# Aberdeen Planning Guidance 2023: Hierarchy of Centres

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## 1. Introduction

#### 1.1 Status of Aberdeen Planning Guidance

This Aberdeen Planning Guidance (APG) supports the Development Plan and is a material consideration in the determination of planning applications.

This APG expands upon the following Aberdeen Local Development Plan policies:

- Policy VC2 Tourism and Culture
- Policy VC3 Network of Centres
- Policy VC4 City Centre and Retail Core
- Policy VC8 Town, District, Neighbourhood and Commercial Centres
- Policy VC9 Out of Centre Proposals

A number of other Local Development Plan policies are also relevant to consider, for example: VC6 – West End Area, Policy VC7 – West End Shops and Cafes, VC10 – Local Shop Units and VC12 – Retail Development Serving New Development Areas.

Given the timing of the Local Development Plan, a pragmatic approach has been taken to changes in the planning system. National Planning Framework 4 (NPF4) was adopted following the examination and subsequent modification of the Local Development Plan, and the publication of a draft version of this APG for consultation. As a result, some terminology referred to in this APG may vary from the new NPF4 policy framework but it should be noted that the LDP together with NPF4 now forms the basis of the statutory development plan.

#### 1.2 Background

National Planning Framework 4 promotes the Town Centre First approach, identification of a network of centres and the use of a sequential assessment when selecting and assessing locations for uses which generate significant footfall. This includes retail and commercial leisure uses, offices, hotel, community and cultural facilities and where appropriate public buildings.

#### 1.3 Climate Change

Encouraging development, or change of uses, within the appropriate tier of the hierarchy of centres (following the town centre first principle) can assist in helping to achieve the <u>Net Zero Vision for Aberdeen</u> by helping to promote low/zero carbon forms of transport, encourage active travel, support economic activity, reduce demand for new construction outwith the city centre, and promote a vibrant city centre. This is aligned with <u>UN Sustainable</u> <u>Development Goals</u> 8 (Decent Work & Economic Growth), 11 (Sustainable Cities & Communities), 12 (Responsible Consumption & Production) and 13 (Climate Action). This will also help to achieve Goals 10 (Prioritising Health & Wellbeing) and 11 (Building Resilience in the Economy) of <u>Aberdeen Adapts</u>.

#### 1.4 Health and Wellbeing

Where we live, where we work, and where we spend our time has an important influence on our health and wellbeing. How places are designed within their urban or natural environment are vital to the health of the people and building relationships, social contact and support networks that make up the social environment of local communities.

This guidance can help to achieve the following Public Health Priorities for Scotland:

- Priority 1: A Scotland where we live in vibrant, healthy and safe places and communities; and
- Priority 5: A Scotland where we have a sustainable, inclusive economy with equality of outcomes for all.

This guidance is deemed to have some impact on population health and wellbeing. This means that it is possible a Health Impact Assessment (HIA) screening report will be requested to support any planning application, however this will depend on the detail and scope of the application. There may be elements of the proposals that relate to the health and wellbeing of the population that warrant consideration. If that is the case, then a screening HIA will be required, and further advice on this will be provided.

## 2. Aberdeen Planning Guidance

#### 2.1 Hierarchy of Centres

The city's network of centres have been arranged into a hierarchy (see Figure 1) and the role of each centre is set out in this guidance. This provides a context for the assessment of new development proposals and to guide development to the most appropriate locations. A sequential approach will be taken in accordance with this hierarchy (unless on sites allocated for that use in the Local Development Plan) and in line with National Planning Framework 4. The hierarchy, overarching policy approach and application of the sequential approach seeks to protect the vitality and viability of each type of centre and aims to ensure a balance is drawn between the introduction of large retail units and the maintenance of existing centres. Further advice is provided on Retail Impact Assessments which may be required to assess impact of a proposal on the vitality and viability of existing centres within the area of the proposal. See Figure 2 for sequential approach thresholds.

Within the hierarchy, the City Centre (as identified on the Proposals Map) is identified as being the preferred location for retail, office, hotel, commercial leisure, community, cultural and other significant footfall generating development serving a city-wide or regional market. Where appropriate this will also include public buildings. The designation and role of other centres within the network is set out in this guidance. The centres have been mapped on the Aberdeen Local Development Plan Proposals Map.

