

Agenda Item	4
Report No	HC/12/26

The Highland Council

Committee: Highland Council

Date: 14 May 2026

Report Title: Highland Housing Challenge Update

Report By: Assistant Chief Executive – Place

1 Purpose/Executive Summary

1.1 The Highland Housing Challenge was declared in June 2024, in recognition of the issues facing the Council, its partners, and communities across Highland in meeting current and anticipated future demand for housing in the area. The Housing Challenge was based on an emerging picture of future demand, relating to planned economic development activity.

A Highland Housing Challenge Partnership Action Plan was agreed in June 2025, reflecting key areas of activity, outlining targets and timescales and commitments for action in three key thematic areas:

- increasing land and property;
- increasing finance for housing development; and
- increasing developer capacity

1.2 Since declaring the Challenge, considerable progress has been made to bring forward planning to accelerate the activities required to meet the challenge. There has been a collaborative approach between the public, private and third sector partners both locally and nationally, including support and action from national investors, Government, developers and contractors.

1.3 Ensuring there is an effective supply of housing across all tenures is essential for the delivery of core services, enabling economic growth and to address the needs, health and wellbeing of our local communities.

1.4 The solutions for addressing the Housing Challenge are complex and interdependent. No one area of work or sector is able to deliver this in isolation. However, Highland Council, as the anchor organisation for the Partnership Action Plan, and in its role as Housing Authority, is bringing forward a number of solutions to meet the challenge, which, as described in this paper, address established commitments within the action plan. These include:

- **Empty Homes Challenge Fund** - With just under 2,500 long term empty homes across Highland, action is needed to support, encourage and target bringing more long-term empty homes back into use. Building on the agreed [Empty Homes Strategy](#), existing support from the Empty Homes Team and the current Council Tax incentives to bring properties back to the market, the Challenge Fund is intended to provide financial assistance to eligible owners to support essential repairs, upgrades or conversions. The intention is that grants will support positive outcomes – namely promoting the supply of affordable rented houses, delivering key worker housing, and encouraging rural regeneration. The paper introduces the Empty Homes Challenge Fund, setting out the proposed terms, conditions and eligibility of the scheme, which initially focuses on a grant scheme.
- **Mid-Market Rent Model** – demand for affordable housing across Highland is high. In addition to those seeking a socially rented house, the demand for affordable rent in many of our communities is driven by weaknesses in the private rental market, in part but not solely as a result of the strong holiday let market, and the cost of private rents that are available. Mid-Market Rent is an alternative tenure solution for people who may struggle to find affordable private rent homes due to cost or availability and are not in a position at present to buy their own home. Developing a mechanism that allows the Council to deliver mid-market properties itself or through another entity, and increasing supply overall, is critical to supporting households and key workers who are unable to access social housing but cannot afford open market rents. The paper introduces the work that has commenced to progress this action, with a view to the Council's mid-market offering via an Arm's Length organisation – Highland Mid-Market Homes – being in place for implementation from April 2027.
- **Masterplan Consent Areas (MCA)** – are a new tool available to local authorities that allow decisions on housing development to be accelerated. This is done by communities, developers and the Council coming together to co-produce a Masterplan for an area. As long as future development is in line with the Masterplan then no planning permission is necessary. The Council agreed to consult on the principle of three potential MCAs – Essich (Inverness), Ardersier, Embo and engagement took place between January and March 2026. This was a welcome opportunity to gather information on the three areas and understand any matters of concern to the principle of progressing to the next stage. Comments received have been assessed and are presented within this report. The next step is whether or not to progress with the preparation of a draft Masterplan for the three sites, and if progressed, the commissioning of an independent masterplan adviser to assist in the co-authoring of the draft masterplan between the local community, the Council and the developer. The draft masterplan will then be subject to further consultation, before consideration at the appropriate planning committee. It would be for Council to agree to adopt a masterplan or not, with a view to this being completed as soon as practicable.
- **Key Updates on the Highland Housing Challenge Action Plan** – in section 9 of the report there are a number of specific updates for Members in relation to supply of land, increasing investment, and actions to increase and sustain developer capacity in relation to the Highland Housing Challenge. Updates include progress on accelerating the pathway for developers to receive

planning support, on progress to create greater land capacity including increasing the Council's own landbank, maximising the outcomes from the Social Value Charter to increase homes and land for development, increasing investment for house building such as inclusion of housing within the Freeport Non Domestic Rate Strategy and building capacity amongst developers such as the Workforce North Co-investment fund.

- 1.4 Members will understand that each of the above elements contains significant development opportunities and requires considerable scoping, planning and implementation by officers and partners, as befits the scale of the challenge faced and the sophistication of the approaches required to meet it. Members will also understand this report follows through on decisions previously taken by Council and through Full Council, Strategic Committees and the budget setting process for 2025 – 2026 and 2026 – 2027.

2. Recommendations

- 2.1 Members are asked to:

- i. **Agree** the Empty Homes Challenge Fund, as set out at section 6 and appendices 2 and 3, for implementation by end May 2026;
- ii. **Agree** the approach being developed and progress made to develop Highland Mid-Market Homes and that a further report will be brought to Committee before the end of the calendar year, outlining the final proposed structure, governance arrangements and financial model, with a view to establishing Highland Mid-Market Homes as an Arms-Length Organisation for implementation in April 2027;
- iii. **Note** the results of the initial public engagement phase of the Masterplan consent areas at **Appendix 5** and that in response to the representations received, that the scale of each development proposal has been reduced and amended as defined at **Appendix 6**;
- iv. **Agree** to progress a Proposed Masterplan Consent Area Scheme (PMCAS) for each of three MCA sites;
- v. **Agree** that each PMCAS be led by the Council but co-authored by the respective developer partner and representatives of the relevant, local community;
- vi. **Note** the updates outlined in section 9 and detailed within **Appendix 7**, against the Highland Housing Challenge Partnership Action Plan; and
- vii. **Agree** a Round Table will be held with developers before the end of June, to discuss opportunities to accelerate development in the Highlands.

3. Implications

- 3.1 **Resource** – resource implications associated with different areas for action are detailed throughout the report. The Empty Homes Challenge Fund is funded through investment agreed at the Budget setting meeting in March 2026. This is a recurring fund, which can be utilised to support bringing empty properties back into use. There is the potential for an element of the fund being 'recycled' from any grants issued which are subsequently repaid as part of the conditions of the scheme.

- 3.2 Financial modelling is a critical part of the work to develop the Mid-Market Rent Model. It is important that any ALEO is financially sustainable; is able to support ongoing management, repairs and maintenance in the long and short term along with enabling development to grow the stock of the new ALEO. One potential advantage of an ALEO model, is that it could provide opportunities to access different financing arrangements or may reduce or alter some of the direct capital and borrowing implications from an in-house direct Council run MMR model. A key consideration for the Council is not only the need for a financially sustainable MMR model, but also one which ideally reduces or removes risk or financial impact in terms of the Council's own wider capital and borrowing plans, which must remain affordable, prudent and sustainable. The Council's Section 95 officer and team, supported by Scottish Futures Trust experience, are working on the financial model to underpin the work of the new ALEO.
- 3.3 The Council currently has a 2026/27 affordable housing building programme of £40m. This is comprised of borrowing against the Housing Revenue Account (HRA), supported by government grant. As reported in section 9, Scottish Government has agreed a 4-year affordable housing programme, which for Highland equates to £209.4m over the period. This will provide confidence and assurance in the build programme for the next 4 years. The Financial Strategy agreed for the HRA at Housing and Property Committee in January, has been designed to delivery against the priorities for the HRA, including increasing the provision of social housing, whilst ensuring financial sustainability for the HRA.
- 3.4 Scottish Government's published Guidance on MCAs states the principle of full cost recovery (from the development industry of future planning application and other fees forgone) for work on producing MCAs. In addition, the Highland Council has claimed "early-council-adopter" grant funding from the Scottish Government to help meet initial Council staff costs required in progressing MCAs to this stage.
- 3.5 **Legal** – The Housing (Scotland) Act 2001 places a statutory duty on local authorities to produce a Local Housing Strategy which sets out its priorities and plans for the delivery of housing and related services over a 5-year period, and which should be supported by an assessment of housing provision and related services. This is interlinked with the Housing Need and Demand Assessment which the Council provides to the Scottish Government, and which evidences the demand for housing across Highland by tenure and type. A revised HNDA has been commissioned and is anticipated to report in Summer 2026, depending upon the availability of national population projection figures awaited from National Records of Scotland.
- 3.6 The detail around the delivery of affordable housing supply is included in the annual Strategic Housing Investment Plans which are also submitted to the Scottish Government as part of their governance process. Feedback on the SHIP submitted to Government in November 2025 has recently been received which commends the Highland SHIP for how it clearly articulates the strategic targets and priorities for the delivery of affordable homes and supports greater transparency and assurance at both a strategic and operational level and also how the Housing Challenge seeks to progress alternative approaches to financing house building. The Council's support for community-based solutions is also noted and welcomed.

Work is about to commence on a wholesale review of the SHIP, to be considered at committee in November 2026. Based on the new HNDA and working with our RSL partners, Scottish Government and housing developers, this provides an opportunity to review need and demand across Highland.

- 3.7 **Risk** – addressing the Housing Challenge in Highland is critical to meeting the level of housing need and demand across the area. An increase in housing across all tenures is required to address this demand, to both support existing communities and economic growth. From an affordable housing perspective, it is critical to deliver on growth to prevent homelessness, support measures to reduce levels of poverty intrinsically linked to housing and deliver on housing to retain people within their communities, sustain service provision and prevent depopulation. Failure to increase housing supply to meet the demand as a result of economic opportunities has a two-fold risk, one to limit the scope of that growth and two, putting pressure on the existing housing market, inflating prices and exacerbating the current challenge.
- 3.8 MCAs offer an alternative, quicker way to unlock and better shape development in Highland relative to the conventional processes of a local development plan followed by a planning application. The MCA legal process offers similar checks and balances to that for a local development plan and a planning application but offers time savings by requiring an earlier and more intensive input from all affected parties and by removing the role of a Scottish Government appointed Reporter.
- 3.9 There is no one solution to this Challenge and nor is it deliverable by one agency or sector alone. The HHC Partnership Action Plan, sets out a range of activity to support and address this challenge. The specific developments noted in this report – Empty Homes Challenge Fund, Mid-Market Rent Model and Masterplan Consent Areas – are three strategies that contribute to addressing the overall approach.
- 3.10 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No specific implications.
- 3.11 **Gaelic** – There are no Gaelic implications.

4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 An Integrated Impact Assessment screening was undertaken on the Partnership Action Plan and reported to Council in June 2025. As part of the development of the Mid Market Rent Model, appropriate screening for impact will be carried out and a full impact assessment will be undertaken for any MCA site that progresses to a Proposed Masterplan Consent Area Scheme (PMCAS).

A screening has been undertaken on the Housing Challenge Fund – Empty Homes. This has highlighted that the programme is voluntary, applicant-led and property-focused. There is no direct or indirect targeting of individuals or groups based on protected characteristics or socio-economic status. Screening indicates that impacts are either neutral or positive, particularly in increasing housing supply and supporting sustainable communities. No high risk or disproportionate impacts have been identified and therefore an Impact Assessment Screening is considered sufficient at this stage.

A summary of the screening can be found in the table below and within **Appendix 1**.

4.4 Integrated Impact Assessment - Summary

Impact Assessment Area	Conclusion of Screening
Equality	Neutral
Socio-economic	Positive
Human Rights	Neutral
Children’s Rights and Well-being	Positive
Island and Mainland Rural	Neutral
Climate Change	Positive
Data Rights	Neutral

5. Background and Context

5.1 In June 2024, the Council agreed a Highland Housing Challenge in recognition of both the issues in meeting the current need for housing across communities in Highland and the anticipated future demand for housing based upon the economic opportunities coming to the area.

5.2 The solutions to addressing the Housing Challenge are complex and interdependent. No one area of work or sector is able to deliver this in isolation. It has been identified that actions are required across three critical areas:

- Increasing land – housing cannot develop without a sufficient pipeline of sites and critically sites in the right locations to meet both need and demand. This therefore requires sites across the whole of the Highland area.
- Increasing finance – different sources and models for finance are required beyond the current planned building programme. It needs to maximise funds derived from investment to the area, increasing the affordable housing programme and seek solutions to addressing the additional costs of building in some rural parts of Highland.
- Increasing developer capacity – this includes building confidence within the existing development sector, attracting new partners and types of building to the area and addressing the challenges to build e.g. grid capacity. Strengthening and growing the construction sector is critical and therefore workforce skills and capacity is a critical area for focus.

5.3 In addressing the Highland Housing Challenge, it is essential to have an evidence-based analysis of both existing and emerging housing need. When the Challenge was declared in June 2024, the Housing Supply Target was for 24,235 new houses in the following 10 years. A new Housing Need and Demand Assessment has been

commissioned by Highland and work has been ongoing since the last quarter of 2025. This work is almost concluded and is anticipated to be completed by the end of June 2026; however this is dependent upon publication of national population figures.

An HNDA estimates the number of additional housing units to meet existing and future housing need and demand in a housing market area. It also captures contextual information on the operation of the housing system to assist partners to develop policies on new housing supply, the management of existing stock and the provision of housing related services.

This contextual information includes an analysis of demographic, affordability and wider economic trends which are key drivers of local housing markets. This analysis helps partners to understand local housing market dynamics and make evidence-based choices on meeting housing need and demand.

- 5.4 The level of demand for social housing in Highland remains high. The number of Highland Housing Register applications was 8,826 at 31 March 2026. This is an increase from 8,767 at 31 March 2025. The demand remains high despite 1,592 allocations of secure tenancies from the Register partner landlords in 2025/26. A Homelessness update will be reported to May's Housing and Property Committee which will also confirm that homelessness presentations increased in 2025/26, albeit at a lower rate than the national comparison.

This information will be considered alongside the new HNDA analysis to help shape and inform the new Strategic Housing Investment Plan, Local Development Plan and Local Housing Strategy in identifying where current need and demand lies across Highland and therefore targeting our development programme.

- 5.5 There were 880 house completions across all tenures in Highland in 2025/6. This was down from 1,000 the previous year. The current level of Highland affordable building programme remains positive given the challenges faced in terms of new build costs, availability of suitable land for development and so forth. The Scottish Government has confirmed that there were 499 affordable house completions in 2025/26, and this reflects positive performance in increasing the supply of homes for social renting, mid-market housing and low-cost home ownership.

Accelerating the build programme across all tenures is critical and therefore solutions such as MCAs, along with others related to developer capacity and land availability, as well as repurposing properties and bringing others back into use, are critical in relation to addressing the housing challenge.

- 5.6 This paper provides an update on progress against the Housing Challenge Partnership Action Plan and introduces three critical areas for action which the Council is progressing to address specific issues of housing demand; the Empty Homes Challenge Fund, developing a Mid-Market Rent Model for the Council and progress on developing Masterplan Consent Areas.

6. Empty Homes Challenge Fund

- 6.1 There are currently 2,466 long-term empty properties in Highland. Highland has notably more long-term empty properties than any other local authority in Scotland, with 41% being empty for more than 3 years. Experience nationally is that empty homes are more common in remote and rural parts of Scotland. As part of the

Council's agreed Budget for 2026/27, a £1m investment fund has been created to support bringing long-term empty properties back into use. The aim is to increase the availability of housing in Highland. This will complement the existing mechanisms in place to tackle the challenge of empty homes in Highland, as identified in the Council's Empty Homes Strategy.

6.2 The Council's [Empty Homes Strategy and Action Plan \(2025-2028\)](#) was agreed at Housing and Property Committee in November 2025. The Action Plan already contains key objectives that will be supported by the introduction of the Empty Homes Challenge Fund. This includes:

- a commitment to incentivising owners to bring long-term empty properties back into use, particularly through financial levers and targeted support;
- a commitment to bringing homes back into use through loans, grants and compulsory purchase activity, reinforcing the role of grant funding as a core mechanism for meeting the annual target of returns to use;
- prioritising the directing of resources to communities experiencing high housing pressure and low supply.

Alignment with the existing Strategy and Action plan ensures that grant-supported projects are fully embedded within the wider strategic approach rather than operating as a stand-alone intervention. The intention is that grants will support positive outcomes – namely promoting the supply of affordable rented houses, delivering key worker housing, and encouraging rural regeneration.

A commitment has been agreed to report back on progress on the Empty Homes Strategy Action Plan at November's Housing and Property Committee.

6.3 The Empty Homes Challenge Fund is specifically intended to provide financial assistance to eligible owners to support essential repairs, upgrades or conversions. Phase 1 of the Challenge fund is a grant scheme. The Empty Homes Challenge Fund policy can be found within **Appendix 2**. This has been developed following learning and best practice from other authorities who already have a scheme in place.

6.4 **Conditions of Grant**

Anyone applying for a grant must agree to:

- rent the property out for 5 years;
- charge affordable rent at mid-market levels;
- be registered as a landlord before applying, or
- live in the property as their primary residence for 5 years.

Failure to adhere to the conditions, including a decision to sell the property, would require repayment of the grant. Monitoring adherence to the grant conditions will continue through the 5-year period and be led by the Empty Homes Team.

6.5 Scale and Nature of Grant

A maximum grant award of £25,000 is available for properties found in urban areas, and £30,000 for rural areas¹. The latter is to reflect the additional costs of repair and refurbishment works in rural Highland.

The amount of grant awarded will be dependent upon:

- the work needed based on an inspection by the Council's Empty Homes Officer (no retrospective work allowed);
- quotes received; and
- ownership rules (i.e. if more than 2 properties owned (see below)).

A total of £1m is available for the Challenge Fund and awards can only be made within that funding envelope. Requests for funding will be made on a case by case and ongoing basis.

6.6 Eligibility Criteria

The eligibility criteria for applicants specifies that:

- the applicant is the property owner (for at least 2 years unless inherited);
- the property has been empty for at least 12 months;²
- the owner or owners have no Highland Council debt;
- the owner or owners own fewer than 2 properties (or if they own 2 or more properties, they can still apply but the grant will be limited to 20% of repair costs); and
- the property is suitable to become a long-term affordable home.

The proposed eligibility criteria is intended to ensure that public funding is directed to owners who have genuinely reached a financial "wall" and can no longer progress essential works without assistance.

6.7 The Challenge Fund has been designed with safeguards to ensure that support will not be allocated simply on the basis of the willingness to improve an empty house, but is focused on demonstrable need, capacity constraints, and a clear commitment to returning the houses to primary residential use as homes. Embedding these criteria ensures public money will be used responsibly, equitably, and in a way that maximises housing outcomes for local communities.

6.8 It is recognised that not all applicants will necessarily be able to take advantage of the grant scheme, depending upon personal circumstances. However, all applicants will have direct engagement with the Empty Homes team, with advice and guidance provided on potential alternative approaches, should a grant not be suitable, with the ultimately aim of bringing more empty properties back into use.

¹ The definition of urban and rural is based on the Scottish Government's Urban Rural Classification

² Empty Property Definition: The property is not used as anyone's sole or main residence. The property has been continuously unoccupied for over 12 months. The property is not of a class of dwellings specified in the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013, Schedule 2 – that is property being actively marketed for sale or rent for a period not exceeding 24 months and able to show that the price sought is appropriate

- 6.9 Ongoing evaluation of grant outcomes, including the end tenure once homes return to use, will inform future refinements to the scheme. This may include consideration of the level of financial support; whether recurring funds are used to purchase properties or the introduction of loans aimed at turning empty houses into homes for let at Highland's agreed mid-market rent level or an affordable private rent level. This integrated approach ensures that grants for empty homes will be responsive, targeted and effective in delivering tangible housing outcomes across Highland's communities.
- 6.10 Following agreement of the parameters of the Fund, the aim is for the Fund to go live at the end of May. Information will be available on the Council's website (summary information detailed at **Appendix 3**) and supported by an online application process, although anyone unable to apply online will be provided with a paper version. Additional advice and support to apply will be offered to potential applicants on a case by case basis. The Challenge Fund will be promoted widely across Highland, with direct promotion to the current empty home owners the Council is in touch with, and who are being supported by the Council's Empty Homes Officer, and other known owners of empty properties across Highland. A promotional leaflet is being produced and this will be shared with Community Councils and other groups across Highland. As noted at 6.2, a report on the Empty Homes Strategy will be considered at November Housing and Property Committee and this will provide an opportunity to provide an update on the operation of the Fund and initial lessons learnt.

7. Developing a Mid-Market Rent Model - Highland Mid-Market Homes

7.1 Background and Rationale

As part of the Council's budget setting process for 2025/26, it was agreed that work would be undertaken to develop a mid-market rent model for Highland Council. The development of a Mid-Market Rent (MMR) delivery model forms a key strand of the Highland Housing Challenge, responding to the increasing difficulty faced by households and key workers who are unable to access social housing but cannot afford open market rents and the lack of private rental properties across many communities in Highland.

- 7.2 Following the appointment of a Business Delivery Manager and the establishment of a cross-service Project Board, work has been undertaken to identify the most appropriate delivery arrangements for the Mid-Market Rent model. This work has included understanding best practice from other Local Authorities already delivering mid-market rent, as well as consideration of the relevant legislative framework governing Mid-Market rented housing.

7.3 What is Mid-Market Rent

Mid-Market Rent is a recognised affordable housing tenure in Scotland. It is an alternative tenure solution for people who may struggle to find affordable private rent homes due to cost or availability and are not in a position to buy their own home. Rent is set lower than market rents but higher than social rents. An FAQ on the background to Mid Market rent can be found at **Appendix 4**.

Mid-Market Rent properties are already delivered in Highland, through a number of registered social landlord partners and Highland Housing Alliance. The aim within the existing Strategic Housing Investment Plan is that around 20% of the affordable build programme is targeted for Mid-Market properties. The Highland Housing Challenge recognises the need for increased house building across all tenures.

7.4 **Requirement for an Arm's Length Organisation**

In 2017 Private Housing (Tenancies)(Scotland) Act 2016 introduced Private Residential Tenancies (PRTs). PRTs are the rental agreements used for Mid-Market Rent tenancies. Local Authorities are not legally allowed to use PRTs and therefore an Arm's Length External Organisation (ALEO) is required if a Local Authority wishes to deliver Mid-Market Rental Homes.

The work to progress a Mid-Market rent model is therefore on the basis that an ALEO must be established. The ALEO – **Highland Mid-Market Homes** - will operate as a separate legal and commercial entity, independently managed from the existing Council Housing provision, and therefore will have no direct impact on the HRA and the HRA budget. The ALEO provides the required legal separation while allowing the Council to retain strategic oversight and alignment with wider housing objectives. This approach mirrors the delivery models used successfully by several other Scottish local authorities.

An ALEO may be able to secure other/alternative sources of capital financing. The SFT model is based on a model of Public Works Loans Board (PWLB) borrowing and on lending. This may therefore represent borrowing on the Council Balance Sheet, and consideration would need to be given to appropriate caps, controls and risk management, and ensuring that across all the Council's borrowing activity, plans remain affordable, prudent and sustainable. The Council already has significant plans and commitments in relation to existing capital financing and borrowing, and any new plans or models would need be considered in that context, and assessment of relative priorities.

The project board are continuing to develop the financial modelling that will demonstrate the sustainability of a future ALEO and its funding strategy. SFT are supporting the project board with this aspect of the project, and they already have a template financial model for ALEOs of this nature. Work is ongoing to tailor this model for the specifics of the proposed Highland Mid-Market Homes ALEO to assess and confirm its financial sustainability.

7.5 **Housing Delivery Partnership with Scottish Futures Trust**

To support the development of the Mid-Market Rent ALEO, Highland Council is working with Scottish Futures Trust (SFT) to establish a Housing Delivery Partnership (HDP). Scottish Futures Trust (SFT) is a non-profit company owned and funded by the Scottish Government with extensive experience supporting Councils to establish arm's length housing delivery organisations. Its role within the partnership is advisory and facilitative, including sharing best practice and providing access to established templates and documentation to support the development of governance and operating arrangements.

Responsibility for decision making remains with the Council. As detailed at 7.6, key next steps include procuring our own independent legal advice to support development of the ALEO. Previous experience highlights the importance of undertaking due diligence when establishing a body such as an ALEO.

Based on national experience and the complexity of the legal and governance arrangements required, the establishment of an ALEO typically takes around 18–24 months. However, taking account of progress made to date, and sustained cross-service commitment, advice from SFT is that we are on target for implementation from April 2027.

7.6 Developing the Operating Model

Alongside the legal and financial considerations, work has commenced on developing the Operating Model for the new ALEO. This needs to include:

- Operational policies - A suite of operational policies is being developed to support Highland Mid-Market Homes as an independent landlord. This includes policies on allocations, rent setting, arrears management and recovery, antisocial behaviour, complaints, tenancy and estate management and voids. All policies will align with relevant Scottish Government legislation and statutory guidance.
- Distinct Entity – as noted at 7.4, the ALEO will be entirely separate from HRA housing and therefore it is important it has its own distinct identity and customer interface. This needs to include branding, logo and a dedicated website, along with standalone tenant communications, documentation and policies.
- Tenancy management, repairs and maintenance – a core component of the operating model is how tenancy management, repairs and maintenance is delivered. Evidence of best practice from other Local Authorities is being collated, including delivery of these functions through the Council's existing housing teams on an SLA basis.

Work will continue to progress these elements in readiness for implementation.

7.7 Next Steps

Establishing Highland Mid-Market Homes through an arm's-length external organisation is a complex and time-intensive process. The next phase will therefore focus on the following priority actions to progress the legal, financial, governance and delivery arrangements required to establish the ALEO.

- **Commission specialist legal advice** – to undertake due diligence on the form of the ALEO and partnership model and prepare draft establishment documentation.
- **Undertake financial modelling** - to assess funding and investment options for implementation and operating the ALEO.
- **Confirm demand, affordability, and financial viability** - including funding, acquisition assumptions and affordable rent levels.
- **Agree management, maintenance, and repair arrangements** - including required SLAs.
- **Set the ALEO's strategic direction** - including vision, objectives, and governance framework.
- **Establish an initial portfolio of Mid Market Rent properties** - to support phased delivery and future growth.
- **Produce** - draft ALEO policies, procedures and staff guidance.

7.8 In parallel with the development of the longer-term delivery model, early delivery activity is being progressed to maintain momentum and support initial provision of homes. This includes bringing forward 21 two-bedroom flats in Inverness, which will be let initially as Key Worker Housing under a temporary tenancy. Subject to final approvals, these homes are intended to transfer into the Mid-Market Rent portfolio once Highland Mid-Market Homes becomes operational.

A further report will be brought to Committee before the end of the calendar year, outlining the final proposed structure, governance arrangements and financial model, with a view to establishing Highland Mid-Market Homes in alignment with the start of the new financial year.

8. Masterplan Consent Areas

8.1 Background

Masterplan Consent Area (MCA) is a new planning tool and process aimed at accelerating the delivery of new housing and other development. In December 2025, the Council ratified a decision of the Economy and Infrastructure Committee, to progress with initial public engagement on three potential MCA sites at Ardersier, Embo and Essich Road (Inverness). The Council also confirmed changes to the Council's Scheme of Delegation to establish which committee considers and, if appropriate, agrees each part of the MCA process as it is proposed to be implemented within Highland.

8.2 Members will also recall that the conventional planning approach (the local development plan and planning application processes) is not supporting delivery of enough houses, fast enough and in the most viable locations. As noted at section 5.5, house completions in Highland over the last year have fallen. The planning system is only part of the problem and solution. The local housebuilding sector also needs to be able to scale up production and sites need to be identified in the most viable locations. Engagement with the sector as outlined at 9.2.4 is crucial but this also means finding sites that are viable and where people want to purchase or rent a home, where there are no insurmountable environmental constraints, and also where public service providers can support, at least additional cost, that development in terms of infrastructure network investment and Scottish Government sourced grant aid for affordable housing and other service connections. These factors were important in the initial consideration of potential MCA locations.

