

**THE HIGHLAND COUNCIL**

**PLANNING, ENVIRONMENT & DEVELOPMENT COMMITTEE**

**23 September 2009**

Agenda Item	
Report No	

**NIGG DEVELOPMENT MASTERPLAN & ACCOMPANYING STRATEGIC  
ENVIRONMENTAL ASSESSMENT**

**Report by Director of Planning & Development**

**SUMMARY**

To update Members on the outcome of the second stage Public Consultation into the Nigg Development Masterplan and Strategic Environmental Assessment; to consider and comment on the proposed further modifications as outlined in Appendix 1 to the report; and to seek approval to adopt the Masterplan and Strategic Environmental Assessment with agreed alterations.

**1. Introduction**

- 1.1 At a meeting of the Planning, Environment and Development Committee in September 2008 Members received a presentation from Halcrow's on the Draft Development Masterplan and agreed to issue the report for Public Consultation.
- 1.2 The Nigg Development Masterplan was issued for an 11 week period of consultation commencing on the 1<sup>st</sup> December 2008 which concluded on the 16<sup>th</sup> February 2009. Committee will recall that at its meeting of 18 March 2009 it received a report on representations received following the first round of public consultation and agreed to a number of amendments to the Masterplan in relation to these responses.
- 1.3 The March PED Committee also noted that a Final Draft of the Development Masterplan incorporating mitigation measures identified through the Strategic Environmental Assessment (SEA) process would be brought back to its May Committee meeting for approval prior to publication for a second round of public consultation. This second round provided the public with an opportunity to consider the environmental effects of the Masterplan and to comment on these prior to the Council taking key decisions and finalising the Masterplan content.
- 1.4 The report to PED on the 20<sup>th</sup> May provided a brief summary of the agreed revisions to the Nigg Development Masterplan resulting from the representations received from the first round of public consultation on the draft document. It outlined further changes and updates to the Development Masterplan and included reference to the Strategic Environmental Assessment and accompanying Flood Risk Assessment and Appropriate Assessment background reports that would inform and accompany the final version of the Masterplan.
- 1.5 Committee approved the changes and authorised officers to publish the Final Draft of the Masterplan and associated documents for a 10 week public consultation period commencing on 1<sup>st</sup> June 2009.

## 2. Background to the Masterplan

- 2.1 The Masterplan considered two principal options for the future development of the Nigg site (the oil terminal; fabrication yard and proximal land to the east of the fabrication yard). The First Option considered developing the site primarily for the Oil and Gas Sectors whilst the Second Option focussed on Green Energy/Renewables development. These options were appraised and the strengths and weaknesses of each was considered.
- 2.2 Consideration was given to the options to bring the site into use, ranging from a single user to a multi-user industrial facility. Possible uses and opportunities were considered for each of the sites individually, as well as collectively as a single unit. The options were based on the market assessment for the next 15 to 20 years prepared by MacKay Consultants, supplemented with engineering expertise and information provided by Halcrows available at the time of writing, to ensure the site's validity and fitness for purpose.
- 2.3 The revisions arising from the public consultation responses agreed by the May Committee were incorporated into the Final Draft Nigg Development Masterplan together with updates and reappraisals of the Market Assessments. Rather than seeking to develop a preferred option for the site Committee agreed to maintain flexibility for future development options.
- 2.4 The Development Master Plan in its final form is intended to inform and provide the rationale that underpins the requirement to pursue a proposed Compulsory Purchase Order should The Highland Council, as a last resort, require to invoke its CPO powers.
- 2.5 The market interest in the Nigg site has moved on since its allocation in the development plan. The Nigg Development Master Plan recognises that there is potential now for adding further value to the site by capitalising on its unique location and physical attributes, as well as current market conditions and trends. This approach is consistent with the provisions of both the original and revised National Planning Framework (NPF2).

## 3. Approach

- 3.1 A **Baseline Appraisal** of the development context of the site confirmed that infrastructure and utilities could be provided to allow inward investment and the creation of indigenous business opportunities. Key issues from the baseline appraisal were compiled into a SWOT analysis for the site. This analysis was used to inform the 'base case' for physical development at Nigg.
- 3.2 The **Market Assessment** prepared separately by Mackay Consultants showed that the Nigg site is well placed to accommodate a number of market sectors, particularly from the oil and gas and renewable energy (wind and marine) sectors. The graving dock is recognised as the site's distinguishing feature, which should be used to competitive advantage. A number of markets were examined in the context of the Nigg site and in terms of wider market viability.

- 3.3 The Master Plan concept is based on a **Technical Assessment** in relation to the site content, cost and value engineering, project delivery and associated impacts. Paramount in this has been the need to accommodate land uses in a cost effective manner through the designation of general activity zones and individual plots. This has followed sound site planning and management principles and has been accommodated within a flexible framework that is responsive to changing sectoral trends.
- 3.5 The **Nigg Development Master Plan** outlines the future opportunities for each sector and sub-sector and provides an assessment of the key development areas, the physical site requirements for each together, based on the level and quality of information available at the time of writing. Positive and negative aspects of the Plan are presented and the indicative costings for the capital investment likely to be required to realise the Plan are also considered.
- 3.6 A redeveloped Nigg site is conservatively considered to have the potential to provide employment for an average of 750 to 800 people (FTE) over the next 15 to 20 years. Current employment is about 150 FTE. Thus the net increase is forecast to be between 600 and 650 FTE. The net increase in economic output (GVA) is forecast to be £60 to 65 million per year. In addition there would be the usual indirect and induced effects on the local economy. Applying a multiplier of 1.5 would increase the above employment and output estimates by +50%.
- 3.7 The Master Plan is a practical document designed to be market-facing and value-creating to breathe new life into the site and make a significant contribution to the economic regeneration of the inner Moray Firth and the region as a whole. It is intended that the Nigg Development Master Plan will assist in unlocking the potential development and regeneration benefits of the site for the region and sub-region.

#### **4. Masterplan Consultation Responses**

- 4.1 The second round of public consultation on the Final Draft Development Masterplan and the Strategic Environmental Assessment (SEA) concluded on the 7<sup>th</sup> of August. For this second round of public consultation some 150 copies of the Final Draft Development Masterplan were issued to a wide range of bodies, companies, agencies, groups and individuals. The document was also downloadable off the Highland Council web-site and copies were placed on deposit in Council Service Points, Libraries and in sub-post offices. All Community Council's in Wards 7, 8 and 10 received copies of the plan with a covering letter advising that officers would be pleased to attend their meetings to explain the Masterplan and SEA.
- 4.2 In total 20 representations were received - 17 for the Masterplan and 3 for the SEA. As might have been expected there were a wide and diverse range of views expressed. Copies of the responses received have been placed on deposit in the Members' lounge.

4.4 The responses can be categorised as follows -:

*Strategic Environmental Assessment (3):*

- three from Consultation Authorities for the Strategic Environmental Assessment (SNH, SEPA and Historic Scotland);

*Development Masterplan (17) :*

- five from companies or their agents interested in development at Nigg (Colliers on behalf of DSM, Jonathon Jenkins, GVA Grimley, Aquamarine Power and AWS Ocean Energy Ltd);
- SNH separately on the Development Masterplan and Appropriate Assessment
- two from other groups (RSPB, Scottish Wildlife Trust)
- five from individuals;
- Nigg & Shandwick Community Council;
- Cromarty Firth Port Authority;
- Scottish Council for Development & Industry;
- Inverness Chamber of Commerce

4.5 Generally the Masterplan was welcomed. Residents continue to be concerned about the impact on their quality of life and the environment and on what might be developed on the site. Individuals had more wide-ranging views and whilst most accepted that the site should be redeveloped most were unhappy about the impact of decommissioning and were deeply concerned about any suggestion of nuclear or toxic waste disposal and incineration.

4.6 Environmental agencies and groups were concerned about the impact on bird and marine wildlife together with the risk of oil spillage from ship to ship transfers and the cumulative effects on European Natura designated sites. SEPA were generally supportive of the proposals but still have concerns about the possibility of flood risk for a 1:200 year event. A Flood Risk Assessment was separately commissioned to establish the precise levels of the site and to consider the mitigation measures that would be needed to protect the site from this risk – these are minimal.

4.7 Appendix 1 contains summaries of the key points raised in each of the submissions together with the proposed response detailing changes and modifications to the Masterplan for Members consideration, comment and approval.

## **5. Strategic Environmental Assessment and Appropriate Assessment**

5.1 A Strategic Environmental Assessment Scoping report was submitted through the Scottish Government Gateway prior to Christmas 2008. Responses were received in late January from the Consultation Authorities – SNH, SEPA and Historic Scotland. These were used to assist in the development of the SEA Environmental Report and the Baseline Report which were issued in conjunction with the Final Draft Development Masterplan for comment.

- 5.2 SEPA were on the whole happy with the approach and assessment findings and the main focus of their comments rested on the Flood Risk issue. Historic Scotland too were happy with the approach with only a few comments relating to the socio-economic opportunities and the need to clearly link these with the environmental effects.
- 5.3 SNH raised a number of comments seeking changes and additions to the SEA Topics and objectives beyond those that had been agreed at the previous Scoping stage. Furthermore SNH did not request these changes as part of their earlier Scoping response. These included concerns over the possible impact of dredging, vessel disturbance and noise pollution (affecting European Protected species), ship to ship transfers and ballast discharge. Qualifying bird species may also be affected by noise, vibration and nutrient/organic enrichment.
- 5.4 The SEA should only focus on environmental problems within the area that the Masterplan, as a land-use planning framework, can address. However the Appropriate Assessment legislation also requires that the Highland Council satisfies itself that the proposed development will not have an impact on the integrity of the European designated sites before it can be jointly signed off with SNH, submitted to Scottish Government Ministers for approval and formally adopted as Supplementary Planning Guidance.
- 5.5 The difficulty SNH are having with this is that the environmental concerns they have raised are managed under different regulatory frameworks which fall to other agencies. This is clearly outwith the scope and remit of the local authority. It is also not clear to SNH whether these regulatory frameworks will provide sufficient in the way of controls and mitigation measures to safeguard the European interests.
- 5.6 Discussions are ongoing with SNH officers to seek a resolution to this difficulty and progress is being made. The Masterplan and accompanying Strategic Environmental Assessment Environmental Report will not be able to go to Scottish Ministers for consideration without the Appropriate Assessment approval. It is envisaged that this will be resolved within the next two-three weeks.
- 5.7 The responses from the Consultation Authorities together with the suggested Council responses are attached in Appendix 2 for Member consideration, comment and approval.

## **6. Resource implications**

- 6.1 There are no resource implications arising out of this report.

## **7. Fit with the Programme for the Highland Council**

- 7.1 The Nigg Development Masterplan is directly linked with the key aims of the Administration to create sustainable communities with more balanced growth and economic development across the Highlands and addresses action point 2.2.6.2 of the Planning and Development Service Plan.

## **8. Fit with the Single Outcome Agreement**

- 8.1 The Nigg Development Masterplan and Strategic Environmental Assessment directly assists the Council deliver local outcomes within two areas of the SOA, namely, Delivering a Competitive, Successful and Adaptable Highland Economy and safeguarding our Natural Environment.

## **9. RECOMMENDATION**

9.1 That Committee:

- a) notes the outcome of the second round of public consultation;
- b) considers and comments on the Council's responses to the representations received to the Nigg Development Masterplan and outlined in Appendix 1;
- c) considers and comments on the Council's responses to the representations received from the Consultation Authorities to the SEA and outlined in Appendix 2;
- d) agrees to incorporate the proposed modifications to the Masterplan and Strategic Environmental Assessment and formally approves these documents;
- e) notes that work on finalising the Appropriate Assessment document with SNH is ongoing;
- f) instructs officers to submit the approved Masterplan and Strategic Environmental Assessment Environmental Report to Scottish Ministers following completion and joint sign off, with SNH, of the Appropriate Assessment.

Signature:

Designation: Director of Planning & Development

Date: 15 September 2009

Author: Geoff Robson, Head of Environment & Development (Tel: 2252)

Background Papers:

Item 2 - PED Committee, 18<sup>th</sup> September 2008, Nigg Development Draft Masterplan

Item 10 - PED Committee, 18<sup>th</sup> March 2009, Nigg Development Masterplan & Accompanying Strategic Environmental Assessment

Item 14 - PED Committee, 20<sup>th</sup> May 2009, Nigg Development Masterplan and Strategic Environmental Assessment

NIGG DEVELOPMENT MASTERPLAN - REPRESENTATIONS - JUNE 2009

**GENERAL COMMENTS ON BOTH  
MASTERPLAN  
S.E.A.**

HC   LANDOWNERS AGENTS	COMMENTS	RESPONSE
<p>1 <b>Colliers CRE - DSM Demolition Group Ltd</b></p>	<p>.....DSM Demolition Group Ltd (DSM) had previously made written representations to Highland Council's consultation into the draft masterplan in December 2008. You shall also be aware, DSM has engaged with the Council, landowners, wider business interests and statutory agencies interested in Nigg for over 5 years, and it continues to do so regularly. These have included a number of meetings between December 2008 and the present date, with the Council and other parties, in an attempt to take further small but significant steps towards acquiring an interest in the lands. In parallel, during this same period, DSM has been formulating its own proposals for any future development that may come forward at the site. These have been discussed at a high level with the Council and partners. These proposals are entirely in line with the vision, objectives and action plan contained in the Final Nigg Development Masterplan.</p> <p>As such, DSM fully supports the Final Nigg Development Masterplan and commends the Council's decision to allow the document, when adopted as Supplementary Planning Guidance later this year, to remain flexible in terms of preferred future development options for the site. DSM has no further specific comment to make on the final masterplan, not already documented in its submission of December 2008. However it wishes to highlight important developments in terms of renewable energy policy and the market and its implications for the Scottish economy, which we acknowledge, Mackay Consultants have included in its update which is encapsulated in the final masterplan.</p> <p>.....In conclusion, DSM is in a position to take on responsibility for the future of Nigg, as preferred developer. It has been involved in the Masterplan process and you shall gather from the response above the firm is fully committed to delivering the Masterplan. In particular it welcomes the flexibility of the principles and development strategy and believes that in presenting the framework that offers scope to work within the terms of what would be Supplementary Planning Guidance to work alongside existing planning policy, then the company is confident that a satisfactory step can be taken closer to turning Nigg into an exciting and positive future to benefit the Highlands and wider Scottish Economy.</p>	<p>Noted. Welcome DSM's support</p> <p>Makay Consultants report provides updated information on renewables sector developments.</p> <p>Noted and welcomed</p>
<b>ORGANISATIONS</b>		
<p>8 <b>SEPA</b></p>	<p>As you are aware we previously made comments on the draft proposals by way of our letters dated 30 January and 14 April, 2009. In these we highlighted that there were a number of key issues which we considered the Supplementary Planning Guidance (SPG) should provide clear guidance on. We also made some general comments on the text, highlighting errors and possible areas for improvement. Unfortunately it would seem that very few of these comments have been taken into consideration in this version. As a result these comments still stand and we request that you reconsider them before publishing the final version of the SPG.</p>	<p>Noted. Changes will be made to the Masterplan to reflect the earlier comments made though the majority of these have been covered in the Strategic Environmental Assessment.</p>

