ABERDEEN CITY COUNCIL

COMMITTEE Enterprise, Planning and Infrastructure

DATE 26 November 2009

DIRECTOR Gordon McIntosh, Enterprise, Planning and

Infrastructure

TITLE OF REPORT Pinewood and Hazledene

REPORT NUMBER: EPI/09/116

PURPOSE OF REPORT

1.1 To advise members of the planning implications of delaying the marketing of Council owned housing sites at Pinewood and Hazledene.

- 2. RECOMMENDATION(S)
- 2.1 That Committee note the contents of the report.
- FINANCIAL IMPLICATIONS
- 3.1 Disposal of the Council's interests, as owner of 81% of the aggregate site area, will result in a capital receipt for the Common Good. Full details of this were reported to the Finance and Resources Committee of 17th September 2009. This report discusses a planning appeal scenario, which would involve substantial costs to the Council discussed in paragraph 6.6.
- SERVICE & COMMUNITY IMPACT
- 4.1 The sites involved are allocated for housing within the adopted Aberdeen Local Plan, and if developed, would support the Council's vision for the city. Vibrant, Dynamic and Forward Looking lists as an objective "To improve the quality of housing and environment for individuals and the community".
- OTHER IMPLICATIONS
- Previous reports to the former Resources Management Committee described various legal, property, planning and financial implications of proceeding with the disposal of these sites at any future date and also consideration of the implications for any/all of these factors resultant from the current market/financial conditions both locally and nationally, many of which are unquantifiable and unpredictable at this time.

6. REPORT

- 6.1 The 2008 Aberdeen Local Plan identifies two sites at Pinewood and Hazledene as housing allocations for the period 2000-10. These sites are owned by the Council (with the exception of a part of Pinewood which is owned by Robert Gordon's College) but are currently leased. Asset Management officers have been discussing marketing the sites with the developer who controls this lease but these discussions have reached an impasse. Details were reported to the Finance and Resources Committee of 17th September 2009. Members recommended that any planning implications and any implications for the Local Plan that may occur as a consequence of the delay in the marketing of the sites at Pinewood/Hazledene be the subject of a separate report by the Head of Planning and Infrastructure to the Enterprise, Planning and Infrastructure Committee.
- 6.2 Although the 2008 Aberdeen Local Plan is fairly recently adopted, work has already begun on its replacement the Aberdeen Local Development Plan. The new Aberdeen Local Development Plan must be consistent with the recently approved structure plan which requires the Council to identify land for 36,000 new houses, 21,000 of which should be on greenfield sites. A Main Issues Report for this was released for consultation on 16th October this year. It is intended to release a Proposed Local Development Plan in September 2010 and adopt it in April 2012. At this point it would replace the 2008 Aberdeen Local Plan.
- 6.3 It has always been the intention to carry over any undeveloped allocations from the 2008 Aberdeen Local Plan into the new Local Development Plan. Such allocations may be identified as opportunity sites for housing but would not count towards the new Aberdeen City and Shire Structure Plan requirements.
- National planning policy requires Councils to demonstrate that there is at least a five year effective supply of housing available for development within a housing market area at any time. This is done through the Housing Land Audit, which is carried out jointly with Aberdeenshire Council each year as the Aberdeen Housing Market Area includes all of Aberdeen City and extends into Aberdeenshire. For a site to be considered 'effective' (in other words, not constrained), it should be shown that the site can be developed for housing within a five year period. The main issue arising from delaying the marketing of Pinewood and Hazledene is that objectors and developers promoting competing sites could argue that the sites are not effective. As reported to the Strategic Development Plan Authority in September, this is already the case with Pinewood and Hazledene. There are a number of possible consequences arising from this which are discussed below.
- 6.5 In carrying out the 2009 Housing Land Audit, developers disputed the inclusion of all the Council's sites which are identified in the 2008 Aberdeen Local Plan. This included Pinewood, Hazledene and

Greenferns. The developers believe that as at 1 January 2009 these sites had not been formally released as part of a land disposal exercise and indeed subsequent to this date the Council deferred any marketing of Pinewood and Hazledene on the advice of consultants. The Council has granted planning permission for Pinewood and Hazledene and maintains that it is possible to bring them forward in the next five years. The Council's sites were therefore included in the 2009 Audit which shows that we have a 5.6 year supply in the Aberdeen Housing Market Area. Omitting the sites from the audit would have reduced this to 5.1 years. However, the longer the sites are not marketed, it will become more difficult to maintain this position in subsequent audits. Also in terms of the new structure plan requirement, the effective housing land supply is likely to fall below five years next year. We will therefore require as many effective housing sites as possible in order to increase the supply.

- 6.6 If Pinewood and Hazledene are considered to be constrained, then they cannot count towards the effective five year supply in the Audit. If the supply falls below this level, then developers promoting alternative sites (in for instance an appeal situation) can use it to argue that their sites should come forward instead. Planning appeals - particularly if they involve public inquiries – are costly and take up a lot of officer's time. Estimating the costs of an appeal is very difficult and dependent of the length, the number of parties and experts involved. As a rough guide, a 4 day appeal may cost £30,000 but this could increase substantially if the Council has to employ specialist consultants. Councils can challenge appeals that go against them at the Court of Session. An example of this occurred in Aberdeenshire Council, where Scottish Government Reporters allowed an appeal at Newburgh due to a reduced effective housing land supply at that time. Aberdeenshire Council took the case to the Court of Session and had the appeal decision overturned in their favour, but this approach can incur significant costs, and is high risk.
- 6.7 Appeals can lead to sites coming forward which are not part of the development plan. This can result in developments emerging that are not anticipated by local communities and not consistent with other Council plans and strategies. This can reduce confidence in the development plan system.
- 6.8 National policy states that where there is an identified shortfall in meeting existing housing land requirements, planning authorities are expected to take steps to secure the delivery of housing to maintain the minimum 5 year effective supply. One option available would be to grant planning permission for sites within the 2008 Aberdeen Local Plan which are intended for development in later plan periods where they are effective and capable of being developed early. There are 3 such areas of Strategic Housing Land Reserve in the Local Plan at Greenferns, at Maidencraig south east (to the west of Sheddocksley) and at Kingswells South. The effectiveness of the Council owned land at Greenferns could be questioned for the reasons already discussed, although it is currently the subject of masterplanning proposals. The other sites are under the control