#### 2.2 Sequential Approach

Applicants are required to demonstrate that they have complied with the sequential approach for site selection and that their proposals will not have a significant adverse effect on the vitality and viability of existing designated retail centres. The numbers shown in Figure 2 represent the preferred order in the sequential approach. For example, the City Centre (including the Retail Core) is the first choice for all forms of retail development and other significant footfall generating development. Neighbourhood Centres are first choice locations for convenience development of under 2,000 square metres, although these would also be acceptable in the City Centre, Retail Core, Town Centres and District Centres. The threshold sizes are indicative and the test should also consider what market the development is expected to serve by referring to Figure 1. If a development is serving a city-wide market, or is attracting customers from a wider area, then the City Centre (including the Retail Core) is the preferred location.

Applicants should be able to demonstrate that all potential City Centre/Town Centre sites have been thoroughly assessed before less central sites are considered for development. This will include consideration of, as required by National Planning Framework 4, different built forms to better fit with opportunities which exist within centres in the hierarchy. For example, a retailer seeking 1,000 square metres of single level comparison floorspace may have to consider utilising two levels of 500 square metres or three levels of 333 square metres within the City Centre rather than moving to a Commercial Centre or Out of Centre site. The sequential approach applies equally to proposals to extend existing edge of centre and out of centre development that creates additional floorspace. These will be treated as if they were new development and on the basis of the trade of the store extension.

The onus of proof that the sequential assessment has been carried out is with the applicant.

Figure 1: Retail Hierarchy and Sequential Approach

Centre		Policy Approach	Centre Location		
	Vitality & Viability	New Development and General Principles for Sequential Approach			
Regional Centre (City Centre) including the Retail Core	Protection	Support and preferred location for all retail, office, hotel, commercial leisure, community, cultural and other significant footfall generating developments serving a city-wide or regional market.	City Centre and Retail Core		
Town Centre	Protection	Support and preferred location for all retail, office, hotel, commercial leisure, community, cultural and other significant footfall generating development that markets for, and serves, the town but isn't serving a citywide or regional market.	Rosemount Torry		
District Centre	Protection	Support and preferred location for retail, commercial leisure, community and cultural provision where the market area covers the district centre.	Danestone Dyce Middleton Park Rousay Drive Berryden		
Neighbourhood Centre	Protection	Support and preferred location for local retail, commercial leisure, community and cultural provision only.	Refer to Figure 2		
Commercial Centre	Protection	Appropriate for bulky goods, retail and commercial leisure if a suitable site is unavailable in, or on the edge of city centre/town centre sites i.e. subject to sequential test.	Garthdee Kittybrewster Links Road / Boulevard Denmore Road Bridge of Don Retail Park		

## Figure 2: Sequential Approach Thresholds

	Sequential approach						Centre			
	Convenience			General Comparison		Bulky (	Goods			
	Developments									
Indicative Development Thresholds GFA sq mt	Above 15,000 sq mt	2,000 – 15,000 sq mt	Below 2,000 sq mt	Above 5,000 sq mt	Below 5,000 sq mt	Above 5,000 sq mt	Below 5,000 sq mt			
Regional Centre	1	1	1	1	1	1	1	City Centre and Retail Core		tail Core
Edge of City Centre	2	2	2	2	2	2	2			
Town & District Centre	3	1	1	3	1	3	1	Town Centres Rosemount Torry		District Centres Danestone Dyce Middleton Park Rousay Drive Berryden
Edge of Town / District Centre	4	2	2	4	2	4	2		·	
Neighbourhood Centre			1					Bieldside Braehead Way Bucksburn Byron Chattan Place Cornhill Cove Cults Cults Culter George Street Haudagain	Holburn Kincorth King Street Kitgswells Kittybrewster / Clifton Lang Stracht Leadside Road Mastrick Hayton Mannofield Moir Green	Rosemount Sclattie Park Scotstown Seafield Seaton Sheddocksley St Swithin Street Urquhart Road Victoria Street, Dyce Woodside
Commercial Centre (easily accessible by public transport)	5	3	3	5	3	5	3	Garthdee		Denmore Road Bridge of Don Retail Park
Out of Centre (easily accessible by public transport)	6	4	4	6	4	6	4			

## 3. Technical Advice

#### 3.1 Introduction

The purpose of this technical advice is to assist applicants seeking planning permission for large retail proposals that wish to, or are required to, produce a Retail Impact Assessment (RIA). The expectations of Aberdeen City Council are also set out.

