard with easy access to storage areas. The justification for this is that the proposed retail park will largely be of appeal to general comparison goods and bulky goods retailers and to be commercially attractive to occupiers, the scheme must proceed in the proposed retail warehouse format.

However the retailer interest reported by the applicant comprises Boots, JD Sports, Cotswold Outdoors, Next and Superdrug – none of which are bulky goods retailers and all of whom operate and have operated from multiple city centre and out-of-centre locations in Aberdeen for many years.

The RIA asserts however that "sequentially, Aberdeen city centre cannot accommodate a new retail warehouse park and neither can any of the other centres identified in the development plan". It seems the more likely reason that the development "must" be of the specified size and format is in order to manufacture justification for its location.

It is unclear what the benefits to Aberdeen, and in particular the city centre would gain from an out-of-town development that seeks to duplicate existing city centre retail units.

### **Retail Justification**

Aberdeen & Aberdeenshire Retail Capacity Study (2013) (ACARS) tested 3 of 6 scenarios for retail development in the region; of these scenario 3 formed the basis of the recommended strategy and forms the basis of the adopted Local Development Plan policy.

- Scenario 1: Do Minimum –assumes only "committed" developments plus a modest amount of retail development within the proposed redevelopment of St Nicholas House in the City Centre.
- Scenario 3: Development, meeting all retail deficiencies identified, plus 30,000 sq m GFA floorspace for comparison goods within the City Centre).
- Scenario 5: Addressing deficiencies plus comparison floorspace development within the City Centre (i.e. Scenario 3) together with a further 30,000 sq m GFA comparison floorspace elsewhere in Aberdeen City (outwith the City Centre).

Following testing, ACARS recommended a strategy based on scenario 3 "in order to support retail investment in the City Centre, to minimise potential adverse impacts on existing centres and to facilitate re-use of vacant floorspace".

Scenario 5 was rejected "on grounds of potential adverse impacts and potential undermining of City Centre retail investment" (table 5.7: Summary Evaluation of Development Scenario Options).

The study notes that "the provision of large scale comparison floorspace in new areas of Aberdeen will be much easier than redevelopment of land within the City Centre; which could easily be undermined by relatively easy alternatives elsewhere. Therefore a balance needs to be struck between providing new comparison floorspace in new District Centres and support for the provision of new City Centre floorspace".

The proposed site is neither an existing nor a new District Centre, in the heart of an established or developing residential neighbourhood. The RIA contends that the submitted proposals "can comfortably co-exist with the city centre and will not prejudice any planned investment in the city", however the reality set out in the RIA is that they aim to provide retail floorspace at all costs, including and mainly the vitality of the city centre.

### **Impact on the City Centre**

The applicant's RIA concludes that that the retail impacts associated with the proposed development will be "benign", with "no significant adverse impact on any of the defined centres", and "no question that the proposed retail park at Prime Four can comfortably co-exist with Aberdeen city centre and the other centres within the catchment".

We contend that the impact analysis in the RIA grossly underestimates the scale of impact on the city centre, not just in terms of retail capacity, but of vitality of the centre as a whole. The Council has invested over a million pounds on the preparation and implementation of a Masterplan for the City Centre, confirming the Council's commitment to the regeneration of its civic heart.

We contend that the assertion that the "proposals can comfortably co-exist with the city centre and will not prejudice any planned investment in the city" is absolutely untrue. There is a very real risk of knocking fragile investor confidence in the city centre, if the Council were to permit a development that flies in the face of its recently adopted Local Development Plan and Masterplan.

## Accessibility

The TA overestimates the walk-in catchment of the proposals. The heavy reliance on the Park and Ride, which is located over 1 km away from the site is unrealistic, especially for a development that seeks to attract bulky goods retailers. The existing bus services and infrastructure are sub-standard and far exceed the established guidelines set out in PAN 75.

The proposals are much less accessible by all forms of public transport than the city centre, which is the transport hub for the region; they are heavily reliant on car-based traffic and accessibility from the AWPR, in a region with the highest car ownership in Scotland this runs contrary to Aberdeen City and Shire's efforts to reduce traffic and promote more sustainable forms of travel.

The Scottish Government is committed to the provision of additional crossrail services within the next two years, with an hourly 'local' service across the city between Inverurie Montrose, stopping at all stations; additional services to create a half hourly service between Aberdeen and Inverurie; and additional early morning and late evening services to Elgin, Keith, Huntly and Insch. This seeks to increase the accessibility and attractiveness of the city centre access by public transport. The proposals run contrary to aims to increase public transport use, the notion that a development that would serve to reverse any gains appears misguided.

This objection is an addendum to our earlier submission and the two should be read together. We reiterate that the Council has invested considerable time and money in creating a City Centre Masterplan to drive transformation and investment, which relies heavily on public and private sector investment in delivering the vision for the city centre. The approval of a significant retail development that would be such a direct threat to the success of the transformation of the city centre, the Council's proposals for city centre access and significant mode shift would be reckless and combative to attempts to secure buy-in to its proposals.

We would be happy to discuss any of the above with the Council or the applicants, should you wish to do so please do not hesitate to contact me.

Yours faithfully



**JAMES BARRACK**  
Managing Director

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HF1327/04

8th November 2016

FAO Matthew Easton [REDACTED]

Dear Sir

**MAJOR DEVELOPMENT: MIXED USE COMMERCIAL (UP TO 30,000M2) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS AT SITE OP40 PRIME FOUR BUSINESS PARK, KINGSWELLS, ABERDEEN. APPLICATION REFERENCE 161429/PPP**

We write with reference to the above application submitted recently to Aberdeen City Council.

Rockspring Hanover Property Unit Trust (RHPUT) have significant retail interests in Aberdeen City Centre including the former BHS unit on Union Street.

We wish to formally object to the principle of the proposed development. Our grounds for objecting to the proposed development are set out below.

### **Background**

The application site covers an area of approximately 13 ha (32 acres) and is located within the Aberdeen City Local Authority Area, and within the Kingswells / Sheddocksley Ward. The site lies circa. four miles to the west of Aberdeen City Centre and circa. two miles to the east of Westhill (Aberdeenshire Council). The settlement of Kingswells is adjacent to the east.

The application seeks permission in principle for retail uses to complement the existing business park, and create a commercial mixed use scheme.

Drum Property Group are advancing proposals which involve the development of up to **26,013sqm** (gross) of Class 1 Retail floorspace which would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers. In addition,

the proposals would include a 3,716sqm (gross) foodstore and ancillary food and drink premises.

The retail proposals are significant. The site is not designated for retail in the Local Development Plan, and as such is significantly contrary to it, and constitutes an out-of-centre location in the context of Scottish Planning Policy (SPP).

### **Policy Context**

Section 25 of the Town and Country Planning (Scotland) Act 1997 as amended by the Planning etc. Scotland Act 2006 requires all planning applications to be determined in accordance with the development plan unless material considerations indicate otherwise.

The Development Plan comprises the Aberdeen City and Shire Strategic Development Plan, and the Aberdeen Local Development Plan, adopted 29 February 2012.

Aberdeen City Council are in the process of replacing the Local Development Plan. Their Proposed Plan has recently been the subject of Examination and the Reporter's Report has now been received by the City Council.

The site of the subject proposals is identified in the emerging Local Development Plan as an extension to the Prime Four development. It is allocated as Green Belt in the current extant Local Development Plan.

The review of the LDP and the Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

Briefly stated it is submitted that the proposed development does not comply with the Development Plan and there are no material considerations, either presented by the applicant nor are evident in our assessment, that would indicate otherwise.

### **SDP**

Aberdeen City is identified as a strategic growth area within the SDP. Paragraph 3.15 states that *"Aberdeen is Scotland's third-largest city and the regional centre for employment, retail, culture, health and higher education as well as being the region's transport hub – with road, rail, sea and air links."*

The SDP continues at 4.2 that *"in line with Scottish Planning Policy, a sequential approach will be taken when identifying sites for new retail development across the strategic development plan area."*

It is stated at paragraph 4.40 that *"to create sustainable mixed communities, retail services must be one of the main considerations in preparing masterplans and development briefs for new development. We will take a sequential approach to new retail development. However, we will also support existing retail centres to make sure that the needs of the community are met now as well as in the future."*

## LDP

The site of the subject proposals is allocated as Green Belt (NE2) and as part of the Green Space Network (NE1).

An extract of the Proposals Map is copied below:-



## Material Considerations

As noted above, the review of the LDP and the Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

### Scottish Planning Policy (SPP)

Paragraph 1. of SPP recognises that *“the planning system has a vital role to play in delivering high-quality places for Scotland.”* It continues that *“Scottish Planning Policy (SPP) focuses plan making, planning decisions and development design on the Scottish Government’s Purpose of creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.”*

Core Values of the Planning Service include that Scottish Ministers expect for the planning service to perform to a high standard and to pursue continuous improvement are noted at paragraph 4. of SPP, include:-

- focus on outcomes, maximising benefits and balancing competing interests;

- play a key role in facilitating sustainable economic growth, particularly the creation of new jobs and the strengthening of economic capacity and resilience within communities;

Paragraph 24. of SPP states that *“the Scottish Government’s central purpose is 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.”*

Further it states at paragraph 27. that *“the Government Economic Strategy indicates that sustainable economic growth is the key to unlocking Scotland’s potential and outlines the multiple benefits of delivering the Government’s purpose, including creating a supportive business environment, achieving a low carbon economy, tackling health and social problems, maintaining a high-quality environment and passing on sustainable legacy for future generations.”*

In this respect it is stated that *“this SPP introduces a presumption in favour of development that contributes to sustainable development.”*

Paragraph 58. states that *“NPF3 reflects the importance of town centres as a key element of the economic and social fabric of Scotland.”* It continues that *“....town centres are at the heart of their communities and can be hubs for a range of activities”* and that *“it is important that planning supports the role of town centres to thrive and meet the needs of their residents, businesses and visitors for the 21st century.”*

SPP states (at paragraph 39.) that *“planning should direct the right development to the right place.”*

As previously, SPP states (at paragraph 60.) that planning for town centres should be flexible and proactive, enabling a wide range of uses which bring people into town centres. In this respect it is stated that the planning system should:-

- apply a town centre first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure, offices, community and cultural facilities;
- encourage a mix of uses in town centres to support their vibrancy, vitality and viability throughout the day and into the evening; and
- ensure development plans, decision-making and monitoring support successful town centres....

In specific relation to commercial centres paragraph 63. states that:-

*“Plans should identify as commercial centres those centres which have a more specific focus on retailing and/or leisure uses, such as shopping centres, commercial leisure developments, mixed retail and leisure developments, retail parks and factory outlet centres. Where necessary to protect the role of town centres, plans should specify the function of commercial centres, for example where retail activity may be restricted to the sale of bulky goods.”*

Paragraph 68. States that development plans should adopt a sequential town centre first approach when planning for uses which generate significant footfall, including retail and commercial leisure uses, offices, community and cultural facilities and, where appropriate, other public buildings such as libraries, and education and healthcare facilities.

It continues that this requires that locations are considered in the following order of preference:-

- town centres (including city centres and local centres);
- edge of town centre;
- other commercial centres identified in the development plan; and
- out-of-centre locations that are, or can be, made easily accessible by a choice of transport modes.

Paragraph 69. states that *“planning authorities, developers, owners and occupiers should be flexible and realistic in applying the sequential approach, to ensure that different uses are developed in the most appropriate locations.”*

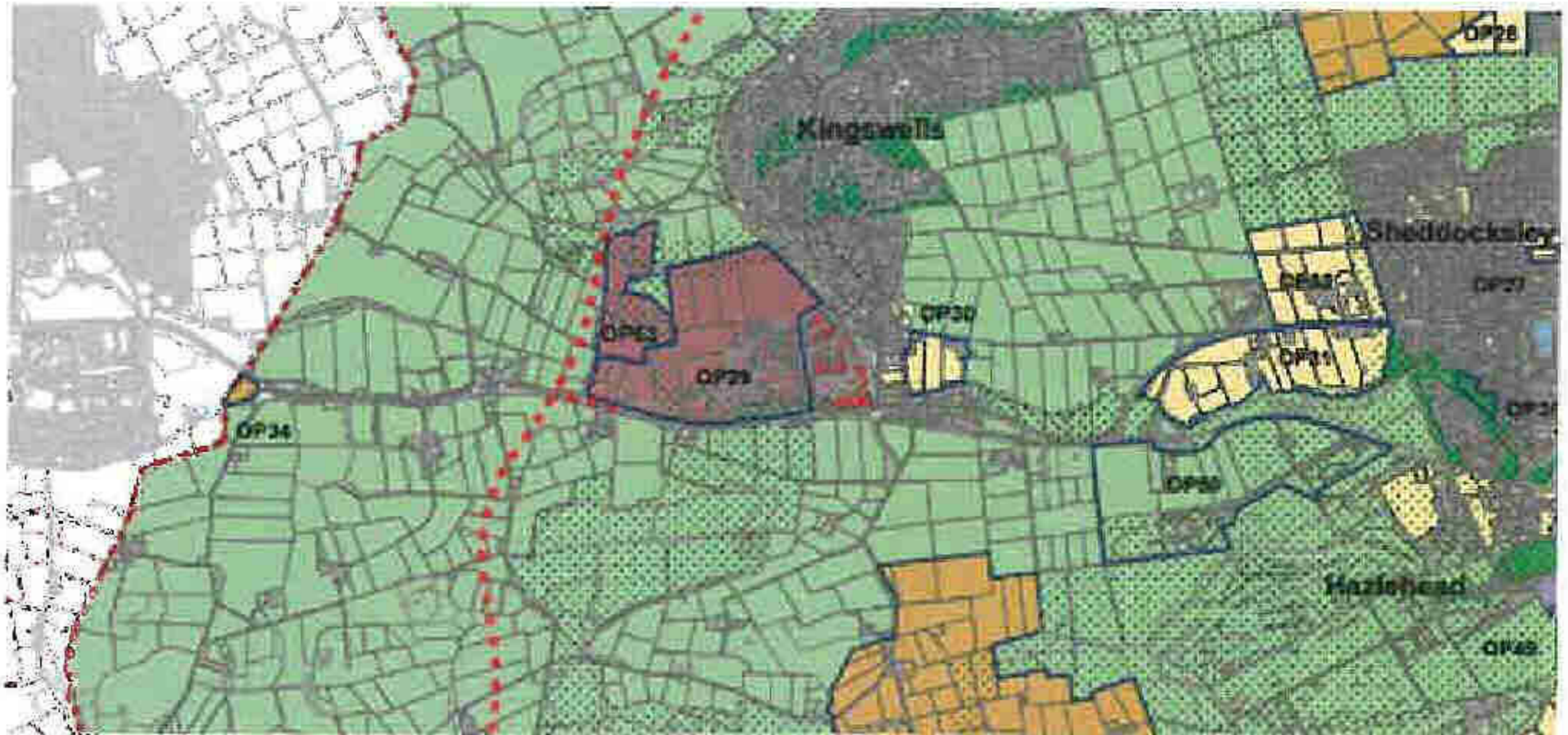
It continues that where a retail development over 2,500 sqm is proposed outwith a town centre, contrary to the development plan, SPP requires a retail analysis to be undertaken. In relation to transportation matters, SPP refers to making sound choices on the location of new development (at paragraph 280.) and placing a focus on places well served by public transport (paragraph 279).

### **Aberdeen Local Development Plan – Proposed Plan**

The LDP identifies Kingswells as a direction for growth. The plan, at 2.2, states that

*“Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land. A further extension to this is proposed. The main housing sites are at Maidencraig (750 homes) on the A944 corridor and at Greenferns (1,350 homes plus 10ha employment land). The AWPR will provide benefits to this area with junctions proposed to the north and south-west of Kingswells.”*

An extract of the Proposed Plan Proposals Map is copied below. The plan suggests allocations in line with the strategy, including to the west of Kingswells at OP63 (Prime Four Extension) and OP29 (Prime Four Business Park):-



The plan refers to OP63 (Prime Four Extension) as accommodating some 13ha of employment land and OP29 (Prime Four Business Park) as accommodating 50ha. A masterplan is noted as being a requirement for the development of OP63.

In relation to the Network of Centres paragraph 3.18 states that the city centre plays a major role in the commercial, economic, social, civic and cultural life of Aberdeen and the wider North East. It continues that it is an important regional centre providing a focus for employment and business interaction, it offers access to a wide range of goods and services, it is a place where many people meet socially and choose to live and visit.

Paragraph 3.19 states that the City Centre is vital for the future prosperity of Aberdeen that the city centre is enhanced and promoted as a resilient, safe, attractive, accessible and well-connected place which contributes to an improved quality of life, noting that the Plan supports the delivery of this vision within a framework of securing sustainable development and continuing that this will be achieved through applying policies which positively promote what can happen, and where, in tandem with the City Centre Masterplan and Delivery Programme.

Policy NC4 of the plan relates to the Sequential Approach and Impact. It states that:-

*"All significant footfall generating development appropriate to town centres should be located in accordance with the hierarchy and sequential approach as set out below and detailed in Supplementary Guidance Hierarchy of Centres:*

- Tier 1 : Regional Centre
- Tier 2 : Town Centres
- Tier 3 : District Centres
- Tier 4 : Neighbourhood Centres
- Tier 5 : Commercial Centres

*Proposals serving a catchment area that is city-wide or larger shall be located in the city centre. Retail proposals shall preferably be located in the City Centre Retail Core.*

*Proposals serving a catchment area of a size similar to that of a town centre or district centre shall be located in a town centre or a district centre. They may also be located in the city centre. Proposals serving a catchment area of size similar to that of a neighbourhood centre shall be located in a neighbourhood centre.*

*They may also be located in any centre that is in the first, second or third tiers of the hierarchy.*

*Proposals for bulky goods shall only be located in a commercial centre if a suitable site is unavailable in the first, second or third tiers of the hierarchy.*

*Proposals for significant footfall generating development on an edge-of-centre site will not be supported unless:*

- the proposal is one that would have been appropriately located in the centre to which it relates; and*
- in the centre to which it relates no suitable site for the proposal is available or is likely to become available in a reasonable time.*

*In all cases, proposals shall not detract significantly from the vitality or viability of any centre listed in the Supplementary Guidance, and shall accord with all other relevant policies in the Plan, including those relating to design, access and amenity.*

*In major new development areas that are more than 800m walking distance from shopping facilities, permission may be granted for the establishment of a new second, third or fourth tier centre. Developers may be required to reserve land for this purpose.*

*Retail Impact Assessments should be undertaken where a retail development over 2,500sqm gross floorspace outwith a defined regional or town centre is proposed which is not in accordance with the development plan.*

*An analysis of impact should be undertaken where a significant footfall generating development over 2,500sqm gross floorspace outwith a defined regional or town centre is proposed which is not in accordance with the development plan.*

*A restriction may be imposed on the amount of comparison goods floorspace allowed within convenience shopping developments outside the city centre or other town centres.”*

Policy NC4 of the plan relates to Out of Centre Proposals. It states that:-

All significant footfall generating development appropriate to designated centres, when proposed on a site that is out-of-centre, will be refused planning permission if it does not satisfy all of the following requirements:

*"1 no other suitable site in a location that is acceptable in terms of Policy NC4 is available or likely to become available in a reasonable time.*

*2 there will be no adverse effect on the vitality or viability of any centre listed in Supplementary Guidance Hierarchy of Centres.*

*3 there is in qualitative and quantitative terms, a proven deficiency in provision of the kind of development that is proposed.*

*4 the proposed development would be easily and safely accessible by a choice of means of transport using a network of walking, cycling and public transport routes which link with the catchment population. In particular, the proposed development would be easily accessible by regular, frequent and convenient public transport services and would not be dependent solely on access by private car.*

*5 the proposed development would have no significantly adverse effect on travel patterns and air pollution."*

The retail proposals are significant. The site is not designated for retail in the Local Development Plan, and as such is significantly contrary to it, and constitutes an out-of-centre location in the context of Scottish Planning Policy (SPP).

It is submitted that the proposed development would have a significant impact on the City Centre, and will significantly undermine the Development Plan strategy in this respect.

### **Conclusion**

In conclusion we wish to formally object to the principle of the proposed development.

The information submitted with the current application and which appears on the Council's planning portal appears in no way to justify the development. No detailed assessment of planning policy has been provided for example, and should be requested of the applicant.

The correct process to promote exceptions to policy would be through a review of the Local Development Plan, and not by a speculative application which appears to be accompanied by limited, if any, policy justification.

We would submit that based on the forgoing assessment the proposed development is contrary to the LDP, and indeed represents a significant departure.

No material considerations, either submitted by the applicant nor assessed here support the proposed development where no justification is provided. The LDP Report of Examination underlines the Council and Scottish Government's position relative to the site:

Neither indicate the development warrants a departure from the development plan.

We trust that the above objection will be given due regard in the Council's consideration of the proposed development.

We would reserve the right at this stage to supplement our objections in the event that additional information is submitted by the applicant.



As noted above the review of the SDP and LDP Report of Examination represent significant material considerations in the assessment of planning applications, as is Scottish Planning Policy (SPP).

We would be grateful to receive acknowledgement of the receipt of the objection. Should you require further information or clarification at this stage please do not hesitate to contact Shaun Hose of this office direct.

Yours faithfully



ROCKSPRING PROPERTY INVESTMENT MANAGEMENT

Development Management Team  
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Business Hub 4  
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Broad Street  
Aberdeen  
AB10 1AB

SV10327/04

6<sup>th</sup> February 2017

FAO Matthew Easton [REDACTED]

Dear Sir

**MAJOR DEVELOPMENT: MIXED USE COMMERCIAL (UP TO 30,000M<sup>2</sup>) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS AT SITE OP40 PRIME FOUR BUSINESS PARK, KINGSWELLS, ABERDEEN. APPLICATION REFERENCE 161429/PPP**

We write with reference to the above application for Planning Permission in Principle and to our earlier representations.

As previously stated Rockspring Hanover Property Trust (RHPUT) have significant retail interests in Aberdeen City Centre including the former BHS unit on Union Street.

We would underline our continued objection to the principle of the proposed development.

In light of the receipt of the revised retail capacity assessment in response to the Council's independent review of the initial submission, we have the following additional observations.

These submissions are intended to supplement our earlier representations:-

- Notwithstanding the additional detail provided by the applicant, as to the nature of the proposed retail development, no evidence is submitted that demonstrates that there is market demand for retailers in this location which cannot be met in other locations within the City. The proposal presents itself as a speculative development proposal.
- Consequently it is considered that the assertions made by the applicant in relation to the application of the sequential approach are misplaced.

- Current market conditions in Aberdeen are a material consideration in any assessment of the proposals by the Council. Whilst we note the findings of the review of the retail capacity assessment by the Council's consultant in this regard a cautious approach must be taken in this regard as well as to population projections.
- We note and support the Council's consultant highlighting a significant underestimating of the turnover of the proposed development.
- The LDP strategy seeks to reflect the findings of the ACARS. The LDP strategy has been clear as to its focus in respect of retailing, and indeed of meeting retailers requirements.
- The City Centre Masterplan continues to identify significant opportunity to consolidate the role of the City Centre.
- We do not accept that the proposed development will not compete with the City Centre. It is submitted that the nature of the proposed development and in particular its scale will have an adverse impact on the City Centre.
- We would question the applicant's suggestion that the site is accessible by modes of
- We trust that the above further representations will be given due regard in the Council's consideration of the proposed development.

We would be grateful to receive acknowledgement of the receipt of the objection. Should you require further information or clarification at this stage please do not hesitate to contact Shaun Hose of this office direct.

Yours faithfully



**ROCKSPRING PROPERTY INVESTMENT MANAGEMENT**

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10 November 2016



**JOHN HANDLEY ASSOCIATES LTD**

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FAO: Matthew Easton

Planning and Sustainable Development  
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AB10 1AB



Dear Sirs,

**Planning Application Reference: 161429/PPP**

**Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1), food and drink (class 3), other ancillary uses (such as offices) and associated landscaping, infrastructure and access works**

**Site OP40, Prime Four Business Park, Kingswells, Aberdeen**

**Objection on behalf of Standard Life Assurance Limited**

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We refer to the above planning application which is currently under consideration by Aberdeen City Council.

On behalf of our client, Standard Life Assurance Limited, we wish to record our objection to this speculative planning application for a number of reasons.

To assist your consideration of this objection, we have set out below some background information on our client's retail interests in Aberdeen, and have detailed our grounds for objecting to this proposed out-of-town retail park development which is being promoted by Prime Four Ltd.

**Standard Life Assurance**

Standard Life Assurance has significant property interests in Aberdeen, and is a major, long-term investor in Aberdeen's retail sector.

Standard Life is the owner and manager of the Beach Boulevard Retail Park at Links Road, and the Denmore Road Retail Park at Bridge of Don, Aberdeen. Both of which are established and protected retail destinations which play an important role in the City's retail hierarchy.

The Beach Boulevard and Denmore Road Retail Parks have been owned, developed and managed by Standard Life for over 15 years. Standard Life's investment in Aberdeen is therefore significant, which in turns helps to secure and retain a large number of jobs in the City.

The Beach Boulevard Retail Park is a purpose-built Commercial Centre which provides 22,644 sqm of modern retail floorspace in 11 large floorplate retail units. It is anchored by a major food superstore with two other food retailers, eight general comparison retailers, and a health and fitness centre. It is allocated in the adopted Local Development Plan as a "Retail Park" and included under Policy RT1; and within the Proposed Local Development Plans as a "Commercial Centre", included under Policy NC6.

The retail units at the Denmore Road Retail Park were originally constructed in the 1980's and have been adapted and extended over time to meet modern retailer and customer requirements.

The Denmore Road Retail Park is now a well-established Commercial Centre, and is currently occupied by two separate retail units totalling almost 7,500 sqm. The northern unit extends to 3,753 sqm and is subdivided into four individual retail units. The southern unit extends to a total of 3,724 sqm and is occupied by B&Q as a DIY store.

The Denmore Road Retail Park currently comprises predominately bulky comparison goods, but none of the units have any goods restriction and all benefit from an open class 1 retail use. This was confirmed through the granting of two Certificates of Lawfulness of Existing Use in 2009 which establish that the entire site has unrestricted Class 1 retail use (Application Refs: 09/0333 and 09/0334).

