

Site Forms

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| YOUR DETAILS | |
| Your Name (and organisation if applicable) | Colliers International UK plc (Mr Neil Gray) |
| Your Address / Contact Details | 39 George Street |
| | Edinburgh |
| | EH2 2HN |
| Landowner's Name (if known / applicable) | St Francis Group Ltd |
| Agent (if applicable) | Colliers International UK plc (Mr Neil Gray) |
| Agent's Address / Contact Details (if applicable) | As before |

| | |
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| DETAILS OF SITE SUGGESTED | |
| Site Address | Land at Pitcalzean Farm, Nigg, Cromarty IV19 1QT |
| Site/Local Name (if different from above) | Pitcalzean Farm. Has been referred to in past as 'Dow Chemicals' and 'Proximal Lands to East of Nigg Yard' |
| Site Size (hectares) | 55 |
| Grid Reference (if known) | |
| Proposed Use (e.g. housing, affordable housing, employment, retail, waste, gypsy traveller, utility, community, retained public open space) | Employment relating to engineering (renewables/decommissioning) |
| Proposed Non Housing Floorspace / Number of Housing Units (if applicable) | 100,000 sq ft circa. |

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| known/applicable) | |
| Map | (please attach a map of the site ideally on an Ordnance Survey base) Map Attached |

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| If you wish to suggest a site that should <u>not</u> be built on, fill in this form | |
| REASONS WHY YOUR SITE SHOULD BE SAFEGUARDED FROM BUILDING | |
| How do the public enjoy the space - e.g. used for dog walking, children's play? | |
| What makes the site more special than other areas in the village/town? | |
| Does the site have attractive or rare features such as mature trees, historical significance or protected wildlife? | |

Landowners, developers and/or agents wishing to suggest a site should fill in the following form and as much as possible of the strategic environmental assessment form (at the end of this document) which assesses the environmental effects of possible development sites.

| | |
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| If you wish to suggest a site that should be built on, fill in this form | |
| REASONS FOR YOUR DEVELOPMENT SITE SUGGESTION | |
| How can the site be serviced? (give details of proposed access, foul drainage, surface water | Existing access from B9175 at Nigg, from the A9 junction. Existing foul and surface water drainage, at Nigg Public water supply |

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| and water supply arrangements) | |
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REASONS FOR YOUR DEVELOPMENT SITE SUGGESTION

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| <p>What are the site's constraints and how can they be resolved or reduced? (e.g. does the site flood, are there protected species present, will good farmland be lost, will the local landscape be affected, will valued trees be felled, are any other heritage features likely to be affected?)</p> | <p>Grade 2 and 3.2 agricultural land would be lost, however this is land currently protected for petro-chemical uses.</p> |
| <p>What benefits will result to the wider community from the site's development? (e.g. will there be more or better jobs, will the land be put to a more productive use, will the development increase infrastructure capacity for others, will more affordable houses result, is there an unmet demand for the development?)</p> | <p>Creating jobs Land will be put into productive use Complementary to Nigg Yard Meets demand for national renewables infrastructure plan</p> |
| <p>What impact will there be on travel patterns from the site's development? (e.g. will more or less people engage in active and healthy travel (walk / cycle) or go by public transport as a result of the site's development rather than travel by private car?)</p> | <p>More travel, where possible on public transport</p> |
| <p>Is the site well connected? (e.g. will the average travel time to community and commercial facilities reduce or increase as a result of the site's development, is the proposed use compatible with existing / proposed surrounding uses?)</p> | <p>Proposed use is compatible with surrounds proposed and existing Good connections via road</p> |
| <p>Is the site energy efficient? (e.g. will the site allow for energy efficient siting, layout, building design and local renewable energy source connection?)</p> | <p>Yes, it is south west facing for sunlight.</p> |
| <p>What other negative impacts will the development have and how will they be resolved or offset? (e.g. will the site's development increase any form of pollution or</p> | <p>Potential for increased traffic movement, potential disturbance to local ecology, capacity on existing drain/foul/clean water systems. Resolved through careful mitigation and design. No impact on public</p> |

decrease public safety?)

safety.

STRATEGIC ENVIRONMENTAL ASSESSMENT FORM

Landowners, developers and/or agents wishing to suggest a site should fill in as much as possible of the following form. Strategic environmental assessment of local development plan sites is now a statutory requirement and considers the possible environmental effects of development proposals. We will check your answers and fill in any gaps.

| No. | Issue | Detailed Explanation | Answer | Any Proposed Mitigation Measures (how will you reduce or offset the effects of your development?) |
|-----|--|---|---|---|
| 1 | a) Will the site safeguard any existing open space within the area? b) Will the site enable high quality open space to be provided within the area? | Will the site have any impact on useable public open space (such as parks, playing fields etc) or any opportunities to create additional public open space? | No impact | Not required |
| 2 | Will the site encourage and enable provision for active travel (walking, cycling and public transport use)? | Is any part of the site within 400m straight line distance of any community/commercial building? or will development provide a community/commercial building within walking distance of existing residential areas? - Are there opportunities to create new walking/cycling routes or improve existing routes? | There is the potential to improve existing routes | Not required |
| 3 | Does the site provide an opportunity for you to provide a financial contribution towards encouraging more sustainable travel patterns? | For example, can a subsidy to a local bus route be provided? | Yes, potential to make improvements via contributions to sustainable travel | Not required |
| 4 | Will the site involve "off site" road improvements that will contribute to road safety? | Is the site likely to improve the local road network such as junctions or crossings? | Potential to improve roads, although expect to utilise existing good roads infrastructure | Subject to final use detailed plans end use |
| 5 | Is there scope for road | Will development incorporate on-site traffic | Not likely as the proposed use is not | Not likely |