**Appendix 1**

<p>The Strategic Environmental Assessment identifies changes to the Plan as ways to mitigate significant negative effects. Many of these address our concerns and we request that all be implemented, with the exception of those for flood risk, where we provide additional advice below.</p>	<p>Halcrow have carried out further site topographical survey work to assist in establishing the flood risk. This indicates that a modest area of the site may be susceptible to flooding which the masterplan will have to reflect. Mapped information to be provided to agree a strategy with SEPA.</p>
<p>The information provided at this stage suggests that the lowest part of the site is just above the 1 in 200 year flood event. If this is the case any new development would be in line with Scottish Planning Policy on flood risk.</p>	<p>Noted</p>
<p>However, some doubt remains in relation to site levels and as a result further analysis would be required to support any subsequent planning application for the site. If subsequent work shows that parts of the site are at risk from flooding then mitigation measures will be required to address this. Such modifications could mean that the masterplan options would have to be modified. If the recommendations of further work made by the Flood Risk Assessment (FRA) are carried out now, and the results implemented into the final version of the SPG, this could help facilitate development by saving future developers the time and money required to carry out their own FRA.</p>	<p>see above</p>
<p>We provide technical comments on the FRA in the attached appendix. If the authority does not intend to carry out any further work on flood risk we request that the SPG make it explicitly clear that all new development should be located outwith the 1 in 200 year flood plain. The SPG should also make it clear that in cases where new development is proposed on land which is below 3.62m AOD, any planning application must be supported by a site specific Flood Risk Assessment which demonstrated that development will be carried out in line with Scottish Planning policy on flood risk.</p>	<p>see above</p>
<p>As the estimated flood level and site levels are very similar we would also recommend that the SPG encourage developers to flood-proof existing and new buildings. Information on achieving this is available in PAN69 and in the publications available on our website.</p>	<p>The Masterplan will be amended to reflect this advice and guidance.</p>

**12 SEA Gateway**

<p>In accordance with Section 16 of the Environmental Assessment (Scotland) Act 2005, the Consultation Authorities have now considered the Environmental report you submitted. The individual responses from the Consultation Authorities are attached to this letter. As the Consultation Authorities have now expressed their opinions, you should refer to the Act to consider your next step, while taking into account the opinions of the Consultation Authorities.</p>	
<p><b>HISTORIC SCOTLAND</b> For the avoidance of doubt this response is set out in two parts: the first part provides our comments on the draft masterplan, and the second part provides our comments on the Environmental Report. The latter is undertaken in our capacity as a Consultation Authority under the Environmental Impact Assessment.</p>	<p>Noted</p>
<p><b>Part 1: Nigg Master Plan</b> I welcome the inclusion of section 2.6.8 which highlights that consideration should be given to cultural heritage and historic environment assets and agree that this can be achieved through Environmental Impact Assessment. In our previous comments on the draft plan we suggested that development principle 8 could include a reference for the need 'to protect the site and setting of Dunskeath Castle and other historic environment features'. While we accept that this section does highlight the need to mitigate for environmental impacts, it would be helpful if these mitigation measures were outlined specifically. This will help ensure that the measures are carried forward and provide clarity to prospective developers in preparing the project level assessments.</p>	<p>Welcome Historic Scotland's support, accept the additional wording and will make textual changes to the sections of the Masterplan Historic Scotland have highlighted.</p>
<p><b>Part 2: Environmental Report</b></p>	

The Environmental Report is clearly presented and I agree with the findings of the assessment for the historic environment. I welcome that our comments at scoping have been taken into account and am grateful for the opportunity to meet with you during the assessment to discuss the approach. I note that at various points the report has made reference to and incorporated socio-economic considerations into the assessment. Our view is that the SEA should focus on the environmental effects likely to arise from the implementation of the plan and that such considerations should only be introduced where there is a clear connection with environmental effects. I have provided some detailed comments in the attached Annex.

Noted. Comments on the SEA are addressed in Appendix 2

**SNH**

In accordance with the Environmental Assessment (Scotland) Act 2005, we have reviewed the report on behalf of Scottish Natural Heritage (SNH) in its role as a Consultation Authority. The format of the ER is clear however we do have both general and specific comments to make on the ER which we consider would improve the document. Our general comments are highlighted below and our detailed comments are provided in Annex 1.

**General Comments**

**EIA**

The ER is reliant on an EIA to address detailed environmental impacts and this assumes that any future development proposal will be the subject of EIA. However the options for future development are very variable - it could be one or a number of possible activities and locations within the whole area. It would be helpful therefore if the likely basis for requiring EIA under either Schedule 1 or Schedule 2 of the Environmental Impact Assessment (Scotland) Regulations 1999 was discussed in the SEA. It would also be helpful if as much project level mitigation as possible was set out to inform the preparation of the EIA or other supporting information in advance.

This will be addressed through the modification of text in the SEA document. See Appendix 2

**Mitigation:** The identification of more detailed mitigation measures in the ER, even at the project level, would be beneficial in order to increase the robustness of the Master Plan, adding value to the existing policies in the Ross and Cromarty East Local Plan. Much of the mitigation depends on the preparation of a Construction Environmental Management Plan (CEMP), and so it would be helpful if the Master Plan set out as far as possible the matters that should be included in the CEMP and any methodologies that should be followed for requisite studies.

The scope of the constructional and operational plans will be set out in future EIA's

**Scoring Impacts:** In several places the ER highlights impacts on population relating to jobs, investment and in-migration; these are scored as positive, and sometimes this is even 'balanced' against negative environmental impacts to conclude an overall neutral assessment. This is incorrect - any impacts on population should be environmentally related. The approach adopted in the ER would have been applicable for a sustainability appraisal, but SEA should concentrate on likely significant environmental effects.

Comments on the SEA are addressed in Appendix 2

**Landscape:** Landscape as an SEA topic has been added together with Cultural Heritage. It would be clearer if these two aspects were addressed separately. Landscape could consider landscape character, landscape designations and visual impact. We note however the Master Plan SEA Objective to minimise impacts on local landscape quality/capacity and this is to be welcomed.

Comments on the SEA are addressed in Appendix 2

**Development Objectives:** We do not consider that the existing development objectives under the relevant development principle (DP8) provide the most helpful basis for the assessment of likely significant environmental effects. It is welcomed that further development objectives have been added as a result of the SEA exercise, although these too are quite general (eg 'to provide mitigation measures'). Some additional/ alternative development objectives are suggested in the detailed comments we have provided in Annex 1.

**Assessment:** Assessment of the likely significant environmental effects of the two options could be made clearer if the key possible development activities of the options (eg new quay wall to west of dry dock, new sea access for land to east, draining of dry dock) were disaggregated and then considered for the SEA Objectives. We note that an Appropriate Assessment (AA) has been undertaken as part of this SEA and we recommend that this is clearly documented in the ER. The ER should signpost the existence of the AA and make it clear which parts of the ER are included within the AA.

Comments on the SEA are addressed in Appendix 2

Comments on the SEA are addressed in Appendix 2

14 Historic Scotland	As given for SEA Gateway	See comments in 12 above
15 SNH	<p>We have both general and specific comments to make on these documents. Our general comments are provided below and our specific comments are included as an Annex to this letter.</p> <p><b>General Comments</b></p> <p><b>Level of detail</b> - We welcome the fact that the SEA process has informed modifications of the draft development Master Plan and Appropriate Assessment screening document. In our view the "strategic level mitigation" in the SEA Environmental Report has been brought across into the Master Plan and the Appropriate Assessment screening document, however we do not consider that the "project level mitigation" has been translated across in the same way. Much of the detail regarding assessing environmental impacts or appropriate mitigation within the Master Plan is left to an Environmental Impact Assessment for a later planning application, or to Construction and Operation Environmental Management Plans that would accompany or follow any planning application.</p> <p>The Master Plan would provide a stronger framework for the integration of environmental factors if some more specific requirements could be included within it at this stage. For the Natura designations nearby, these requirements are addressed to a greater extent in the Appropriate Assessment screening document, but even then, the level of detail regarding assessment of impact or appropriate mitigation for the European interests is lacking. For example the potential mitigation in relation to dredging will be left to the production of a dredging plan. Furthermore, as far as the European interests are concerned, a range of potential effects have been screened out as mitigation will be provided, however the nature and detail of this mitigation is not given. Without such detail our advice is that these aspects cannot be screened out. Further comments on this area provided in Annex 1.</p> <p>The plans described for Options 1 and 2 both fail to show locational and any other details of a new possible sea access for the proximal land to the east. In the absence of such detail on the plans, it is not possible to see how close the proposal would be to the Rosemarkie to Shandwick SSSI.</p>	<p>Noted. Further clarification is requested on what specific requirements SNH has for the 'translation of project level mitigation measures' and would welcome guidance on how these mitigation measures could be formulated in a strategic land-use framework.</p> <p>The Masterplan, as a land-use planning framework, can highlight but cannot provide the detail or address environmental mitigation measures and regulatory controls that fall to other agencies.</p> <p>Noted. Any access that could be shown would only be indicative at this point in time.</p>

## Appendix 1

As you are aware, the Master Plan cannot be adopted until the Highland Council has satisfied itself that the proposed development will not have an adverse impact on the integrity of the European designated sites. Our advice is that it is not possible to conclude no adverse impact on site integrity based on the information provided. Furthermore we do not consider that it will be possible to reach a conclusion on this matter until a full (Stage AA2) Appropriate Assessment has been undertaken.

### Option 1 and Option 2

Based on the information provided we do not have any preference between Option 1 and Option 2 and we would be content to see both taken forward into the finalised Master Plan to allow maximum flexibility for future development, provided that necessary environmental information requirements and mitigation measures were clearly set out.

### The "greenfield" expansion area

As a Master Plan, more landscaping and design principles could be set out for the 'greenfield' expansion area to the east (see PAN 83 Master Planning) e.g. the form of any new buildings for renewable energy machinery assembly/construction, and landscaping of the area to take account of landscape character, visual impact and biodiversity.

The difficulty SNH are having with this is that the environmental concerns they have raised are managed under different regulatory frameworks which fall to other agencies. This is clearly outwith the scope and remit of the local authority. It is also not clear to SNH whether these regulatory frameworks will provide sufficient in the way of controls and mitigation measures to safeguard the European interests.

Noted and welcomed.

The greenfield expansion area is primarily required for laydown area for offshore wind turbines. Your point is noted and will be addressed through modification of the Masterplan text.

### 17 Scottish Council for Development & Industry

#### Nigg Development Master Plan: Final Report

1. In its response to the Discussion Draft of the National Planning Framework 2 SCDI said that "the Nigg Fabrication Yard, given the circumstances surrounding its potential re-development and its links to developments in Scotland's energy sector, should also be considered a nationally significant project". The Scottish Parliament has subsequently approved the Scottish Government's National Planning Framework for Scotland 2, the long-term spatial strategy for Scotland's development to 2030, which states that: "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". SCDI also highlighted that the proposal to expand the yard substantially and develop supporting transport and utilities infrastructure have substantial planning implications. The consultations by Highlands and Islands Enterprise and The Highland Council on the Nigg Development Master Plan are therefore welcome.

2. In its response to the draft Nigg Development Masterplan, published by The Highland Council for the first stage of public consultation at the end of 2008/early 2009, SCDI made a number of comments on the dramatic changes to the business and economic climate. Mackay Consultants has prepared an updated Market Assessment in the Final Report. Based on the latest information, SCDI comments further in this submission on the prospects and timescales for investment in the possible "industrial activities" at Nigg identified in the Market Review. It offers remarks on the implications for the two options which have been considered to bring the site into use. Finally, this paper provides SCDI's view of the way forward.

Noted and the support of SCDI is welcomed.