8.3 Result of Public Engagement on Potential MCA sites

It was agreed to engage with local communities to gather views on the principle of progressing Masterplan Consent Areas. There has been a high level of community engagement for each possible MCA site. Two public events were undertaken for each site with a total of 195 persons attending at Ardersier, 85 at Embo and 145 at Essich Road (Inverness). The events, meetings with local Community Councils and attendant publicity generated 131 timeous representations for Ardersier, 31 for Embo and 333 for Essich Road. Petitions were also received opposing the Ardersier site with 365 co-signatories and opposing the Essich Road site with 98 co-signatories. Springfield Group during the latter part of the consultation period created and promoted its own digital tool to seek and gather comments in support of the MCA proposal at Ardersier and Essich Road. This generated 379 responses for Ardersier and 360 for Essich Road.

8.4 **Appendix 5** is subdivided into three parts (**5a Ardersier; 5b Embo and 5c Essich Road**) to reflect the separate responses to each MCA site. A verbatim (personal details and defamatory / derogatory language redacted or rephrased) version of all formal representations received by the 31 March 2026 deadline is available via the [Council's MCA webpage](#). **Appendix 5** provides a detailed summary of each issue raised for each MCA site together with a recommended Council response to each issue.

- 8.5 The only statutory consultee at this initial stage of the MCA process is the relevant local Community Council. Each of the possible MCA sites lies wholly within a single Community Council boundary and that Community Council is formed, active and has commented. Ardersier and Petty Community Council reports its position as a collation of local residents' opinions as expressed to the Community Council. It reports that the majority of expressed opinions oppose the MCA proposal in principle for one or more of the following reasons:
- inadequate infrastructure capacity (schools, healthcare, active travel network, public transport, roads);
 - loss of prime farmland and croft land;
 - fear of the Mains of Ardersier road being closed to vehicular traffic; construction traffic impact;
 - distrust of developer partner given its track record;
 - MCA process unclear and flawed;
 - adverse impact of natural and built heritage;
 - health and safety risks (radon gas, landslide, flooding, contamination);
 - excessive scale relative to existing small, quiet rural village; and,
 - other better housing sites available.
- 8.6 Dornoch and Area Community Council (DACC) is supportive in principle of MCA-led development at Embo if it delivers meaningful housing benefits for the area and meets local housing needs. DACC takes the view that any proposal should ultimately be guided by what the Embo community itself wants and by what will provide genuine long-term benefit to local people. DACC are aware of varied views in the community, including concerns whether there is sufficient emphasis on mixed-tenure housing that is fully integrated with the existing community and the element of "exclusive" larger private homes. Broader housing issues were also a concern, including second homes and holiday lets impacting housing availability for permanent residents. DACC wishes any future scheme to prioritise genuinely affordable housing, strong local connection where possible, and a layout and tenure mix that supports the long-term sustainability of the community.
- 8.7 Holm Community Council welcomes the use of the MCA tool within Highland but expresses reservations about how the Essich Road site was chosen ahead of others, why the site wasn't included in the current local development plan and how constraints will be overcome (notably flooding, local road capacity, active travel connectivity, environmental capacity, school capacity and the lack of local community facilities). An adjoining Community Council, Lochardil and Drummond, also commented, objecting to the principle of developing the MCA site because of similar concerns.
- 8.8 Key issues raised by respondents for the Ardersier MCA are as set out in the Community Council's response above. In addition to these, respondents also raised:
- requests for the layout to be amended to avoid or minimise its adverse effects; better and safer routes to school; road widening and junction improvements to increase capacity and safety;
 - community wealth building with local contractors and workforce being employed;
 - the lack of conformity with the approved development plan;
 - the need to use brownfield not greenfield land; the need for full environmental impact assessment and mitigatory measures; the potential adverse landscape and visual impact;

- that the houses will be lost to the second home / holiday sector not secured for local people;
- the need for more commercial facilities; the loss of business rates exemptions; water and sewerage capacity; the lack of local jobs including at Ardersier Port;
- the fear of incomers and the likely increase in crime they will bring;
- property depreciation; loss of private views and privacy;
- unproven housing need and demand;
- profiteering by the Council and developer;
- impact on farming operations; and, impact on Inverness Airport radar and flight paths.

The digital tool prompted comments supporting the MCA site as increasing housing choice, infrastructure investment, job creation and local business demand.

8.9 Key issues raised by respondents for the Embo MCA are:

- the potential environmental impacts to designated sites (including the Dornoch Firth and Loch Fleet Ramsar site);
- uncertainty and concern around the proposed scale of development and phasing;
- a desire for development to respond adequately to local housing needs including a suitable mix of tenures, the type of affordable housing and priority being given to local people;
- local infrastructure issues including road, traffic, safety and pedestrian access concerns;
- water pressure and water supply issues;
- the lack of local community amenities; and
- inadequate health and school capacity.

8.10 Key issues raised by respondents for the Essich Road MCA are that the site:

- is not included in the Council's current area local development plan and was previously rejected by the Council as suitable for development;
- is in an unsustainable location in terms of poor proximity to existing development and facilities (notably education and health) which in any case don't have the capacity to support additional development, has poor transport connectivity and capacity, and environmental capacity (notably flooding);
- adds significant additional travel movements to Essich Road and wider local road network which already has capacity, safety and condition issues; and
- compares poorly to alternative allocated housing sites.

8.11 **Recommended Way Forward**

Appendix 6 is also subdivided into three parts (**6a Ardersier, 6b Embo and 6c Essich Road**) to reflect the separate but similar approach to each MCA site. It details and recommends how, in response to representations received, the scale of each development proposal should be reduced and amended relative to that set out in the initial Public Notice. It also details the additional work that must be undertaken and commitments made for each respective proposal to progress during its next Proposed Masterplan Consent Area Scheme (PMCAS) stage.

8.12 In response for the Ardersier MCA, it is recommended to reduce the scale of the proposal to a maximum of 400 residential units (from the original "up to 600 homes") and to reduce the site boundary to exclude that land north and west of the C1009

Mains of Ardersier road (a total of 7.8 hectares). The list of requirements that the PMCAS must include / address are listed at **Appendix 6a** and include:

- a full Environmental Impact Assessment Report (EIAR) and a formal commitment to the resultant mitigation measures;
- a 2 hectare, central, safeguarded, serviced site for a community hub (for education, healthcare, recreation and/or other community purposes); allotments / community growing space;
- a Community Wealth Building commitment; a draft Good Neighbour Agreement; provision of a safer route to Ardersier Primary School via Station Yard or adjoining land including a safe crossing point of Station Road;
- a lights controlled crossing point of Nairn Road;
- a draft section 75 or other legal agreement to specify and secure developer contributions in respect of education, public transport, active travel and local road network improvements; specific transport improvements of the B9092 on the site's southern boundary;
- Flood Risk, Drainage and Radon Gas Impact Assessments and avoidance of built development within any proven risk areas or a commitment to adequate mitigation measures;
- a minimum of 25% of the total units as meeting the Council's definition of affordable;
- public transport connectivity to and turning within the site; a Construction Traffic Management Plan;
- contamination site investigation work and remedial mitigation for the Station Yard site if intrusive foundation design built development is proposed;
- an archaeological investigation and any resultant mitigation;
- provision and future maintenance of useable publicly accessible greenspace;
- ducting for gigabit enabled fibre optic cabling to all MCA site properties; and
- water and sewerage network impact assessments and any resultant mitigation.

8.13 In response for Embo, it is recommended to reduce the number of residential units to a maximum of 60 dwellings (from the original "up to 150 dwellings") in response to concerns about the scale of the proposal and its potential adverse impacts, with those units being phased over a 10-year period. The list of requirements that the PMCAS must include / address are listed at **Appendix 6b** and include:

- a Rural Housing Burden to ensure that at least 25% of the properties are retained as affordable and for those with a local (family or employment) connection;
- a safeguarded, serviced site for community uses; a Design Code to ensure the new development is sustainable, liveable and well-integrated with Embo village;
- an assessment of all infrastructure (particularly water, education, school transport, public transport) impacts and details of and commitments to mitigation to ensure at least no net detriment relative to the existing situation;
- environmental assessment(s) and a formal commitment to the resultant mitigation measures and biodiversity net gain; an archaeological evaluation; a draft Good Neighbour Agreement; a Recreation Access Management Plan;
- Flood Risk and Drainage Impact Assessments; and,
- net betterment in terms of useable, publicly accessible greenspace.

Also, better to inform the recommended housing type and tenure mix and the proportion of affordable housing (a minimum of 25%, 15 dwellings) within the PMCAS, the Communities Housing Trust has been commissioned by the Council to undertake a Housing Needs Survey of the Embo and Dornoch area.

8.14 In response, for the Essich Road MCA it is recommended to reduce the number of residential units to a maximum of 315 dwellings (from the original “up to 400 houses”) due to concerns about the scale of the proposal and known constraints notably flood risk, uncertain land availability and the limited capacity of Essich Road. The list of requirements that the PMCAS must include / address are listed at **Appendix 6c** and include:

- a safeguarded, serviced site for community / commercial use(s);
- useable publicly accessible greenspace;
- widening of the Essich Road carriageway and provision of a new foot/cycleway to connect the site to the existing active travel network;
- provision of a safer route to Ness Castle Primary School including a safe crossing point of Torbreck Road;
- public transport connectivity to and turning within the site;
- detailed Flood Risk and Drainage Impact Assessments and avoidance of built development within the determined “flood plain” area; environmental assessment(s) and a formal commitment to the resultant mitigation measures and biodiversity net gain;
- an archaeological desk based assessment and any resultant mitigation;
- a minimum of 35% of the total units as meeting the Council’s definition of affordable;
- both primary and secondary school education developer contributions;
- a draft Good Neighbour Agreement;
- Inverness Southern Distributor Road developer contributions; and
- water and sewerage network impact assessments.

8.15 **MCA Next Steps**

The representations received highlight how any new, significant scale development raises local concerns. The conventional local development plan and planning application processes allow for these concerns to be heard and processed but over too long a period (up to 7 years) to address the current Highland Housing Challenge.

8.16 The MCA process allows a quicker if more intensive new approach to delivering much needed new homes. If Members agree to progress all or any of the three possible MCA sites, local community input needs to be embedded into the preparation of the masterplan scheme. It is suggested that the Council draws up and agrees a Memorandum of Understanding (MoU) with both the local community (via the local Community Council in the first instance) and the development partner(s). Community representatives would be invited to attend monthly “design team” meetings with Council and development partner staff. It is intended that the next MCA detailed planning stage would be the Council, development partner(s) and local community co-authoring a suite of documents akin to a full planning application submission. It is hoped that this will build trust between the three parties but to ensure follow-through on promises made then legal agreements would also be drafted to allow enforcement of commitments made. There is existing (although rarely used) Scottish legislation and guidance that supports use of a Good Neighbour Agreement between a community and a developer. It is intended that a Good Neighbour Agreement be incorporated within each MCA Scheme before any approval is given.

- 8.17 Each party has borne its own costs during the initial MCA stage, but costs and risks will increase at the next Proposed Masterplan Consent Area Scheme (PMCAS) preparation stage. It is intended that the MoU referenced above will specify the future division of tasks, costs and risks between the Council and the development partner(s).
- 8.18 It should be noted that future MCA Member involvement and committee approval stages are as set out in the amended Scheme of Delegation as detailed within **Appendix 2** of the November 2025 [Report](#). Following consideration at the appropriate planning committee, it would be for Council to agree to adopt an MCA or not, with a view to this being completed as soon as practicable.

9. Highland Housing Challenge Partnership Action Plan – Update

- 9.1 The HHC Partnership Action Plan was agreed at Council in June 2025, with an update to Housing and Property in January 2026. In addition to some of the key Council led solutions being progressed, as outlined in the previous sections, the below summarises progress against a number of the actions. The full action plan update can be found at **Appendix 7**.

9.2 Increasing Land and Property

9.2.1 *Creating land capacity*

- **Local Development Plan** – a Call for Development Sites ran between 31 January and 2 May 2025 to coincide with the conclusion of the Evidence Papers public consultation. Over 250 development sites were suggested by landowners, developers and others for officers to consider for inclusion. This provided useful evidence on land availability and development viability. During the consultation, officers engaged with industry through a combination of several in person meetings as well as virtual sessions to both raise awareness and assist with questions around the process. Progress with the Development Plan was reported to E&I Committee in February 2026. The Evidence Report is expected to complete in time for reporting to June Council and subject to approval, to progress to Scottish Government Gate Check shortly thereafter. The Housing Evidence chapter is in progress and awaiting completion of the Housing Needs and Demand Assessment that is expected shortly. To assist in meeting the anticipated demand, all sites will be considered. It is not intended to decide which sites will be included until early to mid-2027 by which time the Proposed Plan is anticipated. Sites included in the Proposed Plan will then be subject to statutory public consultation.
- **Landbank** - the Council has a landbank which will deliver c1800 units over the next 8-10 years. Since the launch of the Highland Housing Challenge, the Council has purchased sites which will deliver approximately 500 homes. This is alongside a further 40 homes purchased from the open market. Officers are actively pursuing further strategic sites for purchase to ensure both a short term and longer-term pipeline for housing delivery. This is supported by a new post of Land Surveyor appointed within in the Housing Development Team.

- **Social Value Charter** - as part of their Social Value Charter commitment on legacy housing, SSE has funded the Council to purchase the site adjacent to the Justice centre on the Longman. The Council will lease this to an SSE contractor (Balfour Beatty) for a period of 5 years, after which the Council will have a serviced site which will deliver a mixed residential and commercial development. This site will deliver a further 200 homes benefitting from the SSE legacy.

9.2.2 *Re-purposing Public Sector Assets*

- **Council Estate** - Highland officers are reviewing the Council estate to assess the use of existing assets for either conversion or redevelopment for housing under the ROAB remit.
- **Highland Investment Plan** - through the Highland Property Partnership and the Highland Investment Plan activity, opportunities are being explored to repurpose surplus assets for housing options. An initial focus is in Thurso as part of the POD development.

9.2.3 *Property Acquisition*

- **Direct purchases** - the Housing Development Team continue to target the purchase of suitable open market properties in strategic areas to prevent loss to the second home/short term let market and add to the affordable housing stock.
- **Empty Homes Strategy** - the strategy has now been approved and alongside the proposed Empty Homes Challenge Fund. This will be delivered through a combination of advice and guidance, direct purchase and through the launch of the Empty Homes Challenge Fund. A new Empty Homes Officer is currently being recruited who will focus specifically on potential purchase opportunities to bring properties back into use.

9.2.4 *Accelerating Development*

- **Masterplan Consent Areas** - as agreed in the HHC Action Plan, the Council continues to progress three possible Masterplan Consent Areas (MCAs) within Highland. As detailed in section 8, the proposed locations and Council internal governance procedures for MCAs were ratified in December 2025, and statutory public notices issued in January 2026 for sites at Ardersier, Embo (By Dornoch) and Essich Road (Inverness) potentially delivering a maximum combined total of 1,150 houses. Public events have now been held for each site with a combined total of 425 persons attending. These events and wider engagement and publicity generated 495 timeous responses by the 31 March 2026 deadline. Amendments to the schemes are proposed based on this feedback and Council is asked to agree to progress Proposed Masterplan Consent Area Scheme (PMCAS) for each of three MCA sites.

- 9.2.4 • **Support for Developers in Planning** - the Integrated Housing Service for developers was launched in March 2025. To date nine developers have utilised the service and feedback from those who have utilised the service has been positive. There has been a more general focus on improving relationships with developers and particularly within the Highland Housing Hub (affordable housing) partners. Key issues discussed and resolved relate to transport, layout and drainage/flood risk matter.

9.3 Increasing Finance for Housing Development

9.3.1 *Developing approaches for increasing investment*

- **Non Domestic Rate Strategy** - housing has been identified as one of the two initial investment areas as part of the Inverness and Cromarty Firth Green Freeport's Non-Domestic Rates Strategy. As discussed, and agreed at Council in March, this is likely to have a positive impact in increasing investment for potential housing development within the Highland area. Initial sites and projects have been identified in the immediate ICFGF area which could be part funded or supported through this route.
- **SSEN Legacy Housing** - through the Social Value Charter, legacy housing has been secured through SSEN Transmission as part of their commitment. SSE have committed to delivering 500 legacy homes into Highland, of which 300 will be affordable homes. Initial works contracts have been signed, and a number of works contracts have been submitted to SSE by developers for appraisal and sign off.
- **4-Year Affordable Housing Programme** - the Scottish Government has agreed a 4-year funding programme which will give certainty to the affordable housing sector and the private developers which deliver section 75 housing. This figure amounts to grant of £209.7m over the period, rising from £50.132m in 2026/7 to £54.781m. This equates to c600 affordable homes a year in Highland. The ability to spend this grant will require the Council and partners to increase delivery within their funding capacity as well as looking at alternate ways of funding the delivery of affordable homes.
- **External investment** - the Council has been working with Scottish National Investment Bank to identify ways to attract investors to the Highlands. Work is underway to provide the necessary data using the new Housing Needs Assessment outputs alongside data from employers regarding their specific employee growth plans to give the sector the required confidence in demand for varying types of housing in the Highlands to encourage investment.

9.3.2 *Targeting Accommodation Solutions*

- **Accommodation with Care** - as agreed at Council in October 2025, work is progressing to explore the future model of adult social care in Lochaber. The work considers future Adult Social Care requirements for residential and nursing care alongside housing in Fort William for the wider Lochaber area, taking into account current provision. Housing provision will take into account not only the need for accessible and suitable housing to support people to stay in their own homes but also the need for housing for key workers.
- **Key Worker housing** – as detailed in section seven of the report, work progresses to develop a Mid-Market housing model for the Council. The purpose is the increase the delivery of mid-market rent homes in the Highlands in both rural and urban areas, with a specific focus on the needs of key workers.

9.4 Increasing Developer Capacity

9.4.1 *Increasing certainty for developers*

- **Workforce North and Workforce North Co-Investment Fund - Workforce North** is a region-wide mission for the Highlands and Islands, established to address long-term workforce challenges linked to major planned investment. It

brings together partners such as Skills Development Scotland, Highlands and Islands Enterprise, the University of the Highlands and Islands, local authorities and industry to support the growth, attraction and retention of skilled workers, particularly in construction, housing and renewable energy. The **Co-investment Fund**, agreed at Council in March 2026, is supported by seed funding from Skills Development Scotland. The fund is intended to support the overall mission by leveraging joint public and private investment in employer-led training, apprenticeships and skills development. While Workforce North is a collective regional initiative, the Highland Council acts as lead partner and Accountable Body for the Fund. In the context of the Council's Housing Challenge, the Fund has the potential to strengthen developer capacity by supporting construction skills, apprenticeships and supply-chain upskilling, thereby helping the local supply chain increase delivery and address labour constraints across Highland.

- **Developer engagement** - the Council meets regularly with housing developers to support their delivery of housing. This includes regular liaison at the Housing Hub meetings with the Council, RSL and Scottish Government to discuss the programme and support early delivery where possible. Annual affordable housing programmes are shared with contractors and profiling projects to prevent excessive numbers of tenders being issued concurrently. Confidence in the multi-year funding programme from Scottish Government will support building confidence amongst the sector.

9.4.2 ***Building Capacity for Delivery***

- **Build to Rent** – increasing properties across all tenures is a key premise of the HHC. The Council has taken part in national discussions with potential investors to encourage investment in the build to rent market and have invited BTR developer to the Highlands for detailed discussions on identified sites. A study has been commissioned through Hub North to evidence the demand for the build to rent market around Inverness with a view to building confidence with investors and developers. This is ongoing and will be concluded by June, once the revised HNDA figures are available.
- **Supporting remote rural delivery** - the delivery of remote rural projects is a strategic priority however they bring the challenges of costs and risk to community groups. The Council is working alongside the Communities Housing Trust to facilitate 2 projects with the Council as owner and funder but with the aim to lease these units back to the Trust to fulfil the objectives of the communities where the homes will be located. This trial will give the Council the opportunity to assess this funding model and the community outcomes to inform the future approach to rural delivery.

10. **Next Steps**

- 10.1 As detailed within the report, progress is being made in a number of areas against actions designed to accelerate house building across Highland, develop new approaches to addressing the demand for affordable housing within our communities and to repurpose or bring underutilised properties back into use. Solutions for increasing properties and land through the Social Value Charter are being realised, as well as focused activity to strengthen the construction sector and build capacity amongst developers.

10.2 A key area for action moving forward is to build on existing relationships with developers and work with them to build confidence in the build market. Accelerating house building requires to be in place but it also requires developers to have confidence in the potential market. A Roundtable with developers is therefore planned to take place before the end of June, to better understand what steps can be taken collectively to accelerate house building to meet demand across Highland.

Designation: Assistant Chief Executive - Place

Date: 23 April 2026

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Appendices:

- Appendix 1 – Integrated Impact Assessment Summary – Housing Challenge Fund
- Appendix 2 – Empty Homes Challenge Fund – Policy
- Appendix 3 – Empty Homes Challenge Fund – Applicant Guidance
- Appendix 4 – Mid Market Rent - FAQs
- Appendix 5 – MCAs - Results of Public Engagement
- Appendix 6 – Recommended Amendments to Each MCA Proposal
- Appendix 7 – Highland Housing Challenge – Partnership Action Plan

Integrated Impact Assessment Screening Summary

Summary of Proposal

The Empty Homes Challenge Fund grant has been allocated a budget of approximately £1 million to support the repair and refurbishment of long-term empty residential properties, with the aim of bringing them back into use as homes. This provides targeted financial assistance to property owners who would otherwise be unable to carry out the necessary works, helping to increase housing supply, prevent neighbourhood decline, and make effective use of existing housing stock. By focusing on properties that have been empty for a significant period (12 months+), the scheme supports wider housing, regeneration and sustainability objectives without the need for new development.

Poverty and socio-economic

The Empty Homes Grants programme is expected to have a positive socio-economic impact. By providing financial assistance to owners willing to bring long-term empty properties back into use either as a primary residence or for affordable rent, the scheme increases the availability of housing in communities where options are otherwise limited or unaffordable. This can help reduce housing pressures, support local communities, and improve access to suitable accommodation for prospective tenants or households on lower incomes.

Bringing existing properties back into use helps mitigate the need for new housing development and reduces pressure on an already oversubscribed housing list by increasing supply through reuse of existing stock. This approach supports more sustainable communities, makes efficient use of public funds, and can contribute to stabilising local housing markets. No negative socio-economic impacts have been identified at screening stage, and no mitigations are required. The programme will continue to be monitored to ensure it delivers these intended benefits fairly and effectively.

Children's Rights

The proposal positively supports Article 3 (Best interests of the child) and Article 27 (Right to an adequate standard of living).

The proposal is expected to have a positive indirect impact on children and young people. By supporting the return of long-term empty properties to use as homes, either as primary residences or affordable rented accommodation, the scheme increases the availability of suitable housing for families with children. Secure, good-quality housing is a key factor in supporting children's wellbeing, stability, and ability to thrive within their communities.

The proposal does not remove, restrict or disadvantage children or young people in any way, and no negative impacts have been identified at screening stage. As the scheme increases housing options and helps meet local need, no mitigations are required.

Island and Rural

It is recognised that potential impacts may differ between island communities, mainland rural areas, and between individual islands, particularly in relation to factors such as travel time, higher building and material costs, energy costs, internet connectivity, and the sustainability of services and individual livelihoods (including seasonal, part-time or self-employed work).

These differences have been considered within the design of the Empty Homes Challenge Fund, including the application of rural and island enhancements to reflect higher costs and practical challenges in these areas. The scheme is intended to be flexible and responsive to local circumstances, ensuring that people in island and mainland rural communities are not disadvantaged and are able to access support on a fair and equitable basis. No adverse impacts have been identified at screening stage.

Climate Change

The proposal is expected to have a positive overall impact on greenhouse gas emissions by supporting the reuse of existing buildings rather than new build development. Reuse of existing housing stock avoids the significantly higher embodied carbon associated with demolition and construction of new homes. Additionally, grant-funded works may include energy efficiency improvements, which can reduce ongoing emissions associated with heating and energy use once the property is occupied.

At screening stage, no significant negative climate impacts have been identified. The scheme supports sustainable land use and aligns with principles of reducing carbon through reuse and improved energy performance. No specific mitigations are required beyond existing procurement, energy efficiency and sustainability guidance, which will continue to be applied.

Data Rights

The proposal will involve the processing of personal data as part of the administration of the Empty Homes Grants programme. This data is required to assess eligibility, manage grant awards, ensure appropriate use of public funds, and comply with audit and governance requirements. Much of this personal data is already routinely processed by the Highland Council in the course of delivering housing, council tax, and wider customer services. Data will be processed in line with existing data protection policies, lawful bases under data protection legislation, and appropriate security measures. No new or unusual categories of personal data processing are anticipated at this stage, and no adverse data protection impacts have been identified.

Highland Housing Challenge Empty Homes Challenge Fund

Policy



1. Purpose of the Scheme

The Empty Homes Grant is designed to help bring properties that have been empty for 12 months or more back into use as affordable housing across the Highland area.

The grant provides financial assistance to eligible owners to support essential repairs, upgrades, or conversions where a property has been empty and requires significant work.

2. Pre-Eligibility Criteria

Applicants must meet all pre-eligibility requirements before progressing to inspection.

2.1 Proof of Ownership

- A valid, up-to-date title sheet from Registers of Scotland (or equivalent legal proof) must be provided.
- Ownership must be verified before the application progresses.

2.2 Minimum Ownership Period

- Applicants must have owned the property for at least 2 years prior to applying.

Probate Exception

Where ownership has transferred due to probate/confirmation/inheritance, the minimum ownership period may be waived if the applicant provides acceptable supporting evidence, such as:

- Grant of Confirmation/Probate
- Solicitor's letter confirming dates and entitlement
- Documentation showing transfer due to inheritance
- All other eligibility rules still apply.

2.3 Minimum Vacancy Requirement

- The property must have been empty for at least 12 months before applying.

2.4 Owner Property Limit

To prevent speculative investment and portfolio landlord use:

- Owners who hold two or more properties in total (including their home, the empty property, and any others they own or co-own) are eligible, but the grant amount is capped at 20% of total eligible repair costs.

Joint Ownership

All owners connected to the property must be fully assessed. This includes not only the legal owner(s) but also anyone with a financial, legal, or beneficial interest in the property. This may include, but is not limited to, the following individuals:

- **Immediate family members**
(spouse, partner, parents, children, siblings)
- **Extended family members**
(grandparents, aunts, uncles, cousins, in-laws)
- **Joint owners**
(anyone named on the title deeds)
- **Business associates**
(business partners, co-investors, members of a property company)
- **Beneficiaries or trustees**
(those who hold an interest through a trust or inheritance)
- **Power of attorney holders**
(where decisions are made on behalf of the owner)
- **Anyone with a legal or financial claim**
(e.g., someone with a registered charge or agreement linked to the property)

If ANY owner owns two or more properties, the entire application is capped at 20%.

2.5 Debt Checks

- If the owner (or any joint owner) has any outstanding Highland Council debt/ sundry debt, the application is not eligible.

2.6 Landlord Registration

If the owner intends to rent the property:

- They must be registered as a landlord before applying.
- Registration numbers for all relevant owners must be provided.

3. Inspection Stage (Mandatory In-Person Visit)

3.1 Physical Inspection Required

- The Empty Homes Officer (EHO) must carry out an in-person inspection prior to considering any works.
- Remote inspections (photos/video) are not permitted.

3.2 What the EHO Will Check

The EHO will:



- Photograph all elements of work the applicant is seeking funding for
- Confirm works are needed and have not yet started
- Record the condition of the property
- Identify any work that is ineligible due to being completed already

3.3 No Retrospective Funding

- If any work has already started or been completed, that work is not eligible for grant funding.
- Example: If the boiler or consumer unit has already been replaced, funding for boiler/electrical works will not be approved.

3.4 Post-Inspection Letter

Following inspection, the EHO will send a letter confirming:

- What the applicant originally applied for
- What works are actually eligible
- What works are excluded (and why)
- Instructions to now submit quotes.

4. Quote Requirements

Quotes require to be received from qualified contractors.

4.1 For works costing £5,000 or less

- Two like-for-like written quotes required.

4.2 For works costing more than £5,000

- Three like-for-like written quotes required.

4.3 Exceptional Circumstances

- Where specialist works make it impossible to obtain multiple quotes, one quote may be accepted.
- EHO must approve and justification must be provided.