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| | safety measures as part of the development of the site? | calming measures (e.g. speed bumps) or street lighting? Will it incorporate the principles of Designing Streets available via: http://www.scotland.gov.uk/Publications/2010/03/22120652/0 | residential | |
| 6 | Is the site near any existing "bad neighbour" uses? | Will the site be negatively affected by any neighbouring use? (bad neighbour uses include those that affect residential property by way of fumes, vibration, noise, artificial lighting etc). Is the site affected by any of the Physical Constraints identified in the Council's Physical Constraints: Supplementary Guidance? | Site lies adjacent to Nigg Yard. No impact on 'bad neighbour' anticipated. Uses proposed are complementary and compatible | Not required |
| 7 | Are there any contaminated land issues affecting the site? | Are you aware if the site has been previously used for industrial or any other uses likely to cause contamination? | Site is currently agricultural land but is zoned for petro-chemical use | Not required |
| 8 | a) Is the site on derelict, vacant or other land that has previously been used? b) Is the site on greenfield land? | a) Has the site been identified in Scottish Government's Vacant and Derelict Land Survey (which can be found here: http://scotland.gov.uk/Publications/2010/01/26135819/0) or has the land got an existing use? b) Will the site be located on presently undeveloped land e.g. presently or capably used for agriculture, forestry or amenity purposes? | Not derelict or vacant. Site is agricultural land used for rough grazing but is zoned for petro-chemical use | Existing and future uses can co-exist subject to detailed planning based on extensive land ownership area |
| 9 | Is the site within the current settlement boundary? | Is the site within any identified settlement boundary in the Local Plan? Is it allocated for any uses? | Site in Nigg settlement boundary and allocated for petro-chemical uses in current local plan. Identified in Highland Wide Local Development Plan for business and industrial uses and features within the Nigg Development Mastepplan site boundary suitable for use as employment land for renewables industry | Seeking to broaden the scope of acceptable uses at the site in compliance with the development plan |
| 10 | Will the site affect the | Does the site conform with the Landscape | No landscape designation identified | Not required |

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| | distinctiveness and special qualities of the present landscape character or affect any landscape designation? | Capacity Assessment (if available)? Will the site result in the removal of valued landscape features or negatively affect any key views? Is it located within or would otherwise affect a National Scenic Area or Special Landscape Area, having regard to their special qualities? | | |
| 11 | Will the site affect any areas with qualities of wildness? (that is land in its original natural state?) | Are you aware if the site is inside or likely to affect an area of Wild Land? (These areas are identified on Map 3 of SNH's Policy Statement, Wildness in Scotland's Countryside) and areas of Remote Coast identified by the Council, or an area of wildness identified in the draft Wild Land Supplementary Guidance? | Not wild land, in agricultural use | Not required |
| 12 | Will the site affect a conservation area? | Is the site inside or likely to affect the character of a confirmed Conservation Area? | Not affect Conservation Area | Not required |
| 13 | Will the site impact on any listed building and/or its setting? | Is there a listed building or a part of the setting "area" of a listed building within the site? | No listed buildings in site area | Not required |
| 14 | Will the site affect a site identified in the Inventory of Gardens and Designed Landscapes? | Is any part of the site inside the outer boundary of an Inventory "entry" or will the site affect the setting of an "entry"? | No GDLS in site area | Not required |
| 15 | Will the site affect any locally important archaeological sites identified in the Historic Environment Record? | Does the site contain any features identified in the HER? If yes, will the site affect the feature? | No known archaeological sites in area | Not required |
| 16 | Will the site impact on any Scheduled (Ancient) Monument and/or its setting? | Is there any SAM within the site boundary or will a SAM be affected? | No SAM in site area | Not required |
| 17 | a) Will the site affect any natural heritage designation or area identified for its | a) Is any part of the site inside or likely to affect the designation (SAC, SPA, SSSI, NNR, Ramsar) or Local Nature Conservation Site? | No part of the site is inside or likely to affect the designations of SAC, SPA, SSSI, NNR or Ramsar | As no part of the site is inside or likely to affect the designations of SAC, SPA, SSSI, NNR or Ramsar. Careful consideration if impacts arise |

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| | importance to nature conservation? b) Will the site affect any other important habitat for the natural heritage? | b) Is any part of the site within or likely to affect non-statutory features identified as being of nature conservation importance e.g. Ancient, Semi-Natural or Long-Established Woodland Inventory sites, priority BAP habitats, habitats included on the Scottish Biodiversity List, non-designated habitats listed in Annex 1 of EC Habitats Directive? | Not within or likely to affect any non statutory features | at detailed design stage. Careful consideration at detailed design stage |
| 18 | a) Will the site affect any protected species? b) Will the site affect any other important species for the natural heritage? | a) Will the site affect any European Protected Species, Badgers and species (birds, animals and plants) protected under the Wildlife and Countryside Act 1981 as amended. If such a species may be present on or near the site, a survey should be carried out to inform this assessment (for which a licence from SNH may be required) b) Will the site affect species listed in the UK and Local BAPs, the Scottish Biodiversity List and relevant annexes of the EC Habitats Directive? | Not likely to affect any protected species Not likely to affect and important species | As no part of the site is inside or likely to affect the designations there will be careful consideration at detailed design stage |
| 19 | Is the site proposed to provide any form of renewable energy? | For example, will the site provide or be capable of providing a district heating system, solar panels or a wind turbine? | Subject to detailed design the nature of the proposed use may lend itself to this benefit | Possible solar or wind energy installation |
| 20 | Is any part of the site at risk from fluvial or coastal flooding as shown on SEPA's flood map or from local knowledge? | Are you aware of any part of the site being within the 1 in 200 year flood risk contour as identified by SEPA? (which can be found here: http://www.sepa.org.uk/flooding/flood_risk_maps/view_the_map.aspx) | No part of the site at risk of flood risk | No impact |
| 21 | Will development of the site result in the need for changes in land form and level? If yes, how | Will there be any change in rate, quantity, quality of run-off plus groundwater impact on or off site? If so, will these affect priority habitats, especially blanket bog? | Minor changes in landform within the site area | Soil and drainage issues will be contained and attenuated in the site |