- of landowners and developers who are promoting them for development in the Main Issues Report for the new local Development Plan.
- 6.9 Bringing these sites forward would augment the 5 year effective supply should it fall below that level. Normally this would be done through a review of the Local Plan. However, if this augmentation was required quickly, it is likely that Supplementary Planning Guidance (SPG) could be adopted, provided widespread consultation and engagement takes place. A similar exercise was carried out in 2003 which resulted in the release of around 200 houses in Charleston in Cove. However, SPG tends not to be popular as it is seen as allowing development through 'by the back door', outwith the development plan process. In order to give the SPG any real status it should be flagged up through the development plan and then requires to go through an exercise similar to that of the Local Development Plan. Such a step would have significant implications for the progress of the Local Development Plan as it would divert staff resources away from delivering the Local Development Plan itself. It would also require additional financial resources.
- 6.10 A related issue is that in future it may be more difficult to defend the inclusion of Council owned sites in the new Local Development Plan. Developers (including the Council) submitted 126 development options for consideration for the new Local Development Plan. Officers' favoured development options are outlined in the Local Development Plan Main Issues Report and these include several Council owned greenfield sites and numerous brownfield sites. Some of these are of a significant scale (Greenferns Landward, Greenferns Strategic Housing Land Reserve, Loirston) and others could provide regeneration opportunities.
- 6.11 It is likely (given past experience) that developers with competing sites will use the representation process and possible examination in public to challenge those allocations that are Council owned on the grounds that they are not deliverable. Their aim would be to have the Council's sites deleted from the Local Development Plan and their own substituted in their place. Under these circumstances there is no guarantee that these sites will be either included or reinstated in future local development plans.
- 6.12 Deliverability and getting things done is a key part of modernising the planning system. Providing a strong framework for investment decisions which help to grow and diversify the local economy is one of the main aims of the structure plan. If the Council does not market its allocated sites, then its inability to deliver these sites will be used to argue against the possible future allocation of Council owned sites in the next Local Development Plan, as will its commitment to the Structure Plan vision, growth strategy and the provision of affordable family housing. A list of Council owned sites identified in the Local Development Plan Main Issues Report appears in Appendix 1.
- 6.13 One final consequence concerns the planning of Pinewood and Hazledene themselves. A planning brief has been prepared for both sites to ensure that they are developed in a comprehensive and planned way.

Developing a small part of the site (such as the part not owned by the Council) could result in piecemeal development where issues such as access, public transport access and permeability are uncoordinated. This could result in a poorer overall development. A worst case scenario could see parts of the site sterilised, an increase in the costs of infrastructure provision and a reduced scope for negotiating planning gain.

6.14 To summarise, marketing Council owned allocated sites will show that the Council is committed to their delivery. This removes arguments that the sites are constrained and ensures that they are part of the 5 year effective supply, ensuring that we meet our statutory requirements. It will also help to demonstrate in future that the Council is leading by example. Showing that the Council is willing to deliver other sites that are being proposed in future plans, such as the new Local Development Plan, will give the Plan greater credibility. It will help reduce the risk of appeals with their associated costs. Increasing the supply of family housing, including affordable housing and reducing out-migration from the City would be consistent with the Structure Plan's vision and aspirations.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

- o Housing Land Audit 2009 Aberdeen City and Aberdeenshire Councils
- o Aberdeen City Local Plan 2008
- o Aberdeen Local Development Plan Main Issues Report 2009
- Aberdeen City and Shire Structure Plan 2009
- o Report to the Finance and Resources Committee of 17th September 2009

APPENDIX 1 – Council owned sites currently identified in the LDP Main Issues Report

Greenfield sites

East Woodcroft North
Greenferns Landward
60 greenfield houses
1000 greenfield houses

Greenferns SHLR
Loirston
1500 greenfield houses and employment land
Part owned of a proposal for 1500 greenfield houses, employment land and community

stadium

Friarsfield North
Part owned of a proposal for 185 greenfield

houses

Blackhills of Cairnrobin Employment Land

Carry-over from 2008 Aberdeen Local Plan

Pinewood and Hazledene
Greenferns
300 greenfield houses
120 greenfield houses

Brownfield Sites (list may not be exhaustive)

- Summerhill Academy
- Haudagain Triangle
- Park House
- Aberdeen Beach South (Energy Futures)
- Kittybrewster (part)
- Byron Park School
- St Machar Primary
- Mile End Primary
- Balgownie Primary
- Braeside School
- Smithfield School
- Bankhead Academy
- Linksfield Academy
- St Peters Nursery
- Croft House
- Frederick Street
- The Bush, Peterculter
- Aberdon House
- Urguhart Road Works
- Cummings Park Crescent
- Manor Walk

- Victoria HouseTillydrone Primary School