

# Scottish City Centres

---

Workstream 3: Reduce Vacant/Derelict Land and Property

## Dundee

Final Report, July 2023

# 1. Introduction

# Introduction

## Introduction and Objectives

Savills have been commissioned by seven Scottish cities to undertake research and provide recommendations on the issue of reducing the amount of vacant and derelict land and property (VDLP) in each of the seven Scottish city centres (Workstream 3). This report considers VDLP in Dundee.

## Report Structure and Fit with Other Work

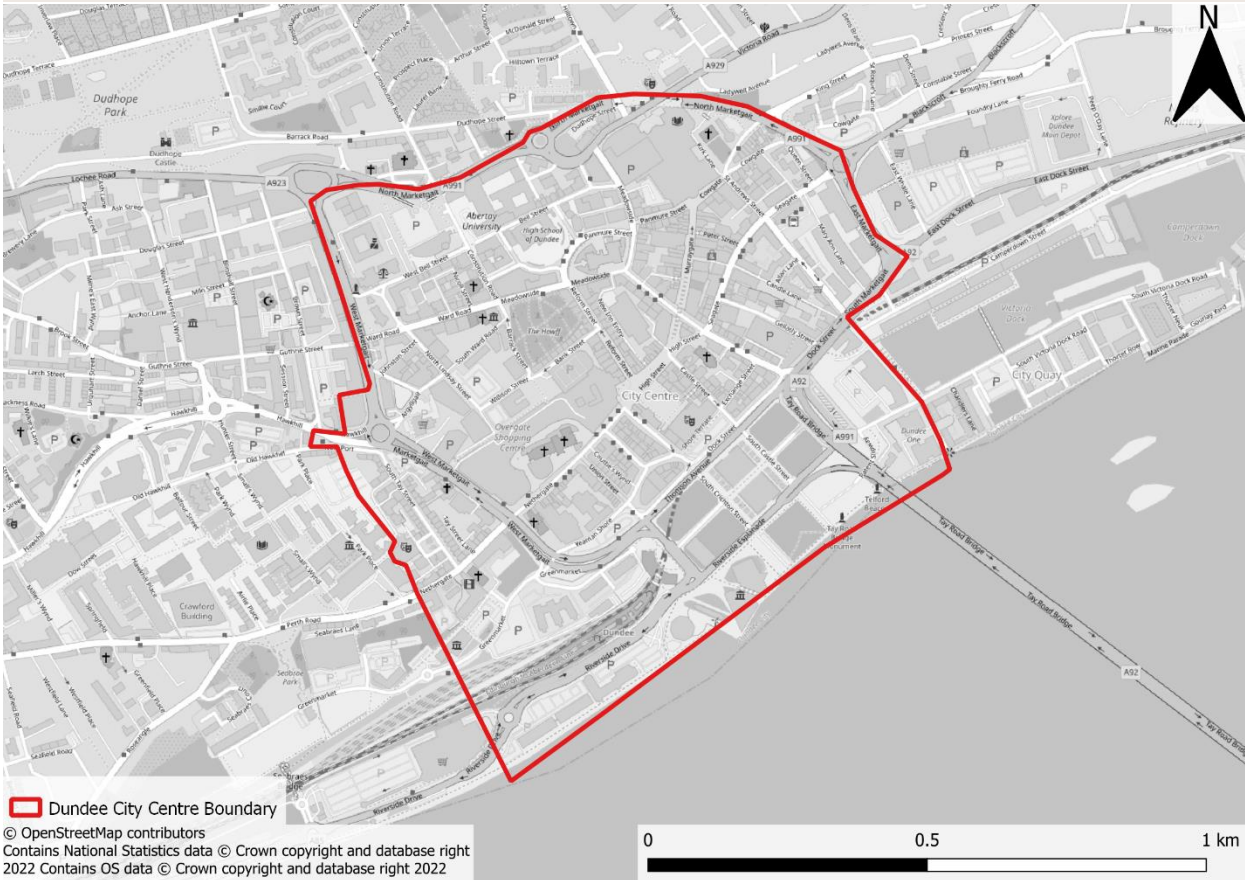
The report is structured around three sections:

- **Section 2** covers the local policy relevant to the VDLP
- **Section 3** analyses the locations, clusters and characteristics of the VDLP
- **Section 4** covers the barriers and potential for the VDLP and presents our recommendations.