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| | will soil and drainage issues be addressed? | | | |
| 22 | Is there a watercourse, loch or sea within or adjacent to the site? If yes, how will the water environment be protected from development? | Will there be any culverting, diversion or channelling of existing watercourses? | Cromarty Firth is adjacent to the site. No proposals to develop on sea shore or emit into the sea therefore protecting the water environment | Nothing. On the basis this site does not impact on water environment. |
| 23 | Will the site offer opportunities for sustainable waste management? | Will the waste produced by the site be minimised and processed close to source in a sustainable way? | Subject to detailed design the nature of the proposed use may lend itself to this benefit | To be incorporated in final design |
| 24 | Can the site be connected to the public water and sewerage system? | Can the site be connected at reasonable cost? If not, what alternative is proposed? | Site will be connected to public water and sewerage system | No impact |
| 25 | Will the site require alteration to the local landform? | Can the site (including access) be developed without significant re-contouring etc.? Will access tracks and parking areas have significant cut and fill? | Minor modification to landform within site area. Existing access to be used | No impact |
| 26 | Will the site affect or be affected by coastal erosion or natural coastal processes? | This will be noted on any relevant shoreline management plan. | Not likely as site is not positioned on the beach front | No impact |
| 27 | Is the site sheltered from the prevailing wind and does it have a principal aspect between SW and SE? | Will development make best use of the site in terms of energy efficiency? | Principal aspect is south west facing | Positive impact |
| 28 | Will the site have any impact upon local air quality? | Is the site near areas of employment or close to public transport? Such developments are less likely to result in additional traffic which may contribute to air pollution. | Site is near to Nigg Yard area of employment and will complement these activities | Positive impact |
| 29 | Will the site have an impact on light pollution levels? | Is it likely that the Council policy likely will require street lighting at this location? Are there proposals for floodlighting on the site? | Not likely to be required. | No impact |

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| 30 | <p>a) Will it the site affect the present green network of the area?</p> <p>b) Will the site provide opportunities to enhance the present green network of the area?</p> | <p>a) Will the site affect features that currently provide for the movement of species and/or people e.g. woodland, hedgerows, field margins, watercourses, coastlines, tree belts, greenspace?</p> <p>b) Will connectively of natural features or open space and paths used for public amenity be improved? Will existing fragmentation of habitats and open spaces be improved? Will species be enabled to move where at present there is an obstacle?</p> | <p>Opportunities exist to enhance</p> <p>Connectivity to Nigg will be considered at detailed design stage</p> | <p>Present green network to be incorporated into detailed design</p> |
| 31 | <p>Will the site provide opportunities for people to come into contact with and appreciate nature/natural environments?</p> | <p>Is the site close to (within 1.5km) an opportunity to come into contact with nature/natural environments e.g. Local Nature Reserves, local greenspace, green networks? Are there proposals which will increase opportunities to come into contact with nature/natural environments?</p> | <p>No. Site is proposed for employment use</p> | <p>No impact</p> |
| 32 | <p>a) Will the site affect any core paths or right of way?</p> <p>b) Will the site affect any other existing paths or outdoor access opportunities?</p> <p>c) Will the allocation provide new access opportunities within the site and linking to the path network beyond the site?</p> | <p>a) Is a diversion of a core path or right of way required? Will there be any impact on the usability of a core path or right of way?</p> <p>b) Will it affect an existing path in the Highland Path Record? Will it provide additional access opportunities or adversely affect access opportunities afforded by the Land Reform (Scotland) Act 2003?</p> <p>c) Will new paths be created within and beyond the site? Will any existing paths be improved e.g. to increase accessibility to a wider range of users? Will the site help to realise priorities identified in the Council's outdoor access strategy or aspirational paths identified in the core path plans?</p> | <p>No impact on core paths, rights of way or existing paths.</p> <p>Connectivity to Nigg will be considered at detailed design stage</p> | <p>No impact</p> |
| 33 | <p>Will the site have an</p> | <p>Are you aware if the site lies within or</p> | <p>No impact on geodiversity</p> | <p>No impact</p> |

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| | impact on the geodiversity of the area? | adjacent to an un-notified Geological Conservation Review site or Local Geodiversity Site? (or other site with geodiversity value e.g. distinctive landforms, areas with natural processes, rock exposures for study?) | | |
| 34 | Will soil quality and capability of the site be adversely affected? | Will the site result in a loss of soil due to development or removal of good quality soil from the site? Is the site on land identified as Prime Quality Agricultural Land? | Loss of agricultural land of 2.2 and 3 classification, although this is currently zoned for petrochemicals use in the local plan. | Further consideration of mitigation |
| 35 | Is the site on peatland? | Is the site within or functionally connected to an area of peatland? Would the allocation involve the disturbance of peat? If yes, how would impacts on peatland be avoided or minimised? Would any tree felling be required? | Not on peatland | No impact |
| 36 | Will the site have any affect on the viability of a crofting unit? | Does the site represent a significant loss of good quality inbye crofting land or common grazing land? | No affect | No impact |



St. Francis Group

Land at Pitcalzean Farm, Nigg, Cromarty.

THE HIGHLAND COUNCIL

INNER MORAY FIRTH LOCAL DEVELOPMENT
PLAN – “CALL FOR SITES”

APRIL 2011

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TABLE OF CONTENTS

| | | |
|----------|---------------------------------------|-----------|
| 1 | INTRODUCTION | 1 |
| 1.1 | “CALL FOR SITES” CONSULTATION | 1 |
| 1.2 | PURPOSE | 1 |
| 1.3 | FURTHER DISCUSSION | 2 |
| 2 | CONTEXT FOR THE BID | 3 |
| 2.1 | HIGHLAND WIDE LOCAL DEVELOPMENT PLAN | 3 |
| 2.2 | NIGG DEVELOPMENT MASTERPLAN | 4 |
| 2.3 | PITCALZEAN FARM LOCATION AND CONTEXT | 4 |
| 3 | DEVELOPING OUTLINE PROPOSALS | 5 |
| 3.1 | EXISTING DEVELOPMENT PLAN CONTEXT | 5 |
| 3.2 | NATIONAL PLANNING POLICY | 6 |
| 3.3 | EXISTING DEVELOPMENT PLAN SUPPORT | 8 |
| 3.4 | HIGHLAND WIDE LOCAL DEVELOPMENT PLAN | 9 |
| 3.5 | POTENTIAL ACTIVITY AT PITCALZEAN FARM | 12 |
| 4 | CONCLUSIONS | 14 |
| 4.1 | FURTHER INFORMATION | 14 |

