

Aberdeen City and
Aberdeenshire Retail Study

2018 Aberdeen City Update

Final Report

Volume 1: Main Report

Aberdeen City Council

May 2019

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reference:

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1 Introduction

Background

- 1.1 This report sets out an update to the 2013 Aberdeen City and Aberdeenshire Retail Study (ACARS) to provide an assessment of retail and related floorspace provision within Aberdeen City and to assess potential future demand and supply for retail and leisure floorspace within this area for the next 15 years or so. The primary purpose of this assessment is to support Aberdeen City Council as it prepares the next version of the Aberdeen City Local Development Plan (2022).
- 1.2 This 2018 Update has been commissioned by Aberdeen City Council and the focus of the study is retail, leisure and related floorspace provision within the City. Detailed information on existing floorspace has been collated only for the City although surveys of town centres units has also included the principal settlements within the Aberdeenshire part of the Aberdeen Housing Market Area (see Figure 1.1). The Update has also included forecasts of demand for additional retail floorspace, as well as other town centre uses, using the Aberdeen City and Aberdeenshire Strategic Retail Model (AASRM). The Study has not included a new household survey.
- 1.3 Notwithstanding the highly publicised difficulties experienced by the retail sector, particularly over the past 5 years or so, retailing still remains a key mechanism by which households gain access to goods and services. One of the key trends that has intensified in recent years has been the increasing extent to which households are able to access both services and goods via the internet, which has intensified pressure on the use and role of town centres, retail parks as well as more local shopping provision. This Update considers the extent to which these changes have developed since the 2013 Study and the implications this has for the future of the network of centres within the City. A second key theme in this Update is the progress with the new expansion areas located to the north, west and south of the City and the need for these developing communities to include additional retail and retail service facilities.
- 1.4 This Update follows the structure of the 2013 Study. The report is provided in three volumes:
 - Volume 1 sets out an overview of the study – the approach and method and the key findings of the study including: an analysis of retail trends; a description of current retail provision in the study area; analysis of changes since 2004 and 2013; future demand and supply; and a recommended strategy for development planning for retail, retail services and leisure within the study area.
 - Volume 2 provides a review of current and future provision for the principal retail locations within Aberdeen City.
 - Volume 3 sets out the appendices for the study.

Study Brief

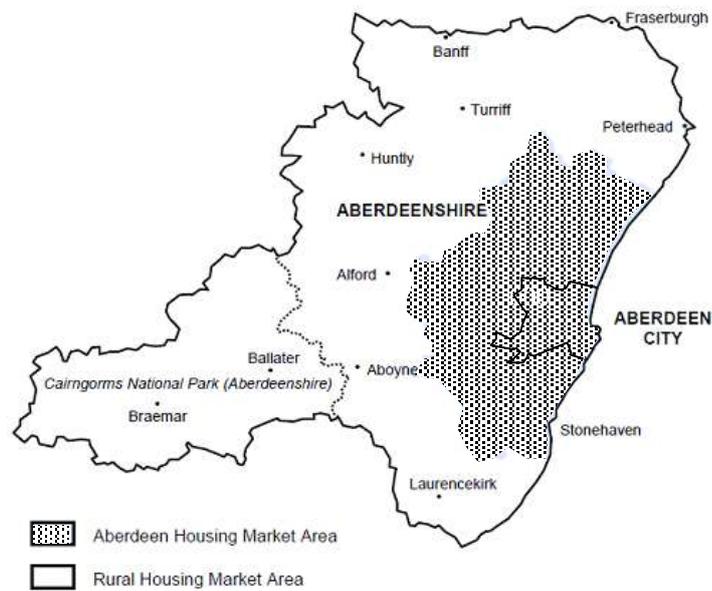
1.5 The objectives and purpose for the 2018 Update are as follows:

- To provide an update of the 2013 ACARS study to assess demand and supply of retail and related floorspace within Aberdeen City to provide the basis for advice for an updated retail strategy to be included within the 2022 Aberdeen City LDP.
- Provide advice for the future of city/town/local centres within the City encompassing a broad range of potential uses including: retail; leisure; offices; civic and community uses; residential; public open and amenity space. This is to take into account changing future demands for retail space and consider both existing centres and other retail/leisure and related locations within Aberdeen.
- To review proposals for additional retail developments submitted to ACC as part of the early stages of LDP preparation.

1.6 This Update is not being undertaken in isolation but takes into account existing/recent planning applications, consents, development strategies and masterplans prepared for centres including the Aberdeen City Centre Masterplan (CCMP).

1.7 Although the focus of the Update is retail supply, demand and strategies within the City this cannot be undertaken effectively without having regard to changes in retail provision within the whole of the Aberdeen City and Aberdeenshire area. This reflects the fact that (as identified in both the 2004 and 2013 strategic retail studies) major retail locations within the city draw trade from well beyond the city boundary – indeed these earlier studies demonstrated that trade is drawn into the City Centre from parts of Moray, Shetland and limited parts of Tayside. For practical reasons it has not been possible to undertake the same detailed level of analysis for the whole of this potential catchment area but the study has considered, in addition to the analysis within the City:

- Surveys of retail and retail service units in the towns of Stonehaven, Portlethen, Banchory, Westhill, Inverurie and Ellon. These are the principal settlements in Aberdeenshire located in the Aberdeen Housing Market Area – the relationship between this area and the Council boundaries is shown in Figure 1.1.
- Major retail developments and proposals throughout Aberdeenshire since 2013.
- A broad-based market review of town centre activities including retail, personal, entertainment and financial services, leisure and tourism.

Figure 1.1: Study Area Boundaries

1.8 In summary the brief has been interpreted as requiring:

- Use of up-to-date data for the preparation of a Strategic Retail Model (“SRM”) for the period to 2032.
- Recommendations for a retail strategy with the principal focus on the city and settlements within the City of Aberdeen. This strategy is to include updating the advice relevant to:
 - addressing retail deficiencies in existing urban areas;
 - identification of retail floorspace to serve new and expanded urban areas;
 - the future growth of the City Centre;
 - consideration of specific retail, leisure, entertainment and tourism sectors; and
 - a framework for emerging development plans.

2 Overall Study Approach

2.1 This Update has followed directly the same approach adopted for the 2013 Study. The principal techniques used for this are:

- Data review: existing and future population; existing retail and retail service floorspace; existing and future available expenditure forecasts; tourism expenditure.
- Long term market trends and review.
- Updating the Aberdeen and Aberdeenshire Strategic Retail Model (AASRM) – including the use of sensitivity tests and development scenarios.
- Review of existing retail centres – surveys and town centre health checks (vitality and viability).

2.2 The principal differences with the 2013 Study are that a new household survey has *not* been commissioned for this Update and detailed floorspace data has not been obtained from the Regional Assessor for units in Aberdeenshire. Base data for available expenditure has used that provided for the 2013 Study together with floorspace information for retail units within the City of Aberdeen provided by the Regional Assessor and up to date forecasts for population and available expenditure (including special forms of trading) growth. The study has rolled forward forecasts up to 2032.

Data Review

2.3 Data sources used for the study are as follows.

Existing Retail Floorspace.

2.4 Disaggregated data was provided by the Regional Assessor for all retail units within Aberdeen City. All properties were reviewed to identify whether the principal use was for: convenience goods retailing; general comparison goods retailing; bulky goods retailing; retail services; and vacant retail goods/service units. The working definitions for these categories is as follows:

- *Convenience Goods.* Pitney Bowes Retail Expenditure Guide definitions have been adopted i.e. convenience goods: food; alcoholic and non-alcoholic drinks; tobacco; non-durable household goods; and newspapers and magazines.
- *General Comparison Goods.* Pitney Bowes Retail Expenditure Guide definitions have been adopted i.e. books; clothing and footwear; audio visual goods (excluding those identified as bulky); chemists' goods; jewellery etc; recreational goods and other miscellaneous goods (excluding those identified as bulky).
- *Bulky Comparison Goods.* Furniture and floor coverings; domestic appliances; repair/maintenance materials; tools/equipment for home and garden; garden plants/flowers; and limited other goods.
- *Retail Services.* These reflect Goad survey categories and include: restaurants/cafes/fast-food; hairdressing/beauty/health; launderettes; travel agents; banks and financial services; building societies;

estate agents; betting; video/dvd hire; and other services aimed at serving passing members of the public (rather than uses where normal business would be by prior arrangement).

- 2.5 The above definitions are consistent with those adopted in the 2004 and 2013 Studies. It is important to note that the above definitions do *not* match classes identified in the Use Classes Order – in particular Class 1 Shops is a wider definition than is used in this study and includes uses that are either retail services (e.g. travel agent) or, for the purpose of this study, not identified to be retail (e.g. funeral director).

Population

- 2.6 Base line population has been derived from Scottish Neighbourhood Statistics, the 2011 Census and National Records for Scotland data. This has been aggregated to provide population estimates for strategic model zones. Forecasts were based as follows:

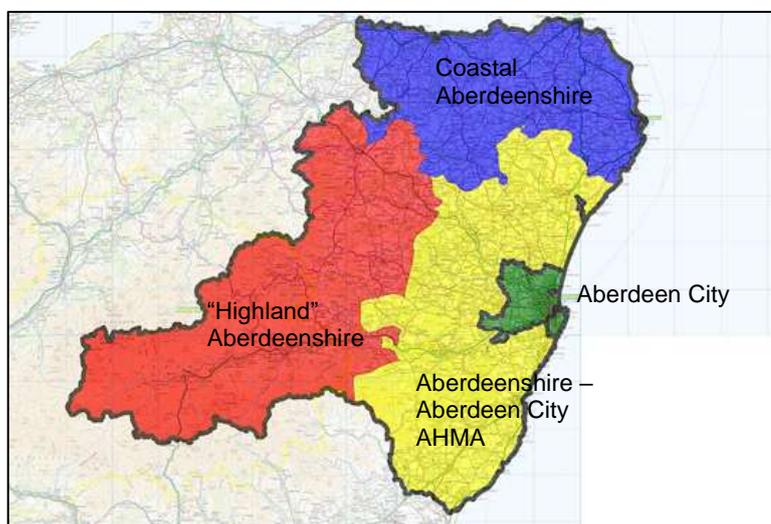
- Low growth – from NRS 2016-based forecasts adjusted (reduced) to reflect 2017 mid-year population estimates.
- Central case – from NRS 2016-based forecasts (no adjustment).
- High growth – from NRS 2014-based forecasts (no adjustment).

- 2.7 Populations for Zones within the model were estimated from housing completions forecasts from the 2018 Aberdeen City and Aberdeenshire Housing Land Audit.

Available Expenditure, Growth and Special Forms of Trading

- 2.8 Estimates for available expenditure for the base year (2012) were adopted from the 2013 Study for each of the four sub-regions (“highland” Aberdeenshire, coastal Aberdeenshire, Aberdeenshire - Aberdeen City HMA; and Aberdeen City). Base figures were provided from Pitney Bowes Business Insight AnySite reports provided with the 2013 Study. Figure 2.1 shows the location of these sub-regions.

Figure 2.1: Location of Study Sub-Regions



2.9 Expenditure growth forecasts have used forecasts produced by both Pitney Bowes Retail Expenditure Guide (2017-18) (PBREG) and Experian Retail Planner (Edition 15) (ERP). Changes to 2018 from the base year were identified by applying actual national changes identified in the PBREG. The following alternative forecasts were adopted:

- “Low Growth”: Expenditure growth PBREG; Special Forms of Trading PBREG (Central Case).
- “Central Case”: Average of PBREG and ERP – for both available expenditure and Special Forms of Trading.
- “High Growth”: Expenditure growth ERP and Special Forms of Trading PBREG (Central Case).

Tourism

2.10 Estimates for tourism expenditure in shops were derived from a combination of:

- Changes in tourist accommodation 2013-2018 in the ACARS area.
- 2017 spend of tourists to Aberdeen and Aberdeenshire.
- Deductions from study area residents making tourism spend elsewhere (i.e. outwith the study area as part of their own tourist trips). The retail model therefore estimated the net effect of tourist spend on available expenditure (therefore in areas of high tourism activity such as Deeside this added to expenditure whereas in other areas such as parts of the Aberdeen suburbs tourist spend reduced overall available expenditure).

Household Survey

2.11 Information on expenditure flows was adopted from the analysis of the Household Survey undertaken for the 2013 Study. Details of the scope of this survey and analysis of data generated is set out in the 2013 ACARS Final Report.

Strategic Retail Model

2.12 This Update adopts the Strategic Retail Model used in the 2013 Study. Details of the model are set out in Section 2 of the Final Report to that study. No changes have been proposed to the Model Zones which are shown in Figures 2.2 and 2.3.

Figure 2.4: Aberdeen City Zones

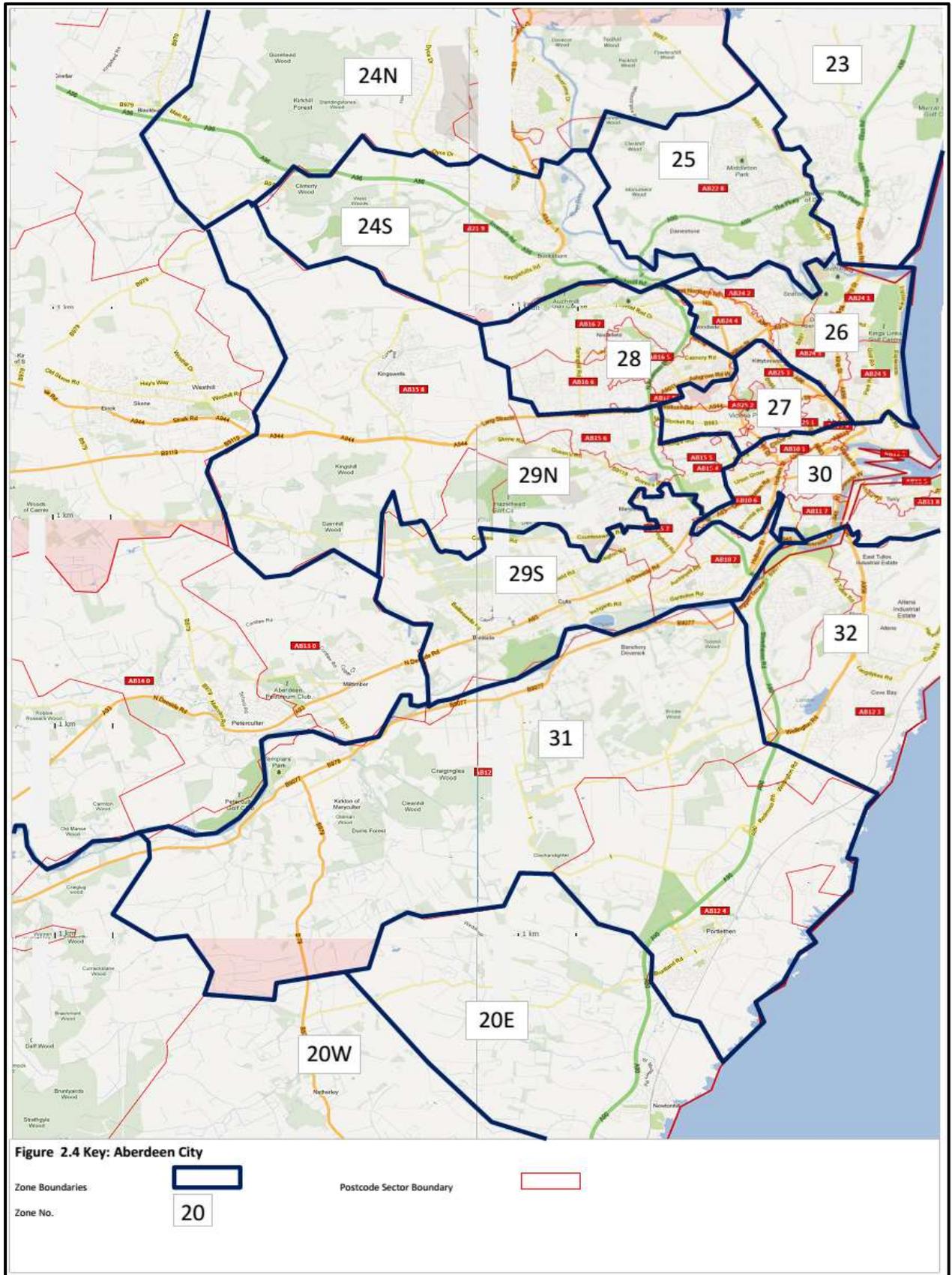
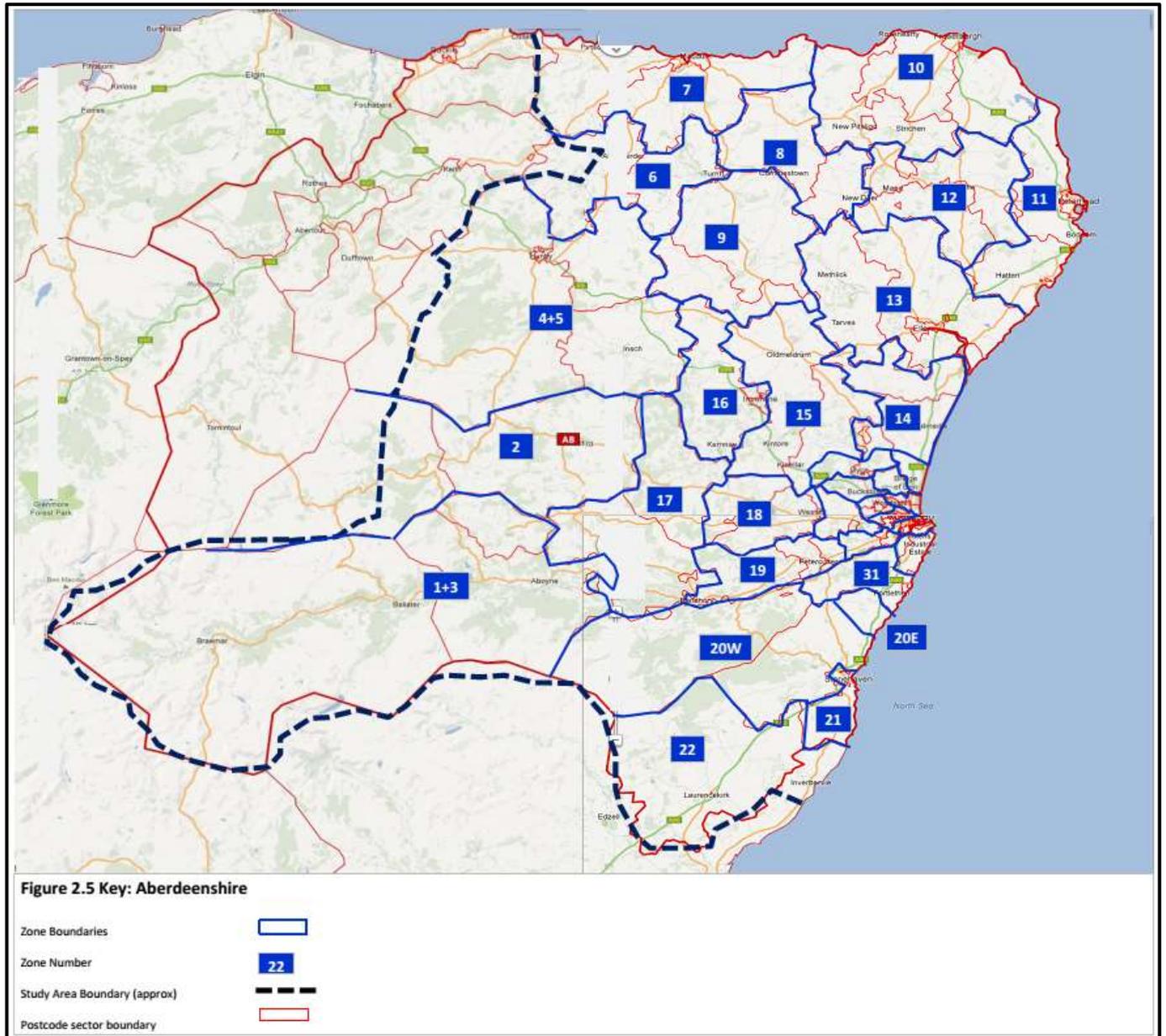


Figure 2.3: Aberdeenshire Zones



3 Trends in Retailing and the Leisure Market

Introduction

3.1 This section summarises long term trends and issues affecting the retail and leisure sectors. It assists in assessing the basis for future growth and change in these sectors within the ACARS study area with the primary focus on the City of Aberdeen.

Overview of Retailing in the UK and Scotland

General Patterns of Retail Expenditure to 2018

3.2 Figure 3.1 identifies overall retail sales growth (current prices) for the period 2003 to 2018 (source: ONS). This shows that, despite periods of economic growth and recession, the overall level of retail sales has grown steadily so far this century.

Figure 3. 1: NSO Retail Sales Index 2003-2018



3.3 The graph concerns total retail sales, including both petrol and on-line sales, and is seasonally adjusted. When looking at the whole of this 15-year period it shows that there has been significant growth averaging at 3.2% per annum in value terms. There has been some inflation for retail goods over this period and, when one strips out the effects of inflation the overall growth has been 2.6% pa. Examining the data more closely does, however, reveal significant variation over this period as shown in Figure 3.2.

Figure 3.2: Annual Growth in Retail Sales 2003-2018

Period	Annual Growth of Retail Sales Value Basis	Annual Growth of Retail Sales Volume Basis
2003Q1 – 2008Q2	3.7%	3.8%
2008Q2 – 2010Q4	1.5%	0.5%
2010Q4 – 2016Q2	2.7%	1.9%
2016Q2 – 2018Q3	5.4%	4.2%

- 3.4 The figure shows the effects of the 2008-2010 recession followed by relatively slow recovery to 2016 and more rapid growth since then. A similar picture is provided by both Pitney Bowes and Experian in their retail reports.
- 3.5 Since 2013 there has been a significant recovery in retail sales. Overall economic growth has been significant but the pressure on average earnings has been such that income levels, in real terms, have struggled to reach levels in 2008. The squeeze on income and expenditure has meant that retailers have been forced to be more competitive with the result that retail inflation between 2013 and 2018 has been effectively nil (averaging 0.4% per annum for convenience goods and 0.0% for comparison goods). The inability of retailers to be able to raise prices at a time when their costs have steadily risen in line with, or greater than, general inflation (for example as a result of the imposition of the National Living Wage) has resulted in a serious profit squeeze on many retailers. This has been a major factor in the struggles faced by many operators. A second key factor has been the continued growth of internet sales which is considered in detail below.
- 3.6 Retail sales in Scotland have generally followed the same patterns identified above for the UK but at generally lower rates of growth. Data from the Scottish Government identifies average growth in retail sales to be 2.4% (2008-2017) compared to 2.9% pa for the UK as a whole.

