

ABERDEEN CITY COUNCIL

COMMITTEE	Planning Development Management
DATE	29 June 2023
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Draft Energy Transition Zone Masterplan – Consultation
REPORT NUMBER	PLA/ 23/210
DIRECTOR	Gale Beattie
CHIEF OFFICER	David Dunne
REPORT AUTHOR	Laura Robertson
TERMS OF REFERENCE	4 and 5.

1. PURPOSE OF REPORT

- 1.1 This report presents the draft Energy Transition Zone (ETZ) Masterplan. The report seeks approval to undertake public consultation on the document, with the results of the consultation and any recommended revisions to the document subsequently reported back to this Committee within 6 months for approval of the Masterplan as non-statutory Aberdeen Planning Guidance (APG).

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Approve the content of the draft ETZ Masterplan (Appendix 1);
- 2.2 Instruct the Chief Officer – Strategic Place Planning to, subject to any minor drafting changes, publish the draft ETZ Masterplan for a six week period of non-statutory public consultation; and
- 2.3 Instruct the Chief Officer – Strategic Place Planning to report the outcomes of the public consultation and any proposed revisions to the draft ETZ Masterplan to a subsequent Planning Development Management Committee within the next six months.

3. CURRENT SITUATION

Reason for Guidance

- 3.1 The Aberdeen Local Development Plan (ALDP) 2023 was adopted on 16 June 2023. The ALDP 2023 contains Policy B5 (Energy Transition Zone) which identifies three areas of land allocated as OP56 (St Fittick's Park), OP61 (Doonies) and OP62 (Bay of Nigg / Gregness). The ALDP 2023 sets out that OP56 and OP61 will support renewable energy transition related industries in association with Aberdeen South Harbour while OP62 relates to the Aberdeen Harbour expansion. The Local Development Plan also highlights the need for a joint Masterplan for all three of the sites. This is what the draft ETZ Masterplan seeks to do, with the intention of becoming non-statutory Aberdeen Planning Guidance. The draft ETZ Masterplan has been prepared by a consultant team on behalf of ETZ Ltd.
- 3.2 The draft Masterplan document sets out that *"It is critical to the future sustainability of the region's economy to diversify its established knowledge, skills, and infrastructure and be a key driver of energy transition toward meeting net zero targets. To enable and accelerate this, ETZ Ltd is advancing a targeted programme of investment and development to create a new globally recognised green energy cluster in Aberdeen. The Energy Transition Zone Masterplan has been prepared to provide a spatial framework for Local Development Plan allocated sites around Aberdeen South Harbour, as well as wider areas of brownfield land, green and open space, and communities in Torry and Cove."*

Background and the Draft Masterplan

- 3.2 The draft ETZ Masterplan states that *"ETZ Ltd was established in 2021, as a private sector led and not-for-profit company, with the purpose of repositioning the North-East of Scotland as a globally recognised integrated energy cluster focused on the delivery of net zero. It is funded by the UK and Scottish Governments and Opportunity North-East, with a clear purpose and commercial focus. All financial benefit from the use of public sector funding or future funds will be re-invested into common interests for development of energy transition activities."*
- 3.3 The document sets out the purpose of the masterplan, noting it *"seeks to articulate the ETZ Ltd vision and objectives into a spatial framework that supports development of the Local Development Plan allocated Opportunity Sites (OP56 / 61 / 62) and wider brownfield assets. This will accelerate energy transition, attract investment in high-value manufacturing for net zero technologies, and deliver wider benefits in terms of job-creation, place-making, and the local environment"*.
- 3.4 The document has been prepared in accordance with Council's Interim 'Aberdeen Placemaking Process' APG (formerly the 'Masterplanning Process'). The format and the content of the document is as follows:
- Explains the strategic context and need,
 - Identifies the engagement and consultation that has taken place,

- Looks at the study area and identifies land ownership, policy, existing communities and social demographics, environmental, biodiversity and landscape, landscape character, flood risk, cultural heritage, infrastructure, development infrastructure and community infrastructure and local development considerations.
- 3.5 Chapter 3 notes that the draft Masterplan seeks to provide an *“integrated approach to site planning, urban design, sustainable transport, ecology, landscaping, and community involvement for a range of sites in multiple ownerships over a large area.”*
- 3.6 Section 3.2 of the document, identifies the main principles under a number of headings: –
1. Design and Placemaking,
 2. Environmental protection and enhancement,
 3. Land use integration,
 4. Local connectivity and sustainable travel,
 5. Planning for net zero.
- 3.7 The draft Masterplan is split into different campuses (areas of the site) and each section of the document sets out the planning overview, opportunities and constraints, investment and development proposition as well as preventative and remedial measures. Each section also includes a masterplan layout identifying developable areas, opportunities, constraints and considerations.