APPENDIX 1 SITE PLAN

APPENDIX 2 COMPLETED QUESTIONNAIRE

1 INTRODUCTION

1.1 “CALL FOR SITES” CONSULTATION

St Francis Group is responding to the Highland Council consultation into the Inner Moray Firth Local Development Plan (IMFLDP) “Call for Sites” Consultation. The St Francis Group is the landholding company of DSM Group Ltd. DSM Group Ltd has been participating for over four years in the ongoing land use discussions in relation to Nigg and the former Fabrication Yard and the lands commonly referred to as ‘Dow Chemicals’ or ‘Proximal Lands to the East’. These names are of the same land being promoted in this submission, to be called Pitcalzean Farm.

As part of the response, support and justification is provided for the identification of land known as Pitcalzean Farm, lying east of the B91715 at Nigg, Cromarty. The proposal for the land is for strategic employment development for a range of potential uses including for the renewable energy industry.

1.2 PURPOSE

The purpose of this submission is to provide a response to the IMFLDP “Call for Sites” Consultation. It reflects the preferred strategy being promoted as part of the Highland Wide Local Development Plan (HWLDP) which is currently at the Proposed Plan stage. The HWLDP is understood to set a strategic framework for the location and arrangement of future land use across the Highlands, which in turn directs appropriate land uses to Local Development Plans (LDP), such as the Inner Moray Firth LDP.

This submission also reflects the Council’s agreed position with regard to guiding specific land uses to Nigg, specifically that area identified in the approved Nigg Development Masterplan, which was adopted by Highland Council as Supplementary Planning Guidance in November 2009. Land at Pitcalzean Farm lies within the Nigg Development Masterplan area.

The submission also provides support and justification for the identification of land known as Pitcalzean Farm, lying to the east of the B91715 at Nigg for strategic employment development for a range of potential uses including for the renewable energy industry.

Specific responses to the various questions raised within the Call for Sites Questionnaire are provided in Appendix 1.

1.3 FURTHER DISCUSSION

St Francis Group would welcome an opportunity to discuss the submission with Highland Council and would wish to be informed of the Council's consideration of this and all other comments received in respect of the "Call for Sites" stage.

2 CONTEXT FOR THE BID

It is considered important to clarify how St Francis Group sees the proposals 'fitting' with the existing and the emerging development plan framework for Highland as it is acknowledged this has been significantly influenced in recent years by a national need (both Scotland and UK) for a strategic response to the economic growth potential from the renewable energy development sector (i.e. business development and supply chain, as opposed to energy development per se).

2.1 HIGHLAND WIDE LOCAL DEVELOPMENT PLAN

The Highland Wide Local Development Plan (HWLDP) will update and replace parts of the Highland Structure Plan as well as parts of existing Local Plans which cover strategic policy issues when adopted in 2012. It will set out:

- The spatial strategy and vision for the area;
- Clear policy guidance for development of all types (including reference to Supplementary Guidance where appropriate);
- The development principles of key action areas.

The HWLDP process has currently completed the Proposed Plan stage consultation and will later in 2011 proceed towards an Examination, and then adoption in 2012. At that time it will assume full Development Plan status.

The HWLDP Proposed Plan provides a firmer view on the content of the plan in relation to the Inner Moray Firth. The proposed plan contains the following:

- A vision – what the Highlands could be in 20 years.
- A spatial strategy – where development could go.
- Development management policies – policies to help decide planning applications.
- A proposals map – showing what type of development could happen and where.

Analysis of the HWLDP in relation to Pitcalzean Farm is discussed in Section 3. For the purposes of setting the context however, it is fair to conclude that proposals for Pitcalzean Farm recognise the strategic relevance of Nigg (the former KBR Yard and adjacent lands) for strategic employment needs and its timely regeneration back into economic use.

2.2 NIGG DEVELOPMENT MASTERPLAN

The Nigg Development Masterplan was adopted by Highland Council as supplementary guidance to the Local Development Plan in November 2009. The Masterplan is also intended to inform and provide the rationale that underpins a Compulsory Purchase Order should the Highland Council, as a last resort, require to follow that procedure to enable the former KBR Yard at Nigg to be brought back into economic use.

According to Highland Council *“Nigg Yard is a large-scale industrial site that has the potential to be used as a flexible multi-user engineering and processing complex capable of serving a wide range of industrial uses”*.

The purpose of the Development Masterplan is to outline a ‘vision’ and feasible options for the development of Nigg. Its aim is to maximize the site’s strategic development potential and employment opportunities over the next 15 to 20 years.

As supplementary planning guidance, it is a material consideration to be used by the Council when deciding on planning applications within the Masterplan area. Pitcalzean Farm lies within the Masterplan area. More detailed consideration of the masterplan requirements and the fit with St Francis Group’s proposals for Pitcalzean Farm are discussed in Section 3.5.

2.3 PITCALZEAN FARM LOCATION AND CONTEXT

Land at Pitcalzean Farm is wholly owned by St Francis Group, having previously been in the ownership of the Dow Chemical Company. St Francis Group is promoting the land for strategic employment development for a range of uses including for the renewable energy industry.

The site comprising this Call for Sites submission measures about 136 acres (hereafter referred to as “the site”). The boundary of the site is shown in Figure 1 attached. It lies immediately east of the B9175 and the former KBR Fabrication Yard at Nigg and extends north and westwards from Nigg Beach at the sea front towards Balnapaling and Balnabruaich which skirt the B9175.

The land itself comprises south west facing rough grazing, pasture and scrub land.

The site is accessed directly from the B9175 which connects the hamlet of Nigg and Nigg Yard itself with the A9 trunk road about 5 miles away.