The rapidly changing economic climate is reflected in Mackay's Consultants update and review of the key sectors which informed the Final Draft of the Masterplan

## Appendix 1

<p>3. SCDI's evidence will demonstrate that while we can be sure that there will be substantial investment in all the potential industrial activities and a redeveloped Nigg would be strategically well-positioned to win work in each of them, there is significant uncertainty across the sectors about the overall level, timing and profile of the investment. In SCDI's view, the priority for the redevelopment of Nigg should be a secure future for the yard and the workforce in which activity is sustained rather than spiked. For this reason, SCDI believes that the diversification of activity is important and the options for use should therefore be kept flexible when The Highland Council adopts the Master Plan as supplementary planning guidance/supplementary planning document to this development plan.</p>	Fully accept these comments particularly in relation to the need to maintain flexibility to ensure the full potential of the Nigg site is realised and capitalised on for the benefit of the Highland Economy.
<p><b>4. Summary of Key Points and Recommendations</b></p> <ul style="list-style-type: none"><li>• Redevelopment of Nigg Fabrication Yard is a nationally significant project, with local economic and jobs benefits which may exceed the estimates.</li><li>• There are substantial and growing opportunities for Nigg in oil and gas markets including decommissioning, offshore wind and marine energy.</li><li>• There are also significant uncertainties in these markets, due to questions of investment and technology, over the scale and timing of the opportunity.</li><li>• No single market sector is likely to take up development of the entire site.</li><li>• The most secure future for Nigg, which maximises its strategic industrial importance, is diverse, flexible and multi-user, strengthening further the existing supply chain relationship in oil and gas, marine and offshore wind.</li><li>• The procurement of a fleet of new ferries for services in Scotland, Northern Ireland, and Ireland may also present an opportunity for Nigg.</li><li>• The Highland Council and Highlands and Islands Enterprise should influence the Scottish and UK Governments to ensure that Nigg is identified at an early stage as a major Renewables Infrastructure Project and attracts investment for manufacturing and infrastructure development.</li></ul>	Agreed
<ul style="list-style-type: none"><li>• Manufacturers of offshore turbines will need to test them onshore and the potential to attract test and maintenance facilities should be explored.</li></ul>	Agreed
<ul style="list-style-type: none"><li>• The costs of offsite infrastructure should be more clearly identified, particularly in relation to water, skills and transport, where there is also the opportunity for studies to support regional road and rail improvements.</li></ul>	Noted
<ul style="list-style-type: none"><li>• SCDI will continue to work with The Highland Council and Highlands and Islands Enterprise to promote this nationally significant project to the Scottish and UK Governments, investors, developers and potential users.</li></ul>	Noted
<p><b>Market Review - Oil and Gas-related markets</b></p> <p><u>Exploration and Production</u> Points 5. - 11.</p> <p><u>Supply Chain</u> Points 12. - 13.</p> <p><u>Decommissioning</u> Points 14. - 18.</p>	Noted
<p><b>Market Review - Renewable Energy Markets</b></p> <p>Points 19. - 20.</p> <p><u>Wind and Energy Markets</u> Points 21. - 27.</p>	Fully supported and recognised in the Masterplan.
<p><u>Market Review - Marine Energy Markets</u></p>	Noted
	The Council will discuss the comments made within the SCDI response with HIE & Mackay Consultants to determine if further changes are required to the Masterplan Report. SCDI's detailed response would appear to have very important market information that could make a significant impact on the report.

Points 28. - 32.  
**Market Review - Ship Repair, Dismantling and Related Markets**  
 Points 33. - 34.  
**Technical Assessment**  
Oil Related Market Needs  
 Points 35. - 37.  
Renewable Energy Market Needs  
 Points 38. - 43.  
Wind Energy  
 Points 44. - 47.  
Marine Energy  
 Points 48. - 50.  
Infrastructure Considerations and Outline Cost Menu  
Transport  
 Points 51. - 53.  
Skills  
 Point 54.  
Water Supply  
 Points 55. - 58.  
**Options**  
 59. The Master Plan consults on two proposed industrial activity scenarios:  
 1) Scenario 1 (Option 1) - multi functional uses comprising oil and gas activities and renewables;  
  
 2) Scenario 2 (Option 2) - multi functional uses focusing upon the renewables sector (manufacture components, assembly and distribution).  
 Points 60. - 65.  
**The Way Forward**  
 Points 66. - 69.

Noted

20 **Cromarty Firth Port Authority**

The Board of CFPA are in favour of the yard returning into a multi discipline and user facility both generating employment opportunities and economic benefits to the Highlands and the Cromarty Firth. We are of the view that a CPO is a last resort to breaking the lease deadlock between the Wakelyn Trust and KBR.  
 It is our view that an operator of the yard whose primary business of decommissioning large offshore modules and obsolete naval and merchant ships would not be the best use of this important site. With the growing emphasis in offshore wind, wave and tidal renewable energy demonstrated by the release of round 2 and 3 licences by the Crown Estates around UK shores. it is debatable that large scale decommissioning would be compatible with renewable energy and subsea fabrication which requires a clean and pollution free environment.

Noted and accepted.

It is considered debatable that large scale decommissioning and renewable energy/subsea fabrication would not be the best use of this important site. This will be discussed with HIE and Mackay Consultants and the Masterplan report will be amended if necessary.

**Key Points**

**1. Nigg Development Master Plan**

• CFPA as the Port Authority for the Cromarty Firth welcomes the initiative of both the Highland Council and Highlands and Islands Enterprise in commissioning this Master Plan. It is our view that the Highland Council considers adopting the final document as Supplementary Planning Guidance as soon as possible.

Noted

<ul style="list-style-type: none"> <li>It is noted that the reactivation of the Nigg Yard does not form one of the 12 key developments of National Importance within the National Planning Framework 2 recently published by the Scottish Government. The Cromarty Firth is covered under the section of Highlands and Islands as follows:</li> </ul>	<p>Representations were made by both the Highland Council and SCDI to include Nigg within NPF2</p>
<p><i>"The fabrication yard at Nigg has potential as a facility for decommissioning oil and gas installations and for the manufacture and support services required by the renewable energy industry. Its deep water is an asset of strategic importance, the Firth itself provides service base facilities and sheltered moorings for the offshore oil and gas industry and Invergordon is a regular port of call for cruise vessels".</i></p>	
<p><i>Notwithstanding this omission that natural infrastructure of Nigg is reflected in the final draft of the Master Planning Study.</i></p>	
<ul style="list-style-type: none"> <li>The activities undertaken at Nigg should complement the facilities and services already offered at the Invergordon Services Base and elsewhere in and around the Inner Moray Firth and should be new business opportunities not the displacement of work from one area of the Firth to another.</li> </ul>	<p>Agreed. It is not the intention or purpose of the Masterplan to displace activity from Invergordon but to complement the facilities and services offered at the Service Base.</p>
<ul style="list-style-type: none"> <li>CFPA wishes to see a commitment by the owner and operator of Nigg to develop the skills base, employment opportunities and the economy of Easter Ross and the wider Highlands.</li> </ul>	<p>Noted</p>
<p><b>2. Marketing Assessment:</b></p>	
<ul style="list-style-type: none"> <li>We are disappointed that in section 7.21 the report states that preference was given to decommissioning as the top ranking use for Nigg due to the DSM bid for the yard</li> </ul>	<p>This will be discussed with Mackay Consultants and the report amended if necessary</p>
<ul style="list-style-type: none"> <li>It is the view of CFPA that the yard use priority should be primarily the development and fabrication of offshore renewable energy structure.</li> </ul>	<p>Noted</p>
<ul style="list-style-type: none"> <li>Any business introduced should be complementary to the deep water quay facilities currently being successfully operated at Invergordon.</li> </ul>	<p>Agreed</p>
<ul style="list-style-type: none"> <li>There is no doubt that dry docking facilities in the Cromarty Firth will attract more IRM business especially in the jack-up rig market which currently is focused around the central North Sea and utilises the Dutch yards. However, this dock facility would also need to be supported by deep water quays which currently are not available at Nigg. Thus to gain full use of the yards docking facilities this would have to be focused around both Nigg and Invergordon.</li> </ul>	<p>Agreed</p>
<ul style="list-style-type: none"> <li>In respect of Shipbuilding this business is currently in a worldwide depression with orders being cancelled daily. This is resulting in many yards going into insolvency and extreme competition for work. It is unlikely that the Cromarty Firth would be able to compete with Polish and other European Yards for this work and heavy Government subsidies would be required. Competing with Asian yards would be impossible both on labour costs and exchange rates.</li> </ul>	<p>Noted</p>
<p><b>3. Environmental Report:</b></p>	
<ul style="list-style-type: none"> <li>We read this document with interest and note the approach of the Strategic Environmental Assessment (SEA). The complexity of the site and its previous uses make such a study difficult without considerable investigatory works which are lacking within the scope of this report.</li> </ul>	<p>Noted. The Masterplan Consultants were not permitted access to previous environmental reports prepared by consultants working on behalf of KBR</p>
<ul style="list-style-type: none"> <li>Regrettably appendices B to F were not included within the copy of the report provided.</li> </ul>	<p>Apologies. These were in the second report Baseline Report</p>
<ul style="list-style-type: none"> <li>There appears to be no indication as to the levels and extent of future investigation that would be required to meet planning regulations or reactivation of the yards.</li> </ul>	<p>These would be subject to EIA and other regulatory requirements</p>

10 R Cross - Nigg & Shandwick CC

The Nigg and Shandwick Community Council (N&SCC) has consulted with the local community, through our normal open meetings, and through two additional meetings dedicated to the consideration of the Nigg Development Master Plan.

It is generally accepted that the yard should be brought back into productive use, in the best interests of the local and wider community and economy. However, there is considerable deep concern within the community at certain aspects of the plan. We take the view that the plan has been produced as a matter of some urgency to support a possible Compulsory Purchase Order (CPO) on the yard. The plan appears to identify all the possible uses of the yard, irrespective of the desirability or appropriateness of such uses for this location, with the clear intention of justifying the CPO. Further more, we understand that the master plan is to be put to the council members to be adopted, in which case it will be used to inform and amend the local plan.

The N&SCC is deeply concerned that this process will result in the local plan appearing to condone totally inappropriate development for this environmentally sensitive area, both in land based and marine terms. It is the intention of the N&SCC to lobby our council representatives to reject the plan as it stands, and to seek amendments to it as follows.

1. There must be a clear statement that no nuclear activity will be undertaken on the site, including dismantling of nuclear structures or vessels due to the environmentally sensitive nature of the area and proximity to residential areas.
2. There must also be a clear statement that structures or vessels containing toxic materials will not be dismantled on the site for the same reason as 1. above.
3. There must be a clear statement that no form of waste incineration will be considered for the site or the Nigg area, for the same reason as 1. above.
4. The use of the site as an open air scrap yard would inevitably lead to significant dust and noise pollution, inappropriate for this location.
5. The proximal land to the east of the B9175 should not be presumed suitable for industrial development for the following reasons:
  - a. It is a green field site.
  - b. It will create an industrial sprawl for which there is no justification in this location.
  - c. There has not been any environmental assessment of the proposal.
  - d. It will create intolerable living conditions for those residents whose properties border the area, and would ignore the existing business interests of Pitcalzean House, with no recourse to compensation.
  - e. The yard has historically employed over 5,000 people, and produced major engineering structures, much of which was prefabricated in sections on the site, all within the boundaries as they stand today. We do not object to the annexing of the area between the dry dock and the B9175 including the derelict training school (brown field), to allow more effective use of the east side of the dock. Further expansion to the east is unnecessary and undesirable. With an anticipated employment potential of 1,000 some car parking space could be released for productive activities.

In general terms, the N&SCC is concerned for the environmental implications of the Master Plan if incorporated into planning policy as it stands. There is a clear danger that activities damaging to the environment and to local residents and businesses are encouraged by the plan, and we consider this to be unnecessary and unacceptable. The only feature of the yard which makes it unique is the dry dock and any activities not directly associated with the dock should be located elsewhere. The yard area around the dock has historically been more than adequate to service the activity in the dock, and we consider therefore that there is no justification to expand significantly beyond the boundaries as they stand today.

The Masterplan has been produced to provide a land-use planning framework for the Nigg site which has been largely under-utilised for the past 8 years. The existing land-use policy framework is significantly out of date. This Masterplan will, in due course, be adopted to provide Supplementary Planning Guidance that can be used as a last resort to underpin a Compulsory Purchase Order. However its primary purpose is to provide a basis and development framework against which any future planning applications can be judged.

Noted

The Highland Council is opposed to nuclear activity and will add a clear statement to the Masterplan that this will not be permitted on the Nigg site.

In a similar vein the Council would not support the dismantling of vessels containing toxic materials on the Nigg site. There are no proposals in the Masterplan to site a waste incineration plant at Nigg.

Noted

The proximal land has a safeguarding and zoning for industrial use.

Noted. However the Nigg Yard area is not sufficiently large, without the addition of the proximal land, to permit lay-down areas for the renewables sector and particularly for offshore wind turbine construction. The Masterplan seeks to ensure that there are a mix of sustainable uses developed on the site to maximise its potential

	<p>Whilst all the industries and activities envisaged within the plan may be possible, they are not necessarily desirable or appropriate for this location, and we are therefore not able to support the plan in its present form. We attach herewith a copy of the advice obtained from a qualified environmental consultant in support of some of the points made above, although it should be noted that we are not in a position to pay for such services, and it is very much based on a quick review of information available.</p>	<p>Noted.</p>
<p><b>INDIVIDUALS</b></p>		
<p>3 Rin S Shadforth</p>	<p>1. The Nigg Master Plan is undoubtedly a thorough and comprehensive document which will prove most useful for the future development of the site. Its strategic brief inevitably leaves the responsibility of further detailing to others and with this in mind I would make the following observations in relation to the thorny issue of impact on the landscape.</p>	<p>Noted</p>
	<p>2. We all know that a strategic plan seeks to set out not only the future long terms objectives of an enterprise but also the purpose for which this is being done. For what it's worth, any view is that the Master Plan succeeds in these aims. However, and just as importantly, it should also define the values and spirit within which the various stakeholders will work towards its realisation.</p>	<p>Welcome your support</p>
	<p>3. During my first reading of the Plan and the Environmental Report I was impressed with the number of references to preserving the landscape, the cultural heritage, the historic environment and in particular the unique nature of the Nigg Hills. Fine so far. Admittedly there wasn't much of a mention about seascape but that surely is encompassed by landscape. Or is it?</p>	<p>Seascape is encompassed in the 'landscape' term and the text of the masterplan will be modified to clarify this and remove any ambiguity.</p>
	<p>4. It's clear that amongst the numerous options decommissioning is one of the most viable and probable outcomes. So for the sake of argument, let's imagine the following scenario. The decline in oil production continues and the current rig requirement begins to fall commensurately. In short, many rigs will become obsolete and ready for scrapping. Some organisation or other recognises the commercial opportunity in this turn of events and applies for planning permission to start up decommissioning at the Nigg. All well and good because it's already in the plan and the plan will be used as supplementary planning guidance. No doubt there will be much more guidance to follow but all of this must be subject to the original values and spirit of the Master Plan.</p>	<p>The Masterplan highlights decommissioning as a key opportunity for Nigg though any development of the site that involves a change of use will nevertheless still have to go through the planning application process and the community will have every opportunity to make their concerns known and to have these addressed.</p>
	<p>5. At this point some individual or group of individuals raises an issue. The issue is this. They accept that scrapping the rigs (incidentally, is decommissioning different?) is part of the plan and should be given the green light. However, conscious of the blot on the landscape caused to places such as Barry Island in South Wales in the aftermath of the demise of the steam locomotive, they ask the council to make some operational conditions. They want the work done on one rig at a time and there should be no queue of rigs in the firth waiting for disassembly. Perhaps the council might be amenable to this.</p>	<p>The Council has no regulatory powers to control the rigs anchored in the Cromarty Firth - this is a matter for the Cromarty Firth Port Authority and falls under their jurisdiction.</p>
	<p>6. However, let's look at this from the point of view of the oil company. It costs money to keep a fully staffed rig in the open sea and it's far cheaper to leave it cold stacked in some welcoming haven. Eighty pounds for eight hours seems quite reasonable for mooring thirty thousand tons of steel. Quite obviously, the company will want it off the high seas.</p>	<p>See comment above</p>
	<p>7. So what about the decommissioning company? Their understandable take on this is will be that while there is the business and while there is the haven, they should be able to get on with that business. They never thought there would be a problem like this. Everyone accepted this inconvenience as an outcome of attracting the operation in the first place. Didn't they? Where in the spirit of all this was there any mention of seascape or not turning the firth into a junk yard? It's a little late in the day to start talking about this sort of thing. In any case, the Port Authority has always encouraged the parking of rigs. What's changed?</p>	<p>Noted</p>

## Appendix 1

8. So, the die is cast. Of course, there are other points of view, some more subjective than others. Some folk don't mind the rigs, others do but are willing to sacrifice this for the common wealth and some actually like them. Each to their own but inherent in this is the fundamental flaw that I have highlighted. Regardless of whether there is still to be an Environmental Impact Assessment, the damage could already have been done because the values statement is not well enough defined. In addition, statements like those in Development Principle 8, *"To communicate and to get certain nuisances accepted. This objective is too general to assess and therefore it is assumed that it will have neutral impact on the SEA objectives"*, provide little comfort.