Scottish Retail Sector in 2016

- 3.7 The Scottish Annual Business Statistics 2016 provides key data for the retail sector in Scotland. This showed that the retail trade made the largest divisional contribution to GVA within services at £5.9 billion (11.9% of total services GVA). However, this data source identifies that the total number of retail units has declined from 24,256 units in 2008 to 22,434 in 2016 – a decline of 7.5% (or 1% per annum). Earlier studies suggest that there were over 30,000 units in the country in 1990. In terms of turnover this identifies significant turnover *growth* between 2008 and 2014 (from £23 billion to £27 billion) but a sharp decline from 2014 to 2016 – back to levels identified in 2008.

Retail Property Market Changes since 2013

Expenditure Forecasts

- 3.8 Forecasts by both Experian and Pitney Bowes (Oxford Economic Forecasts) continue to identify expenditure growth for retail goods. Short term forecasts are for muted growth but significant growth is identified to resume thereafter:
- Convenience: 2018-2021: growth between 0.1% and 1.0% pa; for 2022 onwards growth between 0.1% and 0.6% pa.

- Comparison: 2018-2021: growth between 2.4% and 2.8% pa; for 2022 onwards growth between 3.0% and 3.2% pa.

3.9 The above figures assume constant prices (i.e. they are volume-based forecasts). In general forecast growth is identified to be significantly lower than historic growth rates prior to the 2008/09 recession.

The Effect of Internet-Based Retailing (Special forms of Trading or “SFT”)

3.10 Since 2013 internet-based retail (using whatever device is convenient) remains very attractive to consumers and is expected to continue to grow rapidly. Many retailers have fully embraced the internet and have developed it as part of a multi-channel retail strategy i.e. combining different “bricks and mortar” retail formats with the internet. Associated with this is a break in the relationship between sales driven by floorspace with physical shops used as much for the display of goods and promotion of a brand as for the sale of goods (with many retailers encouraging shoppers to visit stores to see and test products but to purchase the goods online).

3.11 As a result, SFT is forecast to grow rapidly – the Office for National Statistics (ONS) identified actual growth for the 12 months to May 2018 to be +20.7% growth in food retail online and +23.7% for non-food. Online retail in the UK remains more developed than either European countries or North America and so it remains very difficult to assess at what point online retail will plateau as a proportion of total expenditure. Both Experian and OEF agree that it will reach an effective limit probably during the 2030s but differ greatly in their estimates of what proportion of expenditure will utilise the internet. There are, of course, huge unknowns reflecting technology development, the relationship between online sales and store-based sales and the extent to which these will be serviced through existing “bricks and mortar” stores.

3.12 The relationship between physical retail stores and online retailing is becoming increasingly sophisticated. There is an increasing tendency for stores to act as “showrooms” displaying products which are purchased on-line (and often from a different retailer). Successful retailers are embracing multi-channel retailing combining physical stores with an on-line presence and it is more often the latter that drives increases in sales. However, what cannot be established is the extent to which these on-line sales are dependent on the branding and display opportunities that are provided through the presence of physical stores.

Store Closures

3.13 Notwithstanding the expenditure growth identified for both convenience and comparison goods over the past couple of years, media attention has been focussed on a series of national retail failures with particular concern being expressed since late 2017 with a number of major retail names being forced into administration or seeking Company Voluntary Arrangements (CVA) through which retailers can significantly reduce the number of operating stores and close less profitable/more expensive outlets. Despite this there have been many retailers that have grown significantly over the same time period including each convenience, comparison and retail-services operations. The general property market consensus is that, notwithstanding that retail growth is significantly lower than in past years, the spate of high-profile closures in recent times primarily reflects outmoded or inflexible business models rather than fundamental weaknesses regarding retail.

Broad Retail Trends

- 3.14 Broad trends can be identified in terms of the location of retail floorspace, and how these affect different types of centres, and retail formats.

Trends Affecting Types of Centres

- Continued market concentration favouring growth in the largest retail centres which will increase their market dominance and continue to attract investment.
- Middle sized centres are likely to experience significant relative and absolute decline in demand for retail units and space.
- Small retail centres are likely to be largely resilient to change although there is likely to be a continuing shift from retail goods shops to retail services. Their resilience reflects the importance of local/walk-in trade (especially for services) and reflects changing lifestyle and habits – especially in urban areas.
- Greatest retail demand will continue in prime pitches with secondary and tertiary pitches declining both in relative and absolute terms.

Trends affecting Out of Centre Provision

- 3.15 Although subject to the same broad market challenges as town centres the fact that most retail parks are in a single ownership and management, with a simpler physical development profile, makes it easier for retail parks to develop strategies to overcome market difficulties. As a result, vacancies in retail parks tend to remain significantly lower than town centres. Trends affecting retail parks include:

- Continuing attempts to derestrict retail parks to increase the range of potential occupiers.
- “Right-sizing” retail units to match demand - typically this can include smaller ground floorplates but the inclusion of, or capacity to install, mezzanines.
- Demand from certain operators to provide new large format units with a broad range of goods – this includes Next at Home, Outfit and John Lewis.
- Development of “small” retail park formats – typically in the region of 5000-9000 sq m anchored by food and non-food discounters.

Retail Format Trends

- 3.16 Reflecting the growth of multi-channel retailing major national retailers (who are frequently major anchors in centres) will need fewer stores to reach the bulk of their market. As a result, they are expected to continue focussing on the largest centres but, in these centres, they will be attracted to larger units in order to display their full product range. As part of this strategy units in small-medium centres will close.

- 3.17 Demand for “value” retail continues not only from consumers but also landlords and investors. Value retail in all sectors (food, home goods, fashion etc) will continue to be a driver of demand for retail space. In many cases food and non-food discounters can anchor retail developments and can be provided adjacent to more aspirational brands.

Key Trends for Retail Sectors

- 3.18 In summary key trends for different retail sectors include:

Comparison Goods

- There remains continued strong growth from the non-food discounters (e.g. Home Bargains, B&M, the Range etc). These include new build freestanding units from 1500-5000 sq m, occupation of vacant retail warehouse and town centre units.
- The bulky comparison goods sector remains strong and reflects, in part, “catch-up” investment by bulky retailers opening units in retail parks. The bulky goods sector (especially brown- and white-goods) is highly dependent on housing market activity.
- Many comparison goods retailers are actively seeking to combine shop floorspace with other retail channels.

Convenience Goods

- Development of major superstores has effectively stopped. Within these large stores attention has focussed on better use of the space available including the incorporation of non-retail uses within the stores. It should be noted though that, with time, many supermarkets and superstores will become increasingly dated and there will be a need for refurbishment and further “right-sizing” of units.
- The reduction in new build superstores reflects a combination of major factors: (i) the large quantity of superstore space developed between 1990 and 2010 which leaves very few untapped market opportunities; (ii) changing lifestyles and a greater willingness of shoppers, especially millennials and other younger generations, to undertake smaller, but more frequent shops. This has supported the increasing popularity of the food discounters and convenience stores; and recently (iii) food price inflation combined with economic uncertainty resulting in a significant squeeze on household incomes.

Factors Affecting Future Retail Growth

- 3.19 There remains a debate as to whether the retail industry is facing structural change or whether the changes that have been experienced this century, particularly since the advent of the recession in 2008, are more cyclical and it is simply a matter of the industry to adapt to change and move on. Key factors that have been identified to be affecting the future of retail are:

- Demographics

- Lifestyle changes
- Technology
- Short and medium-term economic prospects.

Demographics

3.20 The Scottish population has received a considerable boost from high levels of net in-migration in the past decade and this appears to have been particularly strong in the north east. At the Scotland level this has reversed national population decline such that the total population is the highest it has ever been. However, the population is still ageing. Furthermore, the impact of Brexit on migration levels is uncertain but the expectation is that net migration rates will fall. An ageing society is particularly significant because there will be changing priorities:

- Between different types of retail goods categories.
- Between priorities for spending – purchase of goods may be less significant than making provision for pensions, healthcare and so on.
- Ease of access to retail (and also to town centres) will be highly significant – it could also lead to growing demand for safer and cleaner local environments and for socialising and leisure activities.

3.21 “Affluent greys” are likely to be a very significant group. Once children have left home this group’s disposable income could be much higher than in previous years but spending in shops will not necessarily be the highest priority for this age group. Unless good provision is made for pensions once this group reaches retirement disposable income could reduce significantly.

Lifestyle Changes

3.22 Changes in lifestyle tend to occur over a period of decades rather than abruptly. Nonetheless it is evident that, as a result of rapid changes in technology these are having a profound effect on lifestyle. Consumers are now comfortable with using a variety of shopping channels and locations dependent upon where consumers are during the day and evening – the key driver being convenience. Similarly, shopping is fragmenting – shoppers go out-of-town infrequently for major shopping, top-up locally and in-fill on the move as well as order online. Technology has been the main driver of this change. The internet has become far more accessible with the advent of smart-phones, tablets and iPads, and more user friendly.

3.23 There are also indirect impacts as a result of reduced footfall arising from increased trade away from physical stores. Smaller and independent shops that were attracted to locations close to major anchor stores will suffer reduced pass-by trade and footfall.

3.24 There is also a second key lifestyle factor that will have direct impacts on stores and on town centres as a whole. Shopping as an activity faces increasing competition from other activities including leisure pursuits. It is increasingly argued that shopping will need to be able to offer more – it will need to be more experiential – eating, being entertained and “living” the shopping experience will be more important.

Technology

- 3.25 The role of technology is of crucial importance for the retail sector. Technological change affects each of the production of goods, control of operations and ability of the consumer to interact with vendors.
- 3.26 Perhaps the most significant issue regarding technology is the speed of change. Despite only first appearing in the 1980's the 5th generation of mobile communications is being implemented and the 6th generation being contemplated. The key issue for assessing retail demand over the next 15+ years is that it will be impossible to assess what the technology will be in 15 years' time that will be available to retailers and consumers and how this will affect demand for and use of space in centres.

Economy

- 3.27 The state of the economy and availability of disposable income remain fundamental drivers for the future growth of retailing. The impact of the prolonged recession since 2008 has been long lasting and restricted the growth of the industry even in recent years as a result on on-going effects on holding back real income growth. The combination of muted demand growth with stagnant prices (and even deflation in both the convenience and comparison sectors) when supply costs are still rising has had a major impact on retailers – especially those who have failed to adapt their retail offer to the modern highly competitive retail environment.
- 3.28 Brexit provides further uncertainty. Even if the Withdrawal Agreement is eventually agreed there remains huge uncertainty as to the type of economic relationship the UK has with Europe and the rest of the world.

Leisure Market Trends

Introduction

- 3.29 The leisure sector is diverse comprising a myriad of different types of commercial leisure opportunities and experiences through to public sector sports, leisure and recreational facilities. The focus in the section is limited to, primarily, commercial leisure activities and even this sector is highly diverse, including:
- Eating and drinking out: restaurants; cafes; coffee shops; public houses and bars.
 - Health and fitness: gyms and spas – and this can be extended to include beauty including hairdressers, beauty parlours, tattoo establishments, tanning salons etc.
 - Other sports – provided by a mix of public (sports centres, swimming pools etc), commercial private (especially golf clubs/resorts), and third-sector providers (the latter including local sports clubs - football, rugby, cricket, bowling and so on). Many providers are effectively a hybrid between commercial and local clubs.
 - Other forms of entertainment including: cinemas; theatres; “competitive socialising” (e.g. ten pin bowling, laser centres and other more novel forms of entertainment); trampoline centres; and various children's entertainment (e.g. soft play centres etc).
- 3.30 The commercial leisure sector also overlaps with tourism which is an important sector within the study area including within the City Centre. This review therefore also considers demand and supply of tourist

accommodation, particularly in the hotel sector. The focus is on those activities that are most likely to impact on uses/activities within the City Centre or the town/district centres in terms of requirements for new floorspace or reducing floorspace requirements resulting in potential increases in vacancies and stock available for alternative uses. Public sector funded activities (including many theatres, concert halls and public sports centres) are also excluded, not because they are insignificant within town and cities centres, but because the provision of these primarily reflects public sector funding issues rather than commercial demand and supply considerations.

Overview – Scale of the Leisure Sector in the UK

- 3.31 The diversity of the sector and its mix of public and private provision makes it difficult to provide a definitive estimate of the sector within the UK economy. Depending on what is included within the definition of leisure expenditure the total value of the sector is in the region of £60bn to £130bn per annum (by way of comparison the retail sector in 2018 was ca. £330bn). Mintel estimate that the UK spent £129bn on this sector in 2017, 17% higher than 5 years ago and they forecast this to grow to £141bn by 2022. All of these figures demonstrate the long-term rapid growth of the sector with 4.7% growth per annum at current prices or 1.8% per annum at constant prices (using RPI base).
- 3.32 Assessing long-term trends would suggest that growth is, if anything, accelerating. However, since 2016 there have been two significant factors that have affected the sector, at least in the short term. First is the effect of the Brexit introducing uncertainty together with future question marks about the availability of foreign labour on which the hospitality sector (accommodation and food/drink) is highly dependent. Second is the impact of the minimum wage and compulsory pension contributions in increasing costs for these businesses.
- 3.33 Experian's latest forecasts for expenditure growth in the leisure sector identify long term growth in the region of 1.1% - 1.2% per annum in constant prices, in other words, lower than the average identified 1990-2016 but, nonetheless, significant.

Food and Drink

Restaurants

- 3.34 Over the past 5-10 years the food and drink sector has been particularly active with a steady number of new brands being introduced into the UK market including both UK companies and international operators growing their market in the UK. However, the general expectation is that short-term growth will be adversely affected by increased costs associated with rises with the living wage, labour supply issues associated with Brexit and, also linked to Brexit, higher costs associated with the weaker pound. In general, it is considered that this will have greatest impact on secondary market locations. Recent closures of well-known restaurant-chains reflect the impact of these cost pressures on a market that has expanded rapidly. There are, however, certain sectors that appear resilient and are expected to maintain positive short-term growth. These include the food-led public house sector and the continued increase in food provision in non-specialists linked to other entertainment activities.
- 3.35 The impact of delivery services (Just Eat, Deliveroo and Uber Eats) has been described as a “disruptor” and these have experienced dramatic growth since 2016 reflecting consumer preference for both convenience and eating at home. However, these services have also been seen to benefit newly establishing restaurants in this

sector by allowing them to reach a wider consumer base than would have been possible if they had relied solely on new physical outlets to support growth.

- 3.36 A recent trend reflecting these factors has been for downsizing restaurants, particularly in prime locations with operators taking smaller footprints to maintain profitability. Even taking these factors into account the role of food and drink within established retail centres continues to grow – BNP Paribas report that “*the vast majority of new shopping centre pipeline to be delivered for the next five years is purposed for [food and beverage]*”. They note that GlobalData has forecast that total leisure space within regional shopping centres is set to grow by 61% within 5 years – far outstripping the growth of retail floorspace.

Public Houses

- 3.37 The growth of a food-led offer has dominated development of public houses in the UK in recent years. This has resulted in increasing demand for large, good quality City Centre and larger town centre pubs from both multiples and independents. In addition, there has been continued demand for family food/pub restaurant sector with sites acquired for various national brands. These require high visibility locations on main road locations with large car parks. A third growth sector has been the sale of premium “craft” products as well as food which drives higher margins attracted to locations with rapidly growing young urban populations – a classic example is Brew Dog which, although headquartered in Ellon, is now a dynamic international brand. Conversely the traditional wet-led pub sector’s general decline continues and, in terms of absolute numbers, closures exceed new openings with a net loss in numbers of public houses and bars in the UK.

Coffee Shops

- 3.38 Like other leisure sectors coffee shops have also grown rapidly. In 1999 it is estimated that there were only 590 branded outlets but, by 2017, there were more than 7470 in the UK. These figures represent growth of 15% per annum which has been matched by turnover growth. Even through the recession this sector recorded growth of 5-7% per annum – at a time when all retail sales were shrinking. Mintel estimate that expenditure in this sector was £3.4 bn in 2016 with growth between 2015 and 2016 at 10.4%. Mintel forecast that the market will increase to £4.3 bn by 2022.
- 3.39 A key factor in the current market is the growth of non-specialist coffee shops including cafés as part of a larger operation for example in supermarkets, bookshops and in public houses – with estimates that there are a further 10,000 of these outlets in the UK. Within the industry the general view is that there remains enormous potential for further coffee-sales growth including within public houses. The development of this is, for many pub operators, a key component of the diversification of the public house offer away from “wet-led” sales.
- 3.40 The café sector has been affected by the same short-term cost pressures experienced by restaurants. Nonetheless, it does not appear that the market has yet reached saturation. Growth is likely to be lower than seen in the first 15 years of this century but there will be continuing demand for new coffee houses, in both primary and secondary locations. This will include in each of the City, Town, District and Neighbourhood centres within Aberdeen – either as freestanding units or as franchises within other larger retail/leisure units.

Other Commercial Leisure

Cinemas

- 3.41 Since 2007 there has been a growth of 20% in the total number of cinema screens within the UK between 2007 and 2017 (from 3596 in 2007 to 4309 – growth of 1.8% per annum). However, the total number of cinema sites has seen more modest growth at 3.4% (from 775 to 801 over the same period – i.e. 0.3% pa) with a decline in provision during and following the recession. The most rapid growth has occurred in the period 2014-2017. There are now, on average, 6.52 screens per 100,000 population (increasing at about 1% per annum) and, on average, 1.21 cinemas per 100,000 population (but this figure has *declined* at a rate of 0.4% pa). Cinema attendance has experienced a slightly different pattern of growth. Total attendances have remained generally flat since 2000 (declining per unit population). The combination of these figures would suggest that the primary driver of growth is the provision of more screens but with reduced capacity per screen. This will favour multiplexes but the total space required for one multiplex is less than previously required.

Health & Fitness

- 3.42 It is estimated that there were over 7000 health and fitness clubs and centres in the UK. This sector continues to grow rapidly – typically at a rate of 10% pa or higher in recent years. In total there are 9.9 million members of gyms in the UK (that is 14.6% of UK adults were members in 2016, up from 13.7% in 2015). The Leisure Database Company estimated that the value of the health and fitness sector, comprising both private health clubs and public fitness centres, was £4.9bn in 2017 which was an 11% increase from 2016 (and nearly 18% from 2015).
- 3.43 The key development in the last few years has been the growth of “budget” gym brands which has been led by Pure Gym, which opened 60 gyms alone in 2015. Gyms vary considerably ranging from specialist small “boutique” style gyms (with average membership of less than 750 per club) to the large, budget chains, which have in the region of 3500 members per club. Current market expectations are for continued strong growth for the next few years with greatest growth occurring with both the budget and top-end boutique sector. Some boutique-gyms can be quite small with space requirements as little as 300 sq m.

Other Commercial Leisure

- 3.44 Other commercial leisure activities are highly varied. The following provides a sample of the types of operations most relevant to town/City Centre locations.
- 3.45 *Ten Pin Bowling.* This is a relatively small sector but is fast growing – for example the two largest operators, Hollywood Bowl Group and Ten Entertainments Group recorded 4% and 7.7% like-for-like growth during 2017. These two companies have been opening between 2 and 4 new sites each year. Mintel estimate growth in this sector of 23% between 2016 and 2021 (4.2% pa).
- 3.46 *Trampoline Centres.* This sector experienced initial rapid growth but is now facing more challenging conditions reflecting a combination of competition (from both other trampoline operators and alternative leisure activities) and increased regulatory requirements. Growth in this sector is therefore expected to be more limited. The expectation is that there will be consolidation in the sector and one major operator, Oxygen, has already entered administration.

3.47 *Competitive Socialising*. This is a new term for a diverse range of activities based on a game/sports theme linked with eating and drinking. Gamola Golf on Market Street in Aberdeen City Centre could be seen as an example of this type of activity.

Summary

3.48 In general terms commercial leisure activities are expected to demonstrate continued strong growth for the foreseeable future. The sector is highly imaginative and adapts to create new experiences for the public and this is a major reason for its sustained high rates of growth. As some types of activity peak (e.g. trampoline centres) others grow rapidly. However, the space requirements for these are very diverse – health clubs can be located successfully both within City Centres and suburban areas, activities such as ten-pin bowling tend to favour larger, cheaper, sites outwith centres (freestanding, in leisure parks or associated with retail parks) and others, that require smaller units and high footfall, are most successful in city and large town centres.

Hotels - Aberdeen

3.49 The accommodation sector includes a mix of types of accommodation ranging from camping and caravanning through to luxury hotels. The focus in this section is on the hotel sector which is most relevant to Aberdeen.

3.50 The hotel market in Aberdeen is dominated by the business sector and, as with much of the city's economy, the drop in the price of oil in Autumn 2014 had a significant impact on the sector in the city. However, the significant lead-in time for the development of new hotel sites combined with an historic perceived lack of hotel space within the city has resulted in continued new hotel space being provided over the past few years. Examination of consents granted since 2012 provide for a net increase of approximately 2750 bedrooms within Aberdeen (this takes into account changes of use of smaller independent hotels to other, mostly residential, uses). Within the City Centre area consent has been granted for a net 1250 bedrooms with some 600-700 new rooms due to be completed by the end of 2019.

3.51 Recent new hotels (e.g. the Sandman Signature Hotel, St Andrew's Street) are aimed primarily at serving this business market. Outwith the City Centre, the primary focus, again business related, is in the vicinity of the airport at Dyce which will be reinforced by the opening of the new TECA in Bucksburn (due to open in 2019).

3.52 The effect of both the downturn in demand and increased provision has led to a reduction in occupancy rates to 2017. Visit Scotland produce data for both room and bed occupancy rates for Grampian (i.e. including Aberdeenshire and Moray) and rates for 2016 and 2017 were as follows:

- 2016: Room occupancy – 63.17%: Bed Occupancy – 39.42%
- 2017: Room occupancy – 57.49%: Bed Occupancy – 35.42%

3.53 Figures for 2018 (available up to September 2018) showed a significant improvement over 2017 with an average increase of room occupancy of 7.58% which, if maintained for the last three months of the year, would result in rates higher than in 2016 despite the increase in hotel stock.

3.54 Although the hotel sector is continually seeking to attract trade from non-business visitors (including the ongoing promotion of sports related tourism and whisky distilleries) the primary market for hotels remains business

related, especially associated with the oil-industry. Assuming long term recovery and stabilisation of the oil price, opportunities will remain for additional hotel space to be developed within the city with the most attractive locations being in the City Centre and Bucksburn/Dyce area.