4.4 Lowest Quote Rule

- The lowest eligible quote will always be used to calculate the grant.

5. Grant Offer

5.1 Offer Validity

- Grant offers are valid for 3 months from the date of issue.

5.2 Re-Inspection

- At the end of 3 months, the EHO will revisit the property.
- If no work has started, the grant offer will be withdrawn unless exceptional circumstances apply.

5.3 Extensions

- Extensions may be granted at the EHO's discretion where justified.

6. Rental Conditions (Mandatory for Grant Payment)

If the grant is approved, the owner must:

Rent the property at Highland Council's agreed mid-market rent (social rent) levels for a minimum of 5 years.

This means:

- Rent must not exceed local MMR rent benchmarks
- The Private Residential Tenancy (PRT) must reflect affordable rents
- The affordable rent obligation applies for the full 5-year term.


6.1 Evidence Required

Owners may be required to submit:

- Tenancy agreements
- Rent schedules
- Proof of occupancy
- Other documentation as requested

6.2 Breach of Rental Conditions

If the owner:

- Lets above MMR rent
 - Does not let the property
 - Leaves it empty again
 - Sells within 5 years
 - Fails to comply with any condition
- 
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The Council may:

- Withdraw the grant
- Recover all or part of the grant
- Refuse future application.

7. Completion and Payment

7.1 Payment Timing

- Payment is made after works are fully completed and verified by the Council.

7.2 Completion Inspection

- The EHO may inspect completed works before payment is authorised.

7.3 No Additional Grants

- No further grants will be awarded for this property until the full 5-year term is complete.

8. Post-Grant Monitoring

8.1 Ongoing Checks

The Council reserves the right to carry out periodic monitoring using:

- Sporadic site visits
- Council Tax and Sundry Debt record checks

8.2 Purpose

To ensure:

- The property remains occupied
- The rent remains at RSL level
- No new council tax arrears arise
- Grant conditions continue to be met.

8.3 Non-Compliance

Failure to comply may result in:

- Grant recovery
- Future application ineligibility
- Enforcement action.

Empty Homes Challenge Fund – Public Facing Guidance

Empty Homes Grant – What is it?

If you own a property that has been empty for 12 months or more, you may be able to get financial help to bring it back into use as an affordable rented home or primary home for you and your family.

The Empty Homes Grant helps with essential repairs like rewiring, heating, roofing, windows and other works needed to make the property safe and habitable.

What You Must Agree To

If you receive the grant, you must:

- Rent the property out for 5 years
- Charge affordable rent at Mid-Market Rent levels
- Be registered as a landlord before applying or;
- Live in the property as your primary residence for 5 years

Who Can Apply

You may be eligible if:

- You own the property (for at least 2 years unless inherited)
- The property has been empty for 12+ months
- You have no Highland Council debt
- You own fewer than 2 properties, or:
 - If you own 2 or more, you can still apply but the grant will cover only up to 20% of costs
- The property is suitable to become a long-term affordable home

How Much You Can Get

Grant amounts vary based on:

- The work needed
- Quotes received
- Ownership rules
- Location (including higher grant level for remote/very remote areas if agreed)

You must provide:

- Two quotes for work costing up to £5,000
- Three quotes for work costing over £5,000
- One quote only in exceptional cases (e.g. specialist work)

The lowest quote is always used to set the grant amount.

How the Process Works

1. Pre-eligibility checks (ownership, landlord registration, debt, property count)
2. Inspection by Empty Homes Officer (must be in person)
3. Letter telling you what work is eligible

4. Submit quotes
5. Grant offer (valid for 3 months)
6. Start work (must begin within 3 months)
7. Complete work and inspection
8. Grant is paid
9. Monitoring for 5 years (visits + Council Tax checks)

If You Want to Apply

You'll need:

- Proof of ownership
- Landlord registration number
- Proof the property has been empty for 12+ months
- ID for all owners
- Quotes for works (after inspection)

Mid-Market Rent (MMR) – Frequently Asked Questions

Q. What is a Mid-Market Rent?

A. Mid-Market Rent is an alternative tenure solution for people who may struggle to find affordable private rent homes due to cost or availability and aren't in a position to buy their own home. Rent is set lower than market rents but higher than social rents.

Q. Why do we need Mid-Market Rent when social housing is cheaper?

A. Demand for social housing exceeds the number of homes available, with social rent prioritised for households with the highest levels of need. In line with Scottish Government guidance, Mid-Market Rent supports low- to moderate-income, households who cannot access social housing and are unable to afford private market rents, providing a complementary affordable option.

A survey of local households undertaken to inform the Local Housing Strategy found that 75% of respondents were concerned about limited housing options, with 73% specifically highlighting a lack of alternatives such as low-cost home ownership, shared ownership and mid-market rent.

Q. Why do Highland Council need to do MMR?

A. Having the ability to deliver Mid-Market Rent ourselves gives us flexibility we do not currently have. It means we can respond more quickly to opportunities and make sure homes are delivered in the areas they are most needed. Larger developments often need a mix of tenures, while smaller communities may benefit from targeted off the shelf purchases to support long-term sustainable communities. Having the capacity to deliver MMR directly will strengthen and complement our wider affordable housing programme across Highland.

Q. Will MMR homes reduce the number of social houses built?

A. No. Social rent remains the priority tenure. Mid-Market Rent is intended to complement, not replace, social housing by providing an option for households with housing need who are less likely to secure a social housing tenancy.

The Highland Housing Strategy informs of the need for a wider range of affordable housing options. This is expressed by housing list applicants, with 1 in 5 applicants interested in mid-market rent.

Q. Why does it need to be an Arms-Length External Organisation (ALEO)?

A. Under the *Private Housing (Tenancies) (Scotland) Act 2016*, local authorities cannot issue Private Residential Tenancies (PRTs) directly. To lawfully deliver MMR, a separate legal body (ALEO) must act as the landlord. An arms-length external organisation (ALEO) provides the required separation while allowing the Council to maintain oversight and align delivery with strategic housing priorities. This approach

is also consistent with national practice, where many other Scottish Councils have used arms-length organisation models for Mid-Market Rent delivery.

Q. Who will run Highland Mid-Market Homes?

A. Highland Mid-Market Homes will be run by its own board as a separate arms-length organisation, with appropriate accountability arrangements in place to the Council. The Council is working with specialist legal advisers and the Scottish Futures Trust, a Scottish Government-owned organisation that supports local authorities to establish and invest in ALEOs.

Q. Who will manage the actual properties?

A. At present we are exploring options for day-to-day delivery of services including the procurement of Highland Council staff to deliver services through Management and Maintenance agreements with the Council. This option keeps the service local and accountable while providing the ALEO with the required separation to issue Private Residential Tenancies.

Q. How do people apply for a Mid-Market Rent?

A. Mid-Market rent properties tend to be advertised on letting agents websites and social media sites as they become available. Applicants are required to apply with affordability checks undertaken as part of the allocation process.

Q. How long will it take to set up the ALEO?

A. Typically 18–24 months, reflecting national experience and legal requirements. Given the progress made to date and subject to continued progress and cross-service commitment, it is hoped this time frame will be reduced.

Appendix 5

MCAs Results of Public Engagement

A verbatim (albeit topped and tailed to exclude introductory and sign-off pleasantries, and with personal details and defamatory/derogatory language redacted or rephrased) version of all formal representations received is available via the [Council's MCA webpage](#).

5a: Ardersier MCA

Summary of Issue Raised in Representations and Source	Recommended Council Response
<p>Response from relevant community council</p> <p><u>Ardersier and Petty Community Council Response</u> Reports the position of the community council as a collation of local residents' opinions expressed to the community council via various contact routes. Records that most expressed opinions oppose the Ardersier MCA in principle for one or more of the following reasons:</p> <ul style="list-style-type: none"> • Inadequate school capacity - each (nursery, primary and secondary) local school roll exceeds the true physical and teacher capacity of each school (if the development goes ahead then the MCA should require the developer to provide a new school within the development site); • Inadequate health care capacity – existing GP and dental provision in the village and surrounding area is very poor in terms of the ability to get an appointment; • Inadequate active travel network – existing problems within the village (need for safer route between Connage Dairy and village, to cross Nairn Road) and further afield (no safe cycle route to Inverness and airport); • Inadequate public transport connections – existing connections poor so Ardersier not a suitable place for further development for those without access to private transport; • Inadequate local road capacity and condition – most of village and surrounding road network (including connections to and junctions at A96) single track, of poor condition and has weight and other restrictions, and difficult to widen or otherwise improve; • Fear of local roads being closed – opposition to Ardersier Mains Road being closed to local (cemetery, farm and recreational) traffic; • Concern about increased construction traffic – fear that the local road network will be further overburdened when A96 dualling works begin and other routes are used as alternatives; 	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p> <p>Flood risk SEPA and the Council's Flood Team have no mapped records or other evidence of groundwater flooding in this area. SEPA's 2080s future flood risk mapping does show many existing village properties at risk of coastal flooding. Logically it makes sense for many coastal settlements to begin the transition to higher ground and the Ardersier MCA allows an opportunity for the Ardersier community to do so. The MCA site is subject to small, localised pluvial flooding areas which are associated with small depressions which fill temporarily after heavy rainfall events. The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road will amend the catchment of any potential impact on groundwater. With suitable re-modelling of the site contours it should be possible to minimise any addition to the claimed groundwater source flooding of the village centre. The next Proposed Masterplan Consent Area (PMCAS) stage will include production of both Flood Risk and Drainage Impact Assessments which will assess and confirm such.</p> <p>Infrastructure Capacity General Each Highland settlement has grown (outwards) over time if the economic and social imperative to live in that location has been maintained. In Highland terms, Ardersier is a large, established village close to the A96 Growth Corridor, which has seen (and will see) millions of pounds of investment in the airport business park, in sewerage capacity, in a new town at Tornagrain, at Ardersier Port, at a new railway station, and in dualling the A96. The original coastal fishing, armed forces and agricultural reasons to locate at Ardersier have diminished but</p>

- **Distrust of developer partner** – Springfield’s recent development in the village has not followed through on the improvements offered through the Community Liaison Group (notably a play area and a safe crossing of the Nairn Road) and residents have had maintenance issues with the properties;
- **Information supplied insufficient and inaccurate** – the MCA proposal is unclear, no detailed plans are available for the proposed development, the statistics quoted (school rolls and capacity) are inaccurate;
- **MCA process flawed** – too quick and with insufficient information and discussion;
- **Loss of prime farmland** – a finite and irreplaceable resource;
- **Adverse impact on other matters** - house prices, protected species (badgers, pine marten, red squirrel, bats), insurance premiums, raised beach escarpment slope stability (previous slippages have occurred), habitat, farming operations, airport flight paths, conservation area, SSSI, Local Nature Reserve, Cromal Mount scheduled monument;
- **Flood risk** – development will magnify existing flooding caused by natural springs at the top of the raised beach escarpment which affect the High Street and the corner adjacent to the Half a Moon gift shop;
- **Radon gas and contamination risks** – these risks are present (including contamination at the Station Yard site which led to a planning application refusal), need assessed and could prevent development and the developer partner has not dealt with contamination risks on other sites;
- **Availability of land** – parts of the site are in crofting tenure and not owned outright by the developer so may not be available for development;
- **Excessive scale of MCA proposal** – the MCA will double the number of residential properties in the village;
- **Insufficient affordable housing in MCA proposal** – 25% requirement should be higher;
- **Loss of small, rural village character** – village should remain small, quiet and peaceful and not be turned into a dormitory town for Inverness;
- **No community wealth building** – proposal offer no benefits to the local community;
- **Other better alternative to this MCA site housing options** – existing empty houses, land at Ardersier Port, other (undefined) brownfield land.

tourism, service sector and renewables industry related jobs are taking their place. The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road and consequent reduction in the maximum residential units from 600 to 400 units will also reduce the additional impact on infrastructure networks.

<p>Direct Responses at Public Events</p> <p>Two public events were held on 14 January and 11 March in Ardersier to explain and discuss the possible Ardersier MCA. A combined total of 195 people attended. All issues raised verbally were followed up in written comments (summarised above and below) except: one comment that Croy village should be expanded as an alternative location; construction vehicles will damage the village centre and cause disturbance; Station Road is unsafe for cyclists; Ardersier Primary School's capacity shouldn't include the mobile units on the tennis courts; queries about foul sewer connection point and opportunity for existing properties to plug into public sewerage; and, concern about development happening too quickly or too slowly.</p>	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p> <p>Croy village has very limited capacity for further development primarily because of major primary school and sewerage capacity issues. Nevertheless, the Council's relevant local development plan does small development sites to allow for its expansion. It is a far smaller existing settlement than Ardersier and lies far closer to the consented new town at Tornagraim which will eventually become the service centre for Croy. The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road and not allow direct vehicular connections to it will remove the prospect of construction traffic affecting the High Street. Existing deficiencies in active travel routes within the village that are not made worse by the MCA development are a matter for the public agencies that fund such improvements not for the developer partner of the MCA site. The Council's school capacity figures do include non-permanent accommodation so long as that accommodation doesn't provide a health and safety risk to staff and pupils. The accommodation at Ardersier Primary School doesn't provide such a risk. The recommended contraction of the MCA site boundary is likely to remove the opportunity to connect existing properties to the sewerage network as the new foul sewer routing is now unlikely to run close to the currently unserved properties. The PMCAS will include an intended phasing plan which will give an indication of the order, type and scale of development in each phase. However, the availability of public funding and variations in market demand will be the key drivers affecting the pace of development. An MCA has a maximum lifespan of 10 years so this provides a longstop date for completion.</p>
<p>Petition / Pro-Forma Responses</p> <p><u>Ardersier Petition Responses</u></p> <p>A petition submission was received from members of the local community. This submission had 3 local business co-signatories and 362 individual co-signatories from Ardersier and the wider area who endorsed the following statement: "Petition Title: "Possible" MCA Ardersier Opposition – To stop development on prime agricultural land at Mains of Ardersier; to assess a different location for housebuilding on a brownfield site; or, drastically reduce the size of the proposed development."</p>	<p>The petition statement and reasons reiterate those made by individuals, responses to which are provided in the table rows below.</p> <p>The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road and consequent reduction in the maximum residential units from 600 to 400 units is a significant, one third reduction in the size of the proposed development.</p> <p>Springfield's digital tool prompted responses are a useful indication that people across Highland and the north of Scotland recognize the benefits of new housing development if not that the Ardersier MCA site is the optimum location for that development. These responses back up the</p>

<p>“Reasons to Support” Pro-Forma Responses</p> <p>During the latter part of the consultation period, the Springfield Group created and promoted its own digital tool to seek and gather comments in support of the MCA proposal at Ardersier. A “pick and choose” prepopulated list of 6 positive reasons to support the proposal were suggested to potential respondents. 379 timeous responses to the tool were received by the Council in respect of the Ardersier MCA proposal. Each of those responses endorsed one or more of the following reasons to support the Ardersier MCA proposal:</p> <ul style="list-style-type: none"> • Housing choice: To provide more energy-efficient, accessible and modern housing, including affordable options • Infrastructure investment: To secure funding for local infrastructure, including improvements to our local road network. • Job creation: To create jobs for local trades, suppliers and apprenticeships and attract new businesses to the area. • Community vitality: To ensure our local businesses, services, and local projects remain sustainable • Looking to move within the area: To encourage investment into the area that will allow me to stay here in the future. • Looking to move to the area: To enable me to relocate to the area, ensuring there is enough quality housing. 		<p>Council’s assessment of housing need and demand in Highland as being significantly unmet.</p>
<p>Other Responses</p> <p>Other individual responses – one or more respondents raised one or more of the following issues</p>		
Issue	Sub-Issue	Recommended Council Response
<p>TRANSPORT</p>	<p>Road Network Capacity and Safety</p> <p>Respondents believe that the local road network is of insufficient capacity, is of poor condition and is unsafe relative to existing traffic levels and that these issues will be unacceptably magnified by development of the MCA site. Specifically: the roads are too narrow to allow two large vehicles to pass each other safely and without causing damage to road edges and verges; construction traffic will cause disturbance, damage, pedestrian safety issues and slow journey times for a long time period; there is a high accident rate including a high fatality</p>	<p>The PMCAS suite of documentation will include a Transport Assessment (TA) which will assess all likely traffic impacts and any necessary mitigation on the local road network. This will include consultation with Transport Scotland who will advise as a statutory consultee on any trunk road network implications. For example, the capacity of the road between Ardersier and Ardersier Port is already being assessed. Subject to the results of that assessment then selective local road widening is very likely to be required to allow large commercial and farm vehicles to pass each other. This would either be carried out and funded by the developer or funded by the developer through contributions and carried out by the Council. In terms of the A96 dualling scheme, there has been a positive recent Scottish Government announcement regarding its progress. The</p>

rate; the A96 and its local junctions are unsafe and has unacceptable queuing; there is weight restriction on the Gollanfield road railway bridge; and, there is a width restriction on the Connage Burn bridge.

TA will also assess and, if appropriate, confirm the need for other transport mitigation including active travel route improvements. However, it should be borne in mind that, as with the conventional planning processes, that for MCAs, developer funded improvements must be proportionate and connected to the net additional infrastructure capacity impact of any development.

Vehicular connection to the MCA site houses will be taken solely from the B9092 Nairn Road so as to minimize the impact on the rest of the village. Multiple accesses on to the road are desirable to allow separate construction vehicle routing. The existing U1323 industrial estate access road should form one of these accesses. However, the PMCAS masterplan will need to change the character of the site's southern frontage to establish its character as "within settlement" to influence driver perceptions so that vehicle speeds are slowed. This will include a requirement to extend the village speed limit to the east of the MCA boundary, extension of street lighting, and other measures to create a strong gateway effect to denote the new village edge. The B9092 will require to be widened to bus route standard (at least 6 metres) along the site frontage. New bus stops should be provided that adequately cater for services along that route (i.e. if two-way operation, bus stops would be required on both sides of the road, with suitable facilities to cater for safe crossing of the road to get to and from both stops). Provision of a new footway on the northern side of the carriageway along the entire development frontage, plus additional footway on the southern side as required to provide safe connection to any facilities on that side of the road (e.g. bus stops) will also be required.

One respondent references Transport Scotland's Rural Road Safety Framework 2021 as a justification for opposing the development because it will undermine the document's objective of reducing rural road deaths by 2030. The Framework's aim is worthy but there is no Scottish Government financial resources directed towards achieving this aim other than funding rural speed limit reductions and minor junction improvements so its relevance to this particular case is unclear. The Council's evidence suggests that the local road network doesn't have a disproportionately high accident and fatality rate but this matter will form part of the TA.

	<p>Active Travel Network Capacity and Safety Respondents believe that the local active travel network is incomplete, of insufficient capacity, is of poor condition and is unsafe relative to existing traffic levels and that these issues will be unacceptably magnified by development of the MCA site. Specifically: there is no safe, segregated active travel route connection to Inverness or the Airport Rail Station and therefore the MCA development will increase car commuting; and, a quiet, safe network would help preserve the mental health of a deprived community.</p>	<p>The TA will investigate this matter but additional provision will be limited to that necessary to make the MCA site development acceptable in planning terms. See also the recommended response in terms of safer routes to school. The Council's Sustainable Transport team will input to the PMCAS process and identify any village network improvements that can be directly related to the impact of the development proposal and if so seek developer and other public funding towards these improvements. However, strategic routes connecting to Inverness and the airport are unlikely to attract funding particularly when the A96 scheme includes considerable non-motorised user provision and large sections of the A96 will be detrunked and could provide additional lightly trafficked routes for cyclists.</p>
	<p>Lack of Public Transport Connectivity Ardersier village has no frequent, reliable and affordable bus connections to either Inverness or Nairn. The airport rail station has no effective park and ride provision because parking bays are taken up by airport users. Desire for old branch railway line to Ardersier to be resurrected.</p>	<p>See above. The MCA site will be designed and constructed to allow public transport connectivity. Whether a frequent, reliable and affordable service is provided is a matter for the private sector. It is unlikely that the route would meet the Council's criteria for a publicly subsidised service. Increased patronage for existing services may persuade a private operator to enhance provision. The PMCAS process will investigate whether short initial public transport developer contributions are appropriate to persuade new householders to use public transport rather than acquire the habit of driving for most journeys. Developer contributions have also been used to incentivize a private operator to amend its existing service routes to pick up new development sites in their initial phases when there isn't sufficient patronage for it to be commercially viable to do so. The Council has no control over the management of the railway station car park. Similarly, new railway proposals require Transport Scotland backing and funding which is very unlikely to be forthcoming for this project which would have a very low benefit cost ratio.</p>
	<p>Possible Closure of C1009 Mains of Ardersier Road The majority of respondents oppose the closure of the road to vehicular traffic because of its use by traffic visiting the cemetery and because a Stopping Up Order process is long, complex and subject to objections.</p>	<p>The Council (and developer partner) recognise that all representations that express an opinion on this issue do not favour the closure of the C1009 between Main of Ardersier and the Fulmar Crescent junction. Accordingly, the PMCAS will not include the stopping up of this route and also not include a vehicular road connection from the MCA development site to this road section. In addition, road access to the MCA site houses will be solely from the B9092 Nairn Road at multiple junctions to allow separate construction traffic access.</p>

	<p>Safer Routes to School Respondents believe that the failure to deliver a promised zebra crossing for the MacPherson Way development underscores the developer’s neglect of child safety in education-related infrastructure and this is a reason not to support further development.</p>	<p>The PMCAS will require a masterplan layout and developer funded physical works that will better and more safely connect the new houses to the existing primary school and within the MCA site to the new community hub site. This will include an active travel link through the Station Yard site or land directly adjoining to connect the new houses to the B9006 Station Road and a suitable crossing of this road (taking account of where secondary school bus services pick-up and drop-off children) to connect to the primary school side of it. The previously required but not provided safer pedestrian crossing of the B9092 Nairn Road will also be part of the PMCAS and will be an essential prerequisite of the final Scheme being made.</p>
<p>STATION YARD REFUSAL REASONS</p>	<p>Respondents report that the Council has already refused a housing planning application on part of the MCA site, at Station Yard. It is contaminated and the developer partner has a poor track record of dealing with contamination issues.</p>	<p>The previous housing planning application at Station Yard was a delegated refusal decision by a planning officer for reasons of layout and design. The Council’s Contaminated Land Team did not object to the application and felt that any issues could be addressed by a planning condition requiring further site investigation work and any resultant remediation works. There were unresolved issues in terms of boundary trees, the requirement for new planting, and education developer contributions but contamination wasn’t a reason for refusal. This part of the MCA site was formerly the station yard for the Fort George Railway Station which ceased operation in 1958. The previous Refurbishment and Demolition Report and the Site Investigations Report and a Summary of Chemical Analysis found some contamination within the site including asbestos within one of the buildings surveyed and some ground contamination. The Contaminated Land Team also advised that records show a diesel tank to be within the site and have identified this as the likely source of the ground contamination. Station Yard remains suitable for development, is allocated in the Council’s Inner Moray Firth Local Development Plan 2 for 10 houses and other development, and lies close to the centre of the village and its facilities.</p>
<p>NONCONFORMITY WITH APPROVED DEVELOPMENT PLAN POLICIES</p>	<p>Inner Moray Firth Local Development Plan 2 (IMFLDP2) Respondents argue that the Council’s relevant area local development plan was adopted as recently as June 2024 and doesn’t allocate the MCA site for development and doesn’t enclose it within the Ardersier Settlement Development Area. The MCA proposal will override the Council’s plan for the land. The Plan concluded that there were sufficient</p>	<p>The IMFLDP2 was adopted in June 2024 but written (as the Proposed Plan) in 2022 when the full additional housing need and demand implications of the Inverness and Cromarty Firth Green Freeport (ICFGF) project weren’t known. More recent (2022 Census results based) population and household forecasts also indicate that Highland will experience more growth than envisaged in 2022 (which projected future housing requirements using 2018 based data). In short, the IMFLDP2 was and still is, deficient in not allocating sufficient housing land for a village the size of Ardersier, which in Highland terms is classed as a main</p>

	<p>development sites allocated within Ardersier and therefore there's no need for any more so soon. Highland Council has a policy that supports development on brownfield land ahead of that on greenfield land.</p>	<p>settlement. Only two housing component sites are allocated in the IMFLDP2 for Ardersier village. One (the MacPherson Way development) is complete and one (Station Yard) is undeveloped, has constraints that challenge its viability, and is only earmarked for 10 units. The Council's development plan policies support development of brownfield land but there is no presumption against greenfield sites or even a form preference for brownfield land over greenfield land. The reasons for this are that brownfield land is, relative to central belt councils, scarce in Highland. Where it exists it often has contamination issues and is more suited to continued industrial, military or waste management use rather than housing.</p>
	<p>National Planning Framework 4 Respondents argue that the MCA proposal is contrary to Policy 25 Community Wealth Building because all the risk is borne by the community but none of the benefit. The developer should use local contractors and local suppliers for materials. It is also contrary to Policy 9 which presumes against development on greenfield land unless supported by other policies within the development plan. Believe Policy 18 means that capacity should be available or created in all infrastructure networks before sites can be given planning permission.</p>	<p>Policy 25 of NPF4 and the new Community Wealth Building Act 2026 set out positive principles rather than a legal requirement for a developer to create wealth for a local community. Developments and measures that facilitate and support the generation, circulation, and retention of wealth are to be supported. One example could be increased spend with local businesses and higher levels of inclusive or community forms of ownership can mean more money staying in the communities that can create wealth through higher incomes, fairer employment opportunities and a greater say over the use of local and regional assets. However, there is no mention in Policy 25 and the Act of community benefit, direct financial payments to community groups or of developer contributions which are, instead, required to offset the adverse impacts of a development.</p> <p>NPF4 Policy 9b) does presume against greenfield development unless the site is allocated or otherwise supported by the policies of the relevant LDP. Although the IMFLDP2 references the ICFGF project, it does not go on to allocated sufficient land to accommodate its housing implications. The Council recognises that this creates a nonconformity issue in respect of Policy 9b.</p> <p>Contrary to NPF4's Policy 18 title, Infrastructure First, which has confused and misled many, current UK and Scottish planning system practice doesn't insist that sufficient capacity in all infrastructure and facility networks must exist or be provided first before development can be granted planning permission. Indeed, almost all areas of the UK have existing, unresolved deficiencies in terms of the adequacy of its infrastructure and facility networks. In Scotland, planning permissions are</p>

		granted and appeal/court decisions are made on the simple basis that a developer commits to deliver or more usually provide financial contributions for other parties to deliver improvements to infrastructure capacity directly and proportionately related to the impact of its development. The new MCA process will not deviate from this current, established, national approach.
ADVERSE NATURAL HERITAGE IMPACTS	Adverse Impact on Badgers Respondents believe that there are setts within the site at Cromal Mount and close to the industrial estate which must be protected.	The PMCAS requirements (detailed in Appendix 2) necessitate an Ecological Impact Assessment (EclA) showing how development will affect habitats, species, designated sites and ecological processes and provide mitigation measures against any impacts identified. The developer has also committed to produce a full EIA Report regardless of the screening outcome. The Council will also require net biodiversity enhancement from the development which will almost certainly include the creation of new habitat. From initial investigations there are no main or satellite/annex setts within the MCA boundary. As is common in many parts of Highland these are concentrated in steeply sloping wooded ground. There are indications of foraging activity within the MCA fields. The recommended contraction of the MCA boundary will exclude that land close to Cromal Mount and the wooded escarpment.
	Adverse Impact on SSSI Respondents believe that there will be an adverse impact on the SSSI because it is close proximity to the MCA site.	See row above regarding the EIA Report commitment. The recommended contraction of the MCA boundary will exclude that land close to the SSSI. The interest is glacial geology and there will be no direct physical impact from the amended boundary MCA development.
	Adverse Impact on River Nairn Fish Species One respondent believes that the development will necessitate increased abstraction of water from the River Nairn which will adverse effects on fish species in the river. Seeks EIA to address this issue.	See row above regarding the EIA Report commitment. Ardersier is now served from a joined system of previously separate water supply areas. Scottish Water undertook this merger to ensure greater resilience to drought, unexpected leakage incidents and SEPA abstraction limits. Accordingly, there shouldn't be any River Nairn impact but the EIA Report can assess and if necessary determine appropriate mitigation of this issue.
	Adverse Impact on European Sites Respondents believe that there will be an adverse impact on these designated sites because of hydrological connectivity.	See row above regarding the EIA Report commitment. The recommended contraction of the MCA boundary will exclude that land with the most likely hydrological connectivity via groundwater flows to the marine designations. Otherwise, the PMCAS will require that surface and foul water is collected and treated in accordance with SEPA and Scottish Water's latest standards.