A separate summary report summarises and compares the findings for each of the seven cities and provides recommendations at the Scottish and UK levels.

As a part of the same instruction research and recommendations on increasing residential capacity and occupancy in each of the seven Scottish city centres (Workstream 1) has been prepared. Both workstreams should be read in conjunction.

Figure 1.1 Dundee City Centre Boundary



## 2. Policy Review

## Introduction

The policy review covers policies and supplementary guidance specific to vacant/brownfield land in Dundee. We have also reviewed eight sites within the city centre boundary, which cover areas with a high concentration of vacant and derelict land.

## Relevant Documents

The relevant documents include:

- Dundee Local Development Plan (2019)
- Our Future City Centre: Strategic Investment Plan 2050
- Developer Contributions SPG (2019)
- National Planning Framework 4 (2022).

## Relevant Policies

**Dundee Local Development Plan (2019)** Policy 9 states that priority will be given to the development of allocated brownfield sites (i.e., vacant and derelict land). Housing land release on brownfield sites may be considered acceptable where it can be demonstrated that it will improve the tenure mix in an area where existing choice is limited and would make a positive contribution to the regeneration objectives of the area.

**Our Future City Centre: Strategic Investment Plan 2050** covers a 30-year plan focusing on the long-term visions for the city. Strategic Outcome 1 focuses on delivering high-quality residential development by promoting vacant and underused sites and buildings.

**Developer Contributions SPG (2019)** covers a number of infrastructure projects needed for the local authority area. In terms of primary school provision, the document notes that whilst the council maintains an option to include brownfield developments in primary education contributions, it is expected that such requirements will not generally be required. However, it specifies that this depends on whether the site is allocated for housing development in the Local Development Plan.

## National Planning Framework 4 2022

The recently approved National Planning Framework 4 (NPF 4) provides an updated national guidance around planning in Scotland. Part 2 of the document focuses on brownfield, vacant and derelict land and empty buildings. The intent of the policy in this section seeks to encourage, promote and facilitate the reuse of brownfield, vacant and derelict land and empty buildings, and to help reduce the need for greenfield development. The outcomes of this seek to ensure that:

- Development is directed to the right locations, maximising the use of existing assets and minimising additional land take
- The contribution of brownfield land to nature recovery is recognised and opportunities for use as productive greenspace are realised where appropriate
- Derelict buildings and space are regenerated to improve wellbeing and transform our places.

### **3. Locations and Clusters of Vacant and Derelict Land**

# Introduction and Summary

## Introduction

Section 3 analyses the locations, quantity and characteristics of VDLP in Dundee.

The main source of information on the VDLP for this study comes from the Scottish Vacant And Derelict Land Survey (SVDLS) 2021\*. This report uses similar definitions of vacant and derelict land as the survey. However, the size threshold used in this report is 0.25 hectares (ha).

The definitions of vacant and derelict land can be summarised as follows:

- Vacant land - in general terms, previously developed land, without physical constraint, which the Planning Authority has indicated is currently available for redevelopment.
- Derelict land - in general, a site can be classified as derelict if it is on previously developed land, which has a physical constraint caused by its previous use, which hampers its redevelopment or naturalisation.

Our analysis does not cover the vacant upper floors above retail units or vacant ground floor units due to the size threshold used (0.25 ha).

## Summary

Dundee has five VDLP sites totaling 3.02 ha within the city centre boundary. The sites account to 3.4% of the city centre.

The previous uses of the VDLP include transport, recreation, leisure and manufacturing.

The majority of VDLP is publicly owned (2.09 ha and four sites) while one site is privately owned (0.93 ha).

There are two sites (1.57 ha) that can be developed in the short-term while three sites (1.45 ha) can be developed in the medium-term.

All became vacant in the last decade.

# Location and Quantity of Vacant and Derelict Land

There are five vacant sites in Dundee. These sites are located to the east and south of the historic Dundee city centre. These sites are presented in dot shapes, all of which are located close to the dock in the south of the city centre.

These sites are considered as VDLP until they are fully developed.

