

What is a Masterplan Consent Area?

A Masterplan Consent Area (MCA) is a way to accelerate the delivery of a development site. It does this by focusing and coordinating community, developer, councillor, officer and agency input at an early stage.

An MCA is an optional legal power introduced by the Planning (Scotland) Act 2019, available since December 2024 to allow a local council to accelerate the delivery of development. An MCA Scheme, if made, establishes the principle of development on the site and grants planning permission for specified types and forms of development within a specified area subject to specified conditions and exclusions.

Why is the Council exploring potential Masterplan Consent Areas?

The principal reason to progress MCAs within Highland is to address presently unmet housing need and demand.

The Highland Housing Challenge was declared by the Highland Council on 27 June 2024 and set a housing target of 24,000 homes in the next 10 years. The Council confirmed the role of MCAs in meeting this target on 26 June 2025 via its approval of a Highland Housing Challenge Partnership Action Plan.

Against this target it is anticipated that only 14,920 housing units will be delivered in Highland over the next 10 years so there is projected shortfall of over 9,000 units over that period.

The Council's new Highland Local Development Plan will allocate new housing sites, however it will not be finalised until 2028 and not adopted until 2029, and subsequent planning permissions and completions will take at least 4 years thereafter.

MCAs can provide a shorter-term solution to provide additional deliverable housing sites. This will enable the Council to respond more quickly to newly emerging opportunities such as the Inverness and Cromarty Firth Green Freeport project and to address other ongoing housing pressures such as long waiting lists for affordable housing.

Address ongoing housing pressures

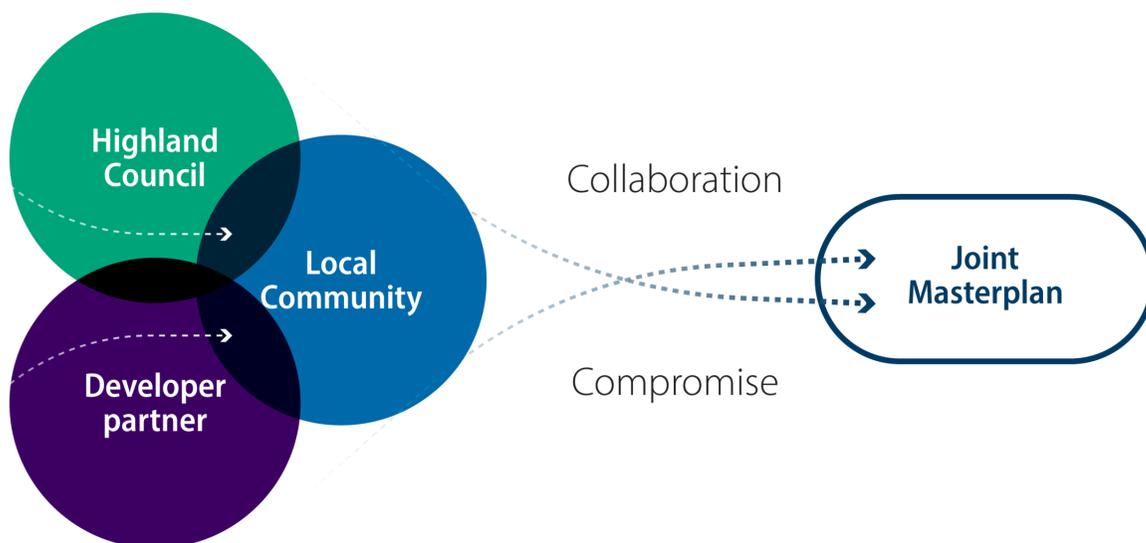
Respond to projected shortfall of 9,000+ housing units

Provide additional deliverable housing sites

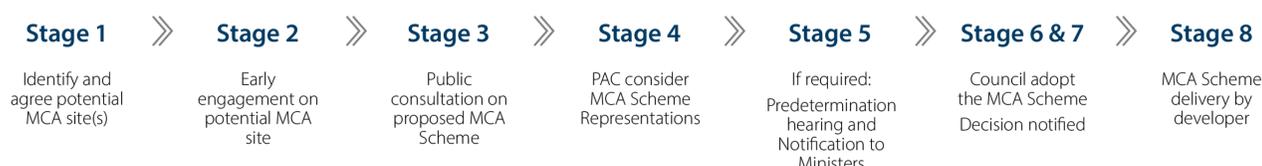
What is the joint masterplanning process?