9. Before I finish let me go full circle for one moment. The Master Plan mentions the Inner Moray Firth Ports and Sites Strategy 2050, as a steer for its rationale. This report applied to the whole Moray Firth sub-region including the Cromarty Firth. I quote, *"Location and quality of development are increasingly paramount. to be internationally competitive, the Inner Moray Firth needs to offer stimulating, attractive and distinctive places to residents and visitors alike. the exceptional scenic, natural and cultural environment here provides a strong foundation on which to build diverse confident and well-designed communities"*.

10. The spirit and values of that plan appear to be well defined and at the top of the tree is the uncompromising assertion that if you take away the exceptional nature of the neighbourhood, you take away its soul. The question is whether the Nigg Plan shares those values or does it lay itself wide open at a later date to pragmatic and disastrous compromise because the stakeholders were never sure of the true meaning of the original values statement?

An EIA will be required as a fundamental part of the planning process for the future development of the Nigg site and this will assist the planning authority in ensuring social and environmental issues and concerns are addressed and safeguarded.

These are the principles and strategic objectives that the Highland Council subscribes to. The Inner Moray Firth Ports & sites Strategy has already been adopted by the Council as Supplementary Planning Guidance.

See comments above.

### 5 Peter R Worts

After attending the special meeting of the local neighbourhood committee, I was, and am concerned over the scope of the proposed development at Nigg, all the more so since it would seem that scant or no attention has been given to the concerns of us the local residents. The meeting covered all the possible diverse activities, that may well receive approval from the planning authorities, if your office takes no note of the concerns, and objections that we have as local residents.

Whilst it has been noted that the facilities at Nigg can offer specialist provisions that would be hard to duplicate elsewhere, particularly with regard to the deep water dock, I am concerned that most of the other proposals would be totally detrimental, to not only the local residents but would impact local tourism presentations, wildlife habitat, and be far reaching to a vast area of the Cromarty firth and surrounding countryside.

In particular the provision of industrial waste disposal/incineration, would pose an immensely unacceptable effect on the locality, I am sure that this letter could object individually to a number of the other proposals, but suffice to say that I as a resident living no more than 3 miles from the proposed site, am seeking assurance from the planners that my concerns are being heard, and note being taken, that we must have a voice in these decisions, to protect not only the immediate population, but future generation to come.

The Masterplan recognises the concerns of local residents and reflects these in many sections of the report. However this has to be recognised that the Masterplan provides a strategic land-use framework for the future development of the site. The planning application process pertaining to any future development of the site will deal with the detail to ensure these concerns and issues are addressed.

The purpose of the Strategic Environmental Assessment and Appropriate Assessment documents is to recognise and to address mitigation measures or to minimise any detrimental effects from the development of the Nigg site and proximal land.

There are no proposals in the Masterplan to site a waste incineration plant at Nigg.

### 7 Gwyneth Lock

I would like to emphasise two points included in this report:-

1. Ref Proximal Land to East of B9157 (approx 234 ha)

## Appendix 1

Although designated for 'petrochemical use' in planning since the Nigg yard was first developed, this has never been taken up, and the land has remained totally undeveloped Greenfield sites ever since. When the yard was working as full capacity, it was not needed. To gift this large area for unspecific industrial use seems over-generous. the area numbered 44 (fig 3.1) will need extensive decontamination which could be paid for by the developers, and provide further acreage, should it be needed. The total site areas in the models in Scotland and Germany were considerably smaller. Please consider carefully the need to destroy this area.

### 2. Present and future protection for the land

Please ensure a reinstatement clause is included in permissions to use the whole area, so that the land and Firth are returned to the unused state should Industrial use cease in the future. This should prevent more derelict and contaminated sites blighting Easter Ross in the future.

I would further request that the local community council is kept informed at an early stage of planning, not as an afterthought. I request that this letter be given to all Councillors with the report before their discussions. Scotland is too special to be handed to developers without very careful consideration of all sides of the matter.

The proximal land has a safeguarding and zoning for industrial use and is primarily earmarked for laydown areas for the offshore wind renewables sector. The developers will be required by the regulatory authorities to be responsible for any decontamination required to bring the site back into productive use.

This issue would be considered as part of the planning application process

Under the new planning legislation the development of this site would be regarded as falling into the large development category and any prospective applicant would be required to undertake 12 weeks of pre-application consultation with the community and other stakeholders prior to submission of a planning application.

### 18 John Waring

1. Potential Nuclear Work - it is my opinion that zero tolerance on nuclear and toxic waste work should be emphatically stated in the Report.

2. Whoever purchases the Yard will incur massive costs in updating it to meet current rules and regulations. It seems only sensible that to recover these costs and to make a working profit the buyer will need to have 24/7 working. Considerable concern is the continuous noise, vibration and pollution that will result day and night, especially affecting the residents nearby - restrictions should be incorporated into the Report.

3. I am not against the re-opening of the Yard, but the Planning Department must ensure that the Nigg community, especially those living near the Yard, and the surrounding area must be fully protected from detrimental day to day and long term health and environmental issues.

4. The land to the East of the Yard is not an industrial area and should remain a green site. When the yard was up and running there were 5,000 employees and as it is envisaged that there would only be 1,000 this time the existing Yard, Oil Terminal Site and the Training School site should be adequate for the work proposed to be undertaken in Nigg. The Report stats in 2.3.1 3rd bullet point "Land to the East of the B9175" that policy considerations are set out in Section 2.8. **There is no Section 2.8 in the Report!**

The Highland Council is opposed to nuclear activity and will add a clear statement to the Masterplan that this will not be permitted on the Nigg site.

Any conditions required to ameliorate noise levels emanating from the site would be controlled through conditions imposed through the planning application process rather than the Masterplan. The Council is aware of these concerns and they are addressed in more detail in both the Strategic Environmental Assessment and the Appropriate Assessment.

Noted. The planning application process pertaining to any future development of the site will ensure these issues are addressed.

Noted. However the Nigg Yard area is not sufficiently large to permit lay-down areas for the renewables sector and particularly for offshore wind turbine construction. Note the error in Section 2.3.1 - this will be corrected in the published version of the Masterplan.

### 19 Eveline Waring

1. Nuclear and toxic waste work - this should not be allowed to take place in Nigg nor the surrounding areas and should be sited in areas away from residential areas and this should be stated in the Report.

2. The proximal land to the East of the Nigg Yard and Oil Terminal - this land is not market out as 'industrial' and as there are residential houses on this land it should not become 'industrial' because this would put these houses right in the middle of a large industrial site.

The Highland Council is opposed to nuclear activity and will add a clear statement to the Masterplan that this will not be permitted on the Nigg site.

The proximal land has a safeguarding and zoning for industrial use and is primarily earmarked for laydown areas for the offshore wind renewables sector. The developers will be required by the regulatory authorities to be

# Appendix 1

3. Noise, pollution and vibration - Page 34 3.2.5 states that 'Strategic Objectives are to make Scotland 1. wealthier and fairer. 2. Smarter. 3. Healthier. 4. Safer and Stronger. 5. Greener. I can see that the Nigg Yard side could make Scotland wealthier (although not necessary Nigg itself) but as for the fairer, smarter (whatever this means), healthier, safer and stronger, and greener that certainly will not happen. If the Yard is working 24/7 (which seems likely) and extended to the proximal land to the East then there will be a continuous detrimental health and environmental effect to not only the residents who live close by, but also to the whole of Nigg community and the surrounding area. Strict regulations should be enforced on those issues and stated in the Report.

4. The report does not mention Incinerators but does refer to waste energy - this is something Nigg and the surrounding areas do not want and again should be in areas away from residential areas and be pointed out in the Report.

The Strategic Objectives are those of the Scottish Government which the Highland Council wholly endorses and supports. Any conditions required to ameliorate noise levels emanating from the site would be controlled through conditions imposed through the planning application process rather than the Masterplan. The Council is aware of these concerns and they are addressed in more detail in both the Strategic Environmental Assessment and the Appropriate Assessment.

There are no proposals in the Masterplan to site a waste incineration plant at Nigg.

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## OTHER ORGANISATIONS

### 2 Jonathan Jenkins Associates

This letter is in response to the Halcrow report on possible development at Nigg, recently received. It is our suggestions, in summary form, for developments there. We understand that government guide lines for the format required are not yet available but that a meeting with all interested parties is planned shortly. Perhaps this will be helpful.

- Jonathan Jenkins Associates have over several years developed an integrated plan for Nigg and its surroundings.
- Each project is self sufficient but there is powerful synergy between them.
- The investment will be about BGP 7bn over 12 years.
- The main construction phase will employ about 5000 people for about 5 years. This level of work force is seen continuing indefinitely. The usual multiples indicate about 100,000 people will be involved. This takes into account the large infra structure required.
- The social and economic consequences suggest that a distributed loading from Elgin to Golspie is desirable.
- The main site would be the Dow/Cromarty Petroleum site at Nigg for process plant, together with the KBR yard for manufacturing/maintenance. Some additional land on Nigg Hill associated with Green Energy would be required. Further land behind Saltburn would be needed for services.
- The strategy is to construct green projects with very long lives - at least 30 years. Use of local resources is paramount. Secondly, needs for Scotland and the UK need to be integrated into the green ethos.
- Imports of heavy oil with methane supplies and green power to convert it into light, clean products with zero effluents could revolutionise refining technology. Twin 250,000 b/d units would ensure Scotland's energy position with substantial syn crude exports.
- Substantial marine developments in the Cromarty/Moray Firths are needed to handle 100mt/a of freight.
- A new subsea power cable is planned to take marine current power from the Pentland Firth to pumped storage at Nigg. Onshore wind power using the Dounreay to Beaully grid line would be also taken to Nigg to permit smoothing of the supply and conversion of off peak to peak power. This would also incorporate off shore wind power. Power from the Nigg site would be sent to Peterhead by subsea cable to attract power capacity there and thence to Dunbar and finally to Redcar.
- 14 smaller projects for Nigg have been identified. Ranging from Agro industries, mineral exports, waste disposal, container handling to electrolytic processes.

Note Mr Jenkins comprehensive proposals for the future development of the Nigg Yard and prximal land and look forward to further discussions when these are further developed.

- Transport improvements are planned. New accesses are required to service Nigg. A Nigg Bay Bridge, a Cromarty Tunnel and a crossing of the Moray Firth at Fort George are necessary. Road duelling and twin track rail links from Elgin to Golspie are envisaged.
  - Jonathan Jenkins Associates has assembled a powerful management team.
  - Jonathan Jenkins Associates is not beholden to any other party and has funded the research from its own resources.
  - Discussions with potential investors and operators cover all the projects and these are generally at the preliminary feasibility stage.
- An enlarged discussion document is available but a revised document with plans will not be available until August 2009.

<p><b>4 Royal Society for the Protection of Birds</b></p>	<p>.... We very much support the strategic process of reviewing the current port facilities and planning for long-term integrated sustainable development and management of the site. The draft Master Plan is wide ranging and we have only a few comments to make:</p> <p><b>Corrections</b></p> <p>1. RSPB Hides - References to the visitor facilities provided by RSPB at Nigg and Udale Bays are incomplete. A hide and car parking exist at both sites and each site attracts more than 5000 visitors per annum. These corrections should be made to SEA Baseline 2.4.3, 9.1 and the Master Plan on page 30.</p> <p>2. Evanton - SEA Baseline 2.4.4. Reference is made here to land at Evanton being reserved for oil and gas development including reclamation. Intertidal land was included in the Consultative Draft of the Ross and Cromarty East Local Plan. However, this was removed at the next stage, so does not feature in the Adopted Plan. There is no intertidal land reserved for claiming in Moray Firth.</p> <p>3. IBAs - SEA Baseline 2.8.4. IBAs are not a statutory designation. They are key bird sites identified by Birdlife International, which are often used as the basis for consideration for statutory designation. As such, they have no associated management objectives.</p> <p>4. Correction - SEA 5.1, 2nd paragraph last sentence should read 'Appendix C of SEA Baseline' not 'sections 5.5 and 5.6'. This also is the case for pave v of the non-technical summary.</p> <p><b>General Comments</b></p> <p>5. Responses to earlier consultations - Appendix 3 of the Master Plan details modifications in response to the first stage public consultation. However, only a few of the comments made by any party or organisation have been listed with no explanation as to why other comments have been discounted. This leads to frustration and inefficiency, as many respondents will be repeating the same points made before. it would have been better practice to have produced an accompanying document listing comments and whether or not they have been taken on board, with reasons.</p> <p>6. Rail Link - There is still no detail of the suggested route or cost of a rail link to the North Line included anywhere in the Plan. Given that other transport upgrades are included, it would benefit the Plan to have this option discussed further and costed, especially as any route crossing or adjacent to the SPA has potential for a significant effect.</p>	<p>The Council welcomes RSPB's support.</p> <p>The Masterplan will be amended to correct this error.</p> <p>Noted. The SEA will be amended.</p> <p>Noted. The SEA will be amended.</p> <p>Noted. The SEA will be corrected.</p> <p>This was produced as an Appendix to the report to the Planning, ebviroenmen</p> <p>The Masterplan is currently not proposing any rail link to the North Highland line though this does not preclude a study being carried out into this at a future date. It is expected that the bulk of materials coming into and leaving Nigg will be by sea.</p>
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## Appendix 1

7. Sea access - The site boundary Master Plan Fig. 2.3 includes the foreshore at Nigg Beach, whereas all other maps stop at MHWS. There is confusion throughout the documents over whether new sea access is via a new East quay or over Nigg Beach. For example, Master Plan 4.1.3 only considers the East quay, as do the Matrices of assessment. However, SEA Baseline 6.4 and 6.6 and Master Plan 5.8.2 and Table 6.4 all refer to potential access via Dow Chemical land. No maps show this potential access and no assessment is made of cost or potential impact. It needs to be clarified whether the Master Plan is considering only the new East quay. If not, then a thorough assessment needs to be carried out on any alternative.