The Denmore Road site also benefits from a planning permission in principle which was granted in June 2011 (Ref No: P101203). This planning permission permitted the demolition of the existing retail units on the site and the redevelopment of the site to provide a new open class 1 retail unit of 7,400 sqm, with service and vehicular access maintained from the existing points on Denmore Road, and car parking for a total of 494 vehicles.

Although the Denmore Road Retail Park does not contain the same range and extent of retail and leisure uses as the Boulevard Retail Park, it is nonetheless an established retail location which enjoys the benefit of an open Class 1 retail consent. It is also allocated in the adopted Local Development Plan as a "Retail Park" and included under Policy RT1; and within the Proposed Local Development Plans as a "Commercial Centre", included under Policy NC6.

### **Review of Retail Capacity Study prepared by LSH**

Having set this context and explained the nature and extent of Standard Life's current retail interests in Aberdeen, we have reviewed the Retail Capacity Study which has been prepared by LSH and submitted in support of this planning application. This provides the applicant's assessment of retail capacity and impact following a review of existing retail centres.

Our client's retail centres are listed in *Table 4: Existing Retail Floorspace*, with the Denmore Road Retail Park included at *section 23: Aberdeen City: Bridge of Don; Denmore Road Area* and the Beach Boulevard Retail Park included at *section 30: Aberdeen City: City Centre, Torry, Aberdeen Beach*.

However, Table 4 does not appear to provide accurate floorspace figures for either of our client's retail centres, with the Denmore Road Retail Park listed as a "commitment" providing a total of 4,104 sqm of floorspace and the Beach Boulevard Retail Park listed as having a total of 9,086 sqm of retail floorspace.

These figures are not correct. As we have confirmed above, the Denmore Road Retail Park currently provides a total of 7,477 sqm of floorspace and the Beach Boulevard Retail Park provides a total of 22,644 sqm of retail floorspace. We would also note that paragraph 4.19 of LSH's Retail Capacity Study advises that the Beach Boulevard Retail Park "provides 22,644 sqm of retail floorspace", but the figure provided in Table 4 is substantially less at 9,086 sqm.

The submitted Retail Capacity Study (at Table 4) has therefore significantly underestimated the existing floorspace provided by our client's retail centres.

We would also note that *Table 5: Retail Capacity* has omitted any reference to the existing retail floorspace provided at "Aberdeen City: City Centre, Torry, Aberdeen Beach", which includes the Beach Boulevard Retail Park.

These are serious flaws and omissions, which place significant doubt on the robustness of the remainder of the applicant's retail study. We would suggest that this matter should be taken up with the applicant, and clarification sought for the approach undertaken to the preparation of this study.

Paragraph 8.17 of the Retail Capacity Study also states that the proposed retail park at Prime Four will draw trade from the Beach Boulevard Retail Park, but suggests that this is not an issue as the Beach Boulevard's "focus is not on general comparison goods retailing". This is not correct, and further highlights the inaccuracies of the applicant's retail study.

We would therefore request that the submitted retail study is independently assessed by the Council's retained retail consultants.

## **Contrary to the Development Plan – Loss of Safeguarded Business Land**

Notwithstanding the limitations of the submitted retail information, it is clear from a review of both the adopted and the proposed replacement Local Development Plans (LDP) that this planning application is significantly contrary to the terms of both of these development plans.

The application site is allocated in the adopted LDP as part of Opportunity Site OP40 which was identified as an *“Opportunity for a 50ha development of business land which will attract high quality businesses or be suitable for company headquarters”*. It is therefore safeguarded for business and employment uses under the terms of **Policy B11 - Business and Industrial Land**.

The proposed retail development of this allocated business site is therefore contrary to its allocation in the adopted LDP.

The application site has also been allocated as a **“Specialist Employment Area”** in the Proposed LDP and is identified as part of Opportunity Site OP29 which is described as an *“Opportunity for a 50ha development of business land which will attract high quality businesses or be suitable for company headquarters. Masterplan and Development Framework prepared”*.

Further reference to this site is provided at paragraph 2.22 of the Proposed LDP which explains that: *“Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land”*.

In respect of allocated business land, paragraph 3.55 of the Proposed LDP advises that: *“Maintaining a ready supply of employment land in the right places is vital to Aberdeen retaining its position as a competitive and sustainable business location. If a ready supply of employment land is not maintained, then it is unlikely that the housing population targets set by the Aberdeen City and Shire Strategic Development Plan (SDP) will be achieved. Therefore, in accordance with the SDP, a phased, large allocation of employment land has been identified, to meet the diverse needs of different types and sizes of businesses”*.

Paragraph 3.57 of the Proposed LDP further warns that: *“In addition to the provision of new sites, it is important to safeguard the supply of existing industrial and business land throughout the city from other development pressures”*.

**Policy B2 Specialist Employment Areas** confirms the need to safeguard allocated business sites and states that: *“In areas that are identified as Specialist Employment Areas on the Proposals Map, only Class 4 (Business) uses shall be permitted...”*

The application site is therefore an important and safeguarded business location where only class 4 business uses will be permitted. The proposed retail development of this site is therefore contrary to its allocation in the Proposed LDP, and conflicts with the requirements of Policy B2.

From a review of the Examination Report into the Proposed LDP, which was issued by the DPEA on 23 September 2016, there were no representations made in respect of Opportunity Site OP29.

However, the site is discussed at page 81 of the Examination Report, and the Reporter concluded (at paragraph 8) that: *“The Prime Four Business Park is a high quality business park to the west of Kingswells. It is clearly a successful development in terms of its economic benefit to the city region and the attractive working environment it provides. The first three phases of the business park are complete, and a fourth phase remains to be developed within Site OP29. This area is carried forward from the adopted plan and is not subject to any representations before this examination. A fifth phase is now proposed as Site OP63”*.

The application site's development for retail uses was not therefore promoted through the replacement LDP process, but an extension to the allocated business park was promoted by the developer (as Site OP63).

The Reporter also noted at paragraph 10 on page 81 of the Examination Report that: *The particular reasons for the release of Site OP63 given in paragraph 2.16 of the plan relate to the exceptional demand for employment land in this area, and access constraints on part of the existing site. With regard to the first of these factors, it is reasonable for the council and the developer to wish to build upon the success of the existing business park”*.

It is therefore clear from the very recently issued LDP Examination Report that the Prime Four Business Park (including the application site) is considered to be an important business location of some considerable significance to the economy of the city region.

The loss of this safeguarded business site to retail uses cannot therefore be supported.

### **Contrary to the Development Plan – Retail Policies**

In addition to the application's conflict with the business land policies of the adopted and proposed LDPs, we also consider that this unallocated, out-of-town retail development is contrary to the retail policies of the current and emerging development plan.

Adopted LDP **Policy C1 - City Centre Development – Regional Centre** confirms that the City Centre is the preferred location for retail, commercial and leisure development serving a city-wide or regional market.

Adopted LDP **Policy RT1 - Sequential Approach and Retail Impact** further confirms that all retail, commercial, leisure and other development appropriate to town centres should be located in accordance with the hierarchy and sequential approach. The Hierarchy of Retail Centres provided in Policy RT1 does not include out-of-centre or out-of-town sites.

Adopted LDP **Policy RT2 - Out of Centre Proposals** states that retail, commercial, leisure and other development appropriate to town centres, when proposed on a site that is out-of-centre, will be refused planning permission if it does not satisfy all five of the requirements listed under Policy RT2.

The proposed retail development at Prime Four fails to meet all five requirements of Policy RT2. It will have a significant adverse effect on the vitality and viability of retail locations listed in the Council's Hierarchy of Retail Centres – requirement 2.

As noted in the Council's EIA Screening Opinion for this proposed development (which noted the greenfield nature of the site; its location outwith the built up area; and its relatively poor accessibility) the proposed development would not be easily and safely accessible by a choice of means of transport using a network of walking, cycle and public transport routes which link with the catchment population – requirement 4.

The proposed retail development of this out-of-town site is therefore contrary to Policies C1; RT1 and RT2 of the Adopted LDP.

For the same reasons, the proposed development can be considered to be contrary to Proposed LDP Policies **NC1 City Centre Development – Regional Centre**; **NC4 Sequential Approach and Impact**; and **NC5 Out of Centre Proposals**.

We would also note that significant parts of the application site are designated as Green Space Network (Policy NE1) within the existing and proposed LDP, where development is not promoted.

### **Contrary to the Scottish Planning Policy**

In addition to the application's conflict with the retail policies of the adopted and proposed LDPs, we also consider that this unallocated, out-of-town retail development is contrary to the relevant sections of the Scottish Planning Policy, and in particular the advice and guidance set out under paragraphs 60; 70; 73 and 287.

### **Summary**

On the basis of the above, it is clear from a review of the adopted and proposed Local Development Plans, that this planning application is significantly contrary to the following policies:

- Adopted LDP Policy BI1 - Business and Industrial Land;
- Proposed LDP Policy B2 Specialist Employment Areas;
- Adopted LDP Policy C1 - City Centre Development – Regional Centre;
- Adopted LDP Policy RT1 - Sequential Approach and Retail Impact;



- Adopted LDP Policy RT2 - Out of Centre Proposals;
- Proposed LDP Policy NC1 City Centre Development – Regional Centre;
- Proposed LDP Policy NC4 Sequential Approach and Impact; and
- Proposed LDP Policy NC5 Out of Centre Proposals.

It also conflicts with the advice and guidance set out under paragraphs 60; 70; 73 and 287 of the Scottish Planning Policy.

On this basis, this application cannot be supported by the development plan, and there are no material considerations that would outweigh the proposal's serious conflict with the relevant policies of either the adopted or the proposed local development plan.

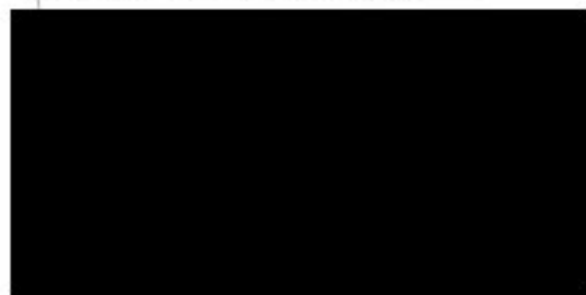
In summary, and on behalf of our client, Standard Life Assurance, we would therefore urge Aberdeen City Council to refuse planning permission for this proposed development for the reasons set out above.

We would be grateful if you would acknowledge safe receipt of this letter and keep us informed of progress on this application.

In particular, we look forward to receiving further information on the outcome of the requested review of the applicant's Retail Capacity Study.

We would also request that we are advised when this application is presented to the Council's Planning Committee for determination, and given an opportunity to address the Planning Committee prior to its consideration of this application.

Yours faithfully,



**John Handley**  
Director  
John Handley Associates Ltd  
**On behalf of Standard Life Assurance Limited**

cc: Julie Edwin, Real Estate Investments, Standard Life Investments

06 February 2017

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Mr Matthew Easton  
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Dear Mr Easton

**Planning Application Reference: 161429/PPP  
Major Development mixed use commercial (up to 30,000m<sup>2</sup>) including retail (class 1),  
food and drink (class 3), other ancillary uses (such as offices) and associated  
landscaping, infrastructure and access works  
Prime Four Business Park, Kingswells, Aberdeen**

### **Objection on behalf of Standard Life Assurance Limited**

We refer to the above planning application, and our original letter of objection dated 10<sup>th</sup> November 2016 which was submitted on behalf of our client, Standard Life Assurance Limited.

We also refer to your subsequent email of 25<sup>th</sup> January advising that the Council are now in receipt of a revised retail capacity assessment for this planning application, and inviting us to provide a supplementary representation.

On behalf of Standard Life Assurance Limited, we would like to thank you for this opportunity to provide further comments on this matter, and can confirm that we wish to maintain our objection to this speculative planning application.

We have also had the opportunity to review the information provided by the applicant in their *Retail Impact Assessment (Update)*, dated January 2017 which has been prepared by retail consultants, Lambert Smith Hampton, and would wish to offer the following additional points of objection to this proposed development.

#### **Review of Retail Impact Assessment (Update) prepared by Lambert Smith Hampton**

Within the Executive Summary of the applicant's updated Retail Assessment (page 3) Lambert Smith Hampton attempt to "sell" the concept to the reader by suggesting that: *"The proposed development at Prime Four will deliver something which the City does not currently have, a modern retail warehouse park which complements the city centre's retail offering."*

This is simply not correct. Aberdeen already benefits from a number of modern and purpose built retail parks which complement the retail offering of the city centre. This includes our client's retail park at Beach Boulevard. Others exist in the form of the Garthdee, Kittybrewster, Berryden and Union Square Retail Parks. The claim put forward by the applicant's is therefore not correct.

Contd./

The updated Retail Assessment also advises (on page 3) that: *“This study concludes that the retail impacts associated with the proposed development will be benign and that the Prime Four retail park will complement and strengthen the city’s retail offer”*.

Again, this is simply not correct. In Table 7C of the updated Retail Assessment, the applicant’s retail consultants have estimated a potential trade diversion of 10.41% from the Beach Boulevard Retail Park. This is not a “benign”, but a significant level of impact on this established retail centre.

Moreover, we consider that this level of impact has been seriously underestimated through Lambert Smith Hampton’s approach of attributing only 10% of the proposed Prime Four retail park’s expenditure from the existing retail parks in Aberdeen (see paragraph 8.36 of the updated Retail Assessment). Given that the Prime Four proposal has been specifically designed to provide modern retail warehouse park floorspace, it will compete directly with the exiting retail parks within the City. It is therefore our view that the updated Retail Assessment has significantly underestimated the impact on these exiting retail centres which form a key part of the City’s established network of centres.

This point appears to have been accepted by the applicant’s retail consultants themselves at paragraph 8.65 of the updated Retail Assessment which advises that: *“In terms of other retail centres, the impacts of the proposals will largely fall upon the existing out of town retail parks in Aberdeen city”*.

It is therefore our view that the updated Retail Assessment has underestimated the level of trade that would be diverted from the existing retail parks in Aberdeen and has consequently underestimated the level of impact on these established and protected retail centres. This is a significant flaw in the updated Retail Assessment.

Furthermore, no trade diversion figure has been given for our client’s retail park at Denmore Road, Bridge of Don. This is a further significant omission.

It is also interesting to note the use of the term *“out of town retail parks”* by the applicant’s retail consultants. Again, this is not correct or appropriate. The existing retail parks found in Aberdeen are all identified as part of the existing network of centres in the adopted development plan. They are not *“out of town”* retail locations. Both the Beach Boulevard and Denmore Road Retail Parks are allocated in the recently adopted Local Development Plan as *“Commercial Centres”*, included under Policy NC6. This affords these established retail centres a degree of policy protection from speculative, unplanned retail development in out of town locations.

The proposed development at Prime Four is such a speculative and unplanned retail development in an out of town location. It cannot be supported by current planning policy.

The updated Retail Assessment also suggests that there is an unmet requirement for further retail warehouse floorspace in the City. However if that was the case, such a requirement should have been identified in the very recently adopted Local Development Plan. No such requirement was set out in the Local Development Plan.

Accordingly, this is an entirely speculative application which can draw no support from the adopted development plan and must be refused on this basis.

Our comments on the proposed development’s conflict with the development plan were set out in our original objection letter of 10<sup>th</sup> November 2016. Since then, the Aberdeen Local Development Plan 2016 was formally adopted by the Council on 20<sup>th</sup> January 2017. The development plan is therefore up to date. It does not allocate the Prime Four site for major retail development. Our comments on the relevant policies of the adopted LDP are summarised below.

## **Contrary to the Development Plan – Loss of Safeguarded Business Land**

As we set out in our original letter of objection, the application site is allocated as a “*Specialist Employment Area*” in the newly adopted LDP and is identified as part of Opportunity Site OP29 which is described as an “*Opportunity for a 50ha development of business land which will attract high quality businesses or be suitable for company headquarters. Masterplan and Development Framework prepared*”.

Further reference to this site is provided at paragraph 2.22 of the LDP which explains that: “*Around 50 hectares of employment land allocations have been made to the west of the city at Prime Four Business Park, Kingswells, which provides employment opportunities in a part of the city where there is little employment land*”.

In respect of allocated business land, paragraph 3.55 of the LDP advises that: “*Maintaining a ready supply of employment land in the right places is vital to Aberdeen retaining its position as a competitive and sustainable business location. If a ready supply of employment land is not maintained, then it is unlikely that the housing population targets set by the Aberdeen City and Shire Strategic Development Plan (SDP) will be achieved. Therefore, in accordance with the SDP, a phased, large allocation of employment land has been identified, to meet the diverse needs of different types and sizes of businesses*”.

Paragraph 3.57 of the LDP further warns that: “*In addition to the provision of new sites, it is important to safeguard the supply of existing industrial and business land throughout the city from other development pressures*”.

Policy B2 Specialist Employment Areas confirms the need to safeguard allocated business sites and states that: “*In areas that are identified as Specialist Employment Areas on the Proposals Map, only Class 4 (Business) uses shall be permitted...*”

The application site is therefore an important and safeguarded business location where only class 4 business uses will be permitted. The proposed retail development of this site is therefore contrary to its allocation in the newly adopted LDP, and conflicts with the requirements of Policy B2.

The loss of this safeguarded business site to retail uses cannot therefore be supported.

## **Contrary to the Development Plan – Retail Policies**

As noted in our original objection letter, and in addition to the application’s conflict with the business land policies of the adopted LDP, we also consider that this unallocated, out-of-town retail development is contrary to the LDP’s retail policies.

This includes conflicts with Policies NC1 City Centre Development – Regional Centre; NC4 Sequential Approach and Impact; and NC5 Out of Centre Proposals.

This is on the basis that the LDP’s retail strategy and policies confirm that the City Centre is the preferred location for retail, commercial and leisure development serving a city-wide or regional market.

There is also a requirement for all retail, commercial, leisure and other development appropriate to town centres should be located in accordance with the hierarchy and sequential approach. This does not include out-of-centre or out-of-town sites.

NC5 Out of Centre Proposals states that retail, commercial, leisure and other development appropriate to town centres, when proposed on a site that is out-of-centre, will be refused planning permission if it does not satisfy all five of the requirements listed under this policy.

The proposed retail development at Prime Four fails to meet all five requirements of Policy NC5. It will have a significant adverse effect on the vitality and viability of retail locations listed in the Council's Hierarchy of Retail Centres – requirement 2.

As noted in the Council's EIA Screening Opinion for this proposed development (which noted the greenfield nature of the site; its location outwith the built up area; and its relatively poor accessibility) the proposed development would not be easily and safely accessible by a choice of means of transport using a network of walking, cycle and public transport routes which link with the catchment population – requirement 4.

The proposed retail development of this out-of-town site is therefore contrary to Policies NC1; NC4 and NC5 of the Adopted LDP.

We would also note that significant parts of the application site are designated as Green Space Network (Policy NE1) within the LDP, where development is not promoted.

### **Contrary to the Scottish Planning Policy**

In addition to the application's conflict with the retail policies of the adopted LDP, we also consider that this unallocated, out-of-town retail development is contrary to the relevant sections of the Scottish Planning Policy, and in particular the advice and guidance set out under paragraphs 60; 70; 73 and 287.

### **Summary**

On the basis of the above, it is clear from a review of the newly adopted Local Development Plan that this planning application is significantly contrary to the following policies:

- Policy B2 Specialist Employment Areas;
- Policy NC1 City Centre Development – Regional Centre;
- Policy NC4 Sequential Approach and Impact; and
- Policy NC5 Out of Centre Proposals.

It also conflicts with the advice and guidance set out under paragraphs 60; 70; 73 and 287 of the Scottish Planning Policy.

On this basis, this application cannot be supported by the development plan, and there are no material considerations that would outweigh the proposal's serious conflict with the relevant policies of the adopted local development plan.

In summary, and on behalf of our client, Standard Life Assurance, we would therefore urge Aberdeen City Council to refuse planning permission for this proposed development for the reasons set out above.

We would be grateful if you would acknowledge safe receipt of this letter and keep us informed of progress on this application.

Yours sincerely,

|  
|

**John Handley**  
Director  
John Handley Associates Ltd  
**On behalf of Standard Life Assurance Limited**

cc: Julie Edwin, Real Estate Investments, Standard Life Investments

11 November 2016

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Dear Mr Easton

**REPRESENTATION TO PLANNING APPLICATION 161429/PPP - MAJOR DEVELOPMENT MIXED USE COMMERCIAL (UP TO 30,000 SQM) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS - SITE AT OP40 PRIME FOUR BUSINESS PARK, KINGSWELLS, ABERDEEN**

We write on behalf of BMO Real Estate Partners (BMO REP) who is the asset manager for the owners of Bon Accord and St Nicholas Shopping Centres, Aberdeen and 20 smaller properties situated on Schoolhill, Upperkirkgate, George Street and St Andrews Street in Aberdeen city centre (which we will refer to collectively as Bon Accord), to object to the above named planning application by Drum Property Group Ltd at Prime Four Business Park, Kingswells, Aberdeen. We note that this representation is submitted prior to the deadline for comments on 13 November 2016.

The applicant seeks planning permission in principle (PPP) for a major mixed-use development at Prime Four Business Park (Phase 5) providing up to 30,000sqm of commercial floorspace. The schedule of development is summarised as follows:

- up to 26,013 sq.m (gross) of Class 1 comparison retail, with a likely focus on clothing and footwear sales;
- up to 3,716 sq.m (gross) foodstore and ancillary food and drink premises;
- other ancillary uses and associated demolition, infrastructure and access works.

**BACKGROUND**

BMO REP and the owners of Bon Accord are committed to delivering significant investment in Aberdeen city centre and successfully gained planning consent in 2014 to develop a new leisure hub, incorporating a high-end 700-seat cinema, plus additional food, drink and leisure space, and are now finalising their plans in this regard. Furthermore, they are currently undergoing pre-application consultation for a substantial retail-led mixed-use development proposal within an allocated site around the George Street / Loch Street / Crooked Lane area of the Bon Accord Shopping Centre in Aberdeen city centre, with a view to submitting a planning application early in 2017 (LDP2, OP102).

The redevelopment proposals at Bon Accord will significantly contribute towards meeting a number of key policy objectives both within the current Development Plan and emerging Local Development Plan. In particular, these relate to providing significant new retail floorspace in the city centre to meet the identified shortfall; improving a key city centre site; and safeguarding the primacy of the city centre as the regional focus for retail and town centre uses.

Maintaining and enhancing the primacy of the city centre, together with associated development plan policies which have been purposefully conceived to achieve this, are of the utmost importance to BMO REP and the owners of Bon Accord. This policy context was material to our client's decision to originally invest in Aberdeen city centre and remains so. In light of this and following a review of the above application and available supporting information, it is apparent that the application raises significant issues that are of concern to our client and the city centre, in terms of the scale and impact of the proposed retail development on its vitality and viability and impact on its ability to deliver the objectives and aspirations contained within the prevailing development plan. We therefore submit this representation objecting to the application.

### **DEVELOPMENT PLAN POLICY BACKGROUND**

Consideration of this application should be made taking full cognisance of the relevant policies set out within the development plan, which comprises the Aberdeen City and Shire Strategic Development Plan (2014) and the Aberdeen Local Development Plan (2012). Other relevant material considerations include the Proposed Aberdeen Local Development Plan (2015) and the reporters' examination report dated 23 September 2016. Aberdeen City and Aberdeenshire Retail Study (2013), the Aberdeen City Centre Masterplan (2015), the Bon Accord Quarter Masterplan (2006) and Scottish Planning Policy (2014) are also relevant.

#### ***Scottish Planning Policy (2014)***

SPP sets out the Scottish Government's policy on land use planning matters and establishes that the planning system should apply a town centre first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure, offices, community and cultural facilities. SPP outlines the sequential approach with town centres as the preferred location for development, including retail and that planning authorities, developers, owners and occupiers should be flexible and realistic in applying the sequential approach, to ensure that different uses are developed in the most appropriate locations.

SPP sets out that out-of-centre locations should only be considered for uses which generate significant footfall where (in part): all town centre, edge of town centre and other commercial centre options have been assessed and discounted as unsuitable or unavailable; the scale of development proposed is appropriate, and it has been shown that the proposal cannot reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location; the proposal will help to meet qualitative or quantitative deficiencies; and, there will be no significant adverse effect on the vitality and viability of existing town centres.

#### ***Aberdeen City and Shire Strategic Development Plan (SDP)***

The SDP seeks to protect the vitality and viability of town centres within the region and reaffirms the sequential approach when identifying new retail development across the region. A key aim of the SDP is to protect Aberdeen City Centre as the regional centre and remain one of the top-20 retail areas in the UK.



The SDP places particular emphasis on continuing to support the regeneration of Aberdeen city centre and making sure that this 'key regional asset' fulfils its potential by improving its shopping, leisure, commercial and residential environment as well as its visitor experience. The SDP also references the City Centre Development Framework and the Business Improvement District, which have been brought about to help deliver these objectives.

#### ***Aberdeen Local Development Plan (2012)***

The adopted LDP (2012) confirms the role of the City Centre as a regional centre and reinforces the sequential approach (through policies C1 and RT1) for the direction of proposals for new retail, commercial, leisure and other city centre uses. The Adopted LDP primarily allocates the application site under policy OP40. Policy OP40 comprises a Land Release Policy / Green Space Network provision for an allocation of up to 50 ha of development of business land to attract high quality business or be suitable for company headquarters between 2007 and 2023 and is subject to the requirement of a masterplan.

Policy RT2 (Out of Centre Proposals) is applicable and states that retail, commercial and leisure development proposed at out-of-centre locations will be refused planning permission if it does not satisfy all of the stated requirements, including (in part): compliance with the sequential approach set out in policy RT1; no significant adverse effect on the vitality or viability of a retail location; qualitative or quantitative retail deficiency; accessible location; and, would have no significant adverse effect on travel patterns and air pollution.

#### ***Proposed Aberdeen Local Development Plan (2015)***

Although not yet adopted, the Proposed LDP is a significant material consideration in the consideration of this planning application. The Proposed LDP confirms the role of Aberdeen city centre as a regional centre and reinforces the sequential approach (through policies NC2, NC4 and NC5) for the direction of proposals for new retail, commercial, leisure and other city centre uses. The Proposed LDP allocates the site under policy OP29, which comprises an Employment Area / Green Space Network Opportunity site to provide for up to 50 ha development of business land up to 2026 to attract high quality businesses or be suitable for company headquarters.