	<p>Adverse Impact on Other Species Respondents believe that there will be an adverse impact on other protected and non-protected species (rabbits, hares, pheasants, pine martens, moles, corn bunting, barn and tawny owls, kestrels, roe deer, bats) that are present in the wider area and use the fields for foraging.</p>	<p>See row above regarding the EIA Report commitment. Species are granted legal protection for biodiversity and animal welfare reasons. The loss of foraging land is not a material consideration for planning decisions unless that loss demonstrably causes a direct loss of biodiversity or animal welfare issues. Adjoining broadleaf woodland provides suitable habitat for many species but will be left untouched by the development proposal. The Station Yard buildings may provide a suitable roost for bats and this will be assessed in further detail at the next PMCAS stage.</p>
	<p>Adverse Landscape and Visual Impact Some respondents believe that development on the site will skyline when viewed from the B9039 approach to the village, from the beach and from the conservation area.</p>	<p>See row above regarding the EIA Report commitment. The Fulmar Crescent houses already skyline from the viewpoints mentioned. The recommended contraction of the MCA boundary will exclude that land most likely to be visible against the skyline from the referenced viewpoints. The PMCAS will include a masterplan that will address and mitigate potential adverse impacts for example by additional screen planting and siting houses off the site's broad ridgeline.</p>
<p>ADVERSE BUILT HERITAGE IMPACTS</p>	<p>Adverse Impacts on Scheduled Monuments Respondents believe that the monuments will be destroyed and degraded by the development. One person claims that the Dalyards monument scheduled area is an underestimate of the extent of its archaeological significance and that it should overlap the MCA site. Highlight need for archaeological investigation of likely significant remains.</p>	<p>See row above regarding the EIA Report commitment. The recommended contraction of the MCA boundary will exclude that land most likely to affect the setting or have an indirect physical impact on the Cromal Mount Scheduled Monument. Similarly, from the Ardersier Conservation Area and the settlement's listed buildings. Archaeological evaluation work is ongoing and any significant results will inform the design and layout at the next PMCAS stage.</p>
	<p>Adverse Impact on Conservation Area Respondents believe that there will be an adverse effect on the Conservation Area because the MCA site and the Conservation Area are adjacent and intervisible.</p>	<p>Due to the difference in ground levels, intervisibility between the possible MCA site and the Conservation Area is not significant. The recommended boundary contraction will move new development even further away.</p>
<p>BETTER ALTERNATIVE LOCATIONS</p>	<p>Alternative Housing Sites Respondents suggest that instead of developing the MCA site that there are better locations for more housing at/within: Lochaber (undefined); Badenoch and Strathspey (undefined), North of the Kessock Bridge (undefined), Tornagrain, Ardersier Port, Delnies (Nairn), Stratton (Inverness), Nairn East, Culloden, and other brownfield land (undefined).</p>	<p>Although the armed forces' presence at Fort George is being reduced and may be negligible by 2032, alternative tourism-based employment may replace it rather than housing. The fort site itself is also subject to coastal flood risk. Indeed, most of the old village west of the High Street is shown on SEPA's mapping as at coastal flood risk by the 2080s and therefore there is good reason for the village to begin the transition to higher ground above the raised beach escarpment. The other housing sites suggested are too imprecise in location or already allocated and/or</p>

	One respondent suggests Fort George when the barracks become surplus to armed forces use.	consented for development. Land at Nairn East may be suitable post construction of the Nairn bypass. Every settlement in Highland has infrastructure network deficiencies but unmet local housing need and demand and therefore simply diverting new development to an alternative settlement isn't a sensible spatial strategy.
SCALE OF PROPOSAL	Most respondents believe that doubling the number of houses and population of the settlement is excessive. Some respondents recognize the need for more housing development but seek far lower numbers with a maximum of 100 houses. A small number of respondents recognize that more housing is needed to support local facilities and to increase the critical mass of the place to attract commercial investment in facilities such as faster internet connectivity.	In response to the majority of respondents mentioning the scale of the proposal as excessive relative to the current size of the community, Council officers recommend, after discussion and agreement with the developer partner, to reduce the maximum scale of the housing numbers to 400 units (from the originally stated maximum of 600 units). The PMCAS boundary is also recommended to be contracted to exclude that land north and west of the C1009 Mains of Ardersier Road.
DEVELOPER PARTNER TRACK RECORD	MacPherson Way Development Many respondents report that the Springfield MacPherson Way development had problems in terms of: a play area that was promised but not delivered; poor surface water drainage; a landscaping plan that was not fully implemented; properties with incomplete insulation and poor workmanship; and, factored maintenance of open space that is never fully undertaken.	A planning authority must assess each planning case on its individual merits. It cannot prejudge a case simply because of the name of the applicant or developer. However, allegations about the developer partner's track record are pertinent to a longer MCA process where trust and collaboration between the Council, the community and the developer partner will be more important. The PMCAS will incorporate a Good Neighbour Agreement to define, secure and enforce a high quality of development and the infrastructure and other improvements assessed as necessary to mitigate its impact. Effective community involvement via the Agreement and other aspects of the design process will better hold the council and developer partner to account for commitments made. The developer's response to these criticisms is that Springfield has over 30 years' experience delivering quality, energy efficient homes with a high level of specification across multiple tenures and that 97% of its customers would recommend Springfield to a friend.
	Ownership Many respondents claim that the developer doesn't have unfettered ownership of all of the MCA site and is therefore being dishonest because the Council thinks that they do have.	A planning application applicant does not need to own a site to submit a planning application on it. The Council simply need an assurance that the prospective developer has sufficient control to implement the development, including for example, public road connections. The developer partner has demonstrated sufficient control of the MCA site. Part of the MCA site is in crofting tenure. If the MCA Scheme is ultimately made, the Crofting Commission would then make a separate

		independent decision whether to decroft the land. Typically, in Highland, decrofting applications are allowed if the planning decision is positive.
	Treatment of Contamination at Other Springfield Sites	The contamination legal cases much cited by respondents concerned a disagreement between a groundworks subcontractor and Springfield Properties PLC. The original HSE case concerned the health and safety risks posed to the subcontractor's workforce in moving asbestos and other hazardous materials at Springfield sites. Springfield plead guilty in October 2020 to failing fully to assess and therefore provide the correct training and equipment to the subcontractor and its staff in terms of an asbestos risk at one development site (Milton of Campsie) and received and paid an HSE fine of £10,000 as a result. Separately, in 2025, Springfield lost a Court of Session with an interdict deemed unlawful, and the subcontractor was awarded substantial damages. However, the HSE case and Court of Session case judgment did not concern or contain proof of contaminated material posing a risk to householder health. Springfield improved its health and safety protocols as a result of the cases. There is no published evidence that this remains an issue and therefore it has no relevance to the current MCA process.
HOUSING	Future Occupants Many respondents believe that the MCA site houses will be lost to Air BnB, second homes or sold/rented to people from outwith Highland. House prices will be unaffordable for locals. Most houses should be reserved for local people and be affordable.	Current UK housing and other legislation doesn't allow a local planning authority to discriminate and dictate the future occupants of houses in Highland. There are various mechanisms to favour those with a local family or employment connection but these are only practicable for the 25% of units that will be affordable and only then through a title restriction or a local lettings initiative. Similarly, dictating private unit sale prices is a matter for the free market. The latest licensing data indicates that there are only 13 properties within Ardersier that are in short term let use (less than 5% of all properties) and therefore any issue is minor relative to the average across the rest of Highland.
	Housing Types 2 bed bungalows needed for older people to free up their existing homes in the village.	Housing types can be influenced through the MCA process. Community input to the masterplanning design process of the PMCAS will be a way to influence the number and location of each housing type. Developers will respond to expressed and effective market demand and will be willing to change the housing mix to suit that demand.
COMMERCIAL FACILITIES	Many respondents want a larger convenience store, a full post office service, a permanent bank, and faster internet connectivity. Some respondents believe that new development will make these	Commercial service viability and provision is a matter for the free market not for the Council. However, many facilities such as local convenience shop and fibre optic network provision depends upon a critical mass of enough potential customers within a localised catchment. The MCA will

	<p>facilities more likely but many think their absence is a reason not have further development in the village.</p>	<p>increase the number of potential customers within the local village catchment and should, other things being equal, make commercial service / facility provision more likely.</p>
	<p>Some respondents report local power network outages and highlight the need for local electricity network upgrades to ensure capacity exists.</p>	<p>The Council has used SSEN's capacity checker tool which indicates adequate headroom in the local primary substation to service the development. However, more detailed assessment will be undertaken at the next PMCAS stage. It is very likely that new local substations will be required.</p>
<p>LACK OF SCHOOL CAPACITY</p>	<p>Ardersier Primary School Respondents disagree with the Council's assessment of the physical capacity of the school believing it to be far lower. Belief that the Council's acceptable class size assumptions are too high. Belief that non-permanent accommodation shouldn't be counted towards the school's capacity.</p> <p>Culloden Academy Respondents disagree with the Council's assessment of the physical capacity of the school believing it to be far lower. Belief that the Council's acceptable class size assumptions are too high. Belief that non-permanent accommodation shouldn't be counted towards the school's capacity. Culloden Academy has reduced outdoor social space because of the new units and this has affected the mental health of pupils who are now more reluctant to go outside at break times.</p> <p>Ardersier Nursery School Respondents report that the nursery accommodation is over capacity.</p> <p>Other Schools Respondents report that Tornagrain Primary and Nairn Academy are not yet constructed despite promises and therefore can't offer any additional capacity.</p>	<p>The Highland Council's Education team sets the physical capacity of each school based on national standards. Head teachers don't always agree with the methodology for the calculation of this capacity and believe that the more workable operational capacity should be lower. Demountable, other semi-permanent and modular unit accommodation has counted towards school capacity for at least the last 60 years in Scotland and wider UK. It may not be the perfect solution but offers a quicker, economically practicable way forward and offers accommodation of higher quality, energy efficiency and condition than many existing schools in Highland particularly those that date from the Victorian era.</p> <p>Ardersier Primary School has a current (2025/2026) roll of 95 pupils and a Council stated capacity of 150 pupils (63% occupancy). There are 4 English Medium classrooms. A one class extension was completed in 2021/2022 partly to address nursery accommodation issues which increased the capacity from 125 to 150 pupils. Developer contributions towards this Council forward funded capacity expansion are still payable as set out in the Council's latest Delivery Programme. Without the MCA development, then the roll is projected to fall to under 50% occupancy. Current average class sizes are 19, lower than the Highland average of 20.8. The pupil teacher ratio is 13.6 (7 teachers) lower than the Highland average of 15.3. With the recommended reduced scale of MCA site development of a maximum of 400 units over 10 years from 2027/2028 at a build rate of 40 units per annum then the amended school roll forecast predicts that the school will not breach 90% of its physical capacity, which is the Council's trigger for requiring additional developer contributions in connection with additional accommodation provision. It is forecast to reach 89% in 2039/40. Given the need for a new primary school or further expansion of that existing is marginal then it is prudent at this point to require safeguarding of a serviced site for education provision within the MCA site.</p>

		<p>For Culloden Academy it has a current (2025/2026) roll of 1,107 pupils and a Council stated capacity of 1,330 pupils (83% occupancy). Its pupil teacher ratio is 12.7 (87 teachers) higher than the Highland secondary school average of 11.4. Culloden Academy is not forecast to breach its 90% capacity with the inclusion of the MCA site assuming 40 units completed per annum over 10 years from 2027/2028. It is forecast to reach a maximum of 88% in 2040/2041.</p> <p>The Council will seek education developer contributions from the MCA developer in line with its published policy and guidance. If the above phasing is implemented, and other development within the catchments happens as forecast then there is no requirement for financial contributions to either primary or secondary education provision. However, the PMCAS will still require a community hub safeguard site to allow for additional education provision should the forecasts (which are reviewed annually) change. In any event, pressure on nursery provision appears to be a current issue that may need alternative accommodation.</p> <p>Ardersier nursery classes do have healthy numbers but these will soon feed through to the main primary school classes so any capacity issue should be short term. Overall, Highland birth totals and rates are mirroring the national trend of decline so unless net (in)migration brings in more very young children or couples wishing to have children then any capacity issue shouldn't be long term. In any event, the PMCAS will incorporate a land safeguard for a community hub designed to accommodate additional education provision.</p> <p>Other Schools The new Tornagrain Primary School is expected to open for the start of the 2027/2028 academic year but has a catchment boundary tightly related to the expected settlement boundary so is unlikely to have any impact (positive or negative) on Ardersier education provision. Nairn Academy is expected to open in August 2026 but again is not the relevant high school for Ardersier pupils and will therefore be unrelated in capacity terms.</p>
<p>LACK OF HEALTH FACILITY CAPACITY</p>	<p>Raigmore Hospital Has no spare capacity to service new development. It is operating at 103% bed occupancy. These "code black" conditions result in cancelled elective</p>	<p>For existing deficiencies in existing infrastructure networks the relevant organisation is responsible not the private developer. For example, general taxation is supposed to fund adequate healthcare facilities and sufficient staffing to deliver that provision. Many health facilities and their</p>

	<p>surgeries and escalated A&E waiting times in excess of the national targets.</p> <p>Health Surgery The local GP is just a branch surgery of the Nairn Medical Practice and there is an average 4-6 week wait for an appointment. It has disabled access restrictions and is short of staff.</p> <p>Dental Healthcare There is no dental practice in the village and most wider area dentists are not taking new patients.</p> <p>General NHS are not a statutory consultee in the planning process so their views are not sought but should be. There should be a new health/dental healthcare hub building in the new development. There should be a Health Impact Assessment for a development of this scale.</p>	<p>staffing are inadequate across the UK regardless of the impact of new development. The Council has reached out to NHS Highland and direct to GP practices to gather evidence on health facility capacities and to establish whether new development has a direct and significant impact on those capacities with a view to seeking developer contributions. Within Inverness City there is a direct correlation between new development and increase GP list sizes which may justify seeking developer monies but other factors are also important like Scottish Government health policy changes requiring healthcare to be delivered from GP practices that was previously delivered from hospital or from other specialist units. Even if the Council could justify health facility developer contributions the balance of monies would need to come from NHS Highland and its current capital programme cannot fund significant improvements to existing overstretched facilities such as at Culloden and Raigmore.</p> <p>It is accepted that facilities local to the MCA site have physical capacity issues. The PMCAS will safeguard a site for a multi-purpose community hub building which will be suitable for healthcare provision.</p> <p>The Health Impact Assessment provisions of the Planning Act are yet to be made operative. Scottish Government doesn't appear to wish to apply this requirement to developers of major scale planning applications perhaps for the reasons stated above.</p>
<p>MCA PROCESS</p>	<p>Many respondents believe the MCA process is flawed and should not be applied to Ardersier because: it does not include direct neighbour notification; the Council should lead the process not the developer; there is no enforcement to ensure that the developer does what they say they will do; there insufficient information to make informed comment; there is too much information and too little time to digest it; MCAs should wait for Local Place Plans to be prepared; there has been no tendering process to choose the development partner; the MCA mechanism circumvents the statutory involvement of the local community council, which would be guaranteed under a Full Planning Application; it bypasses the full planning application process; the MCA process can't be stopped or proposal amended; the Council should instruct the</p>	<p>The relevant primary and secondary MCA legislation has, deliberately, been written by Scottish Government to provide flexibility in how each council can implement the concept. Highland Council is an 'early adopter' piloting this approach. The Council accepts that any new approach offers less certainty to those familiar with established processes.</p> <p>To offer clarification:</p> <ul style="list-style-type: none"> • The MCA process does include direct neighbour notification but only once the PMCAS has been agreed by the relevant council committee and the PMCAS published; • The Council does lead the MCA process because its committees make all the approval decisions if an MCA is to proceed to "made" status; • The PMCAS will include draft legal agreements to specify legally enforceable commitments by all parties; • Around 20 Local Place Plans have been registered across Highland but as yet there is not one for the Ardersier area despite

	<p>developer both to take a lower profit margin and build all necessary infrastructure; the MCA process should be amended to follow that in Europe where it happens on local council owned and controlled land; the normal EIA process will be circumvented; there is no clear justification why Ardersier was chosen above other bids; the Station Yard planning application refusal undermines the use of an MCA on the same land; the MCA grants consent for decades to come; there should be an integrated impact assessment; the MCA power is optional and therefore the Council shouldn't use it; and, MCAs should only be used for public sector developer led sites like those led by the Highland Housing Alliance and Communities Housing Trust.</p>	<p>there being adequate opportunity for one to be prepared – the community's direct input to the MCA design process would be most welcome and will be invited;</p> <ul style="list-style-type: none"> • The MCA process does involve community council input including it being the only statutory consultee at the current initial stage; • There has been no tendering process or design competition because the Council doesn't own and control the land; • The next PMCAS stage will be very similar to a full planning application so doesn't circumvent that process; • The Council can pause or stop the MCA process at any stage up to the Scheme being "made" (adopted); • The developer partner has committed to do a full EIA Report regardless of the screening decision outcome so no EIA process is being circumvented; • As explained above in relation to Policy 18 of NPF4 no council can simply force a developer to rectify all existing, magnified and newly created infrastructure deficiencies; • The shortlisting rationale for the 3 current Highland MCAs is in the public domain via the Council's MCA webpage; • An MCA has a maximum 10 year lifespan so will not grant consent for "decades to come"; • Applying an MCA to a publicly owned site would have control advantages but would require a greater level of public subsidy and needs to be in a location where people want to live and work; • The initial MCA consultation period lasted almost 3 months: a month longer than the 2 months minimum required by statute.
<p>INCREASED POLLUTION</p>	<p>Concern about increased noise, light and environmental pollution including loss of current dark skies, which will harm astro tourism.</p>	<p>The recommended contraction of the MCA boundary will exclude that land closest to the greatest number of existing properties which should minimise the impact on direct neighbours. Otherwise, the developer has also committed to produce a full EIA Report regardless of the screening outcome. This report will assess and address these pollution issues through the PMCAS process.</p>
<p>LACK OF WATER & SEWERAGE CAPACITY</p>	<p>Respondents argue that houses above the raised beach already experience bouts of low water pressure. One allegation that there is a lack of local sewerage capacity and that more sewage will be pumped into the firth.</p>	<p>The MCA developer will be required to model the impact of the development on the existing water and sewerage networks. New development cannot and will not increase the volume and rate of surface water run-off into the public sewerage system. Ardersier has a relatively new sewage works which offers a high level of treatment of effluent and</p>

		which has more than adequate capacity to service the MCA development.
LACK OF LOCAL JOBS	There is no justification for an MCA at Ardersier because: the Chinese investment at Ardersier port has been rejected; no major offshore renewable contracts have yet been awarded to the Port; current employment at the Port is only short term construction contract work which doesn't result in a need for permanent housing; some political parties (the Greens) don't support Green Freeport jobs; SSEN jobs won't happen in Highland because Fanellan substation and other projects are being rejected by the Council; new development will dissuade tourists from visiting Highland and therefore reduce local employment dependent on this sector.	The future award of renewables sector contracts to Ardersier Port is an unknown issue at present but the site is very well suited to winning such contracts because it offers a very large, flat lay-down area adjacent to a very long quayside and the access channel has now been dredged. The port has received a recent planning permission and the planning application's socio-economic assessment suggests between 300 and 3,000 jobs will be created if the Port is successful in bidding for work. Onshore renewables developments and their associated employment continue at pace and are not dependent on private market investment decisions.
LOSS OF PRIME FARMLAND AND CROFTLAND	Most respondents are concerned about the loss of good agricultural land because: there will be a loss of registered croft land; there will an irreversible loss of prime farmland which is cropped as well as grazed; there will be an adverse impact on national food security and increased food miles; the "Food Crisis" is more important than the "Housing Crisis"; of the cumulative effect of other local prime farmland being destroyed at Castle Stuart for golf courses and at Tornagrain; prime farmland is protected under The Agriculture and Rural Communities (Scotland) Act 2024; and because of the Agent of Change principle. Housing shouldn't be built closer to existing farming operations because the future householders will complain about noise and smells from farm operations. Nearby householders cause trespass, vandalism, damage to equipment, interference with animals, dogs worrying livestock, fly tipping, and obstruction of access routes issues.	<p>The Agriculture and Rural Communities (Scotland) Act 2024 contains no reference to prime farmland. Instead, it is about the financial and other support to farmers in the transition away from previous EU funding. From a technical viewpoint, only 14.6% of land in Highland is developable. The remaining 85.4% of land has several constraints preventing it from being built on. This ranges from the location of the land being too far from an adopted road, too steep, too high in altitude, at risk of flooding, or covered by a national or international heritage designation. Accordingly, choices for new development sites are very limited. Most existing built development and large existing development plan allocations are on land of good agricultural quality because this land tends to be better drained, flatter and closer to existing settlements. Put simply, there are insufficient, commercially viable alternative development sites in Highland to avoid building on prime farmland. The logical response is to maximise the development potential of good farmland if it is developed. The development should reuse the quality soils within the site for landscaping and set aside a portion of each site for community growing spaces or allotments. The developer partner has trial pitting the site and will do a soils analysis of its quality. Anecdotal local evidence suggests the land is used for grazing livestock rather than for arable crop production.</p> <p>Part of the MCA site is in crofting tenure. If the MCA Scheme is ultimately made, then the Crofting Commission would make a separate decision</p>

		<p>whether to decroft the land. Typically, in Highland, decrofting applications are allowed if the planning decision is positive.</p> <p>It is agreed that housing development located too close to farming operations can cause disturbance. The recommended boundary contraction and detailed layout changes (including setback) at the next PMCAS stage will help address this issue. Otherwise the issues raised relate to responsible access to the countryside which is best achieved through education.</p>
LOSS OF RURAL VILLAGE CHARACTER	<p>Many respondents believe the development will have an adverse impact on the character of Ardersier by: causing the loss of distinct identity of a small historic, fishing village; turning a village into a dormitory town by adding poorly designed urban suburbs; upsetting people who choose to live in a quiet village for mental health reasons so they can live at a slower pace and enjoy walking in the surrounding countryside; eliminating people's quality of life forever; and, disrupting the social balance of the village because it takes a long time to integrate new people into village life; destroying the green belt around the village.</p>	<p>The recent Census revealed that around 30% of Ardersier residents commuted to an Inverness City workplace in April 2022. Accordingly, Ardersier is already part of the Inverness Travel to Work area and chosen by many as a suitable commuter settlement. It is also a sizeable settlement in Highland terms. The character of any settlement changes over time as economic and other opportunities come and go. It is not a practicable planning policy to embargo new development in any main settlement unless there's an insurmountable constraint such as coastal flood risk.</p>
FEARS OF INCREASED CRIME	<p>A few respondents believe that: the new houses will be occupied by incomers with no connection with area and therefore more likely to engage in crime; and, some houses will be for multiple occupation with the attendant anti-social behaviour and crime issues HMOs cause such as drugs and related violence.</p>	<p>There are no Houses in Multiple Occupation (HMO) proposed at this location. The 25% affordable unit provision mix will be determined by affordable housing agencies against needs identified through the Highland Housing Register. There is no correlation between a person being an incomer and their propensity to commit crime.</p>
LACK OF HOUSING DEMAND	<p>Several respondents believe there's no proven need or demand for new houses in Ardersier because: existing private developments in Highland are not selling well; there are 4,000 empty houses in Highland and second and holiday homes that could be reclaimed for mainstream use; it's only unwanted immigration that is causing the housing crisis; and, past Highland house completions haven't solved waiting lists so this MCA won't. One respondent</p>	<p>Each Scottish council must identify enough, deliverable housing land sufficient to meet forecast housing need and demand in its area. This forecast must take account of expected employment growth (or decline) and expected net migration (whether in or out in net terms). Allocating land simply for indigenous need and demand is not permissible. Deliverable land means sites where people want to live, close to where they work (or want to work), where developers can obtain a reasonable profit margin and therefore will build and/or where sufficient public funding is available to affordable housing agencies to subsidise</p>

	<p>believes that the housing crisis is a political invention to talk up growth to argue for Scotland being economically self-sufficient to justify independence.</p>	<p>development. The latest annual house completion numbers in Highland are between 850 and 900 units whereas published targets suggest between 1,800 and 2,400 per annum are required to meet all forecast housing need and demand. All levels of central and local government and most political parties agree that there is a housing issue that requires additional action. Acquiring existing properties through compulsory purchase is one option but far more expensive in public spending terms and lengthier in terms of legal process than new build. Clearing the backlog of affordable need is made more difficult because house process are increasing higher than local incomes.</p>
<p>HEALTH AND SAFETY ISSUES</p>	<p>Many respondents believe that the development of the MCA site will cause health and safety risks as follows: the raised beach escarpment slope will be made unstable and cause a landslide issue (as happened in 1933 landslide close to the current location of Fulmar Crescent); the landslide risk will be more likely with more flood events due to climate change; historic properties on the High Street don't have proper foundations and may be undermined by increased traffic and construction above the escarpment; there is unexploded ordnance on Cromal Hill which may explode if development is allowed near it; there is railway contamination at Station Yard which may be disturbed by development; new development will worsen emergency vehicle response times with local road network already at capacity and junctions already gridlocked; and, the new householders will be subject to radon gas risk, which is the second leading cause of cancer.</p>	<p>Radon Gas The developer partner has commissioned site investigations which will allow the production of a Radon Risk Assessment. This assessment will determine the location and degree of risk and suggest the need for and type of mitigation to address the issue. Typically, this mitigation is a different foundation design for houses to prevent ingress and build-up of radon gas within properties. This matter will be detailed within the PMCAS documentation. Radon gas is naturally occurring and <u>not</u> the second leading cause of cancer in the UK. Exposure to high levels of radon increases the risk of lung cancer but only a small percentage (5%) of lung cancers in the UK are linked to radon. In most cases of radon-related lung cancer they could be prevented by not smoking. This is because lung cancers that are linked to radon are most likely to be caused by the combination of smoking and radon.</p> <p>Landslide Risk The Council accepts that there have been landslips of the glacial raised beach escarpment in Highland (for example at Castle Stuart golf course) and that the increased frequency and intensity of storm events will magnify the risk of such occurring. The recommended site contraction sets development a long way back from the principal escarpment slope so will avoid this risk.</p> <p>High Street Property Foundations Similarly, the recommended site contraction and amended proposed vehicular access routes will avoid additional impact on High Street properties.</p> <p>Unexploded Ordnance Risk</p>

		<p>So too, the recommended site contraction will provide a considerable setback to Cromal Mount and the alleged risk posed by development at or close to that location.</p> <p>See above regarding Station Yard contamination and transport matters.</p>
BUSINESS RATES	<p>Local shops will be forced to close because business rates will increase if the village becomes a town.</p>	<p>Business rates will not increase if Ardersier is re-classified by Scottish Government as a town but there is a potential loss of rural business rates relief if the population of the settlement grows above 3,000 persons. The current relief applies to a shop, general store or post office, petrol filling station or sole, singly owned pub. Ardersier's "locality" population is stated by Scottish Government as 1,176 persons as at the time of the 2022 Census. The reduced maximum of 400 houses would generate an additional 800 persons which, other things being equal, would take the "locality" population to 1,976, which is clearly within the 3,000 threshold.</p>
PROFITEERING	<p>The developer and Highland Council are only supporting the MCA development to make a profit. There is no community wealth building and the proposal offers no benefits to the local community. There is no existing local development trust with funding to make sure the community benefits from the MCA development.</p>	<p>The Council is not supporting the MCA process to make a profit. Tax revenue and Scottish Government grant settlement monies don't cover the additional cost of the public service provision necessary to serve each additional person. Attracting new businesses to Highland can enhance the local tax base but not housing.</p> <p>National planning legislation and policy require a developer (and local public bodies) to consider measures that facilitate and support the generation, circulation, and retention of wealth within a particular locality. For example, increased spend with local businesses and higher levels of inclusive or community forms of ownership can mean more money staying in local communities that can create wealth through higher incomes, fairer employment opportunities and a greater say over the use of local and regional assets. However, direct financial payments to community groups are not stated as a planning requirement.</p> <p>The developer partner can unilaterally offer community benefit or discuss such with a community group but this isn't prescribed in planning legislation and is a matter for negotiation. It is understood that an Ardersier Foundation may be formed and this may be a suitable body to discuss this issue with the developer. Springfield reports that in 2025, it donated £36,000 to local groups, charities and organisations in Moray and the Highlands and that sponsorship and donation requests are reviewed weekly by the Springfield Director and CEO. It has an online</p>

		<p>form available on its website to make requests for support easy for members of the community.</p> <p>Springfield is a locally (Elgin) based developer that employs around 600 people, 62% of which live in Moray and the Highlands. It also reports that 20% of its site workforce are hired as apprentices, 80% of which are in the north of Scotland. It has recruited 25 apprentices in the north of Scotland in 2025 and is set to take on a further 18 this year. Approximately 61% of Springfield's suppliers and subcontractors are located in Scotland 21% of which are based in Moray and the Highlands. In summary, Springfield does assist in the process of (re)circulating wealth within the North of Scotland economy.</p>
SEEK DESIGN CHANGES	<p>Several respondents seek changes to the MCA development layout as follows: the creation of a large, wide belt of woodland along the top of the hill above the conservation area to protect the conservation area from being overlooked by modern development, to maintain a green wildlife corridor, to soak up the water in the hillside to alleviate flooding, and provide shelter from the fierce south-westerly winds; a boundary treatment that protects neighbours' privacy; include a developer funded community/sports hub building similar to those at Tomatin and Gairloch including a visitor, community and training centre; inclusion of wheelchair liveable accommodation for the elderly and disabled; and, that the B9092 point(s) of access should have roundabout junction(s) to slow vehicle speeds.</p>	<p>The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road will address most of the development setback issues raised. A site safeguard for a community hub building will be incorporated within the PMCAS. Promised but not yet implemented changes to Scottish Building Standards should soon require all accommodation to achieve a higher "wheelchair liveable" rather simply "accessible" standard. This change should make far more accommodation suitable for the needs of older and/or disabled residents. In the interim, the Council currently operates a quota policy (Policy 13 Accessible and Adaptable Homes of the IMFLDP2) which requires a minimum of 5% of all dwellings across the Inner Moray Firth to have a "wheelchair liveable" ground floor on sites of 50 or more residential units. The detailed design of the B9092 junctions will be a matter to be resolved through the PMCAS design process but there will have to be physical measures to slow vehicle speeds along this frontage.</p>
IMPACT ON AIRPORT RADAR	<p>The MCA development will adversely affect the safety of Inverness Airport by affecting flight paths and radar.</p>	<p>The ground level of the MCA site and the maximum height of buildings proposed will not affect Inverness Airport flight paths or radar function. Any additional wetland creation and the associated bird strike risk is likely to be far more of an issue. Radar function is more at risk from moving objects such as wind farm turbine blades which can cause radar flicker. Nevertheless, Highlands and Islands Airports Ltd will be consulted at the next PMCAS stage and any necessary mitigation incorporated.</p>
PROPERTY DEPRECIATION	<p>Some respondents believe the MCA development will lead to a fall in local house prices.</p>	<p>The "bricks and mortar" value of a property is not affected by the prospect or reality of adjoining development. The loss of a private view</p>

		and any financial value attached to it is not a material planning consideration.
LOSS OF PRIVATE VIEWS & PRIVACY	Some respondents who live directly adjacent to the MCA development believe they will lose their private views and be overlooked by the new houses.	The recommended contraction of the MCA boundary to exclude that land north and west of the C1009 Mains of Ardersier Road will address most of the issues raised by vastly reducing the number of directly neighbouring properties.