The site is also positioned directly accessible onto the Cromarty Firth.

3 DEVELOPING OUTLINE PROPOSALS

St Francis Group is currently considering a number of proposals for the future use of the site related to the marine engineering and offshore renewables sector. Preliminary investigative studies are being progressed to inform and develop outline proposals.

3.1 EXISTING DEVELOPMENT PLAN CONTEXT

3.1.1 HIGHLAND STRUCTURE PLAN

The Highland Structure Plan was approved in 2001. Relevant strategic land use planning policies are:

Economy – there is particular support in the Plan for providing available land and it is seen as an important factor in accommodating development and supporting new business growth. Land at Pitcalzean Farm is available for development of new business.

The Plan highlights the need to provide a balanced portfolio of sites to meet the range of needs, including those for oil and gas related developments, large single users, strategic industrial and business sites and local industrial needs. However St Francis Group believes that **now is the time to consider the acceptable portfolio of sites and land uses in the Structure Plan to be expanded to cater for the growing industries at priority regeneration locations such as Nigg.**

The Structure Plan also provides a high degree of protection to the natural resources of the Inner Moray Firth and Cromarty Firth which are of international and national importance. The St Francis Group proposals consider the effect of marine access into this natural environment of high quality.

3.1.2 ROSS AND CROMARTY EAST LOCAL PLAN

The Ross and Cromarty East Local Plan was adopted in 2007. With regard to this plan, the entire site is identified as lying within the Nigg Point Settlement Boundary. This policy encourages development subject to detailed design and use policies where appropriate.

The site itself is specifically allocated under Proposal 38, for industrial use (petrochemical) which states:

“At Nigg Point, the Council will safeguard approximately 312ha. of land extending from Pitcalzean Mains Farm to Nigg Beach for major petrochemical development [B1&5]. The Council will presume against proposals that would prejudice its long

term potential. Developers should prepare a master plan covering all proposed uses and activities, phasing of development and resultant service provision. In addition, development proposals will require the submission of a full Environmental Impact Assessment, accounting, inter alia, for

- *the importance of the natural and cultural heritage*
- *public safety*
- *traffic assessment including transportation of materials to and from the site*
- *minimising potential pollution*
- *disposal of effluent and waste*
- *impact on the existing access channels to the Firth*
- *impact on local fishing interests*
- *atmospheric emissions*
- *impact on surface / ground water*
- *impact of noise and vibration*
- *impact of lighting*
- *minimising the landscape impact, especially views from the Black Isle*
- *natural hazards, especially proximity to the Highland Fault Line.*

The site should take access from the B9175 road, together with a secondary access in the interests of site safety. The Council will safeguard the trees at Pitcalzean, covered by a Tree Preservation Order.”

It is considered this designation provides a basis to advance proposals for employment-generating business uses at Pitcalzean Farm. However St Francis Group consider the scope of acceptable uses need not be limited to petro-chemical industries.

3.2 NATIONAL PLANNING POLICY

National Planning Policy is a material consideration in planning decisions. It has also set the basis for St Francis Group's approach to the outline proposals for the site.

There is a significant wave of support for development that brings about economic growth to Scotland, in particular regeneration of key employment and skills areas and the return of high growth sectors facilitated by key industries (e.g. renewables).

There is considered to be specific weight attached to directing future land use to Nigg based on the following national policies.

3.2.1 NATIONAL PLANNING FRAMEWORK 2 (NPF2)

National Planning Framework 2 is the Scottish Government's overarching policy framework identifying land use issues and responses that are nationally important and need to be tackled as priorities to deliver sustainable economic growth. Key issues relevant to Nigg specifically identified in the NPF2 are:

"The fabrication yard at Nigg has potential as a facility for decommissioning oil and gas installations and the manufacture and support services required by the renewable energy industry. Its deep water is an asset of strategic importance"

It is therefore the fundamental priority of St Francis Group's proposals to offer a future land use for Pitcalzean that provides *opportunities in the Cromarty Firth (including Nigg);*" and *"the targeted development of fragile areas of Highland in partnership with Highlands & Islands Enterprise"* which are terms specified in the Council's HWLDP in its interpretation of NPF2.

3.2.2 NATIONAL RENEWABLES INFRASTRUCTURE PLAN (NRIP)

The National Renewables Infrastructure Plan (NRIP) was published by Scottish Enterprise with Highlands and Islands Enterprise in 2010.

NRIP is specifically designed to support the development of a globally competitive offshore renewables industry based in Scotland.

NRIP provides a spatial framework related to offshore wind and the infrastructure needs they could support. Nigg is specifically identified in NRIP as having capacity to support the industry through its deep water, marine access and transferable infrastructure (property and skills) to offer integrated manufacturing.

Pitcalzean Farm is positioned directly alongside the former KBR Fabrication Yard at Nigg. In this context it offers a significant scale of site to work alongside the employment and industry related capacity at Nigg and respond to this national requirement.

3.2.3 SCOTTISH PLANNING POLICY (SPP)

Scottish Planning Policy is a statement of Government policy about nationally important land use planning matters.

With respect to providing the basis for St Francis Group's proposals the following policies are key signposts:

- Economic development - *"supporting development which will provide new employment opportunities and enhance local competitiveness"* – paragraph 45

Importantly SPP recognises how the planning system should also be responsive and sufficiently flexible to accommodate the requirements of inward investment and growing indigenous firms.

- Coastal Development – *“Coastal areas which are likely to be suitable for development include existing settlements and substantial free standing industrial and energy developments, particularly where development is linked to regeneration or the re-use of brownfield land.”* – paragraph 101
- Environment – In recognition of the high environmental protection afforded to the Inner Moray Firth and the Cromarty Firth as nationally important natural habitats, the proposals also respect the need to take protection and enhancement into account. SPP advises *“While the protection of the landscape and natural heritage may sometimes impose constraints on development, with careful planning and design the potential for conflict can be minimised and the potential for enhancement maximised.”* – paragraph 131.