Policy NC5 (Out of Centre Proposals) is applicable and states that retail, commercial and leisure development proposed at out-of-centre locations, will be refused planning permission if it does not satisfy all of the stated requirements, including (in part): compliance with the sequential approach set out in policy NC4; no significant adverse effect on the vitality or viability of a retail location; qualitative or quantitative retail deficiency; accessible location; and, would have no significant adverse effect on travel patterns and air pollution.

#### ***Aberdeen City Centre Masterplan (2015) & Bon Accord Quarter Masterplan (2006)***

The Aberdeen city centre masterplan (2015) outlines a 20 year development strategy for Aberdeen City Centre. It identifies a series of ambitious projects that will support future economic growth and will secure more benefits and opportunities for the communities of Aberdeen City and Shire. A key part of the masterplan (in part) is to stitch together a distinctive retail offer that enhances the role of the city centre as the dominant regional shopping centre.

The masterplan subsequently provides a range of projects which seek to confirm and enhance its position. Projects include (but are not limited to): introduction of a mixture of uses (including retail) at Aberdeen Indoor Market (Project CM06); expansion of the Bon Accord Centre (Project CM07) (also included within the 2006 Bon Accord Quarter Masterplan); promoting greater independent city centre retail offer (Project CM08); improvement of space at the St. Nicholas Centre (Project CM09); enhancement of existing retail offer at the Trinity Centre and redevelopment of Atholl House (Project CM10); improvements to Union Street Conservation Area (Project CM11); and, expansion of Union Square (Project CM12).

## **GROUNDS OF OBJECTION**

### **Site specific policy**

The Scottish planning system is plan led. As set out above, the site is allocated within both the adopted and emerging LDPs to provide up to 50 ha of development of business land to attract high quality business or be suitable for company headquarters between 2007 and 2023. The LDP states: *"more than 50 hectares of employment land allocations have been made to the west of the city in the Kingswells area which will provide employment opportunities in a part of the city where there is little employment land"*.

It is evident that the application site and this part of the city has been targeted by the Council as a strategic site and key for the Council's vision to deliver sufficient and suitably high quality employment land in an area that has been identified as being deficient of such appropriate uses. The proposed retail development at this location is not only contrary to the LDP allocation; it would occupy part of the business land supply to the west of the city outlined as being key to delivering high quality business development. Considering the existing employment aspirations for this part of the city, we would suggest that the Prime Four Business Park is not an appropriate location for such development.

### **The Sequential Assessment**

The applicant has prepared a sequential assessment to support their retail capacity study, noting that *"SPP and the development plan establish that the first preference for the proposed development would be Aberdeen City Centre and consequently this is where we have focussed our search"*. The applicant identified and discounted 8 potential sequentially preferable city centre locations in their assessment.

The applicant relies upon the Supreme Court's Judgement in the case of *Tesco Stores Ltd v Dundee City Council* (2012) to justify their position that there are no suitable sites within town centres or edge-of-centres large enough to accommodate their development proposals (i.e. 30,000sq.m mix of Class 1 comparison retail floorspace, a foodstore and ancillary food and drink uses).

We are of the view that reliance on this judgement is overly simplistic. The judgement relies on the premise that a developer (in this instance Asda) should not be forced to alter its business model on the basis that it could accommodate a smaller site within a town centre location. In the case of the current Prime Four Business Park development proposal, the applicant has confirmed within their Retail Capacity Study that the development proposals:

*'Involve the development of up to 26,013 sqm (gross) of Class 1 retail floorspace which would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers in response to confirmed market demand. In addition, the proposals would be complemented by a 3,716 sqm (gross) foodstore and ancillary food and drink premises' (Retail Capacity Study para 2.1).*

At paragraph 6.10 of their Retail Capacity Study, they elaborate that this 'confirmed market demand' comprises a range of UK multiple retailers that have 'requirements for new retail units in the order of 2,500 to 20,000 sq.ft GFA' (230 – 2,000 sqm GFA).

The applicants have simply discounted sequentially preferable sites on the basis that none are suitable or available or large enough to accommodate a standalone development providing up to 30,000sqm of additional floorspace. The methodology and parameters underpinning the sequential assessment predetermine the outcome of the exercise. Although various sites have been examined, the basis on which the assessment has been undertaken leads inevitably to the elimination of alternative locations. This approach is not robust and the conclusions are based on a rigid and inflexible interpretation of policy. The sequential approach is designed to direct development to town centres in the first instance so that they benefit from available spending and investment. It not intended to operate in this constrained and artificial way.

Given the type of development proposed (i.e. retail units ranging in size from 230 – 2,000 sqm GFA), it is our view that at least some of the development, if disaggregated, could be accommodated on alternative and sequentially preferable locations within existing town centre locations, as identified in their supporting Retail Capacity Study. In the retail market it has been demonstrated that, in some cases, certain forms of business model are sometimes more suited to an out-of-centre location, including for example, large bulky goods operators and large format food superstores. In this case, however, the proposals at Prime Four Business Park includes a number of individual units designed to accommodate non bulky comparison goods operators, and, taking a flexible approach, could undoubtedly be accommodated instead on clearly identified city centre sites.

The applicants have not demonstrated any degree of flexibility or evidence as to why a smaller site or sites could not meet a similar need in this regard, and have provided no evidence to demonstrate that the scale of the proposed development is appropriate and required for the commercial viability of the scheme.

Furthermore, there can be no weight attached to the statement at paragraph 7.6 of the applicant's retail capacity study that the requirements of retailers seeking dual representation in the city somehow justifies setting aside the 'town centre first' policy principle in SPP and related requirement to address the sequential test.

The retail proposals are essentially speculative. There would be no justification for granting a personal permission in this instance going by the terms of circular 4/1998 ('The use of conditions in planning permissions'), specifically paragraph 92 of annex A. Similarly, the terms of the application do not include any form of commitment by any of the retailers (none of which are named) seeking dual representation to maintain a presence within the city centre.

In which case, the applicant's approach to addressing the sequential test is flawed. As already noted above, they have not demonstrated any flexibility in proving that the development cannot be accommodated within the city centre, being the most appropriate location according to SPP.

As noted above, the policy framework focuses on protecting Aberdeen City Centre as a regional shopping centre and consolidating its position within the top 20 centres in the UK. The strategy set out in the Local Plan and associated Masterplans identifies a series of key development opportunity sites with which to support future economic growth and an improved retail offer that enhances the role of the city centre as the dominant regional shopping centre. It is clear that the identified retail expansion areas within Aberdeen city centre are sequentially preferable and will meet identified deficiencies. This alone provides a basis for refusal of the application at Prime Four Business Park.

The proposals at Prime Four Business Park will form a competing destination in a sequentially less preferable location, detrimentally impacting upon the city centre and the ability to deliver city centre opportunity sites in the future. We discuss this further below.

### **Deficiency & Retail Impact**

The Aberdeen City and Aberdeenshire Retail Study (ACARS) undertaken by Hargest Planning Ltd in 2013, commissioned by Aberdeen City Council and Aberdeenshire Council, identified additional capacity for approximately 30,000 - 35,000 sq.m of additional gross retail floorspace to support retail growth within the City Centre by 2022. The report subsequently identifies a range of sites to accommodate this capacity.

The ACARS recommendation of 30,000 - 35,000 sq.m of additional floorspace was based on the recommended 'Scenario 3' which was identified to address deficiencies and support retail investment in the City Centre and minimise potential adverse impacts on existing centres. This recommendation was taken forward into the Proposed LDP and has subsequently been ratified by the reporter in the recently published Proposed LDP examination report dated 23<sup>rd</sup> September 2016.

Two of the largest development opportunities within Aberdeen city centre are located at George Street North/Crooked Lane (Bon Accord Centre) and Union Square. Both are currently progressing through the planning system and propose to provide for a combined Class 1 comparison sales floorspace of approximately 20,000 - 25,000 sq.m. These developments, in addition to other identified and allocated sites within the emerging LDP will meet this potential and will help prevent expenditure leakage and maintain the city centre as the primary retail area in the North East.

Furthermore, the ACARS recommendation of 30,000 - 35,000 sq.m of additional floorspace was based on expected growth figures available at the time that the report was prepared, and, crucially prior to the on-going downturn within the oil and gas industry (and associated job losses and economic impacts on the region). BMO REP would therefore encourage ACC to take a precautionary approach when considering the level of expected retail floorspace deficiencies for the region.

The proposals at Prime Four Business Park will clearly impact upon the ability of the city centre to consolidate and enhance its position as the regional shopping centre. The applicant themselves acknowledge existing competition from other Scottish centres and other forms of retailing, and adds that the resilient city centre catchment is due in part to the fact that out-of-centre retail competition is limited (paragraph 4.2-4.3, LSH Retail Capacity Study).

As set out earlier in this letter, the Scottish planning system is plan led. Neither the emerging LDP nor the ACARS identify the application site at Prime Four Business Park as an appropriate location for retail development. Based on the above and the progress currently being made at allocated sites within Aberdeen city centre, we would again suggest that the scale of development being proposed at the Prime Four Business Park is not appropriate and the applicant has not demonstrated how the proposals would address a quantitative or qualitative deficiency that could not otherwise be met within the city centre.

We note that the applicant has sought to assess the direct retail impacts on the city centre within supporting retail tables submitted as part of the 'Retail Capacity Study'. The figures for direct impact presented appear relatively modest (5.2%), albeit we would question the transparency and soundness of the assessment presented. Based on a detailed analysis of Appendix 1 (LSH Retail Capacity Study, final table) we note the following points:

- High levels of trade diversion are expected from key city centre retail areas, notably Bon Accord (£16m / 9% impact), St Nicholas (£9m / 18% impact) and Union Square (£23m / 11% impact). This raises concerns in respect of the level of impact on these core shopping areas.
- The impact assessment assumes that £55m of the total comparison goods turnover of Prime Four (£110.29m) will be derived from Aberdeen city centre. This equates to just 50% which would seem conservative given the proximity and competing nature of the two destinations.
- The remaining trade draw is assumed to come primarily from Glasgow (£12m), Edinburgh (£6.75m) and Berryden retail park (£7m). We would question these figures given the distance of both Edinburgh and Glasgow, and the lack of competition from Berryden which comprises a different form of comparison retailing than that expected at Prime Four.

Based on the factors set out above, the LSH Retail Capacity Study under-estimates the level of quantitative trade diversion from Aberdeen city centre and potential quantitative implications on turnover. Of equal concern to our client are the associated qualitative impacts for allowing the proposals at Prime Four Business Park, which we consider would place it in direct competition with Aberdeen city centre as a shopping destination. This would be wholly contrary to development plan policy and strategy.

Indeed, the potential loss of spin-off consumer expenditure to the city centre through shopping and other associated linked trips is far more significant than simply assessing the direct expenditure loss to the new proposals. It is misleading and insufficient to restrict the consideration of retail impact issues to those set out in the related supporting material.

Often referred to as 'secondary' (or 'indirect' impacts), the report into Town Centre and Retailing Methodologies (2007) by Hargest & Wallace Planning Ltd and Donaldsons, for the Scottish Government, offers relevant commentary on these matters in the context of retail impact assessments. The report confirms that the assessment of secondary impacts is to be encouraged in the retail impact assessment of proposals, however such an assessment is absent from the planning application submission.

The application proposals would seriously undermine the strategic development planning objectives for the city centre. They would undermine vitality and viability of retailing in the city centre, and therefore threaten other relative economic activity and the ability to maintain its competitiveness for the benefit of the wider city region.

Furthermore, it would send out a concerning message to investors and operators alike, if the city centre's role as the regional centre for a wide range of higher order retailing was in any way being undermined. Our client is of the view that allowing the application proposals to proceed would send out such a message.

Planning matters, including decisions taken in respect of planning applications, can be relevant to the investment decision making process. If approved, the resulting development could weaken investor confidence within Aberdeen city centre. As such, we do not believe that the City Council should risk casting any doubt over its commitment to the development plan objectives of promoting investor confidence in the city centre.

The provision of substantial comparison retail floorspace with a focus on clothing and fashion retailers and a significant food and beverage offer at Prime Four Business Park would deliver a significant quantitative and qualitative retail offer in the west of the city that will overlap with the offer of the city centre and pose a serious threat to its role and primacy in the network of centres.

It therefore stands to reason that the proposals would adversely impact on the strategy and objectives for enhancing the vitality and retail attractiveness of the city centre, particularly when there is specific development plan policy in place to support these objectives preventing out-of-centre development proposals on unallocated sites and promoting further retail and town centre based uses within the city centre.

It is essential that Aberdeen City Council continue to support the principles of the development plan and maintain investor confidence for the delivery of investment in Aberdeen city centre. Whilst it might be easier for a developer to deliver a new retail development on a greenfield site at Prime Four Business Park; the more challenging development proposals, such as those within the city centre, require a greater level of confidence in the certainty of development plan policy in order to deliver them.

As a final point, many of the grounds of objection referred to above, in particular those relating to the sequential test and indirect retail impact, were particularly relevant in the decision to refuse, including at appeal, proposals to create a Debenhams department store at Fort Kinnaird Retail Park on the outskirts of Edinburgh (appeal reference PPA-230-21 13). Whilst every planning application is determined on its own merits, we do believe there are sufficient grounds, in this case, to refer to the full terms of this appeal decision, as a material consideration in the determination of the planning application.

### **Transport**

We have concerns regarding the potential impact that the development proposals will have on the surrounding road networks. The Transport Assessment which accompanies the planning application (dated 19/10/16) does not appear to address the points raised by Transport Scotland in their Transport Assessment Scoping Statement response dated 14/10/16 (Transport Assessment, appendix A, page 139). We would therefore question the validity and robustness of the accompanying Transport Assessment.

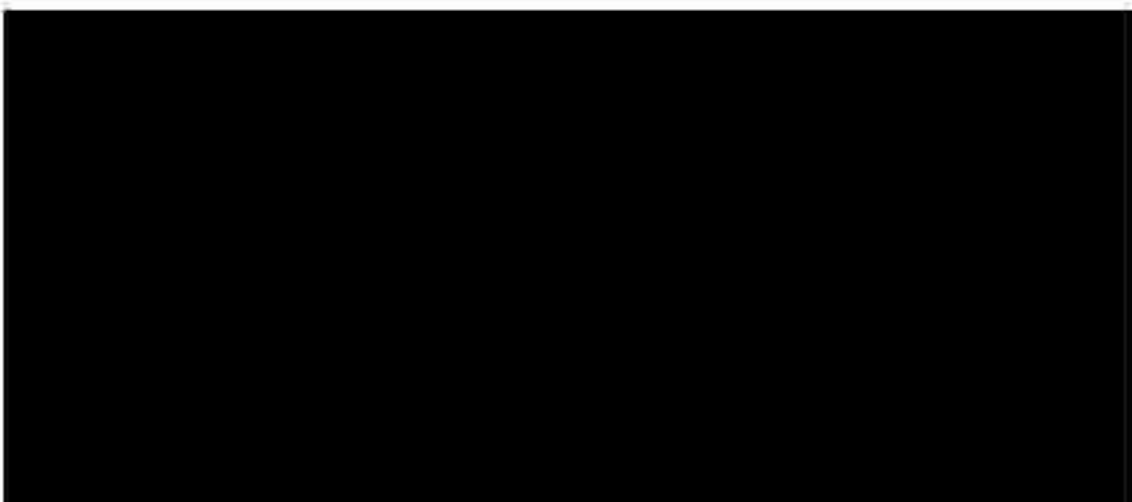
As set out earlier in this letter, BMO REP are currently preparing for the submission of a planning application seeking PPP for a retail-led mixed-use development around the George Street / Loch Street / Crooked Lane area of the Bon Accord Shopping Centre in Aberdeen city centre. The PPP will

be accompanied by a retail assessment in support of the proposals. As we continue to prepare for the submission of the PPP, we reserve the right to further expand on our clients concerns highlighted in this letter of representation, particularly in relation to retail capacity, transport and the impact that the development proposals at Prime Four Business Park would have upon Aberdeen city centre.

On the basis of the arguments set out above, we find strong reasons to suggest that this speculative application seeking planning permission in principle should be refused.

We trust that our comments shall be taken into consideration in the determination of this planning application.

Yours sincerely



**Chris Miller**  
**Associate**  
**For and on behalf of GVA Grimley Limited**



An **APLEONA** company

Our Ref: CM39  
Your Ref: 161429/PPP

07 February 2017

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Dear Mr Easton

**REPRESENTATION TO APPLICATION 161429/PPP - MAJOR DEVELOPMENT MIXED USE COMMERCIAL (UP TO 30,000 SQM) INCLUDING RETAIL (CLASS 1), FOOD AND DRINK (CLASS 3), OTHER ANCILLARY USES (SUCH AS OFFICES) AND ASSOCIATED LANDSCAPING, INFRASTRUCTURE AND ACCESS WORKS - SITE AT OP40 PRIME FOUR BUSINESS PARK, KINGSWELLS, ABERDEEN**

We write with reference to the planning application above and the submission of an updated Retail Impact Assessment (RIA) (dated January 2017) prepared by Lambert Smith Hampton (LSH), of which we were notified of in your email dated 25 January 2017. Your email also states that the deadline for making further representations to this is 7 February 2017.

GVA has been instructed by BMO Real Estate Partners (BMO REP), the asset manager for the owners of Bon Accord and St Nicholas Shopping Centres, Aberdeen to submit further representations on their behalf in respect of the proposals following the submission of the above noted updated RIA. The comments contained within this letter are submitted to supplement those included within our original letter of representation dated 11 November 2016.

**BACKGROUND**

As set out in our previous letter of representation, BMO REP and the owners of Bon Accord are committed to delivering significant investment in Aberdeen city centre. They successfully gained planning consent in 2014 to develop a new leisure hub, incorporating a high-end 700-seat cinema, plus additional food, drink and leisure space (LPA REF: P141192). They are now finalising their plans in this regard and expect delivery of this project to commence in the near future.

GVA is the trading name of GVA Grimley Limited registered in England and Wales number 6382509. Registered office, 3 Brindleyplace, Birmingham B1 2JB. Regulated by RICS.

Birmingham Bristol Cardiff Dublin  
Edinburgh Glasgow Leeds Liverpool  
London Manchester Newcastle





Furthermore, we have just completed extensive pre-application consultation on their behalf for a substantial retail-led mixed-use development proposal (LPA REF: 161104/PAN) within an allocated site around the George Street / Loch Street / Crooked Lane area of the Bon Accord Shopping Centre in Aberdeen city centre, with a view to submitting a planning application in March 2017 (LDP2, OP102).

The emerging development proposals at Bon Accord will provide around 6,000sq.m of additional retail floorspace, a hotel, a selection of flats and associated development. It will significantly contribute towards meeting a number of key policy objectives both within the current Development Plan and emerging Local Development Plan. In particular, these relate to providing significant new retail floorspace in the city centre to meet the identified shortfall; improving a key city centre site; and safeguarding the primacy of the city centre as the regional focus for retail and town centre uses.

Given the position of the Bon Accord and St Nicholas Centres within the heart of Aberdeen city centre, the strength of the city centre is of the utmost importance to our client. Following a review of the recently updated RIA prepared by LSH, it is apparent that this speculative out of centre retail development continues to raise issues that are of significant concern to our client and the city centre as a whole. We therefore maintain an objection to the application on their behalf.

#### **GROUNDS OF OBJECTION**

Consideration of this application should be made taking full cognisance of the relevant policies set out within the development plan, which comprises the Aberdeen City and Shire Strategic Development Plan (2014) and the recently adopted Aberdeen Local Development Plan (2017). Aberdeen City and Aberdeenshire Retail Study (2013), the Aberdeen City Centre Masterplan (2015), the Bon Accord Quarter Masterplan (2006) and SPP (2014) are also relevant material considerations.

Our previous letter of representation detailed relevant planning policy and commentary, and we would not seek to repeat such comments in their entirety in this instance. We have therefore sought to limit our comments in this regard relevant to our grounds of objection and in relation to the updated RIA prepared by LSH.

#### ***Site specific policy***

The Scottish planning system is plan led. We would reiterate that the site is allocated within both the adopted and emerging LDPs to provide up to 50 ha of development of business land to attract high quality business or be suitable for company headquarters between 2007 and 2023.

The application site and this part of the city has been targeted by the Council as a strategic site and is key for the Council's vision to deliver sufficient and suitably high quality employment land in an area that has been identified as being deficient of such uses. Indeed, development at Prime Four Business Park is subject to an approved development brief and associated masterplans which were the subject of substantial community and key stakeholder consultation on the basis of office/employment led development opportunities. The site was also assessed on the basis of possible retail development within the recent review of the LDP, and such development was discounted at that time.

The development proposals should be assessed in line with the development plan; development brief; and, approved masterplans. The proposed retail development at this location is therefore wholly contrary to its allocation within the recently adopted LDP, and could be refused on this basis alone.

### **The Sequential Assessment**

The applicant has updated their original sequential assessment to support their retail capacity study. The applicant identified and discounted 10 potential sequentially preferable city and edge of city centre locations in their assessment. Their assessment also includes consideration of a selection of other smaller town, district and commercial centres and retail parks.

We remain of the view that the applicants have taken an overly simplistic view on quoted case law and their approach to the sequential assessment. The approach taken by the applicant is not sufficiently robust and the conclusions are based on a rigid and inflexible interpretation of policy. The case law quoted by the applicant, and also Hargest, relates to single unit operator developments where disaggregation is clearly more difficult. In this case, however, the proposal comprises multiple units which can more easily be disaggregated, and is a very different scenario to the proposals quoted in chosen case law.

The applicants have clarified that the type of development proposed is a retail park style development comprising one retail unit of 80,000 sq.ft GFA; a series of 9 retail warehouse units ranging from 7,500 – 35,000 sq.ft GFA; and, a series of 11 smaller units ranging from 3,000 - 6,000 sq.ft GFA. They have also confirmed that the development would be appealing to general town centre comparison goods retailing, rather than bulky goods.

We remain of the view that at least some of the development, if disaggregated, could be accommodated on alternative and sequentially preferable locations within existing town centre locations, as identified in their supporting RIA. In the retail market it has been demonstrated that, in some cases, certain forms of business model are sometimes more suited to an out-of-centre location, including, for example, large bulky goods operators and large format food superstores. In this case, however, the proposals include a number of individual units designed to accommodate non bulky comparison goods operators, and, if taking a flexible approach, could undoubtedly be accommodated on clearly identified city centre sites instead.

Furthermore, there can be no weight attached to the applicants continued insistence that the requirements of retailers seeking dual representation in the city somehow justifies setting aside the 'town centre first' policy principle in SPP and related requirements to address the sequential test. There would be no justification for granting a personal permission in this instance going by the terms of circular 4/1998 ('The use of conditions in planning permissions'), specifically paragraph 92 of annex A. Similarly, the terms of the application do not include any form of commitment by any of the retailers seeking dual representation to maintain a presence within the city centre.

Approval of the proposals would undoubtedly lead to additional pressure on city centre rental rates and attractive terms at Prime Four Business Park. Aberdeen city centre would be afforded no protection to prevent existing retailers within the city centre seeking to relocate to Prime Four Business

Park, and would undoubtedly lead to the closure of units currently occupied by operators with existing dual representation within the city centre. Approval of the development would therefore go some way to undermine the ability of ACC to continue to attract investment and the implementation of strategically important allocations within the city centre and would be detrimental to the vitality and viability of the city centre as a whole.

We also maintain our fundamental concerns relating to the sustainability of the proposals, particularly with regards to site accessibility by any mode of transport other than the private car. The development proposals are wholly detached from the urban setting of Aberdeen city centre and associated transportation infrastructure. Despite suggestions by the applicant that the site benefits from '*excellent public transport links*'; other than the private car, there can be no question that the site is not easily accessible and would not be easily accessible to a large proportion of the expected catchment population by a choice of transport modes.

As noted above, the policy framework focuses on protecting Aberdeen City Centre as a regional shopping centre and consolidating its position within the top 20 centres in the UK. The strategy set out in the LDP and associated Masterplans identifies a series of key development opportunity sites with which to support future economic growth and an improved retail offer that enhances the role of the city centre as the dominant regional shopping centre. It is clear that the identified retail expansion areas within Aberdeen city centre are sequentially preferable and will meet identified deficiencies. These points alone provide a basis for refusal of the application at Prime Four Business Park.

### **Deficiency & Retail Impact**

The Aberdeen City and Aberdeenshire Retail Study (ACARS) undertaken by Hargest Planning Ltd in 2013 identified additional capacity for approximately 30,000 - 35,000 sq.m) of additional gross retail floorspace (based on scenario 3). This was identified with the aim to address deficiencies and support retail investment in the City Centre and minimise potential adverse impacts on existing centres. This recommendation was subsequently taken forward into the now adopted LDP (2017).

Two of the largest development opportunities within Aberdeen city centre are located at George Street North/Crooked Lane (Bon Accord Centre) and Union Square. Both are currently progressing through the planning system and propose to provide for a combined Class 1 comparison sales floorspace of around 20,000 sq.m. These developments, in addition to other identified and allocated sites within the emerging LDP will meet this potential and will help prevent expenditure leakage and maintain the city centre as the primary retail area in the North East.

The updated RIA prepared by LSH continues to raise a number of concerns relating to deficiency and retail impact on both a quantitative and qualitative basis.

In terms of their quantitative assessment, we would continue to question the methodology used and their assumptions and outputs, which in turn leads them to significantly over-estimate the amount of available expenditure within the catchment area. Furthermore, we are of the view that the RIA continues to underestimate floorspace turnover and therefore also under-estimates the overall level of impact on Aberdeen city centre. The applicants have not effectively considered cumulative

impact and we also disagree with their trade draw assumptions, which assume a particularly high diversion from retail parks rather than the city centre.

Overall, the updated LSH RIA only reinforces our concerns that the development proposals would have a significant adverse impact on the vitality and viability of Aberdeen city centre. We would also point out that many of the quantitative conclusions reached in our assessment in terms of retail impact have also since been backed up by independent planning consultants Hargest Planning Ltd, who have also recently commented on the updated RIA prepared by LSH.

