

Supporting Statement

Representations to Aberdeen Local Development Plan Review

Prepared on behalf of Hermiston Securities Limited

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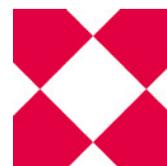
1. Introduction

- 1.1 Knight Frank LLP were appointed by Hermiston Securities Limited to submit representations to the Aberdeen Local Development Plan Review. The two representations considered in this supporting statement are not seeking to bring forward new greenfield sites for development but wish to see changes made to the phasing of employment land at Charleston, Cove and the location of a retail development opportunity moved from a site at Souterhead Road, Altens to a site at Loirston, Nigg. This statement should be read in conjunction with the attached Local Development Plan Review Pre- Main Issues Report Questionnaire

2. Representation on OP78 Charleston

Aberdeen Local Development Plan (2012)

- 2.1 The land at Charleston, Cove is identified in the adopted Aberdeen Local Development Plan as Opportunity Site OP78. It is allocated for 20.5 hectares of employment land for the time period 2024 to 2030. The site also forms part of the Loirston Development Framework, which was approved as Supplementary Guidance in May 2013. As the site is allocated for a later phase of the Local Development Plan the framework has not explored the development site in much detail, although indicative access points and development parcels have been illustrated for the purposes of the framework. Key character aspects identified are to:
- Integrate with Aberdeen Business Gateway site on east side of Wellington Road;
 - Existing watercourse to be retained and improved to continue improvements which are planned north of Wellington Road within OP77;
 - Connect to open space at north of Aberdeen Business Gateway site and expand through to proposed open space areas adjacent to proposed AWPR junction;
 - Encourage and enhance connectivity to Cove; and
 - Protect and implement green corridor along Wellington Road in association with pedestrian/cycle routes to Cove.
- 2.2 Hermiston Securities Limited, who own the majority of the land at Charleston welcome the allocation of this land for employment use. The land at Charleston is not scheduled to be released for development until 2024. Hermiston Securities Limited believe that there are compelling reasons for why this land should be brought forward earlier for development in the new Local Development Plan. This is based on the need to maintain a marketable supply of employment land in Aberdeen and in the south of the City in particular. The current high take up of employment land and the strong demand for sites from companies suggests that we will run short of suitable land in the south of the City long before 2024 and there is a need to



supplement the supply now by bringing forward the land at Charleston. Further consideration of the land supply and the factors influencing demand is given below.

Employment Land Supply and Demand

- 2.3 The high levels of economic activity currently being experienced in the north east of Scotland are unprecedented. Given Aberdeen's role as the energy capital of Europe this has fuelled demand for land in the City for industrial and business use on the back of a high and stable oil price, new government tax relief measures and continued major investment in exploration in the North Sea by the leading oil and gas companies. According to the latest annual report from leading think tank Centre for Cities, Aberdeen's economy ranked as the best performing of 64 UK cities in the initial downturn of 2008-09, and subsequently ranked in the top five UK cities for performance over the 'recovery' period of between 2009 and 2012. Evidence of the demand for land for industrial and business use can be found in the following attached supporting documents:
- Knight Frank's Aberdeen Industrial Market Activity Report (Winter 2012);
 - Knight Frank's Aberdeen Office Market Activity Report (Spring 2013); and
 - Ryden's Scottish Property Review (April 2013).
- 2.4 The take up of land at Aberdeen Gateway Business Park, which lies immediately to the south east of the Charleston site has risen considerably over the past few years. There are currently two developments for oil and gas service companies due to begin construction in 2013, which will see 5 acres taken up. An application will also shortly be lodged for an occupier which will take up a further 11 acres at Gateway. The remaining undeveloped land at Gateway is either comprised of a few small sites suitable only for a limited range of occupiers or the land is restricted to Class 4 Business use by virtue of its proximity to residential areas at Cove which lie immediately to the north of the Gateway site. There is therefore an urgent need to supplement the land supply at Gateway if demand from companies who require a south Aberdeen location for workshop and warehouse accommodation is to be met. Whilst it is acknowledged there have been recent additions to the marketable employment land supply at Dyce and Bridge of Don, this does not address demand from companies who have a specific requirement for a south of city location. The supply of other available land to the south of the City is limited, with the bulk of the remaining land at Altens East currently under offer to occupiers and the land at Balmoral Park reserved for business/office use only.
- 2.5 Whilst there is employment land allocated in Aberdeenshire immediately to the south and east of the Gateway site at Mains of Cairnrobin, this has been constrained for a number of years as a result of land ownership and infrastructure issues. Hermiston Securities Limited are in negotiations with the landowners at Mains of Cairnrobin with a view to acquiring some of this land to accommodate future growth. This however, if the current constraints can be overcome, will deliver only a limited amount of employment land which at the best will ensure a supply of land until



2016/17.