*Less Detail
Low Certainty
Less Commitment*

*Greater Commitment
Greater Certainty
Greater Detail*



Conventional development follows a developer-led approach



What is the process to establish a Masterplan Consent Area?

Scottish Government has approved and published legislation and guidance that set out how Masterplan Consent Areas should be consulted upon, prepared and approved.

- Town and Country Planning Act 1997 (as amended) Section 54 MCA Provisions
- The Town and Country Planning (Masterplan Consent Areas) (Scotland) Regulations 2024
- Masterplan Consent Areas Guidance, 2025

The guidance outlines seven key steps required to prepare and establish an MCA Scheme (below).

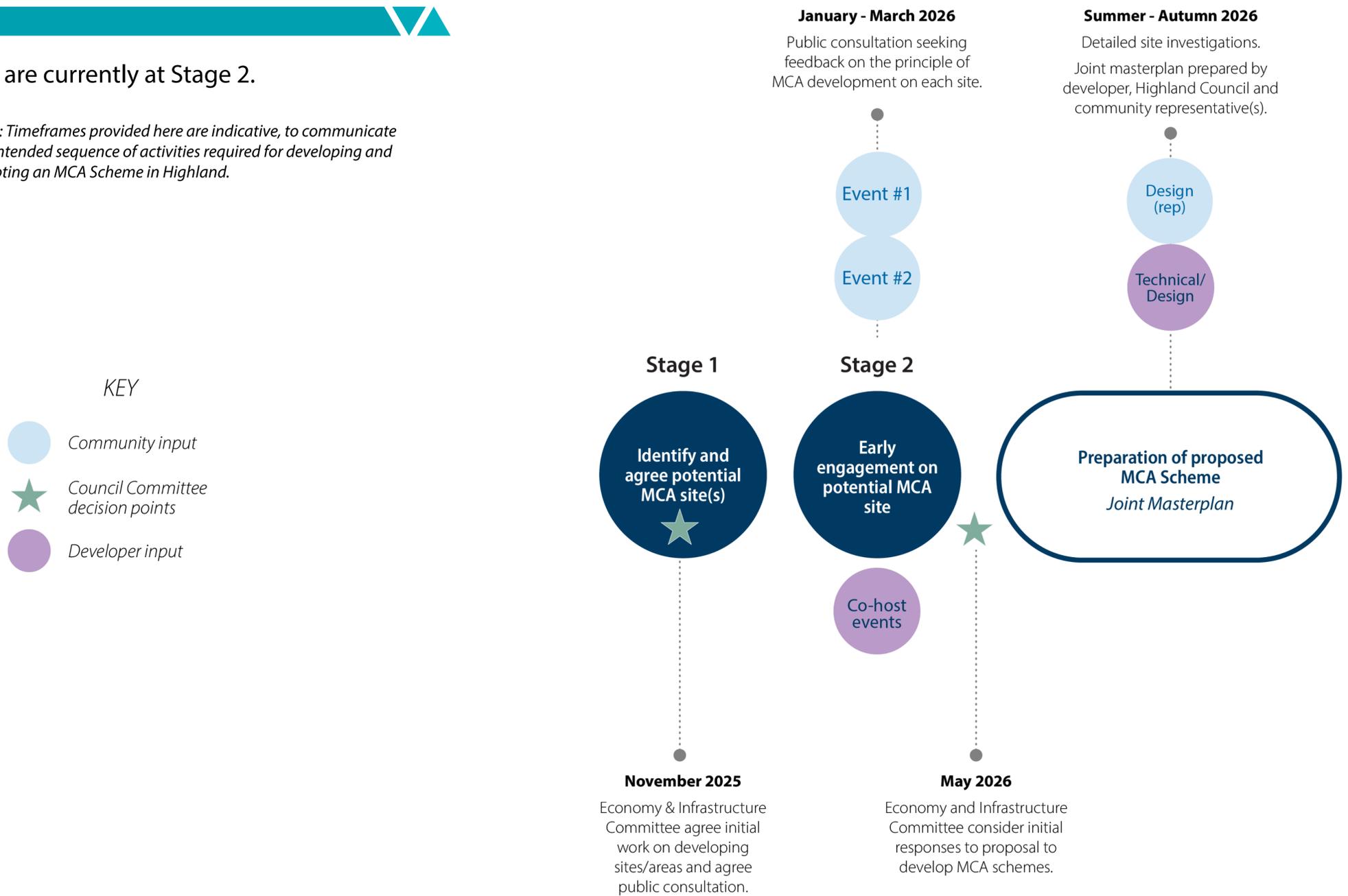
For Stage 1, in November 2025, the Highland Council decided to proceed with initial community consultation on the potential for an MCA at 3 locations.