Implications for Centres in Aberdeen

Retail and Retail Services

3.55 The most important factors for the retail sector for future growth/change are as follows:

- Slower growth in retail expenditure and continued growth of internet-sales (at least until the 2030s) will limit the growth of new floorspace with businesses continuing to focus on the control of costs. These factors will translate into reduced floorspace expansion although total retail floorspace requirements, particularly in the larger centres, will be expected to continue to grow but at rates lower than historically. Market penetration will be achieved by an approach pursuing multiple retail channels combining physical floorspace with on-line retail. These factors will limit the total amount of space that retailers will require – particularly in the general comparison goods sector.
- The relationship between physical space and internet-retail will become more complex. The use of physical space as showrooms and market branding and reliance on internet for increasing sales will render links between space and sales' densities less relevant.
- Increasing economic wealth will result in increased competition between retail and other sectors – notably leisure and entertainment. This will result in increasing proportions of town centre space being devoted to retail and leisure services rather than retail goods floorspace. The ageing of society will reinforce this tendency. In many cases leisure will be able to occupy space that, although historically used for retail, is less suited to modern retail requirements. However, there will also be cases where leisure will displace active retail space – an example is the application for replacing retail space with Class 3 uses on the upper floor of the Bon Accord shopping centre.
- Personal mobility will continue to increase and be a key factor supporting the growth of larger retail centres at the expense of smaller ones – especially for comparison goods.

3.56 These factors will have impacts on the quantum, format and distribution of retail floorspace:

- Market concentration in the largest centres will continue. This is likely to benefit Aberdeen City Centre. Although comparatively small by UK standards, the level of income in the regional economy, its relative isolation from other major centres (Glasgow and Edinburgh) and strength and growth prospects of the local economy are all factors likely to make it attractive to investment. Peripherality and limited absolute size of market in a UK context may, however, result in some reluctance by London-based institutional investors to consider Aberdeen. It is not clear whether the next tier of centres within the region will benefit or lose from geographical concentration. Within Aberdeenshire rapid population growth and recent market success in Inverurie is likely to support future investment whereas more peripheral and smaller centres are unlikely to benefit. In smaller centres older floorspace will be less attractive to multiples.

- For many mid-sized town and district centres (typically between 150 and 400 retail/retail service units) demand for retail space is likely to be limited and these centres are likely to carry a high proportion of shop closures. The combination of ease of travel and internet-based retail renders the retail function of these centres more marginal. Some of these centres will, however, thrive for example if the towns have unique characteristics that render them attractive locations to visit and the role of diversification, street-café culture, heritage and leisure can all support these centres. This of course, means a shift away from retail to services and leisure. Other centres that have strong market areas with rapid population growth will support ongoing retail growth. For centres that experience decline, diversification of the town centre and increased residential development will be necessary to manage change. Although significant for towns in Aberdeenshire there are no centres within Aberdeen that fit within this classic “mid-sized” town or district centre.
- For the smallest centres including small market towns, local/neighbourhood centres it is likely that the convenience function of these locations will remain important. This will support local shops for convenience goods, “convenient” comparison goods (notably chemists, opticians etc) and retail services which rely on a local catchment including walk-in catchments within urban areas. It is likely that these locations will, nevertheless see a shift from retail goods to services.
- The position regarding retail warehouse space will reflect the above trends. For larger retail parks, or those which have a strong local catchment, prospects remain generally good. However, smaller retail parks, those which are relatively difficult to access and/or have not benefitted from investment by the owners, may experience long term decline. Within all retail parks there will be pressure for diversification including increased non-retail floorspace (especially leisure which can increase overall dwell-time and spend), derestriction of retail goods and reconfiguration of space. Current trends are for smaller floorplates (typically up to 1000 sq m) but with mezzanine space (provided by the tenant). Highly accessible locations, e.g. in the vicinity of the AWPR, will remain very attractive for large scale retail and leisure development and, over the course of the study period, further proposals for major development in out-of-centre locations are likely to come forward.
- The rate of growth of floorspace for convenience goods is expected to reduce. It is evident that, for the foreseeable future, the market for large supermarkets and superstores is close to saturation. However, in areas of major new housing there will be some opportunities for new stores. Greatest demand in recent years has been for both small convenience-format units (especially in urban areas) and for mid-sized supermarkets including the discounters, M&S Foodhall and, to an extent, the Co-op as well. The units tend to be in the range of 750-2000 sq m GFA. The freezer operators (Farmfoods and Iceland) are also actively seeking units between 500 and 1000 sq m GFA.
- There will be continued opportunities for retail to be provided at specialist locations – notably transport hubs, sports, leisure and tourist locations.

Leisure

- This sector, particularly that related to entertainment, eating and drinking out, has been growing steadily. Leisure and entertainment are a form of “discretionary” spend and, as such, depend on overall levels of income which, in turn, depend on the strength of the local economy. The dependence of the Aberdeen economy on the global oil-industry which is subject to the volatility of the oil-price makes long term

economic forecasts for the industry difficult. Stabilisation in the industry this should represent steady recovery and growth in the Aberdeen economy which will support significant growth in each of the leisure and entertainment sectors as well as the hotel sector within the city.

- Although relatively small compared to other major cities, Aberdeen's significance is much greater than its population would suggest. This would indicate that it will continue to be a focus for leisure investment which should create opportunities both in the prime shopping areas and in the west end of Union Street for future leisure and entertainment uses and could involve the use of upper/basement floors and vacated retail space.
- In the short term it is likely that both the restaurant and hotel sectors will adjust to recent short-term issues: for restaurants adjustment to recent supply overreaching demand growth and adjusting to increased costs; and, for the hotel sector the development-out of the large amount of consented hotel space. In the longer term, however, it is expected that there will be steady (but unspectacular) demand for new space within the City Centre.
- Outwith the City Centre, the strongest demand for new hotel space will continue to be in the Dyce/Bucksburn areas especially once the new TECA is completed in 2019. Elsewhere though, demand for space may be more opportunistic in response to sites/properties becoming available. It is expected that there will continue to be a steady loss of accommodation from smaller/independent operators in all parts of the city.
- For the leisure sector outwith the City Centre it is expected that there will be continuing demand from public house operators seeking food-led family-oriented pubs where there is a high profile, easy vehicle access and space for parking. The prospects for establishments that are too small to accommodate a food offering and continue to be "wet-led" is less positive and closures would be expected in this type of establishment.
- The review has highlighted the diversity of other types of leisure/entertainment activity. For health clubs and gyms there is no clear view as to how far this sector will grow. With over 15% of the UK population members of gyms one would have to question how much is left in this market, however, if social trends continue to promote healthy living, there is every reason for this to continue to grow, possibly at lower rates, for the next decade. In terms of location, gyms can be located both within city/district centres, retail parks, town/district centres and as stand-alone developments. They can, therefore, present an opportunity to take space in centres which was previously in retail use.
- There is a myriad of other types of entertainment/leisure space. Many of these can occupy relatively small spaces (as little as 200-300 sq m) whereas others need, in effect, industrial sized units (1000 sq m or greater). This means that locational requirements will vary – smaller, more up-market uses would be attracted to the City Centre whereas other uses (such as trampoline centres) may prefer to be located in mixed-use/industrial locations where rents for units will be much lower.

4 Retailing in Aberdeen and Aberdeenshire

Introduction

4.1 This Section provides a summary and overview of retail provision in Aberdeen City. Volume 2 provides detailed information for individual retail centres including the City Centre. These volumes provide baseline information for the update of the recommended strategy for retailing and centres and will also assist in providing up to date data for the preparation retail impact assessments and other studies.

4.2 Information in this Section includes:

- A summary overall description of the amount and distribution of retail floorspace and expenditure flows. This includes identifying total floorspace and turnover by the three principal categories of retail goods i.e. convenience, general comparison and bulky goods.
- Summary floorspace information for retail services and vacant retail/retail service floorspace. No estimate is provided of the turnover of retail services.
- A comparison between current floorspace and turnover and that identified in the 2004 and 2013 retail studies. Key changes are identified.
- A review of the retail network identifying the principal types of retail centres and their function within the network.

Overall Distribution of Retail Floorspace

4.3 Table 4.1 provides a summary of retail floorspace and turnover, by principal retail goods category, for centres within the City in 2018. This includes centres identified in the Retail Hierarchy identified in the 2017 LDP Supplementary Guidance: Hierarchy of Centres as the City Centre, Town Centres, District Centres and Commercial Centres. Three Neighbourhood Centres are also included (Cults, Culter and Mastrick) to provide continuity with earlier retail studies. The table also includes two additional areas – the Haudegain area which was specifically requested to be examined as part of the study to assess whether or not it should be included within the hierarchy and also the Bridge of Don Retail Park. The table identifies the floorspace located in centres used for retail services and vacant floorspace. All floorspace information has been provided through the Grampian Assessors office combined with planning authority records of the floorspace of major retail units. Information on retail turnover (expressed in 2011 prices) is derived from combining data on available expenditure (from Pitney Bowes Insight AnySite Reports) and detailed analysis of the 2012 household survey responses together with known average and typical sales density information.

4.4 Table 4.1 shows that the total retail provision within Aberdeen City by type of location and Table 4.2 presents similar information for selected centres within Aberdeen. These show, for 2018:

- There is 458,719 sq m retail goods floorspace. This comprises 121,736 sq m GFA convenience goods floorspace (27% of the total), 251,083 sq m GFA general comparison goods (55% of total) and 85,900 m GFA bulky goods (19% of total).

Table 4.1: Total Retail Floorspace and Turnover – 2018 – Aberdeen City – Type of Retail Location

ABERDEEN CITY 2018		No.	Convenience			General Comparison			Bulky Goods			All Goods		
			GFA Sq M	NFA Sq M	Total Turnover £m	GFA Sq M	NFA Sq M	Total Turnover £m	GFA Sq M	NFA Sq M	Total Turnover £m	GFA Sq M	NFA Sq M	Total Turnover £m
City Centre	Retail Goods Shops	357	33056	20940	£95.32m	154005	99949	£710.27m	14966	9767	£55.21m	202027	130656	£860.80m
	Retail Services	406										100458		
	Vacant	116										27543		
	Total	879										330028		
Town Centres	Retail Goods Shops	55	3630	2360	£11.31m	2777	1805	£9.47m	932	606	£1.66m	7339	4770	£22.45m
	Retail Services	65										4324		
	Vacant	14										1213		
	Total	134										12876		
District Centres	Retail Goods Shops	22	24322	14714	£158.35m	25332	16797	£104.38m	5201	3373	£12.85m	54855	34884	£275.58m
	Retail Services	18										1656		
	Vacant	13										5419		
	Total	53										61931		
Commercial Centres	Retail Goods Shops	35	19605	11564	£122.54m	30305	20375	£94.88m	49048	36117	£81.60m	98959	68057	£299.02m
	Retail Services	4										168		
	Vacant	2										2903		
	Total	41										101784		
Freestanding Stores	Supermarkets	7	10288	6904	£52.90m	1306	888	£6.32m				11594	7792	£59.22m
	Retail Warehouse Units	4				9632	7331	£25.30m	4635	3686	£14.83m	14266	11017	£40.13m
Local & Neighbourhood Centres	Retail Goods Shops	334	30835	20043	£67.87m	27726	18022	£49.88m	11118	7227	£16.06m	69680	45292	£133.81m
	Retail Services	435										37980		
	Vacant	56										5498		
	Total	825										146183		
Total Aberdeen City	Retail Goods Shops	814	121736	76525	£508.27m	251083	172426	£1,000.51m	85900	68154	£182.22m	458719	302467	£1,691.00m
	Retail Services	928										148467		
	Vacant	201										42816		
	Total	1943										650002		

Note: Freestanding supermarkets trading outwith defined centres in 2018 were identified to be: Zone 24S Lidl (Bucksburn), M&S and Co-op (Stoneywood) Zone 26 Lidl (King St); Zone 29N Lidl (Langstracht) Zone 32: Tesco & Lidl (Wellington Road).

Table 4.2: Total Retail Floorspace and Turnover – 2018 – Aberdeen City – Selected Centres

2017 LDP Hierarchy of Centres	Centre	Zone	No. of Units 2018					Total Goods Turnover 2018				Total Floorspace Sq M GFA						Additional Services and facilities	Range of Retail Goods Shops
			Convenience	Comparison	Services	Vacant	Total	Convenience	Gen Comp	B Goods	Total	Convenience	Gen Comp	Bulky Goods	Services	Vacant	Total		
City Centre	City Centre	30+	68	325	436	83	912	£95.32m	£710.27m	£55.21m	£860.80m	33056	154005	14966	100458	27543	330028	All retail categories with extensive choice	Wide ranging
Town Centres	Rosemount	27	9	28	40	10	87	£5.56m	£6.53m	£1.47m	£13.56m	2116	1801	837	2622	1003	8378	Most retail categories but limited choice	Some additional facilities and services
	Torry	30	8	10	25	4	47	£5.75m	£2.94m	£0.20m	£8.89m	1515	975	95	1702	211	4498	Most retail categories but limited choice	Some additional facilities and services
	Danestone	25	2	3	4	0	9	£43.48m	£22.32m	£3.03m	£68.83m	6771	5503	1331	311	0	13917	Limited retail offer	None
	Dyce	24N	1	3	1	7	12	£25.92m	£15.06m	£2.38m	£43.36m	4791	3571	871	92	769	10093	Limited retail offer	Some additional facilities and services
	Middleton Park	25	1	1	5	0	7	£19.70m	£5.56m	£0.62m	£25.88m	3617	1407	258	533	0	5814	Limited retail offer	Some additional facilities and services
	Rousay Drive	29N	2	0	5	1	8	£31.04m	£7.55m	£1.09m	£39.68m	4052	2107	301	365	0	6825	Limited retail offer	None
	Upper Berryden*	27	1	8	3	5	17	£38.21m	£53.88m	£5.73m	£97.81m	5092	12743	2440	356	4651	25282	Limited retail offer	None
Retail Parks	Bridge of Don**	23	1	5	1		7	£10.41m	£6.19m	£11.99m	£28.59m	1801	1910	6608	168	0	10488	Limited retail offer	None
	Kittybrewster	26	0	10	1	0	11	£0.00m	£29.77m	£16.95m	£46.72m	0	8102	7308	0	1553	16962	Limited retail offer	Limited
	Garhdee	29S	2	3	0	0	5	£73.43m	£38.84m	£26.25m	£138.53m	10325	10708	16692	0	0	37725	Limited retail offer	Limited
	Links Road/ Boulevard	30	3	7	2	2	14	£38.10m	£20.08m	£10.65m	£68.82m	7234	9586	5713	0	1350	23882	Limited retail offer	Nonw
Neighbourhood Centres (selected)	Culter	19	3	7	10	2	22	£1.73m	£0.92m	£0.19m	£2.84m	847	330	99	1137	145	2558	Limited retail offer	Some additional facilities and services
	Cults	29S	2	7	15	0	24	£10.45m	£1.83m	£0.00m	£12.27m	1727	708	0	1309	0	3744	Limited retail offer	Some additional facilities and services
	Mastrick	28	6	4	10	2	22	£2.80m	£2.32m	£0.00m	£5.12m	951	1147	0	1434	94	3626	Limited retail offer	Some additional facilities and services
Selected Others	Haudegain	26	6	6	5	1	18	£2.23m	£0.96m	£1.10m	£4.29m	803	728	563	696	325	3114	Limited retail offer	None
ABERDEEN CITY	TOTAL		273	577	958	168	1976	£508.27m	£1,000.51m	£182.22m	£1,691.00m	121736	251083	85900	148467	42816	650002		

- Total retail goods turnover is £1,691m per annum (2011 prices). Convenience goods turnover is 30% of the total, general comparison 59% and bulky goods 11%.

4.5 Table 4.1 disaggregates this information to allow the identification of retail floorspace and turnover by different types of retail location – the City Centre, town centres, district centres and commercial centres and remaining locations (including both Neighbourhood Centres and dispersed local provision).

Aberdeen City Centre

4.6 For this report Aberdeen City Centre is taken as the whole of the area identified as the City Centre in the 2017 Local Development Plan. This area therefore extends beyond the City Centre Retail Core. The total retail goods floorspace in the City Centre is 202,027 sq m GFA which is 46% of the total retail floorspace and 51% of the turnover within the city. Its retail goods turnover is estimated at £860.8m per annum (2011 prices).

4.7 The retail role of the City Centre is dominated by general comparison goods. These account for 76% of the gross retail goods floorspace and 83% of the retail goods turnover of the City Centre. Convenience goods account for approximately 16% of floorspace and 10% of turnover of the city with bulky goods accounting for the balance.

4.8 Within the City Centre area a total of 393 retail goods shops were identified in 2018 with a further 436 retail service units and 83 vacant. This totals 912 retail and retail service units.

4.9 Details of the retail provision within the City Centre is provided in Section 2 of Volume 2 of this Report.

Town and District Centres

4.10 For this section town and district centres include all centres that perform a clear function as the centre of a community regardless of their classification in the retail network (which is discussed below). Therefore, this includes the two town centres and five district centres which have a clear identifiable retail/retail service focus.

4.11 Table 4.1 provides a breakdown of the floorspace for these centres as a whole including retail goods retail services, vacancies and retail turnover. Table 4.2 provides details for each individual centre identified in the hierarchy (excluding neighbourhood centres. In overall terms the two town centres (Rosemount and Torry) account for only a small proportion of the total retail floorspace and turnover of the city – less than 2% of the City's total but are more important in terms of total numbers of units accounting for almost 7% of all retail and retail service units within the City. The District Centres account for a very small proportion of total retail and retail service units but are much more important in terms of floorspace and turnover – the five District Centres (Danestone, Dyce, Middleton Park, Rousay Drive and Upper Berryden) account for 5% of retail goods and services units, but 13% of retail floorspace and 16% of retail turnover of the City¹. Summary data for all principal retail locations is presented in Table 4.2. This shows that there is very wide variation between different locations.

¹ These figures include *both* Upper and Lower Berryden within the District Centre although in the 2017 LDP only Lower Berryden is located within the Centre with the lower part identified as a separate Commercial Centre.

Commercial Centres

- 4.12 The five Commercial Centres of Garthdee, Kittybrewster, Den/Bridge of Don RP, Links Road/Boulevard RP and Lower Berryden have a slightly higher proportion of retail floorspace and turnover than the District Centres accounting for 18% of retail floorspace and 23% of retail turnover.

Supermarkets, Superstores and other Large Retail Warehouse Units

- 4.13 This category only identifies those supermarkets and superstores that are located outwith the City Centre, town centres and district centres. This section of Table 4.1 shows that there are 11 stores identified in this category. These account for 25,861 sq m GFA (6% of all retail floorspace) and have a turnover estimated to be £99.3m (6% of all retail turnover).

Neighbourhood Centres and Local Shopping Floorspace

- 4.14 Table 4.1 does not distinguish between the 30 Neighbourhood Centres and local shops within the remainder of the City. Figure 4.2 identifies four of these which are the largest Neighbourhood Centres within the City. Local/Neighbourhood floorspace is significant in terms of the City as a whole. They account for 41% of all retail units within the city, 47% of retail service units, 15% of retail floorspace but only 7% of retail turnover.

Retail Services

- 4.15 Retail services cover a wide range of personal, catering and financial services and facilities within centres. In total they are identified to occupy 146,183 sq m floorspace within the city as a whole i.e. 22% of all retail, service and vacant space within the city. In most centres, including the City Centre, both town centres and local/Neighbourhood Centres there are more retail service units than retail goods shops.

Vacant Units

- 4.16 According the Grampian Assessor records in 2018 there was 42,816 sq m of vacant retail goods and retail services units within the city, district and town centres. This equates to a vacancy rate, by floorspace, of 7%. There were 201 vacant units identified – 10.3% of the total. This vacancy rate varies according to type of location:

- Within the City Centre vacancy rates were: 9% by number of units and 8.3% by floor area.
- In the two town centres vacancies were: 10% by number of units and 9.4% by floor area.
- In the District Centres vacancies were: 25% by number of units and 8.8% by floor area.
- In the Commercial Centres vacancies were: 5% by number of units and 2.9% by floor area.

- 4.17 There are some difficulties in comparing these figures with UK national figures as a result of differences in definitions. UK figures are currently typically identified to be 11% by numbers of units. Hargest Planning Ltd data, using the same definitions as used in the current study, indicate average Scottish vacancies in the range of 11-13% by number of units at the current time. This implies that the vacancy rate for the study area as a

whole to be *below* UK and Scottish average levels when measured by numbers of units but only just below national averages when measured by floorspace. As will be seen below there has been a significant increase in vacancies across the City since the 2013 Study.

Principal Retail Locations

4.18 Table 4.2 identifies the principal retail locations within the study area together with selected Neighbourhood Centres/other locations. As well as identifying quantitative retail data for each location (numbers of retail and retail service units, floorspace and turnover) the Table also summarises the type of retail goods shops available and additional services and facilities available within the centre. Each of these factors has been used in the analysis of the retail network and the categorisation of centres.

4.19 Figures 4.3 and 4.4 provide maps of the City showing the relative size of retail locations first in terms of floorspace (Figure 4.3) and by retail goods turnover (Figure 4.4). The size of the “pies” for each location is directly proportional to the total floorspace or turnover. In this way the importance of the City Centre as a retail location can be identified as well as the larger town and district centres.

Available Expenditure, Turnover, Leakage and Retention

4.20 The SRM allows the identification of the overall expenditure flows into and out of the study area. These are summarised in Figure 4.5. This figure shows that, if one discounts expenditure directed towards special forms of trading (notably the internet) then the City benefits from significant inflows of expenditure, primarily from Aberdeenshire residents purchasing general comparison goods although there are also significant inflows for convenience and bulky goods as well. Tourist expenditure accounts for only a very small proportion of turnover in shops in the City.

4.21 However, the figure also shows that expenditure “lost” through special forms of trading is important. In total this is estimated to amount to £146m expenditure from Aberdeen City residents – on average (across all retail sectors) this is almost 11% of residents’ available expenditure, a proportion which is expected to rise significantly in future years.