5b: Embo Road MCA

Summary of Issue Raised in Representations and Source	Recommended Council Response
<p>Response from relevant community council</p> <p><u>Dornoch and Area Community Council (DACC)</u> Supports principle of MCA development that delivers meaningful housing benefits for the area and meets local housing needs. Any proposal should ultimately be guided by what the Embo community itself wants and by what will provide genuine long-term benefit to local people. DACC are aware of varied views in the community, including concern about if there is sufficient emphasis on mixed-tenure housing that is fully integrated with the existing community and the element of 'exclusive' larger private homes. Broader housing issues were also a concern, including second homes and holiday lets impacting housing availability for permanent residents. DACC wish any future scheme to prioritise genuinely affordable housing, strong local connection where possible, and a layout and tenure mix that supports the long-term sustainability of the community.</p>	<p>Detailed views from the community have been received though this public consultation stage. Also, the Communities Housing Trust has been commissioned by Highland Council to undertake a Housing Needs Survey for the Dornoch Community Council area.</p> <p>At the next detailed PMCAS, Highland Council intends to integrate community representation into the joint masterplanning team. Council, community representatives and the potential developer will be required to collaborate and compromise to develop a feasible masterplan for the Embo site that meaningfully responds to identified local housing needs, delivers local housing benefits, and responds to community views. The PMCAS will define the mix of housing tenures and typologies and establish a site layout which supports feasible development, delivers community benefits, responds sensitively to environmental constraints and can be serviced by infrastructure.</p>
<p>Direct Responses at Public Events</p> <p>Two public events were held at the Old School, Embo on 29 January and 5 March 2026 to explain and discuss the possible Embo MCA. A combined total of 85 people attended across the two events. All issues raised verbally were followed up in written comments (summarised below). At the first public event, key issues were raised on the general principle of development, community facilities, water network, electricity network, site access, flood risk, education / health and other local services capacity, ecology, natural heritage / open space, housing</p>	<p>Refer to responses to issues raised in following section.</p>

demand, land use. Additional issues raised at the second event were on housing demand, access paths, ecology, and woodland use.		
Other Responses Other individual responses – one or more respondents raised one or more of the following issues		
ENVIRONMENT	Potential for significant environmental impacts Concern that location, scale and design of a large housing development will have potential significant impacts on nearby designated sites: the Dornoch Firth and Loch Fleet SPA and Ramsar site and the Loch Fleet SSSI. Concern that development would increase levels of recreational disturbance, both in isolation and cumulatively, any residential runoff would impact the Cluain Burn and development of fields would impact geese and curlew winter feeding.	The only designation within the Embo MCA site is an area of Ancient Woodland - Long-established of Plantation Origin (Fourpenny plantation). The potential Embo MCA site is 25m from other designated and protected sites Dornoch and Loch Fleet Ramsar, Dornoch and Loch Fleet SPA and Loch Fleet SSSI to the north-east. Indicative plans presented at public consultation events show that no housing is proposed to be located in the north-east corner of the site directly adjacent to the designated sites. This separation is to be maintained by a no-build community green space. See below regarding assessment of environmental impact and mitigation.
	Environmental Impact Assessment Concern that environmental assessment has not been undertaken.	This site is being Screened for EIA (reference 26/01758/SCRE). Any progression of development on this site will be subject to a more detailed appraisal of their suitability through an environmental impact assessment process (if screened in) or a Preliminary Ecological Appraisal and Ecological Impact Assessment. As such, a suite of surveys will be required to identify what ecological resources are present on site and then a full assessment of the impacts will be required. This will include protected species, habitats, breeding and wintering birds and may require invertebrate surveys as well. Potential for impacts like recreational disturbance, whether in isolation or cumulatively, and impacts of residential runoff (i.e. hydrological connectivity) will form part of the consideration for Screening. Through screening, NatureScot, SEPA, Historic Environment Scotland are being consulted. The Council's screening decision will be made publicly available on the Council's Planning Portal, once it is issued.
	Ramsar sites and European sites Potential for negative significant impacts on Dornoch Firth and Loch Fleet Ramsar site (a European site) from housing development, including impacts to hydrology and designated features. Ministerial and Chief Planner letter of 9 July 2025 states that Ramsar sites are to be	Regulation 9 of The Town and Country Planning (Masterplan Consent Areas) (Scotland) Regulations 2024 states that no MCA scheme can grant authorisation for development which, (a) is likely to have an adverse effect on a European site site in Great Britain or a European offshore marine site (either alone or in combination with other plans or projects), and (b), which is not directly connected with or necessary to the management of the site.

	<p>treated as European sites. This means MCA Regulation 9 takes the meaning that no MCA scheme grants authorisation for development which is likely to have an adverse effect on a Ramsar site (or any of its designated interests).</p>	<p>There is no European site and/or Ramsar site within the redline boundary of the potential Embo MCA Scheme. With regard to Regulation 9, this site is being Screened for EIA (reference 26/01758/SCRE). Any progression of development on this site will be subject to a more detailed appraisal of their suitability through an environmental impact assessment process (if screened in) or a Preliminary Ecological Appraisal and Ecological Impact Assessment. A Habitats Regulations Appraisal will be undertaken for the site, through an Appropriate Assessment, prior to the adoption of any Masterplan Consent Area Scheme on the Embo site.</p>
	<p>Status as a 'protected area' View that Embo as a whole is a 'protected area', and that woodland area to be 'removed' is full of rare animals and protected species.</p>	<p>Part of the Embo MCA area is identified as an Ancient Woodland Inventory site but the current woodland is classified as long-established of plantation origin which means its natural heritage habitat value is limited. In any event the MCA does not propose built development within the area of woodland. The existing woodland is in poor condition and would benefit from selective felling and replanting with native species to increase its habitat and amenity value.</p>
	<p>Strategic Environmental Assessment approach Lack of clarity around the Strategic Environmental Impact Assessment, and why potential environmental impacts were not identified for Embo (and other MCA sites except in Tain). SEA documentation not provided as part of consultation documents.</p>	<p>No large potential development site in Highland is free from all constraints. The long list of MCA sites were assessed to identify potential environmental impacts and whether environmental impacts can be avoided, mitigated or at least minimised. The Embo site has fewer environmental constraints than the other shortlisted MCA sites, for example at Tain where NatureScot confirmed a significant constraint in terms of recreational access disturbance to a capercaillie interest. Further detailed environmental assessment work will be undertaken at the PMCAS stage to ascertain whether there is a likelihood of adverse effects at Embo. The MCA boundary has no overlap with any designation and development within it will be setback from the boundary closest to the designations. It is very likely that any indirect hydrological and recreational connectivity adverse effects can be mitigated by appropriate servicing, layout and management measures.</p>
	<p>Stage 1 MCA site surveys, analysis and constraints Lack of clarity on what site surveys, analysis and constraints were identified in Stage 1 of MCA process, as per MCA Guidance.</p>	<p>Desktop-only analysis of internal site constraints was undertaken at Stage 1. This included the initial Strategic Environmental Assessment. This was done using the red-line boundary and supporting information for the Embo site submitted through the Call for Development Sites. Note that for Embo, this redline boundary is a smaller site area than the one that was later consulted on in Stage 2. Maps prepared by Council for the Stage 1 desktop analysis of site constraints and other baseline information was presented at the first public event and made available on the Council website and Consultation</p>

		Portal. Detailed site surveys and investigations will be required to inform the next detailed PMCAS stage.
	<p>Habitat Regulations Appraisal Requirement to undertake Habitat Regulations Appraisal with Appropriate Assessment of the effects of the proposal on the SPA and Ramsar site and its species in light of the sites' conservation objectives.</p>	A Habitats Regulations Appraisal will be undertaken for the Embo MCA site, through an Appropriate Assessment, prior to the adoption of any Masterplan Consent Area Scheme.
	<p>Archaeological interests Viking grave nearby and further materials could be present in this area.</p>	No sites are currently recorded within the MCA boundary. However, significant archaeological deposits and sites are known in the wider area and as such, the proposed development location is considered to have at least moderate archaeological potential. As any further unrecorded remains would be impacted by the proposed development, an archaeological evaluation will be required in advance of the start of works on site. The evaluation will establish the archaeological content and potential of the site. Dependent on the results of this work, further study may be required in advance of, and during, construction works.
	<p>Flood Risk Concern about flooding at the junction out of the village, drain is inadequate, and flood risk from the burn through the MCA site, and implications of mean high-water spring.</p>	The development partner will be required to prepare a Flood Risk Assessment, considering all sources of flooding affecting the site, alongside a Drainage Impact Assessment (DIA) describing how the development will manage surface water. These documents must demonstrate to the satisfaction of the Council's Flood Risk Management Team and SEPA that the development will not increase flood risk or result in environmental harm to other properties and land and that the new housing will itself, be safe from flooding.
	<p>Views of the Dornoch Firth Concern about how the view of the Firth as you come over the hill into the village will be considered or maintained in future development.</p>	The public view across the site to the Firth on approach to the village has been carefully considered. The site benefits from a natural dip in the south-eastern part of the field, which assists in integrating any future development into the landscape. In addition, the main approach into Embo is from an elevated position, meaning wider views across the Firth would remain available. Detailed layout, scale and landscaping would in any event be addressed through the detailed planning process and proposed Design Code to ensure the visual amenity of the village approach is respected.
	<p>Impact on Prime Agricultural Land</p>	The site is predominantly within LCA class 3.2 with a portion of the north field in LCA class 3.1 which is defined as prime agricultural land. The site is currently used for grazing sheep, not for an arable crop. Development of the

		<p>north field will reduce prime agricultural land available for arable uses but a contiguous area of prime agricultural land remains to the north of the development and the unit's viability will not be affected.</p> <p>From a technical viewpoint, only 14.6% of land in the Highlands is developable. The remaining 85.4% of land has several constraints preventing it from being built on. This ranges from the location of the land being too far from an adopted road, too steep, too high in altitude, at risk of flooding, or covered by a national or international heritage designation. Accordingly, choices for new development sites are very limited. Most existing built development and large existing development plan allocations are on land of good agricultural quality because this land tends to be better drained, flatter and closer to existing settlements. Put simply, there are insufficient, commercially viable alternative development sites in Highland to avoid building on prime farmland. The logical response is to maximise the development potential of good farmland: if it is developed, the development can reuse the quality soils within the site for landscaping and set-aside a portion of each site for community growing spaces or allotments. Embo already has allotments/runrigs available with space for more, so provision on site for additional allotments is not considered necessary.</p>
	<p>Construction impacts Construction impacts on wildlife need to be considered for the whole site.</p>	<p>At least a Preliminary Ecological Appraisal (PEA) and Ecological Impact Assessment (EclA) will be prepared at the next PMCAS stage showing how development will affect habitats, species, designated sites and ecological processes. The EclA must also provide mitigation measures against any impacts identified, including during the construction period.</p>
	<p>Invasive species Invasive weed in the burn, could be removed.</p>	<p>The development partner will be required to demonstrate how they can deliver a minimum of 10% biodiversity enhancement, preferably onsite. The proposal will identify opportunities for enhancing biodiversity, including management of invasive species, and demonstrate how enhancement will be delivered to the satisfaction of the Council's ecologists.</p>
<p>SCALE AND PHASES OF DEVELOPMENT</p>	<p>Clarify number of units proposed Many comments were unclear on the number of units proposed. Noting the changes in the site capacity proposed: Call for sites figure '9 units', MCA Committee report for 30-50 homes, Public Notice was for 150 homes and consultation material stated 60 homes.</p>	<p>The current description of the development for the proposed Embo MCA is for up to 60 dwellings. The preparation of the proposed MCA Scheme at the detailed planning stage will be for a maximum of 60 dwellings.</p> <p>The Embo site was submitted as part of the Highland Council Call for Sites with a proposal for 30 dwellings. It was subsequently put forward as one of three preferred MCA sites with an indicative capacity of 30-50 dwellings. This was considered and agreed by the Economy & Infrastructure Committee in</p>

		<p>November 2025. Council officers and the developer partner agreed a description of the proposed development for 'up to 150 dwellings on land adjacent to Embo' which was issued in the Public Notice on 5 January 2026. Following early community feedback, a letter clarifying the potential developer's intentions was issued on 20 January 2026 outlining that a range of development capacity being considered "for Embo [which] has been set at between 1–150 dwellings, but this should not be read as a proposal or intention to build 150 homes". Following public feedback at the first event (29 January 2026), an indicative development layout was presented for a maximum of 60 dwellings at the second public consultation event (5 March 2026). A comment regarding '9 units' is likely a confusion with the proposed use put forward in the Call for Sites, referring to Class 9 Houses.</p>
	<p>Appropriateness of development scale Concern about the size of the proposed development, relative to the size of Embo village. One view that 20-50 homes is a sufficient addition to Embo.</p>	<p>In the context of the existing scale of Embo (154 dwellings) and the nearby caravan park (currently 321 residential caravans, maximum license for 430 units operating 8 months a year), the proposed 60 dwellings for the Embo MCA would represent at most a 40% increase in the permanent (off-peak) occupancy of Embo. This addition of new dwellings and households to Embo would occur over a period of up to 10 years at an average of 6 houses per annum.</p>
	<p>Impacts of rapid growth and sustainable rate of growth Concern about rapid expansion to Embo and its impacts on Embo community. One comment that 'a community can only sustain 3% growth per year' and so concerned that the development disregards the Embo community and current way of life. View that 'nothing has changed since the Reporter declined the last housing proposal for this area over 20 years ago'.</p>	<p>Development delivery will be phased over 10 years (and average of 6 homes a year). This pace of growth will allow new residents to be integrated into the community over time. A design principle for the Embo MCA is integration with Embo village, which will be part of any future Design Code. This aims to ensure that new homes look and feel like part of the Embo Village and public spaces, open spaces, access paths and amenities are integrated and accessible by all residents of Embo, supporting community interaction and cohesion. Through high quality design, growth can be managed more sustainably. There is no evidence given to support the statement that communities can only support 3% growth per year, or that nothing has changed since 'the Reporter declined the last housing proposal in this area over 20 years ago'. It is unclear which housing proposal this comment refers to. A site within the Embo MCA area was an allocated development site in the South & East Sutherland Local Plan (adopted May 2000) but never progressed to a planning application. The intention for progressing a MCA in Embo is to respond to current and future local housing demand, demand which has inevitably changed since 20 years ago. Through public consultation events, anecdotal demand for a wider range of housing was mentioned, including 1-bed homes, family homes to rent, bungalows, and options for younger local people. The Communities Housing Trust is currently</p>

		<p>undertaking a Housing Needs Survey for Embo and surrounding areas to determine the local housing needs. The Embo MCA intends to respond to local housing needs so that it supports people living in Highland as much as possible.</p>
	<p>Phasing and infrastructure requirements Seeking further information on Phases 2 and 3 including when it will occur, how many affordable homes will be provided. Unclear development phasing, and impacts on infrastructure.</p>	<p>For the public consultation stage, indicative phasing details were provided to invite feedback and influence the shape of a potential development. A detailed phasing plan will be prepared as part of the PMCAS including the infrastructure requirements associated with each phase, the provision of which will be secured by legal agreement. An exact annual build rate cannot be prescribed by the council because private demand varies with market conditions and affordable provision with grant availability.</p>
<p>HOUSING DEMAND</p>	<p>Affordable housing for local workers and young people needed to respond to demographic challenges in Embo Local housing challenges include lack of decent and affordable housing for local workers, families and young people. Wider demographic challenge in Embo with pattern of young working age people moving away from Sutherland, and community unbalanced with many older folks and fewer families. Support for providing new homes for workers and families to help balance the demographic challenges. View that Embo young people or people with a connection to the area (Embo and Dornoch) should be given priority or first right of refusal for new housing, including affordable or rented homes. One alternative view that there is a lack of demand for housing locally. Recognition of housing crisis in Highland and regional housing needs including affordable homes for local young people, homes for families to rent and one-bedroom homes for older and younger people.</p>	<p>The Embo MCA seeks to respond to unmet local housing demand. Highland Council declared the Highland Housing Challenge in June 2024 and set a housing target of 24,000 homes in the next 10 years. The key benefit of MCAs is to respond more quickly to newly emerging opportunities such as the Inverness and Cromarty Firth Green Freeport project. It is also recognised that it is already challenging for local workers to find suitable and affordable accommodation, whether to rent or buy.</p> <p>Highland Council have engaged Communities Housing Trust to undertake an independent Housing Needs Survey for Embo and surrounding area to determine the housing needs in the community, so that future development of this MCA site suitably respond to these needs with the mixture of housing type, size, tenure and affordability. The current Highland Housing Register evidences that there is a local housing need.</p> <p>To secure and retain housing for local people, the Embo landowner intends with support from the Communities Housing Trust to apply a Rural Housing Burden to a minimum of 25% of houses/plots. This provision will also meet the Council's definition of affordable housing, as set out in the Highland Council Developer Contributions Supplementary Guidance 2018. A Rural Housing Burden is a legal restriction on a land Title that can require that housing units or plots are reserved on first rental/sale and subsequent re-rental/re-sale to persons with a local connection (usually with a related family or employment connection).</p> <p>Another way to support provision of local housing is to provide self-build plots. This remains an option for the Embo MCA, if there is demonstrable demand for self-build. The Highland Council Self-Build Register from 2023 - 2026 has</p>

		had interest from approximately 9 households in the Embo, Dornoch and Loch Fleet area or for a plot in a Highland village context. Findings from the Housing Needs Survey will be used to validate demand for self-build in Embo.
	<p>Proposal does not provide housing that local people need Proposal is perceived as providing 'a majority of exclusive private homes for people outside of Sutherland. Seek a restriction to prevent new homes becoming second homes and short term lets. Concern that the proposed development does not meet local housing needs in Embo or Sutherland, or provide enough of the types of housing that local people need.</p>	See above. The principal reason to progress MCAs within Highland is to address the Highland Housing Challenge. The site at Embo was chosen to test if and how an MCA could enable the delivery of accommodation that will not be lost from the mainstream housing market and will contribute to local Community Wealth Building. If successful, then this would be an exemplar for how this issue could be tackled and demonstrate how the MCA tool could be beneficially applied across all of Highland.
	<p>Renovations of local character homes Concern about trend of 'luxury renovations' of the most characterful homes in the Embo area.</p>	This trend is not considered material to or within the control of a potential Embo MCA as the latter proposes to create new-build housing and add to the local housing pool.
<p>Ineffective local housing stock</p>	<p>Existing and anticipated impact of (further) empty homes, second homes and short term lets on local housing availability and affordability The high level of second homes and holiday lets in Dornoch and Embo area are raised as the cause of unmet housing need and demand in the area, as homes are not available for local people. Concern that increasing the supply of new houses won't solve unmet housing need, as new houses (as seen in Dornoch) can be bought as second homes or used as holiday lets. Second homes impact communities as they are empty for part of the year. Seeks restrictions on new homes to ensure they are available for local people and not lost to ineffective uses.</p>	<p>See recommended responses above.</p> <p>The Council is doing all it can within existing legislation to financially disincentivise geographically excessive short term let, long-term empty home and second home use of the housing stock. This includes a proposed Short Term Let Control Area for Rural Highland and increased Council tax obligations for second homes and empty homes. Starting from 1 April 2026, the second home Council tax charge is 300% for the 2026/2027 tax year. From 1 April 2027, the charge will increase to 350% for the 2027/2028 tax year. From 1 April 2028, it will rise to 400% for the 2028/2029 tax year. An additional Council tax charge applies to long-term empty homes, on top of the standard Council Tax rate. This charge is calculated as a percentage of the property's annual Council Tax bill. The percentage depends on: the length of time the property has been unoccupied, and the individual circumstances of the property.</p> <p>A report on Short Term Let Control Areas to Sutherland County Committee 1 December 2025 reported the evidence on the prevalence of short term lets in Sutherland. There is a high rate of potential dwellings being used as Short Term Lets in Sutherland (8%), relative to other areas of Highland, and Highland as a whole (6%). The adjusted Short Term Let rate in Dornoch is 11.5% and Embo area 6.4%. In Sutherland, empty homes (8%) and second</p>

		<p>homes (7%) are also more prevalent than in Highland on average (5% and 3%, respectively). The report also evidences that, in Sutherland, there is a clear indication that newbuild housing completions are being transferred to short-term letting at a higher rate than Highland as a whole. For Embo and surrounds, the adjusted STL rates have increased faster than the Highland average for 2 consecutive years. An assessment of the Sutherland Housing Market Area undertaken as part of the Highland Housing Need and Demand Assessment indicates that the area's housing market should be one of the more affordable Housing Market Areas within Highland, but affordability is hindered by low relative median household incomes in the area and a high share of sales to those living outwith the Highlands, which indicates that the area is subject to influence from external pressure.</p>
	<p>Community impact of ineffective housing stock Concern about the impact of second homes and holiday lets on homelessness, neighbourhoods and community - the 'magic' of Embo will be lost. One view that empty homes contribute little or no value to local community, and unaffordability of houses push local residents further away contributing to depopulation. One commenter suggests (from a recent report) that when second homes and holiday lets reach 20% or one in five, there are not enough working people to sustain the services required for a properly functioning community.</p>	<p>While there isn't evidence of causality between second homes and holiday lets with homelessness in Highland, there is evidence on the incidence of homelessness in Highland. As of the 31 March 2025, the Highland Housing Register (HHR) contained 819 households assessed as homeless. Homeless applicants represent 10% of all HHR applicants in Highland, and 3% of HHR applicants in Sutherland. In Caithness and Sutherland, where demand and supply are comparatively less pressurised, many housing applicants can be re-housed before they become homeless.</p> <p>As outlined above, the report on Short Term Let Control Areas to Sutherland County Committee 1 December 2025 reported the evidence on the prevalence of short term lets in Sutherland.</p> <p>It could be said that a 'seasonal ghost town' is already experienced in the south of Embo during the four months of the year when Grannie's Heilan Hame caravan park is not operating. It's seasonal occupancy peaks over the summer months (currently there are 321 residential caravans on site). This seasonal impact on Embo is significant and larger in scale than any potential impact of short term lets (8 registered in Embo), long-term empty homes (10) or second homes (10) in the Embo village (154 dwellings).</p>
<p>HOUSING TENURE AND TYPE</p>	<p>General type of homes proposed One view that the range of homes proposed (detached, semi-detached, terraced and smaller starter homes) is not what Embo and Sutherland communities need, that affordable housing is needed. Another view that bungalow homes must be provided. One view that new</p>	<p>See recommended responses above.</p> <p>An affordable home can be provided for a range of housing types or typologies, including detached, semi-detached, terraced, starter homes or bungalows. For the initial public consultation, indicative details of housing types were provided to invite feedback and inform the typology mix of a potential development.</p>

	development in Embo should be of mixed tenure.	
	<p>Integration of market and affordable homes Unclear how affordable homes would be integrated into the wider housing development.</p>	<p>The Embo MCA is proposed to be mixed tenure with a 'tenure blind' approach to development, where affordable properties are not visually distinguishable from other homes or segregated within the development area in any way. This strategy helps to ensure that affordable homes are integrated into the wider development.</p>
	<p>Concern about larger private properties in north field (10 units) Concern that the proposed large, detached homes in the north field are exclusive, not mixed tenure, being served by unadopted private road. The larger homes don't seem likely to be unaffordable to local people. Unclear how they respond to the current housing needs and housing crisis in Embo, Sutherland and the Highlands. One view was that 25% of these properties in north field should be affordable. View that local people need affordable homes, homes with affordable rents for young families, not expensive detached homes designed for private sale to people from outside Sutherland, even outside Scotland.</p>	<p>A design principle for the Embo MCA site, to form part of the future Design Code, is integration with Embo village. Any development on the north field will be required to be an integrated part of the development, accessible to the public via road and walking paths and with an accessible road bridge over the burn, to support waste collection, other service vehicle and emergency access. Across the whole site, integration can also be achieved through site layout, vehicle access, paths, open spaces, building form and materials, and landscaping to ensure that the development is both integrated well with the Embo village and integrated within itself (either side of the burn). An option to support affordable units across the whole site is to provide some self-build plots with a Rural Housing Burden applied. These would provide opportunities for local people to build their own home.</p> <p>Aside from using the Rural Housing Burden, the planning system does not control who purchases housing available in the private market. See above regarding all the Highland Council is doing within existing legislation to financially disincentivise geographically excessive short term let, long-term empty home and second home use of the private housing stock.</p> <p>Consideration about affordable housing price points, proportion and tenure will be made following the completion of the Housing Needs Survey for Embo and surrounds by Communities Housing Trust. This assessment will determine local housing needs and identify how this MCA could respond, including through mixed tenure. Mixed-tenure development can include larger properties, to respond to the range of needs.</p>
	<p>Concern that the development is for holiday lets for golfers, and does not meet local demand This development, adjacent to potential golf course Coul Links proposes an initial phase of affordable homes but concern that up to 100</p>	<p>The maximum number of dwellings for the proposed Embo MCA site is 60 dwellings, of which 10 larger properties are proposed in the north field. A minimum of 15 dwellings would be required to meet the affordable criteria. Any development of additional dwellings within the red line boundary of this MCA (more than 60) would require a formal Alteration to an adopted (made) MCA Scheme. The Embo MCA is independent of the Coul Links golf course</p>