**Table 3.1 List of VDLP in Dundee**

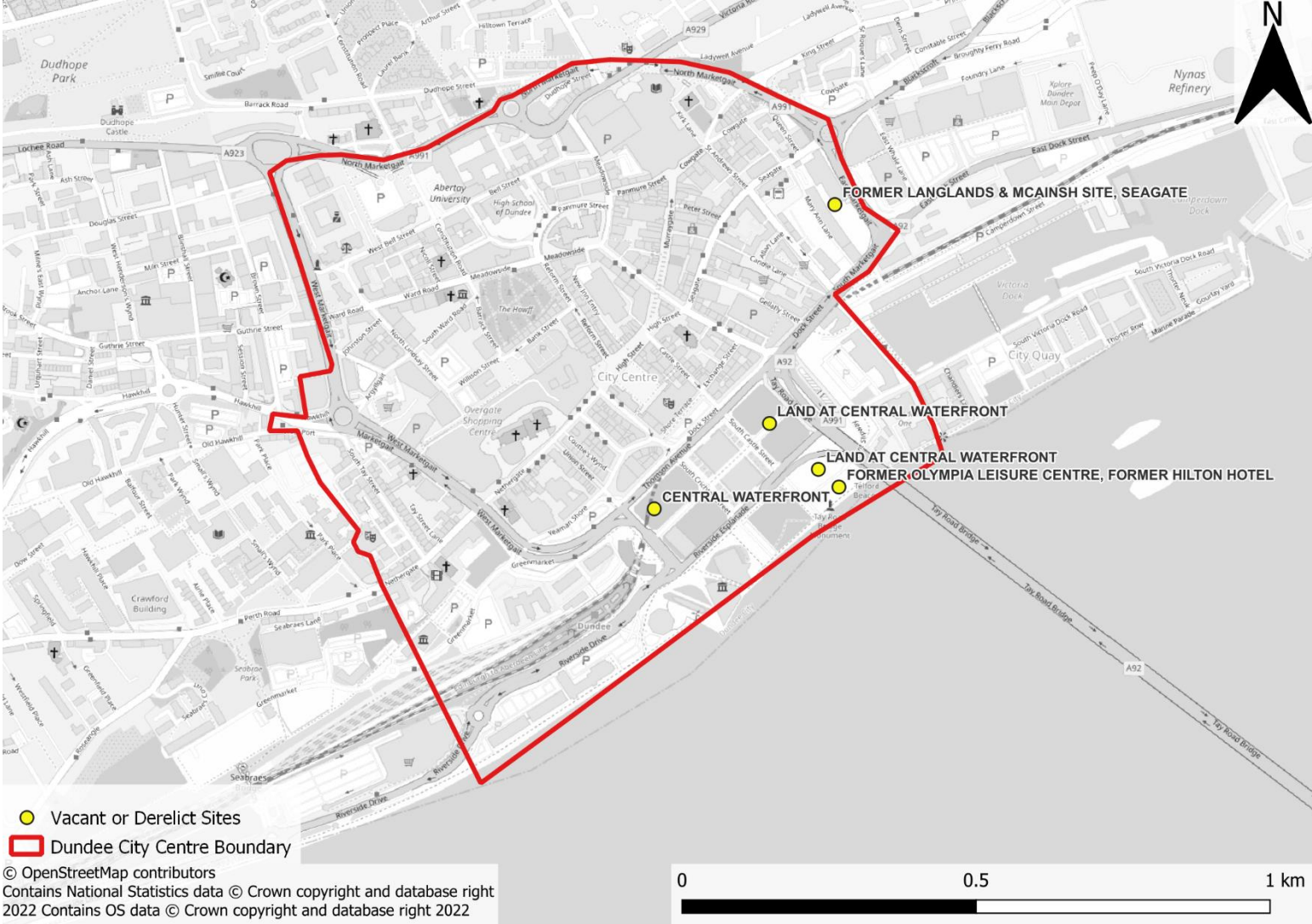
Site Name	Area (ha)	Site Type
Former Langlands & McCainsh Site, Seagate	0.93	Vacant
Land at Central Waterfront (Site 2)	0.89	Vacant
Central Waterfront (Site 2)	0.64	Vacant
Land at Central Waterfront (Site 1)	0.29	Vacant
Former Olympia Leisure Centre, Former Hilton Hotel (Site 2)	0.27	Vacant

The vacant and derelict sites account to 3.4% of the city centre.