Figure 4.3: Aberdeen City – Retail Floorspace 2018

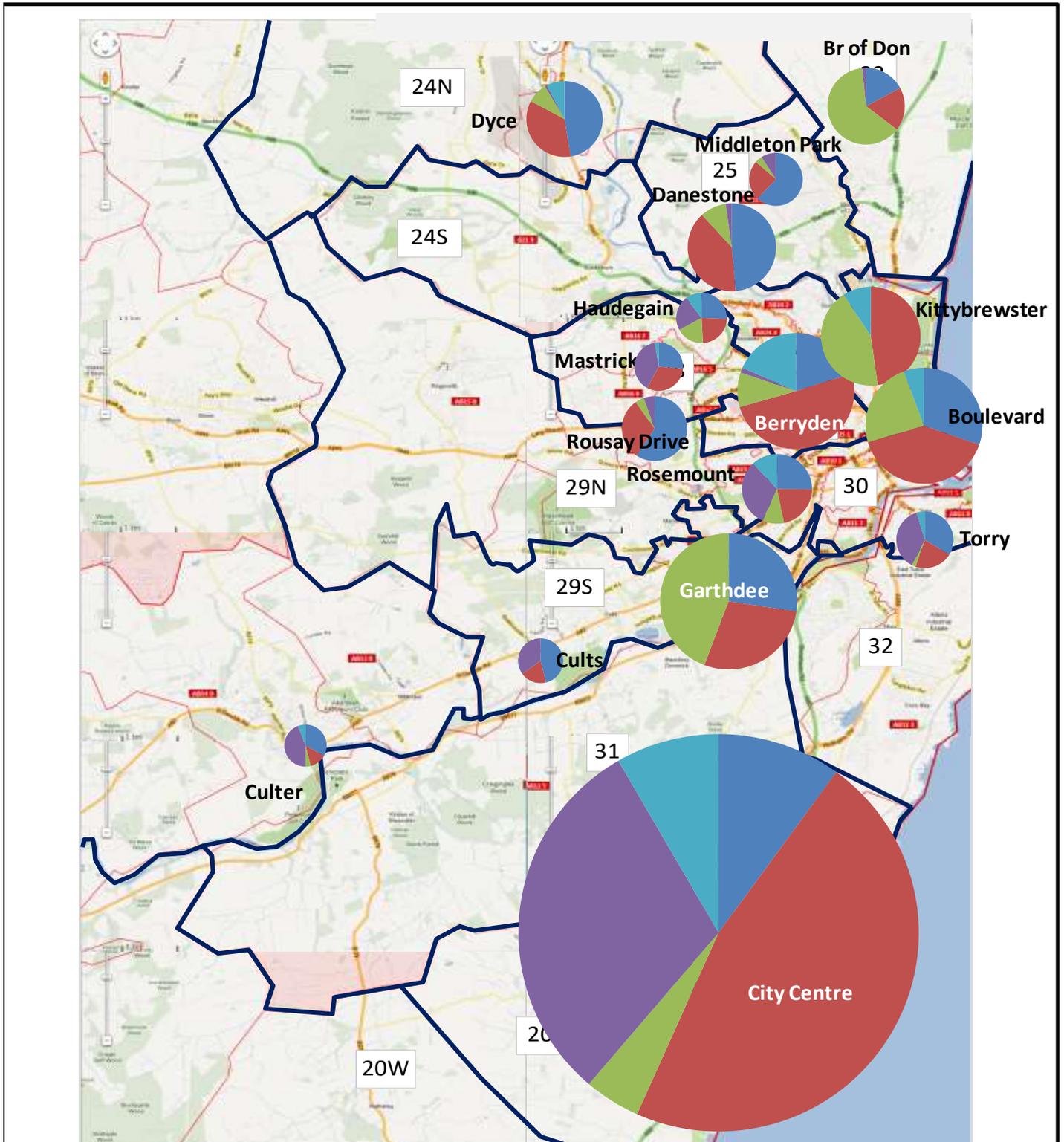


Figure 4.3: Aberdeen City - Retail Floorspace 2018

Convenience	■	Retail Services	■
General Comparison	■	Vacant	■
BULky Goods	■		

Figure 4.4: Aberdeen City – Retail Turnover 2018

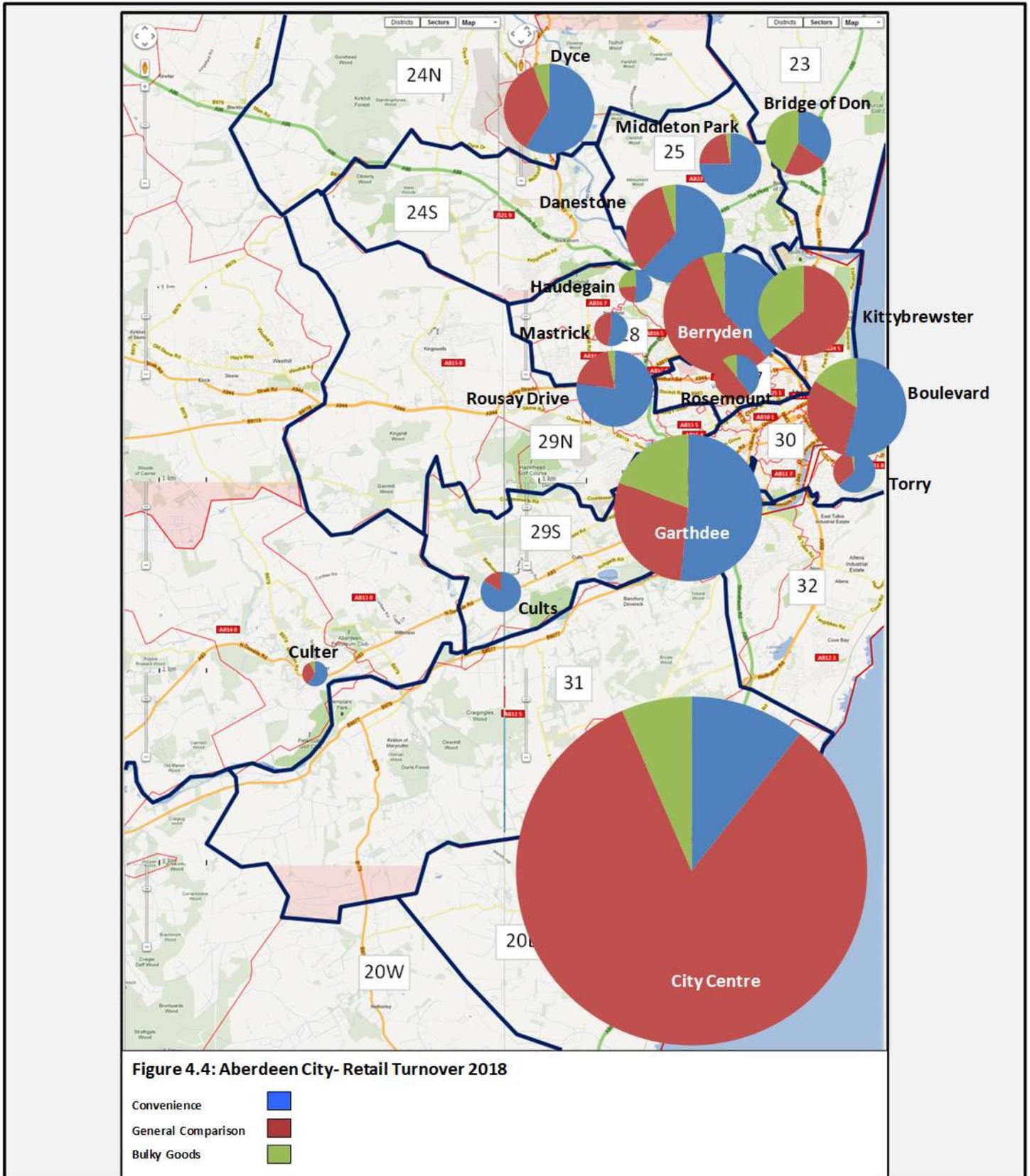
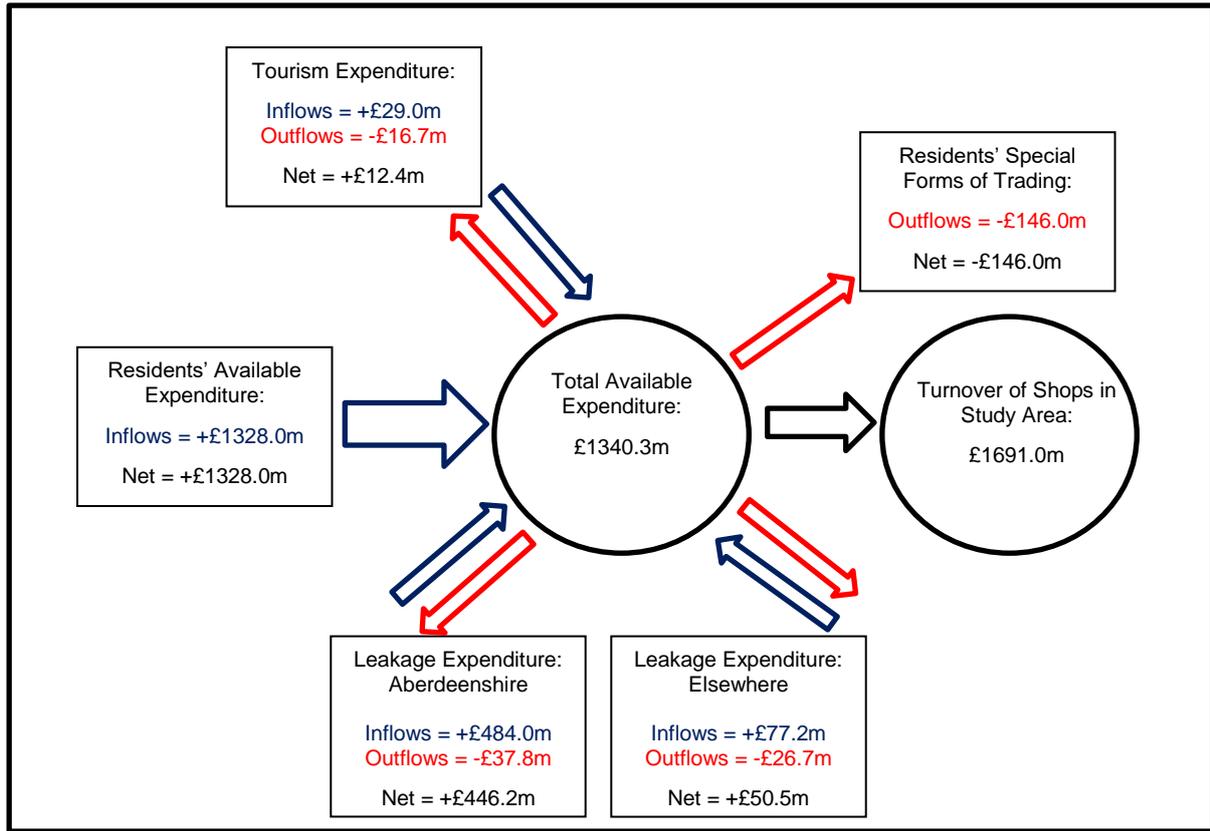


Figure 4.5: Aberdeen City Expenditure Flows and Turnover – 2018²



Changes Since 2004 and 2013

Aberdeen City as a Whole

4.22 A general picture of change over the past 15 years can be identified from comparing the data from the SRM with that prepared for the 2004 and 2013 studies. This information is set out in Table 4.6. In this table data from the 2004 study has been rebased to 2011 prices.

² Excludes turnover in Aberdeen City part of Zone 19

Table 4.6: Expenditure, Turnover and Floorspace Changes – Study Area 2004-2018

2011 Prices	2004			2013			2018			Change: Net SFT		Change: SFT	
	Net SFT	SFT	Total	Net SFT	SFT	Total	Net SFT	SFT	Total	2004-13	2013-18	2004-13	2013-18
Available Expenditure £m													
Convenience	£1,162.3m	£11.7m	£1,174.0m	£991.8m	£20.2m	£1,012.1m	£1,022.4m	£33.8m	£1,056.2m	-15%	3%	72%	67%
General Comparison	£676.6m	£62.9m	£739.5m	£1,113.9m	£147.6m	£1,261.5m	£1,377.4m	£425.5m	£1,802.9m	65%	24%	135%	188%
Bulky Goods	£240.3m	£22.3m	£262.6m	£237.7m	£31.5m	£269.2m	£292.4m	£90.3m	£382.7m	-1%	23%	41%	187%
<i>Total</i>	£2,079.2m	£96.9m	£2,176.1m	£2,343.5m	£199.3m	£2,542.8m	£2,692.2m	£549.6m	£3,241.8m	13%	15%	106%	176%
Turnover £m										Change: Turnover			
										2004-13		2013-18	
Convenience			£1,145.6m			£964.2m			£929.0m	-16%		-4%	
General Comparison			£1,150.4m			£1,140.1m			£1,340.4m	-1%		18%	
Bulky Goods			£398.4m			£233.8m			£254.1m	-41%		9%	
<i>Total</i>			£2,694.4m			£2,338.0m			£2,523.5m	-13%		8%	
Gross Floorspace										Change: Floorspace			
										2004-13		2013-18	
Convenience			190249			220910			223043	16%		1%	
General Comparison			283612			337423			351798	19%		4%	
Bulky Goods			196929			159851			126176	-19%		-21%	
Retail Services			186412			166645			208312	-11%		25%	
Vacant			73429			45987			61105	-37%		33%	
<i>Total</i>			930631			930816			970436	0%		4%	

4.23 The Table shows the following key changes:

- Whereas, in real terms, there has been a rapid growth in expenditure for convenience goods through the internet (and other forms of SFT) the expenditure directed through shops declined between 2004 and 2013 and has been broadly flat since then. This contrasts with the position for general comparison goods which has seen rapid growth in both periods (although significantly slower since 2013) for both SFT and non-SFT trading (i.e. through shops). The position with bulky goods has, in contrast been slower, particularly in the period between 2004 and 2013.
- Reflecting this, turnover in shops within north east Scotland for convenience goods *declined* throughout the period such that convenience goods sales are now almost 20% below those identified in 2004 while, at the same time, floorspace has *increased* by 17%.
- For general comparison the increase in floorspace has also been greater than turnover but the difference is less significant – here turnover has increased by 17% and floorspace by 24% and, for bulky goods there has been a decline in both floorspace and turnover of 36%.
- The biggest changes in terms of turnover occurred in the earlier period, i.e. between 2004 and 2013. Since 2013 there has been modest increases in retail turnover in all goods categories. There has also been a significant slow down in the growth of new retail floorspace between 2013-2018 compared to 2004-2013.
- Floorspace for retail services has grown by 12% between 2004 and 2018 but, whereas the studies identified a reduction in service space in the first period, there has been a rapid increase in space between 2013 and 2018.
- Finally, it can also be seen from the table that, whereas vacancies reduced in the period 2004-2013 there has been an increase between 2013 and 2018.

4.24 It should be noted that, for the period 2013-18, whereas up to date floorspace information has been provided for Aberdeen City comparable data has not been available for Aberdeenshire.

Changes in Centres

4.25 Changes in individual centres do not necessarily match the city-wide trends identified in Table 4.6. This is illustrated in Figures 4.7 and 4.8 which identify changes for each of the principal centres. Figure 4.7 identifies the amount of retail goods floorspace for each of these centres for 2004, 2013 and 2018 and Figure 4.8 considers the retail goods turnover (expressed in 2011 prices) for the same years.

Figure 4.7: Total Retail Goods Floorspace – Retail Locations 2004, 2013 and 2018

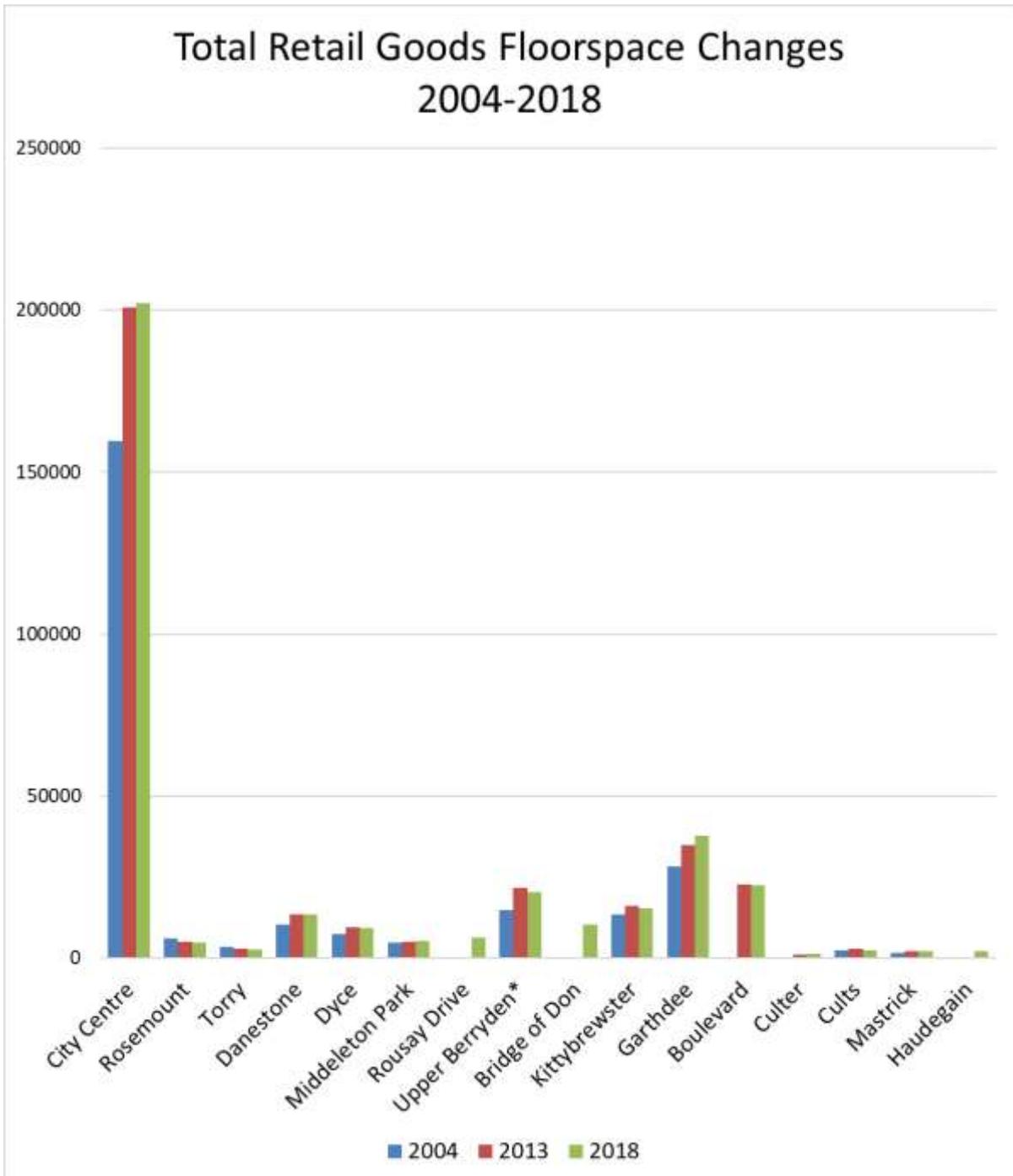
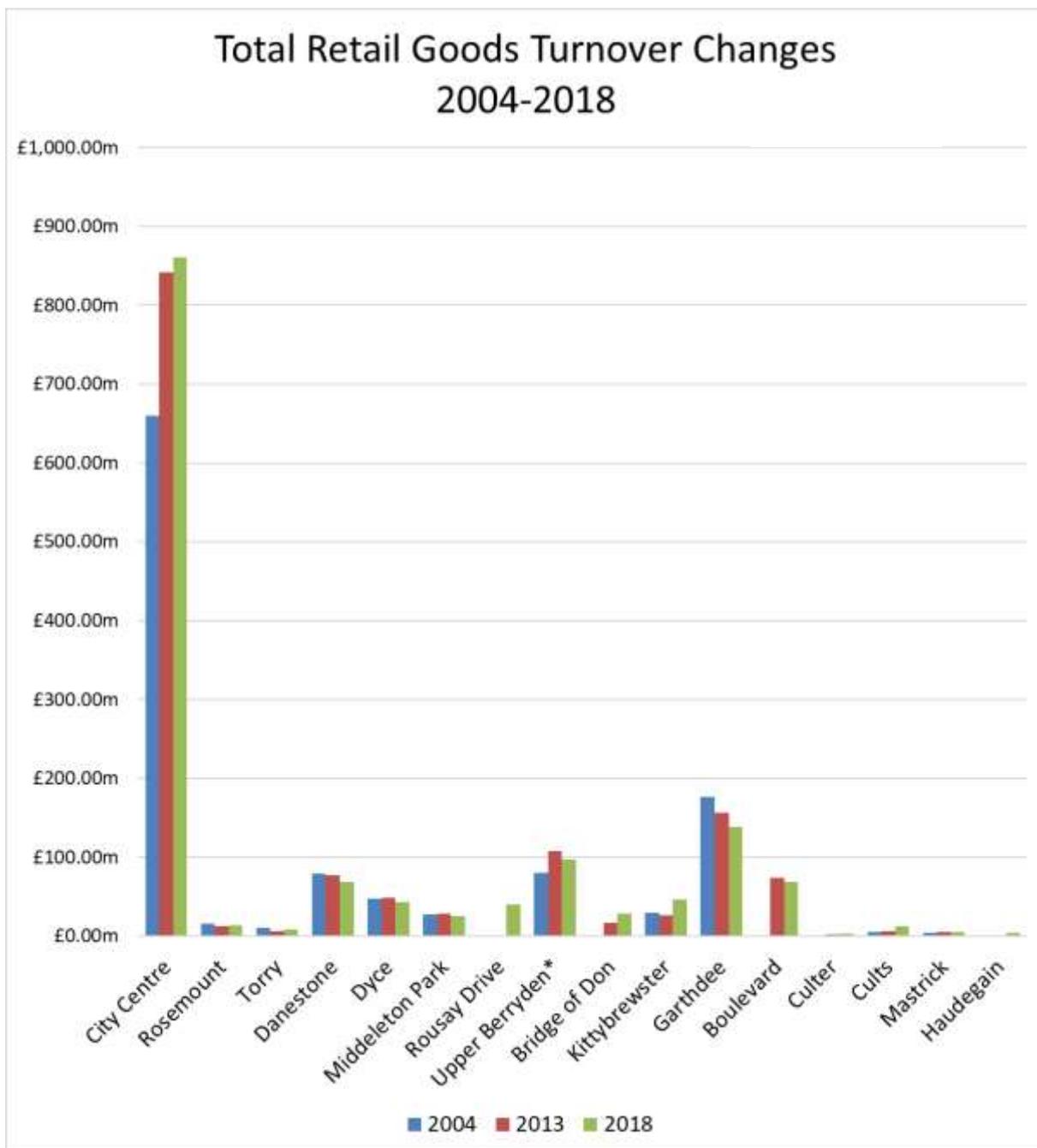


Figure 4.10: Total Retail Goods Turnover – Retail Locations 2004, 2013 and 2018



4.26 It is significant that, unlike the situation for the City as a whole, the position for individual centres is mixed. The only centre, outwith the City Centre, identified to have experienced any growth in floorspace (from Assessor figures) is Garthdee (which has occurred due to the construction of additional mezzanine floorspace). All others have seen either no change or a reduction in retail goods floorspace. In terms of turnover the changes identified reflect the retail mix within each of the centres. Those that are dominated by superstores or supermarkets (that is all the District Centres and many of the Commercial Centres) have experienced a decline in overall sales (reflecting the reduced sales densities described above) whereas those with a high proportion of comparison goods have seen overall sales increase.

Future Expenditure, Floorspace and Turnover

4.27 The SRM uses information to identify future turnover in existing centres. This is based on the following:

- Forecast changes in available expenditure (based on forecast changes in population, expenditure per capita and the role of special forms of trading).
- Changes in the pattern of expenditure flows – in particular increased market concentration favouring larger centres/units compared to smaller ones.
- Retail floorspace commitments.