The ETZ area is split into the following sections:

3.8 **Community and energy coast**

This covers the whole area and is a combination of projects, initiatives, and measures across the masterplan area. The Community & Energy Coast vision is one of *“a more inclusive, resilient, and successful place that reflects a ‘Just Transition’ with strong and tangible benefits realised locally”*. This prioritises the investment in the local greenspaces and community infrastructure. It will enhance connections and invest in green networks and community infrastructure. Details on these improvements can be found on pages 58-72 of the draft Masterplan.

3.9 **Marine Gateway**

The Marine Gateway (OP56 and OP62) is located around the new harbour and includes St Fittick’s Park and Bay of Nigg / Gregness. The vision is to see the area *“Developed as a high value integrated port and manufacturing hub the Marine Gateway is the leading deep-water port of the NE Coast with activity forming a catalyst for wider investment across the ETZ and Region”*. This whole area will not be developed and the area around East Tullos Burn will be retained. Details on this area can be found on pages 74 – 100 of the draft Masterplan.

3.10 Hydrogen Campus

The Hydrogen Campus (OP61) incorporates land at Doonies situated on the west side of the Coast Road. The development vision is for the area to be *“Developed as a specialist Energy Transition campus anchored around a Green Hydrogen Test and Demonstration Facility (GHTDF) the campus will reinforce Aberdeen's position as the leading centre in green hydrogen technology, production and application. Commercial partner investment will drive additional applications and form a key part of the emerging Scottish hydrogen technology ecosystem”*. Details on this area can be found on pages 102 – 114 of the draft Masterplan.

3.11 Offshore wind campus

The Offshore wind campus would be located on land at Hareness Road, to the eastern edge of Altens Industrial Estate and is designated in the Local Development Plan 2023 as Business and Industrial Land (covered by Policy B1) and is suitable for Class 4 (Business), Class 5 (General Industrial) and Class 6 (Storage and Distribution) uses. This campus would include a cluster of commercial, manufacturing, test and demonstration and innovation facilities. The draft Masterplan notes that *“Anchored by the National Floating Wind Innovation Centre (FLOWIC) the Offshore Wind Campus is a cluster supporting the development of offshore wind commercial applications, technologies and services, alongside complementary renewable energy activities.”* Details on this area can be found on pages 116 – 126 of the draft Masterplan.

3.12 Innovation Campus

Located on brownfield land the innovation campus will seek to target smaller businesses, providing them with flexible industrial, workshop, and office units for innovation companies looking to start-up, expand or diversify their business. This campus will be *“anchored by ETZ Ltd's delivery of the 'Energy Incubator & Scale-Up Hub' (EISH) to be situated on vacant land (formerly Trafalgar House) at Hareness Road, at the centre of Altens Industrial Estate.”* Details on this area can be found on pages 128 – 136 of the Draft Masterplan.

3.13 Skills Campus

Also located on brownfield land, this campus is clustered around the core formed by the existing NESCol Campus. The aim is for it to provide *“new bespoke education & training facilities for net zero, utilising brownfield land for development of an Advanced Manufacturing Skills Hub (AMSH) aiming to accelerate the next generation of supply-chain skills and knowledge for Aberdeen.”* Details on this area can be found on pages 138 – 148 of the Draft Masterplan.

The Remainder of the Document

3.14 The remainder of the draft ETZ Masterplan document goes on to provide details on supporting infrastructure, including Brownfield land renewal, road

infrastructure and rail infrastructure. Finally, it looks at the proposed Masterplan delivery including strategic mitigation, timescales, and phasing.

Public Consultation

- 3.15 Stakeholders and other interested parties have had the opportunity to comment on the development site, as part of the Local Development Plan process and consultations carried out by ETZ Ltd. This report seeks approval to proceed with public consultation on the Draft Energy Transition Zone Masterplan over a 6-week period. The consultation will be undertaken electronically with documentation made available via the Council's website. The consultation will be communicated via an advertisement in a newspaper and also through the Council's website, the Local Development Plan newsletter and social media platforms.
- 3.16 The Draft Masterplan would be made available as follows:
- Publication of document on Aberdeen City Council 'Consultation Hub' <https://consultation.aberdeencity.gov.uk/>
 - Issue of a press release on the Council's website advertising the consultation period, how to view and comment on the Draft Masterplan.
 - Advert placed in the local newspaper to advertise the consultation period.
 - Notification (email) of the consultation will also be issued to statutory consultees such as Community Councils.
 - Email reminders to be sent w/c 31 July, (given the period has been extended to 6 weeks instead of the usual 4 weeks).
- 3.15 Subject to Committee approval, the results of the public consultation will be reported back to a future meeting of this Committee (within the next 6 months) including any recommended revisions to the Draft Framework.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications associated with this report. The cost of preparing the document has been met by ETZ Ltd and the document produced by Ironside Farrar on their behalf.
- 4.2 The public consultation process will front-load any planning issues and ultimately benefit future Officer involvement and time in evaluating forthcoming planning applications should the final document go on to be adopted as non-statutory Aberdeen Planning Guidance.