**Table 3.2 VDLP in Dundee**

City	Vacant and Derelict Land (ha)	No. of Sites	% of City Centre Derelict
Dundee	3.02	5	3.4%

**Figure 1.1 Dundee City Centre VDLP**





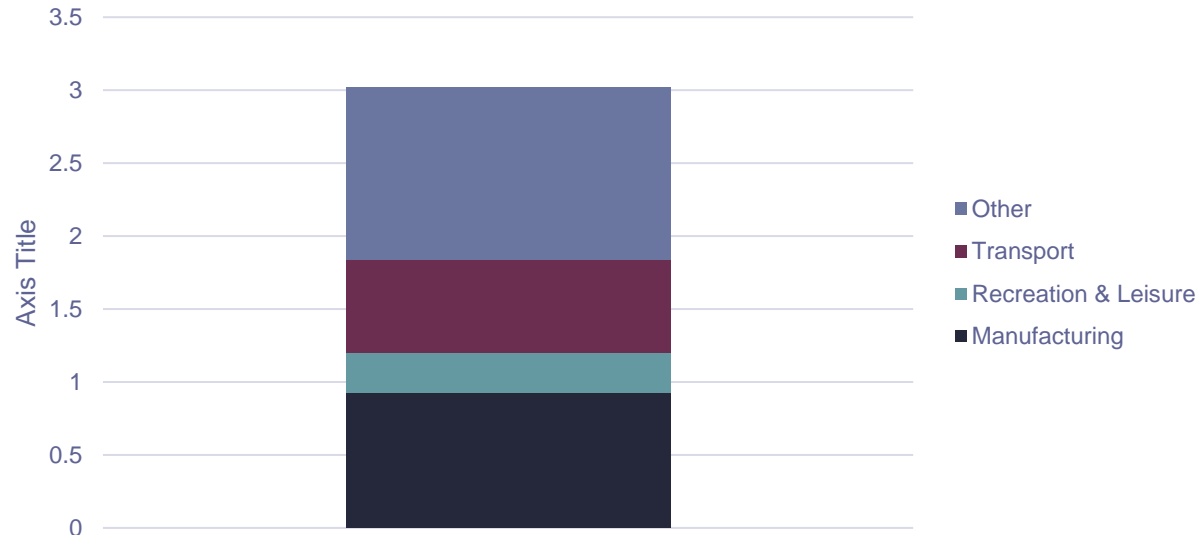
# Previous Uses and Ownership

The previous uses of each site are provided in the table below, which includes transport, recreation & leisure and manufacturing.

Using information from the SVDLS, the ownership of five sites is presented in the table below. Four of the sites are owned by the local authority and one is owned by a private individual. The sites owned by the local authority amount to 2.09 ha.

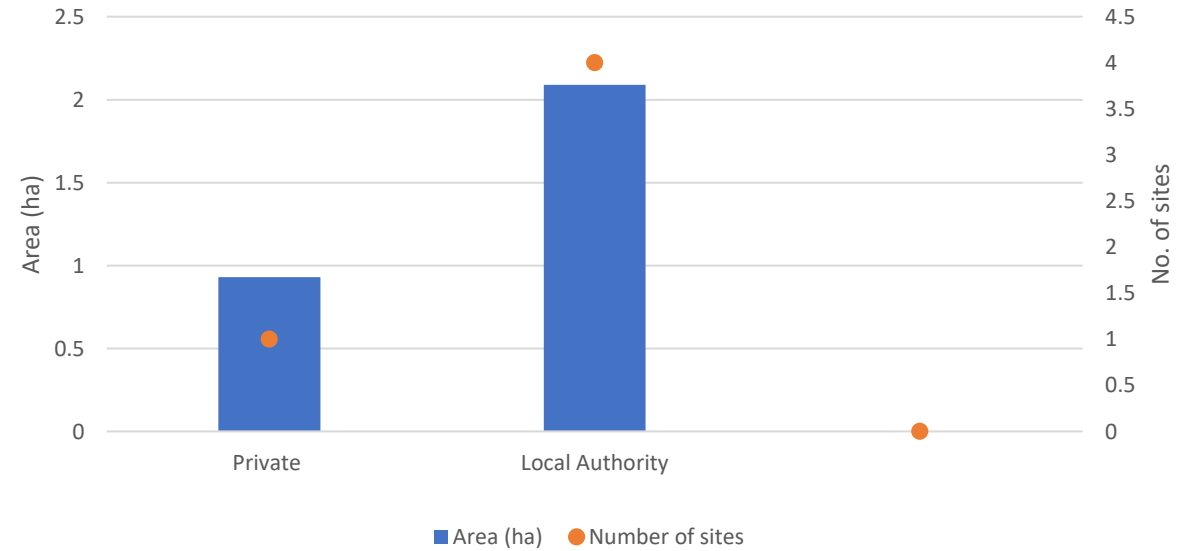
**Figure 3.2 Previous Uses of VDLP in Dundee**