Available Expenditure Changes

4.28 The implications for expenditure growth and special forms of trading were reviewed in Section 3. The central case used for the retail model identifies the following growth in available expenditure (excluding SFT):

- *Convenience Goods*: the central case identifies modest growth from 2018 to 2027 of +1.5% and +5.2% to 2032 (low growth/high growth range in 2032: -0.8% to +11%).
- *General Comparison Goods*: the central case identifies high growth from 2018 to 2027 of +22% and +38% to 2032 (range in 2032: +25% to +49%).
- *Bulky Goods*: the central case identifies high growth from 2018 to 2027 of +22% and +38% to 2032 (range in 2032: +25% to +49%).

4.29 These forecasts are derived directly from the forecasts produced by Pitney Bowes/OEF and Experian. These rates of growth are significantly lower than were identified in the earlier versions of the strategic model reflecting the views of Experian and Pitney Bowes that there will be significantly slower rates of growth for retail expenditure.

4.30 There is increasing uncertainty with the forecasts for the period from 2027-2032 therefore limited consideration has been given to these. However, even for the period 2018-27, the forecasts indicate significant growth in available expenditure for comparison goods but negligible growth for convenience goods.

Patterns of Expenditure Flows

4.31 Long term trends reviewed in Section 3 have indicated that there is an expectation that there will be greater concentration of retail activity in larger retail units and centres for comparison goods. However, this trend is not expected to occur for convenience goods where there has been a resurgence in recent years for both convenience-format shopping based on a walk-in or pass-by trade and also for mid-sized supermarket and discount food stores. Given that this change is relatively recent (i.e. it has become manifest only in the past 5-10 years) it would be dangerous to assume the same trends will continue over the next 10-15 years.

4.32 For comparison goods, it is expected that the City Centre will continue to be an attractive location for new retail floorspace but whether or not this is translated into additional sales will depend on the evolution of retail formats

– for example the combination of retail space acting as a showroom for the display of products which are subsequently bought on-line would make it difficult to determine where the point of sale actually occurs.

Retail Commitments

- 4.33 Since 2013 there have been relatively few major retail schemes developed both within Aberdeen and in Aberdeenshire. Table 4.10 lists significant schemes that have been implemented or have been consented but not implemented which have been included within the retail model. It is recognised that not all of the schemes listed in this Table will be implemented but the existence of consents or allocations for the proposals means that these are treated as “commitments” for the purpose of this study. In addition, the Table does not include consents for retail floorspace which are included as part of masterplans for major expansion areas (e.g. Grandhome). Notwithstanding the consents granted for these expansion areas there remains some uncertainty as to the precise scale of floorspace that will be implemented. The appropriate scale of retail space for inclusion within these areas is addressed separately in Section 5.
- 4.34 The most significant proposals for retail and related development within Aberdeen are the proposals for the extension of Union Square and Bon Accord. These two schemes have the potential for an additional 48,500 sq m GFA retail and service space. Other schemes within the City are significantly smaller and those identified for new foodstores have been implemented.

Table 4.10: Implemented and Consented Retail Schemes 2013-2018 (excluding Expansion Areas)

Development/Consent	Description	Location	Implemented	Zone	Gross Floor Area (Sq M)			
					Conv	Gen Comp	BG	Total
Aberdeenshire								
Fraserburgh	Home Bargains	Fraserburgh	Yes	10	523	1045	523	2090
Fraserburgh	Tesco Extn	Fraserburgh	Yes	10	108			108
Laurencekirk	Co-op	Laurencekirk	Yes	22	376	42		418
Kirk Street	Aldi	Peterhead	Yes	11	1543	272		1815
Kirk Street	Other Unit	Peterhead	Yes	11		929		929
Peterhead	unit shops	Peterhead	Yes	11	140	140		280
Portlethen	General george Extn	Portlethen	Yes	31			1785	1785
Banchory	Units	Banchory	Yes	19	400	603		1003
Blackdog	New units - Reg Foodhall	Blackdog			5000			5000
Blackdog	Other Convenience				1500			1500
Blackdog	Retail warehouse units					5000		5000
Kintore	unit shops	Kintore		15	293	293		586.6
Kintore	Convenience format	Kintore		15	210	210		420
Oldmeldrum	Supermarket	Oldmeldrum		15	560	720		1280
Kirkburn Mills	Retail development NF ur	Peterhead		11		2282	1066	3348
Buchan Gateway	Retail park dvpt - smt	Peterhead		11	3255	1395		4650
Buchan Gateway	Retail park dvpt - rw units	Peterhead		11			4645	4645
Cookston Road/Hillside Road	5 retail units	Portlethen		31	395	395		790
Stonehaven	Supermarket	Stonehaven		21	2625	1125		3750
Turiff	Supermarket	Turiff		6	2400	800		3200
Aberdeen City								
Union Square	<i>Max potential space all uses</i>			CC				38500
Bon Accord/St Nicholas	<i>Max extension</i>	<i>All uses</i>		CC				10000
Broadford Works	Urban Village	<i>All uses 4395 sq m</i>		27	400	100		500
Aberdeen Market	Class 1			CC				No change
BHS	Reduced floor area			CC	<i>from 6502 sq m to ca. 2700 sq m - removal of top 2 f</i>			
Bon Accord/St Nicholas	<i>c/use from retail to restaurants</i>			CC				
Home Bargains	<i>Berryden - occn vacant unit + mez</i>		No	27	650	906	302	1858
Stoneywood	M&S Foodstore		Yes	24S	1496			1496
Stoneywood	Co-op		Yes	24S	450	50		500
Lidl, Hutcheon Street	Occupation of former Curry's + 1 unit		Yes - 2019	27	1635	288		1923
Lidl, Wellington Rd (Old)	Relocation - c/use to motor dealership		Yes	30	-935	-165		-1100
Lidl, Wellington Rd (New)	Relocation		Yes	30	2346	414		2760
Lidl Bucksburn	Redevelopment of store	<i>Replacement Store</i>	Yes	24S	2065	365		2430
TOTAL					24745	14781	6013	94040

Overall Effects on Future Turnover

- 4.35 The strategic model has drawn each of the above factors together to assess the anticipated future changes in turnover in existing centres. This assessment is conditional on no other floorspace coming forward (other than that listed in Table 4.10). The change in turnover in individual centres will depend on a combination of increased available expenditure, changes in the overall patterns of trade draw and diversion of trade to the new floorspace identified in Table 4.10.

Analysis of Network of Centres

Introduction

- 4.36 Scottish Planning Policy requires the identification of a network of centres within a planning authority area. The role of individual centres within the network should be identified. It notes that *“the network is likely to include City Centres, town centres, local centres and commercial centres and may be organised as a hierarchy. Emerging or new centres designated within key new developments or land releases should also be shown within the network of centres”* (SPP para 61).

- 4.37 Para 62 of the SPP requires that town centres should be those centres which display:

- *a diverse mix of uses, including shopping;*
- *a high level of accessibility*
- *qualities of character and identity which create a sense of place and further the well-being of communities;*
- *wider economic and social activity during the day and in the evening; and*
- *integration with residential areas*

- 4.38 No guidance is provided in either the current SPP nor in the English equivalent (NPPF) as to the character of either District or Local/Neighbourhood Centres. Previously some useful advice was set out in the 2009 version of PPS4 in England which noted the following:

District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.

- 4.39 The terms “district” and “local” centre are generic and terms can vary (e.g. neighbourhood or village centres in place of “local centre”). There are also a range of other types of retail location that should be considered in terms of their role within the retail network. These include: purpose-built retail parks; freestanding major stores (including supermarkets/stores, retail warehouses, garden centres etc); agglomerations of large retail units in a

locality; individual local shops; small parades of shops; specialist tourist/leisure shops associated with particular attractions; shops at transport hubs and so on. Not all of these are found within the study area.

Characteristics of Existing Retail Locations in Aberdeen

4.40 There are a number of characteristics of retail locations that will assist in determining the function of the centre and, from this, identification of its classification and role within the retail network. These include:

- The number, floorspace and turnover of retail units.
- The range of the retail goods offer – by types of shops and ranges of goods within shops within the location.
- The extent of retail services.
- The extent of non-retail services and facilities including both public and commercial services/facilities.

4.41 These factors have been summarised in Table 4.2. From a retail planning perspective, the extent of the retail offer as expressed in terms of both numbers of units and turnover is particularly useful and Figure 4.11 examines the relationship between size of centre (numbers of units) and turnover for retail locations within the study area. The use of the log scale for turnover makes it easier to identify centres with more similar characteristics and allow the identification of broad groupings of locations based on numbers of units and turnover. The categories of locations are:

1. Torry and Rosemount. These are characterised by relatively large numbers of retail and retail service units (compared to other locations within the city) but have relatively limited retail turnover (both in the region of £10m pa).
2. A large number of retail locations characterised by a relatively small number of retail and retail service units (less than 20) but with relatively high levels of retail turnover. These comprise both the District Centres as defined in the current LDP and also commercial retail locations.
3. Smaller centres with higher numbers of retail/retail service units than the District/Commercial Centres but significantly less than either Torry or Rosemount. Although Cults has a relatively high turnover (over £10m) the other three included here (Mastrick, Haudegain and Culter) have low retail goods turnover.

4.42 The review of the role of each centre within the network/hierarchy of centres is considered in more detail in Volume 2 of this report. This has taken each of the following factors into account:

- Range of retail, retail service and other services/facilities available within each centre.
- The catchment area served – especially the extent to which the centre serves a geographically well-defined area/community.
- The size of the centre in terms of both floorspace and turnover.

- The accessibility of the centre especially to nearby residential areas.
- The identity, character and sense of place of the centre.

4.43 Table 4.12 sets out the conclusions of this analysis and recommendations for the hierarchy of centres.

Figure 4.11: Relationship between Turnover and Retail Units

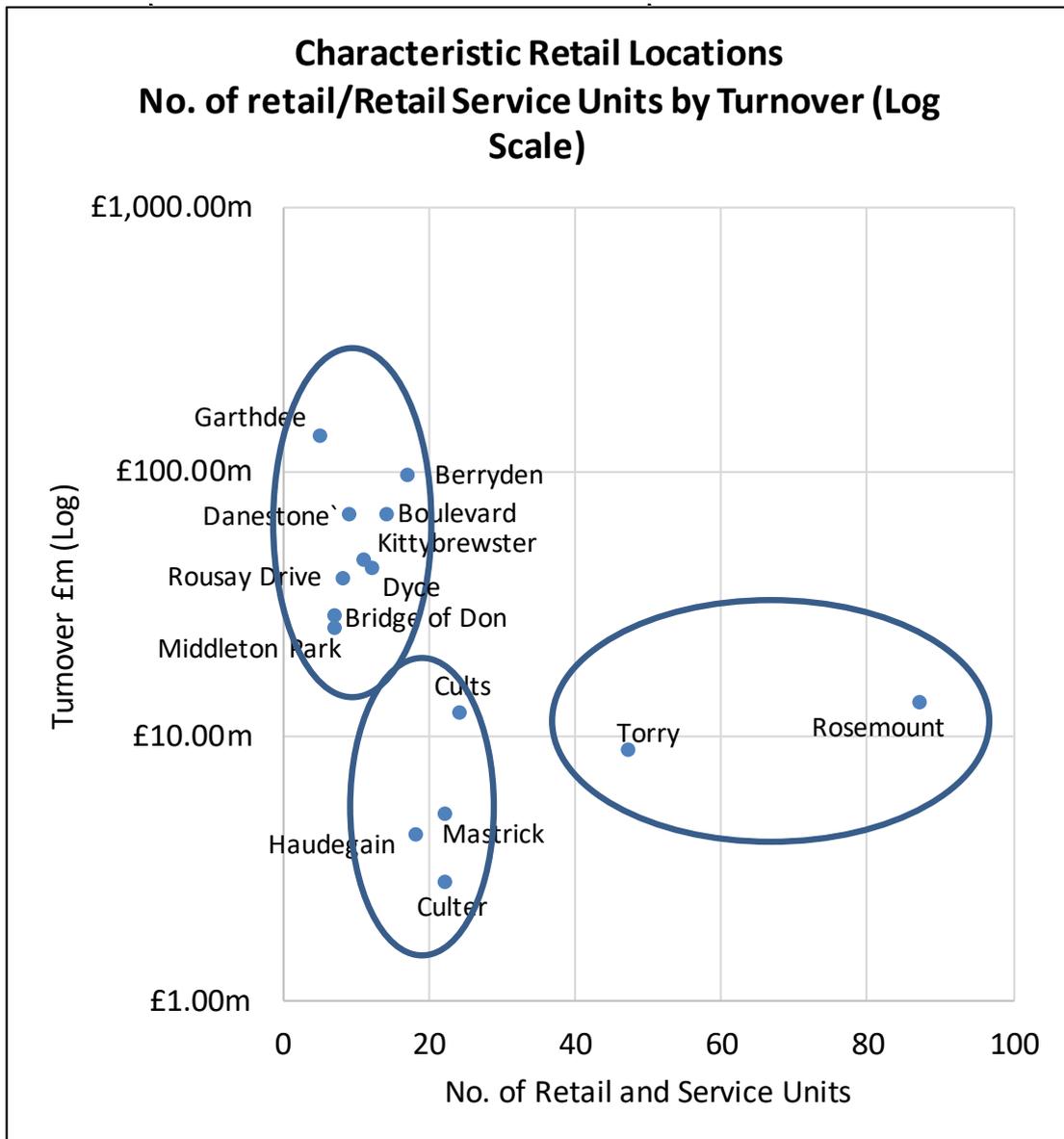


Table 4.13: Proposed Retail Network

<i>Category of Centre</i>	<i>Function/Role of Centre</i>	<i>Locations</i>
<i>Regional Centre</i>	<i>Principal retail location for the north east of Scotland. Provides very wide range of retail, retail service and non-retail public and commercial services and facilities. Provides a focus for the city- and region-wide community and as a focus for transport.</i>	<i>Aberdeen City Centre</i>
<i>Town Centres</i>	<i>Provide a wide range of retail, retail service and non-retail public and commercial services and facilities. Provide a focus for the local community (town and immediate rural hinterland) and for local transport networks.</i>	<i>Rosemount; Torry</i>
<i>District Centres</i>	<i>Provide a range of retail and non-retail services and facilities meeting a significant proportion of shopping requirements for the surrounding local communities located primarily in suburban locations (City of Aberdeen). Superstore-based District Centres have more limited non-retail offer.</i>	<i>Berryden (combining Upper and Lower Berryden); Danestone; Dyce; Rousay Drive; Middleton Park</i>
<i>Local/Neighbourhood Centres</i>	<i>Provide a limited range of retail facilities and other services/facilities – primarily meeting some of the day-to-day needs of the local community.</i>	<i>Add Haudegain to list in Figure 3 of Supplementary Guidance Hierarchy of Centres</i>
<i>Other Commercial Locations:</i> - Retail Parks - Others	<i>Retail developments (either purpose built or well-defined groups of separate units) that serve one or more specific retail market sectors with relative wide catchment areas.</i>	<i>Aberdeen City: Boulevard RP; Garthdee; Kittybrewster RP; Bridge of Don RP and nearby areas (see Vol 2)</i>

4.44 The key points from this table are:

- Rosemount and Torry are recommended to remain as Town Centres. However, it should be noted that the range of facilities and services available in these centres is not sufficiently diverse to fully satisfy the definition for town centres set out in Para 62 of SPP. In these two cases it is considered that the particular character of these areas, especially their unique character in the context of centres within Aberdeen, would be sufficient for these to be retained as “town centres” within the hierarchy.
- Haudegain. This location could be included as a local/neighbourhood centre within the hierarchy.

- Recommendation that Upper and Lower Berryden should be combined as a single District Centre. This reflects the close physical relationship between these two areas (indeed the District Centre identified in the 2017 LDP, in part, is situated directly *above* the Commercial Centre) and the changing character of retail floorspace (including convenience provision) within Lower Berryden.
- Bridge of Don Retail Park/Denmore Road. In addition to the retail park there are a number of major bulky goods retail outlets located along Denmore Road and site OP 75, all located in relatively close proximity to each other which can be considered together as a single Commercial Centre.

5 Retail Deficiencies and Floorspace Strategy

- 5.1 This section reviews the analysis set out in Section 5 of the 2013 Study reassessing the quantitative and qualitative retail deficiencies within the City both at the current time and in future years. From this it assesses the extent to which new floorspace requires to be identified as part of the updated Retail Strategy.
- 5.2 The assessment of retail deficiencies is based on the information provided in the updated Strategic Retail Model for the City based on:
1. Comparing available expenditure within defined zones and areas of the City with both the forecast actual turnover and notional average turnover of floorspace within the defined Zone.
 2. Undertaking a similar analysis for areas of major new housing growth.
 3. Consideration of qualitative deficiencies including the distribution and access to retail floorspace.

Assessing Retail Deficiencies

Convenience Floorspace

1. *City Areas/Sectors – Notional Average Turnover and Available Expenditure*

- 5.3 The limited size of the City makes it relatively easy for most residents to gain access to different areas for purchasing convenience goods. As a result of this the catchment areas for major stores and centres within the City overlap to a considerable extent. This is, of course not true for all residents and those with limited mobility will find it more difficult to access stores located in different parts of the city.
- 5.4 Reflecting this it is not appropriate to consider the balance of supply (i.e. retail turnover) and demand (i.e. available expenditure) within individual study Zones but to consider these factors at a more general level based on broad areas/sectors of the City. The sectors used for this analysis are as follows:
- North & North West – based on model zones 23, 24N, 24S and 25. This includes Middleton Park, Danestone and Dyce.
 - Central North – zones 26, 27 and 28. This includes Berryden, Rosemount and Mastrick.
 - West – zones 29N and 29S. This includes Garthdee and Rousay Drive.
 - Centre – Zone 30. This includes the City Centre, Torry and Boulevard.
 - South – Zone 29. This includes Cove.
- 5.5 Based on these general areas the analysis of quantitative and qualitative retail has compared available expenditure to notional average turnover and also actual forecast turnover. A key difficulty with this conventional approach to calculating retail capacity/quantitative deficiencies is that the results of the analysis are highly

susceptible to variations in assumptions used for the calculations. Key assumptions concern each of the following:

- Appropriate notional average sales densities. *In this analysis sales densities based on 2018 Retail Rankings for individual operators are used with adjustment to reflect different sales densities for convenience and comparison goods.*
- Available expenditure growth scenarios. *The Strategic Retail Model allows the testing of scenarios based on high growth (i.e. high population growth combined with upper level net expenditure forecasts) and low growth (low population and low net expenditure growth) as well as the central case.*
- Changes in floorspace efficiency. *Assuming improvements in floorspace efficiency is problematic especially given significant changes in the structure of the retail industry that have occurred recently. Two tests have been adopted – constant sales densities and increase in sales densities at 1% per annum.*

5.6 Tables 5.1 to 5.4 set out the results of the analysis for the different areas of the City for each of 2018, 2022, 2027 and 2032. The principal findings from this analysis are as follows:

5.7 *Aberdeen City as a whole.* The only occurrence when it could be considered that the City as a whole has any quantitative deficiency for convenience goods is in the high growth scenario in 2032 – at all other times the existing/committed convenience floorspace trading at notional sales densities exceeds forecast available expenditure.

5.8 *North and North West.* Even with high growth for future available expenditure assumptions to 2032 available expenditure does not exceed notional average turnover from existing/committed convenience floorspace. This reflects the presence of a number of major superstores within this part of the City.

5.9 *Central North.* This part of the City is identified to have a significant quantitative retail deficiency in all scenarios up to 2032. This area has the highest population/available expenditure of all general areas/sectors of the City and has comparatively limited convenience retail provision. The only major superstore located in this area is Sainsbury's at Berryden although there are a small number of mid-sized supermarkets/foodstores (e.g. Lidl at Langstracht and at Hutcheon Street – opened in 2019). However, it should be noted that parts of this area are, nonetheless, within easy reach of major stores located in adjoining parts of the City such as the Tesco superstore at Rousay Drive.

5.10 *West.* This part of the city is currently broadly in balance with notional average expenditure only slightly exceeding available expenditure. Up to 2032 expenditure is anticipated to increase creating marginal potential for additional convenience floorspace in all scenarios except where improvements to floorspace efficiency are assumed.