3.3 EXISTING DEVELOPMENT PLAN SUPPORT

On the basis of the above development plan policies and material considerations, it is considered there would be strong support for a range of related business developments at Nigg, specifically at Pitcalzean Farm.

These could arguably be those of large scale and of significant national importance to provide jobs, growth of the economy and related to the marine and renewables sector. It is St Francis Group's view that the wave of support at national and Highland level for regeneration, employment generation and relating to the renewables sector would complement the specific current Ross and Cromarty East Local Plan allocation for petro-chemical use at the site.

The St Francis Group proposals for sensitively-planned employment-generating uses compatible with the marine and renewables sector should therefore be supported in principle and that the allocated use be expanded to accommodate the future uses proposed.

It is acknowledged during the preparation of the approved Structure Plan 2001 how the then national planning guidance required the safeguarding of a site for large petrochemical development at Nigg in the Cromarty Firth. This materialised into the Ross and Cromarty Local Plan allocation for petro-chemical industry at Pitcalzean Farm.

A key purpose of the Call for Sites is to allow landowners and the community to consider change, and what implications there may be as a result of that change. With the strong support in principle for recognised nationally important uses at Nigg, St Francis Group believes that the proposed use to be identified in the IMFLDP for Pitcalzean Farm should be expanded to provide flexibility and allow nationally-important employment-generating business uses at the site.

The adopted Ross and Cromarty East Local Plan designation relating to Pitcalzean Farm under Policy 38 should be reviewed. The IMFLDP Main Issues Report should examine options to broaden-out the narrow scope of uses akin to the petrochemical (oil) industry to encompass the growing marine offshore and established onshore renewable energy sector and the supply chain businesses that can support the sector from this location.

3.4 HIGHLAND WIDE LOCAL DEVELOPMENT PLAN

The HWLDP provides a critical steer as to what is expected in terms of strategic land use requirements for the future of the Nigg area, the following guidance has been used to set the basis for the proposals for Pitcalzean Farm:

3.4.1 VISION FOR INNER MORAY FIRTH AREA

The Council wishes to see the area to:

“have diversified its economy - there will be more, different jobs..... Nigg and possibly Ardersier will service increased activity off shore.”

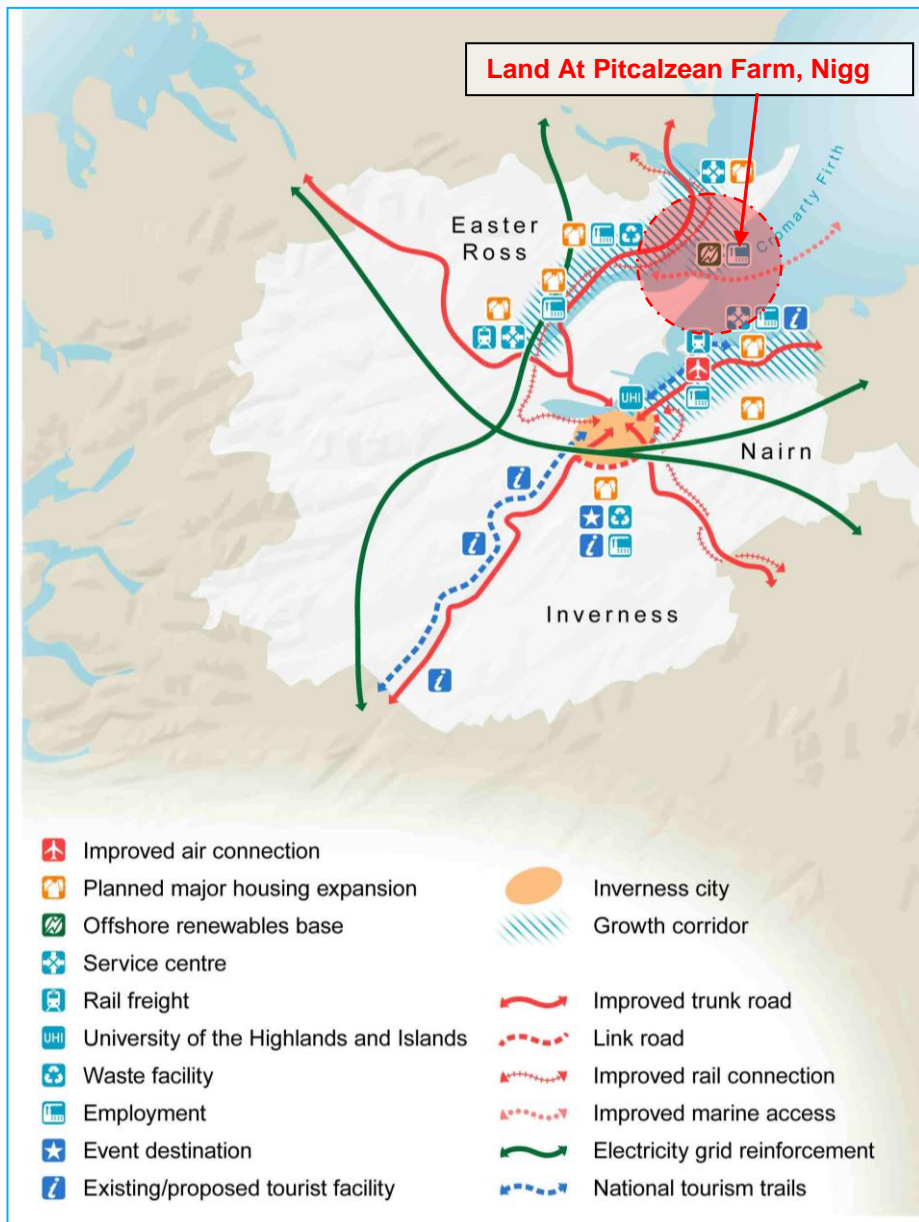
The spatial plan for the Inner Moray Firth identified in the HWLDP at Figure 3 (and reproduced overleaf) shows broad land use requirements for the Nigg area to include:

- A growth corridor
- Employment
- Offshore renewables base
- Improved marine access
- Trunk road improvements (A9)

The Spatial Strategy for the Inner Moray Firth shown overleaf, is described as being:

“based on the delivery of an effective land supply which will provide for opportunities for housing, business and commercial developments whilst ensuring that infrastructure and services are provided at the right time in the right place”.