A Retail Impact Assessment will not, under any circumstances, be the sole basis upon which an application will be determined. The Local Development Plan establishes issues which will be considered and criteria which will need to be met.

#### 3.2 Retail Impact Assessments

A Retail Impact Assessment is a means to provide relevant information to assist in the determination of an application for planning permission for major retail development. It establishes the potential commercial impact of a proposed new retail development on existing and committed (i.e. not yet built but has planning permission) retail developments. It is also used to assess the significance of the impact on the current and future vitality and viability of the surrounding centres.

Generally, a Retail Impact Assessment is necessary when a proposed development is of a scale sufficient to be likely to have a significant impact on the trade of existing or committed retail centres and the surrounding area. It will normally be required for any retail development which is individually or cumulatively over 2500m<sup>2</sup> in gross retail floorspace and located outwith a designated centre – see Figures 1 and 2 above. However, it may also be required for larger retail developments within designated centres. Proposals which are individually or cumulatively below 2500m<sup>2</sup>, but may have a significant impact on local centres, may also be asked to undertake an assessment. For smaller individual shops where it is unnecessary to undertake a Retail Impact Assessment, a statement of retail impact may be required. A statement of retail impact should briefly outline the potential impacts the proposed development may have on vitality and viability of nearby centres. In all cases, proposals shall not detract significantly from the vitality or viability of any designated centre – see Figures 1 and 2 above.

The assessment is only an aid to decision making. All retail applications should be consistent with the development plan. In order to determine major retail applications additional information will be required, both qualitative and quantitative, including information on the design and built form of the proposed development, accessibility, car parking, the provision of infrastructure, etc. Even if a proposal is deemed to be acceptable in terms of retail impacts, it could still be refused because of poor design or non-compliance with the development plan.

#### 3.3 Retail Impact Methodology

The following stages are encouraged to be undertaken by the applicant when producing a Retail Impact Assessment. This methodology has been taken from the Scottish Government research 'Town Centre and Retailing Methodologies' (2007). Aberdeen City Council are aware that some applicants may have their own set methodology and are willing to discuss this prior to the submission of the assessment. A cumulative Retail Impact Assessment (to assess the combined effects of more than one retail development proposal on a centre(s)) will be appropriate in certain circumstances including:

- When more than one proposal is applying for planning permission and there is the possibility that more than one could gain consent.
- Where recent consents have been granted, are under construction and/or completed developments which have not yet reached their test year.
- Where there have been significant changes over a recent time period and the centre(s) are still adjusting to impacts.

#### 3.4 Stages of Assessment

#### Stage 1 – Scoping and determining deficiency and capacity for new development

Applicants for retail planning applications are encouraged to scope the development proposal and potential retail impact in advance of the preparation of the Retail Impact Assessment. This will include agreement with Aberdeen City Council as to whether the proposed development warrants a full assessment or whether a shorter, more indicative assessment, in the form of a retail statement, is appropriate. It is also an opportunity to agree a range of issues in advance of preparing the assessment. This can include agreement as to appropriate information sources, including potential alternatives and a clear statement of information sources and assumptions underpinning data so that these can be reviewed.

In assessing need it is necessary to examine the nature and quality of existing shopping provision;

- Are there qualitative or quantitative deficiencies in types of provision, by sector or geographically?
- Is there evidence that existing shops are not meeting available demand?
- Is there a leakage of trade from the catchment area?

Evidence of need does not automatically justify approval of an application for retail development (nor result in refusal should there be no "need") but may be a material consideration in determining the significance of any impacts.

#### Stage 2 - Surveys

Encouragement is given to the use of household surveys, in particular where:

- Development proposals are for large and/or complex retail developments.
- There is no up-to-date existing household expenditure information.
- There is significant uncertainty about the catchment area or trading characteristics of the proposed development.

The use of up-to-date survey information on a range of issues will increase the accuracy and reliability of Retail Impact Assessments results.

#### Stage 3 - Identification of the Catchment Area

The identification of the catchment area, and the proportion of trade drawn from this area, is an important stage in the assessment and it will directly affect the assessment of trade diversion from competing centre(s) and retail impact. If the proposal is to be situated outwith a centre or at an edge of centre site, the applicant must consider the likely catchment of the proposal with reference to travel distances determined from survey of comparable facilities elsewhere in the North East, in addition to determining the catchments of the adjacent centre(s). The catchment area needs to be sufficiently wide enough to ensure that the influence of the proposal can be assessed.