8. Ship to Ship - Master Plan 4.2.9. Ship to ship is the only operation of which no assessment is made of the potential market. This makes it difficult to assess the potential scale of impact. Also, in SEA Table 5, Development Principle 6. The residual effect is stated as neutral, the argument being that ship to ship already occurs. Having regulations that monitor activity does not negate any increase in risk, associated with an increase in activity. We would therefore suggest that the residual effect is negative, not neutral.

### SEA Comments

9. Cumulative Impacts 4.7 - The final paragraph of this section makes the argument that the economic benefit of increased industrialisation balances the environmental risk and that the cumulative impact is therefore neutral. We feel this is an unsafe conclusion to have come to, without much more detailed information on the potential scale of both economic benefit and environmental risk. As such, we would recommend that the last two sentences, from 'The potential for contributing...to be neutral', are removed.

10. Monitoring Table 8 - We recommend that qualifying species of the designated sites and European protected species be added to the biodiversity monitoring section. We also recommend that incident monitoring is added, and linked to relevant port and shoreline Plans.

### SEA Baseline Comments

11. Appendix C - Appendix C (and also D) would greatly benefit from a numbering system. The spatial scale of biodiversity impact is sometimes just local and other times local and regional. We would suggest that local and regional would be appropriate in all cases. There is some inconsistency over the residual impact of objectives. This happens where the biodiversity impact is major negative and other SEA topics are minor negative or positive. Sometimes it is neutral and sometimes it is minor negative. We would suggest that these are all minor negative. This should also be reflected in Table 5 of the SEA.

12. Appendix D - Related to the argument in No. 9 above, the summaries for the Nigg Fabrication Yard and Green Energy Park options conclude a residual neutral impact. We would suggest that this should be minor negative, for the reasons stated above. Again, this should then be reflected in the SEA, Table 6.

### Master Plan Comments

13. Text under Table 2.1 - It is 'anticipated that new development would present similar impacts to those generated by the industrial activities which have operated... over 20 years'. The type and scale of operations being considered as part of the Master Plan are potentially very different from the historical use. For example, cutting up platforms or ship recycling present new types of risks and any increase in ship to ship increases scale of risk. We would therefore recommend that this sentence be removed, as it presents a false sense of security.

The Masterplan text will be modified to clarify the position but there is no proposal to develop a new access to the sea over the Dow Chemicals land.

The potential market for oil sales is very much dictated by world oil prices which continue to be depressed due to the recession. These in the longer term will dictate the rate at which crude oil is abstracted from the North Sea and consequently the throughput of the terminal. The Assessment Matrices will be revised to provide a more robust commentary however it is not proposed to change the scoring.

The text of the SEA will be amended to ensure environmental and economic risks are not directly compared.

These will be included in the revised SEA.

The SEA Assessment Matrices will be revised to provide a more robust commentary however it is not proposed to change the scoring.

The SEA Assessment Matrices will be revised to provide a more robust commentary however it is not proposed to change the scoring.

Noted. This concern will be put to Members to consider.

14. Development Plan 3.3 - The three generally recognised strands of sustainable development are economic, social and environmental. We recognise that the main thrust of the Strategy is on the economic potential and the social gain arising from that. However, it would benefit the Strategy to include the environment more explicitly, thereby fulfilling the Highland Council's commitment to sustainable development. We recommend that the relevant policies on the environment within the Structure Plan, G & N, are included here in 3.3.

The Masterplan text will be amended.

15. Table 3.1 - There is no reference here to the environment, apart from a rather confusing statement made under "strengths" - 'environmental capacity of the site to accommodate a range of development'. This needs reworded. We would also suggest that environmental designations are added to the list of threats.

The Masterplan text will be amended.

16. Table 3.2 - This table would be more complete if environmental characteristics were also included, such as intertidal habitats and designations.

Noted.

17. Further Studies 5.3 - It is stated that the 'first stage' of an Appropriate Assessment has been done, along with a Flood Risk Assessment, and that these 'will inform' the final version of the Master Plan. Firstly, we are not clear as to what a 'first stage' involves. Secondly, it would greatly have benefited this consultation document to have the findings of a full Appropriate Assessment included at this stage rather than after the consultation. Conclusions may be drawn from the AA that impact on the final document, which will not be available for scrutiny.

The Appropriate Assessment will follow the Masterplan. The SEA Environme

18. Options Appraisal 5.9 and Table 6.10 - The text of 5.9 has not changed since the November consultation, and reads 'the list **might** include...' and '...SWOT analysis...**will** form part of the assessment'. This section should list all the criteria that **were** included. It is not clear whether environment was an assessed criterion. It is was not, then this would be a serious omission. If it was, it would be useful to know if this was simply in terms of the ethos of Development Principle 8, 'environmental communication', or in terms of potential environmental impacts on designated sites. This lack of detail makes it difficult to comment on whether the conclusions reached about satisfying or exceeding the criteria are justified.

Textual changes will be made to the Masterplan to clarify this

19. Table 6.1 Development Principle 8 - The strategic level mitigation from the SEA recommended that this Principle be re-titled, from 'Integrating the Environment' to 'Effectively communicate on all environmental issues'. All the other Principles are related to integration not communication. We feel this rewording lessens the importance of the environment within the Master Plan and does not meet sustainable development ideals. This section should explicitly mention designations and also the potential to protect and enhance habitats, fulfilling the recommendation made in paragraph 3 of page 28.

Noted. Amendments will be made to the Masterplan to address this matter.

20. Tables 6.5 to 6.7 - What 'Environmental issues along shore to South' constitute is unclear. Perhaps it would be clearer to add the following to the residual issues section:  
a. Increased threat to sites designated for their environmental qualities and  
b. Investigate the potential for environmental restoration and enhancement.

Noted

Given the importance of the Inner Moray Firth in terms of the nature conservation and the fact that RSPB Scotland is a major landowner in the Cromarty Firth, we would very much welcome the opportunity to be involved in any future discussions on how best to take the Plan's recommendations forward.

Noted. As the futre development of Nigg would fall into the category of a 'maj

## Appendix 1

Aquamarine Power welcomes the introduction of the Nigg Development Master Plan and believes that a revitalised Nigg yard could play an important role in the development and expansion of the marine energy sector in Scotland. Aquamarine Power used facilities at Nigg in the construction of its wave energy convertor 'Oyster' which at time of writing (August 2009) is currently being installed in Orkney.

Aquamarine Power believes the Nigg yard could be developed under either Option 1 (Oil and gas and renewables), or under Option 2 ('Green energy park'). However Aquamarine Power believes that the analysis of marine energy markets in section 4.4 does not fully reflect the potential size and speed of development of the marine renewable energy sector. We believe we will see fully operational commercial wave farms being commissioned by 2014, and that the marine energy market will be worth between £2.4 and £4.8 billion by 2020. We also consider that the secure ownership and management of the Nigg yard would be an important consideration for Aquamarine Power in the future selection of Nigg as a fabrication facility for multiple Oyster devices.

### 2. Marine Energy Markets

Scotland is uniquely placed to take advantage of the emerging global market..... Aquamarine Power believes the marine energy market is potentially much larger and will develop more quickly than the draft masterplan envisages.

#### 2.1 Pace of Development

The draft masterplan states "Marine power generation technologies are in their infancy and it may take at least another five years before commercial scale devices have been technically and commercially proven". Aquamarine is currently installing a full-scale demonstrator device at the European Marine Energy Centre (EMEC) in Orkney and anticipates installing its next generation full-scale demonstrator device at sea. We believe we will see the first fully operational commercial wave farms being commissioned by 2014. In addition, the Crown Estate is currently considering bidders in its Pentland Firth round of marine energy leases. They have received a total of 42 applications from 20 bidders for wave and tidal energy leases, ranging from 10 MW demonstration sites up to the highest band of 200-300 MW commercial sites, with applicants ranging from small developers through to multi-national energy companies. It is reasonable to assume a number of these developers will intend to prove their commercial devices well in advance of the five year horizon envisaged.

#### 2.2 Value of the Sector

We also believe the value of the sector will far exceed the figure £500 million proposed in the draft masterplan. Aquamarine Power has signed an agreement with renewable energy company, Airtricity, to develop up to 1,000MW of Oyster wave farms by 2020, whilst the Forum for Renewable Energy in Scotland (FREDS) estimates that 1,300MW of marine power could be installed by 2020, creating 7,000 direct jobs. Aquamarine Power plans to have a 2,500MW Oyster wave farm site in development by 2012, with a further 7,000MW in development globally by 2020. A study of the wave resource available to Oyster suggests the technology could reach a total global installed capacity of 20GW. Based on an industry-wide scenario of 1,000MW to 2,000MW installed by 2020, and an estimated average capital cost of £3million per MW installed by 2014 (using an industry-wide capital cost value of £3.7m/MW for a typical 50MW wave or tidal farm, and adopting a cost curve learning rate of 12.5%, giving a capital cost of £3m/MW in 2014. Forthcoming research) capital expenditure would reach a cumulative total of £2.4 to £4.8 billion by 2020.

### 3. Jobs Created

Mackay Consultants sectoral analysis considers this type of development but this could be expanded upon in the published Masterplan.

Text within the Masterplan anticipates that it will be another 5 years before commercial wave farms are proven. The faster rate of development will be considered and added to the text of the Masterplan.

Noted. Mackay Consultants will be asked to reconsider their assessments.

See comment above.

This will be discussed with Mackay Consultants and the masterplan report will be modified as appropriate.

There have been a number of economic studies on renewable electricity generation in the Scottish economy, including a study by the Institute of Mechanical Engineers (Institute of Mechanical Engineers (2008). Marine Energy - more than a drop in the ocean?) and by Allan et al (Allan, G J McGregor, P G Swales, J K and Turner, K {2007}. Impact of alternative electricity generation technologies on the Scottish economy: an illustrative input-output analysis. Proceedings I. Mech. E Vol. 221 Part A: J. Power and Energy). The paper by Allan, "The impact of alternative electricity generation technologies on the Scottish economy", used historic input-output tables for the Scottish economy to provide a snapshot of the contribution of the electricity generation sectors to the Scottish economy. It found that the direct employment/output coefficient (jobs per £ million output) is high for marine energy (36.22 jobs) when compared with nuclear (2.55 jobs) and coal (1.21 jobs). This study, using the example as a hypothetical wave device, also found the average Scottish share of installation expenditure to be 68.5 per cent, with 95 per cent Scottish share in concrete structures.

**4. Advantages of Nigg and future constraints**

Aquamarine Power selected the Nigg yard for the construction of its first Oyster device on a range of factors including:

- Expertise of Isleburn fabricators
- Quayside able to accommodate heavy lift craneage
- Secure temporary storage area for components
- Fully equipped fabrication and assembly workshop
- Fully equipped grit blast and paint shop
- Good multi-axle trailer access from workshop to load out quayside
- Ready availability of multi axle trailer(s) and heavy lift craneage
- Substantial laydown area for assembling components adjacent to load out quay

Aquamarine Power has ambitious plans for the future construction of Oyster devices. Commercial wave farms will require the fabrication of hundreds of Oysters. The future security of ownership and management of the Nigg yard would be an important consideration for Aquamarine Power in the future selection of Nigg as a fabrication facility for multiple Oyster devices. In addition the current round of Crown Estate marine energy leasing is focussed on the Pentland Firth area, including Orkney, which leaves Nigg geographically well-placed to serve the current market. At this stage impossible to predict the outcome of the round 1 leasing area or the future approach of the Crown Estate (whether it be a further leasing round or case-by-case applications). However, it is likely the future focus of the marine energy industry will be on west coast locations, where wind and tide resources are strongest. In such a scenario, Nigg's east coast location could be a limiting factor for developers seeking a manufacturing base.

Noted. Mackay Consultants will be asked to reconsider their Employment and GDP assessments.

This re-inforces and supports the case that the Highland Council and HIE have been making in relation to the potential for Nigg to play a major part in the Scottish offshore renewables sector.

The Council welcomes Aquamarine Power's interest in the Nigg site and the prospect of developing their Oyster wave generator.

**9 Scottish Wildlife Trust**

Our interest lies in the potential impact of the development on the ecology of the site and the Cromarty Firth and our submission in the previous consultation stage related to this aspect. Our comments on the Final Draft Masterplan and SEA are as follows:

**• SHIP TO SHIP TRANSFERS**

We note the statement that this activity takes place within a consented framework and the Masterplan will not impact on this activity. We remain concerned regarding the pollution risks which Ship to Ship Transfers present in such an important marine environment.

**• EXISTING SOIL AND GROUNDWATER CONTAMINATION**

We support the statement that mitigation measures are required prior to development. We disagree with the assertion that these problems will not be addressed except through redevelopment. The regulatory authorities have duties to ensure that these matters are addressed regardless of redevelopment and the Local Planning Authority has a duty to ensure that relevant conditions attached to previous planning consents are enforced.

