

## 2. Strategy

This structure plan sets out to deliver sustainable economic growth in an equitable way whilst respecting the environment and improving accessibility. To do this it must be based on a sound understanding of what social, economic and environmental factors affect the area and how these are expected to change over time. This understanding is obtained by a number of different means, as will be demonstrated throughout the Report of Survey. However, a central part of the process is the preparation by Aberdeen City Council and Aberdeenshire Council of forecasts of employment, population and housing every two years. The most recent forecasts, published in Autumn 1999, cover the period 1998-2016. The main output from these is shown in Table 1

Table 1: Summary of Forecast trends 1998-2016

	1998	2001	2006	2011	2016	Change 1998/2016
<b>Structure Plan Area</b>						
Employment	228,650	223,050	220,750	216,400	212,800	-15,850
Population	439,330	437,552	435,981	431,464	426,082	-13,248
Households	187,850	191,950	198,650	205,200	211,400	+23,550
Housing Requirement	4,500	7,350	7,000	6,650		+25,500
<b>Aberdeen City</b>						
Employment	143,450	138,750	137,300	134,300	131,850	-11,600
Population	213,070	211,224	208,714	204,430	200,061	-13,009
Households	96,650	97,950	99,900	101,950	104,050	+7,400
<b>Aberdeenshire</b>						
Employment	85,200	84,300	83,450	82,100	80,950	-4,250
Population	226,260	226,328	227,267	227,034	226,021	-239
Households	91,200	94,000	98,750	103,250	107,350	+16,150
<b>Aberdeen Housing Market Area</b>						
Housing Requirement	3,150	5,100	4,900	4,700		+17,850
<b>Aberdeenshire Rural Housing Market Area</b>						
Housing Requirement	1,350	2,250	2,100	1,950		+7,650

The following key findings emerge from this table:

- Total employment in the structure plan area is projected to fall by around 6% between 1998 and 2016. It is estimated there could be almost 16,000 fewer jobs in the structure plan area by 2016
- Whilst the oil industry will continue to be a major sector it is expected the numbers employed offshore and onshore will decline by around 19,000 over this 18 year period. The full extent of this change will not be felt within the structure plan area as many offshore workers live outside the North East. But the decline is still significant for the local area as just over 13,000 oil jobs are expected to be lost.
- Employment in the non-oil sector is forecast to decline with just over 6000 fewer employees by 2016. However, growth in self-employment is forecast to increase by almost 3500 and makes a limited contribution to countering the overall downward trend in employment numbers. Taking growth in self-employment into account a 1% decline in non-oil jobs is expected over the forecast period.
- Total employment is expected to decline by 8% in Aberdeen and by 5% in Aberdeenshire
- The population of the structure plan area is expected to fall by 3% between 1998 and 2016 to 426,000 (ie a drop of 13,200 people). This reflects the downward employment trend and its expected effect on migration, with the biggest falls in Aberdeen. Aberdeen's population is forecast to decline by 6.1% while Aberdeenshire's will fall by just 0.1%
- Different age groups are expected to experience different trends. But the overall picture is one of an ageing population, with the older age groups all rising by between a quarter and a third. The younger age groups will, in contrast, experience a decline in numbers.
- Despite a predicted decline in population the numbers of households in the Structure Plan Area are forecast to increase by 23,500. This is largely due to people's aspirations for better housing. The greatest changes in household formation between 1998 and 2016 are expected to be an increase in single person households and a decline in two adult households with children. Aberdeenshire is expected to have the greatest increase in households numbers, 18%, compared to a 8% increase in Aberdeen City.
- Over the next 18 years it is forecast that an additional 25,500 houses will be required in the structure plan area. Approximately 70% of new houses will be needed in the Aberdeen Housing Market Area, which extends in a 20 mile radius from Aberdeen City.

In many respects, the situation is different to that which has been experienced over the past 20 years. During this time the North East experienced a significant growth in population and employment, particularly in the oil and gas sector. This was accompanied, particularly in Aberdeen and the surrounding area, by the rapid development of land for business, industry and housing, which in turn led to the rapid expansion of many communities. Much of this activity was generated by the migration of people and jobs into the North East and a strong emphasis was placed on accommodating that growth, often in a dispersed form throughout the area.

This new structure plan addresses, in a positive way, the anticipated changes the North East now faces. It recognises that future economic growth needs to be promoted, supported and guided in a sustainable manner. It also seeks to enable a more positive future than some aspects of the forecasts suggest. In doing this, the strategy is firmly based on enhancing the role of existing settlements and communities. It concentrates new development, but the concept of creating a new settlement is no longer considered sustainable at this time.

Sustainable development is, of course, at the heart of the UK government's domestic and international policies and is promoted by the Scottish Executive. As stated in various Government publications, this is about ensuring a better quality of life for everyone, now and for generations to come. It's all part of a wider agenda that promotes social equity, environmental enhancement and protection, and economic growth. In moving towards this the UK and Scottish governments have adopted planning policies to support the regeneration of urban areas, reuse previously developed sites, protect green belt or countryside. In addition, as part of its integrated transport policy government expects development to be located where there is better access by public transport, walking and cycling and less dependence on access by car. It attaches importance to air quality and recognises that traffic is the dominant source of pollution in urban areas. This plan sets out the planning framework within which these objectives will be approached in the North East.