Furthermore, of equal concern to our client are the associated qualitative impacts for allowing the proposals at Prime Four Business Park, which we consider would place it in direct competition with Aberdeen city centre as a shopping destination. This would be wholly contrary to development plan, policy and strategy. Indeed, the potential loss of spin-off consumer expenditure to the city centre through shopping and other associated linked trips is far more significant than simply assessing the direct expenditure loss to the new proposals.

The applicants continue to make comparisons to other regions in Scotland, such as Glasgow and Edinburgh, and other out of centre retail developments '*complementing the city centres offer*', and mention Braehead as an example of this. We would point out that the consideration of other city region planning policy is not a material consideration of this planning application, and in no way provides any kind of justification for ACC to follow the same approach. Indeed, that fact that Aberdeen does not have the same out of centre provisions serves to demonstrate the commitment of ACC in its approach to retail development and preserving the vitality and viability of the city centre. Furthermore, what the applicant also fails or declines to recognise is that as well as impacting upon the regional centre of Glasgow, out of centre shopping centres such as Braehead have resulted in a significant negative impact on the vitality and viability of surrounding town centres such as of Paisley and Renfrew.

The ACARS recommendation of 30,000 - 35,000 sq.m of additional floorspace was based on expected growth figures available at the time that the report was prepared, and, crucially prior to the on-going downturn within the oil and gas industry (and associated job losses and economic impacts on the region). The applicants themselves have highlighted a current trend of a weakening city centre in terms of retail offer and increasing vacancies in their updated RIA. BMO REP would therefore encourage ACC to take a precautionary approach when considering the level of expected retail floorspace deficiencies for the region.

Given the status of the recently adopted LDP and the progress currently being made at allocated sites within Aberdeen city centre, we would again suggest that the scale of development being proposed at the Prime Four Business Park is not appropriate and the applicant has not demonstrated how the proposals would address a quantitative or qualitative deficiency that could not otherwise be met within the city centre.

The provision of substantial comparison retail floorspace with a focus on clothing and fashion retailers and a significant food and beverage offer at Prime Four Business Park would deliver a significant

quantitative and qualitative retail offer in the west of the city that will overlap with the offer of the city centre and pose a serious threat to its role and primacy in the network of centres.

It therefore stands to reason that the proposals would adversely impact on the strategy and objectives for enhancing the vitality and retail attractiveness of the city centre, particularly when there is specific development plan policy in place to support these objectives preventing out-of-centre development proposals on unallocated sites and promoting further retail and town centre based uses within the city centre.

It is essential that ACC continue to support the principles of the development plan and maintain investor confidence for the delivery of investment in Aberdeen city centre. Whilst it might be easier for a developer to deliver a new retail development on a greenfield site at Prime Four Business Park; the more challenging development proposals, such as those within the city centre, require a greater level of confidence in the certainty of development plan policy in order to deliver them.

As mentioned in our previous letter of representation, many of the grounds of objection, in particular those relating to the sequential test and indirect retail impact, were particularly relevant in the decision to refuse, including at appeal, proposals to create a Debenhams department store at Fort Kinnaird Retail Park on the outskirts of Edinburgh (appeal reference PPA-230-2113). Whilst every planning application is determined on its own merits, we do believe there are sufficient grounds, in this case, to refer to the full terms of this appeal decision, as a material consideration in the determination of the planning application.

### **Transport**

We maintain our concerns regarding the potential impact that the development proposals will have on the surrounding road networks and in terms of the accessibility of the site by any mode of transport other than the private car. Other than the private car, the site would not be easily accessible by any mode of transport, or indeed, to a large proportion of the expected catchment that would patron the development. This further degrades the sequential argument adopted by the applicant.

In summary, we maintain our objection to the development proposals on the following grounds:

- The development proposals are **wholly contrary to the site allocation within the recently adopted LDP**.
- The development proposals **fail to meet all of the requirements of the sequential approach** as set out within SPP and the adopted Aberdeen City Local Development Plan. Furthermore, the applicants rely on an overly simplistic interpretation of case law and have not demonstrated a sufficient degree of flexibility or evidence as to why a smaller site or sites could not meet a similar need in this regard and have provided no evidence to demonstrate that the scale of the proposed development is appropriate and required for the commercial viability of the scheme.

- The development proposals **are contrary to the retail strategy set out within the ACARS 2013 and the approach taken within the recently adopted LDP (2017).**
- The **scale of the development proposed is inappropriate** and would have a **negative impact on the vitality and viability of Aberdeen City Centre** as the apex of the regional retail hierarchy, and would **compromise the deliverability of the aspirations of the Aberdeen City Centre Masterplan (2015) & Bon Accord Quarter Masterplan (2006).**
- The development proposals are wholly detached the urban setting of Aberdeen City Centre and associated transportation infrastructure. We have **fundamental concerns relating to the sustainability of the proposals**, particularly with regards to **site accessibility** by any mode of transport other than the private car.
- Planning matters, including decisions taken in respect of planning applications, can be relevant to the investment decision making process. If approved, the resulting development could **weaken investor confidence within Aberdeen city centre**. It is essential that Aberdeen City Council continue to support the principles of the development plan and maintain investor confidence for the delivery of investment in Aberdeen city centre.

The revised RIA produced by LSH provides no credible justification for setting aside policies of the recently adopted location development plan. On the basis of the arguments set out above, we strongly urge that Aberdeen City Council refuse this speculative application seeking planning permission in principle.

As we continue to prepare for the submission of the PPP, we reserve the right to further expand on our clients concerns highlighted in this letter of representation, particularly in relation to the sequential approach, retail capacity/deficiencies, transportation and the impact that the development proposals at Prime Four Business Park would have upon Aberdeen city centre.

We trust that our comments shall be taken into consideration in the determination of this planning application.

Yours sincerely faithfully



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**For and on behalf of GVA Grimley Limited**

Cc. Joanne Wilkes – BMO REP

# MEMO

Planning and Sustainable Development  
**Communities, Housing and Infrastructure**  
Ground Floor North, Marischal College



To	Daniel Lewis, Development Management Manager, Development Management Team		
From	Andrew Brownrigg, Team Leader, Local Development Plan Team		
Email	[REDACTED]	Date	18/05/17
Tel.	[REDACTED]	Our Ref.	
Fax.		Your Ref.	161429/PPP

## **Proposed Retail Development at Prime Four (161429/PPP) Employment Land**

Thank you for your recent consultation on the above planning application, specifically in relation to the supply of employment land within the city.

### **Scottish Planning Policy**

Scottish Planning Policy supports the Government's Economic Strategy through the following policy principles;

The planning system should:

- promote business and industrial development that increases economic activity while safeguarding and enhancing the natural and built environments as national assets;
- allocate sites that meet the diverse needs of the different sectors and sizes of business which are important to the plan area in a way which is flexible enough to accommodate changing circumstances and allow the realisation of new opportunities; and
- give due weight to net economic benefit of proposed development.

### **SDP Requirements**

In terms of economic growth, the overall objective of the 2014 Strategic Development Plan (SDP) is "To provide opportunities which encourage economic development and create new employment in a range of areas that are both appropriate for and attractive to the needs of different industries, while at the same time improving the essential strategic infrastructure necessary to allow the economy to grow over the long term."

To achieve this, the SDP sets a number of targets including;

- To make sure there is at least 60 hectares of marketable land available to businesses at all times in a range of places within Aberdeen City.

- For at least 20 hectares of the above land available to businesses in the strategic growth areas to be of a standard which will attract high-quality businesses or be suitable for company headquarters.
- For Aberdeen city centre to remain one of the top-20 retail areas in the UK

## **2016 Employment Land Audit**

### Quantity of Employment Land

The latest figures on the supply of employment land are contained in the 2016 Employment Land Audit (ELA). This contains figures up to the end of 2015. It shows a total of 205ha of marketable employment land available in Aberdeen City. This appears to compare favourably to the SDP target of having 60ha available to businesses at all times (including the lifetime of the 2017 Aberdeen Local Development Plan – up to 2022). However, there are a number of further issues that need to be borne in mind.

- Of the 205ha of marketable land identified, only 46ha is regarded as immediately available. This is defined as marketable land that currently has planning permission or has a secure planning status, is serviced and has no other major constraints to immediate development. This definition is useful in the assessment of whether demand for land is being adequately met.
- This immediately available land is available in a limited number of locations – mostly Dyce Drive, Peterseat and Altens East and smaller plots elsewhere.
- The 2016 ELA shows that there was 26.5ha under construction at the time – all of it at Dyce Drive, Prime 4 and a small amount at Altens East.
- Since the 2016 Audit, around 24ha of marketable land at Rowett North is now under construction to deliver the new Aberdeen Exhibition and Conference Centre.
- This means that around 25% of the marketable land identified in the 2016 ELA has already been developed or is under construction.

Whilst we may not expect these levels of development to occur every year, what they show is that Aberdeen needs to have a generous supply of readily available employment land in order to be prepared for any economic upturns – because such upturns can result in a significant amount of development occurring in a short space of time.

### Location of Employment Land

As well as the quantity of employment land availability, the SDP also requires LDP's to address locational and qualitative issues. Taking the first of these, the SDP requires marketable employment land to be available in a range of places. Most of Aberdeen's employment land is concentrated in 3 areas – Bridge of Don, Dyce and the Airport and south of the city around Cove and Altens.

Other than 10ha of land allocated land at Countesswells which has yet to be delivered, the only major employment area to the west of Aberdeen is Prime Four. This is an area covering south of the A96 to west/north of the A90 at Chalestown.



Losing employment land to other uses in this area would therefore run contrary to the SDP requirement for a range of places to have employment land available (note that the use of the word 'places' instead of 'sites' is significant in this context. Most employment land 'sites' are concentrated into the 3 areas described above. Prime Four is the only significant place with employment land availability in a large swathe of Aberdeen).

### Quality of Employment Land

We would regard Prime 4 as the highest quality business park in north east Scotland. It is of the standard required by the SDP to attract high-quality businesses and is suitable for company headquarters. Accordingly, the 2017 LDP zones the land as Specialist Employment, where a higher quality environment is expected when compared to Business and Industrial Land.

Prime Four has been successful in bringing high quality office uses to an attractive environment and is an economic asset to the city region. The success of the business park prompted it's owners, Drum Property Group, to make representations to the Council to have the park extended in the Local Development Plan.

Both the Council and Scottish Government reporters agreed that there was not a strategic need for the extension. However, given the economic success and quality of the existing Park, it was accepted that the development would deliver a significant economic benefit. Scottish Planning Policy requires due weight should be given to the economic benefit of development, and for this reason, the allocation was agreed.

Prime Four's quality and success makes it all the more essential that it continues to be maintained for business purposes. This will allow Aberdeen to remain competitive, and to take advantage of improved conditions when the current economic downturn comes to an end.

### **Conclusions**

SPP, SDP and LDP's are clear and consistent in their approach to retaining employment land – particularly when it is of high quality and has the potential for high economic benefits. Whilst figures show an apparently generous employment land supply in Aberdeen, very little of this is of the same high quality as Prime Four. Figures also show that when Aberdeen's economy is buoyant, employment land development rates can be very high.

All of this points to the retention of high quality employment land for employment use as being the correct one. It also serves to direct other types of development to the right places – in this case retail uses to the city centre – where it can also generate the most benefits.

**Andrew Brownrigg**

Team Leader (Local Development Plan Team)

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## **PLANNING DEVELOPMENT MANAGEMENT COMMITTEE PRE-DETERMINATION HEARING**

ABERDEEN, 18 January 2017. Minute of Meeting of the PLANNING DEVELOPMENT MANAGEMENT COMMITTEE. Present:- Councillor Milne, Convener; Councillor Finlayson, Vice Convener; and Councillors Boulton, Cooney, Corall, Cormie, Hutchison, Jaffrey, Lawrence, Malik, Jean Morrison MBE, Nicoll and Sandy Stuart.

Also in attendance: Councillors Cameron, Copland, Delaney, Jackie Dunbar, Flynn, MacGregor, Reynolds and Townson.

### **SITE VISIT**

1. The Committee conducted a site visit prior to the Hearing. The Committee was addressed by Mr Matthew Easton, Senior Planner, who summarised the proposal for the overall site.

The Convener explained that the Committee would return to the Town House to commence the Hearing.

### **PRIME FOUR BUSINESS PARK KINGSWELLS - 161429**

2. The Committee heard from the Convener who opened up the Hearing by welcoming those present. He explained that the first person to address the Hearing would be Mr Matthew Easton.

The Committee heard from **Matthew Easton, Senior Planner, Aberdeen City Council** who addressed the Committee in the following terms:-

Mr Easton explained that the site comprised 13 hectares of largely agricultural land located to the south west of the existing Prime Four Business Park, at Kingswells. At the east end of the site was the Ardene House Vets Practice, beyond which was Kingswells House and Prime Four Business Park itself. The southern boundary featured the Five Mile Garage and Caravan Park and vacant cottages and post office, all accessed from the A944.

The AWPR South Kingswells Junction was currently under construction around 100m to the west of the site and when finished would join the A944 at that point. The land beyond the northern boundary was also agricultural, featuring pockets of woodland.

Mr Easton advised that the site was zoned as business land in the Local Development Plan as part of the wider allocation for Prime Four Business Park.

In regards to the proposals, Mr Easton explained that the application sought planning permission in principle for a retail led mixed use development with a gross floor space

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of up to 30,000sqm. This was proposed to comprise 26,000sqm of floor space for comparison retailing and 3,700sqm for convenience retailing. There would be further space for food and drink uses and other ancillary uses such as offices, along with all associated landscaping, infrastructure and access works. A new junction was proposed to provide access from the A944. Mr Easton intimated that at this stage no detailed layouts or designs had been submitted for consideration.

In regards to the relevant Planning Policies, Mr Easton explained that there was the potential for the development to have an impact on the city centre and therefore many of the relevant policies related to the role of the city centre as the focus of retail and leisure activity within the region. Mr Easton also highlighted that The Scottish Government's National Planning Framework stated that within the north east, Aberdeen city centre would be a focus for regeneration efforts and the Policy stated that it was important that planning supported the role of town and city centres to thrive and meet the needs of their residents, businesses and visitors. The town centre first principle (which included city centres) promoted an approach to wider decision-making that considered the health and vibrancy of town centres. The Policy also stated that planning permission should not be granted for significant travel-generating uses at locations which would increase reliance on the car and also where:

1. direct links to local facilities via walking and cycling networks were not available or could not be made available;
2. access to local facilities via public transport networks would involve walking more than 400m; or
3. the transport assessment did not identify satisfactory ways of meeting sustainable transport requirements.

In regards to the Aberdeen City and Shire Strategic Development (SDP) Plan, Mr Easton advised that the SDP set out a series of key objectives for the growth of Aberdeen City and Aberdeenshire, and the plan recognised the importance of the city centre as an asset, and highlighted that its regeneration was vital for the economic future of the area.

In relation to the Aberdeen Local Development Plan (LDP), Mr Easton explained that the following policies were relevant:-

C1 – City Centre Development – Regional Centre  
 D3 – Sustainable and Active Travel  
 RT1 – Sequential Approach & Retail Impact  
 RT2 – Out of Centre Proposals  
 T2 – Managing the Transport Impact of Development

Mr Easton highlighted that several other policies would apply in considering more detailed aspects of the development such as policies on landscape, developer obligations, pipeline safety zones, green space network, trees and woodland, flooding and drainage and natural heritage.

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In relation to the Proposed Aberdeen Local Development Plan, Mr Easton advised that it was anticipated that it would be adopted on 30 January 2017, and therefore would be in place when the application would be determined. The site was zoned for specialist employment use, reflecting the high quality nature of the existing Prime Four Business Park and the desire to see its success continue. Mr Easton intimated that as part of the preparation of the Proposed Plan, the applicant submitted a bid to have the application site zoned for a mix of employment, retail and leisure uses. In considering the proposal the Council discounted the option as it was considered that there was no quantitative retail deficiency in the area and that any new retailing that was required in future should be directed towards new communities such as Countesswells. It was also found that a retail development in this location had the potential to have a wide catchment given its prominence and location next to the new AWPR junction. Therefore the bid was not taken forward into the proposed plan.

In regards to retail, Mr Easton explained that the Aberdeen City and Aberdeenshire Retail Study (ACARS) was commissioned in 2013 and it showed there was potential for developing an additional 30,000-35,000sqm of retail floor space in the city centre by 2022. This potential was driven by a combination of expenditure growth per capita and large population increases within the catchment area served by the city. Additional floor space would also help to prevent expenditure leakage and maintain the city centre as the primary retail area in the North East. Mr Easton also noted that the City Centre Masterplan was approved by Full Council in June 2015, and there were several projects which were expected to focus on increased retail activity.

In relation to consultees, Mr Easton advised that Aberdeenshire Council objected to the proposed application, and Aberdeen City and Shire SDPA considered the application to be contrary to the Strategic Development Plan as it would result in the loss of important employment land and have a negative impact on the City Centre. Kingswells Community Council were in general agreement that retail would be a suitable use on the development site, however, they did consider that it was unlikely that a development of that scale would fit in the site. There were also twelve letters of objection to the proposed application., which in summary felt that there was a failure to comply with national, regional and local policy in relation to out-of-town retailing, and highlighted that the principle of retail had already been rejected by the Council through the local plan process.

**Members then asked questions of Mr Easton and the following information was noted:**

- officers had given the applicant the opportunity to respond to the retail study that had been undertaken;
- in regards to the Proposed Local Development Plan and the use of the land as a retail and leisure development, this had been discounted by the Local Development team.

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The Convener then invited **Mr Gregor Whyte, Engineering Officer**, to address the Committee.

Mr Whyte advised that the site was accessed from the A944 and was 300m away from the Aberdeen Western Peripheral Route (AWPR). There had been a transport assessment carried out however as this was a planning permission in principle, the full details had not been assessed. The details were fairly broad at this stage. Mr Whyte advised there would need to be access for people walking and cycling to the site and the nearest bus stop was 400m away. This could mean that the site would be car orientated. In summary Mr Whyte explained that further information was required in order to make an informed decision and that modelling was ongoing.

**Members then asked questions of Mr Whyte and the following information was noted:-**

- there was an existing bus service to the park and ride facility and to Westhill and there was a bus shelter at the north part of the Prime Four development;
- the Council could not enforce bus companies to provide a bus service;
- a planning condition could be added in regards to sustainable access;
- there may be an increase to the amount of traffic on the A944, after completion of the AWPR.

The Convener then invited the applicant, **Drum Property Group**, to address the Committee. The speakers on behalf of the applicant were as follows:-

Graeme Bone, Group Managing Director, Drum Property Group  
Paul Doherty, Development Director, Drum Property Group  
Fife Hyland, Communications Director, Drum Property Group  
Alex Mitchell, Zander Planning  
Graeme Laing, Director, Lambert Smith Hampton  
Steve Crawford, Regional Director of Planning, Halliday Fraser Munro  
Ross McDonald, Technical Director, Fairhurst  
Drew Waddell, DWR Property

The Committee heard from Mr Graeme Bone, Group Managing Director for Drum Property Group, who provided a Power Point presentation to members to outline the application proposal. Mr Bone advised that Drum Property Group were an award-winning development and investment company, and had a long track record of growth across the UK. They specialised in the creation of large development schemes, redevelopment and construction of buildings, and they had invested £375m in Aberdeen in the last year. Mr Bone explained that Prime Four aimed to fill the office space deficiency in the city and major oil gas companies were based there. In regards to the Prime West site, Drum had been approached by major retailers who envisaged the benefits of the completion of the AWPR and as a result they decided to pursue the

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application for retail use, after originally not progressing it through the Local Development Plan due to lack of interest.

Mr Bone outlined that this application would not be a deterrent to the city centre and it could work along with the city centre. Retailers were keen to remain in the city centre but also wanted to expand and open a second unit at the proposed retail park. Mr Bone provided details on the successful retail parks in Edinburgh, which had worked well following the completion of the Edinburgh bypass, and highlighted the huge untapped expenditure in Aberdeen. He also noted that the current Masterplan showed minimal additional retail floor space potential and he felt that as a result there would be more retail leakage, overtrading and a rise in internet shopping, which meant no job creation or economic development.

In regards to the retail impact assessment, Mr Bone advised that this was a work in progress and would be completed by the time the application was due to be determined, however he provided the following details:-

- City and Shire catchment generates retail expenditure – c £2,577m
- Proposed Prime Four development projected turnover – c £113m
- Current leakage from Aberdeen to outside the region - £110m
- Total expenditure in City & Shire catchment will increase by c £440m (2017-22)
- Total expenditure in Prime Four catchment will increase by c£340m
- Low impact on Aberdeen city centre
- 2013 ACARS report identified enormous potential for additional retail floorspace in Aberdeen.

The Committee then saw a video of the proposed site and how it might look.

Mr Bone explained that nine sites had been examined to establish whether the proposals could be accommodated in the city and none were suitable, due to either being too small, the presence of a listed building, difficulties of land assembly and flooding. In relation to the existing retail parks, Mr Bone highlighted that the ACARS report concluded that the Berryden retail park was a constrained site which would limit the increases in retail floorspace, and the Beach Boulevard had a lack of land within the park for future growth.

Mr Bone also advised that a survey carried out by Aberdeen Grampian Chamber of Commerce concluded that from 963 completed interviews, 87% of responders were likely to use the new development and 67% were in favour of the development. He also intimated that 500 new jobs would be created should the development go ahead and retailers were proposing to open a new unit in the proposed development as well as keeping their existing shops in the city centre.

In conclusion Mr Bone explained that the masterplan was fantastic and noted that the impact to the city centre this new development would have would be negligible.

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**Members then asked a number of questions of Mr Bone et al, and the following information was noted:-**

- In regards to the anticipated £110m leakage, this figure was taken from the 2013 Aberdeen City and shire retail study;
- There was no guarantee that every retailer that would be in the proposed development would also have a retail unit within the city centre;
- In regards to the open space maintenance, within the deed of conditions to which the potential retailers would sign up, there would be a legal obligation that they contribute towards the maintenance in order to keep high standards;
- In relation to the new Local Development Plan, the applicant did not originally act on developing the site due to lack of interest, however after being contacted by various retailers they decided to pursue the development, as retailers saw the completion of the AWPR and the close proximity to the AWPR as a key driver for the development and a positive position next to an established site at Prime Four;
- There was potential for a number of different transport modes and the development sought to accommodate all forms of transport including walking and cycling;
- The retail assessment took into consideration the reduction in physical shoppers due to online shopping and it was noted to be 13%;
- There would not be a charge for the use of the car park, however there would be a traffic patroller to ensure high standards were kept;
- The applicant would look at speaking to the relevant bus companies about bringing the buses into the development to help with customer safety;
- Potential retailers were ready and willing to commit to long term leases for within the proposed development;
- Members requested that statistical information be made available when the application was submitted, to ensure that no detrimental impact would be felt in the city centre;
- Members requested that the applicant also look at the effect out of town developments had on Town Centres as well as City Centres;
- It was agreed that the clerk would circulate to Members a copy of the applicant's Power Point presentation.

The Committee then welcomed **Mr Adrian Watson, Chief Executive of Aberdeen Inspired**, who were against the development, and addressed the Committee in the following terms:-

Mr Watson explained that Aberdeen Inspired were the Business Improvement District for Aberdeen City Centre, and represented nearly 700 levy payers. Mr Watson highlighted that they submitted a detailed letter of objection to the planning application and this was because the proposals were contrary to Aberdeen Inspired's mission and objectives, as well as being contrary to national, regional and local planning policy and to the vision and objectives of the City Centre Masterplan and Delivery Programme. As



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such, Mr Watson believed that the development would undermine the vitality and viability of the City Centre.

Mr Watson outlined that Scottish Government planning policies were very clearly focussed on a town centre first principle to all new development which would attract significant numbers of people. Also the Council's own planning policy framework was consistent with the Scottish Government policy, and reinforced the importance of the city centre in the Strategic Development Plan, Local Development Plan and through the formal adoption of the City Centre Masterplan and Delivery Programme as supplementary guidance to the development plan. Approval of the application would be contrary to the above principles and development plan policies adopted by the Council, including the adoption of the new Aberdeen Local Development Plan at the end of this month.

Mr Watson went on to explain that the proposed development was also contrary to the Council's adopted policy on business and industrial land which sought to protect such land from use for purposes other than those aimed primarily at meeting the needs of business and employees within business and industrial areas. Mr Watson intimated that the current economic downturn in the North East meant that it was even more important to protect the city centre, prioritising investment there in line with planning policy, rather than allowing investment which would detract from it.

Mr Watson also advised that they would request that a net economic benefit assessment be carried out in accordance with Scottish Government guidance and reviewed by the Council to demonstrate the contribution of the development proposals to the economy and properly assess potential impacts over and above those highlighted in the retail impact assessment.

In conclusion, Mr Watson highlighted that there was no justification for departing from the Local Development Plan, and the approval of this application would seriously undermine the aspirations of the Council and the levy payers for the regeneration of the city centre and the considerable investment that they had made to achieve their own vision and that of the masterplan. For the above reasons, Mr Watson asked that the application be refused.

**Members then asked a number of questions of Mr Adrian Watson, and the following information was noted:-**

- Mr Watson advised that from the levy payers he was representing, the majority of them felt that this development was a huge concern and would be detrimental to the city centre.
- Mr Watson indicated that the current vacancy rate for Union Street was 13% and rising, which was above the national average, and for the city centre as a whole, was around 9.5% and rising which was around or just above the national average.

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The Committee then heard from **Alastair Wood, representing Union Square Developments**, who were against the development and addressed the Committee in the following terms:-

Mr Wood advised (a) that in respect of the proposed out-of-town retail development at Prime 4, the adopted and emerging planning policy was explicit in stating that proposals for town centre uses, such as that proposed at Prime Four, should be refused where they did not satisfy all the policy criteria requirements relating to the sequential approach to site selection, retail impact, quantitative and qualitative deficiencies, accessibility and travel patterns including any knock on effects on air quality; and (b) that Savills had submitted detailed representations on these issues which he recommended be reviewed in the further consideration of the application.

Mr Wood indicated that in terms of the 'Sequential Approach', the proposals were significant in scale with a corresponding citywide reach. They were in locational terms, wholly divorced from the identified hierarchy of centres defined within adopted and emerging planning policy, whilst also detracting from the fundamental SDP, LDP and City Centre Masterplan aspirations to maintain and expand on the current City Centre offer, as was required to help enhance Aberdeen as a destination, maintain its place as a top 20 UK retail centre and prevent trade leaking in such large amounts to lower order centres.