Previous Use of Land	Area	No. of Sites	% of VDL
Other	1.18	2	39%
Transport	0.64	1	21%
Recreation & Leisure	0.27	1	9%
Manufacturing	0.93	1	31%



**Figure 3.3 VDLP by Ownership in Dundee**

	Private	Local Authority
Area (ha)	0.93	2.09
Number of sites	1	4



# Development Potential and Length of Time Vacant

All sites are developable in the short-term and medium-term, totaling 3.02 ha. The sites owned by the local authority are developable in both the short-term and medium-term.

The privately owned vacant site totals 0.93 ha.

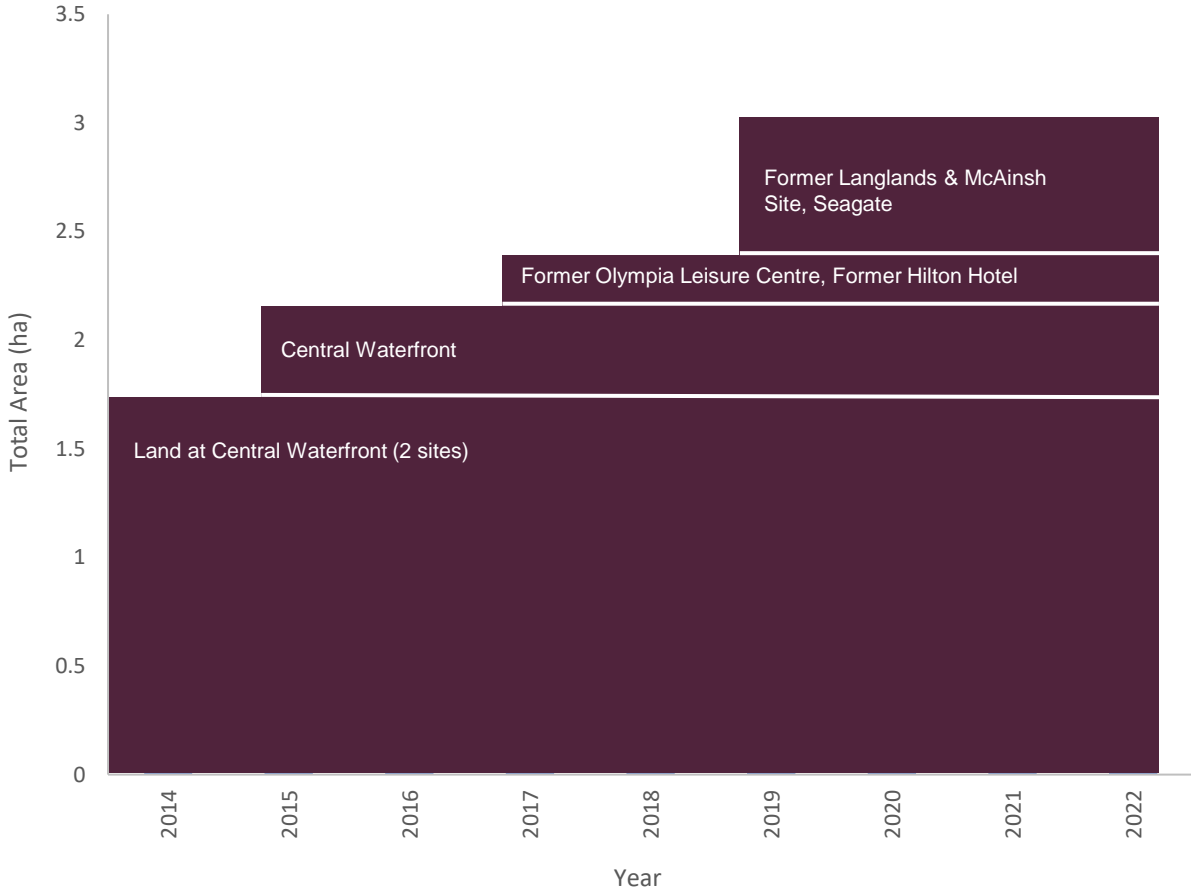
These sites in total became vacant or derelict from 2014 to 2019, totaling 3.02 ha.