- Essich Road (Inverness)
- Ardersier
- Embo (by Dornoch)

Indicative timeline for MCA Scheme development

We are currently at Stage 2.

Note: Timeframes provided here are indicative, to communicate the intended sequence of activities required for developing and adopting an MCA Scheme in Highland.



Purpose of this event: providing feedback

At Stage 2, The Town and Country Planning (Masterplan Consent Areas) (Scotland) Regulations 2024 require the Council to “provide feedback to members of the public in respect of comments received by the planning authority” regarding possible proposals to make a masterplan consent area scheme.

During and following the first public event, Highland Council and the potential developer have received comments from members of the public, including Community Council(s), on the possible proposal for a Masterplan Consent Area. All feedback presented at this final event (for Stage 2) relate to comments received on or before 13 February 2026.

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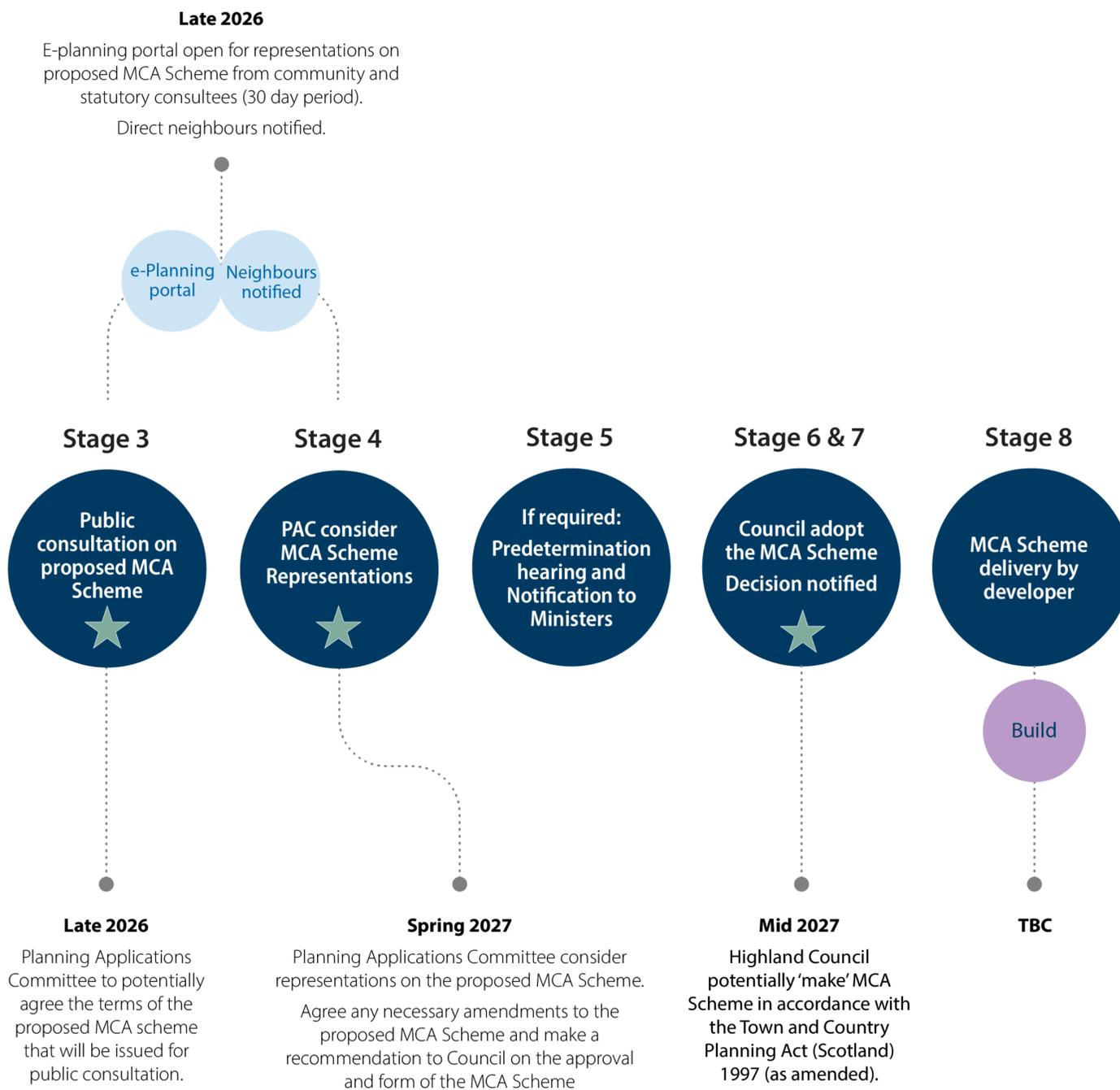
When can community input to the MCA process?