**• PROXIMAL LAND TO THE EAST**

We welcome the statement that development on the proximal land to the east of the development site should be treated with caution to avoid impacts on biodiversity. We remain concerned that the Proximal Land, consisting of a large Greenfield area, is included in the Masterplan only because of the fortuitous circumstance that it was 'safeguarded' for a quite different industrial use many years ago.

**• MITIGATION MEASURES TO PROTECT BIODIVERSITY**

We welcome the statement that the Masterplan will include measures to minimise further loss of habitat and to remediate those areas which have been damaged wherever possible.

The Scottish Wildlife Trust would like to be kept informed of the progress of the Nigg Development Masterplan and we would be grateful for the opportunity to comment in subsequent stages.

11 **GVA Grimley Ltd on behalf of un-named clients**

Our client has a potential interest in the site but at this stage, we are not in a position to reveal our clients identity. Nevertheless, we are instructed to make representations and we would welcome the opportunity to discuss this further with you.

**Purpose of Master Plan**

We understand that the purpose of the Development Master Plan is to outline a vision and feasibility options for the development of the Nigg Yard site as a multi-user industrial facility. It is further understood that the Development Master Plan is intended to inform and provide the rationale that underpins the requirement to pursue a potential Compulsory Purchase Order (CPO) procedure under consideration by the Highland Council to facilitate and enable the site to be brought back into economic use.

Our client's interests would relate to the entire Nigg Yard site and potentially peripheral land to the east. It is therefore considered necessary that the Master Plan is sufficiently flexible to allow for a single user if necessary. If a single user was identified for this site, the potential to pursue a manufacturing development on the site would be assisted by a bespoke planning permission and this might also ease the process of a direct purchase of the site, rather than a CPO route. We would therefore respectfully suggest that there should be more emphasis in the Master Plan to a potential negotiated land purchase outcome; and more detail on how a suitable planning permission for a future use could be expeditiously secured across the site. This might include more detail on exacting responses from key consultees such as natural heritage, flooding, port authority issues, transportation and any other key parties who might wish to condition their responses to a specific development proposal.

**Detailed Considerations**

The Council welcomes the interest of your client in the Nigg site and would be pleased to discuss their proposals in due course.

Noted

Noted. Add note to the Masterplan to provide sufficient flexibility to allow for a large single user development. The comments relating to a potential negotiated land purchase outcome rather than a CPO are covered in the text of the Masterplan.

## Appendix 1

We note that options 1 and 2 for the Master Plan area include additional land to the east of the main yard for renewables industries. We consider that the Master Plan should also include a mechanism that would allow for the road (B9175) to be realigned so that the adjoining areas can be incorporated into the main part of the Nigg Yard site. This would potentially enhance the ability of the site to function in a more comprehensive and cohesive manner. We note that in terms of options 1 and 2 for the concept Master Plan framework, the northern part of the site (currently occupied for oil storage uses) is shown on the Master Plan options for continued oil storage uses. It is our understanding that this portion of the site is on a lease from KBR to Talisman on a year to year basis. There is therefore an opportunity to incorporate this part of the site within the wider area. We consider that the northern portion of the site should therefore not be restricted to oil storage uses.

### Conclusions

Our role as property advisors to our client (with interests in the offshore renewables industry) has led us to the conclusion that there are very few sites within Scotland and the UK that can accommodate and facilitate the on shore manufacturing process for the offshore renewables industry. We therefore seek to promote a further option for the Nigg Yard Master Plan that would allow for a single user to accommodate the site if required.

We trust the above is helpful and would be pleased to discuss this further with you. We appreciate the guidance which Mr Robson has provided and we have explained that our interests are in relation to a comparative assessment of various sites in the UK for a large manufacturing facility. Therefore, until we have concluded the study and refined the site selection we are unlikely to be able to elucidate further on detailed site proposals etc. However, should the Nigg site remain of interest to our clients we believe that these points would assist a masterplan process, in project delivery.

Agreed. Note to be added to the Masterplan to permit this proposal to be considered. Oil storage on the northern part of the site which is linked by pipeline to the Beatrice and to other North Sea fields has extended the terminals lifespan built in the longer term redevelopment of this area and the jetty is not precluded by the Masterplan.

As previously indicated the Masterplan does not preclude a large single user development and a note will be added to the text to this effect.

The Council welcomes the opportunity to meet with any prospective developer to discuss their proposals for the site.

### 13 AWS Ocean Energy Ltd

#### Background and Credentials

AWS Ocean Energy Ltd is a Wave Energy Technology developer, based in Inverness. We designed and built the 1.2MW Archimedes Waveswing concept proof prototype, and deployed it in waters off Portugal in 2004, supplying electrical energy direct to the Portuguese grid. We continue to develop market ready commercial technology for Wave Power. As a technology company, we are focussed on solutions to make marine energy happen. We will work in partnership with manufacturers and contractors to deliver projects. .... In order to ensure that Nigg plays a substantial role in meeting these themes, AWS welcomes the planned regeneration of the Nigg Fabrication Facility to incorporate a multi-use site allowing a number of diverse users access to the unique facilities, and which is focussed on generating a green, sustainable business creating wealth for the Highlands.

#### Key points

1) Our studies show that it would be possible, by using the dry dock as presently configured, to produce around 100MW of Wave power generators per year. With tailored lean production techniques which will develop as the technology develops, and with modest further investment in the covered shop, hard standing and quayside infrastructure supporting the dock this figure is easily doubled.

2) Each MW of capacity is likely to utilise between 15 and 20 man-years of direct fabrication effort. Each five direct fabrication jobs support another technician/engineering/research/management job. Hence the likely requirements between now and 2020 are in the order of 2400-9600 direct fabrication jobs and between 2020 and 2050 18,000 - 36,000 jobs. This assumes wave energy only and excludes tidal and offshore wind. This market capacity figure is significantly higher than the 750 - 800 figure projected for Nigg in the consultation document.

The Council welcomes AWS Ocean Energy Ltd's support for the Masterplan

Noted

Noted. Mackay Consultants will be asked to reconsider their Employment projections for the site.

## Appendix 1

<p>3) Using a market price of £30 per man hour, this represents a future annual fabrication market of up to around £2.4 bn. The report's recommendations seem modest by comparison. Nigg is in a prime geographic position to access both the offshore wind and wave sectors.</p>	<p>Noted. Mackay Consultants will be asked to reconsider their GDP assessments for the site.</p>
<p>4) To have available such numbers of direct employees in 10 years' time needs the engagement of key suitably qualified and experienced people in the area now, and significant developmental support in terms of education, training and marketing pull over the period.</p>	<p>Noted - The Masterplan recognises this as a key issue with the need to involve the UHI and Engineering Industries in upskilling and developing the workforce of the future that will be needed to support the offshore</p>
<p>5) The ramp-up in these jobs and careers is inevitably gradual, with technology development, preliminary trials and pilot farms ahead of full deployment of commercial farms in 5 - 10 years' time. However this is in line with other dynamics, for example:</p>	<p>Agreed</p>
<p>a) the length of time needed to achieve compulsory purchase of the facility.</p>	<p>Noted - this is why the Council regards this as a last resort measure if the market fails to resolve the land ownership situation.</p>
<p>b) the dwell time in achieving a pull into the industry, and development and training of suitable direct craftsmen for a long term sustainable industry.</p>	<p>Noted - The Masterplan recognises this as an issue</p>
<p>c) project development timescales.</p>	<p>Noted - The pace of development in the offshore renewables sector is quickening hence the need to bring the Nigg Yard back into productive use to capitalise on this opportunity is fundamental. The Masterplan recognises that timing is an issue</p>
<p>d) other infrastructure development issues, such as ports, harbours and grid.</p>	<p>Noted- This is outwith the scope of the Masterplan but is an issue that the Council recognises and is lobbying for.</p>
<p>e) the length of time required to create a reliable supply chain.</p>	<p>Noted - this is being addressed through other plans and initiatives</p>
<p>6) The types of direct jobs created in the renewables industry are linked to a pyramid of further sustainable high quality jobs, whereas some of the other opportunities suggested for the facility such as shipbreaking tend to result in lower skilled jobs without the quality of support needed in the technology related design and build sector.</p>	<p>Noted. Mackay Consultants will be asked to reconsider their Employment projections for the site and the multiplier effect for additional jobs created in support of the Nigg workforce.</p>
<p>7) Opening up of the use of the Nigg yard would provide work opportunities for skilled people who have in the past lived and worked locally but currently have to work overseas. These people, both engineers and tradesmen, are declining in numbers as they progressively retire and these skills will soon be lost permanently to the area, but would be essential to any successful start-up to get production up and running while new apprentices are trained up.</p>	<p>Noted- The Council, HIE and the engineering industries recognise that training needs and the continued upskilling of the workforce is a key requirement. The Masterplan reflects this and there is clearly a role for the UHI and FE establishments to play a major role in this.</p>
<p>8) The report comments that wind turbine tower fabrication is "highly profitable" but most towers are presently imported. The Arnish and Campbeltown yards have both had a chequered history of tower manufacture. Neither presently manufacture towers, which are seen as the low cost commodities of wind turbine manufacture. Perhaps the reference should be to the jacket structures required for deep water offshore turbines, where a nascent market is emerging and where a company on the Forth is proving competitive.</p>	<p>Noted. Mackay Consultants will be asked to reconsider their sectoral assessment for the site.</p>
<p>9) The report highlights the planned "multi-use" aspect of the yard. Some consideration of the mechanisms for management of this, particularly how the key facilities such as the dry dock would be managed, would in our opinion be essential to aid planning for a sustainable industry. Security of facility availability would be essential to business planning, even if that requires commitment fees for use of facility. There are other multi-use sites such as the energy park in Methil, Fife but we are not aware of a multi-use dry dock model. These other sites engage a lead operator.</p>	<p>Option two in the Masterplan addresses exactly this issue.</p>

## Appendix 1

10) Flexibility in the use of such a dry dock, the key asset at the site, is vital to optimise use, and for a combination of multiple unit fabrication, shipbreaking and shiprepair, maximum flexibility would be required. This issue should not be under estimated, as a fully open multi-use may make the core purpose less attractive with reduced flexibility.

### Summary

There is a substantial future demand for high quality Design & Build projects in the marine energy sector. A large part of this will be from indigenous wave energy generation technologies. These need fabrication facilities close to market, on the scale that Nigg uniquely presents. The necessary emerging technology exists within the Highlands. The rewards for the Highland economy could be more significant in terms of employment, wealth creation and knowledge growth, than your plan suggests. The outcomes deliver directly on the Scottish Government priorities and will contribute towards a wealthier wiser and greener Highland economy over the longer term. The future use of Nigg should take this opportunity into consideration.

Noted. Mackay Consultants will be asked to reconsider their assessment of the use of the graving dock.

The Highland Council welcomes this detailed contribution and the support for the redevelopment of Nigg.

### 16 Inverness Chamber of Commerce

Firstly we recognise the huge importance and potential of this development for the economy of the Highlands both now and for decades to come. Inverness Chamber is very appreciative of the immense effort the Highland Council has expended in moving this project forward. We would urge you to continue in these efforts, working with all parties, to ensure a satisfactory resolution of the current situation in as short a timescale as possible. We support the Highland Council's current view that both Options should continue to be developed at the current time. However, while not against Option 1, we feel more opportunity will be offered to Highland businesses by developing the Nigg Yard along the vision set out as Option 2. This second option also offers the significant opportunity for the Highlands to truly become world leaders in areas of technology, and in sectors, which will be in the ascendancy for future generations.

Further, we consider that the redevelopment of the Nigg Yard is crucial for the whole of Scotland's economy. As such, we would encourage the Highland Council to continue to strongly lobby at a Scottish and UK level for appropriate funding to support the development of this significant asset. As always, Inverness Chamber will provide whatever support we can to the Highland Council to ensure that the whole region benefits from the potential offered by the redevelopment of Nigg Yard.

Noted. The Council agreed to continue with the development of both options to allow for greater flexibility in developing and maximising the potential of the Nigg Yard.