Table 5.1: Convenience Floorspace Quantitative Deficiencies 2018

	1. Central Case - No Efficiency Convenience		2. Central Case - 1% growth pa Efficiency Convenience		3. Low Growth - No Efficiency Convenience		4. High Growth - No Efficiency Convenience		
	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	
Aberdeen City	113%	-£61.8m	113%	-£61.8m	115%	-£70.0m	111%	-£51.5m	
City Areas	Zones								
North & North West	23, 24N, 24S, 25	196%	-£80.1m	196%	-£80.1m	200%	-£81.6m	192%	-£78.3m
Central North	26, 27, 28	43%	£100.5m	43%	£100.5m	44%	£97.4m	42%	£104.4m
West	29N, 29S	103%	-£2.5m	103%	-£2.5m	105%	-£4.2m	100%	-£0.4m
Centre	30	209%	-£78.0m	209%	-£78.0m	212%	-£79.3m	204%	-£76.4m
South	32	105%	-£1.6m	105%	-£1.6m	106%	-£2.3m	102%	-£0.8m

Table 5.2: Convenience Floorspace Quantitative Deficiencies 2022

	1. Central Case - No Efficiency Convenience		2. Central Case - 1% growth pa Efficiency Convenience		3. Low Growth - No Efficiency Convenience		4. High Growth - No Efficiency Convenience		
	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	
Aberdeen City	109%	-£44.6m	119%	-£90.5m	118%	-£82.6m	109%	-£46.1m	
City Areas	Zones								
North & North West	23, 24N, 24S, 25	174%	-£65.2m	192%	-£81.8m	185%	-£75.1m	177%	-£70.9m
Central North	26, 27, 28	44%	£97.9m	54%	£80.1m	52%	£83.2m	50%	£91.8m
West	29N, 29S	99%	£1.4m	103%	-£2.6m	99%	£1.4m	94%	£6.2m
Centre	30	211%	-£79.0m	220%	-£85.1m	211%	-£79.0m	202%	-£75.5m
South	32	99%	£0.4m	103%	-£1.2m	99%	£0.4m	95%	£2.2m

Table 5.3: Convenience Floorspace Quantitative Deficiencies 2027

	1. Central Case - No Efficiency Convenience		2. Central Case - 1% growth pa Efficiency Convenience		3. Low Growth - No Efficiency Convenience		4. High Growth - No Efficiency Convenience		
	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	
Aberdeen City	107%	-£35.2m	123%	-£109.5m	117%	-£79.6m	104%	-£18.7m	
City Areas									
Zones									
North & North West	23, 24N, 24S, 25	161%	-£57.9m	187%	-£83.1m	171%	-£67.8m	158%	-£59.8m
Central North	26, 27, 28	44%	£96.7m	57%	£74.2m	53%	£81.5m	49%	£96.7m
West	29N, 29S	96%	£4.1m	105%	-£5.1m	96%	£4.1m	88%	£12.8m
Centre	30	218%	-£81.0m	238%	-£95.0m	218%	-£81.0m	200%	-£74.9m
South	32	93%	£3.0m	101%	-£0.5m	93%	£3.0m	85%	£6.5m

Table 5.4: Convenience Floorspace Quantitative Deficiencies 2032

	1. Central Case - No Efficiency Convenience		2. Central Case - 1% growth pa Efficiency Convenience		3. Low Growth - No Efficiency Convenience		4. High Growth - No Efficiency Convenience		
	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	Turnover/ Expenditure %	Notional Capacity £m	
Aberdeen City	103%	-£12.6m	123%	-£116.9m	116%	-£75.5m	98%	£12.4m	
City Areas									
Zones									
North & North West	23, 24N, 24S, 25	145%	-£47.9m	178%	-£82.2m	155%	-£57.8m	141%	-£47.8m
Central North	26, 27, 28	43%	£102.7m	58%	£75.4m	52%	£86.9m	47%	£105.4m
West	29N, 29S	93%	£7.2m	107%	-£7.4m	93%	£7.2m	85%	£17.8m
Centre	30	215%	-£80.1m	247%	-£102.5m	215%	-£80.1m	194%	-£72.8m
South	32	87%	£5.4m	100%	-£0.2m	87%	£5.4m	80%	£9.7m

- 5.11 *Centre.* The City Centre and adjoining areas (Zone 30) is identified to have notional average turnover significantly in excess of available expenditure in all scenarios up to 2032. This reflects the presence of two major superstores (Asda and Morrisons) and that the central parts of the City have, in comparison to other areas, a relatively low population. However, parts of this area are easily accessible from most parts of the City and the combination of this with the strategic role of the City Centre would indicate that this level of convenience floorspace and turnover is not unreasonable.
- 5.12 *South.* The south of the City has the lowest population identified in this analysis. In general, the quantitative deficiency analysis suggests that the area as a whole has a reasonable balance between available expenditure and notional average turnover up to 2032 with limited “capacity” for additional floorspace.
- 5.13 In summary this analysis suggests that, as a whole, the City does not have any significant quantitative deficiencies for convenience floorspace to 2032. However, there are considerable variations between different parts of the city with the North/North West and City Centre with significant “excess” of existing convenience floorspace, whereas the South and West of the City are broadly in balance

2. *New Housing Areas*

- 5.14 A second approach is to consider the communities created through the major new housing allocations. These are summarised in Table 5.5 below. The table notes the total scale of new housing proposed for each expansion area and, based on an estimate of the population and available expenditure, estimates the approximate potential floorspace that could be developed based on the expenditure generated within each expansion area. It should be noted that the quantum of floorspace that can be accommodated to meet the demand generated by the available expenditure will depend on the type of retail unit proposed. The floorspace figures have assumed a typical superstore type of development (excluding the comparison floorspace of the store) however other formats will operate at different sales densities. In this way the £34.6m identified for Grandhome (OP9) in 2027 could accommodate, instead of a small superstore, a range of convenience stores including each of a discount foodstore, a general mid-sized supermarket, freezer centre and a number of small unit shops. At the present time, given the state of the retail development market and the presence of major superstores in the north and west of the City, a development comprising mid-sized supermarkets and discount stores would appear more likely than the development of large superstores.
- 5.15 The previous section has highlighted that certain parts of the City are already very well endowed with convenience floorspace and so the table includes a note of the existing quantitative deficiency in the relevant area. This provides a context for assessing the extent to which there is a quantitative retail deficiency requires to be met. It should be noted that the figures identified in Table 5.1 take into account the additional housing anticipated in the expansion areas.
- 5.16 The principal conclusion from the analysis in Table 5.5 is that, in isolation, only Grandhome is large enough to generate available expenditure sufficient to support the development of a new major superstore. Furthermore, none of the proposed expansion areas are in locations where there are significant quantitative retail deficiencies for this type of floorspace. Those in the north and north west are in parts of the City that already have ample provision of superstores and other convenience stores in excess of that which can be supported by the population of these areas based on notional average sales densities. Even those located in the west and south of the City are in areas where there is a broad balance between floorspace and available expenditure. The provision of new floorspace at each of these new expansion areas in line with that implied in Table 5.5 would

result in an overall excess of convenience floorspace turnover compared to available expenditure within these parts of the City.

- 5.17 Despite this, it is important that major new housing expansion areas include local services and facilities that address the day-to-day needs of the new population. Failure to provide this will force residents to travel to other areas, primarily by car to access these. It is, therefore, concluded that new convenience floorspace, up to the general scale identified in Table 5.5 (particularly the indicative potential turnover of the floorspace) would address significant qualitative retail deficiencies reflecting the distribution and accessibility of convenience floorspace serving these new expansion areas. This new floorspace should be a key component of new district or neighbourhood centres planned for the expansion areas.

3. *Qualitative Deficiencies*

- 5.18 The consideration of retail floorspace to serve new expansion areas has highlighted the importance of accessibility to convenience floorspace within the City. This is a qualitative factor in assessing retail deficiencies. Other qualitative deficiencies can reflect the absence of important subsectors of retailing (such as convenience-format stores, discounters, freezer centres, other specialist stores or superstores) and the age/quality of the stores within a local area. In this way proposals for new investment to upgrade, expand or relocate existing older units may provide opportunities for improving the quality of provision, especially where the existing stock is limited.

- 5.19 Within the City the following qualitative issues have been identified:

- Central North. Improvements to the existing retail stock – extensions/redevelopments can assist in improving convenience retail provision – especially where there are limited opportunities for major new retail developments.
- South. Although notionally in balance existing convenience floorspace is predominantly in the northern part of this area (i.e. Tesco and Lidl). Provision in the south for Cove and Loirston is very limited. Additional floorspace would address this qualitative deficiency. Site OP59 is identified in the 2017 LDP to include retail floorspace which could address this deficiency.
- West. This is similar to the south in that convenience floorspace is dominated by the two superstores at Garthdee. Additional smaller to medium sized units in other parts of the west, especially related to the new expansion areas would assist in addressing these deficiencies.

Table 5.5: Aberdeen City New Housing Areas – Convenience Deficiencies

Major New Housing Areas	Zone	Area	Total Housing 2017 LDP Total	Residents Av Exp 2027 Conv	Indicative Conv Floorspace		Conv Deficiency in 2027	
					Net Sq M @£13500 psm	Gross Sq M @60%		
1. Bridge of Don/Grandhome	25	N & NW	7610	£33.6m	2,486 sq m	4,144 sq m	161%	-£57.9m
2. Dyce/Bucksburn/Woodside	24N, 24S	N & NW	5240	£23.1m	1,712 sq m	2,853 sq m	161%	-£57.9m
3. Kingswells and Greenfearns	29N	West	2270	£10.0m	742 sq m	1,236 sq m	96%	£4.1m
4. Countesswells	29N,29S	West	3000	£13.2m	980 sq m	1,634 sq m	96%	£4.1m
5. Deeside	19	West	809	£3.6m	264 sq m	441 sq m	96%	£4.1m
6. Loirston & Cove	32	South	1500	£6.6m	490 sq m	817 sq m	93%	£3.0m

Summary – Convenience Goods

- For the City as a whole there is no overall (city-wide) quantitative retail deficiency for convenience goods.
- Within the Central North part of the City (Zones 26, 27 and 28) there is a significant deficiency in all scenario tests. There is a significant “excess” of convenience floorspace in the North & North West (Zones 23, 24N, 24S and 25) and in the Centre (Zone 30). In the West (Zones 29N and 29S) and South (Zone 32) convenience floorspace broadly matches demand in all scenarios to Zone 32.
- Additional convenience floorspace should be provided in the major expansion areas identified in the LDP. These should form the focus of new District or Neighbourhood Centres providing a range of services and facilities to these new communities.
- In the South (Zone 32) there is a lack of convenience provision serving the Cove and Loirston area. Site OP59 addresses this deficiency.
- In the West there is limited choice in terms of types of convenience floorspace. This can be addressed through the provision of limited new convenience floorspace as part of the major expansion areas.

Comparison Floorspace

- 5.20 As noted in the 2013 Study the structure of retail centres meeting comparison goods requirements differs significantly from that for convenience floorspace. For comparison goods (and especially general comparison goods) there is a strong hierarchy of centres dominated by the City Centre and then other major locations including the retail parks. Catchments for these centres overlap with each other and with those of small centres. There is not, therefore, a direct relationship between available expenditure within zones or communities and comparison floorspace provision.
- 5.21 The assessment of quantitative and qualitative retail deficiencies has therefore focussed on, first, the City Centre as a whole and, secondly, on the remainder of the City. This analysis is based on the maintenance of existing retail patterns taking into account the effect of existing retail commitments/consents for the City Centre, in particular the proposed extensions for Union Square and Bon Accord, which have the potential to further raise the profile and attractiveness of the City Centre within the north east.
- 5.22 For the City Centre and the remainder of the City the assessment of quantitative retail deficiencies for comparison goods reflects the approach used for assessing convenience goods deficiencies:
- Comparison of the available expenditure with notional average sales densities. Available expenditure is determined from the Strategic Retail Model and notional sales densities are applied to existing and committed retail floorspace (see Table 4.10).
 - Available expenditure scenarios tested include the central case, low growth and high growth.
 - Sales densities are tested based on constant sales densities and 1% per annum increases in sales densities.

Aberdeen City Centre

- 5.23 The results of the quantitative retail deficiencies tests for the City Centre for both general comparison and bulky comparison goods are summarised in Table 5.6.
- 5.24 *General Comparison Goods.* Table 5.6 shows considerable variation in the potential capacity for additional retail floorspace within the City Centre based on different assumptions used in the analysis. Added to this uncertainty is the difficulty associated with forecasting future growth reliably after 2027 due to the factors highlighted in the review of the comparison goods sector set out in Section 3. In particular this noted the breakdown in the direct relationship between sales and floorspace, with the rise in the use of retail floorspace as showrooms and branding linked to sales online, which would suggest that caution is needed when considering requirements in the medium-long term. This confirms that considerable care is needed for assessing potential space requirements from 2027 onwards.
- 5.25 If one considers the position in 2022 one can see that the retail commitments/consents for Union Square and Bon Accord account for almost all the expenditure growth anticipated to occur. The exception to this is if high growth is assumed for available expenditure where a quantitative deficiency equivalent to nearly 23,000 sq m NFA is identified. Even in this scenario if one assumes that this growth in expenditure is combined with increases in sales densities then this deficiency reduces to 17,000 sq m NFA. By way of contrast in the low growth scenario the retail commitments identified in Table 4.10 account for all expenditure growth over this period. From 2027 onwards the retail model identifies significant quantitative retail deficiencies but, for these reasons outlined above, these figures should be treated very cautiously.
- 5.26 Even though this analysis (based on comparing expenditure with turnover) identifies potential significant capacity in future years when certain favourable assumptions are adopted, one has to take into account the fact that it bears little relationship to the operation of the retail property market. If one considers the central case this suggests potential for over 46,000 sq m GFA additional general comparison floorspace by 2027 which would be over and above the additional floorspace identified for both Union Square and Bon Accord (identified to be 48,500 sq m GFA). In the current market it is difficult to envisage a situation where there will be sufficient occupiers to take anything close to 95,000 sq m GFA within the City Centre by 2027. In addition it should be noted that there is also potential for further retail floorspace, including for general comparison goods, in other City Centre OP sites identified in the adopted Local Plan (these are reviewed in Table 5.8 below), in existing vacant units, and through interventions arising from the City Centre Master Plan (summarised in Volume 2 Table 2.12). These sites/premises have not been taken into account in the deficiency analysis.
- 5.27 The City Centre is the principal regional centre for general comparison goods in the north east of Scotland. It is important that this regional role is protected and enhanced. This would suggest that, notwithstanding the theoretical deficiencies identified in Table 5.6, a cautious approach should be adopted that maximises the potential for the existing retail consents for the City Centre to be implemented. This implies that a protective approach is required which resists alternative locations being proposed outwith the City Centre for major general comparison retail floorspace.
- 5.28 *Bulky Goods.* The position with bulky goods differs from that identified for general comparison goods. This reflects the fact that the City Centre does not have a major role as a location for bulky comparison goods serving a regional market. As a result, the scale of quantitative retail deficiencies identified in Table 5.6 is limited with only modest deficiencies identified from 2027 onwards.

Table 5.6: Aberdeen City Centre - Quantitative Retail Deficiencies Tests

Year	1. Central Case - No Increase in Sales Densities			2. Central Case - 1% Increase in Sales Densities			3. Low Growth - No Increase in Sales Densities			4. High Growth - No Increase in Sales Densities		
	Capacity	NFA	GFA	Capacity	NFA	GFA	Capacity	NFA	GFA	Capacity	NFA	GFA
General Comparison												
2018	£173.1m	32,297 sq m	49,688 sq m	£173.1m	32,297 sq m	49,688 sq m	£135.1m	25,214 sq m	38,790 sq m	£213.9m	39,909 sq m	61,399 sq m
2022	£61.2m	11,099 sq m	17,075 sq m	£32.7m	5,691 sq m	8,756 sq m	£8.1m	1,469 sq m	2,260 sq m	£125.6m	22,773 sq m	35,035 sq m
2027	£167.2m	30,315 sq m	46,639 sq m	£101.3m	16,798 sq m	25,844 sq m	£81.3m	14,741 sq m	22,678 sq m	£282.9m	51,294 sq m	78,913 sq m
2032	£282.0m	51,126 sq m	78,655 sq m	£176.9m	27,900 sq m	42,923 sq m	£140.0m	25,373 sq m	39,035 sq m	£468.2m	84,886 sq m	130,593 sq m
Bulky Goods												
2018	£21.5m	6,224 sq m	9,575 sq m	£21.5m	6,224 sq m	9,575 sq m	£18.4m	5,332 sq m	8,203 sq m	£24.8m	7,183 sq m	11,051 sq m
2022	£2.06m	562 sq m	865 sq m	-£0.25m	-66 sq m	-101 sq m	-£2.20m	-601 sq m	-924 sq m	£7.23m	1,977 sq m	3,042 sq m
2027	£10.6m	2,896 sq m	4,456 sq m	£5.3m	1,317 sq m	2,027 sq m	£3.7m	1,014 sq m	1,560 sq m	£19.9m	5,444 sq m	8,376 sq m
2032	£19.9m	5,437 sq m	8,364 sq m	£11.4m	2,709 sq m	4,168 sq m	£8.5m	2,335 sq m	3,593 sq m	£34.9m	9,542 sq m	14,680 sq m

Remainder of the City

- 5.29 Table 5.7 sets out a similar analysis of quantitative retail deficiencies for general comparison and bulky goods for the remainder of the City.
- 5.30 *General Comparison Goods*, Table 5.7 shows that, for the remainder of Aberdeen outwith the City Centre, based on existing patterns of trade, there are very limited retail deficiencies up to 2022. Deficiencies do increase significantly from 2027 onwards but examination of the figures in the different scenarios show that these figures are highly sensitive to the assumptions used in the analysis. Furthermore, the uncertainties regarding future demand would suggest that considerable caution is exercised for forecasts from 2027 onwards.
- 5.31 *Bulky Goods*. The position regarding bulky goods is, however, more straightforward. The Table identifies that there are significant quantitative retail deficiencies from 2022 onwards equivalent to a turnover of £25m in 2022 (range £15m to 45m) to £45m in 2027 (range £23m to £77m). In the adopted LDP, Site OP75, located at Denmore Road, has potential to address a significant portion of this identified deficiency should this be translated into market demand for additional bulky goods floorspace.

Distribution of Comparison Floorspace within Aberdeen

- 5.32 Although Aberdeen is the largest city within the north of Scotland it remains a relatively compact City with good accessibility from all locations to the City Centre. Given the very wide retail offer for general comparison goods within the City Centre it is difficult to suggest that there are significant qualitative retail deficiencies for these goods within the city as a whole.
- 5.33 Retail Parks are also distributed around the city including in the north of the City (Bridge of Don/Denmore); the Central North of the city (both Kittybrewster and Berryden); and at Boulevard. The only potential areas where it could be suggested that there is less direct access to retail parks are in the south and west of the City.
- 5.34 Drawing these factors together it is not considered that, for either general comparison goods or for bulky goods, there are significant qualitative retail deficiencies within Aberdeen.

Summary – Comparison Goods

- 5.35 In overall terms it is not considered that there are significant existing quantitative or qualitative retail deficiencies for either general comparison or bulky comparison goods within the City. Although significant deficiencies are identified for the City Centre for general comparison goods from 2027 onwards it is concluded that the uncertainties regarding these forecasts, the need to protect and promote the existing City Centre and supporting existing proposals for enhancing the City Centre's retail offer, lead to the conclusion that additional new general comparison floorspace should not be identified outwith the City Centre.
- 5.36 For bulky comparison goods deficiencies are identified for the remainder of the City (outwith the City Centre) from 2022 onwards. Site OP75 has the potential to assist in addressing these deficiencies should this result in demand for additional bulky goods floorspace.

Table 5.7: Remainder Aberdeen - Quantitative Retail Deficiencies Tests

	1. Central Case - No Increase in Sales Densities			2. Central Case - 1% Increase in Sales Densities			3. Low Growth - No Increase in Sales Densities			4. High Growth - No Increase in Sales Densities		
Year	Capacity	NFA	GFA	Capacity	NFA	GFA	Capacity	NFA	GFA	Capacity	NFA	GFA
General Comparison												
2018	-£11.5m	-3,827 sq m	-5,887 sq m	-£11.5m	-3,827 sq m	-5,887 sq m	-£28.3m	-9,424 sq m	-14,498 sq m	£6.8m	2,251 sq m	3,463 sq m
2022	£16.8m	5,600 sq m	8,615 sq m	£2.4m	782 sq m	1,204 sq m	-£6.8m	-2,276 sq m	-3,502 sq m	£46.7m	15,562 sq m	23,942 sq m
2027	£60.2m	20,056 sq m	30,855 sq m	£16.4m	4,803 sq m	7,389 sq m	£22.4m	7,472 sq m	11,496 sq m	£114.3m	38,086 sq m	58,593 sq m
2032	£108.5m	36,168 sq m	55,642 sq m	£13.4m	3,416 sq m	5,255 sq m	£49.7m	16,578 sq m	25,505 sq m	£195.2m	65,075 sq m	100,115 sq m
Bulky Goods												
2018	£1.8m	1,221 sq m	1,878 sq m	£1.8m	1,221 sq m	1,878 sq m	-£5.5m	-3,620 sq m	-5,569 sq m	£9.8m	6,456 sq m	9,933 sq m
2022	£32.0m	21,096 sq m	32,456 sq m	£15.1m	9,566 sq m	14,716 sq m	£21.1m	13,938 sq m	21,443 sq m	£45.5m	30,017 sq m	46,180 sq m
2027	£52.5m	34,627 sq m	53,273 sq m	£23.4m	13,559 sq m	20,860 sq m	£35.1m	23,142 sq m	35,603 sq m	£76.9m	50,730 sq m	78,046 sq m
2032	£75.1m	49,538 sq m	76,212 sq m	£24.7m	12,450 sq m	19,155 sq m	£47.4m	31,262 sq m	48,096 sq m	£114.2m	75,384 sq m	115,975 sq m

Review of Retail & Town Centre Allocations in the 2017 LDP

5.37 In addition to the sites identified with planning permission for retail and related development (identified in Table 4.10) the 2017 LDP includes Opportunity Sites in which retail and related uses are supported. This section reviews these proposals to assess whether or not they are able to address the deficiencies identified above. This review is set out Table 5.8. This shows that these existing allocations address many of the quantitative and qualitative retail deficiencies identified in Aberdeen. Table 5.9 summarises the deficiencies identified, the extent to which existing 2017 LDP allocations address these deficiencies and whether or not additional allocations or amendments to these allocations are needed to assist in meeting the identified deficiencies.