	<p>future homes could be large, detached holiday lets for golfers which does not address presently unmet housing need and demand.</p>	<p>proposal, which is awaiting decision by Scottish Ministers.</p>
	<p>Larger properties required for development to be feasible For the 10 large properties said to be required to make the development viable, some viewed that the developer should be challenged on this and asked to qualify and quantify the viability.</p>	<p>A balancing of factors is required to achieve feasible development on any site. Through the detailed design stage, the developer will be required to demonstrate they can feasibly deliver the Embo PMCAS brief requirements, including the minimum of affordable housing, and apply the Design Code to ensure all properties are suitably integrated into the development and Embo Village.</p>
LOCAL HOUSING MARKET	<p>Housing market impacts Concern that building and selling homes (affordable or not) will drive up the housing market. Conversely, concern that new homes will not sell.</p>	<p>House prices are driven by many factors such as prevailing and expected changes in national interest rates and the cost and availability of mortgage finance. 60 houses at the MCA site are very unlikely to have any significant impact on the local housing market.</p>
	<p>Current housing market challenges Limited Council homes, private rental homes or homes available to purchase. Available homes purchased by outsiders, often pensioners, but view that Embo needs more younger families to have a balanced/healthy community.</p>	<p>Consideration about the type of affordable dwellings will be made following the completion of the Housing Needs Survey for Embo and surrounds by Communities Housing Trust. This assessment will determine local housing needs and identify how the Embo MCA could respond, to ensure the development responds to current housing market challenges. The type and size of market housing and affordable housing provided in the MCA will be informed by the Housing Needs Survey.</p>
AFFORDABLE HOUSING	<p>Social housing Need for social rented housing.</p>	<p>Social rented accommodation is one category of development that is accepted by Highland Council as affordable. A Housing Needs Survey for Embo and surrounds is being undertaken by Communities Housing Trust to determine local housing needs. Local demand for social housing, in particular, is recorded in the Highland Housing Register (HHR). In East Sutherland lettings area (Dornoch and Embo) there are 61 households on the Housing List and 36 on the Transfer List, a total of 97 households. For households' first choice, the demand by dwelling type is: Bedsit/1bed = 41 households; 2 Bed = 14 households; 3 Bed = 4 households; 4+ Bed = 2 households with a total = 61 households.</p>
	<p>Number and type of affordable units Total affordable homes, type and style unclear, including if any will be available for rental, purchase or partial purchase.</p>	<p>At this 'in principle' stage the type, style of properties and phasing details are not yet finalised. At this stage, a minimum of 15 dwellings for affordable rental are proposed. These would likely be managed by the Communities Housing Trust. As part of the next detailed PMCAS planning process a housing tenure and phasing plan will be developed informed by the Housing Needs Survey,</p>

	<p>Some felt that the developments should exceed the minimum affordable housing requirement or amount of affordable housing seemed small.</p>	<p>detailed site investigations and infrastructure design requirements. Through a section 75 Agreement, Council and the developer can agree the total number of affordable homes and wheelchair liveable homes, and how many will be delivered in each phase.</p>
	<p>Accessible units Unclear if there will be any homes designed for people who are disabled, visually impaired, additional support needs and the elderly in phase 1.</p>	<p>As part of the detailed planning process in Stage 3, a detailed phasing plan will be developed which is informed by detailed site investigations and infrastructure design requirements. Through a section 75 Agreement, Council and the developer can agree how many affordable homes and wheelchair liveable homes are required to be delivered in each phase. Highland Council requires 15% of the 25% affordable housing provision to be wheelchair liveable. For the Embo MCA, this equates to requirement to provide 2 wheelchair liveable dwellings minimum. Wheelchair liveable is defined as a wheelchair accessible home which can be easily adapted for residents who are wheelchair users or have mobility difficulties. That is a home which is design to fully comply with the required standard, but which may not be fully fitted out with specialist kitchen and bathroom fittings and grab rails. The fit-out may be delayed until the allocation of a resident and a discussion between them and their Occupational Therapist. Wheelchair liveable housing requires a site that has suitable topography and accessibility to services, and is expected to be provided in the form of detached and semi-detached bungalows or flats. Scottish Building Standards may change soon to create a national requirement that all houses be designed to the wheelchair liveable standard.</p>
	<p>Level of affordability Need clarity on level of affordability proposed for homes and concern they won't be affordable for locals. Concern about difficulty to get a mortgage on affordable homes (understood to be the case for housing earmarked for locals).</p>	<p>Consideration for affordable housing price points and tenure (rent, buy, self-build etc) will be made following the completion of the Housing Needs Survey for Embo and surrounds (by Communities Housing Trust). This assessment will identify affordable rental or purchase prices, based on local incomes. For any self-build plots with a Rural Housing Burden applied, consideration of plot affordability price point would also be done. The Rural Housing Burden title restrictions can impact mortgage finance and re-sale, through the fact that local people are prioritised which represents a smaller portion of the housing market. For this reason, the Embo development is currently favouring affordable rentals rather than sales requiring mortgage finance. The amount of affordable housing presented through public consultation (25%) reflects the minimum requirement from Highland Council for any housing development. All housing development requires trade-offs, and this development needs to balance the total provision of affordable housing for sale to local people, with the size of the local housing market, demand for affordable housing and finance requirements.</p>

	<p>Quality of affordable units Concern that affordable homes provided would be of a lower standard of accommodation.</p>	<p>The quality of construction and fit-out of affordable homes is not intended to differ from other homes delivered on site. As mentioned above, the development proposes to take a 'tenure blind' approach, where affordable properties are not visually distinguishable from other homes or segregated within the development area in any way.</p>
<p>SUGGESTED DESIGN FEATURES</p>	<p>Sustainable, energy efficient housing design</p>	<p>Any future homes must now be built to higher environmental and energy-efficiency standards, in full accordance with current Scottish Building Standards.</p>
	<p>Woodland area play facilities Support for play facilities within the woodland area, such as a tree house, zipline, wildlife hide, nature adventure space or camping area.</p>	<p>Informed by the Aboricultural Assessment, detailed design of any play facilities and features (as and where appropriate) for the woodland area will be part of the next PMCAS stage. A community representative(s), along with Council officers and the development partner will undertake a joint masterplanning process at this stage. Community views on the woodland, and provision of social and recreational opportunities will be taken into account when designing public spaces and amenities.</p>
	<p>Community meeting area design Suggestion for some benches and outdoor gym equipment, others sceptical that a 'community meeting area' would be used. View that, additional housing, if approved, must be supported by an increase in provision for social and recreational opportunities.</p>	<p>Detailed design of the community use site will be part of the PMCAS evolution. A community representative(s), along with Council officers and the developer partner will undertake a joint masterplanning process at this stage. Community views on the community meeting area, and provision of social and recreational opportunities will be taken into account when designing public spaces and amenities.</p>
<p>LOCAL SERVICES AND AMENITIES</p>	<p>Dornoch Primary School capacity Local Primary school are at or nearing capacity. Any future housing development needs to ensure the schools can accommodate additional pupils or a new school be provided. Additional teachers required.</p>	<p>The Embo community is served by Dornoch Primary School which has capacity for 188 pupils, and it is currently at 89% of this capacity (2025/26 year). With indicative phasing assumptions (10 homes delivered in year 1 and 2, and 5 homes for the following 8 years) and assuming completions begin in 2027/28, the impact of the Embo MCA on the Dornoch Primary school roll is as follows: the roll is forecast to peak at 88% in 2027/28, and then decline until 2029/30 from where it is forecast to remain between 78-84% until year 2040/41. As such the scale of the proposed development is not forecast to generate an increase in primary school children that will breach the physical capacity of Dornoch Primary School. Developer contributions for education are therefore unlikely to be required. Scottish Planning legislation, guidance and practice requires each developer only to offset or mitigate the impact of its development not to remedy existing infrastructure network and facility</p>

		deficiencies. The need for additional teachers is a matter to be addressed via general taxation.
	<p>Dornoch Academy capacity and condition Local Secondary schools are at or nearing capacity. Any future housing development needs to ensure the secondary school can accommodate additional pupils. Concern about the aged condition of Dornoch Academy building.</p>	<p>The Embo community is served by Dornoch Academy which has capacity for 378 pupils, and it is currently at 61% (229 pupils) of this capacity. With indicative phasing assumptions (10 homes delivered in year 1 and 2, and 5 homes for the following 8 years) and assuming completions begin in 2027/28, the impact of the Embo MCA on Dornoch Academy will not be significant. The roll relative to capacity is forecast to peak at 61% in 2026/2027 and decline thereafter. As such the scale of the proposed development will not breach the physical capacity of Dornoch Academy and developer contributions for education are therefore unlikely to be required. Scottish Planning legislation, guidance and practice requires each developer only to offset or mitigate the impact of its development not to remedy existing infrastructure network and facility deficiencies. It is also accepted that a developer can be asked only to resolve physical deficiencies made worse by its development. Existing physical capacity issues such as school buildings in poor condition are a matter for the Council's existing capital programme not for a developer.</p>
	<p>Nursery, Baby and Toddler group capacity Nursery, baby and toddler groups are already at capacity.</p>	<p>Nursery, baby and toddler groups can be provided by the public or private sector. However, Council's existing policy is that developer contributions are not sought for nursery provision.</p>
	<p>Embo village amenities Concern that Embo is too small to be self-sustaining, not enough footfall for a shop (campground shop only available in summertime, post office only available 2-days a week). Some views that extra families may help to sustain these community functions. Some support for the provision of a shop in the development, other views that there is no need for additional community facility beyond The Old School. Concerns that shops at Dornoch (Co-op and Spar) are struggling to cope with demand and are only designed for a small community.</p>	<p>Embo has few local facilities, due to its lack of critical mass population and commercial local catchment demand to attract and retain these services. It also lacks suitable land and/or buildings to accommodate such facilities. The planning system cannot interfere in commercial competition and viability investment decisions. For example, a supermarket company chooses which local markets and catchments it chooses to serve. The PMCAS will require a safeguarded and serviced site for community / commercial site but it will be others to fund that commercial / community building. One alternative could be a developer contribution or more likely community benefit payment to fund enhanced provision at an existing facility in the village.</p> <p>Additional housing can play an important role in supporting the long-term sustainability of villages such as Embo by increasing the year-round resident population and strengthening regular demand for local services. In practice, this can help improve the viability of existing facilities, encourage extended opening hours, provide greater confidence for small businesses, and support community-led amenities over time. While the provision of specific commercial uses such as a shop or café would ultimately depend on market</p>

		demand and independent operators, a larger permanent population can only improve the prospects of such facilities being viable in the future.
	<p>Local living and 20-minute neighbourhood policy Concern that the development does not meet the 20-minute neighbourhood policy. For example, there is not shop, bus service and few amenities within a 20minute walk of Embo. Need further detail on how this policy applies to local infrastructure in Embo.</p>	National planning policy via a document called National Planning Framework 4 (NPF4) defines the '20-minute neighbourhood' principle, which aims to provide people access to their daily needs by walk, wheel or cycle rather than by car. NPF4 accepts that the principle is more applicable and relevant to cities and towns, than it is to rural and island communities. The Council has created Local Living mapping that highlights that very few parts of Highland meet this principle. However, the principle of Local Living could be applied to safeguard at least part of the Embo development site for community or commercial use. Developer contributions would likely be sought towards community transport, in proportion to the number of homes proposed. This could support a joint school and passenger bus service or fund a pilot passenger bus service between Embo and Dornoch. An example of a joint school and passenger bus service is the 413 Tain to Balintore Circular (Stagecoach service 23) or the Dornoch High School to Bonar Bridge service.
	<p>GP service capacity Lack of GP surgery capacity, noting there are no GP services in Embo, and view that new homes should support an increase in medical services capacity. Existing issues getting appointments at Dornoch surgery and high demand for doctor services.</p>	The Council accepts that many health facilities across Highland have existing physical capacity as well as staffing issues. However, the relatively small scale of the development proposed within this MCA and the lack of a direct causal connection between this development and the affected healthcare practices will make it very difficult to secure and enforce developer contributions for healthcare facilities in this case. Few councils in Scotland have been successful in securing developer contributions for healthcare facilities because of this lack of proof of impact. The Council is working with NHS Highland to gather better evidence on this impact, but it is unlikely to be justifiable for Embo/Dornoch.
	<p>Hospital capacity Concern about challenges with Raigmore capacity.</p>	See recommended responses above.
	<p>Dental capacity Concern about lack of capacity of dental surgery, impacted by additional housing creating extra demand.</p>	See recommended responses above.
	<p>Other services Concern about pressure of development on vet surgery, with lack of local vets and challenges</p>	Veterinary services are a private, commercial provision not a public function and therefore outwith the control of a council or a developer. The Scottish Fire and Rescue Service and other emergency services can be consulted on

	getting appointments. Local fire station adequately equipped to manage the increased demand resulting from the community's expansion.	the proposal at the next detailed planning stage but the relatively modest scale of the development and relatively accessible location is unlikely to generate service provision concerns. Developer contributions are not sought towards emergency service provision.
WOODLAND AREA	<p>Protected species</p> <p>A range of species have been identified or observed in the woodland area. Request a full species survey to identify any measures required to protect existing species and sustain suitable habitats. Need to investigate and respond to the restrictions related to the Long-established woodlands of plantation origin in the woodland area.</p>	See recommended responses within Environment section above.
TRANSPORT	<p>Traffic impacts of development on Embo Village</p> <p>View that current roads in Embo are not adequate to support the proposed development, housing development will increase existing issues with speeding and traffic in Embo, and increase noise pollution and emissions from cars, wear and tear and accident risks. View that road capacity issues should be fixed before any development occurs in Embo. View that the scale of development consulted on is too high for a small rural village to cope with, regardless of phasing. Concern that the MCA proposal would delay village road improvements.</p>	At the PMCAS stage, the development partner will be required to prepare a Transport Statement including a detailed analysis of the site and wider local transport context, developed from both desktop research and field survey data across all travel modes (private car, public transport and active travel). The development partner will have to demonstrate to the Council's satisfaction that any adverse transport impacts of the MCA development, including construction traffic impacts, can be resolved or mitigated to an acceptable degree. On-site provision of transport infrastructure improvements is the preferred way to demonstrate the mitigation of transport impacts from the development. Highland Council Road Safety team report that compliance with the existing 20mph speed limit in Embo is poor -average speeds are 27mph and 85th percentile speeds 32mph. For the Embo bypass road new gateway markings and 20mph roundels were added at the end of 2025 and there is a Speed Indicator Device going in on Station Road. Highland Council Transport Planning advise that a speed limit reduction along the Embo Approach Road will achieve any significant reduction in actual speed if there is not an active frontage to the development. Active travel provision in the development will help to reduce the number of vehicle trips. For public transport, the development will need to ensure there are accessible footways to / from the site to any bus stops. A new bus stop within the development may be required.
	<p>Existing road capacity issues</p> <p>Concern about road safety and increase in traffic with new housing, due to the caravan park.</p>	See above.

	<p>Responsibility for delivering transport infrastructure Unclear if the infrastructure required will happen if this proposal goes ahead, and who will be responsible for putting the infrastructure in place.</p>	<p>See above regarding transport requirements. The development partner will have to deliver the agreed on-site transport infrastructure improvements, to demonstrate the mitigation of transport impacts from the development. Highland Council are responsible for the long-term maintenance of public roads in Embo. Any public road infrastructure delivered through the development to the satisfaction of Council will be handed over to Council for operation and maintenance.</p>
	<p>Construction traffic management</p>	<p>See above regarding transport requirements. The development partner will have to demonstrate to the Council's satisfaction that any adverse transport impacts of the MCA development, including construction traffic impacts, can be resolved or mitigated to an acceptable degree.</p>
	<p>Ingress/Egress to the village Only one access road into/out of Embo. Ingress and egress to the village is a concern, suggest an alternative exit point out of the village. People walk on the road into the village and deer have been seen crossing there.</p>	<p>An exit point for the development outwith the village is not supported by Council as it doubles up infrastructure, and would work against the development principle to integrate the development with the existing village.</p>
	<p>School Transport Lack of capacity for additional students on the school bus.</p>	<p>Highland Council's School Transport team has advised that all existing pupils in Embo are eligible for the free existing school transport service, which has 2 runs a day. A 30-seater bus does the route (there are 5 spare seats). For a 60-dwelling development, a larger vehicle is likely required for school transport. A developer contribution will be sought if a larger school transport vehicle is required as a direct result of the development. A new or improved bus stop could be provided within the development, for school and passenger transport services. Highland Council Road Safety Team note that as all children in Embo attend school via school transport there are no safer routes to school issues, although thought should be given as to how the pupils from the new development access the school bus at the detailed planning stage.</p>
	<p>Passenger transport No public transport in Embo currently, with the exception of the school bus. Embo needs a proper bus service linking to Dornoch, especially for residents who cannot drive. Support an enhanced seasonally bus service or service merged with the school bus service.</p>	<p>There is an existing Dial-a-Bus community transport in Dornoch, which MacKay's Taxis operates Monday to Friday in the area. The service operates in areas including north of Dornoch including and to/from Golspie, The Mound, A9 south of Bonar Bridge, Migdale Hospital and Ardgay and to Migdale Meikle Ferry road end. If there are financial payments required in respect of transport improvements or mitigation, then the development partner will be required to conclude a legal agreement with the Council most likely under Section 75 of the Town and Country Planning (Scotland) Act 1997 (as amended). Developer contributions would likely be sought towards</p>

		community transport, in proportion to the number of homes proposed. This could support a joint school and passenger bus service or fund a pilot passenger bus service between Embo and Dornoch. An example of a joint school and passenger bus service is the 413 Tain to Balintore Circular (Stagecoach service 23) or the Dornoch High School to Bonar Bridge service.
	<p>Access paths, walking and cycling View that local walks are already very busy and concern that increased foot traffic will damage paths, and destroy natural ecosystems if people veer off paths.</p>	No evidence is available on the frequency of use of existing local access paths. At public events, some attendees shared the view that local access paths were not well used or rarely busy. The Embo MCA aims to enhance local access while safeguarding the landscape and habitats that make the area special. Any future development would be designed to manage recreational use responsibly, with new walking areas and attractive open space provided within the red line boundary of the site. Accommodating quality recreational paths within the development area can reduce pressure on surrounding sensitive areas. The Highland Council Access Officer supports the development of a connected network of paths on the site, which will support integration of the development with the Embo village and core path network for residents to enjoy. Through developer contributions, the development may be required to contribute towards access improvements to offset the impact of this development on the path network.
	<p>Single track road section between Dornoch and Embo Embo Street is a pinch point where the road is single track. This may need to be widened to accommodate additional vehicles. The current signage is very poor and is dangerous due to speeding traffic.</p>	The development partner will have to demonstrate to the Council's satisfaction that the adverse transport impacts of the MCA development, including the capacity and safety on the single track section of road between Dornoch and Embo, can be resolved or mitigated to an acceptable degree. Developer provision of transport infrastructure improvements is the preferred way to demonstrate the mitigation of transport impacts from the development.
	<p>Site access Concern that the proposed route for the new road (access) is on a bend and will cause accidents. Others support the proposed access point(s).</p>	<p>See above regarding transport assessment and mitigation requirements.</p> <p>At the detailed planning stage, the development partner, Council and community representative(s) will jointly prepare a masterplan which demonstrates safe access points to the site for vehicles and pedestrians in compliance with national guidance. To support access resilience, at least two vehicle access points to the site will be required.</p>
UTILITIES	<p>Condition and delayed upgrades to water and foul water network Existing water network in the village requires upgrading. It was promised 30 years ago, but</p>	The development partner is undertaking enquiries with Scottish Water to discuss the capacity and condition of current water utilities provision and how this can be upgraded to service the MCA site, without detriment to existing properties in the locality and potential to deliver net benefit relative to the

	<p>has not been done. One reported wastewater overflow issue in village. Concern that additional homes in the village will make water supply and sewerage issues worse.</p>	<p>existing situation. At the detailed planning stage, the development partner will most likely to be required both a Water and a Drainage Impact Assessment (DIA) describing how any additional works or network capacity issues can be overcome.</p>
	<p>Existing water pressure issues and seasonal demand Existing water supply and water pressure issues in Embo village during the period (April - October) when Grannie's Heilan Hame is open. Sewerage system also impacted by this seasonal demand. Pleased that Scottish Water are investigating water pressure issues, but remain concerned about water pressure.</p>	<p>See response above. Scottish Water Continue to investigate the water pressure issues in Embo village. Existing water issues unrelated to the development site will not be a matter for this MCA and the development partner to resolve.</p>
	<p>Electricity outages Issue of electricity outages in Embo.</p>	<p>The development partner will be required to consult with SSE Networks to assess and if necessary, upgrade the local electricity network. The local and area substations have adequate headroom at present.</p>
	<p>Infrastructure sufficient to support development Conditional support for development if infrastructure in Embo is demonstrated to be sufficient (water, foul water, electricity). View that the existing systems should be improved and fit for purpose before any additional development.</p>	<p>The developer will be responsible for providing infrastructure to service this development, to serve new dwellings and offset or mitigate the impact of the development on the water infrastructure network. Scottish Planning legislation, guidance and practice requires each developer only to offset or mitigate the impact of its development not to remedy existing infrastructure network and facility deficiencies. It is also accepted that a developer can be asked only to resolve infrastructure deficiencies made worse by its development. Existing drainage and water issues unrelated to the development site will not be a matter for this MCA and the development partner.</p>
<p>CONCERNS WITH DEVELOPER AND COUNCIL</p>	<p>Relationship between golf course proposal and MCA proposal Concern about the perceived linkage or dependency between Coul Links golf course and Embo MCA development, as reported in a news article, and due to the same landowner for both sites.</p>	<p>Although the same landowner has an interest in the separate Coul Links golf course application, that proposal is entirely distinct from the Embo housing development and is proceeding through its own independent planning process. Each application must be considered on its own individual planning merits, in accordance with the relevant policies and statutory procedures. There is therefore no linkage in planning terms between the two schemes, and no direct dependency of one upon the other.</p>
	<p>Company registration</p>	<p>Coul Enterprises is the trading name of a separate company. It is the vehicle through which local land and development interests are managed. The form</p>

	<p>Concern that Coul Enterprises, the potential developer partner for this proposal, is not a registered company.</p>	<p>of ownership is irrelevant to any planning decision unless it affects the availability and viability of the land for development.</p>
	<p>Build partner The development partner has no builder in place.</p>	<p>The landowner is in discussions with prospective building contractor partners and this matter will be discussed through the PMCAS process.</p>
	<p>Profit-driven development Concerned with profiteering development at expense of community and that developer should build a village elsewhere. Concern that MCA proposal is just a way for Highland Council to increase revenue.</p>	<p>The Council is not supporting the MCA process to make a profit. Tax revenue and Scottish Government grant settlement monies don't cover the additional cost of the public service provision necessary to serve each additional person. Attracting new businesses to Highland can enhance the local tax base but not housing. The Scottish Planning system in terms of its policy and practice accepts that development won't happen unless a reasonable profit margin is available to a housebuilder. Many sites in Highland are marginal in terms of profitability including land at Embo. The construction sector forms a significant part of the Highland economy and sustains many local jobs. It is likely that the site will be developed by a housebuilder and/or contractor based in the north of Scotland whose employees reside in that area and support the local, circular economy.</p>
COMMUNITY SAFETY AND AMENITY	<p>Sense of safety and security Concern about declining sense of security and safety in Dornoch and caravan park, with increased reports of vandalism, harassment, bin theft and drug use. Need effective measures to safeguard the community. Feeling that new development would make it feel unsafe to go out at night.</p>	<p>The PMCAS stage will include embedded community input which can articulate local safety and security concerns and influence the design and layout of the MCA site to ensure these issues are addressed. For example, the Design Code could include community safety by design including measures such as appropriate lighting, landscaping, bin storage, passive surveillance, building orientation, glazing and active frontages.</p>
	<p>Orientation of houses Query if houses will be oriented towards the road</p>	<p>The PMCAS will allow for community input on this issue. In energy efficiency terms, the longest elevation of each house would normally face between south and southeast to maximise solar gain. However, there will be some compromise for the higher parts of the site which afford an attractive seaward outlook to the east. A strong building frontage on the southern edge of the site is important to define the village edge and influence driver behaviour to slow vehicle speeds.</p>
	<p>Public nuisance concerns Existing issue of dog fouling and littering in Embo and Dornoch. Concern about availability</p>	<p>Dog (and dog owner) behaviour is not a material planning consideration, aside from the potential for recreational disturbance of protected species or designated sites. The process to assess environmental impacts (whether EIA development or not) will consider the impacts of recreational disturbance on</p>

	<p>of parking at facilities in Dornoch with additional residents in Embo</p>	<p>these features. Anti-social behaviour such as littering in public places and fly-tipping is not a material planning consideration. Residents can report fly-tipping and littering in public places to Highland Council. It is unclear which parking in Dornoch is of concern as a result of additional development in Embo. Cumulative impacts of development, such as parking demand will be required to be considered within the Transport Assessment.</p>
	<p>Use of proposed community meeting area Suggestion for some benches and outdoor gym equipment, sceptical that a 'community meeting area' would be used. View that additional housing, if approved, must be supported by an increase in provision for social and recreational opportunities.</p>	<p>Detailed design of the community site will be discussed at the next PMCAS stage and will involve community input.</p>
<p>CONSULTATION WITH COMMUNITY</p>	<p>Views on shortcomings of consultation process Concern about the degree of involvement of Dornoch and Area Community Council in the process and their ability to consult the residents of Embo. Concern that communication about the first public event did not reach everyone in the village.</p>	<p>The Council does not direct or manage the decision making of each community council. Any differences of opinion between residents and the community council should be discussed and resolved at the local level. However, the Council will need meaningful community input to the next PMCAS stage and will reach out to all respondents.</p> <p>Comments on communication were made following the first consultation event. For the second event, taking on board this feedback, additional communications channels were used including posting event information posters in public places (e.g. Library, Co-op, Old School hall), a leaflet drop in Embo village. As with the first event, the second event was also publicised on social media platforms, directly to Dornoch Area Community Council and via a press release on Highland Council website. Local media also published stories about the consultation events, following the press release. In addition to events, multiple channels for the public to provide comments were offered online, via email, by post or verbally over the phone.</p>
<p>MCA PROCESS</p>	<p>Concern that MCA bypasses planning scrutiny Concern that process to adopt an MCA Scheme would bypass planning scrutiny and planning conditions, and inadvertently provides approval in principle for further development beyond Phase 1 that would not be subject to full planning scrutiny.</p>	<p>The Highland Council approach to MCAs seeks to mirror the process for full planning applications, including neighbour notification, public representations and consideration by Planning Applications Committee. Any further development on the site, beyond 60 dwellings, would require a formal Alteration the adopted (made) MCA Scheme or a separate conventional planning application process proposal.</p>