Figure 1 - Inner Moray Firth Spatial Strategy from HWLDP Figure 3



It is considered the site can provide business and commercial development and ensure road infrastructure and services are provided at the right time and place.

The timing is essentially within the next 5 years, being the plan's life. The Pitcalzean Farm proposals will develop alongside and complement Nigg Yard where there is potential to use existing infrastructure.

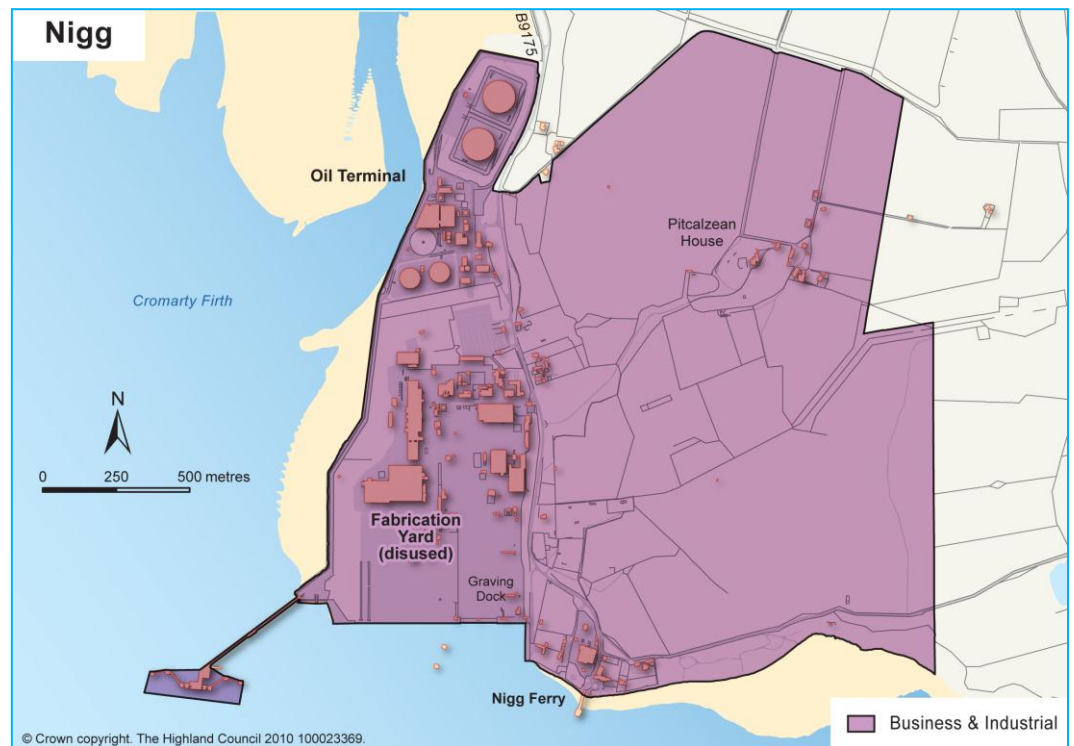
3.4.2 NIGG RELATED POLICIES

The Proposed Plan of the Highland Wide Local Development Plan (HWLDP) Policy 24 Nigg supports the development of the Nigg Yard and proximal lands in line with its approved Masterplan (the Nigg Development Masterplan, discussed below in Section 3.5.3).

The Council has adopted The Nigg Development Masterplan as Supplementary Guidance.

The Nigg Development Masterplan area includes the lands at Pitcalzean Farm and the lands are recognised in policy terms for business and industrial uses as shown in Figure 2 below.

Figure 2 HWLDP Policy 24 – Nigg



3.4.3 THE NIGG DEVELOPMENT MASTERPLAN SPG

Highland Council approved the Nigg Development Masterplan as Supplementary Planning Guidance (SPG) in November 2009. The purpose of the SPG is to provide a basis for the Council, if as a last resort, it required to Compulsorily Purchase the former Nigg Fabrication Yard.

The Nigg Development Masterplan provides sufficient flexibility in terms of appropriate land uses and their spatial arrangement. Emphasis is however

afforded to positioning the masterplan land within the NPF2, NRIP and HWLDP strategies which all point to the area as offering a nationally-important location for renewable sector development. In making best use of the deep water and sea access, there is further emphasis on marine engineering and its associated services.

Two principle options emerged which considered each of the three components of the Nigg site (oil terminal; fabrication yard; and proximal land to the east of the fabrication yard, being Pitcalzean Farm) both individually and collectively as a single unit.

Option 1 diversifies the activities at Nigg whilst building on its oil and gas industry reputation and introduces a renewable energy mix. The renewable energy sector is the focus for Option 2 with the majority of the site allocated for this activity.

3.5 POTENTIAL ACTIVITY AT PITCALZEAN FARM

The Nigg Development Masterplan presents potential activities that might be considered compatible within the plan area, in relation to Options 1 and 2, and specific to Pitcalzean Farm as follows:

- Manufacture of renewable components
- Assembly of renewable components
- Distribution of renewable components

The Nigg Development Masterplan describes how these activities might be facilitated. It is St Francis Group's view that the following may be delivered as part of the proposals, thereby responding to the Masterplan requirement:

- Complementary connections with the Nigg Yard
- Crossing of the B9175
- Careful consideration of the environmental designations which are marine-related, and not directly impacted at the site itself
- Investigate the potential for environmental improvements
- Site preparation

3.5.1 BASIS FOR THE ST FRANCIS PROPOSALS

From the foregoing assessment of the existing development plan and the emerging development plan framework as guided by the Highland Wide Local Development Plan, there is a clear direction for land uses, which the St Francis Group supports.