#### Stage 4 - Identification of Existing Estimates of Population and Available Expenditure

This is required to understand existing trading conditions.

#### Stage 5 - Identification of Future Estimates of Population and Available Expenditure

In stages 4 and 5 estimates of existing and future population in catchment areas should be based, in the first instance, on information provided through planning authorities. In the absence of this information it can be provided from other sources, notably through the General Register Office (Scotland) or from the Census. The most practical sources for estimates of available expenditure per capita are commercial data providers.

#### Stage 6 - Existing Floorspace and Turnover

The identification of existing floorspace and its turnover is central to the assessment of retail impact. Household surveys, if well designed, should be used to provide estimates of the turnover of existing floorspace. For small developments, or where centres are large compared to proposed developments and/or existing centres are not considered to be unduly sensitive to impact, the use of estimates based on averages may be appropriate.

#### Stage 7 - Turnover of Proposed Development

This will be an important factor in determining the calculation of retail impact. The estimate of the turnover of the proposed development should utilise a range of techniques including reference to market share within the catchment, average turnover levels and comparable developments elsewhere (the latter particularly for new forms of development). For small scale developments the use of national average figures combined with sensitivity tests may be appropriate.

#### Stage 8 - Trade Draw

Trade draw identifies the origin (for example where they live) of those who spend money in the proposed development. It is a useful concept for assisting with other stages of the assessment including the estimate of proposed development turnover and estimation of trade diversion. For small or straightforward development proposals trade draw does not require to be undertaken explicitly as part of the assessment.

#### Stage 9 - Trade Diversion

Trade diversion is distinct from trade draw and identifies the source of turnover of the proposed development from existing shops and centres. The research concludes that at this stage RIA can become highly subjective and there is no doubt that this stage is fundamental to the calculation of retail impact. Trade diversion assumptions will, therefore, need to be fully and carefully justified.

Factors that should be considered for assessing trade diversion include:

- Characteristics of the competing shopping locations based on those which are most likely to be in competition with the development including similarity of retail offer.
- Scale of centres (in particular, turnover in relevant goods categories).
- Intervening distance.
- Existing shopping patterns.
- Shoppers' travel habits and patterns.
- The relative attractiveness of centres.

#### Stage 10 - Calculation of Impact

The actual calculation of retail impact is based on the deduction of the trade diversion identified (from Stage 9) from the turnover of centres in the test year (from Stage 6). As well as identifying the absolute loss of trade from a centre there are a number of additional ways in which this impact figure can be measured including:

- Percentage loss of trade.
- Residual turnover.
- Impact on market share of centres.

#### Stage 11 – Qualitative Assessment

The amount of floorspace that will be dedicated to both convenience and comparison goods should be stated in the assessment. If the retailer is known, the assessment should describe the type of goods that the retail development will sell in terms of convenience and comparison goods. Qualitative improvements such as, customer, operational and external facilities should also be stated.

#### Stage 12 - The Condition of Centres: Health Check Information

Information on vitality and viability indicators of existing centres should be provided to support the analysis of the significance of retail impact. Indicators that ACC encourage applicants to use are:

- Pedestrian count,
- Prime rental values,
- Retailer representation and intentions,
- Space in use for different town centre functions and how it has changed,
- Retailer representation and intentions (national multiples and independents),
- Commercial yield,
- Vacancy rates,
- Physical structure of the centre, including opportunities and constraints, and its accessibility,
- Environmental quality and amenity,
- Periodic surveys of consumers, and
- Crime and safety levels.

#### Stage 13 - Significance of Impact

The research recommends that Retail Impact Assessments should include an interpretation of the significance of the impact arising from a proposed development. This should include reference to vitality and viability indicators of centres (from Stage 12) and address a range of issues that could result from the impact of the proposed development on the centre.

### 4. Summary of Guidance

The city's network of centres have been arranged into a hierarchy.

The designation and role of each centre within the network of centres is set out and provides context for assessment of new development proposals and to guide development to the most appropriate locations.

A sequential approach will be taken in accordance with this hierarchy of centres when selecting locations for all uses which generate significant footfall, including retail and commercial leisure uses, offices, community and cultural facilities and where appropriate public buildings. The onus of proof that the sequential assessment has been carried out is with the applicant.

Key consideration is to protect the vitality and viability of each type of centre.

A town centre first approach applies and as such the City Centre is identified as being the preferred location for retail, office, hotel, commercial leisure, community, cultural and other significant footfall generating development serving a city-wide or regional market.