5c: Essich Road MCA

Summary of Issue Raised in Representations and Source	Recommended Council Response
<p>Response from relevant community council (Holm CC is the statutory consultee for this MCA site).</p> <p><u>Holm Community Council</u> Commented on the novelty of the MCA concept and commended the Council for taking the lead in engaging with it. Some concern was raised, however, regarding the selection of a site for the proposed MCA that was not considered adequate by the Council for inclusion within the current local development plan. The response also raised specific concerns related to traffic impacts, flooding, environmental constraints, schooling capacity, connectivity, and community facilities.</p> <p><u>Lochardil and Drummond Community Council</u> Objected to the proposed MCA Their response raised specific concerns that the proposed MCA is inconsistent with the existing Inner Moray Firth Local Development Plan 2, breaching priorities identified for the South area and the general principles. It was also felt that the proposed MCA development at Essich Road conflicts with Highland Council long term strategic planning and policies and Scottish Government recommendations. Concerns were also raised that there are fundamental inadequacies in infrastructure to cope with what is proposed that have not been adequately assessed or considered. Finally, it was argued that other developments, namely in terms of electricity generation and transmission facilities in the area, have not been taken into account in terms of their impacts on the proposed MCA. Should the proposals go ahead, the response raised that it would be essential that representatives from key stakeholder groups are given a seat at the table to shape the future plans for the site, including the Essich and Torbreck Community Association as well as the local community councils.</p>	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p>
<p>Direct Responses at Public Events</p> <p>Two public events were held at the Culduthel Christian Centre, on 19 January and 19 February to explain and discuss the possible MCA. A combined total of 145 people attended, across the two events. Verbal and other feedback raised at the events included concerns over road and pedestrian safety on Essich Road and in the surroundings, flood risk the sustainability of the location and capacity of local services, impacts on agriculture and the rural economy, ecological impacts and concerns over the governance and organization of the MCA process.</p>	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p>
<p>Petition / Pro-Forma Responses</p>	

<p><u>Essich and Torbreck Community Association</u></p> <p>This group was formed in opposition to the proposals. Their response to the public engagement and associated website; https://sites.google.com/view/essich-road-development/home raised concerns over the fact that the proposed MCA is not allocated in the adopted Local Development Plan and as such, represents a new and unsustainable extension of Inverness beyond its urban edge. In a related point, concerns were raised over the over the transparency and accountability of the section process of the Essich Road site, in the face of more viable alternatives in Inverness, which are already included in the adopted Local Development Plan. Concerns were raised regarding the sustainability of the site in terms of its proximity to local services and public transport options. More directly, concerns were raised over the impacts of development of the proposed MCA site in terms of the capacity and condition of Essich Road and the surrounding road network, lack of viable active travel infrastructure, impacts on recreational use, particularly in relation to cyclists, over the ecological and cultural heritage impacts, impacts on agriculture and in relation to the capacity of local services, especially education and health.</p>	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p>
<p><u>Essich Road, Inverness Petition Responses</u></p> <p>A petition submission was received from members of the local community. This submission had 98 co-signatories from local and wider area residents who endorsed the following statement:</p> <p><u>Petition Title: Opposition to the Essich Road MCA</u></p> <p>“We object to the proposed Essich Road development. It is an unsustainable development that does not comply with basic standards in modern planning. It is at complete odds with all social and environmental objectives and will only add to the burden on the local transport network and the climate emergency as it will be a development reliant upon car use. It will not help solve the housing emergency as it will lead to isolation of low income and vulnerable people with no facilities within walking distance. It fails on every measure of good planning”.</p>	<p>See separate recommended responses to each main issue and sub-issue raised by individuals in table rows below.</p>
<p><u>Springfield Group</u></p> <p>During the latter part of the consultation period, the Springfield Group created and promoted its own digital tool to seek and gather comments in support of the MCA proposal at Essich Road, Inverness. A “pick and choose” prepopulated list of 6 positive reasons to support the proposal were suggested to potential respondents. 360 timeous responses to the tool were received by the Council in respect of the Essich Road, Inverness MCA</p>	<p>Springfield’s digital tool prompted responses are a useful indication that people across Highland and the north of Scotland recognize the benefits of new housing development if not that the Essich Road MCA site is the optimum location for that development. These responses back up the Council’s assessment of housing need and demand in Highland as being significantly unmet.</p>

<p>proposal. Each of those responses endorsed one or more of the following reasons to support the Ardersier MCA proposal:</p> <ul style="list-style-type: none"> • Housing choice: To provide more energy-efficient, accessible and modern housing, including affordable options • Infrastructure investment: To secure funding for local infrastructure, including improvements to our local road network. • Job creation: To create jobs for local trades, suppliers and apprenticeships and attract new businesses to the area. • Community vitality: To ensure our local businesses, services, and local projects remain sustainable • Looking to move within the area: To encourage investment into the area that will allow me to stay here in the future. • Looking to move to the area: To enable me to relocate to the area, ensuring there is enough quality housing. 	
<p>Other Responses Other individual responses – one or more respondents raised one or more of the following issues</p>	
<p>ROAD AND PEDESTRIAN SAFETY:</p>	<p>Condition and Capacity of Essich Road and Wider Road Network Essich Road is single track with limited visibility in some sections and incorporating a narrow bridge over the Big Burn and a restricted visibility junction with the Torbreck Road. It is designated as part of construction traffic routes for several renewable energy generation and transmission schemes in the wider area. Essich Road currently has no pedestrian footway beyond its junction with Torbreck / Dores Road. Respondents raised concerns related to the impact of increased traffic should the MCA site proceed, on the capacity and condition of the road and the risk to non-motorized road users, especially pedestrians and cyclists.</p> <p>Following discussions between transport professionals from the council and those commissioned by the developer partner, which included consideration of a range of mitigation measures, the Council is of the opinion that the access constraints of the site are not insurmountable,. Should the MCA proceed, the Proposed Masterplan Consent Area Scheme (PMCAS) documentation must include a detailed Transport Statement including a detailed analysis of the site and the local transport context, developed from both desktop research and field survey data across all travel modes (private car, public transport and active travel). The Transport Statement must then work from this baseline to provide reasoned estimates of trip generation from the development and an overview of travel behavior expectations. Should the MCA proceed, the PMCAS will have to demonstrate to the Council's Transport Planning Team and other consultees that the development's transport impacts will be manageable in terms of the capacity and safety of the wider public road and active travel network.</p>

		<p>Following the assessment undertaken through the Transport Statement, the PMCAS must define a package of mitigation works in relation to Essich Road and the surrounding road and active travel network. These measures could include, but are not limited to, road widening and the installation of traffic control signals, junction expansion, formation of on or off-road active travel routes, consideration of safer routes to schools and the potential to extend bus services into the development. Following discussions with the Council and developer partner, the Scottish Government has agreed in principle to release land on the western edge of Knocknagael Farm to allow improvements to transport connectivity subject to a commercial negotiation and the minimisation of land lost to agricultural use.</p>
	<p>Possible Mitigation Works to Accommodate MCA Respondents also raised concerns over the impacts of any proposed mitigation works, including the introduction of traffic signals, to Essich Road should the MCA site proceed, in relation to maintaining safe access to existing residential properties located along the route, particularly those in the housing group located directly adjacent the northeastern part of the MCA site, most frequently termed 'Essich Village' in responses.</p>	<p>As discussed in more detail above, the Council is of the opinion that the access constraints to the site are not insurmountable. The specific form of any mitigation works in relation to Essich Road and the surrounding road and active travel network would require to be agreed to the satisfaction of the Council's Transport Planning Team in terms of road safety and capacity, should the MCA proceed to the PMCAS stage.</p>
	<p>Active Travel and Public Transport Respondents raised concerns over the lack of safe pedestrian or cycle routes in the wider area and connecting to key local facilities including schools and shops and over the lack of public transport connectivity of the proposed MCA site, where currently, bus services stop short to the south, at Holm Dell Drive.</p>	<p>As discussed in more detail above, should the MCA proceed to the next stage, the PMCAS must include a package of mitigation works including formation of on or off-road active travel routes, consideration of safer routes to schools and measures to extend current bus services into the development, in the form of a bus route and turning space. Increased patronage for existing services may persuade a private operator to enhance provision. The PMCAS process will investigate whether short initial public transport developer contributions are appropriate to persuade new householders to use public transport rather than acquire the habit of driving for most journeys. Developer contributions have also been used to incentivize a private operator to amend its existing service routes to pick up new development sites in their initial phases when</p>

		there isn't sufficient patronage for it to be commercially viable to do so.
SUSTAINABILITY / VIABILITY OF THE PROPOSED MCA LOCATION:	<p>Infrastructure First A frequent response was raised regarding concerns that housing development is outpacing the required infrastructure, especially on relation to the impacts on road and active travel infrastructure.</p>	<p>As discussed in more detail above, the Council considers that the infrastructure constraints in relation to road and active travel infrastructure to service the proposed MCA site are not insurmountable. The impacts and mitigation for other infrastructure types are discussed in more detail below. More generally, Contrary to National Planning Framework (NPF4) Policy 18, entitled Infrastructure First, which has confused and misled many, current UK and Scottish planning system practice doesn't insist that sufficient capacity in all infrastructure and facility networks must exist or be provided first before development can be granted planning permission. Indeed, almost all areas of the UK have existing, unresolved deficiencies in terms of the adequacy of its infrastructure and facility networks. In Scotland, planning permissions are granted and appeal/court decisions are made on the simple basis that a developer commits to deliver or more usually provide financial contributions for other parties to deliver improvements to infrastructure capacity directly and proportionately related to the impact of its development. The new MCA process will not deviate from this current, established, national approach.</p>
	<p>Local Living Respondents raised concerns over the position of the Essich Road MCA site on the Inverness urban edge and the distance to schools, shops, healthcare services and employers, in some cases, in the context of National Planning Framework 4 (NPF4), which defines the '20-minute neighborhood' principle, which aims to provide people access to their daily needs by walk, wheel or cycle rather than by car.</p>	<p>The Council has created Local Living mapping that highlights that very few parts of Highland meet the 20-minute neighborhood principle. However, the principle could be applied to safeguard at least part of the site for community or commercial use(s), as is listed as a requirement in the PMCAS. Commercial service viability and provision is thereafter a matter for the free market.</p>
	<p>Alternative Sites Some expressed surprise at the choice of a site where crossing Inverness is required to access the trunk road network as well as the Airport and Green Freeport sites. They questioned why the Council does not focus efforts to progress allocated development sites at Inverness East or in</p>	<p>The proposed MCA site was selected according to the criteria defined in the report to the Council's Economy and Infrastructure Committee of 13 November 2025, including, but not limited to, proximity to future Inverness and Cromarty Firth Green Freeport (ICFGF) jobs, development industry interest, the relative balance of infrastructure and</p>

	<p>a more evenly distributed way around the Inner Moray Firth Area.</p>	<p>environmental constraints. In this respect, although not allocated within the current Local Development Plan, the site is located in proximity to the Inverness ICFGF Tax Sites, has definite developer interest, as evidenced through the Call for Development Sites process related to the forthcoming Highland Local Development Plan and is not located within any formal environmental designations. No large potential development site in Highland is free from all constraints and access and flood risk issues have come forward through the public engagement process in this respect, it is however, considered that adequate mitigation can be delivered to address these constraints.</p>
	<p>Topography Some respondents raised concerns that the topography of the site rendered it unsuitable for residential development of this scale.</p>	<p>The site topography, while sloping, is not significantly different from other parts of south Inverness where residential development has been successfully brought forward in the recent past. Should the MCA proceed, the PMCAS will include a Planning Design and Access Statement to set out the detailed urban design parameters of the development and how development responds to the site context, including, but not limited to, topography, hydrology and potential for solar gain.</p>
	<p>Social Isolation Respondents raised concerns over the potential for social isolation, particularly for affordable housing residents, should the MCA proceed. Others also raised concerns over the potential impacts on mental health and general wellbeing should the site, currently fields, become urban development.</p>	<p>As discussed in more detail above, better connectivity for the site may be achieved through measures for new active travel and public transport infrastructure. While it is acknowledged that the proposed MCA cannot be brought forward without some change to the surrounding setting, the Planning Design and Access Statement will detail how the finalised design of the site complies with the Scottish Government's six qualities of successful places, as defined through NPF4, including improving physical and mental health.</p>
	<p>Impact on Housing Markets Respondents felt that the proposed MCA would have limited impact on addressing local housing challenges, which they argued issue more from a lack of rental stock or from the transfer of properties out of the market for second homes or tourist accommodation, than from a lack of new build housing.</p>	<p>The proposed MCA forms one part of the Council's wider corporate commitment to respond to housing pressures, as set out within the Highland Housing Challenge Partnership Action Plan. Although not related directly to the MCA, the Council acknowledges the issues around transfer of properties out of the market for second homes or tourist accommodation and will shortly commence</p>

		<p>consultation on the designation of a Short Term Let Control Area (STLCA) for Inverness City. More widely, current UK housing and other legislation doesn't allow a local planning authority to discriminate and dictate the future occupants of houses in Highland. There are various mechanisms to favour those with a local family or employment connection but these are only practicable for the 35% of units that will be affordable and only then through a title restriction or a local lettings initiative. Similarly, dictating private unit sale prices is a matter for the free market.</p>
<p>CAPACITY OF LOCAL SERVICES</p>	<p>Inverness Royal Academy Many respondents raised concerns that Inverness Royal Academy is currently over capacity and this issue will be compounded by the additional demands on education services represented by the proposed MCA.</p>	<p>Should the MCA proceed to the next stage, the site would be located within the Inverness Royal Academy catchment, which has a physical capacity of 1,452 pupils, and currently accommodates 1,341 pupils (92% of its capacity). Developer contributions are currently payable within the IRA catchment to recoup forward funded Council investment in the additional built capacity of the new school. However, including the proposed 315 homes included in the Essich Road MCA within the School Roll Forecasts (assuming a phasing of 45 units completed in year 2027-2028 and 30 units completed per annum over the following nine years) increases the length of the breach of 90% of this capacity. A breach of 90% capacity will occur for 8 of the 15-year forecasting period reaching a maximum of 95% in 2029/2030. Therefore education developer contributions will continue to be payable this time for future expansion requirements. The PMCAS will require these.</p>
	<p>Ness Castle Primary School Many respondents raised concerns that the capacity of Ness Castle Primary school would be exceeded by the additional demands on education services represented by the proposed MCA.</p>	<p>Should the proposed MCA proceed to the next stage, the site would be located within the catchment area of Ness Castle Primary School, which has a total physical capacity of 317 pupils, and currently accommodates 218 pupils at 69% of its capacity. Including the proposed 315 homes within the latest School Roll Forecasts results in a breach of 90% capacity in 2027/2028 and a breach of 100% capacity in 2029/2030 with this breach continuing and increasing until the end of the 15-year forecasting period. The planning permission for Ness Castle Primary school,</p>

		reference 19/05203/FUL, includes provision for a second expansion phase and developer contributions will be sought towards this expansion and detailed within the PMCAS.
	<p>Health Services Respondents raised the concern that local GP surgeries, NHS dental practices and Raigmore Hospital were all severely constrained in terms of capacity for procedures and to take new patients.</p>	<p>The Council accepts that many health facilities across Highland have existing physical capacity as well as staffing issues. For deficiencies in existing infrastructure networks the relevant organisation is responsible not the private developer. For example, general taxation is supposed to fund adequate healthcare facilities and sufficient staffing to deliver that provision. Many health facilities and their staffing are inadequate across the UK regardless of the impact of new development. The Council has reached out to NHS Highland and direct to GP practices to gather evidence on health facility capacities and to establish whether new development has a direct and significant impact on those capacities with a view to seeking developer contributions. Within Inverness City there is a direct correlation between new development and increase GP list sizes which may justify seeking developer monies but other factors are also important like Scottish Government health policy changes requiring healthcare to be delivered from GP practices that was previously delivered from hospital or from other specialist units. Even if the Council could justify health facility developer contributions the balance of monies would need to come from NHS Highland and its current capital programme cannot fund significant improvements to existing overstretched facilities such as at Culloden and Raigmore.</p>
	<p>Retail Capacity Some respondents raised the concern of stocking capacity of local supermarkets to keep pace with population growth from new housing.</p>	<p>This issue is not a material consideration within the scope of the planning system, rather, an issue for the free market.</p>
	<p>Water, Sewerage and Electricity Some respondents questioned the capacity of the local water, sewerage and electricity network to service the site.</p>	<p>As part of the PMCAS, the developer partner will require to undertake pre-development enquiries with Scottish Water and SSEN to discuss the state of current utilities provision in the site area and how this can be upgraded to service the proposals without detriment to services to existing</p>

		properties in the area. This more formal process will build on previous discussion, between the Council Officers and Scottish Water in relation to the proposed MCA.
IMPACTS ON RECREATION AND WELLBEING	Respondents raised concerns over the impact of development on the use of Essich Road and the surrounding road and footpath network as routes for cyclists, walkers, dog walkers, runners and horse riders to access the surrounding countryside, occasionally for organised events, citing concerns that safety will be put at risk by the increase in traffic generated should the MCA proceed.	There are no core paths or other known rights of way across the proposed MCA site, although it is acknowledged that access rights apply under the Land Reform (Scotland) Act 2003. The developer partner must provide an Outdoor Access Plan (Recreational Access Management Plan) to the satisfaction of the Council's Access Officer, detailing how public access will be managed and maintained during and after construction. As noted above, should the MCA proceed to the next stage, the PMCAS must include a Transport Statement whereby the Developer Partner will have to prove to the Council's Transport Planning Team and other consultees that the development's transport impacts will be manageable in terms of the general capacity and safety of the wider public road and active travel network. Formal running and cycling events using the road network will require to undertake their own traffic management planning, cognisant of the current status of the network, in consultation with the Council and Police.
IMPACTS ON AGRICULTURE AND RURAL ECONOMY	Respondents raised concerns relating to the loss of productive agricultural land should the MCA proceed, particularly given current concerns over food security. Others also raised concerns relating to the wider impacts of development on surrounding land still in agricultural or rural use, especially in terms of disturbance to livestock and horses.	The application site is not located on land designated as prime agricultural Land within the land capability classification for agriculture developed by Macaulay Land Use Research Institute (now the James Hutton Institute). While it is acknowledged that the MCA will extend urban development in close proximity to the surrounding agricultural land, this will take place in a wider setting that is already on the urban edge and in the context of existing housing, both at the Essich 'village' directly to the north and at Culduthel further to the east. It is agreed that housing development located too close to farming or other agricultural / husbandry operations can cause disturbance. The detailed layout at the next PMCAS stage will help address this issue. Otherwise, the issues raised relate to responsible access to the countryside, which is best achieved through education.

ECOLOGICAL IMPACTS	<p>Habitats and Habitat Networks Respondents raised concerns over the impact of development on local wildlife habitats and green networks.</p>	<p>The proposed MCA site is not located within any formal natural heritage designations, with the closest being the Torvean landform SSSI, located approximately 1.7km to the west on the opposite side of the River Ness. Sites on the Ancient Woodland Inventory are also located adjacent to the north and west. The proposed MCA will be screened in terms of the Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2017 and the Masterplan Consent Area Scheme (Environmental Impact Assessment) (Scotland) Regulations 2024, under reference 26/01759/SCRE. Should the proposed MCA proceed to the next stage, the PMCAS will include an Ecological Impact Assessment (EclA). This must show, in a clear, evidence-based way, how development will affect biodiversity, including habitats, protected and other species, designated sites and ecological processes. The EclA must also provide mitigation measures against any impacts identified, following from the hierarchy of avoiding ecological harm, reducing unavoidable impacts, compensating for losses that cannot fully be mitigated and providing enhancement where possible. The PMCAS will also demonstrate how biodiversity will be left in a demonstrably better state than the condition before development, showing how the development can deliver significant biodiversity enhancements with a minimum of 10% required, preferably through interventions on-site. The EclA will identify opportunities for enhancing biodiversity on site and must include appropriate plans, drawings and statements demonstrating how the identified opportunities will be delivered. The EclA and biodiversity enhancement proposals, potentially set out in a Habitat Management Plan, must be agreed to the satisfaction of the Council's Ecology Team.</p>
	<p>Protected and Other Species Issues were raised regarding protected and other important species considered to be present on and around the site, including, but not limited to red squirrels, bats, badgers, and owls.</p>	
	<p>Pollution Respondents raised concerns over the pollution of local watercourses from the use of the site as housing in addition to littering.</p>	<p>Should the proposed MCA proceed to the next stage, the PMCAS will include a detailed design that demonstrates how adequate space for bin storage and collection facilities has been integrated into the finalised design of the proposals. Measures to control pollution of the water environment must be incorporated within the finalised</p>

		design of the site drainage measures, as discussed in relation to the Drainage Impact Assessment (DIA) below.
CULTURAL HERITAGE	Respondents noted that unrecorded archaeology may be present on site. Respondents also raised concerns over damage or loss of existing cultural heritage features on or around the site, particularly the dry-stone wall running along Essich Road, which carries a plaque relating to the Pictish Knocknagael Boar Stone.	The Council's Historic Environment Record (HER) mapping acknowledges the presence of recorded archaeology concentrated within the northwestern part of the site. Should the proposed MCA proceed to the next stage, the PMCAS will include an Archaeological Desk Based Assessment (DBA) consisting of a structured study of existing archaeological information about the historic environment of the site and identifying known and potential heritage assets, assessing their significance, evaluating likely impacts from development and suggesting mitigation measures to avoid or offset impacts together with requirements for archaeological monitoring while development proceeds.
FLOOD RISK	Flood Risk Pathways Respondents raised concerns related to flood risk on site. Multiple accounts were provided, including photographs and videos of flooding incidents on and around the site, related to Essich Road, Torbreck Road, the Essich and Big Burns and the surrounding fields and their drainage network.	Should the proposed MCA proceed to the next stage, the PMCAS must include a Flood Risk Assessment (FRA). This must consider all potential sources of flooding affecting the site and take note of the evidence submitted through the public consultation process. The FRA must demonstrate to the Council's Flood Risk Management Team that development will not increase flood risk to adjacent land or downstream areas and properties and that the new housing will itself, be safe from flooding. The FRA will require to demonstrate that runoff from the site can be limited to the standard greenfield runoff rate or better.
	SEPA Mapping Respondents considered that the existing SEPA flood risk mapping did not accurately reflect their experiences and observations of flooding events.	SEPA flood mapping is provided on the basis of helping the public as well as developers and planning authorities, to understand how sites could be affected by flooding. SEPA gives no guarantees to the accuracy or completeness of the Flood Maps, however, the mapping does in this case, provide a tool that may be built upon by a detailed Flood Risk Assessment, as detailed above.
LANDSCAPE AND VISUAL IMPACTS	Respondents considered that should the MCA proceed, it would represent and set a precedent for urban 'sprawl', changing the character of the rural setting and impacting on	It is acknowledged that the proposed MCA cannot be brought forward without some change to the surrounding landscape setting. Should the proposed MCA proceed to

	<p>key gateway views into Inverness as well as existing key public and private views into the wider countryside. A related concern was that the extension of development in the urban edge in this manner would detract from the qualities that make Inverness an attractive place to live and work.</p>	<p>the next stage, the PMCAS will include a Planning Design and Access Statement to set out the detailed urban design parameters of the development and how development responds to the site context, including how the MCA can incorporate suitable gateway urban design features, considering its location.</p>
<p>GOVERNANCE, PROCESS AND PROCEDURAL ISSUES</p>	<p>Use of the MCA Process and Compliance with National Planning Strategy and Policy</p> <p>More than one respondent raised concerns over the MCA process and the governance structures related to this. It was argued that the MCA process was being used outside of its parameters as intended by the Scottish Government and as a means to bypass the conventional planning approach (the local development plan and planning application processes). In this respect, several respondents noted concerns over the compliance of the proposal with National Planning Framework (NPF4), particularly in regard, but not limited to, Policies 3,4,5,14,15,21, 27 and 28.</p>	<p>As reported to the Council’s Economy and Infrastructure Committee of 13 November 2025, the Scottish Government has endorsed the use of MCAs to support large scale projects such as the ICFGF and in this respect, the Council has agreed that boosting the deliverable housing land supply close to future ICFGF jobs are a way to enable such growth. Should the proposed MCA proceed to the next stage, the PMCAS will include a Planning Design and Access Statement that will set out point by point, the degree of conformity with the provisions of the relevant NPF 4 policies. More widely, the relevant primary and secondary MCA legislation has, deliberately, been written by Scottish Government to provide flexibility in how each council can implement the concept. Highland Council is an ‘early adopter’ piloting this approach. The Council accepts that any new approach offers less certainty to those familiar with established processes. To offer clarification:</p> <ul style="list-style-type: none"> • The MCA process does include direct neighbour notification but only once the PMCAS has been agreed by the relevant council committee and the PMCAS published; • The Council does lead the MCA process because its committees make all the approval decisions if an MCA is to proceed to “made” status; • The PMCAS will include draft legal agreements to specify legally enforceable commitments by all parties; • The MCA process does involve local community council input including it being the only statutory consultee at the current initial stage;

		<ul style="list-style-type: none"> • The next PMCAS stage will be very similar to a full planning application so doesn't circumvent that process; • The Council can pause or stop the MCA process at any stage up to the Scheme being "made" (adopted); • The shortlisting rationale for the 3 current Highland MCAs is in the public domain via the Council's MCA webpage; • An MCA has a maximum 10 year lifespan; • The initial MCA consultation period lasted almost 3 months: a month longer than the 2 months minimum required by statute.
	<p>Compliance with Adopted Local Development Plan Respondents raised concerns as to why the current proposed MCA site is being revisited after not being included in the adopted Inner Moray Firth Local Development Plan 2 (IMFLDP2), on the basis that it would take strategic growth of the city in a new, unsustainable direction that the Council has previously referred to us unwarranted and contrary to policy, in relation to past planning applications and appeals, most notably with regard to housing proposals on the Fairways Golf Course. In this respect, others felt that development of the MCA in this location would set a precedent for further development of adjacent sites, most notably land at Torbreck Farm to the southwest. Related comments raised concerns over the development of the site as an MCA when other development projects, notably including developments at Ness Side, Ness Castle, and Tornagrain, have not yet been fully built out. Some raised concerns that the Council is effectively expanding the south of Inverness without a strategic framework for growth considering these, and other development sites.</p>	<p>The preparation, examination and adoption of the current Inner Moray Firth Local Development Plan 2 predate the decision by the Council to define parameters of the Highland Housing Challenge, which includes a substantially increased requirement for new homes over the next 10 years. The IMFLDP2 was adopted in June 2024 but written (as the Proposed Plan) in 2022 when the full additional housing need and demand implications of the Inverness and Cromarty Firth Green Freeport (ICFGF) project weren't known. More recent (2022 Census results based) population and household forecasts also indicate that Highland will experience more growth than envisaged in 2022 (which projected future housing requirements using 2018 based data). This situation necessitates reconsideration of housing land requirements on a Highland wide basis, and consideration of additional housing land opportunities beyond currently allocated or under construction sites. While the MCA represents a shorter-term response to addressing these requirements, the Highland Local Development Plan (HLDP) continues to be under preparation. The Council undertook a call for development sites between 31 January and 2 May 2025 where landowners, developers and others suggested sites for inclusion in the new HLDP. Any sites adjacent to the proposed MCA that have come forward through the call for sites, will be considered for their suitability for inclusion in</p>

		the HLDP through the established local development planning process. Any further planning applications for housing adjacent to the proposed MCA, will be considered on their own merits.
	<p>Transparency Respondents questioned the transparency of the selection process for the shortlisted MCA sites, with no evidence provided of a clear scoring system to categorise these against and a lack of prior engagement with the community. Should the MCA proceed, several respondents sought clarity on how community feedback and representation would be integrated into the further detailed design process. Some respondents considered that the process represented a conflict between the Council's and potential developer's interests in terms of Council Officers and staff from the potential developer co promoting the MCA through the consultation process.</p>	<p>The proposed MCA site was part of a 'long list' of a further 8 sites presented to and selected according to the criteria defined in the report to the Council's Economy and Infrastructure Committee of 13 November 2025, as discussed in more detail above. The Committee Report is a publicly available document and the Committee meeting itself was video recorded and made publicly available via webcast. The process so far, has been guided by the Scottish Government's Masterplan Consent Areas Guidance document, dated January 2025, which makes provision for Planning Authorities to take forward a partnership approach with a developer. Should the proposed MCA proceed further, the detailed design and masterplanning process will be guided by a working group composed of community representatives together with council officers and representatives from the developer partner.</p>
	<p>Public Consultation Concerns were raised that the Council and developer came to the public consultation exercise without sufficient information and that the events were not promoted on a necessarily wide range of channels, limiting public awareness of the events and proposals. Others raised concerns that the format of the consultation events did not include for a second roundtable session, which was felt to limit the potential to make meaningful feedback. In relation, others felt that not enough detail on the development and constraints was made available through the consultation process.</p>	<p>The public engagement events were promoted through a range of channels in the local press and social media, including Facebook, X, BlueSky and LinkedIn. The events focused on understanding views on the principle of development of the proposed MCA's and as such, detailed design information was not available at this point. While the first event, held on Monday 19 January incorporated a dedicated roundtable discussion in the evening, it was not considered practical to facilitate this for the second event on Thursday 19 February, due to the numbers in attendance at the first. The format of the second event, nevertheless, provided the opportunity for members of the public to raise further feedback directly with representatives of the planning authority and developer Partner, as did the first.</p>
	<p>The Highland Housing Challenge</p>	<p>The reasons for the declaration of the Highland Housing Challenge and the supporting information and research</p>

	<p>Respondents questioned the reasoning and methodology underpinning the Council's commitments to housing delivery</p>	<p>that underpin these are detailed in the committee report to the full Council of 27 June 2024, as updated as they relate to MCAs, in the report to the Council's Economy and Infrastructure Committee of 13 November 2025.</p>
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Recommended Amendments to Each MCA Proposal

This appendix details and recommends how, in response to representations received, the scale of each development proposal should be reduced and amended relative to that set out in the initial Public Notice. It also details the additional work that must be undertaken for each respective proposal to progress through its next Proposed Masterplan Consent Area Scheme (PMCAS) stage.