Mr Wood explained that the sequential approach was established throughout the planning policy hierarchy, with local level policy and Supplementary Guidance. All 'sequentially preferable' options must have been assessed and discounted as unsuitable or unavailable. They also required applicants to demonstrate that proposals could not reasonably be altered or reduced in scale to allow them to be accommodated at a sequentially preferable location.

Mr Wood intimated that it was their strong view that the applicant had failed to demonstrate compliance with the sequential approach. Firstly, the sequential assessment submitted did not consider sites in all necessary categories, for example existing neighbourhood and district centres and the edge of these locations. Secondly, City Centre sites and locations at the edge of the City Centre were assessed without demonstrating the required degree of flexibility when applying the sequential approach. As such, the supporting case incorrectly concluded that there were no suitable sequentially preferable sites or opportunities available.

Mr Wood advised that this translated to the proposal being technically flawed by applying the lack of flexibility required by policy, a failure to consider the scope of reducing or disaggregating the proposals. He added that clearly, when a scheme of this scale was predominantly a speculative, comparison goods proposal, there was great scope to sub-divide and/or reduce the scale of the proposal.

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Mr Wood explained that dismissing alternative locations on the basis of a grossly oversized, unjustified quantum of retail floorspace was wrong. While there was insufficient clarification on the form and characteristics of the proposed development within the submitted planning application (i.e. no indicative layout plan), it was almost certain that the current market would dictate a conventional out of centre retail park, potentially with detached convenience provision. He stated that once the necessary flexibility was applied i.e. the floorspace was subdivided, it became clear that the proposals could be accommodated across a number of different, sequentially preferable locations across Aberdeen City Centre. Indeed, given the applicant had not yet identified the format of its proposals, Mr Wood stated that it was impossible to properly consider how they could be accommodated elsewhere.

Mr Wood indicated that the LSH report conclusion that “what separates Prime Four from other opportunities is the issue of effectiveness and deliverability” was plainly untrue. Indeed, he added that the applicant’s supporting case accepted that other City Centre locations had the ability to accommodate additional retail floorspace. He highlighted that it was critical for the Council to also appreciate that Planning permission would be granted for Class 1 retail units, not for individual retailers, and the fact that other City Centre sites could accommodate the retailers informally mentioned or courted, meant it was untrue to assert that the proposals were “fundamentally different in their form and nature to what is being proposed at Union Square”.

Mr Wood advised (1) that the applicant’s case stated that the proposed extensive floorspace “would be occupied by a range of comparison goods retailers, with a likely focus on clothing and fashion retailers”; (2) that clearly, that type of retailing could be accommodated in a range of unit sizes which could be dissipated across the City Centre; (3) that as such, there was clear conflict with the delivery of sites identified – and being actively progressed, for retailing within the City Centre; (4) that the Council must weigh very carefully all the implications of disregarding its policy provision and associated City Centre investment in favour of creating a new retail location in a wholly unsustainable location on account of the apparent ‘carrot’ of a fourth Boots or fourth Next store within the City, each having three stores elsewhere within Aberdeen; (5) that there was therefore a good supply of quality new retail floorspace in Aberdeen City Centre, which would combine to significantly improve the quantitative and qualitative retail offer; (6) that granting significant, unrestricted floorspace in an unsustainable location at Prime 4 or elsewhere would not only undermine the progress of these sites, but also undermine the delivery of the LDP and wider City Centre Masterplan provisions; and (7) that in respect of the work undertaken for the Council to provide an independent assessment of retail impact and retail deficiencies, it was unsurprising, given the factors at play in retailing in Aberdeen, that these were in line with their own findings.

Mr Wood indicated that the proposal would therefore have a significant adverse impact on the vitality and viability of Aberdeen City Centre. On Highways and access, he added that it should be noted that the proposals were detached from the urban form of both Aberdeen and Kingswells. In transportation terms, the site was inaccessible;

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unreachable by rail and reliant on the private car and infrequent and distant bus services - the site was currently between 750 and 1,000 metres from a bus stop without any proposals to improve that provision.

Mr Wood advised that their review of the submitted Transport Assessment, drawing also on commentary by Transport Scotland, concluded that the operational assessment carried out was fundamentally flawed with trip generation and base traffic flows underestimated which would be likely, if corrected, to require a redesign of the AWPR junction to increase its capacity here. Therefore, the conclusions drawn from this assessment as currently presented could not be justified.

Finally, Mr Wood suggested that given the aforementioned reasons, the Council must reflect on whether they really did envisage the future of Aberdeen City Centre as that set out in the approved City Centre Masterplan or if it was something entirely different as would be the case if the proposals at Prime 4 went ahead.

**Members then asked questions of Mr Wood, and the following information was noted:-**

- that the Retail Capacity Assessment produced by Hargest Planning Ltd, commissioned by Aberdeen City Council would be circulated to members;
- that there were a number of vacant units on Union Street; and
- that a junction of the AWPR may need to be improved if there was an increase in vehicle trips.

The Committee then heard from **Joanne Wilkes and Chris Miller, representing Aberdeen Shopping Centre Ltd (Bon Accord Centre and St Nicholas Centre)** who were against the development and addressed the Committee in the following terms:-

Joanne Wilkes advised that as well as the above, she was also representing properties in George Street, St Andrews Street, Loch Street, Schoolhill and Upperkirkgate.

Ms Wilkie indicated that they acquired those holdings, three years ago, and since that time they had already invested considerable funds in:-

- acquiring additional property on George Street;
- seeking planning consent for a major cinema and restaurant hub within Bon Accord – which they hoped to start later this year;
- completed a major review and refresh of the Bon Accord brand which was now being rolled out;
- spent over £2 million so far on the refurbishment of the centre's car parks;
- actively participated in the Aberdeen City Centre Masterplan review; and
- produced proposals for the regeneration of George Street, Crooked Lane and enhanced public realm on Upperkirkgate and Schoolhill, which had been the subject of two rounds of pre-application public consultation with a view to submitting an application for a Planning Permission in Principle this Spring

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Ms Wilkie explained that she recognised the role and responsibility of Bon Accord in helping the City thrive, however, none of this came without challenges, such as the impact of the fall in oil prices and the impact that this has had on spending and confidence; and the change being seen in consumer habits either through shopping on-line, as opposed to in-store, or not buying so much “stuff” in the first place because of a growing preference to spend money on experiences such as eating out and other leisure pursuits.

Ms Wilkie advised that the Press over the last two weeks reported, whilst UK spending in the crucial Christmas period was up, the physical number of shopping trips and people shopping was down and indeed consumer spending in physical shops was also down. Furthermore, these were not one-off trends but trends that had been around for some time and trends that were also being seen in Aberdeen.

Ms Wilkie advised that they were already responding to this and were seeing an increase of restaurants and other leisure facilities in such locations and there was recognition, that through enhanced public realm and facilities that these places could be nicer places to visit and enjoy.

She explained that retail was a challenging business though and with an eye on their bottom line, retailers only needed so many physical shops. The proposal at Prime Four was to provide what was already being provided in the City Centre but out of town. If consent was granted to this proposal, with over 30 years of experience in the retail property market, there was no doubt in her mind that some shops and possibly some major stores would close because Aberdeen did not need all of these additional shops.

Ms Wilkie indicated that it was worth remembering that a number of retailers had dual representation in the city – Next had three sites (Berryden, Bon Accord, Union Square). She advised that she was not saying that, if consent was granted, the City would become a ghost town, like the P&J headline last week, far from it, but it would have even more challenges than it had already and it would affect investor and retailer confidence and may prevent some City Centre development and regeneration proposals, which tended to be much more expensive to deliver than on greenfield sites, from going ahead. A number of those proposals were in the City Centre Masterplan.

Ms Wilkie advised that given some of the comments made that Aberdeen needed, or deserved, an out of centre shopping development like other major cities, she would suggest that Union Square, which broke new ground, albeit brownfield ground, when it was built, was just that sort of development. She intimated that they were making good progress with their proposals for the regeneration of George Street.

Ms Wilkie concluded by requesting that the Committee safeguard that future and reject the Prime Four proposals.

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Chris Miller advised that they worked within a plan led planning system that has been designed to provide clarity and certainty in decision making for both communities and investors alike.

Mr Miller indicated that Scottish Planning Policy adopted a 'town centre first' approach when planning for proposals such as those before the Committee today. This approach to development was at the very forefront of current national planning policy, reaffirmed by Kevin Stewart MSP, the current planning minister; and was enshrined within national, regional and local planning policies. In planning policy terms, the application site was not located within or anywhere near a town or city centre or even allocated for retail development, in fact the application site was identified as a strategic business employment site.

Mr Miller intimated that the principle of retail development at this location was therefore wholly contrary to the provisions of the prevailing development plan. Whilst the emerging development plan had identified capacity for additional retail floorspace within Aberdeen, the plan asserted that retail deficiency should be met through a number of allocated sites. He advised that two of the largest were at the Bon Accord Centre and Union Square, both within Aberdeen city centre.

Mr Miller advised that the scale of development proposed by the applicants was wholly inappropriate and they had not sufficiently demonstrated how the proposals would address a quantitative or qualitative deficiency that could not otherwise be met within the city centre. Furthermore, he explained that the applicants' sequential approach wrongfully discounted sequentially preferably sites; and failed to demonstrate flexibility and therefore did not accord with the approach set out within Scottish Planning Policy.

Mr Miller indicated that much of their assessment of the applicants' proposals had also since been backed up by independent planning consultants Hargest Planning Ltd, who, following instruction from Aberdeen City Council, published a report earlier this month reviewing the applicant's retail assessment. It was essential that Aberdeen City Council continued to support the principles of the development plan and maintain investor confidence for the delivery of investment in Aberdeen city centre.

Mr Miller advised that whilst it might be easier for a developer to deliver a new retail development on a greenfield site such as at Prime Four Business Park; the more challenging development proposals, such as those within the city centre, required a greater level of confidence in the certainty of development plan policy in order to deliver them. In this regard, the emerging development proposals by BMO Real Estate Partners to extend the allocated Bon Accord centre would significantly contribute towards meeting a number of key policy objectives within the context of the local development plan. In particular, these related to providing significant new retail floorspace in the city centre to meet the identified shortfall; improving a key city centre site; and safeguarding the primacy of the city centre as the regional focus for retail and town centre uses.

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Mr Miller explained that maintaining and enhancing the primacy of the city centre was of the utmost importance to BMO Real Estate Partners as well as other city centre operators and investors. This policy context was material to their decision to originally invest in Aberdeen city centre.

Mr Miller advised that the provision of substantial comparison retail floorspace with a focus on clothing and fashion retailers and a significant food and beverage offer out at Prime Four Business Park would deliver a significant quantitative and qualitative retail offer in the west of the city that would overlap with the offer of the city centre.

Mr Miller indicated that there could be no weight attached to the applicant's statement that the requirements of retailers seeking dual representation in the city somehow justified setting aside the 'town centre first' policy principle in SPP and related requirement to address the sequential test. The retail proposals were essentially speculative and the terms of the application did not include any form of commitment by any of the retailers seeking dual representation to maintain a presence within the city centre. The proposals would directly compete with other active proposals within Aberdeen city centre and approval would seriously harm city centre investor confidence and therefore posed a serious threat to its role and primacy in the network of centres. This alone provided a basis for refusal of the application.

Mr Miller advised that the proposals would also adversely impact upon Aberdeen City Council objectives for enhancing the vitality and retail attractiveness of the city centre and the wider delivery of aspirations of the City Centre Masterplan; particularly as there were specific development plan policies in place to support these objectives preventing out-of-centre development proposals on unallocated sites and promoting further retail and town centre based uses within the city centre.

Finally, Mr Miller intimated that they also had fundamental concerns relating to the sustainability of the proposals, particularly with regards to site accessibility by any mode of transport other than the private car, putting the application further at odds with planning policy and advised that these speculative development proposals be refused.

**Members then asked questions of Ms Wilkes and Mr Miller**, who confirmed that there was still capacity within the city centre to accommodate retail units if required.

The Committee then heard from **Heather Gallacher, Ellandi LLP, representing the Trinity Centre** who were against the development and addressed the Committee in the following terms:-

Ms Gallacher advised (a) that as a major investor in Aberdeen City Centre, Ellandi was committed to ensuring that new development occurred in the right location and at the right time to help sustain and improve the City Centre (b) that as part of this commitment, Ellandi fully supported the policies and strategies contained within the soon to be adopted Local Development Plan which sought to strengthen Aberdeen City Centre's role as a strategically important location for retail and town centre uses; (c)

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that the proposal by Drum Property Group Ltd was of significant concern to Ellandi and its investors and their full review of the Applicant's retail assessment was summarised in their objection; (d) that they fully concurred with the findings of the Hargest report which confirmed categorically that the information submitted with the planning application failed to satisfy the requirements of the development plan and relevant material considerations in terms of addressing retail deficiencies, assessing potential retail impact and the application of the sequential approach; and (e) that it was their strong view that the Applicant's retail assessment was not fit for purpose due to deficiencies in the methodology used, assumptions taken and conclusions drawn, it did not demonstrate that the application proposal complied with the soon to be adopted Local Development Plan which placed significant emphasis on protecting Aberdeen City Centre's role as the region's main shopping destination and as the preferred location for significant footfall generating uses.

Ms Gallacher indicated that the proposal would act as a deterrent to those who currently visited the City Centre to undertake their comparison goods shopping, particularly those who currently visited the City Centre from the west. It would also undermine investment in the City Centre and had the potential to lead to large voids and vacancies as retailers currently in the City Centre were enticed by attractive rent packages and the provision of ample free car parking for customers and staff. In the same vein, it would undermine attempts to attract new retailers to the City Centre, with new retailers instead choosing instead to locate at the proposal site.

Ms Gallacher intimated that the applicant's approach to sequential assessment did not adhere to the process set by Scottish Planning Policy and local policy due to a misinterpretation of case law; as a consequence, the sequential assessment undertaken was insufficient to demonstrate that all city centre options had been assessed and discounted as unsuitable or unavailable.

Ms Gallacher advised that the scale of the development proposed was inappropriate, the applicant had not applied any flexibility to the proposal to demonstrate it could not reasonably be altered or reduced in scale to allow it to be accommodated at a sequentially preferable location; the proposal was presented as a means to address qualitative and quantitative deficiencies within the city region and this would be at the expense of City Centre sites that had been identified in the LDP to address identified capacity for additional retail floorspace.

Ms Gallacher explained that the Hargest report clearly illustrated the applicant's quantitative economic trade draw analysis utilised assumptions which served to underplay the impacts of the proposed development. This included underestimating the trade draw from Aberdeen City Centre, overestimating capacity within the City Region and errors throughout the assessment which combined to underestimate the impact on the City Centre. The assumptions were at odds with normal practice and unjustified.

Ms Gallacher indicated that the assessment also had no regard to the associated qualitative impacts which should be taken into consideration as part of any assessment



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of retail impact. These included impact on investor confidence, retailer sentiment in the City Centre and the assessment of impact having regard to the relative health of Aberdeen City Centre. The assessment was not therefore fit for purpose and the Applicant had failed to demonstrate that the proposal would not lead to a significant adverse impact on the vitality and viability of Aberdeen City Centre.

Ms Gallacher advised (1) that Aberdeen operated a Plan-led system which was the starting point for decision making unless material considerations indicate otherwise; (2) that their assessment of the proposed development was that the purported benefits associated with it were by no means sufficient to outweigh its clear non-compliance with the very soon to be adopted and up to date LDP; (3) that it also failed to address the overarching objectives of national policy in regard to town centres and retailing which was to apply a town centres first policy when planning for retail uses; (4) that in this case, the scale of the proposed development was not envisaged in the soon to be adopted Local Development Plan 2016; (5) that the LDP set out a clear and comprehensive strategy for the delivery of additional retail floorspace, informed by a comprehensive masterplanning exercise and the Aberdeen Retail Study and all of which was to be within the City Centre; (6) that the approval of the application would undermine the soon to be adopted plan rendering its retail and town centre policies out of date from day one.

Ms Gallacher indicated that there was a clear and demonstrable willingness on the part of City Centre investors (including Hammerson and BMO) to deliver this additional retail floorspace in accordance with the LDP. She added that while there might well be an appetite from retailers to have additional facilities outwith the City Centre, this was not a material consideration as quite clearly retail planning policy at all levels directed these retailers to town centre locations first and foremost.

In conclusion, Ms Gallacher intimated that she felt that both herself and the Council's independent advisors found that the application failed to demonstrate that the scheme was compliant with national, sub-regional and local policy objectives which sought to maintain and strengthen the vitality and viability of Aberdeen City Centre and to strengthen its position at the top of the retail hierarchy. This large-scale development would have long lasting and damaging effects on the City's ability to attract new investment and its overall health. For all these reasons and as per their representation, she maintained the objection to the proposed development and respectfully requested that it be refused.

Members then asked questions of Ms Gallacher who confirmed that there was no guarantee that retailers currently based within the city centre would not close and relocate to the Prime Four development. Ms Gallacher also advised that connectivity/link improvements between the Trinity Centre, Union Square and Atholl House were being considered.

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The Committee then heard from **Adrian Smith, representing Countesswells Development Ltd** who were against the planning application and addressed the Committee in the following terms:-

Mr Smith advised that the indicative layout on the applicant's Powerpoint presentation had not been submitted as part of the application and the proposed development would be a departure from the soon to be approved Aberdeen Local Development Plan and would have a detrimental effect on the Countesswells Development. He indicated that the proposed terraced layout of the buildings as shown on the Powerpoint presentation did not accord with the plan that had previously been submitted in terms of access to the business park.

Mr Smith referred to the potential that Boots could be occupiers of the development and as this would be less than 1.5 miles from the Countesswells town centre, he had concerns that this could preclude the possibility of a pharmacy adjoining the Countesswells health centre.

Mr Smith indicated that Countesswells was a sustainable self-contained community, with the Town Centre having mixed uses, including residential, retail, offices, food stores, hotel and a health facility, however the proposed development at Prime Four was less than 1.5 miles away and included a proposed foodstore and the Council's own retail study recommended that any new convenience floorspace in West Aberdeen should be directed to the proposed Countesswells town centre.

Mr Smith advised that the proposed development was clearly biased towards car use access only, as there were no appropriate bus links to the business park.

Finally, Mr Smith responded to a question intimating that a survey had been undertaken which revealed that the Countesswells development project had no effect on city centre businesses.

The Convener thanked all those who participated in the pre-determination hearing and advised that the points raised today would be addressed in the report which would go before Full Council for determination.

**- Councillor Ramsay Milne, Convener**

**PLANNING DEVELOPMENT MANAGEMENT COMMITTEE**  
18 January 2017

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## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21 <sup>st</sup> June 2017
REPORT TITLE	Proposed Planning Obligations Supplementary Guidance.
REPORT NUMBER	CHI/17/155
DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	David Dunne

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### 1. PURPOSE OF REPORT:-

- 1.1 The purpose of this report is to seek Members' approval to modify the Planning Obligations Supplementary Guidance, approved by Council on the 15<sup>th</sup> of March 2017. This approval is sought following a direction issued by Scottish Ministers to the Council, as part of their approval process for Supplementary Guidance.

### 2. RECOMMENDATION(S)

- 2.1 It is recommended that the Council:
- a. Agree the modifications to the Planning Obligations Supplementary Guidance required by Scottish Ministers in their letter of 14th May 2017, attached in Appendix 1, and set out in the Planning Obligations Supplementary Guidance attached in Appendix 2.
  - b. note that charges for Stopping Up Orders / Traffic Regulation Orders and the preparation of Legal Agreements will continue to be reasonably and fairly applied

### 3. BACKGROUND/MAIN ISSUES

- 3.1 Statutory Supplementary Guidance forms part of the Local Development Plan and has the same status for decision making in line with Section 25 of the Town and Country Planning (Scotland) Act 1997, as amended.
- 3.2 Adopting Supplementary Planning Guidance.  
The process for adopting Supplementary Planning Guidance has a number of steps which must be completed to comply with the Town and Country Planning (Scotland) Act 1997, as amended. Those steps are as follows:-

- i. Officers prepare Proposed Supplementary Guidance.
- ii. The Proposed Supplementary Guidance is presented to Committee for approval to undertake a public consultation (generally 4 weeks).
- iii. The result of the public consultation and any amendments to the Proposed Supplementary Guidance are reported back to Committee for approval to send the guidance to Scottish Ministers for their approval.
- iv. After a period of 28 days, Scottish Ministers may approve the guidance for adoption, request any extension of time to consider the guidance or issue a direction to alter the guidance before it may be adopted.
- v. If a direction is issued the Local Authority must make that change in order to adopt the guidance as statutory Supplementary Planning Guidance.

3.2.1 At the Council Meeting of 14<sup>th</sup> December 2016 (Report Number CHI/15/158, Agenda Item 7(j)), members agreed to issue Proposed Supplementary Guidance, including Planning Obligations, for public consultation. The consultation period ran for six weeks and the results and amended guidance were reported back to the Council Meeting on the 15<sup>th</sup> of March 2017 (Report Number CHI/17/015). At that meeting Members approved the revised guidance and instructed Officers to issue the guidance to Scottish Ministers for their approval.

3.2.2 On 18<sup>th</sup> April 2017 Scottish Ministers wrote to the Council approving 43 of the 44 Supplementary Guidance documents. They also requested an additional 28 days to consider the Proposed Planning Obligations Supplementary Guidance.

### 3.3 Direction from Scottish Ministers

On the 12<sup>th</sup> May 2017 Scottish Ministers wrote to the Council notifying that,

*“Scottish Ministers give notice that the supplementary guidance ‘Planning Obligations’ may not be adopted until modifications specified in Annex A to this notice have been made.”*

The Annex A modifications were as follows,

- i. *Amend the third paragraph of section 3.2 on page 3 of the Supplementary Guidance: Planning Obligations, to remove the sentence which reads:  
‘The applicant will be required to cover the costs of preparing and registering the Planning Obligation and will be responsible for their own legal costs.*
- ii. *Amend the table on page 8 of the Supplementary Guidance: Planning Obligations, to remove the final entry relating to Traffic Regulation Orders/Stopping Up Orders*

These changes were required on the basis that they are not covered by the Town and Country Planning (Scotland) Act 1997.

- 3.4 Established practice of charging for these services and separate legislation  
The recovery of the fees mentioned above is either provided for by separate legislation and/or is established custom and practice among Scottish Local Authorities. As such removing the specific wording from the Planning Obligations Supplementary Guidance required by the Scottish Ministers does not impact on the Councils ability to apply such charges.

*Stopping Up Orders / Traffic Regulation Orders*

- 3.4.1 The request to remove these charges was based on the fact that while the Stopping Up Orders are covered by the Town and Country Planning (Scotland) Act, Traffic Regulation Orders are not and are dealt with under different legislation. As such these charges may still be applied by the council under the following legislation:-
- Section 135 of the New Roads and Street Works Act 1991 provides for recovery of the costs of temporary traffic orders.
  - Section 210 of the Town and Country Planning (Scotland) Act 1997 allows for recovery of costs of stopping up orders.

*Charging for Legal Agreements*

- 3.4.2 Again the request to remove this charge was based on it not being covered by the Town and Country Planning (Scotland) Act 1997, however it is well established custom and practice among local authorities in Scotland to recover these costs from applicants.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Allowing for the continued application of established practice there will be no financial implications arising from the proposed change to the Planning Obligations Supplementary Guidance. Set out below, for information, is the expected incomes from both processes.
- 4.2 Charges for the preparation of Section 75 Legal Agreements (S75)  
Since the introduction of the S75 template Council has applied a charge of £750 per legal agreement, with a possible increase where the template is deviated from. It was projected that for the coming financial year this would equate to £11,250, based on 15 S75s for the year.
- 4.3 Charges for Traffic Regulation Orders/Stopping Up Orders  
Traffic Regulation Orders/Stopping Up Orders are charged at £2,000 per order plus the cost of infrastructure to support the order (signage, bollards etc). The Council process on average two Stopping up Orders a year equating to approximately £5,000 in any financial year.

#### **5. LEGAL IMPLICATIONS**

- Non-compliance with legislation  
As noted in 3.2-3.4 above, failure to make the changes listed in the Scottish Ministers direction prevents us from adopting the guidance as Statutory Supplementary Guidance under the Town and Country Planning (Scotland) Act 1997. Failure to do so would weaken the

Councils position in agreeing S75 legal agreements and planning obligations on new developments.

- Legal challenge  
Again failure to adopt the guidance would weaken the Councils position in and open up S75 legal agreements to possible challenge on the basis that Local Planning Advice does not carry the same weight in decision making terms as Supplementary Guidance.

## **6. MANAGEMENT OF RISK**

- Financial  
The failure to secure fees for both the preparation of Section 75 Legal Agreements and Traffic Regulation Orders/Stopping up Orders would have a financial impact on service budgets.

As these charges are based on applications submitted it is not possible to give exact figures for future years however an estimate of the impact is noted in Section 4, points 4.2 and 4.3 above, these would represent reasonable projections.

- Employee  
There will be no employee impacts from this report.
- Customer / citizen  
While there are no direct customer impacts from approving the recommendations in this report, failure to do so may delay the Councils ability to process S75 legal agreements and by extension impact on the customers experience.
- Environmental  
There will be no environmental impacts from this report.
- Technological  
There will be no technological impacts from this report.
- Legal  
Legal implications are set out in Paragraph 5 above.
- Reputational  
Again while there are no direct reputational impacts from approving the recommendations in this report, failure to do so may delay the Councils ability to process S75 legal agreements and by extension damage the Councils reputation.



## **7. IMPACT SECTION**

### **Economy**

While there are no expected direct impacts on the wider economy, the failure to secure payment for the services mentioned could impact on speed of delivery of these services and by extension on the wider economy. It may also impact on other services which the Council provides via budgetary constraints.

### **People**

There are no expected impacts on people as the report relates to a method of charging for two services related to proposed new developments.

### **Place**

There are no expected impacts on place as the report relates to a method of charging for two services related to proposed new developments.

### **Technology**

There are no expected impacts on Technology as the report relates to a method of charging for two services related to proposed new developments.

