

ABERDEEN CITY COUNCIL

COMMITTEE	Planning and Development Management Committee
DATE	06 November 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	City Centre Affordable Housing Waiver Extension
REPORT NUMBER	CR&E/25/227
EXECUTIVE DIRECTOR	Gale Beattie / David Dunne (acting)
CHIEF OFFICER	David Dunne / Claire McArthur (acting)
REPORT AUTHOR	Lucy Alston
TERMS OF REFERENCE	8

1. PURPOSE OF REPORT

- 1.1 This report seeks to extend the Council's Affordable Housing requirement waiver, which is due to expire in December 2025. The waiver currently applies to new planning applications for eligible residential development that are submitted in the City Centre area (Appendix 1).

2. RECOMMENDATION

That the Committee:

- 2.1 Note that on 25 August 2022 Council approved an extension of the Affordable Housing waiver until 31 December 2025;
- 2.2 Agree to further extend the Affordable Housing waiver until the adoption of the next Aberdeen Local Development Plan.

3. CURRENT SITUATION

Context

- 3.1 The "Town Centre First" approach is a policy principle adopted by the Scottish Government which prioritises the health and vibrancy of town and city centres when making decisions about public and private sector investment and development. The Town Centre First approach is embedded in National Planning Framework 4 (NPF4). The recognised benefits of delivering housing development in town centres are multiple, and underpin key policy aims around active travel, affordable and independent living, local living, the wellbeing economy, net zero, and the re-use of existing built and historic assets.
- 3.2 The City Centre and Beach Masterplan (CC&BMP) includes an objective of 3,000 extra people living in the City Centre by 2040. In working towards this objective, in 2024, Aberdeen Inspired was awarded funding from Aberdeen City Council's UK Shared Prosperity Fund for a feasibility study on the upper floors

of Union Street, with residential included as a potential use for current vacant or under-utilised spaces. A “technical panel” has since been established, which is supported by Aberdeen City Council officers.

Details of the waiver

- 3.3 Planning policy, in the adopted [Aberdeen Local Development Plan 2023](#), requires new development proposals of five or more housing homes to provide a minimum of 25% of proposed homes as an ‘Affordable Housing’ tenure (Policy H5: Affordable Housing). Further guidance on the types of Affordable Housing and delivery is set out in the Council’s [Aberdeen Planning Guidance 2023: Affordable and Specialist Housing](#).
- 3.4 At its meeting on 20 September 2018, Planning Development Management Committee (PDMC) approved the introduction of a two-year waiver on Affordable Housing requirements for developments within the City Centre area, until 31st December 2020 ([RES/18/178](#)), in order to support the enhanced delivery of residential development in the City Centre area.
- 3.5 In order to mitigate risk of the waiver leading to an increase in planning approvals but not housing delivery, PDMC also instructed, as a condition of the waiver, that the development is be required to commence within 12 months of the decision notice. This is secured via a direction applied to the grant of planning permission time limiting the relevant consent. For the avoidance of doubt, if the Committee agrees to extend the waiver, these terms will remain, and development is required to commence within 12 months of the decision notice for the Affordable Housing waiver to apply.

Timeline of the waiver

- 3.6 After a review of the effectiveness of the waiver in 2020, Members agreed to extend the waiver until June 2022 ([PLA/20/100](#)). This was extended again briefly to September 2022 ([PLA/22/091](#)), to allow a report to Council on the CC&BMP on 25th August 2022.
- 3.7 At its meeting on 25th August 2022, Council agreed to extend the waiver again until 31st December 2025 ([RES/22/173](#)). It is the expiration of the current extension that is the subject of this report.

Planning applications overview

- 3.8 The waiver was originally introduced in September 2018 to stimulate delivery of housing in the City Centre and has proved a successful measure in bringing forward new City Living developments.
- 3.9 The waiver is applied to new planning applications for i) proposed residential development of five or more homes, and ii) sites located within the identified City Centre area (Appendix 1). Sites for less than five homes are not required to make an Affordable Housing contribution and are therefore not assessed.

- 3.10 Since the waiver was introduced, 37 planning applications have met the criteria for this assessment. This has resulted in 1,101 homes being approved to date (Table 1).

Table 1: Summary of planning applications

Year application submitted	Applications approved	Homes approved	Homes implemented	Homes completed
2018	7	498	476	397
2019	7	92	39	12
2020	4	172	10	10
2021	8	186	68	44
2022	5	122	38	15
2023	2 (+1 pending)	21 (+9 pending)	0	0
2024	1	10	0	0
Total	34	1101	631	478
2025	3 pending	28 pending		

- 3.11 Planning applications for less than five homes are not included in this count. The count is limited to residential homes (flats and houses); other types of specialist accommodation are not included, such as student accommodation.