Table 5.8: Review of 2017 LDP Opportunity Sites

Site	Site Name	Retail & Related Proposal	Relationship to Identified Deficiencies	Conclusion
OP9	Grandhome	Town Centre identified for Phase 2	Supports identified quantitative and qualitative retail deficiency for new community.	Continue allocation as <i>District</i> Centre rather than Town Centre.
OP75	Denmore Road	Commercial Centre - support for bulky goods to maintain offer at Bridge of Don	Supports identified long term quantitative retail deficiency for bulky goods with concentration of bulky goods in Denmore/Bridge of Don retail area. This requirement continues even with the recent development/ consolidation of Bridge of Don Retail Park	Continue allocation
OP21	Rowett South	Town Centre identified comprising approx. 7500 sq m total floorspace (4000 sq m supermarket, 3500 sq m other comparison, and local shops and retail services	Supports identified quantitative and qualitative retail deficiency for new community. Scale of provision identified for comparison goods is greater than would now be strictly necessary for this part of the City.	Continue allocation but consideration could be given to slight reduction in scale of floorspace for comparison floorspace to 1500-2000 sq m GFA or similar. Refer to <i>District Centre</i> rather than Town Centre.
OP114	Milltimber South	Mixed use including 1225 sq m of ancillary retail/office space	Supports identified qualitative retail deficiencies for west of City for convenience floorspace	Continue allocation but clarification can be given that retail should be primarily convenience floorspace.
OP59	Loirston	Land release Policy includes supermarket to meet convenience deficiencies in south Aberdeen	Supports identified qualitative retail deficiencies for south of City for convenience floorspace	Continue allocation
OP67	Aberdeen Market	Opportunity for qualitative retail/mixed use improvement	Planning application submitted and approved. Allocation supports proposals for general enhancement of retail within the City Centre core.	Continue allocation
OP80	Bon Accord Masterplan	Retail core/mixed use - major redevelopment of City Centre	Planning application submitted and approved. Allocation supports proposals for general enhancement of retail within the City Centre core.	Principle of supporting retail/mixed uses in the City Centre core is supported – OP80 will be replaced by a series of proposals/ intervention areas identified from the City Centre Master Plan recommendations
OP81	Denburn and Woolmanhill	Mixed use could include small scale retail, hotel, food and drink etc	Supports diversity of uses in City Centre and potential tourism/leisure uses	Continue allocation
OP91	Marischal Square	Opportunity for mixed use	Development completed	n/a
OP95	Triple Kirks	Office, retail, residential or hotel	Consented granted for student residences - under development	n/a
OP96	Upper/Basement Floors, Union Street	Retail Use	Allocation supports proposals for general enhancement of retail within the City Centre core. However, market potential for these uses is uncertain and premises could support other leisure/town centre uses.	Continue identification as OP site but broaden range of acceptable uses to include leisure, hotel and other town centre type uses.
OP102	George Street/Crooked Lane	City Centre Retail Core - opportunity for retail development - enhance George Street, link to John Lewis	Planning application submitted and approved. Allocation supports proposals for general enhancement of retail within the City Centre core.	Continue allocation

Table 5.9: Recommendations to Address Identified Retail Deficiencies

Identified Deficiency		Addressed in 2017 LDP	Recommendations to Address the Retail Deficiency
Location	Issue		
Convenience Goods			
Central North - Zones 26, 27 & 28	Limited convenience provision compared to available expenditure	No	Consideration to be given to support to enhancement Berryden including Lower Berryden as part of enhanced District Centre to include support for additional convenience provision
South - Zone 32	Lack of convenience provision in Cove/Loirston area	Yes - OP59	Continue allocation but refer to supermarket as part of new District Centre (to include limited/small scale comparison and local services)
West - Zones 29N & 29S	Lack of choice for types of convenience	Yes – through additional retail in expansion areas	Continue allocations for additional retail in expansion areas – see 3 (Greenfearns), 4 (Countesswells) and 5 (Deeside) below.
<i>Expansion Areas:</i>			
1. Bridge of Don/ Grandhome	Convenience - 4000-4500 Sq M GFA + some Comparison and local services	Yes - OP9	Continue OP9 allocation but for new <i>District Centre</i>
2. Dyce/Bucksburn/ Woodside	Convenience - 2500-3500 Sq M GFA + some Comparison and local services	Yes - OP21	Continue OP21 allocation but for new <i>District Centre</i>
3. Greenfearns	Local convenience - 1000-1500 sq m GFA + some Comparison and local services	Limited - through Policy LR2	Expressly identify potential location for new neighbourhood centre
4. Countesswells	Local convenience - 1500-2000 sq m GFA + some Comparison and local services	Limited - through Policy LR2	Expressly identify potential location for new neighbourhood centre
5. Deeside	Local convenience - 500 sq m GFA + some Comparison and local services	Yes - OP114	Continue OP114
6. Loirston & Cove	Local convenience - 1000-1500 sq m GFA + some comparison and local services	Yes - OP59	Continue allocation but refer to supermarket as part of new District Centre (to include limited/small scale comparison and local services)
General Comparison Goods			
City Centre	Support for existing proposals for significant Gen Comp floorspace Potential for long term expansion of Gen Comp floorspace post 2027	Yes - OP67, OP80 ³ , OP96, OP102	Continue allocations, include new OP site for expansion of Union Square (south)
Remainder City	None significant apart from limited floorspace as part of new neighbourhood/district centres for expansion areas	See above	None
Bulky Comparison Goods			
Remainder City	Quantitative deficiencies 2022 onwards	Yes - OP75	Continue allocation to support further consolidation of bulky goods retail in Denmore area

³ OP80 to be replaced by City Centre interventions from City Centre Masterplan (CCMP)

6 Review of Retail and Leisure Strategy

Introduction

- 6.1 This section reviews and updates the Retail Strategy recommended in the 2013 Study. It assesses the extent to which the analysis of recent changes in retail, tourism and leisure, together with amended forecasts of demand, informs alterations to the recommended strategy for Aberdeen. In this section the reference to “retail strategy” is primarily concerned with retail proposals and policies but it also encompasses associated town centre uses including leisure, tourism, health and fitness, and entertainment uses. The final part of this Section reviews the “Development Bids” that were submitted to Aberdeen City Council for inclusion within the Main Issues report for the Aberdeen City LDP (2022) to assess the degree to which proposals would support or conflict with the recommended retail strategy.
- 6.2 It is considered that the principal components of the Retail Strategy should remain the same as identified in 2013, i.e. to comprise:
- Locations for the provision of new retail and other related floorspace. This includes: identifying existing and future retail deficiencies; supporting areas of growth; and supporting the network of existing retail centres.
 - Planning for the protection and growth of City Centre retail. This includes: the overall structure of the City Centre including prime retail and peripheral areas; retail planning policies; and the identification of potential retail sites.
 - Planning for the protection of and growth of existing retail centres – particularly town and district centres. This also includes the need to manage change in weaker centres including the mitigation of adverse retail impacts.
 - Special provisions for particular retail sectors.
 - Retail planning policies.
 - Other issues including town centre health checks and monitoring.

Context

Scottish Planning Policy

- 6.3 Scottish Planning Policy provides a statement of Scottish Government policy on land use planning. It provides an important context for the formulation of development plans and is an important material consideration in the determination of planning applications. The latest version of the SPP relevant to this study was published in 2014.
- 6.4 From the SPP the principal requirements for the recommended Retail Strategy are:

- Application of a town centres first policy (i.e. sequential approach) for uses which attract significant numbers of people including retail, commercial leisure, offices, community and cultural facilities.
- Encouraging a mix of uses in town centres to support their vibrancy, vitality and viability including both day-time and evening.
- Identification of the network of centres including how centres complement one another.
- Undertake town centre health checks which should be used to deliver improvements to town centres.

Retail and Related Trends

Retail

6.5 Section 3 has identified the key factors for the retail sector for future growth/change are as follows:

- Slower growth in retail expenditure including continued growth of internet-sales (at least until the 2030s) will limit the growth of new floorspace with businesses continuing to focus on the control of costs. This limits the total amount of space that retailers will require – particularly in the general comparison goods sector.
- The relationship between physical space and internet-retail will become more complex. The use of physical space as showrooms and market branding and reliance on internet for increasing sales will render links between space and sales' densities less relevant.
- Increasing economic wealth will result in increased competition between retail and other sectors – notably leisure and entertainment. This will result in increasing proportions of town centre space being devoted to retail and leisure services rather than retail goods floorspace.
- Personal mobility will continue to increase and be a key factor supporting the growth of larger retail centres at the expense of smaller ones – especially for comparison goods.

6.6 These factors will have impacts on the quantum, format and distribution of retail floorspace:

- Market concentration in the largest centres will continue. This is likely to benefit Aberdeen City Centre.
- For many mid-sized town and district centres (typically between 150 and 400 retail/retail service units) demand for retail space is likely to be limited and these centres are likely to carry a high proportion of shop closures. Some of these centres will, however, thrive for example if the towns have unique characteristics that render them attractive locations to visit and the role of diversification, street-café culture, heritage and leisure can all support these centres. This of course, means a shift away from retail to services and leisure.
- For the smallest centres, including small market towns and local/neighbourhood centres, it is likely that the convenience function of these locations will remain important. They will, however continue to see a shift from retail goods to services.

- The position regarding retail warehouse space will reflect the above trends. For larger retail parks, or those which have a strong local catchment, prospects remain generally good. However smaller retail parks, those which are relatively difficult to access and/or have not benefitted from investment by the owners, may experience long term decline.
- The rate of growth of floorspace for convenience goods is expected to reduce. It is evident that, for the foreseeable future, the market for large supermarkets and superstores is close to saturation. However, in areas of major new housing there will be some opportunities for new stores. Greatest demand in recent years has been for both small convenience-format units (especially in urban areas) and for mid-sized supermarkets including the discounters.
- There will be continued opportunities for retail to be provided at specialist locations – notably transport hubs, sports, leisure and tourist locations.

Leisure

- This sector, particularly that related to entertainment, eating and drinking out has been growing steadily. Leisure and entertainment are a form of “discretionary” spend and, as such, depend on overall levels of income which, in turn, depend on the strength of the local economy.
- Aberdeen will continue to be a focus for leisure investment which should create opportunities both in the prime shopping areas and in the west end of Union Street for future leisure and entertainment uses and could involve the use of upper/basement floors and vacated retail space.
- In the short term it is likely that both the restaurant and hotel sectors will adjust to recent short-term issues: for restaurants adjustment to recent supply overreaching demand growth and adjusting to increased costs; and, for the hotel sector the development-out of the large amount of consented hotel space. In the longer term, however, it is expected that there will be steady demand for new space within the City Centre.
- Outwith the City Centre, the strongest demand for new hotel space will continue to be in the Dyce/Bucksburn areas especially once the new TECA is completed in 2019.
- For the leisure sector outwith the City Centre it is expected that there will be continuing demand from public house operators seeking food-led family-oriented pubs where there is a high profile, easy vehicle access and space for parking. The prospects for establishments that are too small to accommodate a food offering and continue to be “wet-led” is less positive and closures would be expected in this type of establishment.
- The leisure/entertainment sector is highly diverse. For health clubs and gyms there is no clear view as to how far this sector will continue to grow. There is a myriad of other types of entertainment/leisure space. Many of these can occupy relatively small spaces (as little as 200-300 sq m) whereas others need, in effect, industrial sized units (1000 sq m or greater). This means that locational requirements will vary – smaller, more up-market uses would be attracted to the City Centre whereas other uses (such as trampoline centres) may prefer to be located in mixed-use/industrial locations where rents for units will be much lower.

Implications for Strategy

- 6.7 The overall implications for the retail strategy are that some retail locations will experience growth, reflecting both local population and expenditure growth whereas others will suffer relative and, in certain situations, absolute decline. The major locations for growth will be:
- Aberdeen City Centre
 - Areas with major new urban expansion – notably in north, west and south Aberdeen.
- 6.8 Within all centres there will be pressure for increasing retail service and non-retail space at the cost of retail goods space. Given the pressures on retailing use, these non-retail uses, although presenting a shift in the character and composition of centres, can provide an effective means of responding against potential increases vacant units and overall threats to the vitality and viability of centres.
- 6.9 The changing location strategies for retailers will be likely to result in higher sales densities from retail floorspace. This is, however, by no means clear cut given the changing relationship between the use of space for the display of goods with actual purchases made on-line. However, in general it means that growth in available expenditure will result in slower growth for new retail floorspace. Given that expenditure growth is expected to be lower than in previous years this will result in a significant reduction in the overall growth of retail floorspace that is required compared to that identified in earlier versions of this Study.

Retail Deficiencies

- 6.10 The principal retail deficiencies identified are, in summary:

Convenience Goods

- For the City as a whole there is no quantitative retail deficiency for convenience goods.
- Within the Central North part of the City there is a significant deficiency in all scenario tests. In all other areas there is either a reasonable balance between floorspace and turnover or an “excess” of floorspace based on notional average sales densities.
- Additional convenience floorspace should be provided in the major expansion areas identified in the LDP. These should form the focus of new District or Neighbourhood Centres providing a range of services and facilities to these new communities.
- In the South (Zone 32) there is a lack of convenience provision serving the Cove and Loirston area. Site OP59 addresses this deficiency.
- In the West there is limited choice in terms of types of convenience floorspace. This can be addressed through the provision of limited new convenience floorspace as part of the major expansion areas.

Comparison Goods

- In overall terms there are no significant *existing* quantitative or qualitative retail deficiencies for either general comparison or bulky comparison goods within the City.
- Significant deficiencies are identified for the City Centre for general comparison goods from 2027 onwards. However, given both the uncertainties with the forecasts, the need to protect and promote the existing City Centre (including support for both the proposals at Bon Accord/George Street and Union Square) and other potential sites/proposed it is concluded that no new general comparison floorspace should be identified outwith the City Centre.
- For bulky comparison goods deficiencies are identified for the remainder of the City (outwith the City Centre) from 2022 onwards.

Implications for the Retail Strategy

6.11 The key implications are:

- Additional convenience floorspace, with limited additional comparison floorspace along with retail services should be provided in each of the principal expansion areas in the form of new District Centres to act as a focus for the new communities.
- Proposals for improving convenience provision in the Central North parts of the City (Zones 26 27 & 28) should be supported in principle. Improvements can be achieved through new stores, store extensions or redevelopment (for example the Lidl at Hutcheon St (opened 2019) makes a contribution to meeting this deficiency). No specific sites are identified for this although consideration should be given to permitting further convenience retail within Berryden should applications be submitted for this in the future.
- Site allocations in the 2017 LDP address the retail deficiencies identified in this Update. The Opportunity Sites listed in Table 5.8 should continue in the next update of the LDP subject to the comments set out in that Table.

Issues to be addressed in the Retail and Leisure Strategy

6.12 Although significant changes have been identified to the condition of the retail market and industry the key issues that need to be addressed in the recommended updated Retail Strategy remain the same as in the 2013 report and are summarised in the following box. These have been identified taking into account the context of each of: the anticipated population and expenditure growth within the study area; changes in the structure of retailing and future changes in the industry; and the policy framework provided through Scottish Planning Policy.

Key Issues to be addressed through the Retail and Leisure Strategy

1. **The protection and enhancement of city, town and district centres.** *This reflects the importance of these centres providing important services and facilities to the wider community consistent with a “town centres first” policy approach. In addition, the importance of protecting, where possible, local shopping provision in the city, towns and in rural areas to support local access to shopping facilities. This will support social inclusion and the minimisation of travel demand and reducing overall carbon emissions.*
2. **Encouraging new investment in retail as well as other services and facilities** *in both existing retail centres (including both new floorspace and the re-use of existing space, including vacant space) and in new centres which serve new residential areas proposed within the city.*
3. **To ensure that all new retail developments contribute towards reducing the need to travel** *and encourage people to walk, cycle or use public transport by making these attractive choices.*
4. **Addressing identified existing and future retail deficiencies** *(qualitative and quantitative).*
5. **Addressing the retail needs of new expansion areas**
6. **Facilitating and supporting the growth of retail within Aberdeen City Centre** *to maintain and strengthen the vitality and viability of the 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.*
7. **Supporting leisure, entertainment, tourism and cultural activities to complement retail in the City Centre.** *This involves encouraging uses that support the City Centre vitality and viability in locations throughout the City Centre, including in the “heart” of the City centre along Union Street, with appropriate policies and investment/interventions that increase the attractiveness of the City Centre allowing it to adapt as retail demand for older premises becomes more limited.*
8. **Identifying general policy principles** *to be applied for all new retail development consistent with Scottish Planning Policy – notably in terms of protecting the vitality and viability of centres and the application of the sequential approach.*
9. **Identifying particular issues** *anticipated to arise with specific retail sectors and different types of retail proposals.*

Network of Centres

- 6.13 SPP requires the identification of a network of centres within a planning authority area. If appropriate this can include the concept of a retail hierarchy. The role of individual centres within the network should be identified. Table 6.1 updates the recommended network of centres/hierarchy. Specific comments and recommendations for individual centres are set out in Volume 2 of this report.

Planning for New Retail Floorspace

- 6.14 Proposals for new floorspace are set out in Table 6.2.

Table 6.1: Proposed Network of Centres: Aberdeen City

<i>Category of Centre</i>	<i>Function/Role of Centre</i>	<i>Locations</i>	<i>Implications for Strategy</i>
<i>Regional Centre</i>	<i>Principal retail location for the north east Scotland particularly for general comparison goods retail. Provides very wide range of retail, retail service and non-retail public and commercial services and facilities. Provides a focus for the city- and region-wide community and as a focus for transport.</i>	<i>Aberdeen City Centre</i>	<i>Preferred location for all new retail development serving city and regional market. Promotion of new retail development sites. Protection against potential adverse retail impact. Promotion for leisure, entertainment, tourism and related activities to complement retail and offices functions of the City Centre.</i>
<i>Town Centres</i>	<i>Provide a wide range of retail, retail service and non-retail public and commercial services and facilities. Provide a focus for the local community (town and immediate rural hinterland) and for local transport networks.</i>	<i>Aberdeen City: Rosemount; Torry</i>	<i>Preferred location for new retail development serving districts. Promotion of new retail development sites (see below)</i>
<i>District Centres</i>	<i>Provide a range of retail and non-retail services and facilities meeting a significant proportion of shopping requirements for the surrounding local communities located primarily in suburban locations. Superstore-based District Centres have more limited non-retail offer.</i>	<i>Aberdeen City: Berryden (Upper and Lower); Danestone; Dyce; Rousay Drive; Middleton Park Additional locations linked to new Expansion Areas (LDP sites OP9, OP21, OP59 – to be included as developed subject to design/content of centre)</i>	<i>Promotion of new mixed use/mixed retail District Centres in major new expansion areas Protection against potential adverse retail impact.</i>
<i>Neighbourhood/ Local Centres</i>	<i>Provide a limited range of retail facilities and other services/facilities – primarily meeting some of the day-to-day needs of the local community.</i>	<i>Aberdeen City: Add Haudegain and King Street to list at Figure 3 of Supplementary Guidance: Hierarchy of Centres Additional location linked to new Expansion Areas (LDP OP114 – to be included subject to design/content of centre)</i>	<i>Protection against adverse retail impact (in recognition of significant facilities serving local communities).</i>
<i>Other Commercial Locations:</i> <i>- Retail Parks</i> <i>- Others</i>	<i>Retail developments (either purpose built or well-defined groups of separate units) that serve one or more specific retail market sectors with relative wide catchment areas.</i>	<i>Aberdeen City: Boulevard RP/Links Road; Garthdee; Kittybrewster RP; Bridge of Don RP</i>	

Table 6.2: Proposed Development Sites/Allocations

Zone	Location	Proposed Development	Floorspace Type				Indicative Floorspace (all types including services)		Status	Role of Proposal
			Conv	GC	BG	Leisure/ Ent/Tourism	GFA	NFA		
ABERDEEN CITY CENTRE										
30	OP81 Denburn/ Woolmanhill	Mixed use; p app for apartments and hotel				✓			LDP Allocation – to continue in new LDP. Planning permission granted.	Support diversity in CC including tourism
30	OP102 George St/ Crooked St	Extension of Bon Accord	(✓)	✓		✓	10,000 sqm		LDP Allocation – to continue in new LDP. Planning permission granted.	Additional comparison retail
30	OP96 Union Street	Mixed use – retail, leisure, entertainment and others	(✓)	✓		✓			LDP Allocation – to continue in new LDP (some amendment to allow flexibility in use)	Support diversity of uses in CC – poss additional retail
30	OP67 Aberdeen Market	Retail/mixed use – improved links to The Green	(✓)	✓		✓			LDP Allocation – to continue in new LDP	Support diversity of uses in CC – poss additional retail
30	OP80 Bon Accord (Masterplan)	Retail/mixed use enhancement to existing St Nichs/Bon Accord	(✓)	✓		✓			LDP Allocation – to continue in new LDP. Planning permission granted. OP80 to be replaced by CC interventions (from CCMP)	Additional leisure and retail floorspace
30	Union Square	Retail extension + additional uses	(✓)	✓		✓	38,500 sqm max		Planning permission granted.	Additional comparison retail

Zone	Location	Proposed Development	Floorspace Type				Indicative Floorspace (all types including services)		Status	Role of Proposal
			Conv	GC	BG	Leisure/ Ent/Tourism	GFA	NFA		
REMAINDER ABERDEEN										
25	OP9 Grandhome	District Centre – superstore/large supermarket based	✓	(✓)			5000-7500 sqm	LDP Allocation – to continue in new LDP	Serve as District Centre for new community (not Town Centre)	
23	OP75 Denmore	Additional bulky goods retail park			✓		tbd	LDP Allocation – to continue in new LDP	To accommodate quantitative deficiencies for bulky goods and consolidation of bulky goods shops in Denmore area	
28	OP21 Rowett South	District Centre – superstore/large supermarket based	✓	(✓)			5500-6000 sqm	LDP Allocation – to continue in new LDP	Serve as District Centre for new community. Reducing comp floorspace from OP21 allocation. Not Town Centre.	
28	Mastrick Clinic	Retail (not specified)	✓	(✓)		(✓)		None – Development Bid to LDP	Has potential to enhance range of retail and related services as part of Mastrick centre	
28	OP33 Greenfearns	Neighbourhood Centre	✓				1000 sqm	LDP Allocation – to continue in new LDP	Serve as possible Neighbourhood Centre for Greenfearns	
29S	OP114 Milltimber South	Neighbourhood Centre	✓				1000 sqm	LDP Allocation – to continue in new LDP	Serve as possible Neighbourhood Centre for Milltimber – subject to content and design of proposals	
29N/29S	OP38 Countesswells	Neighbourhood Centre	✓				1000 sqm	LDP Allocation – to continue in new LDP	Serve as possible Neighbourhood Centre for Countesswells	
32	OP59 Loirston	District Centre – superstore/large supermarket based	✓	(✓)			4000-5000 sqm	LDP Allocation – to continue in new LDP	Serve as District Centre for new community and to serve Cove area	
27	Upper/Lower Berryden	Convenience floorspace	✓					None	Potential for existing vacant unit(s) to include new convenience floorspace to address retail deficiency in central north Aberdeen	

Policy Framework

- 6.15 The strategy proposes a continuation of the same policy approach identified in the 2013 Report subject to limited alterations. The following sets out the objectives and scope of recommended policies.

Retail and Leisure Policy Objectives

- 6.16 Planning objectives for retailing within the study area should include:
- Support for Aberdeen City Centre as the principal shopping, leisure and entertainment location serving the whole of the north east of Scotland. This support should include both the enhancement of retail provision, leisure and entertainment provision in the City Centre and its protection against adverse impact from retail and leisure (etc) developments outwith the City Centre.
 - Improving overall access to shopping/leisure (etc) provision – particularly for day-to-day shopping requirements thereby minimising the need to travel.
 - Recognition of the economic benefits of the retail and leisure (etc) sectors.
 - Addressing identified retail deficiencies through the allocation of sites for new retail development.
 - Ensuring that significant new urban areas incorporate an appropriate range of retail and associated services/facilities including new district or neighbourhood centres (comprising a range of types of retail and other services) where appropriate.

Proposals for Retail/Leisure (etc) Development

- Proposals which include retail development consistent with the proposals identified in the Development Strategy for Retail Floorspace (Table 6.2 above) should be supported. Proposals that incorporate floorspace significantly greater, or of a different character/type of floorspace, would not be consistent with the recommended strategy.
- Proposals that are not identified in the Development Strategy for Retail/Leisure (etc) Floorspace, or are not consistent with it should be assessed in terms of:
 - Application of the sequential approach.
 - The impact that the proposed development would have, on its own and taking into account cumulative effects with other proposals, on the vitality and viability of relevant centres. SPP advises that retail impact assessment would normally be required for developments in excess of 2500 sq m. Retail impacts should not only consider impacts on centres identified in the Network of Centres but also impacts on local shopping facilities where these provide an important function in support local access to shopping facilities. Similar approaches should be adopted for other uses that generate significant footfall including leisure proposals.

- The extent to which the proposal will help meet quantitative or qualitative retail deficiencies identified in this report and which would not be addressed by other retail proposals identified in Table 6.2.