## **8. BACKGROUND PAPERS**

- Town and Country Planning (Scotland) Act 1997

## **9. APPENDICES (if applicable)**

- Appendix 1 – Letter from the Scottish Government giving direction on changes required to the Planning Obligations Supplementary Guidance.
- Appendix 2 – Track changed version of Planning Obligations Supplementary Guidance showing required change.

## **10. REPORT AUTHOR DETAILS**

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Our ref: A17765941  
12 May 2017

Dear Andrew

**TOWN AND COUNTRY PLANNING (SCOTLAND) ACT 1997  
NOTICE OF INTENTION TO ADOPT SUPPLEMENTARY GUIDANCE –  
PLANNING OBLIGATIONS**

I refer to your correspondence of 21 March 2017 certifying notice of Aberdeen City Council's intention to adopt the above supplementary guidance, and to subsequent notification from Scottish Ministers extending the period of their consideration.

Scottish Ministers give notice that the supplementary guidance 'Planning Obligations' may not be adopted until modifications specified in Annex A to this notice have been made.

These modifications are required as there are no provisions in current regulations, under the Town and Country Planning (Scotland) Act 1997, for the payment of charges relating to the drafting or conclusion of legal agreements or to the administrative costs relating to the making of orders

Yours sincerely

Simon Pallant  
Senior Planner

## ANNEX A

### ABERDEEN CITY COUNCIL - SUPPLEMENTARY GUIDANCE – PLANNING OBLIGATIONS

#### MODIFICATIONS TO BE MADE

1. Amend the third paragraph of section 3.2 on page 3 of the Supplementary Guidance: Planning Obligations, to remove the sentence which reads:

*‘The applicant will be required to cover the costs of preparing and registering the Planning Obligation and will be responsible for their own legal costs.’*

2. Amend the table on page 8 of the Supplementary Guidance: Planning Obligations, to remove the final entry relating to Traffic Regulation Orders/Stopping Up Orders

# Supplementary Guidance: Planning Obligations

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## 1. Status of Supplementary Guidance

This Supplementary Guidance (SG) forms part of the Development Plan and is a material consideration in the determination of planning applications.

The SG expands upon the following [Aberdeen Local Development Plan](#) policies:

- Policy I1 – Infrastructure Delivery and Planning Obligations

The [Action Programme](#) which accompanies the Local Development Plan outlines further details on the delivery of supporting infrastructure. The Action Programme is a 'live' document that will be monitored and updated regularly to take account of changes in circumstances as sites come forward through the planning process.

## 2. Introduction to Topic

New development can have a very positive effect on an area, providing new homes, jobs and economic development. However, new development can also place additional pressures on resources and infrastructure such as schools, community and leisure facilities, transport infrastructure, health services and the local environment.

The delivery of infrastructure alongside new development can help to create balanced, accessible and sustainable communities.

All development has an impact and, if necessary, financial contributions will be sought from developers to mitigate that impact.

Existing deficiencies in public services, facilities or infrastructure can be made worse by new development and new deficiencies created. However, contributions are intended to address only matters arising from new proposals, not existing deficiencies.

In support of Policy I1 – Infrastructure Delivery and Planning Obligations and Appendix 3 of the Local Development Plan, this guidance outlines the methodology and criteria used to calculate contributions required to support new development.

The Local Development Plan aims to ensure, as far as practicable, that the burden of additional infrastructure, facilities and services that are related to the development are absorbed by the landowner and developer, and not by the Council or other public service provider.

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### 3. Developer Contributions

The methodology seeks to ensure that appropriate contributions are secured from developers to support new communities and to make a fair and proportionate contribution to the cumulative impact of development across the city and, where appropriate, the region as a whole. The Council has been careful to avoid deterring development by making unreasonable demands, and emphasises that any infrastructure or contributions sought are proportionate to the development proposed.

It is important to note that this Supplementary Guidance is not directly relevant to the provision of water and drainage, electricity, and telecoms infrastructure, as these services are controlled by public sector bodies and private supply companies, and the specific standards, specification and requirements relating to each are outwith the control of the Council. It is, therefore, encouraged that early contact with these suppliers is made.

Developer Obligations Assessments are carried out by the Developer Obligations Team. Contribution requirements will vary from site to site. The exact contribution required for each site will be determined on a case by case basis. Pre-application discussions with the Team, appropriate Council Officers and service providers are encouraged to ascertain the likely level of contribution required. The precise level of infrastructure provision and contributions required from any

development will need to be agreed with the Council, in consultation with other statutory agencies where appropriate.

#### 3.1 Management of Funds

Contributions, identified individually, are currently held in the Council's balance sheet in a unique account to which notional interest, at Bank of England base rate, unless otherwise stipulated, is added on a monthly basis.

In the event of a repayment of a contribution the interest added will be calculated to reflect, in addition, compounding on an annual basis.

The Council will undertake to spend contributions received in respect of an appropriate project or projects in line with the detail of assessment within 7 years of the date when planning permission is implemented (evidenced through the Notice of Initiation of Development) or, for those applications where phased payments are received (through a Section 75 agreement), within 7 years of the date of final payment.

In the event of the contribution, or part of it, not being spent within this time period, the contribution, or part, will be refunded to the applicant or their nominee along with relative interest accrued.

The monitoring and management of developer obligation funds and supporting phased payments is an additional

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administrative cost which will be funded through the overall interest, and 9% of the total interest on an annual basis will be used to support this.

### 3.2 Securing of Contributions

Contributions can be secured through upfront payments under Section 69 of the Local Government (Scotland) Act 1973, Section 48 of the Roads (Scotland) Act 1984 or Section 75 of the Town and Country Planning (Scotland) Act 1997.

Current legislation makes it clear that planning conditions, including suspensive conditions, should be used wherever possible in the first instance. Planning Obligations should only be sought where they are required to make the proposal acceptable in land use planning terms and where the use of conditions or other legal agreement is not appropriate.

Standard templates for legal agreements associated with planning permission and planning permission in principle under Section 75 of the Town and Country Planning (Scotland) Act 1997 have been put in place by the Council's Legal and Planning teams. The templates will form the basis for the drafting of all new Section 75 legal agreements.

Where an upfront payment is required, this must be concluded before planning permission can be issued.

### 3.3 Development Viability and Indexation

Up front identification of likely contribution requirements should be sought to input to development appraisals.

In some circumstances, where the developer asserts that the development contributions have an impact on the viability of a development, the developer will be required to submit a Viability Assessment to the Council which may require to be independently reviewed (with the cost met by the developer).

The Council will be willing to review the timing or phasing of paying financial contributions to assist the financial viability of a scheme in accordance with the phasing of the development and based on evidenced completions.

The particular requirements, timing of payments etc., for individual developments will be determined on a site by site basis and will require a legal agreement to set out the terms and conditions of phased payments.

Payments will be index-linked in accordance with this guidance and dates as set out in the assessment report in reference to the General Building Cost Index, as published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors, or such other index as the Council and developer may reasonably agree.

## 4. **Obligations**

A summary of the types of development and possible obligation is outlined in Table 1.

- **Residential Development:** All proposals which involve the creation of 5 units or more.
- **Commercial Development:** All developments where the floorspace exceeds 1,000 square metres or the site area is more than 1 hectare.
- **Other applications:** Where the Development Management Officer considers the proposal to be of a scale or type of development appropriate to consult with the Developer Obligations Team.

Type of Obligation	Residential	Commercial
Strategic Transportation	✓	✓
Local Transportation	✓	✓
Core Paths	✓	✓
Regional SuDS	✓	✓
Education	✓	
Healthcare	✓	
Open Space	✓	✓
Community Facilities	✓	
Sports & Recreation	✓	

Table 1 – Types of Obligation



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Some contributions, through this Supplementary Guidance, are based on a per-house-equivalent. The figures below calculate the contribution required. A three bedroomed house is taken as a 'Standard Sized Unit Equivalent (SHUE)'.

- 1 bed = 0.6
- 2 bed = 0.8
- 3 bed = 1 'Standard Sized Unit Equivalent'
- 4 bed = 1.2
- 5 bed = 1.4
- 6 bed = 1.6

Where an application is received for Planning Permission in Principle and the precise mix of units is not available then a formula may be included (rates are per SHUE or per square metre) within the agreement to allow the contribution to be calculated based on the mix proposed or a subsequent assessment undertaken.

Transport schemes associated with developments allocated in the Local Development Plan are separated into two categories:

**Strategic Transport Infrastructure** – in considering the impact of development on the strategic transport network, applicants shall comply with Local Development Plan Policy I1 – Infrastructure Delivery and Planning Obligations and Policy T2 – Managing the Transport Impact of Development, as well as any other relevant policy/guidance. In considering the acceptability of proposals, the impact of development on the strategic transport network will need to be assessed. Applicants must demonstrate (e.g. via a Transport Assessment) how they might mitigate any such impact. In appropriate cases, proportionate contributions may be sought to support strategic projects that are related to the developments concerned and that are necessary to make those developments acceptable in planning terms.

A legal challenge was lodged at the Court of Session (Inner House) in August 2015 by the Elsick Development Company Ltd and Goodgrun Ltd, against the adoption by the Strategic Development Planning Authority (SDPA) of Supplementary Guidance entitled "Delivering Identified Projects through a Strategic Transport Fund". The Inner House issued its decision on 29 April 2016 which allowed the appeal. The SDPA has been granted leave to appeal that decision to the Supreme Court and, at the time of writing, awaits the outcome of this process. Should the appeal be upheld then

#### 4.1 Transportation

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the Council retains the right to apply the Strategic Transport Fund policy as per the arrangements set out in the SDPA's Supplementary Guidance.

**Local Infrastructure** – All developments will be assessed in terms of their impact on the local transport network and may be required to mitigate these impacts. All developments, where impacts requiring mitigation have been clearly identified, will make an appropriate contribution towards local transport infrastructure and / or services related to that development, to ensure that the required facilities / infrastructure provision is in place in time to mitigate the impacts of the development. See Table 2: Mitigation Measures.

Transport requirements will vary from site to site. The exact contribution required for each site will be determined on a case by case basis. Developers should be aware of, and take account of, the requirements to provide such contributions.

The developer will be expected to provide and meet, in full, the cost of all external works identified as requirements through the planning process. For developments where significant impacts are likely; a full Transport Assessment (TA) will be required to inform the process. The thresholds for when a TA will be required are set out in the Transport and Accessibility Supplementary Guidance.

The principles set out in this Supplementary Guidance do not negate the requirement for a Transport Assessment or a

Development Framework / Masterplan / Planning Brief. They should be applied as a basis for addressing transport impacts alongside, and in conjunction with, the preparation of these documents where they are required.

It should be noted that schemes listed in Policy T1: Land for Transport are not expected to be subject to developer contributions.

Transport modelling has been carried out to assess the cumulative impact of development proposed in the Dyce area of the city. It considered the scale of transport interventions required to support the level of development proposed in and around the area. The modelling work identified key points on the transport network where interventions are likely to be required to address the cumulative impact of the development. Contributions will be sought for these transportation interventions and a mechanism and geographical boundary will be determined and published at a later date.

Table 2: Mitigation Measures

Mitigation Type	
<b>Road Improvements and Public Realm</b>	The provision of, or upgrading, roads, bridges or other infrastructure may be required, either within or outwith the development site or both, and planning conditions / legal agreements will be secured accordingly.
<b>Alterations to Existing Roads</b>	There may be instances where the Council may wish to take on this construction. This will be fully funded by the developer.
<b>Footway Crossings</b>	The Council will charge the developer for the cost of the construction. The cost will vary from site to site depending on the works required, such as alterations to street furniture, utilities and width of crossing.
<b>Public Transport Priority</b>	Developers may be required to provide or fund public transport priority measures. These include, but are not limited to, bus lanes, bus-only sections of road, and bus priority traffic signals.
<b>Supported Bus Services</b>	Developers may be required to enter into a legal agreement which enables upfront payments to fund new bus services or to underwrite a new service for an agreed period of time. This may involve a completely new service and / or extending / improving an existing service. New and upgraded facilities may be required in order to deal with increased demand on public transport services, these may include the provision of, or upgrade of, bus stops, bus shelters and Real Time Information systems.
<b>Traffic Signals</b>	Developers may be required to provide for the installation of new traffic signals, controlled pedestrian crossings and the upgrading / refurbishment of existing traffic signal infrastructure. Should traffic signals be required the developer will provide capitalised maintenance costs which can be arranged through a legal agreement.
<b>Lighting</b>	Any development which requires new roads or the upgrading of existing roads will be expected to fund the installation of new lighting or the upgrading of existing lighting infrastructure where appropriate.
<b>Traffic Calming Measures</b>	Development may generate the need for traffic calming measures outlined in Local and National policy such as Designing Streets which the developer may be liable to fund.

Mitigation Type	
<b>Cycling / Walking Routes</b>	Developers will be required to provide safe routes for cyclists and walkers, this may include both on and off site cycle parking infrastructure improvements and the supply of secure cycle parking. Contributions towards the Core Path Network in the vicinity of the development may also be sought (see section “Core Paths Network”).
<b>Safer Routes to Schools</b>	Developers will be required to provide safe routes to schools through the provision of measures outlined in Local and National policy such as Designing Streets and exclusive cycle / pedestrian paths.
<b>Car Clubs</b>	May apply to all residential developments of 3 or more units and other developments where full parking provision is limited and where the shortfall of parking is not mitigated by other forms of transport. Residential development = <b>£400 per unit</b> Business development = a one off payment to the car club operator of <b>£25</b> and thereafter <b>£400 per space / shortfall</b> .
<b>Bus Permits / Tickets</b>	May apply to all residential developments of 3 or more units where full parking provision is limited. Annual bus permit with First Bus = <b>£660</b> Annual bus permit with Stagecoach = <b>£620</b>
<b>Travel Plans</b>	For major applications it will be necessary for the developer to enter into a legal agreement detailing target aspirations, monitoring and actions for the revision of Travel Plans. Travel Information Packs may be required alongside, or in lieu of, a full Travel Plan.

## 4.2 Core Path Network

### 4.2.1 *When and Where Does it Apply?*

All residential and commercial developments where:

- There is no provision of Core Paths or links to the Core Paths Network; or
- Where a developer proposes provision of, or improvements to, the Core Paths Network and the Council, as Access Authority, considers such measures to be inadequate.

In these circumstances a financial contribution will be sought to facilitate and mitigate the level of development proposed.

Development which incorporates and enhances existing Core Paths and provides links to the Core Paths Network will not require any financial contribution providing that the measures proposed are appropriate for the level of development proposed and are agreed with the City Council as Access Authority.

#### 4.2.2 *How is the Contribution Calculated?*

##### Residential Development:

No. of SHUE x £372 = Contribution

##### Commercial Development:

No. of SHUE x WF x £372 = Contribution

(WF = Weighting Factor)

Contributions for commercial development are calculated on the basis of a 'per SHUE' (3 bedroom house equivalent). This is calculated by the following formula:

$[GFA + (PS)/400 = SHUE]$ .

(GFA = *Gross Floor Area* of the commercial

#### 4.3 Regional SuDS

Additional demands from new development on water supply and disposal of water waste may require the upgrade and extensions of existing infrastructure. Developers are advised

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to contact Scottish Water to discuss the water and drainage needs of their development as early as possible.

Scottish Water may also vest Sustainable Urban Drainage Systems (SuDS), if they comply with Scottish Water's design standards. If a developer wishes their SuDS to be vested by Scottish Water, early engagement is recommended. Early consideration should be given in the planning application process to the SuDS maintenance programme. This will ensure that a high quality open space is delivered on a long term basis.

A number of sites have been identified by Aberdeen City Council as having potential to construct Regional SuDS. Regional SuDS provide upstream water retention during heavy rainfall events which can help to protect more built-up areas downstream from flooding. For more information, please see [Flooding, Drainage & Water Quality Supplementary Guidance](#).

schemes that serve a dual purpose as Regional Sustainable Urban Drainage Systems.

Regional SuDS would be managed and maintained by Aberdeen City Council as part of the integrated drainage network. These schemes could be built by Aberdeen City Council, on land owned by the Council and 'space' made available either through planning agreements or as commercial agreements, between the Council and developers. There is also the possibility of developers constructing SuDS / flood protection measures which benefit the City generally, but are contained within the footprint of their development. These schemes could be adopted by Aberdeen City Council. Developers are encouraged to contact the Council's Structures, Flooding and Coastal Engineering Team as early as possible.

#### 4.3.1 *When and Where Does it Apply?*

Contributions can be sought on both committed infrastructure and / or infrastructure currently under construction. There are opportunities within Aberdeen City to develop flood protection

#### 4.3.2 *How is the Contribution Calculated?*

In the event that developers wish to opt in to a Regional Sustainable Urban Drainage System, the method of calculation will be the difference in storage saved by reducing

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the requirement of on-site storage to the 1:30 event climate change:

$$\text{Storage Volume} = 1:200 \text{ (+ climate change) total water volume for a 3 hour event} - 1:30 \text{ (+ climate change) total water volume for a 3 hour event.}$$

Contributions will not be requested as “a per dwelling” payment as a matter of course. Indicatively a cost of £30 cubed metres storage saved in reducing the requirement of on-site storage can be expected.

It is the impact of each individual proposal that will need to be assessed on a site by site basis to identify what contributions may be needed to make development acceptable. This will be evaluated through submission of relevant assessments (Drainage Impact Assessment and Flood Assessment) and engagement with the Council’s Structures, Flooding and Coastal Engineering Team.

Contributions will be sought from all residential developments where the planning capacity of a school will be exceeded as a result of the development, cumulatively along with other identified developments in the school catchment; or where the roll is predicted to exceed the maximum capacity of a school. School Roll Forecasts are used as the baseline data.

The planning capacity is defined as “A *physical, theoretical measure of the total number of pupils which could be accommodated in a school based on the total number of teaching areas, the size of those spaces and the class size maxima*”.

#### 4.4.2 How is the Contribution Calculated?

$$\text{Contribution} = \text{Maximum Number of Pupils over Capacity} \times \text{Relevant Rate}$$

Maximum Number of Pupils over Capacity:

The maximum number of pupils over capacity is calculated through a comparison of the school roll with and without the

## 4.4 Education

### 4.4.1 *When and Where Does it Apply?*

proposed development. A baseline school roll forecast excluding the development is run and then the SHUE is entered into the housing section of the school roll forecasts in the development start year to review the impact on the school roll. The maximum number of pupils over the planning capacity in a 5 year period is then taken.

The ‘pupils per household ratio’ is based on the published roll of the zoned school or in some circumstances where a new school is required as a result of development an average across existing zoned schools or the nearest zoned school.

Relevant Rate:

The rate used is based on the mitigation for the impact on the school, so there are different rates for new build provision, school extension and reconfiguration of existing classrooms. Where a contribution is required for new build provision a proportionate land value element will also be sought as this forms part of the overall project cost. A ‘per pupil rate’ for the land value element will be based on the total land value cost, which may require an independent valuation to be undertaken.

**Primary Education**

Required Mitigation	Rate Per Pupil
New Build (Two Stream School)	£32,258 Plus proportionate land value
New Build (Three Stream School)	£26,113 Plus proportionate land value
Permanent Extension	£9,111
Reconfiguration	£1,550 per square metre*

**Secondary Education**

Required Mitigation	Rate Per Pupil
New Build (1,000 pupil capacity)	£34,700 Plus proportionate land value
New Build (1,200 pupil capacity)	£33,000 Plus proportionate land value
Permanent Extension	£9,111
Reconfiguration	See note below *

*\*The rates provided for reconfiguration costs are indicative as these very much depend on the nature of the project proposed*

Land Requirements:



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On larger residential developments where the development, as a whole or as part of a masterplan, generates the need for a new school, the developer will be required to provide an appropriate sized school site based on the following:

- Two Stream Primary School (up to 434 capacity)  
1.2 hectares;
- Three Stream Primary School (up to 651 capacity)  
1.8 hectares
- Academy (up to 1200 capacity)  
6.2 hectares

Consultation should be undertaken with the Council in respect of the location of any school sites. Land provided is to be reasonably flat and serviced at the developer's expense.

#### 4.5 Healthcare Facilities

Healthcare facilities can include General Medical Services (GMS), Dental Services and Community Pharmacies.

Scottish Health Planning Notes provide national guidance on standards and specification for healthcare facilities.

#### 4.5.1 *When and Where Does it Apply?*

Applies to all residential developments where the capacity of existing facilities will be exceeded as a result of the development. Site specific requirements are identified in Appendix 3 of the Local Development Plan and the Action Programme.

The baseline is identified as the recommended number of patients of 1500 per General Practitioner (GP). Contributions may be sought for a new build facility, permanent extension or internal reconfiguration works to provide additional capacity.

On masterplan sites there may be a requirement for dental and/or community pharmacy facilities to be provided on site. Provision may be sought in kind or through a financial contribution.

#### 4.5.2 *How is the Contribution Calculated?*

$$\text{Contribution} = \text{No. of SHUE} \times \text{Relevant Rate}$$

The Scottish Health Planning Notes identify a floorspace requirement per GP of 271 square metres. Primary healthcare provision now also includes a number of Community Health Partnership (CHP) facilities located within the same facility. Additional floorspace is therefore included for this element.

Required Mitigation	Rate per SHUE
Permanent Accommodation	£1,023.57
Internal Reconfiguration	£577.00

For development sites where a new build facility is proposed then a proportionate land contribution will also be required. This may be in the form of serviced land at nil value or a financial contribution.

#### 4.6 Open Space

#### 4.6.1 *When and Where Does it Apply?*

Delivering open space on site is the Council's preference (please see Supplementary Guidance on Open Space). However, when open space cannot be delivered on site, *commuted* sums for off-site provision will be sought. These funds would be utilised towards the creation of new open space or the enhancement of open space provision within the local area. In some cases this may be preferable to required on site provision. Any requirement for a contribution will be identified through consultation on the planning application with the Council's Environment Team and the Aberdeen Open Space Audit 2010, or any subsequent update.

#### Residential Development:

Contribution = No. of SHUE x Cost per unit of Required Mitigation

The figures below are based on anticipated costs of the minimum size of each type of open space required by the standards provided in the Open Space Supplementary Guidance. Costs include normal site preparation, drainage, equipment, special surfaces, landscaping, and any other likely costs specific to the type of open space.

Required Mitigation		
Play Space (0.3 hectare)	Natural Green Space (1 hectare)	Allotments (0.3 hectare)
£176	£183	£156

#### 4.6.2 *How is the Contribution Calculated?*

Commercial Development:

Contribution = No. of SHUE x WF x Cost per unit of Required Mitigation = Contribution

(WF = Weighting Factor)

Contributions for commercial development are calculated on the basis of a 'per SHUE'. This is calculated by the following formula:  $[GFA + (PS)/400 = SHUE]$ .

(GFA = Gross Floor Area of the commercial premises in square metres)  
(PS = No of Parking Spaces x 12.5 square metres)

A Weighting Factor is then applied based on the table below:

Use Class	Weighting Factor
Class 1	0.25 (bulky goods)
	0.5 (comparison)
	1 (convenience)
Sui Generis	Based on nature of application
Class 3 & 4	0.75
Class 5 & 6	0.2
Class 7	0.5
Class 11	0.25

## 4.7 Community Facilities

Community facilities include community centres, learning centres and libraries.

### 4.7.1 *When and Where Does it Apply?*

Where there is deemed to be an impact on current provision from new development, the Council will seek contributions towards the creation of additional accommodation or reconfiguration of existing community facilities. This is to ensure that existing residents are not disadvantaged by an increase of usage from additional residents the proposed development would generate.

### 4.7.2 *How is the Contribution Calculated?*

$$SHUE \times 0.69m^2 \times \pounds 2,650 = \text{Contribution}$$

The contribution is calculated on the requirement of 0.69 square metres of community facility per SHUE.

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## 4.8 Sports and Recreation

Sports and Recreation facilities are an important element of new development. They include sports pitches, changing pavilions, sports halls and supporting facilities.

### 4.8.1 *Where and When do they Apply?*

Contributions will be sought where the proposed development will have an impact on existing facilities and require enhancement of those facilities to maximise their use or provision of new facilities.

### 4.8.2 *How is the Contribution Calculated?*

Type of Facility	Contribution Per SHUE
Outdoor Sports Facilities	£964
Indoor Sports Facilities	£250

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COMMITTEE	Council
DATE	21 <sup>st</sup> June 2017
REPORT TITLE	Bus Service Options
REPORT NUMBER	CHI/17/143
INTERIM DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Chris Cormack

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## 1. PURPOSE OF REPORT:-

The purpose of this report is to advise members on the options available to Aberdeen City Council for the operation of bus services.

## 2. RECOMMENDATION(S)

It is recommended that the Council:

- (a) Instruct the Interim Director of Communities, Housing and Infrastructure to report to Communities, Housing and Infrastructure Committee in August 2017 with a proposal for a revised Quality Partnership for public transport.
- (b) Instruct the Interim Director of Communities, Housing and Infrastructure to report to Finance, Policy and Resources Committee in September 2017 with options for dealing with gaps in the public transport network, where a need has been identified and for a decision to be made.
- (c) Welcomes the forthcoming consultation on a Transport Bill for Scotland and instructs the Interim Head of Planning and Sustainable Development to engage fully in the consultation process and to report back to Council following the Bill being passed by the Scottish Parliament.

## 3. BACKGROUND/MAIN ISSUES

### 3.1 Background

- 3.1.1 At the Council meeting on 15<sup>th</sup> March 2017 the Council approved the terms of a motion raised by Councillor Grant to *“instruct the Chief Executive to explore all options for Aberdeen City Council to facilitate the running of a bus service, those options to include the setting up of a company and/or working in partnership with an operator who already holds a PSV bus operator’s licence, and to report back to Council in June 2017.”*

3.1.2 This motion was moved as a result of the decision by First Aberdeen to cease bus operations in Kingswells Village and the decision by Stagecoach North Scotland not to undertake commercial bus services in Kingswells Village following the removal by First Aberdeen. The Council also agreed to *“note that bus operators in Aberdeen appear to put profit before the needs of passengers who often rely upon buses to get to and from work.”*

### **3.2 Current Legislative Framework**

3.2.1 The local bus service market is governed by the Transport Act 1985 and the Transport (Scotland) Act 2001.

3.2.2 The local bus service network in Aberdeen is primarily operated on a fully commercial basis by First Aberdeen and Stagecoach North Scotland. Under the conditions of the Transport Act 1985 and the Transport (Scotland) Act 2001 operators have the freedom to set their own routes, timetables and fares. Local Transport Authorities have a duty under sections 63-64 of the Transport Act 1985 to secure the provision of public transport in its area that it deems is required.