Proposed extension of waiver

- 3.12 It is recommended that, to continue supporting City Centre living, the Affordable Housing waiver in the City Centre be extended for a further period. This extension is sought to the date of adoption of the next Aberdeen Local Development Plan (expected Spring 2028) when, as discussed below, a complete review would be undertaken.
- 3.13 As part of the wider Local Development Plan process, two housing summits were recently hosted by officers (in October 2024 and March 2025), with attendance from the development industry, including housebuilders, Registered Social Landlords, and other construction professionals. Feedback from these events highlighted widespread support for the waiver. Moreover, the waiver was recognised as an effective and positive mechanism to support development in the city centre, with a broad consensus that an extension would be welcomed.
- 3.14 In terms of impact on affordable housing supply, it is considered that any impact associated with extending the waiver would be minimal. Delivery of affordable housing in the city centre is still being planned for and delivered, as there are sites that are 100% affordable that are still being delivered through the [Strategic Housing Investment Plan](#). The refreshed Strategic Housing Investment, which is due to be presented to Communities, Housing and Public Protection Committee (CHPPC) on 11 November 2025, identifies two sites which are both currently under development in the city centre; one on Union Street and another on Maberly Street.

Next Steps

- 3.15 Preparation of the next Aberdeen Local Development Plan is underway, and early proposals to review the scope of Policy I1 (Infrastructure Delivery and Planning Obligations) and Policy H5 (Affordable Housing) are being considered to look at a more permanent approach to developer contributions and affordable housing in the City Centre area, in order to support City Centre Living and assist the Development Management process when considering new planning applications in this area. Any changes to policy would be subject to consultation with relevant services and stakeholders via the Proposed Local Development Plan process; and expected timelines for consultation are set out in the Council's approved Development Plan Scheme 2025 ([CR&E/25/174](#)).
- 3.16 Previous extensions to the waiver have been welcomed by stakeholders, but officers recognise that the temporary nature of this position introduces an element of uncertainty. Considering this position through the Local Development Plan review process will offer greater certainty on the status of Affordable Housing requirements for new developments in the City Centre in the future.

4. FINANCIAL IMPLICATIONS

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

5. LEGAL IMPLICATIONS

- 5.1 There is a risk that the decision to extend the waiver on Affordable Housing contributions for developments in the City Centre may be challenged by third parties; particularly from City Centre peripheral and non-City Centre developments who are required to make contributions towards Affordable Housing. However, the risk of a successful challenge is considered to be low, and no challenges have been received to date.
- 5.2 Sections 25 and 37 of the Town and Country Planning (Scotland) Act 1997 (as amended) require the Planning Authority, when determining applications for planning permission, to determine in accordance with the provisions of the development plan unless material considerations indicate otherwise. The Planning Authority will continue to determine applications in line with legislation.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Category	Risks	Primary Controls/ Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/co ntrol actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	None			
Compliance	Legal challenge to extended waiver on developer contributions for affordable housing.	As noted in the legal implications section there is a limited risk of legal challenge. However the measure has been in place since September 2018 with no challenges to date.	L	Yes
Operational	None			
Financial	None			
Reputational	None			
Environment / Climate	None			

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2025-26</u>	
	Impact of Report
Aberdeen City Council Policy Statement Policy Statement 4 (Economy) - Increase city centre footfall through delivery of the City Centre Masterplan including the	The proposals in this report will help to deliver City Centre Masterplan objectives: • Changing perceptions - Promoting the view of Aberdeen city centre as an energetic, inclusive and fascinating place where people will want to live, work and visit. • Made in Aberdeen - Building on local distinctiveness and maximising local business

redesigned Union Terrace Gardens.	opportunities. This supports inclusive economic growth. This supports inclusive economic growth.
Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	<p>The proposals in this report will help to deliver LOIP objectives:</p> <p>Stretch Outcome 1. 20% reduction in the percentage of people who report they have been worried they would not have enough food to eat and/ or not be able to heat their home by 2026.</p> <p>Key Driver 1.1 Increase to 92% the number of homes that meet an EPC rating of C or better by 2026.</p> <p>The promotion of City Centre living will provide more housing choice in Aberdeen and contribute to quality homes.</p>
Prosperous People (Children & Young People) Stretch Outcomes	<p>The proposals in this report will help to deliver LOIP objectives:</p> <p>Stretch Outcome 4 90% of children and young people report they feel listened to all of the time by 2026.</p> <p>Key Driver 4.1-4.3 Improving timely access to support.</p> <p>The promotion of City Centre living will provide more housing choice, helping families with children access quality housing in the city centre, as well as services and transport links.</p>
Prosperous Place Stretch Outcomes	<p>The proposals in this report will help to deliver LOIP objectives:</p> <p>Stretch Outcome 14 Increase sustainable travel: 38% of people walking; 5% of people cycling and wheeling as main mode of travel and a 5% reduction in car miles by 2026.</p> <p>The promotion of City Centre living will provide more housing choice in Aberdeen, helping people to be supported to live as independently as possible with access to local services, and access to active travel links around the City.</p>