5. LEGAL IMPLICATIONS

- 5.1 As a major landowner, proposals for the development of land and assets owned by Aberdeen City Council will, where applicable, be subject to assessment in line with the principles and standards set out in the Masterplan document.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 The Strategic Environmental Assessment carried out as part of the Aberdeen Local Development Plan preparation included the allocation of sites OP56, 61 and 62. Any future planning applications would be subject to an EIA screening process under the Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2017.
- 6.2 A Habitats Regulations Appraisal (HRA) is required and, if Members agree the recommendations of this report, an HRA will be carried out by Council officers in co-ordination with ETZ Ltd during the consultation period and reported back with consultation results and recommendations.

7. RISK

The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statement.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Not having an up-to-date Masterplan could result in longer timescales to manage and process planning applications for the area and affect the planning authority's obligation to determine applications within a set time period.	The draft document provides advice on what is required for the planning application process and land use requirements as well as any improvements and mitigation.	L	Yes
Compliance	Delaying consultation could affect the opportunity for public comment on	The draft document provides advice on what is required for the planning	L	Yes

	the draft ETZ Masterplan	application process and land use requirements as well as any improvements and mitigation.		
Operational	By not providing guidance through an agreed Masterplan, officers could, over time, provide inconsistent advice.	The draft document provides clarity, consistence and certainly in terms of principles and site aspirations.	L	Yes
Financial	Not having guidance could lead to uncertainty at planning application stage, potentially leading to more staff time spent processing applications and a greater number of planning application appeals.	The draft document provides clarity, consistence and certainly in terms of what is required as part of the planning application process. It also identifies where mitigation and improvements are required and sets guidelines and principles for the whole area to ensure consistency and development	L	Yes
Reputational	Not considering guidance on a project that ACC own land within and is identified for development within the adopted Local Development Plan.	The draft Masterplan process is in place to inform the production of such documents as identified in the LDP.	L	Yes
Environment / Climate	Ensures Net Zero Route map is considered in the design of proposals. Noted that the environment of these areas will be altered.	The draft Masterplan document notes that proposals have to consider energy use and emissions. It is also noted that the sites went	L	Yes

		through the necessary SEA process during consideration of the LDP and an HRA will be carried out prior to seeking adoption of the document. There is also the opportunity within the draft Masterplan to identify areas and help deliver biodiversity net gain.		
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8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
Impact of Report	
<p>Aberdeen City Council Policy Statement</p> <p><u>Working in Partnership for Aberdeen</u></p>	<p>The proposal within this report support the delivery of the following aspects of the policy statement: -</p> <p>A Prosperous City – Work with partners to stimulate sustainable economic development, including a managed transition to a carbon neutral economy and work in partnership with the academic, business and other relevant sectors to ensure the long-term future of the energy industry.</p> <p>Building a Greener and Sustainable City- Work with partners to deliver a just transition to net zero and plan to make Aberdeen a net-zero city by no later than 2037, and earlier if that is possible.</p>
Aberdeen City Local Outcome Improvement Plan 2016-26	
<p>Local Outcome Improvement Plan Prosperous Economy Stretch Outcomes</p>	<p>The draft ETZ Masterplan states it “provides the basis for future development of energy transition industries, skills, innovation and investment in high-value manufacturing. It also focuses on the delivery of wider benefits in terms of job-creation, place-making, and the local environment.” thereby supporting a ready supply of employment land which would result in job creation (Key Driver 2.1, 2.2).</p>

Prosperous People Stretch Outcomes	The draft Masterplan seeks to include and improve green spaces to support health and well-being of all ages (Key Driver 11.3).
Prosperous Place Stretch Outcomes	Supports outcome 13 by aiming to create a globally recognised green energy cluster contributing to progress on the Net Zero Routemap.
Regional and City Strategies <i>City Strategies and Strategic Plans</i>	<p>Aberdeen Local Development Plan 2023</p> <p>Support the Aberdeen Local Development Plan 2023 by ensuring implementation of its allocated sites and policies forming the Energy Transition Zone.</p> <p>Net Zero Aberdeen Routemap</p> <p>Confirms that a just energy transition is a vital priority The ETZ Masterplan supports the Net Zero Aberdeen Routemap through the proposal of retrofitting and reuse of brownfield land and buildings as well as providing opportunities for net zero development and specialist co-located port activity. It also contributes to the Net Zero theme strategies of mobility, buildings and heat, circular economy, energy supply, our natural environment and empowerment.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Subject to committee approval of this application the Integrated Impact Assessment will be carried out prior to the consultation responses and the Draft Masterplan being reported back.
Data Protection Impact Assessment	Not required.
Other	Not required.

10. BACKGROUND PAPERS

10.1 Aberdeen Local Development Plan 2023

11. APPENDICES

11.1 Appendix 1 – Draft Energy Transition Zone Masterplan

12. REPORT AUTHOR CONTACT DETAILS

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