Noted. The Council agreed to continue with the development of both options

Name and Address of Respondent	Issue Raised	Response
<b>ENVIRONMENTAL REPORT</b>		
Susan Haslam, Senior Planner, SEPA Dingwall Office, Fodderty Business Park , Dingwall IV15 9XB	The Strategic Environmental Assessment identifies changes to the Plan as ways to mitigate significant negative effects. Many of these address our concerns and we request that all are implemented , with the exception of those for flood risk, where we provide additional advice below	Noted Specific comments on Flood risk are addressed below with regards to the FRA
Alasdair McKenzie, Strategic Environmental Assessment Team Leader, Historic Scotland, Longmore House, Salisbury Place, Edinburgh EH9 1SH	The Environmental Report is clearly presented and I agree with the finds of the assessment for the historic environment. I welcome that our comments at scoping have been taken into account and am grateful for the opportunity to meet with you during the assessment to discuss the approach	Noted
	I note that at various points the report made reference to and incorporated socio-economic considerations into the assessment. Our view is that SEA should focus on the environmental effects likely to arise from the implementation of the plan and that such considerations should only be introduced where there is a clear connection with environmental effects	Changes will be made to text to ensure that any socio-economic considerations are clearly linked to environmental effects
	I found the non technical summary to be clear and helpful, concisely summarising the SEA process and the findings of the assessment	Noted
	I note that the limited socio-economic opportunities present in the sub-region has been included in the table of environmental problems (table 2), It is unclear why this is considered to be an environmental for the Nigg site. The SEA should focus on the Environmental problems within the area that the plan can address. Likewise, the future of the environment in the absence of the plan should highlight the likely evolution of the environment without implementation of the plan as opposed to the socio-economic implications/opportunities of implementing the plan	Reference to social-economic implications will be removed from the evolution of the environment section
	I agree with the majority of the assessment findings for the historic environment, however, the matrix tables would benefit form further narrative on the reasoning behind the conclusions reached. We have suggested Development principle 8 is revised to provide greater certainty on what mitigation measures are necessary	The Assessment Matrices will be revised to provide a more robust commentary To be addressed in the Masterplan
	The consideration of socio-economic issues appears to have been incorporated into the assessment which can potentially alter the findings reached (through balancing out potentially negative effects on the environment). While we accept that a key aspect of the plan is to consider economically and socially viable uses for the Nigg site, the purpose of the SEA is to focus on the environmental implications o achieving this. Where socio-economic considerations are included are included there should be a clear link with environmental effects	Changes will be made to text to ensure that any socio-economic considerations are clearly linked to environmental effects
	It would be useful if the mitigation measures noted in the assessment tables for the historic environment were flagged in section 5.2 along with the recommended modifications to the plan. For example the need to protect the designated ancient woodland is noted, where as the need to protect the historic environment, including	The key mitigation measures will be highlighted in the assessment tables together with the recommended

	the scheduled monuments where the site boundary is not	modifications to the plan
	I welcome the mitigation identified in table 7 for the historic environment. As noted above, I agree that Environmental Impact Assessment will be the key tool for mitigating significant and would suggest that this table provides some further information on the expected scope of the project level assessments. This will ensure that the effects identified in the SEA are carried forward and that subsequent EIA(s) focus on the matters of greatest significance	To be included
	I welcome the clear framework for monitoring the effects of the plan on the historic environment and that the bodies responsible for this have been identified. While Historic Scotland holds information of scheduled monuments and listed buildings, information on unscheduled archaeology and other heritage sites in the area will be held within your Council's Historic Environment record	Noted
	Simple for information the Scottish historic Environment Policy (SHEP) was recently updated to include a new policy on battlefields. Annex 9 of SHEP sets out the documents that it supersedes, one of which is Passes to the Future. As such you may wish to remove Passed form the Future form the list of key PPS	Noted
	As a minor point, Table 20 in the Baseline should note that the scheduled monument of Dunskeath Caste is within the Development Area Boundary	To be amended
George Hogg, Area Manager, Scottish Natural Heritage, Dingwall Office, Fodderty Business Park , Dingwall IV15 9XB	Para 2.4 Supporting Assessment – Appropriate Assessment – the wording here should be amended to- An Appropriate Assessment is required where any plan is likely to have a significant effect on a Natura site and is considered under the Conservation (Natural Habitats &c) Regulations 1994 as amended". The Masterplan should not be adopted until this exercise has been completed	To be amended
	Page 12 It is wrong to describe National Nature reserves as a non-statutory designation – the relevant legislation is the National Parks and Access to the Countryside Act 1949. The possible presence of European Protected Species (otter, bat) should be added under this summary of key issues	To be amended
	Table 3 We note that on the SEA objectives is minimising impacts on water quality but the link between water quality and the European sites is not fully recognised. Both bottlenose dolphins (SAC feature) and the wintering bird population (SPA) can be affected by changes in water quality and this should be recognised more clearly	The link in the assessment matrices will be clarified
	Table 4 It is suggested the first Master Plan SEA Objective should read – “protect and enhance designated sites and protected species”	The objective will be amended it is not felt that it will have a material impact upon the assessment results
	Table 5 Development Principle 8 <ul style="list-style-type: none"> <li>To engage in a pro-active environmental approach – the preparation of an SEA itself won't have positive environmental effects – it depends on the content of the SEA and the effectiveness of avoidance or mitigation measures proposed – e.g. an SEA might identify significant residual negative</li> </ul>	At this stage in the SEA process the assessments have been carried out on the preliminary objectives. At the recommendation of the Environmental Assessment

	<p>environmental effects but propose no remedial steps. This would not appear to be a useful development objective for ensuring positive measures on the ground</p> <ul style="list-style-type: none"> <li>• “to work on the buffer and transitional zones...” it is unclear where on the Master Plans for the 2 options are green buffer and transitional zones or creation of green spaces? The concept seem reasonable but there is no evidence at this stage that this has been built into the Master Plan options, so it is difficult to see how this can be scored as positive</li> <li>• “To communicate and get certain nuisances (or uses) accepted” the inference here is that nuisances would not be mitigated but will be argued as being outweighed by economic benefits. This is not the role of SEA which should focus on environmental issues – combining environmental with socio-economic issue is the task of a sustainability appraisal which is a completely different type of assessment. The challenge here should be to identify potential nuisances (or uses), the likely significance of the environmental effects, and any mitigation possible to offset or reduce these effects. Once again this would not appear a useful development objective for ensuring positive measures on the ground</li> </ul> <p>“To make all the concerned parties...” the location of the ‘environmental strategy’ referred to here is unclear. Is this document still to be produced? Once again comparing this with economic growth and quality of life is more appropriate for a sustainability appraisal than a SEA. Positive effects on population e.g. jobs, in migration is not relevant to SEA. In itself this measure will not help achieve environmental integration – that depends on the environmental strategy but the details of this are unclear at present. Once again this would not appear to be a useful development objective for ensuring positive measures on the ground</p>	<p>these objectives were amended to result in a more positive environmental outcome. This is detailed in the Strategic Mitigation section of the Report. The Assessment matrices will be updated to provide a more robust commentary and to clearly identify strategic mitigation measures in the matrices</p> <p>Changes will be made to text to ensure that any socio-economic considerations are clearly linked to environmental effects</p> <p>The objectives relating to population and in migration were agreed at the Scoping Workshop and through the formal Scoping consultation period. We do not feel it would be appropriate to change them at this stage in the SEA process</p>
	<p>The other development objectives under this development principle in the Master Plan are not in the ER, and perhaps have been added as a result. They will have to be assessed for SEA purposes in the revised later SEA.</p>	<p>These objectives have been developed in response to recommendations from the Environmental report and will be included within the strategic mitigation section</p>
	<ul style="list-style-type: none"> <li>• “ To provide environmental management plans (construction and operational) – this is welcome, but it would be useful to set out in broad terms what these should cover</li> </ul>	<p>This is not the purpose of the SEA. The scope of the constructional and operational plans will be set out in future EIA’s. This point will be clarified in the text.</p>
	<ul style="list-style-type: none"> <li>• “To provide mitigation measures” – it is welcome that the Master Plan will adopt mitigation measures (which indeed is one of the functions of the SEA in the first place [Schedule 3, Part7] but these measures need to be set out where there is likely significant environmental effects have been identified – otherwise where will mitigation measures come from to inform the Master</li> </ul>	<p>The key mitigation measures highlighted in the assessment matrices will be included within this section</p>

	<p>Plan</p> <ul style="list-style-type: none"> <li>To reflect policy guidance – it is welcome that the Masterplan should reflect THC’s DPPG on designing for sustainability – once again the key principles in this DPPG relevant to Nigg should be preferably noted in the Master Plan itself</li> <li>To protect ancient woodland – this is welcomed, especially as its is site specific to this case and it is noted that areas identified under Options 11 and 2 for the development of proximal land to the east avoid the ancient/semi-natural woodland near Pitcalzean House</li> </ul> <p>As noted above this last-named more specific type of development objective could be extended to protect areas and species, other important habitat areas, Article 10 features and rights of way/core paths by inserting/substituting the following under a development principle of protecting and enhancing the environment –</p> <ul style="list-style-type: none"> <li>To protect designated areas</li> <li>To avoid adverse effects on protected species</li> <li>To avoid loss of important habitats for biodiversity, including ancient and semi natural woodland</li> <li>To maintain and enhance functionality of article 10 features</li> <li>To maintain and enhance landscape character</li> <li>To minimise visual impact</li> <li>To uphold rights of way, other core paths and general access rights</li> </ul> <p>Table 6 In terms of impacts on designated sites there is an important difference between exiting built development (Nigg Fabrication yard and Nigg oil terminal) and the proximal land to the East. It is possible that the study area (especially the proximal land to the east) could support habitats listed under Annex 1 of the Habitats Directive (92/43/EEC) and bird species listed on Annex 1 of the Birds Directive (79/409/EEC) Impacts on such species need to be fully considered as part of any Environmental Impact Assessment</p> <p>DP5 – addition of “Recognise potential environmental impacts of the use of surrounding Greenfield land – this is welcome, but is not sufficient in itself to ensure any necessary mitigation for impacts of development of the proximal land to the east. An alternative development objective might be, given this is under the heading of “Integrating the spaces”, something like “any development eastwards to concentrate on land that has the least environmental impact e.g. in terms of landscape, visual, habitats and species access</p> <p>DP6 - substitution of activity for nuisance noted</p> <p>DP8 – the previous heading here of “Integrating the environment” does actually seem better than the revised version (Effectively communicate on all environmental issues – this latter in itself offers no mitigation. An alternative suggestion is to amend to “Protecting and enhancing the environment”</p> <p>The addition of the need for Construction and Operation Environmental Management Plans is welcomed, although this would be stronger if outline details of what should</p>	<p>To be addressed in the Masterplan policy review</p> <p>Noted</p> <p>Accepted</p> <p>Noted</p> <p>Noted. It is proposed to reword the objective “Any development eastwards should seek to minimise potential environmental impact in terms of landscape, visual, habitats and species access</p> <p>Noted</p> <p>Propose to change heading to “Protecting and enhancing the environment where appropriate”</p> <p>This is not the purpose of the SEA. The scope of the</p>
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	be covered in these CEMPs and OEMP's was set out in the Master Plan itself	constructional and operational plans will be set out in future EIA's. We will clarify this point in the text.
	That the Masterplan should adopt mitigation measures is welcome but should go without saying. What would be more useful would be any details of mitigation or the broad environmental topic for which mitigation would be necessary	The key mitigation measures highlighted in the assessment matrices will included within this section
	The reflection of policy guidance is welcome, although if any particular aspects of the DPPG for Designing for Sustainability are especially relevant to such developments at Nigg, it would be helpful if these could be listed	To be addressed in the Masterplan policy review
	The protection of ancient woodland is welcome and if there are any other specific features that could be protected or enhance, these should be set out here	Noted
	<p>Table 7 – Biodiversity, Flora and Fauna It should be noted that the Masterplan should not be adopted until the Appropriate Assessment has been completed. Ideally it should conclude no adverse effect on site integrity of the SAC and SPA, with mitigation if necessary. Mitigation should be built into the finalised Masterplan.</p> <p>The proposed mitigation for protected species (detailed site level survey) is welcome but should be carried out prior to any application not prior to work LBAP habitats and biodiversity interests would benefit from being in a separate line as separate SEA issue – reference can be made under here to avoiding habitat fragmentation and enhancing connectivity for species movement.</p>	Halcrow's will write to SNH setting out the proposed approach to the AA. To avoid delaying the adoption of the Master Plan it is proposed to carry out the AA independent of the SEA process in line with the separate legislative processes.
	It is not appropriate to put "environmental impact of developing land to the east" under this SEA topic heading. This should be specified elsewhere under the relevant topics, e.g. biodiversity, landscape. Material assets might instead cover waste and energy management issues	To be amended
	Population; Human health – As well as noise, this SEA issue could included light pollution a nod traffic disturbance and access rights	To be amended
	Landscape and Cultural heritage – This does not consider any landscape or visual issues – it is restricted to matters of the historic environment. Landscape should be separated from cultural heritage as an SEA Topic. Then other SEA issues to consider here should be impact on landscape character, safeguarding of the adjacent Area of Great Landscape Value, minimisation of any visual impact	It was agreed at the Scoping workshop and through the formal consultation process that landscape and cultural heritage would be combined and would be considered as part of the SEA but not as key topic
	Monitoring – For the designated areas – SAC, SPA, Ramsar, SSSI – reference could be made here to site condition monitoring reports and the conservation status of qualifying features remaining favourable	To be included
	Next Steps – allowance should be made here for the Appropriate Assessment stage. The Master Plan should not adopted until the appropriate assessment has been completed and the relevant terms of the Habitat regulations complied with	To be amended. Halcrow's to advise of stages.

	Relevant key PPS – A list of nine further PPS to be added	Following a brief headline review of the policies it is not felt that they would contribute any further environmental objectives to the ones already highlighted in the Environmental Report Therefore it is not proposed to add to the PPS review
	Environmental Baseline – Useful coverage of designated areas. Can important species on the site be identified from National Biodiversity network or from Scotland Natures (SNH website)	Halcrow's to confirm – They were unable to include this information without access to the site and site survey which was not granted by the current owners.
	Landscape – A map to show AGLV area in relation to the study area would be helpful	To be included
	Appraisal Tables - Biodiversity, flora and fauna objectives – slightly more pertinent SEA Objectives for these might be – Protect designated sites, avoid harm to protected species, maintain and enhance biodiversity value.	The objectives were agreed at the Scoping Workshop and through the formal Scoping consultation period. It is not felt that it would be appropriate to change them at this stage in the SEA process
	Population – Avoid SEA Objectives here that are socio-economic e.g. employment, training, in-migration these should not be scored as positive for SEA purposes. This should consider issues instead here such as – Health Noise Dust Vibration Lighting Recreation and access	The objectives were agreed at the Scoping Workshop and through the formal Scoping consultation period. It is not felt that it would be appropriate to change them at this stage in the SEA process
	It would be helpful if the Development Principles and Objectives are given unique numbers, so that references to them can be made more easily	To be amended
Dr Maggie Keegan, Conservation Officer, Scottish Wildlife Trust, Crammond House, 3 Kirk Crammond, Edinburgh, EH4 6HZ	Ship to Ship Transfers – We note the statement that this activity takes place within a consented framework and the Masterplan will not impact on this activity. We remain concerned regarding the pollution risks which Ship to Ship Transfers present in such an important marine environment.	Noted. This is regulated by the Cromarty Firth Port Authority and falls outwith the scope of the Masterplan
	We support the statement that mitigation measures are required prior to development. We disagree with the assertion that these problems will not be addressed except through redevelopment. The regulatory authorities have duties to ensure that these matters are addressed regardless of the redevelopment and the	The Regulatory Authorities have a duty to ensure these matters are addressed at a basic level. The development