Sequential Approach

- A sequential approach should be adopted for all retail, leisure, entertainment and other proposals that generate significant levels of footfall with the exception of those proposals that comprise the formation of a new district centre (as identified in Table 6.2).
- The application of the sequential approach should also take into account the market area that would be served by the proposed development and the identified retail network:
 - For developments that would have a market area serving the whole of the study area the first location to be considered would be the City Centre. For retail proposals the first preference would be the City Centre Retail Core (see below), secondly the remainder of the City Centre and edge of City Centre, thereafter town/district centres and so on prior to the consideration of out-of-centre locations. For leisure, entertainment and other uses that generate significant footfall serving a very wide market area first preference would be the *whole* of the defined City Centre, secondly edge of City Centre and thereafter the same as for retail proposals.
 - For development serving parts of Aberdeen City or individual towns the first location would be the relevant Town or District Centre.

This principle reflects the approach currently adopted in the Aberdeen City LDP Policy NC4 and Supplementary Guidance Hierarchy of Centres.

- It is noted that the 2014 SDP retains the wording “out-of-town” in relation to the Sequential Approach. This wording should be amended to refer to Out-of-Centre to ensure consistency with Scottish Planning Policy.

Aberdeen City Centre

- Boundary of City Centre. Limited amendments to the boundary of the City Centre are recommended and shown in Figure 2.13 in Volume 2 of this Report. In particular this excludes the King Street area which is recommended to be identified as a Neighbourhood Centre (subject to future review) and inclusion of part of Rosemount Viaduct/Skene Street (south side) within City Centre.
- Identification of the City Centre Retail Core. This continues the same area identified in the 2017 LDP – also shown in Figure 2.13 of Volume 2 of this Report.
- In areas outwith the City Centre Retail Core there should be encouragement of mixed commercial and residential uses as well as retail and retail services.
- Other initiatives aimed at supporting the vitality and viability of the City Centre including pedestrianisation of Union Street in the Retail Core, environmental improvements and transport infrastructure improvements should be supported. This includes the following proposals recommended

in the City Centre Masterplan: EC08; CM02; CM04; EN02; EN05; EN06; EN07; EN04; IN01; IN06 – subject to the comments set out in Table 2.12 in Volume 2 of this Report.

Other Locations

- Encouragement of diversification of uses (to include food, drink, entertainment and leisure) in both Rosemount and Torry town centres to support diversity and vitality of these centres.
- Inclusion of Lower Berryden within an enlarged Berryden District Centre (see review of Upper Berryden in Volume 2 of this Report).
- Inclusion of Haudegain as a neighbourhood centre in the network/hierarchy of centres (see review of Haudegain in Volume 2 of this Report).
- Inclusion of Bridge of Don Retail Park as a commercial centre in the network/hierarchy of centres (see review of Denmore/Bridge of Don in Volume 2 of this Report).
- Identification of future new District Centres as a focus for expansion areas at Grandhome, Rowett South and Loirston.
- Identification of future new Neighbourhood Centres as a focus for expansion areas at Countesswells, Greenfearns and Milltimber.

6.17 Details of recommendations for individual centres is set out in Volume 2 of this Report. This includes the recommendations for Aberdeen City Centre including the need to combine planning policies relating to the sequential approach and protection against adverse impact with an evolving policy for frontages along Union Street (to support complementary leisure, entertainment and related activities/uses), the need to support proposed “interventions” identified in the CCMP together with the promotion of key development sites.

Issues with Retail and Leisure Sectors

6.18 This section provides a brief update of the position with key retail and leisure sectors.

Convenience: Supermarkets and Superstores

6.19 The current level of new supermarket/superstore development remains at a low level with the principal activity focussed on small convenience-format stores and mid-sized supermarkets including limited assortment discounters (Aldi and Lidl), freezer centres (notably Iceland and Farmfoods) and general supermarkets (including the Co-op and M&S Foodhall). In the current market it is more likely that new convenience floorspace in expansion areas is likely to be provided by a combination of these units rather than a major superstore although, of course, this position may change in the future. This trend has already been seen, for example, with the development of M&S and Co-op stores at Stonewood. These stores can, however, provide an effective focus for the development of a District or Neighbourhood Centres in the expansion areas.

6.20 The key retail planning issues to be considered when assessing these proposals include:

- The role of the foodstore in providing the anchor or core of a new district or neighbourhood centre in new urban communities.
- The retail impact that new supermarkets/stores will have on other centres identified in the retail network and also on local retail floorspace.
- The extent to which a new supermarket/store will reduce overall travel requirements and, consequently, carbon emissions.
- The role of comparison goods in supermarkets/superstores. In general, these smaller stores have a lower proportion of comparison goods than superstores (typically 10-20%).

Convenience-Format Stores

6.21 Convenience-format (“C-format”) stores are those stores that provide local, top-up shopping facilities primarily for food and drink but are often combined with newsagents/tobacconists. In some cases a limited range of comparison goods may also be retailed. The key characteristic of the stores is their limited size – typically less than 300-400 sq m GFA. This limits the total range of goods that can be stocked. C-format stores present a clear benefit in improving access to local retail and can, therefore support social-inclusion and reduce carbon emissions. However, if located outwith centres, they can be in direct competition with similar stores in defined centres and this could, potentially, affect the viability of smaller centres.

6.22 Key issues are:

- The small size of stores generally limiting potential retail impacts arising. However, one should note the vulnerability of small centres (e.g. small district/town centres and local centres etc) to potential impact from this sector – especially the cumulative impact if a number of stores are developed.
- The role of these stores in supporting/improving local access to day-to-day shopping needs.

Comparison: Discounters and Retail Warehouses

6.23 There has been substantial growth of non-food discounters in recent years. These stores vary considerably in terms of mix of retail including each of general and bulky comparison and convenience goods. A number of operators (notably Home Bargains, B&M and Poundland) have a significant food and drink (convenience) offer which can occupy up to 30%+ of the sales area of the stores. Given that these stores can be large (often exceeding 3000 sq m GFA) this means that these stores can have a significant retail impact on existing District or Neighbourhood Centres but, equally, they are able to offer a range of goods that can support access to retail in a local area.

6.24 The trend for retailing general comparison as well as bulky goods from retail warehouses has continued in recent years. Extending the range of goods sold provides greater opportunities for re-letting units when they become vacant. Furthermore, the recent growth of the discount sector for comparison goods (noted above) has also increased demand for these types of units.

6.25 The principles set out in the above policy framework should be applied to all retail proposals for retail warehouses including the assessment of retail impact and the application of the sequential approach. In terms

of retail assessment, it is important to recognise that general comparison warehouses and non-food discounters generally have higher turnover levels than bulky goods units and will divert a higher proportion of trade from town/City Centres. In terms of the sequential approach the key issue will be the market area served by the proposed development.

- 6.26** The potential for retail warehouse units (including non-food discounters) should be considered to be included as part of the new district/town centres identified in the Development Strategy. This will be a challenge to conventional design approaches to retail parks but the inclusion of some larger units has the potential to provide stronger new centres which are able to provide balance of uses including: supermarket, small unit shops for retail goods and services; medium and large format units for a range of comparison goods.

Leisure

- 6.27 The key strength of the leisure sector is its diversity. New forms of leisure and entertainment are constantly evolving with the result that, as a sector, it is very adaptable in terms of space and location requirements. In this way leisure can complement retail and, as seen in the review of the sectors in the early part of this Report, the leisure sector, in all its forms, has steadily grown in importance in town and district centres in both relative and absolute terms at the same time that retail has declined. Furthermore, the sector offers significant growth prospects in the medium-long term. It can, together with other services (including retail services), provide an important opportunity for occupying space in centres when demand from retail is expected to decline.
- 6.28 This is especially important for the City Centre and the more traditional centres including Rosemount, Torry and village centres such as Cults and Culter. In these locations there are often a mix of types of commercial units available with the older premises becoming increasingly less attractive for multiple retailers (although they may remain attractive to independent retailers). However, these units can be very suitable for leisure and entertainment uses – in this way small units or awkwardly configured units could be attractive to cafes and restaurants or upper floors can attract health clubs or entertainment uses. Within the City Centre larger blocks can be attractive for conversion to hotels.
- 6.29 These uses can make a very important contribution to the diversity of centres and, although they pay generally lower rents than previous retail uses, they can still add significantly to the vitality of centres. The loss of retail and replacement with leisure and entertainment uses should not, therefore, be seen as a negative impact on centres. In the case of Aberdeen City Centre (as set out in detail in Volume 2 of this report) leisure and related uses provide an opportunity to take space in the very heart of the City Centre along Union Street which is no longer in demand for retail use. However, many of these uses, especially for eating/drinking out, need a high-quality environment especially if one wants to encourage active frontages. To promote these uses will require, in key locations such as Union Street, the implementation of other actions/interventions to ensure that the environment is sufficiently attractive for pedestrians to want to visit and spend time here. The City Centre strategy therefore emphasises the importance of implementing interventions/actions identified in the CCMP that support environmental improvements within the City Centre.
- 6.30 Outwith the City Centre other leisure uses (such as gyms, public houses and hotels) will respond to opportunities as they arise. The importance of the Dyce/Bucksburn area for hotels (especially for the business sector) has been noted.

6.31 Not all leisure and related uses are seen as making a positive contribution to the locality in which they are situated. In this way gyms may generate significant traffic flows at early and late times of the day (associated with journeys to/from work) causing disturbance to neighbours and drive-thru restaurants may generate high volumes of slow-moving traffic at certain times of the day/week. In land use terms the extent to which these uses are able to contribute to the vitality and viability of centres will vary according to the specific proposals. For example, the sequential approach would support the location of a drive-thru restaurant which generates significant footfall within a centre. However, the reality could be that the design of the unit and/or vehicular movements associated with it, may be detrimental to a town centre location such that the use may, in fact be better located outwith a centre. The key issue in these situations is not concerned with the principle of the proposed use (which is supported in centres) but the specific development management considerations including, for example, traffic, noise, impacts on amenity and design concerns that relate to the particular proposal under consideration. Nonetheless it is important to recognise that, although the use may have impacts on amenity, these types of uses do meet a clear deficiency reflected by the high level of demand and use from the public for them.

Monitoring

6.32 The recommendations identified in the 2013 report for monitoring retail and related development are considered to remain valid. Therefore, recommendations for actions by the planning authority are set out in the following box.

- All retail, retail service, leisure and tourist planning applications, and other uses incorporating a significant amount of retail and related floorspace (>100 sq m) should be monitored and recorded in a database. Similar proposals involving the loss of existing retail floorspace should also be included. This will allow easy update of the retail model and to monitor change within town centres.
- Town centre health checks should continue to be undertaken.
- The SRM should be updated regularly to assess changes to the network of centres and allow early identification of changes affecting centres.

Review of Development Bids to Main Issues Report

6.33 In 2018 Aberdeen City Council received 146 Development Bids for sites for inclusion within the 2019 Main Issues Report as part of the initial stages for the preparation of the update to the Aberdeen City Local Development Plan. A number of these bids included proposals for retail and related development which are relevant to the matters addressed in this Report and the update of the Retail Strategy.

6.34 Each of the relevant bids have been reviewed in the light of the proposed Retail Strategy. Comments on the bids and the recommended approach (from a retail and related perspective only) are set out in Table 6.3.

Table 6.3: Review of 2018 Development Bids

Site	Location	Proposal	Zone	Response re Retail Proposals
B01/03	Bleachfield House	Housing (14 units), Employment (200m ²), Retail (400m ²) Cultural (100m ²)	25	Small scale retail proposed - type not defined. Not significant in terms of Aberdeen retail. Substantial overprovision in North & North West of City. Not significant.
B01-04	Gateway Site, OP19 Rowett North	Retail. The bid seeks a relaxation of the current Specialist Employment Use designation to allow for new retail use to be accommodated within the 'Gateway' area.	24S	Proposal refers to potential supermarket. Av Exp for convenience goods slightly exceeds provision in West of city. There is need for retail (along with other facilities) to serve Newhill expansion but this is already allocated in OP21. There is no justification for any additional retail. Location in OP19 in place of OP21 would result in new district centre (or similar) not being well located to serve expansion area. Not supported.
B02-01	OP7 Gordon Centre	Mixed Use (housing, employment & retail)	23	Site is already allocated OP7 in LDP. Mix of uses is not defined in bid nor scale of potential retail. Site is North and North West of City not well related to extensive residential areas. No deficiency in area identified for either convenience or comparison goods. Any retail should be limited to incidental/ancillary use - very small. Support continued allocation but retail use, if permitted, should be restricted to ancillary/incidental to use of site.
B02/04	Aberdeen Innovation Park	The proposal is seeking for the range of uses permitted at the Innovation Park to be increased to include Class 2, 3, 8, 10 and 11 Uses with Class 1 Shops and Class 9 Houses being considered. Change of policy also proposed.	25	Scale of proposed retail is not identified (to be determined "on merits"). Large site area could accommodate significant scale of floorspace. Site is located in north of City which is already very well served by both convenience retail and retail parks. No deficiencies identified in this part of city. Noted that site is rejected by ACC for non-retail planning reasons. Not supported.
B02/05	Aberdeen Energy Park	The proposal is seeking for the range of uses permitted at the Innovation Park to be increased to include Class 2, 3, 8, 10 and 11 Uses with Class 1 Shops being considered on its individual merits.	23	Scale of proposed retail is not identified (suggestion is to allow "some forms of specialist retailing on the park or as an ancillary use to the main use"). Large site area could accommodate significant scale of floorspace. Site is located in north of City which is already very well served by both convenience retail and retail parks. No deficiencies identified in this part of city. Noted that site is rejected by ACC for non-retail planning reasons. Not supported.
B02/07	OP9 Grandhome	Residential (7,000 units), Mixed-use, Retail, Employment (5ha)	25	OP9 already identified as expansion area. Total housing proposed (part developed) exceeds 7000 units. Although located in North of city with substantial existing provision for convenience there is a strong argument that additional retail should be located within a new District Centre/similar to serve the expansion area. This could comprise medium-large supermarket/discounter plus range of convenience/comparison/retail service units. Condition 8 of p app consent 131535 sets need for RIA to assess potential scale of retail. However suggested scale of 22,586 sq m GFA would be well in excess of deficiency identified or could be supported by development. Support but overall scale of floorspace is excessive and needs to be tested as per Condition 8 of PPP consent. See Table 5.5 above for recommended scale of retail provision.
B02/10	Mundurno	Residential (1,000 units), Mixed-Use, Retail, Other. Site is 71 ha and will be developed by SMH. Local centre has been identified for mixed-use development: retail, health, class 4, community uses and apartments.	23	Located to north of Denmore/Bridge of Don. Area has large scale provision for convenience and comparison floorspace - no clear deficiencies. Noted that the development as a whole is not supported by ACC for a range of non-retail planning reasons. Site would be separated from existing Br of Don Retail Park. If proposal (along with B02/11) proceeds the separation of the site from the remaining urban area would suggest a need to include local retail/neighbourhood facilities to provide for development's residents' needs only. Not supported.
B02/11	Newton of Mundurno	Residential (1,000 units), Mixed-Use, Retail, Other. Site is 130 ha and will be developed by SMH. Local centre has been identified for mixed-use development: retail, health, class 4, community uses and apartments.	23	Located to north of Denmore/Bridge of Don. Area has large scale provision for convenience and comparison floorspace - no clear deficiencies. Noted that the development as a whole is not supported by ACC for a range of non-retail planning reasons. Site would be separated from existing Br of Don Retail Park. If proposal (along with B02/11) proceeds the separation of the site from the remaining urban area would suggest a need to include local retail/neighbourhood facilities to provide for development's residents' needs only. Not supported.
B02-12	AECC (OP13)	Retail – 17,000m ² Reuse of existing Conference Centre (excluding Arena) for community and religious use (Class 10) and/or assembly and leisure use (Class 11) – 7000 m ²	23	Proposal is 17,000 sq m GFA non-food retail use. Scale of development is equivalent to new major retail park. General scale of provision for general comparison outwith the City Centre, is not identified for the whole of the city, until 2027 or later. If general comparison this would compete directly with CC. BG has greater potential but site is located away from existing bulky goods units located in Denmore area - site OP75 is much better located to link into existing retail areas. Not supported.
B02/13	Shielhill North and South	Mixed-Use: 660 units (66 flats, 99 terraced, 165 semi-detached, 330 detached). Commercial incl retail (680 m ²), Community facility (138 m ²), primary school.	24N	Scale of retail proposed is modest and not significant in terms of the ACARS. If residential development then there is an argument to provide local retail to serve the development's residents needs but this would be very limited in scale. Site is rejected by ACC planners for non-retail reasons. Not supported.
B02/14	Shielhill South	As above	24N	
B02/19	Perwinnes	Mixed-Use (227 ha): Housing: 3,000 – 4,000 units, Employment, Retail. Potential for a range of uses incl education, community and retirement living.	24N	Scale of proposed retail is not identified but could accommodate substantial area. Located to north of Denmore/Bridge of Don. Area has large scale provision for convenience and comparison floorspace - no clear deficiencies. Noted that the development as a whole is not supported by ACC for a range of non-retail planning reasons. Site would be separated from existing urban areas. If proposal does progress then there is an argument to include local retail/neighbourhood facilities to provide for development's residents' needs only. Not supported.
B03-08	Land to the north of the A944 (Lang Stracht)	Proposed supermarket Remove Business and Industrial Zoning and reallocate for Retail development	28	Proposal is for the relocation and modest expansion of existing store located adjacent to the site. Scale of additional floorspace is modest and not significant in terms of retail provision within the city. Site is located in west of the City which is broadly in balance in terms of convenience floorspace. Not significant.
B03/10	Prime West	Rezoning of land to allow 1400 sqm of local convenience floorspace and 13900 sqm of comparison floorspace. Retail uses will exclude department store and fashion/clothing to avoid direct competition with the City Centre. Land part of OP29	29N	Scale of proposal has reduced from 2016 planning application but still comprises over 15,000 sq m GFA. Type of comparison space is not defined except that it would exclude Department Store and fashion/clothing to avoid direct competition with the City Centre. Scale of development is equivalent to new major retail park. General scale of provision for general comparison outwith the City Centre, is not identified for the whole of the city, until 2027 or later. If general comparison this would still compete directly with CC. BG has greater potential but noted that ACC identify significant non-retail planning objections to the proposal. Not supported.
B03/14	Maidencraig North West (1)	Mixed use: Up to 100 no. of houses, up to 5000 sqm of employment use and up to 2000 sqm of retail	29N	Type of retail floorspace not identified. Most likely that the development would comprise small neighbourhood centre anchored by medium supermarket + unit shops. If comparison it would be 1/2 retail warehouse type units. Site is on periphery of the City not well related to existing residential areas although potentially accessible from OP31 and OP32. West of City is broadly in balance in terms of convenience provision. Some bulky goods capacity identified for the city as a whole. Noted that ACC planners identify a number of non-retail planning concerns with the site. Not supported.
B03/16	Smiddybrae, Kingswells	Mixed use. Range of commercial development opportunities Re-zoned for Class 4, 5 and 6 uses in addition to Class 1 Retail and Class 7 hotel use	29N	Type and scale of retail floorspace not identified. West of City is broadly in balance in terms of convenience and some bulky goods capacity is identified for the City as a whole. Site is located on eastern edge of Kingswells and is poorly located to serve this community. ACC planners identify site as green belt. Not supported.
B04/03	Mastrick Clinic	Retail (0.13 ha)	28	Site is located within defined centre of Mastrick - redevelopment for retail would enhance the centre increasing local provision within Mastrick. Scale of provision is not significant in terms of provision in the West of the City or City as a whole. Support.
B08/03	Resources Centre City Hospital	Employment and Retail (0.16 ha)	26	Site is small and has limited profile. Unlikely to be commercially attractive for retail although local neighbourhood shopping is possible. Not significant.
B09/06	Contlaw, Milltimber	Mixed use proposal comprising 800 residential units and 3 ha of retail, leisure, health, community uses, a primary school, and 2 ha of employment use	29S	Proposal is for "a supermarket and a range of smaller shops". The West of the city is identified to be broadly in balance but Milltimber has minimal provision. However, if the proposal progressed then there is an argument that a local centre should be provided. Not supported*

Table 6.3: Review of 2018 Development Bids contd

Site	Location	Proposal	Zone	Response re Retail Proposals
B09/44	Inchgarth Road	Mixed-Use Development (major) Residential (95 units of elderly/retirement housing), Retail (500 m2) and Care Home (50-bed)	29S	Proposal is for neighbourhood shopping. In general, this scale of provision is not significant in terms of the balance of retail in this part of the City. However, Cults centre is located about 0.5kms to the west. There is no local deficiency addressed by the proposal and the scale of development does not warrant a new neighbourhood centre or similar. Not supported.
B12/02	Harbour City, North Dee Quarter	Redevelopment: Mixed Use (Residential (1200 units), Employment, Retail, Other)	30	The scale of the proposed retail is not defined in the submission except that "blocks will have commercial use at ground floor". This could be quite significant and is anticipated to be in competition with City Centre proposals. Given the scale and location this could undermine potential for City Centre investment at Union Square and Bon Accord and elsewhere in the City Centre. Noted that ACC identify that this site is identified in the CC Masterplan for business and related use. Not supported.
B13/02	Loirston	Seeking range of Use Classes permitted to include Class 1, 2, 3, 4, 8, 9, 10 on land reserved for football/community stadium.	32	Capacity assessment identifies that, in overall terms, convenience provision broadly equates to available expenditure with a modest increase in capacity to 2032. However, this reflects the location of foodstores to the north of Zone 32 and limited provision in Cove and Loirston. Therefore, there is a qualitative deficiency in the southern part of Zone 32 for convenience floorspace to serve existing housing and proposed new housing in Cove. Existing site OP59 already allows for a new supermarket to serve this market area - there is no justification to support additional retail other than associated with a new local centre. There is no significant deficiency for general comparison floorspace although there is capacity for additional bulky goods floorspace for the City as a whole. In conclusion there is no justification for amending the existing allocation in site OP59. Not supported.
B13/08	Royal Devenick Park Ph1	Large scale residential proposal extending into Aberdeenshire of 1545 units. Retail is identified as "local retail". Majority of site in Aberdeenshire.	32	This proposal is primarily located within Aberdeenshire rather than the City. The part located within the City is within the South area for which no significant quantitative retail deficiency has been identified but qualitative deficiencies in terms of the distribution of floorspace have been identified favouring new convenience floorspace in Loirston area. The proposed site would not address this deficiency. For comparison goods the specific capacity is identified primarily for bulky goods. For these reasons significant new retail is not supported in this location. However, should the large-scale development proceed (i.e. with ca.1500 dwellings) then there is some justification for local retail facilities as a part of the local/neighbourhood centre serving the development. However, given the general layout of the masterplan a location within the City part of the development would be poorly situated to serve the new community. Not supported.
B13/12	Wellington Road East	Retail; 2.47ha	32	Proposal is for 6000 sq m GFA probably for comparison goods. No deficiency for general comparison in remainder of Aberdeen although there is some capacity for additional bulky goods retail. Convenience deficiencies for this area are identified in site OP59. Development of the proposed scale would not provide a coherent and well-designed retail park for bulky goods. Noted that ACC planners identify non-retail objections to this proposal. Not supported.