At Stage 2, communities have the opportunity to provide engagement feedback on the potential MCA site. Further, the Community Council is a statutory participant at this stage, as per the MCA Regulations.

Between Stage 2 and 3, there will be a joint, collaborative masterplanning process with developers, the Council and community representation. The Council wishes to embed a community representative in the design team, with monthly involvement in the proposed MCA Scheme development.

At Stage 3, when the Proposed MCA Scheme is submitted to the Council, communities can provide further written feedback on the MCA Scheme, by way of representations.

At Stage 4, the Planning Applications Committee will consider these representations on the proposed MCA Scheme.



Next Steps

The Economy & Infrastructure Committee meeting on 28 May 2026 will consider initial responses to each potential MCA scheme. Council officers will prepare a report for Committee which considers all public comments received up to 31 March 2026. This report will be published on the Council website in the Committee agenda.

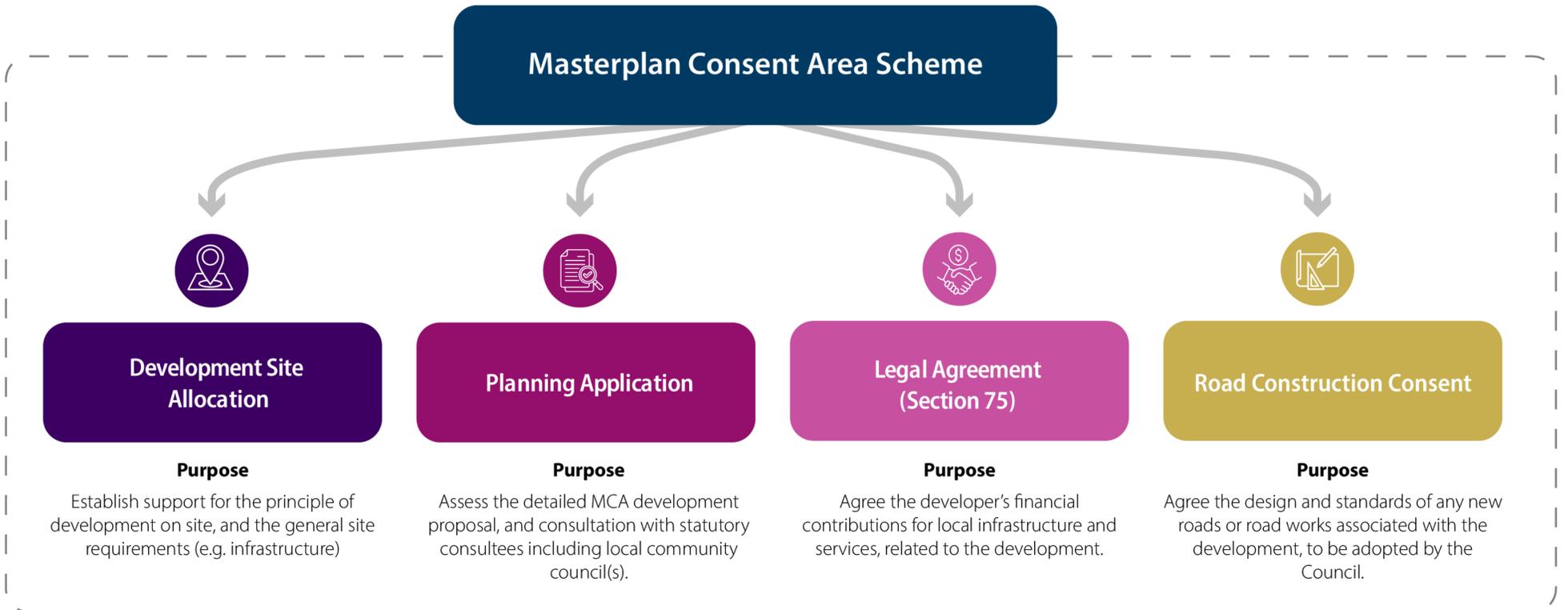
If a potential MCA site is selected to progress to preparing a proposed MCA scheme, a joint masterplanning group will be established, including a community representative(s).