Applicants are strongly recommended undertake pre-application discussions for advice as early in the development process as possible, particularly when a Retail Impact Assessment or Statement of Retail Impact is required. An assessment or statement will not, under any circumstances, be the sole basis upon which an application will be determined. Even if a proposal is deemed to be acceptable in terms of its impact, it could still be refused because of non-compliance with the development plan.

## 5. Definitions

Amenity: The attributes which create and influence the quality of life of individuals or communities.

**Bulky Goods:** Goods of a size, weight or shape to require large areas to handle, store or display. Items would normally require to be transported by car, van or by delivery to customers.

**Commercial Centre:** A grouping of three or more retail warehouses with associated car parking.

**Comparison Goods:** Non-food items including clothing, footwear, household goods, furniture and electrical goods which purchasers compare on the basis of price and quality before buying.

**Convenience Goods:** Goods bought for consumption on a regular basis (e.g. food, drink, newspapers etc.)

**District Centre:** A group of shops outwith the city centre, usually containing a supermarket or superstore and non-retail services. These may take a variety of forms.

**Edge-of-Centre:** A location within easy walking distance of one of the retail centres listed in Figures 1 and 2, and which provides parking facilities that serve the retail location as well as the development, thus enabling one trip to serve several purposes. In defining edge-of-centre, regard shall be had to the following:

- an easy walking distance to the principal retail frontage of the retail location (reflecting poor weather and shoppers encumbered with shopping etc);
- the presence of intervening barriers to pedestrian movement, including the need to cross roads, the presence of over or under passes and significant gradients;
- whether a site is intervisible with part of the principal retail frontage of the retail location; and
- the extent of intervening non-retail uses between the site and the retail location; and
- in the special case of the Retail Core, "edge-of-centre" means any part of the city centre (as defined on the Proposals Map) outwith the Retail Core.

**Expenditure Leakage:** When people shop somewhere other than the area they live – the money they spend is going somewhere else rather than being retained in the area they live.

Gross Floor Area (GFA): The floor area based on the overall dimensions of the building(s).

**Neighbourhood Centres:** Provide local retail provision, primarily of a convenience nature. These serve a local catchment area (majority of customers living within 800 metres walking distanct). Gross floorspace of these developments would normally be in the range of 500-2000 square metres. These are identified in Figure 2.

**Network of Centres:** The role of each centre is arranged into a hierarchy. Consists of a Regional Centre (City Centre) including Retail Core, Town Centres, District Centres, Neighbourhood Centres and Commercial Centres.

**Out of Centre:** A location that is neither within nor on the edge of any of the retail centres listed in Figures 1 and 2. The least favourable option for all types of significant footfall generating development unless allocated for that use in the Development Plan.

**Regional Centre (City Centre) including the Retail Core:** The central area of Aberdeen (as defined on the Proposals Map) which provides a broad range of facilities and services that markets and serves a citywide or regional market.

**Retail Core:** The area within the City Centre containing the highest concentration of shopping floorspace in the City Centre. As defined on the Proposals Map.

**Retail Impact Assessment:** A study which assesses the likely impact a new development will have on existing centres and shops.

**Retail Warehouses:** Large single level stores specializing in the sale of household goods (such as carpets, furniture and electrical goods), clothing, leisure goods and bulky DIY items, catering mainly for car-borne customers and often in out-of-centre locations.

**Sequential Approach:** This applies a sequential town centre first approach to uses that generate significant footfall, followed by edge of town centre, other centres identified in the plan and then accessible out of centre locations. For major shopping or other facilities serving a citywide or regional market the city centre will assume primacy. The numbers shown in Figure 2 represent the preferred order in the sequential approach. See Figures 1 and 2.

**Supermarkets:** Single level self-service stores selling mainly food with a trading floorspace of between 500 and 2500 square metres (under 1500 square metres for all supermarkets) with dedicated car parking.

**Superstores:** Usually single level self-service stores selling mainly food or food and non-food goods, usually with at least 2500 square metres trading floorspace and with dedicated car parking.

**Town Centres:** Town centres are defined on the proposals map and provide a range of facilities and services that market and serve the town but not a citywide or regional market.

**Vitality and Viability:** Vitality is a reflection of how lively and busy a centre is at different times and in different parts. Viability is a measure of capacity to attract on-going investment for maintenance, improvement and adaption to changing needs.