In relation to meeting these strategic principles the following form the outline proposals for Pitcalzean Farm:

- The location is located in a nationally important place for economic growth (NPF2)
- The location is located on the coast and specifically identified as one of the country's key bases for the renewable development sector (NRIP)
- The important land use planning matters at a national level include those in support of economic development, regeneration and development of new industries in growth sectors (SPP)
- The Highland Council has interpreted this in the emerging Highland Wide Local Development Plan as:
 - Directing new employment opportunities to Nigg
 - Encouraging regeneration of formerly important sites such as Nigg Yard
 - Specifically identifies in the spatial strategy the Nigg Yard and the Pitcalzean Farm lands as suitable for business and industrial uses.

PROPOSED LAND USES

In addition to the existing Local Plan allocation for petro-chemical use at the site, St Francis Group wish to propose in outline the following possible uses:

- Possible site preparation / drainage and infrastructure
- Potential land uses relating to the marine engineering, renewable energy and offshore sector and decommissioning:
 - Buildings may comprise storage and layout compounds
 - Buildings may be for the housing and working of heavy machinery
 - Buildings may be for construction related to offshore renewables/marine
- Land uses relating to the administration and welfare of workforces including office space
- Landscaping and enhancement.

4 CONCLUSIONS

Through integration of the proposed land uses at Pitcalzean Farm within the Nigg Development Masterplan, St Francis Group consider the following benefits and outcomes can be achieved at Nigg:

- Pitcalzean Farm alongside Nigg Yard can accommodate a range of uses which meet the requirement for improved employment opportunities in Highland
- Maximise opportunities for employment in terms of the Highland and local economy in relation to regeneration; and growing a new economy based on offshore renewables and marine engineering
- Make new connections to obtain new spaces in terms of layout and design
- Consolidate and enhance existing connections in terms of layout and design
- To reduce reciprocal impacts on the environment
- Secure jobs for the future and thus enhance social impacts in the region
- To integrate the site within the life of the local community

4.1 FURTHER INFORMATION

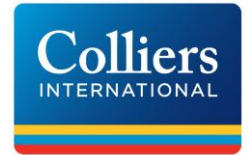
St Francis Group would be happy to share further information with Highland Council as a result of this submission.

APPENDIX 1

Site plan

APPENDIX 2

Completed Call for Sites Questionnaire



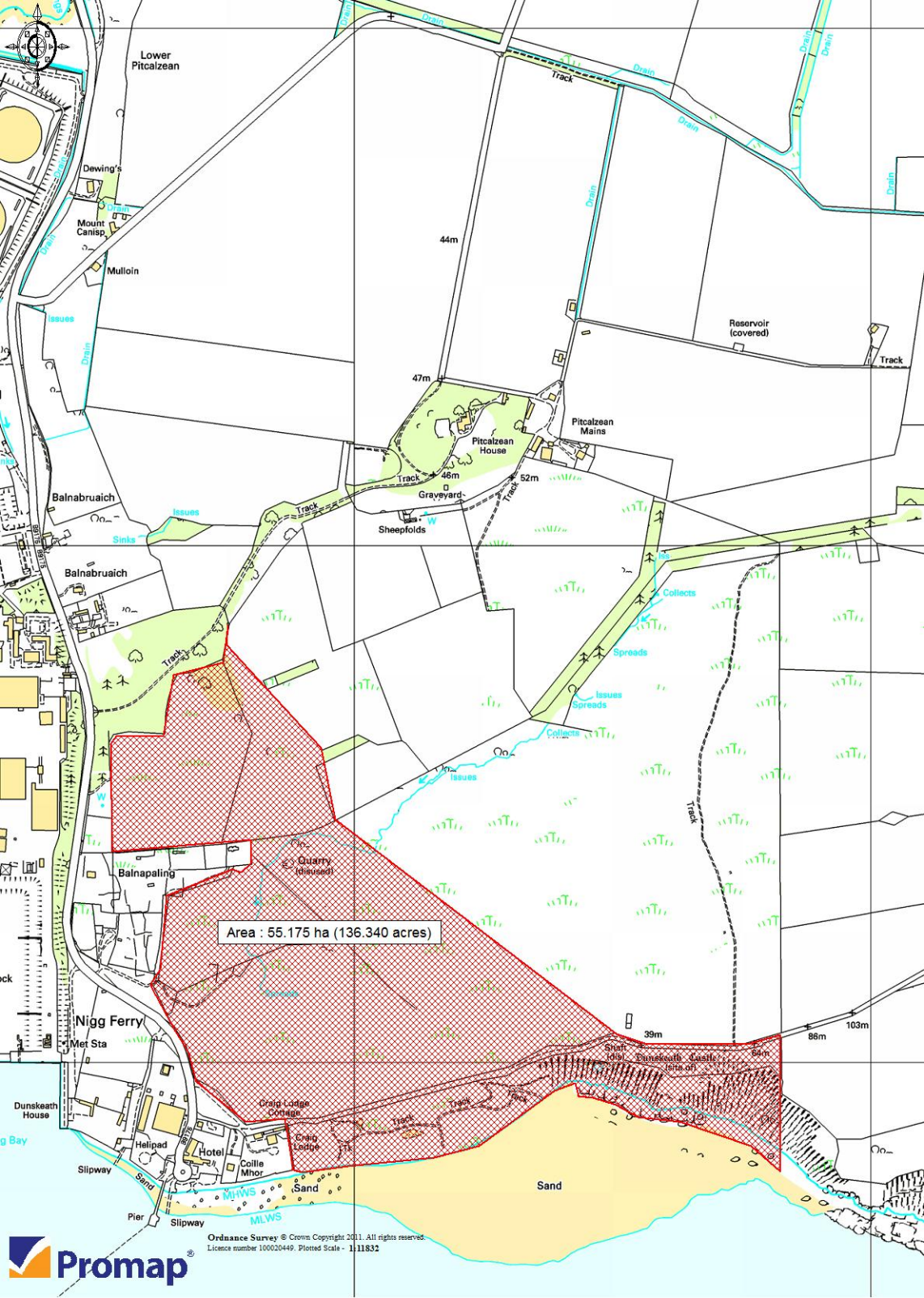
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Area : 55.175 ha (136.340 acres)