Regional and City Strategies	
City Centre Masterplan	<p>The proposals in this report will help to deliver City Centre Masterplan objectives:</p> <ul style="list-style-type: none"> · Changing perceptions - Promoting the view of Aberdeen city centre as an energetic, inclusive and fascinating place where people will want to live, work and visit. · Made in Aberdeen - Building on local distinctiveness
Aberdeen Local Development Plan	<p>The LDP's aim is to support the Council's vision of creating a sustainable and socially equitable future for the city, as the home to its residents, as the regional centre of the North East, and as one of Scotland's most important economic engines. Supporting City Centre living helps achieve this aim.</p>

9. IMPACT ASSESSMENTS

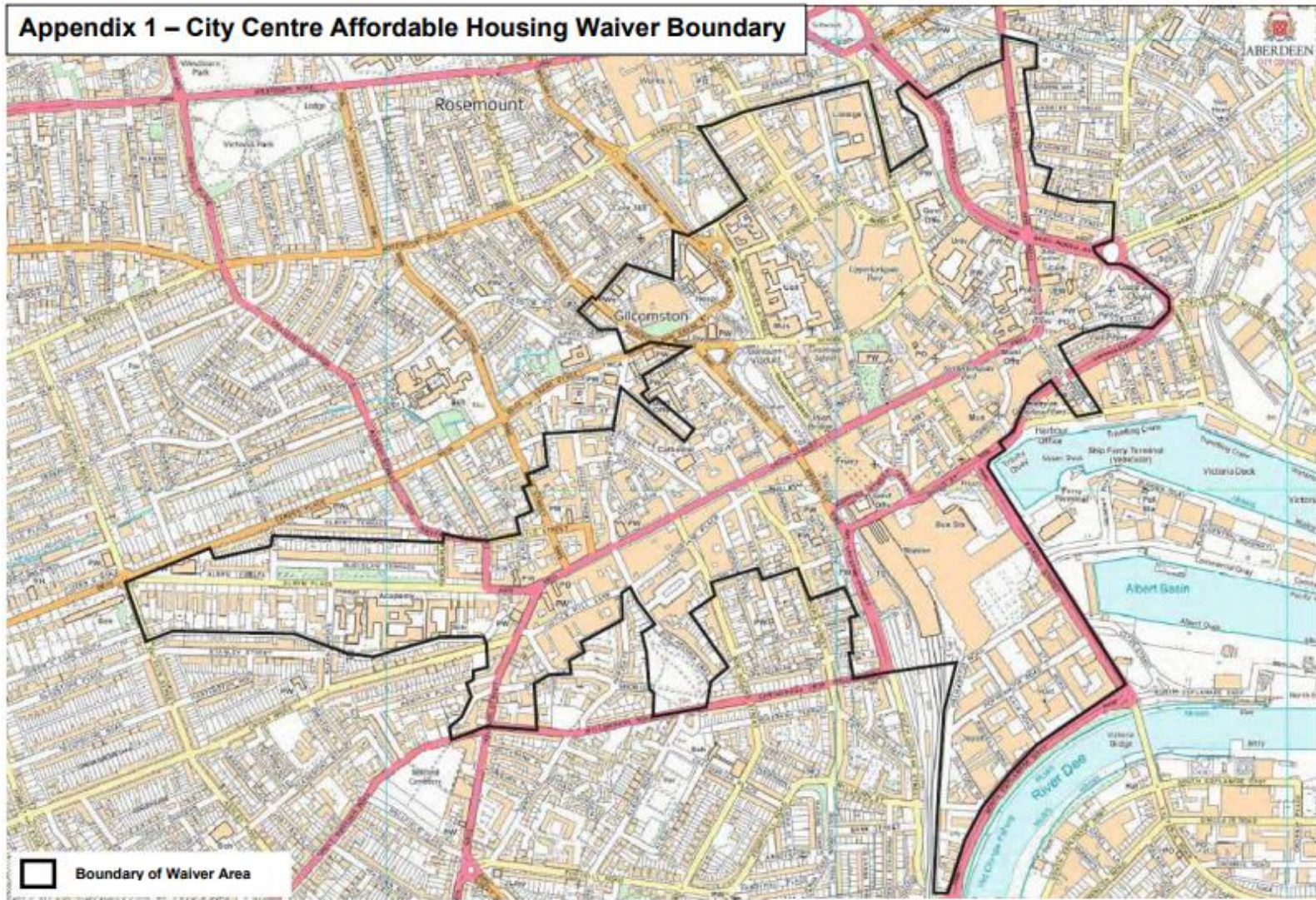
Assessment	Outcome
Integrated Impact Assessment	New Integrated Impact Assessment has been completed
Data Protection Impact Assessment	Not required
Other	Not required

10. BACKGROUND PAPERS

- 10.1 [RES/18/178](#): City Living Study – Developer Contributions
[PLA/20/100](#): Review of Two-Year Waiver on Affordable Housing in the City Centre
[PLA/22/091](#): Affordable Housing Waiver Extension
[RES/22/173](#): City Centre and Beach Masterplan
[CR&E/25/174](#): Development Plan Scheme 2025

11. APPENDICES

11.1 Appendix 1



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