**Figure 3.4 VDL with Short-, Medium- and Long-Term Development Potential in Dundee**

	Developable Short-Term	Developable Medium-Term	Developable Undetermined
Area (ha)	3.32	1.45	0
No. of Sites	5	3	0



**Figure 3.5 Length of Time Vacant by Total Area in Dundee**



## **4. Barriers and Potential for Vacant/Derelict Land**

# Barriers and Potential for Vacant/Derelict Land

### Introduction

This sections considers actions needed to reduce VDLP in Dundee. The accompanying summary report provides additional recommendations at the national level.

### Review of Planning Applications

There is one approved planning application for the site around the Marketgait. The site had a planning application for the erection of a mixed-use development including office, residential, café/restaurants and retail in June 2021.

**Table 4.1 Planning Applications for VDLP in Dundee**

Site Name	Type of planning application	Size/Units	App Year	Status	Expiry Year
Disused Depot, Marketgait	Erection of a mixed-use development including office, residential, cafe/restaurants and retail with associated access, landscaping, parking and infrastructure	16 resi units, 4 commercial units and 7,095sqm of office floorspace	2021	Approved in June 2021	Not expired yet

### Demand for Vacant & Derelict Land

Due to a lack of planning applications, there appears to be a clear lack of demand for development sites in Dundee at this current time. This is partly due to the fact there are some major redevelopment sites which will require large amounts of investment upfront before any income is received. Furthermore, the perceived market risk will also play a factor in the demand for land. As we move into

a time of economic uncertainty, developers will look to develop land already under their ownership or look to robust, mature markets where historical sales rates have been strong.

Many of the sites within Dundee are under fragmented ownership and therefore being able to acquire a whole site is somewhat difficult. Coupled with a weak rental market, the likelihood of BtR or large-scale flatted developments out with established areas such as the Waterfront and West End are unlikely. That being said, there are a number of sites at the Waterfront which are yet to be developed due to perceived market risk.

### Development Constraints

Almost all of the sites within the city boundary are brownfield sites with existing buildings. Therefore, there are considerable works required, and upfront costs before any development can take place. As interest rates are rising, and the cost of borrowing money becomes more expensive, developers will look to sites which they can start development and in turn produce income more quickly.

Redevelopment of upper floors for residential use may be compromised due to inefficient floor plates, lack of natural light or access issues. Assessing each property on an individual basis for the purposes of redevelopment can become costly and time consuming.

# Barriers and Potential for Vacant/Derelict Land

## Zones and Use Types for VDLP

There are no specific zones as all VDLP should be repurposed or redeveloped. There are opportunities for temporary uses especially in arts and creative sector while the sites await the redevelopment. This is an obvious solution for the sites which are currently in use as a shopping centre, making use of the existing space and thus limiting the liability of the site.

Consideration should be given to specific zones of the city and the tenure mix which would offer a blended community with access to local amenity. This blended approach may enhance the potential of bold, thought-leading schemes and entice those living in peripheral locations back into the centre.

Although BtR is unlikely to occur in Dundee in the short term - Aberdeen, Glasgow and Edinburgh are witnessing BtR deals reach the market and prove to be successful, Dundee should remain hopeful that should there may be a tidal effect, Dundee could benefit from the positive sentiment associated with the Scottish market.

## The Role of the Public Sector in the Development of VDLP

Dundee are in a position where they have a desire to increase city centre living via a determined scale. There are sites identified to do this. Dundee City Council could work with the owners of the vacant sites to identify suitable uses and consider viability. The council should assist where possible in alleviating the constraints by:

- Identify the viability gap and consider funding packages to help close the gap such as funding for site investigations and site clearance to prepare the sites for development.
- Provide rental guarantees.
- Use CPO powers for land assembly where necessary to ensure delivery of key sites if obstructive owners.

# Appendix 1 Abbreviations

---

BTR	Build to Rent
CPO	Compulsory Purchase Order
Ha	Hectare
LDP	Local Development Plan
SVDLS	Scottish Vacant And Derelict Land Survey
VDLP	Vacant and derelict land and property

---

# Important Note

---

Finally, in accordance with our normal practice, we would state that this report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.

Whilst every effort has been made to ensure that the data contained in it is correct, no responsibility can be taken for omissions or erroneous data provided by a third party or due to information being unavailable or inaccessible during the research period. The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.