- 2.6 Further considerations which support bringing forward the release of land at Charleston are the construction of the AWPR, with completion due in early 2018 it will make the location at Charleston more attractive to potential occupiers and stimulate further demand which will need to be satisfied well before 2024. Development will also start soon on a major new housing development at Loirston, which is located immediately to the north of the Charleston site. There is also considerable new housing development already underway at Cove. The early provision of land at Charleston provides the opportunity to provide employment close to people's homes and help reduce the need to travel. The earlier release of the land at Charleston would also take advantage of the investment in infrastructure at Aberdeen Gateway Business Park and the new development at Loirston and help contribute towards its provision.
- 2.7 It is requested that the phasing of Opportunity Site OP78 Charleston is brought forward in the new Local Development Plan to the time period 2017-2026.

3. Representation on OP76 Souter Head

- 3.1 Land at Souter Head Road, Altens, Aberdeen is identified in the adopted Aberdeen Local Development Plan as an Opportunity Site (OP76) for retailing. The site is currently occupied by the Thistle Aberdeen Altens Hotel building and car park. Since approval of the Local Development Plan there have been no planning applications submitted or approved to demolish the hotel and replace it with a retail use such as a supermarket or shopping centre.
- 3.2 Hermiston Securities Limited considers it highly unlikely that this site will deliver the retail development opportunity identified in the Local Development Plan. The site is occupied by one of the major hotels serving the southern part of the City. The hotel is well located for the main road network with good access to the City Centre and Harbour and the A90 Trunk Road. It is also very well located to serve the many businesses within the immediate area at Tullos, Altens, Wellington Road and Aberdeen Gateway and the major residential areas at Cove, Kincorth and Torry. The hotel also has no comparable competition within this part of the City. Given the City and the hotel's current high occupancy rates and the buoyancy of the local economy it is considered that there is no possibility in the near future of the hotel use being discontinued on this site to make way for retail use. A further consideration is the traffic impact that a large supermarket or small superstore would have on the Souter Head roundabout junction. As far as we are aware this has not been tested and our transportation engineers believe it would be difficult to accommodate the traffic generated from a major retail use on this site on the local network, especially given the level of consented and allocated development proposed for the south of the City. In terms of site values this is not a viable proposition and therefore a retail use is not deliverable on this site and consideration should be given in the review of the Local



Development Plan to moving the retail development opportunity (OP76) to another location within the south of the City.

- 3.3 The number of suitable alternative sites is limited, however a site is available within Local Development Plan Opportunity Site OP77. The site has been identified through the masterplan process undertaken recently for Loirston. It is identified in the Loirston Development Framework at the southern end of the site and has the capacity to accommodate a neighbourhood shopping centre for which it has been identified for and a large supermarket/small superstore as currently allocated to OP76. The Loirston site is in control of the joint venture partners and developers of Loirston, Hermiston Securities Limited and Aberdeen City Council. The site is deliverable and conveniently located to serve the south of the City and help reduce the need to travel to locations such as Garthdee and Portlethen. It will be accessible by public transport. Work undertaken by our transportation engineers indicates it can be accommodated on the local traffic network. The location also has sufficient prominence to attract an operator to the site.
- 3.4 It is understood that the Aberdeen and Aberdeenshire Retail Study prepared in 2004 is currently being updated by consultants and will be reported to the two Councils in September 2013. The finding from this update of the retail study should be used to inform the size and scale of the retail opportunity required to serve the south of the City.
- 3.5 It is requested that retail opportunity site OP76 be removed from Souter Head Road and reallocated within Block B3 as identified in the approved Loirston Development Framework.