3.2.3 Bus services in the UK were deregulated in 1986, as part of the Transport Act 1985. This created a competitive market for bus services and moved away from local authority operated bus services. Local authorities were required to transfer their authority owned bus services to separate companies, at arm's length from council control. Most of these companies have since been privatised, as in Aberdeen, with the exception of a small number of remaining authority owned operations e.g. Lothian Buses in Edinburgh, although these are operated at arm's length and tend to have minority shares by private companies, in order to secure investment. Following the introduction of a deregulated market there is provision for two types of bus service, either commercial or subsidised.

3.2.4 Commercial services are operated without any subsidy (except for the provision of concessionary fares, through the National Concession Scheme and the mileage-based subsidy which offsets most fuel duty, known as a Bus Service Operators Grant; both of which are funded by the Scottish Government). There is no direct provision for local authorities to dictate as to bus routes, timetables or fares as these are for commercial operators to decide.

3.2.5 There is also no requirement for an operator to cross-subsidise services under deregulation. This is where the profits from a better paying route are used to pay for unprofitable routes.

3.2.6 If there are gaps in the commercial bus network, local authorities are able to plan and procure bus services. These are services which the local authority deems to be socially necessary, but are not commercially viable. The fares, routes and timetables on these services are set and funded by the local authority.



- 3.2.7 The Transport Act 2001 provides for 'Quality Partnerships'. This is where local transport authorities may make a Quality Partnership scheme covering the whole or any part of their area, or combined area, if they are satisfied that the scheme would help implement their policies and would also:
- Improve the quality of local services and facilities provided in the area to which the proposed scheme relates in such a way as to bring material benefits to persons using those services and facilities; or
  - Reduce or limit traffic congestion, noise or air pollution.
- 3.2.8 Aberdeen City Council is currently party to a voluntary Quality Partnership, which is in place to improve public transport quality standards across Aberdeen City and Aberdeenshire. An initial voluntary agreement was set up in 1998 between Aberdeen City Council, Aberdeenshire Council, First Aberdeen and Stagecoach Bluebird. In 2007 Nestrans joined the agreement and a revised partnership agreement was issued in 2010.
- 3.2.9 Quality Partnerships can be enforced by legislation and parties are required to take part. A statutory Quality Partnership (sQP) is where local transport authorities can put in place schemes to improve the quality and reliability of bus services, encourage patronage growth and improve the environment by reducing levels of congestion and pollution. Through a sQP authorities can specify the quality of buses, minimum frequency of services to be operated and as part of the partnership; authorities will improve the infrastructure (including bus stops and bus priority measures such as bus lanes and priority junctions).
- 3.2.10 The north east of Scotland's Local Authority and Bus Operators Forum (LABOF) (consisting of Aberdeen City Council, Aberdeenshire Council, Nestrans, First Aberdeen and Stagecoach North Scotland) have been reviewing the current voluntary Quality Partnership and looking to create a more substantial and governed Quality Partnership, such as the introduction of a statutory Quality Partnership (sQP). Various discussions have been undertaken regarding the benefits and dis-benefits of a region wide (Aberdeen City and Aberdeenshire) sQP agreement versus one with a focus on specific transport corridors. Following considerable research it is the view of LABOF that a region wide sQP agreement would not work for this area and that sQP improvements need to be identified on a corridor basis in order to achieve meaningful benefits and improvements for passengers.
- 3.2.11 LABOF are proposing the development of a more ambitious voluntary region wide agreement to be established which sets the objectives, standards and targets for the region; governance arrangements and a programme and timeframe for delivery of transport corridor specific interventions which could then be the subject of statutory agreements. This voluntary agreement would replace and update the current voluntary Quality Partnership agreement which was signed in 2010 and strengthen it to commit all partners to the development of sQP's within a set timeframe. It would specify at a region wide level the commitments from all parties to improving bus travel and set standards and targets to be met region wide. It is proposed that a report is presented to both Aberdeen City and Aberdeenshire Council with regards to a revised voluntary Quality Partnership. It is proposed that this be presented to the Communities, Housing and Infrastructure Committee in August 2017.

3.2.12 The Transport (Scotland) Act 2001 also allows for 'Quality Contracts'. This is where local transport authorities may make a Quality Contract scheme covering their area, or combined area, if this is the only way they can implement their general transport policies and the scheme will do this in an economic, efficient and effective way. A Contract cannot be made unless the authorities have complied with statutory consultation requirements, and obtained the approval of Scottish Ministers.

3.2.13 A Quality Contract is a franchise type arrangement and gives a transport authority more control than can be achieved through a statutory Quality Partnership. Under a Quality Contract authorities are able to determine what local services should be provided and specify routes, the standard and quality of services and fares. The authority may then grant a Contract to bus operators giving exclusive rights to operate services on such terms as specified, and these terms may include service frequency, fares and standard of service. This must be done through a competitive tender.

### **3.3 Local Authority Operated Bus Company**

3.3.1 Local bus services can be operated if the service has been registered with the Traffic Commissioner. Anyone who holds a PSV bus operators licence can generally register a local bus service; provided specific requirements are met.

3.3.2 The 1985 and 2001 Acts legislate for local authorities to secure the transport in its area that it deems required and this would be undertaken through subsidised bus services, i.e. through tendering and contracting services to the commercial market or entering statutory Quality Partnerships and not through local authority operated services.

3.3.3 A local authority could apply for a section 22 community bus permit in order to operate local bus services on the basis of the social needs of a community, on a non-profit making basis. Vehicles being used under a section 22 community bus permit can carry members of the general public. The operation of such services is to meet the needs of a specific community and would be where there are no suitable commercial local bus services in operation and as such could not compete with commercial bus services.

3.3.4 While the Council could take these forward to cover gaps in the commercial network, consideration toward the required resources to deliver such a service is a key factor. The Council currently do not have section 22 permits and operate minibuses under section 19 community bus permits. Section 19 permits cannot be used to provide transport to members of the general public and organisations must ensure that they are only carrying passengers that their organisation is set up to benefit, i.e. for education or dial-a-bus services where passengers are members of the dial-a-bus scheme.

3.3.5 In addition an education authority, such as Aberdeen City Council, can register a school bus service provided by their own vehicles, i.e. to provide school transport services.

- 3.3.6 A local authority could apply for a PSV operator's licence or community bus permit, however operating bus services under a PSV licence will have some limitations. It remains unclear how these could be introduced and operated in a fully deregulated market, such as in Aberdeen, primarily due to competition concerns with the existing commercial bus operations. It is also worth noting that there are no examples nationally to draw expertise or experience of this approach.
- 3.3.7 Aberdeen City Council currently does not hold a PSV bus operators licence and application would have to be made to the Traffic Commissioner. This would have to be considered in line with the restrictions placed on the authority by the commissioner following public inquiry in 2014 and any such application would undoubtedly require the authority to attend the commissioner again at a further inquiry to seek such a licence/increase to existing licence. Through this process the Council would have to evidence professional competence to hold a PSV licence, confirm availability of an operational centre and detail how vehicles would be secured/maintained and demonstrate financial standing.
- 3.3.8 Under the 1985 Act, local authorities were required to transfer their authority-owned bus services to separate companies, at arm's length from council control. It would be reasonable to assume therefore that any local authority operated bus service would require to be operated as an arm's-length organisation.
- 3.3.9 In terms of the Council operating its own bus service there are a number of considerations which it would need to take into account. These matters would also prove key to informing the commissioner's inquiry. A business case including an assessment and appraisal of potential capital set up costs and ongoing revenue costs would be necessary. Other key considerations would also include the following:
- Sourcing and operation of suitable passenger service vehicles.
  - Sourcing and management of bus ticket machines and fare revenue management systems and processes.
  - Suitable storage facilities for vehicles.
  - Recruitment and training of staff and creation of new driver and bus service operational posts.
- 3.3.10 Where local authorities seek to supplement the commercial network with supported services, they must ensure that proposals would not adversely affect the commercial network. In terms of good practice local authorities should generally seek to ensure that:
- New services do not duplicate existing commercial services - though some duplication on common sections of route might be impossible to avoid, in which case service specifications should, as far as possible, aim to split existing headways; and
  - Fares charged are consistent with fares on commercial services within the area in which the new service operates.

3.3.11 It could be argued that any local authority operated bus service in Aberdeen would likely duplicate the commercial network. As such any Council bus operation would likely face competition on key routes from existing commercial operations and any business case would have to consider this matter in detail.

### **3.4 Scottish Transport Bill**

3.4.1 The Scottish Government is currently preparing a Transport Bill aimed at tackling the declining bus patronage across the country and is due to be consulted upon in summer 2017. The content of the Bill is still to be confirmed however initial discussions with Transport Scotland have indicated a number of emerging themes. These are considered further below.

3.4.2 The Bill is aiming to tackle declining bus use by improving the options available to local authorities, including local franchising, where there is a case for it. The Bill will consider whether local transport authority powers can be further improved and what additional support and guidance might be helpful to local authorities. The Scottish Government are proposing to consult on a number of measures, including local franchising and are seeking to make clear that local authorities could create a similar model to Lothian Buses, in setting up their own arms-length bus operations.

3.4.3 The Scottish Transport Bill follows the UK Government's Bus Services Act, which applies in England and received Royal Assent on 27<sup>th</sup> April 2017. The Act introduces, strengthened arrangements for partnership working and franchising for some local authorities (combined authorities with elected mayors) but the Act explicitly prevents local authorities from setting up their own companies. The Act has been introduced following a backdrop of declining bus patronage and cuts to supported services as local authorities face financial pressures.

3.4.4 The English Act has introduced Enhanced Partnerships and it is thought that the Transport Minister is also interested in this approach however it is unclear at this stage what they would involve and whether Scottish legislation will follow suit through the new Transport Bill. The Enhanced Partnership (EP) provisions would encourage partnership working to go further than current voluntary arrangements by allowing the local transport authorities to expand the areas that partnership measures can cover, specifically providing for more joined-up network planning and allowing local implementation and enforcement. They would provide the opportunity to include aspects within a formal agreement that are not covered by sQP legislation e.g. issues relating to ticketing. They will allow transport authorities, with the approval of the operators, to deliver some of the outcomes that are only otherwise possible under a franchising model.

3.4.5 The Transport Minister, Humza Yousaf MSP, has acknowledged that the only role for local authorities in bus provisions is subsidising services which are not commercially viable and as there are considerable pressures on public funds there are fewer resources for local authorities to sustain such subsidies.

3.4.6 The Bill may potentially also implement franchising to allow local authorities to package services in their area to be contracted to the bus industry where

profitable services are packaged with less commercially viable and socially necessary services, which could be an attractive proposition to franchise.

- 3.4.7 As the Bill is in the early stages it is not clear what the conditions may be for introducing franchising or setting up bus companies, but all local authorities will be heavily consulted and pivotal in steering the direction of the Bill.

### **3.5 Considerations**

- 3.5.1 As can be established there is considerable complexity for a local authority to set up a bus company under the current legislation and this is a model that has never been tested. Local authorities do however contract supported bus services or operate community bus services under current legislation.
- 3.5.2 Local authorities can also enter into Quality Partnerships in their area to work with bus operators to improve the quality of bus services. The focus of these being standards, such as infrastructure, vehicles utilised and frequencies, but these do not relate directly to the operation of services.
- 3.5.3 Quality Contracts also exist for authorities but these can be complex to introduce and given that the forthcoming Transport Bill will explore new powers for local authorities these may better suit the Council's needs.
- 3.5.4 In terms of working in partnership with an operator who already holds a PSV licence, the most appropriate method is through Quality Partnerships or through tendered supported services as applicable under existing legislation, as we already provide in a number of cases following a competitive tendering exercise and again the forthcoming Transport Bill may introduce alternative methods of partnership approaches.
- 3.5.5 There are potentially considerable changes to be introduced in the new Scottish Transport Bill and it is envisaged that these would suit the Council's purposes, as such, rather than take steps before this is implemented, which may place the Council in a detrimental position once legislation is implemented. It is proposed that active engagement with the Scottish Government during the passage of the Bill is undertaken, to place the Council in an optimum position to meet the public transport needs of the City and the travelling public of Aberdeen.
- 3.5.6 There will be a period of time until such legislation is introduced. Work to progress a revised Quality Partnership for the region should continue as the implementation of such measures will be vital in maintaining and improving bus services across the City. Implementing revised Quality Partnerships will also demonstrate the commitment of the Council to improving public transport and establishes a clear intent to improve infrastructure, including allocation of road space for public transport. These will also tie bus operators into specific commitments which will provide for specific measurable data in terms of impact of investments made. As noted, officers propose to report on this matter further to the August Communities, Housing and Infrastructure Committee.
- 3.5.7 The Council will also have to consider how it might deal with gaps in the public transport network in the interim. There are key areas of the City which

currently have an identified gap in public transport provision. Specific options for dealing with these gaps will be appraised and these will be subject to a future report being presented to the Finance, Policy and Resources Committee.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are a number of potential financial implications stemming from this report. On the basis of the recommendations there is a requirement to further report to the appropriate committee with greater detail and at that time the financial implications of supported bus services and the revised Quality Partnership for Public Transport will be provided.
- 4.2 There are no anticipated implications in terms of engaging with the Transport Bill consultation other than staff time, which can readily be met from existing resources. Further financial considerations will be required in terms of the Councils response to the Bill and how the measures in the Bill if implemented would impact the Council.

#### **5. LEGAL IMPLICATIONS**

- 5.1 The Council must adhere to the legislative requirements for bus services as determined by the Transport Act 1985 and Transport (Scotland) Act 2001.
- 5.2 Under the Local Transport Strategy the Council has committed to increase public transport patronage by making bus travel an attractive option to all users and competitive with the car in terms of speed and cost. In order to achieve this there is a commitment to review the provision of bus services to ensure existing services meet peoples' needs, and where necessary consider provision of supported services where these are deemed socially necessary.
- 5.3 If the Council was to set up their own bus company due consideration would have to be given to the regulatory requirements of an operator's licence. Likewise if a Quality Contract was to be introduced the Council would become responsible for the compliance of bus services in line with regulation.

#### **6. MANAGEMENT OF RISK**

- 6.1 There are a number of risks which could stem from aspects of this report, but are not pertinent to the recommendations, these risks would require further consideration as the Council considers its position.
- 6.2 Financial - There are no financial risks as a result of the recommendations of this report and further consideration to such risks will be addressed through the future reports to committee.
- 6.3 Employee - There is a risk that there is insufficient staff time and resource to prepare the required reports for committee and to fully engage in the Transport Bill consultation. There is a low likelihood of this occurring and the

workloads of Officers will be managed by the Interim Head of Planning and Sustainable to ensure deadlines are met.

- 6.4 Customer / Citizen - There is a risk that if the Council does not step in, in areas where there are no commercial services, that there will be no public transport. This will significantly impact residents, particularly in their ability to attend work, education, social activities and healthcare, and in some cases will result in social isolation. It is highly likely that such a risk would occur. Further communication with communities across this City with regards public transport is crucial especially in helping shape our feedback to ongoing legislative conversations and this will help minimise this risk.
- 6.5 Environmental - There are no environmental risks as a result of the recommendations of this report and further consideration to such risks will be addressed through the future reports to committee.
- 6.6 Technological - There are no technological risks as a result of the recommendations of this report.
- 6.7 Legal - There are no legal risks as a result of the recommendations of this report and further consideration to such risks will be addressed through the future reports to committee.
- 6.8 Reputational - There are no reputational risks as a result of the recommendations of this report and further consideration to such risks will be addressed through the future reports to committee.

## **7. IMPACT SECTION**

### **7.1 Economy**

Proposals to come forward to future committees are focussed on improving public transport in the City and ensuring strong connectivity. A high quality public transport system is important for any thriving economy in transporting people to work and education and directly support the business and education sectors and ensures the workforce can travel effectively and that all have access to appropriate education opportunities and access to all facilities in a cost effective way.

A consistent approach to delivery of public transport in the City will ensure that local environmental factors, changing priorities and customer needs are considered as well as available budgets are taken into account on a reviewed basis.

### **7.2 People**

The operation of bus services links to the Community Plan vision of creating a *'sustainable City with an integrated transport system that is accessible to all.'* The actions in the Action and Delivery Plan assist in the delivery of actions identified in the Single Outcome Agreement (SOA) 2013, in particular the Thematic Priority – Older People (*'Older people in Aberdeen have increased independence'*) and the Multi-lateral Priority – Integrated Transport

*(‘Aberdeen is easy to access and move around in’)* and the Underlying Principle – (A presumption for community based access to services – *‘Services are accessible to all citizens in the ways which meet their needs’*).

This report will be of interest to the public as the citizens of Aberdeen have a vested interest in the public transport network and accessibility to services.

An Equality and Human Rights Impact Assessment (EHRIA) has not been completed, as all aspects were considered as part of the Local Transport Strategy.

### 7.3 Place

The Local Outcome Improvement Plan (LOIP) sets out that we will improve multi-modal access to Aberdeen. The LOIP identifies that transport is a major contributor to carbon emissions and in Aberdeen there is an exceptionally high level of car ownership and usage. It is a vicious circle – poor air quality and poor road safety discourages people from walking or cycling, yet reducing reliance on private transport is the best way to improve air quality and a high quality public transport network is critical to this and this is identified in the LOIP which sets out the requirement for a competitive and accessible public transport system.

The provision of bus services will assist delivery of the Strategic Business Plan to provide and promote a sustainable transport system which reduces our carbon emissions.

The Equality Outcomes sets out that Aberdeen will be an accessible city. The provision of a fully integrated and accessible public transport network is crucial to this as it is for ensuring physical and social barriers are removed for those with a disability to access services and public space

### 7.4 Technology

There are no technological impacts as a result of recommendations to this report at the present time.

## 8. BACKGROUND PAPERS

N/A

## 9. APPENDICES

N/A

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COMMITTEE	Council
DATE	21 June 2017
REPORT TITLE	Air Quality Low Emission Zones
REPORT NUMBER	CHI/17/141
DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Aileen Brodie

**1. PURPOSE OF REPORT:-**

The report responds to the undernoted decision of the Council on 15 March 2017:-

*“to instruct the Chief Executive to prepare a business case around the feasibility of Aberdeen City Council introducing Low Emission Zones throughout the city. To agree that the Scottish Government, partner organisations and stakeholders have significant roles in the development of any business case and that the business case must reflect the legislative position of the Scottish Government and instruct the Chief Executive to provide members with an initial report at the June 2017 Council meeting on progress.”*

**2. RECOMMENDATION(S)**

That the Council agree:-

- a) To instruct the Director of Communities, Housing and Infrastructure to carry out a Low Emission Feasibility Study in accordance with the methodology detailed in Technical Guidance and prescribed timescales;
- b) To instruct officers to inform the Council of the study outcomes and recommendations at prescribed stages of the assessment process as detailed in the Technical Guidance;
- c) To note the ‘Next Steps’ section explaining the Feasibility Study process and role of partner organisations; and
- d) To instruct the Director of Communities, Housing and Infrastructure to volunteer Aberdeen City Council to be an early adopter should the feasibility study indicate that it may be appropriate to introduce a Low Emission Zone in Aberdeen.

### **3. BACKGROUND/MAIN ISSUES**

#### **3.1 Background**

- 3.1.1 Since the meeting of Council on 15 March 2017 the Chief Executive has taken preliminary steps in order to prepare the business case around the feasibility study of Aberdeen City Council introducing Low Emission Zones. Prior to the business case being prepared a feasibility study must be undertaken.
- 3.1.2 Cleaner Air For Scotland – the Road to a Healthier Future (CAFS) is a national cross-government strategy that sets out how the Scottish Government and its partner organisations propose to reduce air pollution to protect human health and fulfil Scotland’s legal responsibility to meet EU air quality objectives.
- 3.1.3 Local authorities have a role in the implementation of various key actions within the Strategy, including traffic management, development management, communications and active travel. Of major significance is the requirement for authorities with Air Quality Management Areas (AQMAs) to undertake a Low Emission Feasibility Study. A working group with representation from the Scottish Government, SEPA, Transport Scotland, the four major city local authorities (Aberdeen, Edinburgh, Glasgow and Dundee), and other key partners has been formed to progress the CAFS actions.
- 3.1.4 There are three Air Quality Management Areas (AQMAs) in Aberdeen as shown in Appendix 1; the City Centre, Anderson Drive/Haudagain roundabout/Auchmill Road corridor and Wellington Road (Queen Elizabeth II Bridge-Balnagask Road). We will therefore be required to undertake feasibility studies in these areas. National guidance on the study methodology is likely to be available for consultation in late summer 2017. It is anticipated authorities will be required to complete the assessment process by early 2018. Potential LEZ/CAZs (Low Emission Zones/Clean Air Zones) schemes will be considered nationally and final designated areas not determined until 2018 at the earliest with at least a 2 year lead in period.
- 3.1.5 In September 2016 the Scottish Government announced its Programme for Scotland 2016-17. This Programme committed to a Low Emission Zone being introduced as a pilot somewhere in Scotland by 2018 and has necessitated a total refocus of the CAFS working group. The implementation of a LEZ is a complex process and the 2018 timeframe is unrealistic, however the CAFS group is exploring various options that could potentially meet the Government’s objective as an interim measure.

#### **3.2 National LEZ/CAZ Development Progress**

- 3.2.1 Transport Scotland, in conjunction with partner organisations, is leading in the development of the national LEZ regime. Significant progress has already been made to support essential elements that will be required to introduce LEZs. These include the development of the necessary legal framework, an assessment of potential enforcement methodologies and funding options both to upgrade non-compliant vehicles and support the introduction of any LEZs. Consultants have been appointed to develop Technical Guidance to support the assessment of AQMAs and Economical Appraisal Guidance to support a review of the potential costs to implement LEZs. Further discussions are ongoing to establish the role of local authorities and other partners in the carrying out of health and economic impact assessments and any Business Cases that would be necessary to justify a Low Emission Zone.
- 3.2.2 The assessment of potential Low Emission Zones is complex, though the principles generally follow those of a Scottish Transport Appraisal Guidance. The Technical Guidance currently being developed describes a three stage assessment process of increasing complexity to enable the screening out of LAQMs where a low emission

approach would be inappropriate. Other air quality improvement initiatives as detailed in local Air Quality Action Plans should be used to improve air quality in these locations.

- 3.2.3 Previous studies indicated buses in particular are the most significant source of emissions within many of the most polluted streets in the four main cities in Scotland. The Transport Commissioner has the ability to restrict the access for buses failing to meet a prescribed emission standard in specific areas via a Transport Regulation Order (TRO). This process has been applied in other UK cities, including Brighton and Oxford, to create a LEZ and support the introduction of cleaner buses. The Transport Commission is generally receptive to the potential use of these powers in Scotland, provided appropriate supporting information is presented to justify this approach. The adoption of Transport Regulation Orders for buses is currently being further explored by the CAFS group and could potentially help meet the challenge to have a LEZ by 2018. Various work streams are being investigated that would be necessary to support a bus LEZ. These include an assessment of the current vehicle fleet age, possible exemptions, costs to upgrade non-compliant vehicles, the 'phasing in' for vehicles and whether a 'period of grace' should be adopted to enable fleet operator compliance. However, it would be presumptive to target buses without evidence to demonstrate buses are the main source of raised pollution levels, therefore the contribution of all vehicle classifications will be assessed. Furthermore, the Transport Commissioner has made it clear that any TRO should address congestion and support bus services by improving bus journey reliability and punctuality and increased passenger numbers.

### **3.3 Aberdeen Air Quality Model**

- 3.3.1 A major traffic count, commissioned by Transport Scotland, at over 80 locations in Aberdeen was carried out in March 2017 to support the update of Aberdeen's air quality model. SEPA is developing the model using the traffic count and local air quality data. Although officers are involved in both initiatives, there are no direct costs to the authority. The traffic count information will additionally help support the council's traffic model and other transportation and city development projects.
- 3.3.2 The air quality model will be used to assess pollution levels across the AQMAs and enable the source apportionment of transport related emissions to vehicle classifications such as buses, HGVs, diesel cars and taxis on specific road links. The potential air quality improvement from various potential intervention scenarios can then be tested to indicate those that would have most benefit. These could include, for example, the upgrade of all buses or HGVs to Euro 6 or restrictions on older or non-compliant diesel cars in particular areas.

### **3.4 Air Quality in Aberdeen and potential LEZs**

- 3.4.1 Air quality in Aberdeen has improved in recent years although there are still hotspots of exceedances of the national and EU air quality objectives within the City's three Air Quality Management Areas. Officers will commence the feasibility study in accordance with the timetable and process within the Technical Guidance currently being developed by Transport Scotland. Until this process is progressed we will not be in a position to consider whether a low emission zone is appropriate in Aberdeen, or, if so, the types of vehicle that may be restricted in particular areas. Other traffic management measures such as the pedestrian priority of Broad Street and actions to reduce city centre traffic flow and congestion and promote the uptake of cleaner vehicles may sufficiently improve air quality to negate the requirement for vehicle restriction enforcement.

### **3.5 Next Steps**

- 3.5.1 The air quality model should be completed and available in early summer 2017. Officers will then commence a study of the contributing sources of emissions and review actions that could be taken to improve air quality.
- 3.5.2 Issues around resources are being considered at a national level to determine what support will be necessary for local authorities to progress the LEZ should this be adopted. Potential cost implications to local businesses and other stakeholders, publicity and a communications strategy are also being co-ordinated nationally, although significant local involvement will be required once potential LEZ locations are established.
- 3.5.3 Guidance on the feasibility study process and the framework for key aspects such as health and economic assessments, business cases, enforcement regimes and roles and responsibilities for local authorities, Transport Scotland and other partners are still being progressed. For example it is yet to be determined which of these would be better served by local studies and which could be managed nationally. The potential introduction of LEZs is clearly of major significance to a range of stakeholders including fleet operators, local businesses, local communities and the public and involvement at an early stage is essential. Again the need for stakeholder involvement is recognised by CAFS and initial involvement with third parties such as bus operators and has already commenced at a national level.
- 3.5.4 Further updates will be provided to the Council once outputs from the model scenario testing are available and the assessment process is established. The AWPR will reduce the traffic flow and pollution levels on some streets within the AQMAs. Following a successful Scottish Government grant application, the Council has been awarded £25k in the 2017-18 financial year to undertake additional traffic counts on key routes and update of the air quality model once the AWPR is operational.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no financial implications arising from the initial feasibility study actions using the air quality model other than staff time which can be met from existing resources. Potential other work streams including any health or economic appraisal, Business Case or stakeholder consultation process would require significant financial and staffing resources that cannot be met from existing Council budgets. These matters are being considered nationally by the CAFS working group. The role of local authorities in undertaking specific work streams and the support required is still under consideration. Transport Scotland is co-ordinating an assessment of potential costs to develop the infrastructure and enforcement regime for potential low emission schemes and will report on these costs to Scottish Ministers.
- 4.2 The economic impact of a low emission scheme, if implemented, could be significant depending on the nature of the scheme, location and vehicle classifications and will be assessed during the appraisal process. Estimated costs to develop a LEZ and provide the necessary infrastructure are £10M-£20M based on studies elsewhere in the UK. Further information on financial implications and the impact on services will also be reported to the Council in future reports. The potential economic impact on bus operators, haulage companies, business and the public would also require consideration.