## Appendix 2

	<p>Local Planning Authority has a duty to ensure that relevant conditions attached to previous planning consents are enforced</p>	<p>Masterplan proposes options where the environment will not only be protected but where appropriate enhanced.</p>
	<p>We welcome the statement that development on the proximal land to the east of the development site should be treated with caution to avoid impacts on biodiversity. We remain concerned that the Proximal Land, consisting of a large Greenfield area, is included in the Masterplan only because of the fortuitous circumstance that it was 'safeguarded' for a quite different industrial use many years ago.</p>	<p>Noted</p>
	<p>We welcome the statement that the Masterplan will be included measures to minimise further loss of habitat to remediate those areas which have been damaged wherever possible</p>	<p>Noted</p>
<p>Nigg and Shandwick Community Council c/o Richard Cross, Lower Pitcalnie, Nigg, Tain, Ross-shire, IV19 1OX</p>	<p>SEA is a very fluffy process as can be seen(it assesses the potential environmental impacts of the Master Plan, using very general criteria based on national and more local objectives. Cannot get much vaguer than that – and difficult reading</p>	<p>Noted</p>
	<p>Further environmental assessment is recommended "at detailed design" e.g. see para. 4.2 and others (presumably for each potential user as well...) That wording "at detailed design" is far too vague for use and could be TOO LATE to allow for environmental issues to be properly accounted for in site design such as site processed and emissions and basic things such as site layout. In other words for what the design engineers need to account for environmental protection measures to be put in place. As there may still be companies out there who do not have environmental specialists integrated with their engineering teams and whose job it is to make sure designs take environmental issues adequately into account. I strongly suggest that a better form of words for 4.2, and on page iv of the non tech summary would be: <i>"Further environmental risk assessment must be carried out within the project during concept studies and during detailed design in order to avoid, reduce, and then mitigate (in that order) potential environmental impacts. A formal EIA will then be carried out on the preferred design and will accompany the Planning Application."</i></p>	<p>The purpose of the SEA is to assess the Masterplan at a strategic level and provide a framework for further detailed assessments when more detailed information/design is available.</p>
	<p>Was there any analysis of current unemployment rates and the current workforce in our locality and what type of labour could be provided (skilled or unskilled, ages)? What are these, and how far afield</p>	<p>This was considered as part of the Market Appraisal in the Masterplan document</p>
	<p>If the proximal land is removed from the Masterplan – the SEA straight away is improved in terms of negative environmental impacts</p>	<p>Noted</p>
	<p>Does the CPO affect the proximal land</p>	<p>The CPO procedure does not affect the proximal land to the east.</p>
	<p>I am puzzled in the SEA that soil and air pollution were "scoped out" of the assessment. Soil especially. The explanation is in Table 2p 18 and does not make sense:</p> <ol style="list-style-type: none"> <li>1. Existing contamination cannot possible be the reason to not consider the possibility that other industrial activities will pollute</li> </ol>	<p>Soil and Air pollution were scoped out following discussion with the Consultation Authorities and through the formal scoping consultation</p>

	<p>2. There are several statements that suggest the existing ground contamination is STILL there from previous oil and gas related work ( I had heard that it had been decontaminated... has it or has it not? And</p> <p>3. The proximal land is essentially Greenfield (presumably this has been checked), so ANY additional activities on it will be potentially polluting to land, water etc</p>	<p>process.</p>
<p>Capt Ken Gray, port Manger/Harbour Master, Cromarty Firth Port Authority, Port Office, Shore road, Invergordon, Ross-shire</p>	<p>We read this document with interest and note the approach of the Strategic Environmental Assessment (SEA). The complexity of the site and its previous uses make such a study difficult without considerable investigatory works which are lacking within the scope of this report</p>	<p>This is not the purpose of the SEA</p>
	<p>Regrettably appendices B to F were not included within the copy of the report provided</p>	<p>Noted</p>
	<p>There appears to be no indication to the levels and extent of future investigation that would be required to planning regulations or reactivation of the yards</p>	<p>Noted</p>
<p>Kenna Chisholm, Conservation Manager, RSPB Scotland, North regional office, Etvie House, Beechwood Park, Inverness</p>	<p>Corrections</p> <p>1. RSPB Hides References to the visitor facilities provided by RSPB at Nigg and Udale Bays are incomplete. A hide and car parking exist at both sites and each site attracts more than 5000 visitors per annum. These corrections should be made baseline 2.4.3, 9.1 and Masterplan on page 30</p> <p>2. Evanton SEA Baseline 2.44. Reference is made here to land at Evanton being reserved for and gas development including reclamation. Intertidal land was included in the Consultative Draft of the Ross and Cromarty East Local Plan. However, this was removed at the next stage, so does not feature in the Adopted Plan. There is no intertidal land reserved for claiming in the Moray firth</p> <p>3. IBA's SEA Baseline 2.8.4 IBA's are not a statutory designation. They are key bird sites identified by Birdlife International, which are often used as the basis for consideration for statutory designation. As such they have no associated management objectives</p> <p>4. SEA 5.1, 2<sup>nd</sup> paragraph last sentence... should read 'Appendix C of SEA Baseline' no 'sections 5.5 and 5.6'. This is the case for page v of the non technical summary</p>	<p>To be amended</p>
	<p>Rail Link – There is no detail of suggested route or cost of a rail link to the North Line included anywhere in the Plan. Given that other transport upgrades are included, it would benefit the plan to have this option discussed further and costed, especially as any route crossing or adjacent to the SPA has potential for a significant effect</p>	<p>The Masterplan is currently not proposing a rail link at this stage. A separate study may be carried out in the future.</p>

	<p>The site boundary Masterplan Fig 2 includes the foreshore at Nigg Beach, whereas all the other maps stop at MHWS. There is confusion throughout the documents over whether new sea access is via a new East quay or over Nigg Beach. For example, Masterplan 4.1.3 only considers the East quay as do the Matrices of assessment. However, SEA Baseline 6.4 &amp;6.6 and Masterplan 5.8.2 and Table 6.4 all refer all refer to potential access via Dow Chemical land. No maps show this potential access and no assessment is made of cost or potential impact. It needs to be clarified whether the Masterplan is considering only the new East quay. If not, then a thorough assessment need to be carried out on any alternative</p>	<p>Amend text to clarify position</p>
	<p>In SEA Table 5, Development Principle 6. The residual effect is stated as neutral, the argument being that ship to ship already occurs. Having regulations that monitor activity does not negate any increase in risk, associated with an increase in activity. We would therefore suggest that the residual effect is negative, not neutral.</p>	<p>The Assessment Matrices will be revised to provide a more robust commentary. However it is not proposed to change the score</p>
	<p>Cumulative Impacts – The final paragraph of this section makes the argument that the economic benefit of increased industrialisation balance the environmental risk and that the cumulative impact is neutral. We feel this is an unsafe conclusion to have come to without more detailed information on the potential scale if both economic benefit and environmental risk. As such, we would recommend that the last two sentences, from ‘The potential for contributing...to be neutral’ are removed.</p>	<p>Amend text to ensure environmental and economic risks are not directly compared.</p>
	<p>We recommend that qualifying species of the designated sites and European protected species be added to the biodiversity monitoring section. We also recommend that incident monitoring is added, and linked to relevant port and shoreline Plans.</p>	<p>To be included</p>
	<p>Appendix C (and also D) would greatly benefit from a numbering system. The spatial scale of biodiversity impact is sometimes just local and other time local and regional. We would suggest that the local and regional would be appropriate in all cases. There is some inconsistency over the residual impact of objectives. This happens where the biodiversity impact is major negative and other SEA topics are minor negative or positive. Sometimes its neutral and sometimes it is minor negative. We would suggest that these are all minor negative. This should also be reflected in Table 5 of the SEA</p>	<p>The Assessment Matrices will be revised to provide a more robust commentary. However it is not proposed to change the score</p>
	<p>Appendix D - The summaries for the Nigg Fabrication Yard and Green Energy Park options conclude a residual neutral impact. We would suggest that this should be minor negative, f the reasons stated above. Again this should be reflected in the SEA.</p>	<p>The Assessment Matrices will be revised to provide a more robust commentary. However it is not proposed to change the score</p>
<p><b>FLOOD RISK ASSESSMENT</b> Susan Haslam, Senior Planner, SEPA, Dingwall Office, Fodderty Business Park , Dingwall IV15 9XB</p>	<p>We note the main update to the previous version of the Flood Risk Assessment (FRA) is the inclusion of an indication of the levels on the site, which is stated to be at a minimum elevation of 3.68 m AOD but generally at 3.75 to 4m AOD. The validity of this information is, however, cast into doubt by section 5.3 of the masterplan which states that “this is dependant of the OD level of the site being+3.73m. Should further investigation show the site to be lower, particularly if lower than the minimum formation level of +3.58 OD level then some limited mitigation measure may be necessary to protect key areas. The NextMap DTM</p>	<p>Halcrows data on which the Flood Risk Assessment was prepared does not agree with SEPA’s topographical/level information (see survey data of site perimeter), but if necessary a full site topographic survey will be commissioned.</p>

	<p>information we hold indicates that much of the Fabrication Yard area of the site is below 3m above Ordnance Datum, and some is in fact below 2m. This data set has a known error of +/- 0.7m, but even considering this it seems possible that some of the site may be considerably lower than is asserted in the FRA. As the FRA estimates the 1 in 200 year coastal flood level for the site as 3.62m AOD site levels are very important and should be clarified.</p>	
	<p>The other major update in the FRA is the use of a 1 in 50 year flood level for which the lifespan of the site is given as justification. To comply with planning policy the 1 in 200 year flood level needs to be considered. Any assessment of flood risk on the site must consider the 1 in 200 year flood level.</p>	<p>SEPA are insisting on a very literal meaning of SPP7 – the 1:200-yr event must be the design standard. This lacks common sense (equating the development to a new housing estate or school) and does not account for some of the descriptive text in SPP7 (see below, first sentence concerning ‘expected life’), but we can concur if no sea level rise is included (see comment 3). Gives design level of 3.62mOD, against 3.58mOD recommended in FRA.</p>
	<p>We do however; agree that the allowance for climate change may be adjusted to reflect the lifespan of the development. Scottish Planning Policy states that it is not national policy to add an additional allowance for climate change. We would always recommend climate change be considered to ensure the sustainability of any development, but consider this to be at the discretion of the Planning Authority.</p>	<p>Although this comment is welcomed, it is at odds with comment 2. If SEPA insist that SPP7 is taken literally (comment 2), then it follows that Halcrows would similarly not account for sea level rise in their Flood Risk design levels, in accordance with SPP7 as SEPA acknowledge. This results in the design level being at 3.62mOD.</p>
	<p>We welcome the fact that further consideration has been given to increase in flood risk outwith the site should any areas of storage be lost from the flood plain as a result of the development. The FRA states that due to the small volume and shallow depths the results would be negligible. If further investigation of the site demonstrates that sites levels are considerably lower than previously expected, this volume would be proportionately greater and further consideration of this issue would be required.</p>	<p>SEPA are referring to a situation if the site is &lt;3mAOD (see point 1). However the site is higher and therefore this comment is not relevant.</p>
	<p>We would like to re-iterate our previous advice that for any new development on the site, land raising would be our preferred method mitigation.</p>	<p>This will only be necessary if the site is below 3.62mOD,</p>

		which we believe it is not.
	We would also recommend that finished floor levels be set at a minimum level of 500 mm freeboard above the 1 in 200 year estimated coastal flood level. A freeboard allowance is required to take account for any errors in the estimation of flood risk and other factors as wave action	Not relevant if site is above 3.62mOD
	Please note that we are reliant on the accuracy and completeness of any information supplied by the Applicant in the undertaking its review, and can take no responsibility for incorrect data or interpretation made by the authors	Rather at odds with point 1, where SEPA have not accepted Halcrows information!
	The advice contained in this letter is supplied to you by SEPA in terms of Section 25(2) of the Environment Act 1995 on the basis of information held by SEPA as at the date hereof. It is intended as advice solely to the Highland Council as Planning Authority in terms of the said Section 25(2).	If Halcrows can prove to SEPA that the site is above 3.62mOD (save for the low areas on the very southern edge) then there is no reason now for SEPA to object on flood risk grounds.

Extract from SPP7:

34. The Executive considers that for planning purposes, taking into account the expected life of most development and subsequent redevelopment in the longer term, it is reasonable on present evidence to regard areas with a current annual probability of watercourse or coastal flooding above 0.5% (1:200) to be characterised as having a 'medium to high' risk of flooding. The Executive also considers that the outer limit to the area of concern for extreme flood events may be defined by a current annual probability of flooding of 0.1% (1:1000). These probabilities of flooding, the areas they delineate and the appropriate planning responses are summarised in the Risk Framework below. Planning authorities should have regard to them in drawing up policies in development plans and in development control decisions, alongside any more specific information obtained from other sources, including the Scottish Environment Protection Agency (SEPA).

<b>APPROPRIATE ASSESSMENT</b>		
George Hogg, Area Manager, Scottish Natural Heritage, Dingwall Office, Fodderty Business Park , Dingwall IV15 9XB	Need more detail on mitigation for dredging impacts, vessel disturbance and noise pollution	Although not discussed in detail in the non-tech summary, mitigation measures for both these impacts are described in sections 7.2.1 and 7.2.2. It is not clear how much more detail can be given at this conceptual Masterplan stage.  The Scottish Government guidance on the AA screening stage does not require a description of mitigation measures – it is a screening for ‘likely significant effect’ and this information was only added as supplementary guidance.
	Table 5.2, page 41 – bats raised as a species that should be referred to for 2 masterplan objectives	Comments noted and text will be added
	Table 5.3, pages 45 &46 – minor wording changes	Comments noted
	Table 5.4 – conclusions of likely significant effect uncertain without more info on mitigation	Comments re: mitigation as above
	Section 6 – in-combination effects of certain impacts not included	This information is provided in appendix 2 and the non-technical summary but further information could be added to section 6
	Section 7.1 – more information on the regulatory frameworks for ship to ship transfer and the nature and scale of ship to ship operations	As stated in the screening report, it is outside the scope of the Masterplan to influence these activities as these

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		are associated with the oil terminal owned by Ithaca and operated on their behalf the Wood Group.
	Section 7.2.2 – need more info on avoidance or mitigation of vessel disturbance and noise pollution	This section already describes useful ways forward on these issues, which is the most we can offer without actual numbers of vessels used, types of vessel and numbers of trips likely to occur. This masterplan stage does not provide this detail.
	Screening matrices – comments as before on uncertain likely significant effect conclusion and mitigation	Comments as above for sections 5.4 and 7.2.2