

Review of Policy 1 Business development

1. Introduction

- 1.1 This paper is intended to review the current policy approach to business development in the Aberdeenshire Local Development Plan 2012 and assess it in light of changes in national policy and the local context. This policy supports Aberdeenshire as a destination that is 'open for business' and an attractive region for inward investment. This review will assess whether this policy remains a sound tool for determining planning decisions for business development in Aberdeenshire.

2. Policy Approach

- 2.1 Policy 1 identifies the importance of developing business as a means of driving economic development throughout Aberdeenshire. The nature of the policy promotes an approach that identifies Aberdeenshire as a region that is 'open for business'.
- 2.2 In accordance with the Aberdeen City and Shire Structure Plan 2009, this policy identifies that business growth is a vital factor to meet the population targets set out by the structure plan. The policy supports new investment and business developments, linking in with the strategic vision that the population should then increase accordingly.
- 2.3 Policy 1 directs the reader to Schedule 2 for further detail on the new employment land allocations within the LDP. These new employment land allocations are derived from figure 3 within the economic growth section of the current structure plan.
- 2.4 Policy 1 includes the following supplementary guidance which can be referred to whilst assessing business proposals with different needs and requirements:
 - SG Bus1: Development of business land;
 - SG Bus2: Office development;
 - SG Bus3: Working from home;
 - SG Bus4: Tourist facilities and accommodation.

3. Background

National context

- 3.1 Scottish Planning Policy promotes the removal of unnecessary barriers that could be unfavourable for economic and business development. A flexible approach is encouraged to respond to varying needs and locational requirements of different businesses, whilst ensuring there is scope for changing circumstances and growth opportunities. Regeneration is promoted through SPP, where the full and appropriate use of land, buildings and infrastructure is encouraged. Overall, the ethos of the economic development section within SPP is to provide encouragement to economic development, ensuring compatibility with environmental objectives and sustainable growth.
- 3.2 A key priority for the National Planning Framework for Scotland 2 is to obtain higher sustainable economic growth throughout the country, which should

benefit Scotland's society as a whole. The overall aim is to create and grow a knowledge-driven economy able to compete in the global world of business. The Government is continually promoting Scotland as a world class location for business and inward investment.

Strategic/regional context

- 3.3 Strategic planning is dealt with at a regional level and is currently documented within the Aberdeen City and Shire Structure Plan 2009, soon to be superseded by the Proposed Aberdeen City and Shire Strategic Development Plan. A key objective for the region as a whole is economic growth.
- 3.4 More specifically, the strategic aim for Aberdeenshire is to provide opportunities which encourage economic development and new employment in a range of areas that satisfy the varying needs of each individual business. The Aberdeen City and Shire Structure Plan 2009 explains the importance of oil and gas industries, as well as traditional industries of farming and fishing. Although to compete in a global business world, our business industries and economy must diversify, using our skilled workforce from local universities.
- 3.5 Both the Aberdeen City and Shire Structure Plan 2009 and the Proposed Aberdeen City and Shire Strategic Development Plan place emphasis on progressing economic development within Strategic Growth Areas and Regeneration Priority Areas. Within the Aberdeen to Peterhead Strategic Growth Area, the Energetica framework aims to form a global hub for businesses within the energy sector. The proposed SDP identifies this geographical area as having important strategic assets, high environmental quality and significant potential for development.
- 3.6 The Economic Action Plan for Aberdeen City and Shire 2013-2018, created by ACSEF, continues to aim for an annual economic growth rate of 2.5%. It is understood this may be challenging given the current economic climate, but ACSEF remain positive that this rate is achievable.

4. Drivers of Change

- 4.1 Policy 1: Business development is currently based upon SPP 2 and this has since been superseded by Scottish Planning Policy (SPP). The overall ethos of economic growth and development remains similar, but there is a need to acknowledge minor changes. SPP 2 referred to the implementation of Simplified Planning Zones (SPZs) which aimed to quicken the pace of specific types of development in areas where it was most needed, granting permission for specific types of development within that zone without requiring planning permission. Current SPP does not refer to SPZs and therefore they are not required to be included within the policies of the next LDP.
- 4.2 The international golf development has been approved and opened at Menie Estate. This could have an impact on potential business development surrounding the course and Aberdeenshire itself.
- 4.3 The Energetica Framework has greater materiality since the previous local plan. The initiative is moving forward and continues with the intentions to make the 30-mile Energetica corridor from Aberdeen to Peterhead a global hub for energy businesses. The 25 year vision aims at attracting inward investment to develop an innovative, world class business and recreational destination.

- 4.4 Strategic Growth Areas and Regeneration Priority Areas remain key objectives within the Structure Plan and Proposed Strategic Development Plan. The Local Development Plan has identified the settlements within Aberdeenshire that are key regeneration areas where economic development is even more important and should be strongly supported.
- 4.5 Broadband connections in rural Aberdeenshire are currently amongst the worst in the UK. The Scottish Government has begun a procurement programme to deliver upgraded infrastructure capable of delivering high speed broadband in affected local authorities which should be completed by the end of 2015. Improvements to broadband access and speed have been recognised as having invaluable economic, social and educational benefits which can enhance how attractive Aberdeenshire is to potential investors.
- 4.6 Policy 1 currently conforms with national and regional policies and forms a sound basis to inform planning decisions regarding business development.

5. Recommendations

- 5.1 On the basis of this information the following recommendations are made:
- Remove the text stating that supplementary guidance will be created to detail and promote Simplified Planning Zones;
 - Provide a link to the Energetica supplementary guidance within the text as 'SG Bus5: Development in the Energetica Framework Area';
 - Provide maps identifying the Strategic Growth Areas and Regeneration Priority Areas within Aberdeenshire;

6. Summary of Main Points

- 6.1 Policy 1: Business development aims to drive forward economic development and promote Aberdeenshire as a region that is 'open for business'. The policy is in place to aid Development Management to make positive decisions on business developments, particularly within the Regeneration Priority Areas and the Energetica corridor. Policy 1 currently conforms with national and regional policies and forms a sound basis to inform planning decisions regarding business development. Aberdeenshire Council are investing in broadband connections across the region which will act an economic boost and open up business opportunities for the rural areas. A few minor changes are recommended within this review, although they are not of such significance that they would require discussion in the Main Issues Report.

References

Aberdeen City and Shire Economic Future (2012) Building on Success: The Economic Action Plan for Aberdeen City and Shire 2013-2018.

Aberdeen City and Shire Strategic Development Planning Authority (2013) Proposed Aberdeen City and Shire Strategic Development Plan.

Aberdeen City and Shire Strategic Development Planning Authority (2009) Aberdeen City and Shire Structure Plan.

Aberdeenshire Council (2012) Aberdeenshire Local Development Plan 2012.

Scottish Government (2009) National Planning Framework for Scotland 2.

Scottish Government (2010) Scottish Planning Policy.