## 5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications in undertaking a low emission feasibility study. The legal implications of setting up and enforcing low emission zones in Scotland is likely to require new legislation and is being considered nationally by Transport Scotland and partners organisations. Legal implications to Aberdeen City Council will be dependent on whether a formally adopted low emission zone is adopted and the nature of any such enforcement regime. Further information on the legal implications will be reported to the Council should the feasibility study recommend the introduction of a low emission zone in Aberdeen. If Aberdeen is not adopted as a LEZ, Aberdeen City Council will still have a duty to meet the air quality objectives through the implementation of the Air Quality Action Plan 2011 and other Council initiatives such as the City Centre Master Plan.

## 6. MANAGEMENT OF RISK

- **Financial**

There are no financial risks associated with the feasibility study. Financial risks may arise should the Scottish Government recommend the implementation of a LEZ in Aberdeen. These risks would be determined by the nature, size and location of the LEZ and enforcement regime and cannot be currently quantified; however, the Scottish Government is committed to providing the resources it considers necessary to meet EU legal obligations to comply with the air quality objectives.

Risk: Low

- **Employee**

Initial stages of the feasibility study can be accommodated by existing staff resources and risks are low. Complex economic, health and Strategic Assessment Guidance assessments would require additional resources. Transport Scotland and partner organisations are assessing the potential local authority resource required and delivery options. Risks are generally low provided the Scottish Government and partner organisations provide the necessary personnel/consultant resource to manage the process, however Council employee involvement will still be necessary to direct and support any project.

Risk: Medium

- **Customer/citizen**

There are no risks associated with the feasibility study. Potential risks to citizens could arise should it be necessary to introduce a LEZ that includes restrictions on older diesel cars. The management of these risks would be considered during a public consultation process.

Risk: Low

- **Environment**

There are no environmental risks. Measures to improve air quality will provide wider environmental benefits through reduced CO2 emissions and reduced damage to vegetation and ecosystems.

Risk: Low

- **Technology**

The air quality model to support the feasibility process is via established technology and the risk of system failure is low. Potential technology risks could arise should a camera based enforcement regime be implemented. These risks will be specified in future reports should a LEZ be introduced.

Risk: Low

- **Legal**  
Member states have a legal duty to comply with EU air quality objectives. . The Scottish Government may introduce new legislation to enable the re-allocation of fines; however the risk is low if local authorities implement measures to improve air quality.  
Risk: Low
- **Reputational**  
There are no risks associated with the feasibility study.  
Risk: Low

## **7. IMPACT SECTION**

**7.1** There are no direct impacts from undertaking a low emission feasibility study. Although the focus of a LEZ is to reduce pollutants that are harmful to health, the upgrade of vehicle fleets would potentially also reduce CO2 emissions and support Empowering Aberdeen.

### **7.2 Economy**

**7.2.1** There are no direct economic impacts from undertaking a low emission feasibility study. The adoption of a low emission zone, if recommended by the feasibility study, would support the local economy by potentially reducing traffic and providing a more attractive environment to live, work and visit. However, the potential economic impact on haulage companies, bus operators and other businesses that could be adversely effected would require consideration.

### **7.3 People**

**7.3.1** There are no impacts on people from undertaking a low emission feasibility study. The adoption of a low emission zone and associated air quality improvements would provide short and long term health benefits to people living in Aberdeen. Improved air quality provides greatest benefit to vulnerable people, particularly the elderly, young children and those who already suffer pulmonary or cardiovascular illness. A public consultation process will be undertaken should a low emission zone be recommended.

### **7.4 Place**

**7.4.1** Improved air quality provides a more attractive environment to invest, live and visit. Depending on the location and vehicle classifications included, a LEZ has the potential to reduce vehicle numbers and congestion, complementing the objectives of the City Centre Masterplan and Smarter Cities to provide a people friendly City Centre.

### **7.5 Technology**

**7.5.1** The air quality model will enhance pollution information available across the city and enable the assessment of air quality impacts of proposed road infrastructure or planning developments. Transport Scotland is also exploring methodologies that could be used to link air quality and traffic models to enable the impact of traffic displacement from LEZs to be assessed as part of the feasibility study process.



**8. BACKGROUND PAPERS**

Cleaner Air For Scotland – the Road to a Healthier Future, Scottish Government, 2015 ([www.scottishairquality.co.uk/air-quality/CAFS](http://www.scottishairquality.co.uk/air-quality/CAFS))

Aberdeen City Council Air Quality Progress Report 2016

Aberdeen City Council Air Quality Action Plan 2011

**9. APPENDICES (if applicable)**

None

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## Appendix 1 Map of Air Quality Management Areas



## ABERDEEN CITY COUNCIL

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COMMITTEE	Council
DATE	21 June 2017
REPORT TITLE	Equality Outcomes and Mainstreaming Report
REPORT NUMBER	CHI/17/054
DIRECTOR	Derek McGowan, Head of Communities and Housing and Ewan Sutherland, Head of Human Resources and Customer Service (Corporate Governance)
REPORT AUTHORS	Sandra Howard and Keith Tennant

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### **1. PURPOSE OF REPORT:-**

This report sets out Aberdeen City Council's Equality Outcomes for 2017-21. A set of draft Outcomes plus the update on progress achieved at the end of Year two of Aberdeen City Council's Equality Outcomes for 2015-2017 were approved by Full Council on 15 March 2017. These were subsequently published by 30 April 2017 to meet our legislative requirements. Given the council elections in May 2017, the Scottish Government and the Scottish Equality and Human Rights Commission agreed an approach that within 4-6 weeks following the May local government elections, Equality Outcomes would return to the new councils for ratification.

### **2. RECOMMENDATION(S)**

The Council is asked to:

- 2.1 Approve the new and revised Equality Outcomes for 2017-21 proposed within the 'Equality Outcomes and Mainstreaming Progress Report' which was approved at full Council on 15 March 2017. The Equality Outcomes are detailed in Appendix 1.
- 2.2 Approve the Easy read version of the Council's Equality Outcomes (Appendix 3).

### 3. BACKGROUND/ MAIN ISSUES

- 3.1 The public sector equality duty, which is set out in sections 149-157 and schedules 18 and 19 of the Equality Act, came into force on the 5th April 2011.
- 3.2 It replaces the previous public sector equality duties, the Race Equality Duty (2002), the Disability Equality Duty (2006) and the Gender Equality Duty (2007).
- 3.3 The specific duties were created by secondary legislation in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. The specific duties came into force on 27th May 2012.
- 3.4 The duties were implemented from 2013 and the first reports required under the legislation – on Equality Outcomes, Mainstreaming and Equal Pay were published on 30 April 2013.
- 3.5 Aberdeen City Council, like all listed authorities, developed and produced a set of Equality Outcomes in 2013, and reviewed them in 2015 and again in 2017, to enable us to better perform the general equality duty as did the Education and Children’s Service.
- 3.6 The Licensing Board is to follow later as it is following a different time line. The establishment of Health and Social Care Partnerships in April 2016 means that activity to mainstream equality through Adult Social Care Services will be reported separately and to different timelines.
- 3.7 The report to Full Council on 15 March 2017 (which was approved) advised on progress on actions, which will help meet our requirements under the specific duties, and it contained the Employee Information the Council has published. Both the Mainstreaming Progress Report and the Employee Information are available on the Council’s website at:  
<http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=75324&slD=28838>  
and;  
<http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=75321&slD=28838>.
- 3.8 As a reminder the Specific Duties comprise:
  - report on mainstreaming equality;
  - publish equality outcomes and report on progress;
  - assess and review policies and practices;
  - gather and use employee information;
  - publish gender pay gap information;
  - publish statements on equal pay;
  - consider award criteria and conditions in relation to public procurement;
  - publish in a manner that is accessible.

- 3.9 A variety of community engagement mechanisms were used to develop the Equality Outcomes. At the end of each year of the Equality Outcomes cycle, from 2013, different community of interest forums and equality groups have been involved in reviewing progress. This has included surveys and focus group discussions.
- 3.10 Although there has been positive feedback with people stating that they have seen progress, key issues concerning the equality outcomes still remain to be resolved. During the review of the Equality Outcomes 2015-17 the majority have been mainstreamed into principles of operation, the Council approach, so that they are not lost or diluted. The Equalities Team then produced the Equality Outcomes for 2017-21, which includes two outcomes carried over from 2015-17. This new set of Equality Outcomes will give a clearer indication to all stakeholders and a sharper focus on key equality priorities. The new and revised Equality Outcomes for 2017-21 can be viewed on pages 19-22 of the 'Equality Outcomes and Mainstreaming Progress Report' and are also summarised as Appendix 1.
- 3.11 There were some questions raised by the elected members at the Council meeting of 15 March 2017 in relation to the Employee Information presented with the Equality Outcomes and Mainstreaming Progress Report, with these having been responded to in writing to all the elected members subsequent to the meeting. Please refer to Appendix 2 for details.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Directors and Heads of Services are setting and delivering actions to meet the identified Equality Outcomes and will, therefore, identify resources to deliver on their actions within their Business Plans.
- 4.2 Following the completion of individual Equality and Human Rights Impact Assessments (EHRAs) there may be actions which will require resources to mitigate any potential negative impact on equality.

#### **5. LEGAL IMPLICATIONS**

- 5.1 Delivering on the published Equalities Outcomes will help public authorities comply with their legal duties under:
- Section 149 of the Equality Act 2010 (the public sector equality duty), and;
  - The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012

#### **6. OTHER IMPLICATIONS**

- 6.1 Directors and Heads of Services need to have clearly identifiable actions and indicators within their business plans to evidence how they

are contributing to the Council's Equality Outcomes to simplify reporting for 2017-2021. The Equalities Team are currently involved in developing mechanisms to evidence performance relative to the Equality Outcomes that will inform and assist Directors and Heads of Service.

## **7. MANAGEMENT OF RISK**

### **7.1 Financial**

Failure to implement the Equality Outcomes may impact on compliance with the statutory duties contained in the Equality Act 2010 and interference/violation of the rights contained in the Human Rights Act 1998. Any legal challenges may expose the Council to financial implications.

7.2 An impact assessment has been completed regarding the Equality Outcomes identifying actions to minimise risk. Awareness of the risk regarding non-compliance has been delivered at Strategic and Operational levels utilising awareness raising sessions, a recent conference and individual interviews with staff contacting the Equalities Team who are well placed to minimise risk in this area.

7.3 It is considered that the current and proposed developments internally mitigate any negative risk to a Low level.

### **7.4 Employee**

Failure to implement the Equality Outcomes may impact on employee relations, particularly those members of staff who have a protected characteristic that is protected by the Equality Act 2010 General Duty (s.149). Examples include gender equality, disability access etc.

7.5 The impact assessment regarding Equality Outcomes has identified that implementation of the Equality Outcomes will have a positive effect on employee relations. Consequently failure to do so may prove detrimental to these relations.

7.6 It is considered that implementation of the Equality Outcomes will mitigate any negative risk to a Low level.

### **7.7 Customer/ Citizen**

Customer/citizen service is a central role of the Council. Mainstreaming of equalities is an essential objective to ensure the Council comply with the statutory duties contained in the Equality Act 2010 and respect the rights contained in the Human Rights Act 1998. Failure to comply will have a detrimental effect on the reputation of the Council with a risk of legal challenges in extreme cases.

7.8 The impact assessment regarding Equality Outcomes has identified that implementation of the Equality Outcomes will have a positive effect in ensuring the Council complies with these statutory duties.

- 7.9 It is considered that implementation of the Equality Outcomes will mitigate any negative risk to a Low level.
- 7.10 **Environmental**  
Not applicable
- 7.11 **Technological**  
Not applicable
- 7.12 **Legal**  
As detailed under Financial hazards above, failure to implement the Equality Outcomes may impact on compliance with the statutory duties contained in the Equality Act 2010 and interference/violation of the rights contained in the Human Rights Act 1998. Any legal challenges whether successful or not may expose the Council to legal remedies and cause reputational damage.
- 7.13 The impact assessment regarding Equality Outcomes has identified that implementation of the Equality Outcomes will have a positive effect in mitigating the risk regarding legal hazards.
- 7.14 It is considered that implementation of the Equality Outcomes will mitigate any negative risk to a Low level.
- 7.15 **Reputational**  
Failure to mainstream equality, or comply with the law, risks loss of reputation and damage to the legitimacy of the Council.
- 7.14 The impact assessment regarding Equality Outcomes has identified that implementation of the Equality Outcomes will have a positive effect in mitigating loss of reputation and when implemented add positively to the reputation of the Council.
- 7.15 It is considered that the current and proposed developments internally mitigate any negative risk to a Low level.

## **8. IMPACT SECTION**

### **8.1 Economy**

The Equality Outcomes aim to improve participation in learning, training and employment opportunities, to make services accessible to all and encourage and support people to reach their full potential.

### **8.2 People**

The Equality Outcomes aim to improve customer service which advances equality and addresses people's different needs, providing an environment which takes into account the different requirements of various communities. Communities should be more engaged, informed and safe in an accessible, welcoming city.

8.3 All employees will enjoy a working environment where equality and diversity are celebrated and where we build and embed a better human rights culture across the organisation. Staff working across the Council to help the organisation deliver its Equality Outcomes will receive relevant awareness raising training and support. Being aware and informed will enable staff to be confident and committed to providing a service which will meet people's different needs.

#### 8.4 **Place**

The Equality Outcomes are aligned to fit with and support the Outcomes identified within the Local Outcome Improvement Plan, which has the following driver:

#### 8.5 **PEOPLE ARE RESILIENT, INCLUDED AND SUPPORTED WHEN IN NEED**

All people in Aberdeen are entitled to live within our community in a manner in which they feel safe and protected from harm, supported when necessary and fully included in the life of the city. All citizens are equally entitled to enjoy these aspirations, and it is recognised that people may, at times become vulnerable. People sometimes need others to support their achievement of a full, active, and safe citizenship.

8.6 Ensuring that Aberdeen is a place where everyone feels safe, supported and included is important to the wellbeing of people and communities, as well as the overall reputation of the city.

8.7 The Equality Outcomes align with Aberdeen City Council's strategic priorities since these:

- Seek to develop a sense of community in Aberdeen based on principles of openness, fairness, reciprocity and responsibility;
- Encourage and support citizens to participate in the development, design and decision making of services to promote civic pride, active citizenship and resilience;

This report is highly relevant in assisting the Council to meet its General Equality Duty.

8.8 An Equality and Human Right Impact Assessment has been carried out on these proposals;

- The Impact Assessment indicates that the progress on the Equality Outcomes will contribute positively to all three parts of the General Equality Duty, to:
  1. Eliminate discrimination;
  2. Advance equality of opportunity, and;
  3. Foster good relations.



## 8.9 Technology

The Equality Outcomes will be promoted through increased use of social media and web presence. This will improve public awareness of services through the use of digital communication with internal and external partners as well as customers. However, it is acknowledged that there is a need for hard copy print for those who are excluded from digital technology.

## 9. BACKGROUND PAPERS

- The Equality Outcomes and Mainstreaming Report 2017-21 and appendices for Aberdeen City Council dated 15 March 2017

## 10. APPENDICES (if applicable)

Appendix 1 – Proposed Equality Outcomes 2017-21

Appendix 2 – 15<sup>th</sup> March 2017 Council – Employee Information Questions and Answers

Appendix 3 – Easy read version of the Council's Equality Outcomes

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## Appendix 1

### Aberdeen City Council Equality Outcomes (2017 - 21)

These are outcomes which are used to measure the council's progress in making Aberdeen a Fairer and more Equitable City. They have been drafted with extensive engagement from community groups and forums, as well as local and National research.

#### **The Generic Equality Outcomes for all Aberdeen City Council's Services are:**

- E.O 1: We have engaged and committed leaders, with the council and partners working together to reduce inequality, remove barriers and promote a culture of respect.
- E.O 2: We have a clear action plan in place to deliver a human rights based culture within Aberdeen City Council.
- E.O 3: Older people and younger people have an empowered, actively involved community voice.
- E.O 4: Physical and social barriers are removed for those with a disability to access services and public space.
- E.O 5: We have in place support for BSL users to access services, information on services and to be involved in making improvements for the deaf and deaf/blind communities.
- E.O 6: There is learning provision and accommodation in place to meet the needs of Gypsy/ Traveller families.
- E.O 7: Aberdeen is a city of sanctuary with positive relations amongst Aberdeen's diverse communities, where everyone is welcome and respected, regardless of religion, belief or background.
- E.O 8: In Aberdeen there is a culture in which women's lives, opportunities and confidence are improved.
- E.O 9: Aberdeen is an LGBT+ friendly city where LGBT+ communities can confidently express their identity and views.

#### **Employment Equality Outcomes (2017 – 21)**

##### **The Employment Equality Outcome is:**

- E.O 1: Aberdeen City Council - a fair employer

This information can be found online at:

[http://www.aberdeencity.gov.uk/council\\_government/equality\\_and\\_diversity/eqd\\_report\\_2017\\_21.aspx](http://www.aberdeencity.gov.uk/council_government/equality_and_diversity/eqd_report_2017_21.aspx)

The two actions that sit below this equality outcome are:

1. We will maintain a diverse workforce and a culture that is free from unlawful discrimination and;
2. Achieve and maintain pay equality within the workforce.

### **Education and Children's Services Equality Outcomes (2017 – 21)**

**A summary of the Equality Outcomes for the Education and Children's Services are:**

- E.O 1: Children and young people with a disability and their families are supported and included enabling them to achieve their full potential
- E.O 2: Pre-birth children (unborn babies) at risk due to issues that parents are dealing with such as; mental health, substance use and domestic abuse are identified at an earlier stage

Vulnerable pregnant women are identified and supported at an early stage

- E.O 3: Lesbian, Gay, Bisexual and Transgender (LGBT) children and young people feel safe, respected and included in school
- E.O 4: All children and young people in Aberdeen have an understanding of their rights and develop the ethos and culture to improve well-being and develop every child's talents and abilities to their full potential.
- E.O 5: External Cultural/Arts organisations who receive investment from Aberdeen City Council actively promote and engage with those with protected characteristics in designing, planning and delivering activity.

### **The Mainstreamed Equality Principles**

So that the Equality outcomes from 2015-17 do not get lost or diluted as we set our proposed new Equality Outcomes, these have been mainstreamed into the "way we work around here". These will become our Best Practice principles. To help mainstream this approach and to promote these principles, we propose a network of Equality Ambassadors across the organisation.

The Mainstreamed Equality Principles are:

1. An engaged community
2. An informed community
3. An accessible City

This information can be found online at:

[http://www.aberdeencity.gov.uk/council\\_government/equality\\_and\\_diversity/eqd\\_report\\_2017\\_21.aspx](http://www.aberdeencity.gov.uk/council_government/equality_and_diversity/eqd_report_2017_21.aspx)

4. A safe community
5. Equality and Diversity welcomed and celebrated
6. Services understand and take into consideration Protected Characteristics specifications – Trained staff and robust Equality and Human Rights Impact Assessments (EHRIsAs) in place.

This information can be found online at:

[http://www.aberdeencity.gov.uk/council\\_government/equality\\_and\\_diversity/eqd\\_report\\_2017\\_21.asp](http://www.aberdeencity.gov.uk/council_government/equality_and_diversity/eqd_report_2017_21.asp)

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## 15<sup>th</sup> March 2017 – Full Council meeting - Employee Information - Questions and Responses

1) The difference in the proportion of employees who identified themselves as having a disability (2.9%) (page 753), compared to the proportion of employees who were subject to the disciplinary process who identified themselves as having a disability (9.5%) (p788)

Response - It is clear that the % of disabled employees who were subject to the disciplinary process in 2016 (9.5%) significantly differs to the % of disabled employees in the workforce (2.9%) – it should be noted that the number of discipline cases involving disabled employees was 14 out of a total of 148 cases. It is difficult to identify the reason why there have been 14 cases involving disabled employees. The employee information gathered for the Equality Mainstreaming report is to be used to better perform the general equality duty (as required under the legislation). The employee information for 2015 and 2016 will therefore be passed to the equality groups in HR for perusal and identification of any issues of concern. As part of this, the figures mentioned above will be given to the Disability equality group who will be asked to examine what the reason might be for the disproportionate figure and whether action may need to be considered. It is not believed that there is discrimination occurring against disabled employees, through managers unfairly subjecting them to the disciplinary process, with no evidence of this having come to the attention of HR over the last year. The HR teams will, however, be asked to stay alert for any unfair practice when involved in discipline cases, to help ensure that employees are treated fairly.

(2) The accuracy of the figures on page 812 with regard to applicants for employment with a disability in 2016 having been 12,160 with only 2.7% successful.

Response - Having checked this query it can be confirmed that this was an administrative error. The figure of 12,160 was the number of applicants in the Education Authority in 2016 who did not have a disability, with the figure in the box below of 430 being the number who did have a disability, giving the percentage of 3.3% as having a disability. These figures and percentages will therefore be switched around (so that they are in the correct boxes in the table) in the version of the Equality Mainstreaming Report that is to be posted on the Council's external website.

(3) The accuracy of the figures on page 764 with regard to the number of white-Polish applicants for employment increasing from 677 in 2015 to 1,252 in 2016.

Response - It can be confirmed that this figure is accurate, having been the figure produced from the Council's recruitment system. The increase in applications from white-Polish candidates amounted to 575 between the two years. It should be noted that there was a significant increase in the overall number of job applications to the Council between the two years, and this is likely due to the oil down turn in Aberdeen

## Appendix 2

and the number of lay-offs in the oil and related sectors, meaning that more people than usual were looking for employment, and choosing to apply for Council posts. This included an increase in applications from white-Polish candidates. It may also have been the case that more applicants were choosing to submit multiple applications, rather than applying for one specific post, in particular if they were in an unemployed situation.



**What we promise to do in the next 4 years to make sure the City Council treats all people in Aberdeen Fairly**

**2017-2021**

In the last years we promised to do few things to make sure we treat all people in Aberdeen in a fair way.

It is the law for all Councils to make sure they treat people fairly, make promises and keep them.

By all people we mean:

- Young people and older people
- People from different countries
- Women and Men
- People with disabilities
- People who have changed their sex
- Pregnant women and mothers
- People who are married or in a civil partnership
- Gay and Lesbian people and
- Those who follow a faith and those who do not.

We have 3 different sets of promises:

- 1- General promises for all Services in the Council to the people of Aberdeen
- 2- Promises for the people working in the City Council and
- 3- Promises from the Schools to make sure they are fair to all pupils.

**How did we find out what people want us to do?**

Before we decide about our promises, we have to find out what people want us to do and what other organisations are doing.

This is a list of the work we did:

- 1- We asked GREC (one of our partner voluntary organisations) to help us talk to people.

GREC have called people to different meetings and asked them for their views on:

- what we have done so far
- how they think we did and
- what else we can do?

We listened to all the answers.

- 2- We also noted what some people said to us through the City Voice.

The City voice is a survey of 100 people who we put questions to every year.

We talked to different Services in the City Council and we asked them what they did to keep the promises we made previously.

- 3- We also talked to our partners about their work to make sure Aberdeen is a fair City.

By partners we mean: The Police, The National Health Service, the College ...etc.

- 4- We also looked at all the studies about people in Aberdeen for example we included notes from a study about people moving to Aberdeen, details about the Gypsy/Travellers, information from the Government etc.

We looked at the research on violence against women.

We thought about how people feel after the Brexit Referendum, the USA and French elections.

We also learned from the new laws from the Government.

### **What happened to the promises we set previously**

We were happy to hear and be able to prove that we did well with many of our previous promises.

We also realised that we should keep doing a lot of this work.

So we will make them our way of working in the Council.

We will:

Keep talking to all people and get them involved.

Make sure all people know what we are doing.

Make sure that it is easy for people (especially those who have disabilities) to go to different places.

Make sure people are safe.

Make sure people know about each other cultures and respect each other.

Make sure that workers in the City Council understand people's need and make sure they provide the right services.

### **What are our new promises from Services?**

We want to make sure we make at least one promise to each group of people and also include the promises left from previous promises.

1- Responsible people in the Council and leaders will all make sure we keep our promises.

2- We all respect people's human rights.

3- We will make sure older people and young people are active and are more involved.

4- We will make sure people with disabilities will not find it hard to go places or receive services.

5- We will make sure people who are deaf and people who are blind find it easy to go places and receive services.

6- We will make sure we offer Gypsy/Travellers good places to live in and that they are able to learn.

7- We will make sure Aberdeen is a City where people from different communities are welcome and get on well together, finding peace and refuge.

8- We will make sure that women are active and be more involved.

9- We will make sure gay, lesbian and people who change their sex are supported to be more involved.

### **Promises for People working in the City Council**

We will make sure that Aberdeen City Council is a fair employer.

### **Promises from Education and Children's Services**

- 1- We will make sure children and young people with a disability can achieve their best.
- 2- We will make sure pregnant women and their babies are helped and kept safe from harm.
- 3- We will make sure that Lesbian, Gay, Bisexual or Transgender children and young feel safe, respected and included in school.
- 4- We will make sure that all children and young people in Aberdeen know their rights and help all of them achieve their best.
- 5- We will work with cultural and art groups that the Council give money to so all equality groups are recognised.

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