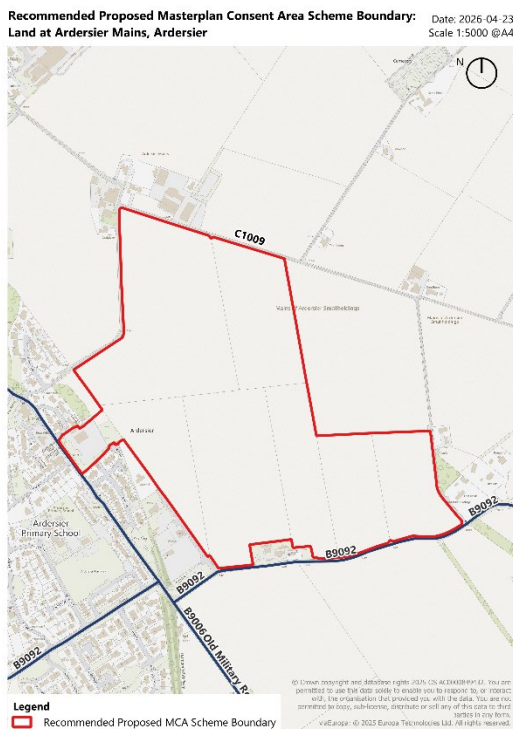
6a: Ardersier MCA

Description of Development

Residential led mixed-use development including: a maximum of 400 dwellings, a 2 hectare “community hub” site safeguarded for education, healthcare and/or community uses; land for allotments / community growing space; publicly accessible greenspace including play park and other recreational area provision; high biodiversity value habitat creation; Class 4 light industrial/business starter units; and, associated infrastructure works including onsite and offsite travel network improvements.

MCA Site Boundary

The MCA site boundary be contracted to exclude that land north and west of the C1009 Mains of Ardersier road (a total of 7.8 hectares). See map below.



Requirements

The Proposed Masterplan Consent Area Scheme (PMCAS) must, as a minimum, include / address the following requirements:

- a Planning Design and Access Statement including an overall masterplan graphic and supporting documentation explaining the development’s rationale and phasing;
- detailed drawings similar to those required for a major scale full planning application;
- a maximum of 400 residential units;
- a full Environmental Impact Assessment Report (EIAR) and a formal commitment to the resultant mitigation measures including demonstration of 10% biodiversity net gain;
- a Transport Assessment including the transport matters listed below;
- a 2 hectare, central, safeguarded, serviced site for a community hub (for education, healthcare, recreation and/or other community purposes);
- land safeguarded for allotments / community growing space;

- a Community Wealth Building report and commitment;
- a draft Good Neighbour Agreement;
- provision of a safer route to Ardersier Primary School via Station Yard or adjoining land including a safer crossing point of Station Road;
- a safer crossing point of Nairn Road between the MacPherson Way development and the rest of the village;
- a draft section 75 or other similar legal agreement to specify and secure developer contributions in respect of education, community facilities, public transport, active travel and local road network improvements; and, specific transport improvements of the B9092 on the site's southern boundary;
- Flood Risk, Drainage and Radon Gas Impact Assessments and avoidance of built development within any proven risk areas or a commitment to adequate mitigation measures;
- a minimum of 25% of the total units as meeting the Council's definition of affordable;
- a layout and associated direct physical works that ensure public transport connectivity to and turning within the site;
- a Construction Traffic Management Plan;
- contamination site investigation work and remedial mitigation for the Station Yard site if intrusive foundation design built development is proposed;
- an archaeological investigation and any resultant mitigation;
- provision and future maintenance of useable publicly accessible greenspace;
- public art provision (or developer contributions towards such) in accordance with the Council's guidance;
- ducting for gigabit enabled fibre optic cabling to all MCA site properties; and,
- water and sewerage network impact assessments and any resultant mitigation.

6b: Embo MCA

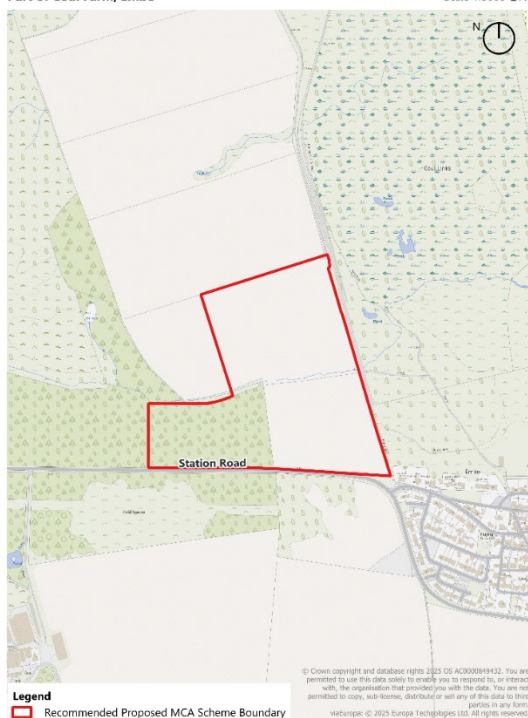
Description of Development

Phased residential development of a maximum of 60 dwellings on land adjacent to Embo, comprising a mix of detached, semi-detached and terraced house types including affordable homes, together with biodiversity enhancement, landscaping, community woodland, amenity open space, a site for community use, and associated infrastructure.

MCA Site Boundary

No amendment to the Public Notice published MCA site boundary is proposed. See map below.

Recommended Proposed Masterplan Consent Area Scheme Boundary: Date: 2026-04-23
Part of Coul Farm, Embo Scale 1:5000 @A4



Requirements

The Proposed Masterplan Consent Area Scheme (PMCAS) must, as a minimum, include / address the following requirements:

- a Planning Design and Access Statement including an overall masterplan graphic, Design Code and supporting documentation explaining the development's rationale and phasing;
- detailed drawings similar to those required for a major scale full planning application;
- a Rural Housing Burden to ensure that at least 25% of the properties are retained in perpetuity as available to those with a local (family or employment) connection;
- a safeguarded, serviced site for community use;
- a Transport Assessment and mitigation for all travel modes, provide suitable public access arrangements from Station Road and into all residential phases with road bridge crossing the burn (any crossings should be bottomless arched culverts or traditional style bridges), improved active travel links to village facilities, improve or relocate bus stop, mitigate cumulative transport impacts with consideration for single-track section of Dornoch-Embo Road, contribution to village gateway treatment and speed management;
- a developer contribution towards school and passenger transport, including a bus stop;
- provision and maintenance of permanent, useable, publicly accessible via new paths, greenspace;
- appropriate survey of and management proposals for the woodland within the MCA boundary to enhances its biodiversity value;
- environmental assessment(s) and appraisals including an Ecological Impact Assessment (EclA) and a formal commitment to the resultant mitigation measures and 10% biodiversity net gain;
- a Recreational Access Management Plan;
- Flood Risk Assessment and Drainage Impact Assessments and no development in areas shown to be at risk of flooding;
- a public sewer extension and connection;
- archaeological assessment and programme of work for the evaluation;
- Construction Environmental Management and Operational Environmental Management Plans; and,
- a draft Good Neighbour Agreement.

6c: Essich Road (Inverness) MCA

Description of Development

Residential-led mixed use development including a maximum of 315 dwellings, comprising a mix of house types including affordable homes, together with biodiversity enhancement, landscaping, amenity open space, a site for community/retail use, and associated infrastructure.

MCA Site Boundary

No amendment to the Public Notice published MCA site boundary is proposed. See map below.

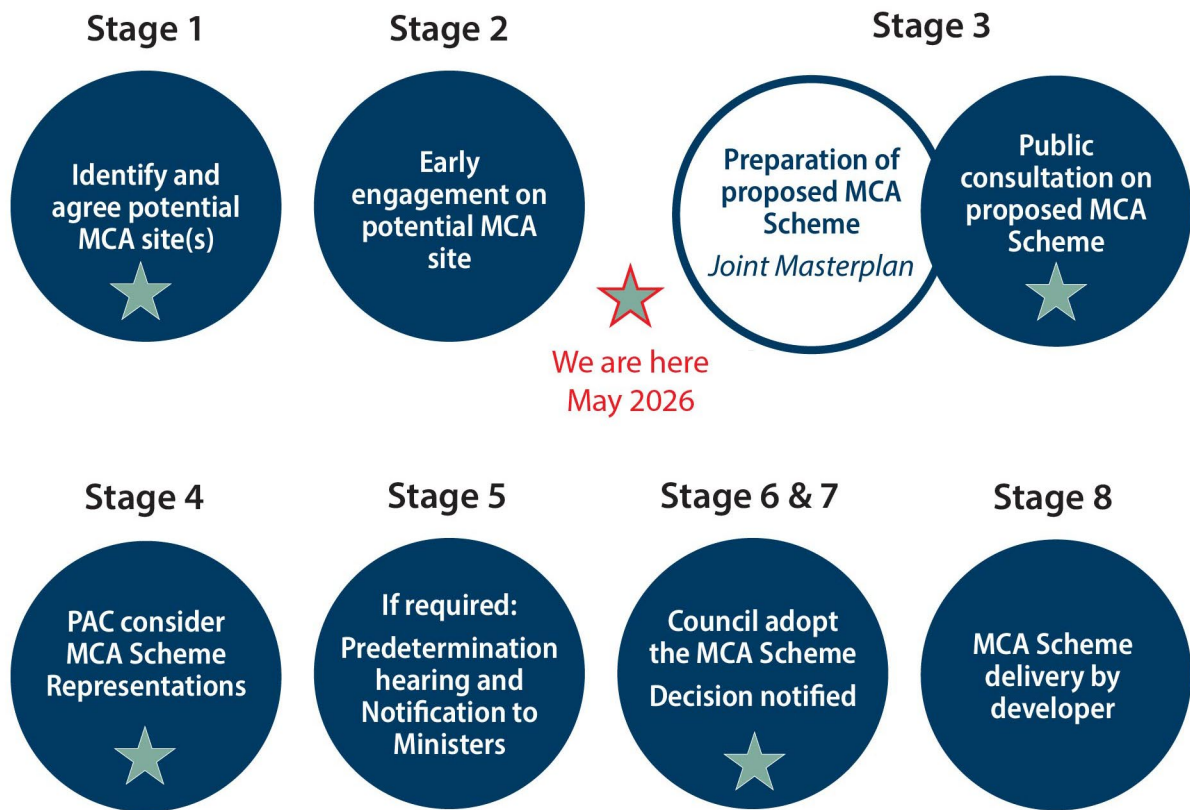


Requirements

The Proposed Masterplan Consent Area Scheme (PMCAS) must, as a minimum, include / address the following requirements:

- a Planning Design and Access Statement including an overall masterplan graphic and supporting documentation explaining the development's rationale and phasing;
- detailed drawings similar to those required for a major scale full planning application;
- a safeguarded, serviced site for community / commercial use;
- useable publicly accessible greenspace;
- widening of the Essich Road carriageway and provision of a new foot/cycleway to connect the site to the existing active travel network;
- provision of a safer route to Ness Castle Primary School including a safe crossing point of Torbreck Road;
- public transport connectivity to and turning within the site;
- a Transport Statement (TS)
- Flood Risk (FRA) and Drainage Impact Assessments (DIA) and avoidance of built development within the determined "flood plain" area;
- environmental assessment(s) including an Ecological Impact Assessment (EclA) and a formal commitment to the resultant mitigation measures and 10% biodiversity net gain;
- an Archaeological Desk Based Assessment and any resultant mitigation;
- an Access Management Plan (Recreational Access Management Plan);
- a minimum of 35% of the total units as meeting the Council's definition of affordable;
- a draft section 75 or other similar legal agreement to specify and secure developer contributions in respect of education, community facilities, public transport, active travel and local road network improvements;
- public art provision (or developer contributions towards such) in accordance with the Council's guidance;
- a draft Good Neighbour Agreement;
- Inverness Southern Distributor Road developer contributions as per the extant agreement boundary and provisions; and
- water and sewerage network impact assessments and any resultant mitigation.

DIAGRAM OF MCA PROCESS



★ Council Committee decision points

Highland Housing Challenge Partnership Action Plan Update May 2026

Increasing Finance for Housing Development

Priority: Developing approaches for increase investment			
Contribution to Challenge	Actions	Update	Timescale
1. Use of Non-domestic rates concession	<ul style="list-style-type: none"> Secure agreement of the IGCFGP Company to leverage NDR and develop a fiscal model 	Strategy considered and agreed at Council in March, with housing identified as one of two initial priorities.	By March 2026
	<ul style="list-style-type: none"> Work with housing developers to bring forward projects that can be part-funded or supported 	Initial sites have been identified in Alness, Invergordon and East Inverness.	Dependent on NDR funds becoming available
2. Implementation of Strategic Investment Vehicle for Social Value Charter	<ul style="list-style-type: none"> Development of a commercial model to manage delivery and risk of legacy housing 	<p>SSEN – model has been agreed between SSEN and developers. 500 legacy homes, with 300 of those affordable.</p> <p>Negotiation on delivery of SSEN legacy housing proceeding well with draft heads of terms issued to all three developers of the legacy housing.</p>	<p>Complete</p> <p>Revised date - August 2026</p>
	<ul style="list-style-type: none"> Publish Strategic Investment Plan prospectus of developments linked to this fund 	Based on Invest Highland, the draft Social Value Investment Plan will be considered at E&I Committee in May as part of the Social Value Charter Update.	May 2026

	<ul style="list-style-type: none"> • Create the investment vehicle and its appropriate governance within the CPP and including community and industry representatives 	External legal and financial advice for the investment vehicle for the Social Value Charter Strategic Fund is in place and will be reported to E&I Committee in May 2026	May 2026
3. Building a Guarantor Model	<ul style="list-style-type: none"> • In collaboration with Scottish Government, develop a guarantor model to allow an element of underwriting to developments – subject to legislative duties. 	Rationale for guarantor model raised with Scottish Government. Currently under consideration. Scottish Government are taking legal advice. This will be raised with the new Minister for Housing following the Scottish Parliament election.	Ongoing
4. Developing New Investment Models	<ul style="list-style-type: none"> • Establish a Joint Venture funding model with private sector partners, supported by the Scottish National Investment Bank with a core purpose to enable house building for mixed tenure, including mid-market rent, to enable a return on investment to repay up-front costs. 	Ongoing negotiations between SNIB and the Council and potential investors including developers and Pension Fund to create joint ventures. This is being supported by building evidence of demand, using data from the new Housing Needs Assessment outputs alongside data from employers regarding their specific employee growth plans, to give the sector the required confidence in demand for varying types of housing in the Highlands.	August 2026
5. Strategic Use of the Housing Revenue Account	<ul style="list-style-type: none"> • Targeted investment in social housing through investment of HRA as part of long term Financial Strategy 	Financial Strategy for the HRA agreed in Jan. One of core principles to support investment in social housing to address demand. Revised SHIP and HNDA to support articulating where investment is required. Additional investment dependent on decisions taken during annual rent setting.	Ongoing

Priority: Targeting Accommodation Solutions

Contribution to Challenge	Actions	Update	Timescale
<p>6. Accommodation with Care</p>	<ul style="list-style-type: none"> As part of Lochaber Care Model redesign, explore accommodation solutions to support people to remain in their own homes and/or communities 	<p>A masterplan for the Blar Mhor site in Fort William is being developed, supported by Hub North. The work considers future Adult Social Care requirements for residential and nursing care alongside housing in Fort William for the wider Lochaber area, taking into account current provision. Housing provision will take into account not only the need for accessible and suitable housing to support people to stay in their own homes but also the need for housing for key workers. A community liaison group has been established to support the process.</p>	<p>October 2026</p>
<p>7. Developing Key Worker Housing</p>	<ul style="list-style-type: none"> Council to develop a vehicle for delivering mid-market rent housing 	<p>Work progressing to develop mid-market rent model for Highland. Partnership established with Scottish Future's Trust, ALEO to be established, work on developing the operating model proceeding along with undertaking legal due diligence and financial modelling to assess funding and investment options for implementation. Report to Committee before end of calendar year to agree the final structure, with implementation in April 2027.</p>	<p>December 2026</p>

<p>8. New - Empty Homes</p>	<ul style="list-style-type: none"> Establish Empty Homes Challenge Fund 	<p>Fund eligibility, criteria and policy to be agreed by Council in May 2026, with grant Scheme operational by end May 2026. Review of initial operation to Housing and Property in November 2026.</p>	<p>May 2026 November 2026</p>
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Priority: Historic Debt Write Off

Contribution to Challenge	Actions	Update	Timescale
<p>9. Historic Debt Write Off</p>	<ul style="list-style-type: none"> Seek support of UK government and Scottish government for the write off of this historic debt, for the purpose of allowing further investment in housing through direct spend. 	<p>The Council continues to raise the issue of historic debt with UK and Scottish Governments.</p>	<p>Ongoing</p>

Priority: Funding for Rural Housing

Contribution to Challenge	Actions	Update	Timescale
<p>10. Creating a funding vehicle for rural housing</p>	<ul style="list-style-type: none"> Develop test models in west and north Highlands to deliver high cost rural housing projects. 	<p>The Council is working alongside the Communities Housing Trust to facilitate 2 projects with the Council as owner and funder but with the aim to lease these units back to the Trust to fulfil the objectives of the communities where the homes will be located. This trial will give the Council the opportunity to assess this funding model and the community outcomes to inform the future approach to rural delivery.</p>	<p>Revised date - March 2027</p>

Priority: Accelerating Development

Contribution to Challenge	Actions	Update	Timescale
<p>11. Developing Masterplan Consent Areas</p>	<ul style="list-style-type: none"> Highland Council will establish 3 masterplan consent areas to streamline planning processes. 	<p>Governance and process for progressing masterplan consent areas agreed E&I in May 2025. At Nov E&I Committee three preferred sites - at Essich Road, Embo and Ardersier – agreed to progress to next stage. A 4th site to be identified for the west coast. Public events held for each site with a combined total of 425 persons attending. 495 responses received by 31 March 2026 deadline. May Council asked to agree to progressing, Proposed Masterplan Consent Area Schemes, for each of the 3 MCA sites, with reductions and amendments based on the feedback received.</p>	<p>May 2026 – agreement to proceed.</p> <p>Timeline for completing, if agreed, TBC</p>
<p>12. Improve the Pre-development Service</p>	<ul style="list-style-type: none"> Highland Council will develop an Integrated Housing Service for developers to ensure that programmes and projects can be accelerated. 	<p>Service launched in March 2025. To date nine developers have utilised the service and feedback from those who have utilised the service has been positive. There has been a more general focus on improving relationships with developers and particularly with Housing Hub (affordable housing) partners. Key issues discussed and resolved relate to transport, layout and drainage/flood risk matter.</p>	<p>Ongoing</p>

	<ul style="list-style-type: none"> Review and simplify the Roads Construction Consent Process 	The review has commenced and will be completed and implemented during 2026/27.	March 2027
	<ul style="list-style-type: none"> Introduce a webinar series – <i>what makes a good submission</i> 	This is currently under development.	June 2026

Priority: Creating more land capacity

Contribution to Challenge	Actions	Update	Timescale
13. Identify new housing sites	<ul style="list-style-type: none"> As part of the Highland Local Development Plan, identify new housing sites through a call for sites 	Call for sites complete in April 2025 and reported in May 2025. 250 sites were suggested by landowners, developers and others. An update on the HLDP was considered at February E&I, with the evidence report due at Council in June for submission to Scottish Government. All sites submitted will be considered, with a decision on which sites are included set for mid-2027, followed by public consultation.	Completed June 2026 Mid - 2027
	<ul style="list-style-type: none"> Undertake a new Housing Need Demand Assessment 	Work on the new HNDA is almost complete, with population projection figures awaited from National Records of Scotland. A revised completion date of June 2026 is expected. Specific engagement has taken place with business and health stakeholders alongside a community survey to understand current housing need	Revised date - June 2026

	<ul style="list-style-type: none"> New - Land and property purchase 	<p>The Council has a landbank which will deliver c1800 units over the next 8-10 years. Since the launch of the Highland Housing Challenge, the Council has purchased sites which will deliver approximately 500 homes. This is alongside a further 40 homes purchased from the open market. Officers are actively pursuing further strategic sites for purchase to ensure both a short term and longer-term pipeline for housing delivery. This is supported by a new post of Land Surveyor appointed within the Housing Development Team.</p>	Ongoing
14. Repurposing public sector assets	<ul style="list-style-type: none"> Undertake a land audit to identify potential sites to bring forward 	<p>This is a priority in the Highland Property Partnership work programme for 2026/27</p>	October 2026
	<ul style="list-style-type: none"> As part of a single public sector estate, release surplus buildings, either for direct use for housing or creating capital for future investment. 	<p>Highland Officers are reviewing the Council estate to assess the use of existing assets for either conversion or redevelopment for housing under the ROAB remit Through the Highland Property Partnership and the Highland Investment Plan activity, opportunities are being explored to repurpose surplus assets for housing options. An initial focus is in Thurso as part of the POD development.</p>	December 2026
15. Rural Development	<ul style="list-style-type: none"> Deliver a small rural development toolkit 	<p>Through the Regional Economic Partnership, work progressing on developing a toolkit to support small rural developments</p>	Revised date - August 2026

Priority: Encouraging Development through Legislation

Contribution to Challenge	Actions	Update	Timescale
16. Existing Developers to Commit to Projects	<ul style="list-style-type: none"> Sites to be de-allocated should development not commence within the lifetime of the LDP 	This will be considered on a case by case basis through the planning team.	Ongoing
17. Utilising Compulsory Purchase and Sales Orders	<ul style="list-style-type: none"> Deliver sites where owners unwilling to sell 	<p>Council responded to the Scottish Government’s consultation on reform of Compulsory Purchase Orders, the aim of which is to make the system more streamlined, fairer and deliver new homes.</p> <p>CPOs to be used on a case by case basis where an assessment is made it is viable to do so.</p>	<p>Completed</p> <p>Ongoing</p>

Increasing Developer Capacity

Priority: Increasing certainty for developers

Contribution to Challenge	Actions	Update	Timescale
18. Increase construction sector capacity	<ul style="list-style-type: none"> Delivery of the Regional Skills Workforce action plan 	<p>Action Plan is being progressed through Workforce North partnership between HIE, SDS, UHI, LAs and industry.</p> <p>Workforce North Co-Investment Fund agreed in March 2026, supported by seed funding from SDS. The fund is intended to support the overall mission by leveraging joint public and private investment in employer-led training, apprenticeships and skills development.</p>	Ongoing

19. Engagement and Involvement with Developers	<ul style="list-style-type: none"> • Deliver a pipeline of projects 	A full review of the Strategic Housing Investment Plan will be undertaken during 2026, to reflect the updated HNDA. This provides an opportunity for Council and RSL partners to review procurement methods to give a more consistent programme of work to contractors.	December 2026
	<ul style="list-style-type: none"> • Working with developers 	The Council is meeting regularly with housing developers, including regular liaison at the Housing Hub meetings with the Council, RSL and Scottish Government to discuss the programme and support early delivery where possible. Annual affordable housing programmes are shared with contractors and profiling projects to prevent excessive numbers of tenders being issued concurrently. The multi-year funding programme from Scottish Government will support building confidence amongst the sector.	Ongoing
20. Multi-year affordable housing funding	<ul style="list-style-type: none"> • Work with Scottish Government to establish multi-year funding programme for affordable house building. 	A 4-year funding programme now agreed. Commitment of £209.7m over the period, rising from £50.132m in 2026/7 to £54.781m. This equates to c600 affordable homes a year in Highland.	Completed
21. Create a funding vehicle for rural housing	<ul style="list-style-type: none"> • Develop test models in west and north Highlands to deliver high-cost rural housing projects. 	The Council is working alongside the Communities Housing Trust to facilitate 2 projects with the Council as owner and funder but with the aim to lease these units back to the Trust to fulfil the objectives of the communities where the homes will be located. This trial will give the Council the opportunity to assess this funding model and the community outcomes to inform the future approach to rural delivery.	Revised date – March 2027

Priority: Building Capacity for Delivery in Highland

Contribution to Challenge	Actions	Update	Timescale
22. Identifying and Securing More Affordable Housing Partners	<ul style="list-style-type: none"> Work to encourage new housing providers to deliver in Highland 	Work is ongoing to liaise with, and encourage, potential new affordable housing developers. 2 new affordable housing developers are currently carrying out feasibilities on identified sites .	Ongoing
23. Build to rent	<ul style="list-style-type: none"> Work with Scottish Government and build to rent investors to open up opportunities in the Highlands and 	<p>The Council has taken part in national discussions with potential investors to encourage investment in the build to rent market and have invited BTR developer to the Highlands for detailed discussions on identified sites</p> <p>A study has been commissioned through Hub North to evidence the demand for the build to rent market around Inverness with a view to building confidence with investors and developers. This is ongoing and will be concluded by June, once the revised HNDA figures are available.</p>	<p>Ongoing</p> <p>June 2026</p>
	<ul style="list-style-type: none"> Explore with Scottish Government opportunities to exempt mid-market rent/build to rent from proposed rent controls 	The Housing (Scotland) Act 2025 has exempted mid market and build to rent from rent controls.	Complete
24. Developing a Highland's Manufacturing Hub	<ul style="list-style-type: none"> Identify a site for a manufacturing Hub in Highland 	Work is continuing with HIE and BEST to determine the viability of this proposal.	Ongoing
	<ul style="list-style-type: none"> Taking a pilot approach, support a local modular contractor to develop a delivery model for rural housing 	Work continues with a local contractor and developer to develop a model that can be used in rural areas in Highland A site has been identified and a funding model is being developed.	June 2026

Priority: Overcoming barriers to development			
25. Addressing Grid Capacity	<ul style="list-style-type: none"> Working with Scottish Government, SSE and Ofgem, identify solutions to current grid capacity issues 	Immediate issues resolved. Meetings held SSE distribution which have enabled the release of constrained sites in Inverness. Ongoing discussion to open up prioritised medium and long term sites.	Ongoing
26. Reviewing Standards	<ul style="list-style-type: none"> Review the Council's affordable housing standards (Firm Foundations) 	Standards were reviewed with partners and have been updated.	Complete
	<ul style="list-style-type: none"> Make representations to the Scottish Government on the implications of proposed standards within the Housing Bill. 	Complete – no new standards applied within the Bill.	Complete
	<ul style="list-style-type: none"> Work with Scottish Government to address existing standards inhibiting development to consider potential solutions or alternatives 	Ongoing discussions with Scottish government for greater flexibility particularly in very rural areas	Ongoing