If a potential MCA site is not selected to progress at this committee, there is nothing to preclude a developer partner putting their site forward for consideration in the new Highland Local Development Plan.

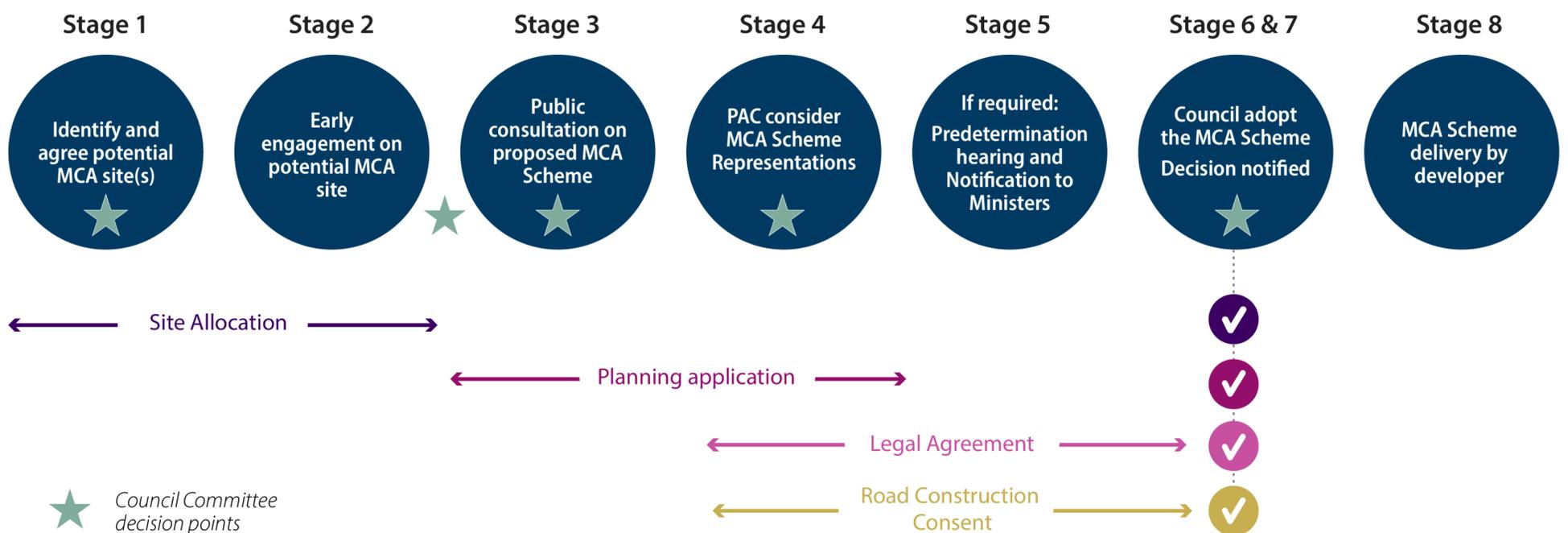
Initial responses to each potential MCA site will be considered on 28 May 2026

What does an MCA Scheme approval include?

At Stage 6, an MCA Scheme is adopted by Council. Highland Council intends that each MCA Scheme will include four elements conventionally used to approve development proposals.



When are the MCA Scheme elements prepared and approved?



Environmental Impact Assessment

Every proposed MCA Scheme will be screened under the 2017 EIA Regulations and a screening opinion will be prepared by Highland Council.

- If an EIA is required, the Council will issue an EIA scoping opinion.
- If an EIA is not required, environmental considerations remain a material consideration in the planning assessment of a proposed MCA Scheme

Today, you can provide your feedback via:

- Filling out a paper feedback form and posting in the black box
- Scanning this QR code and filling out the online feedback form

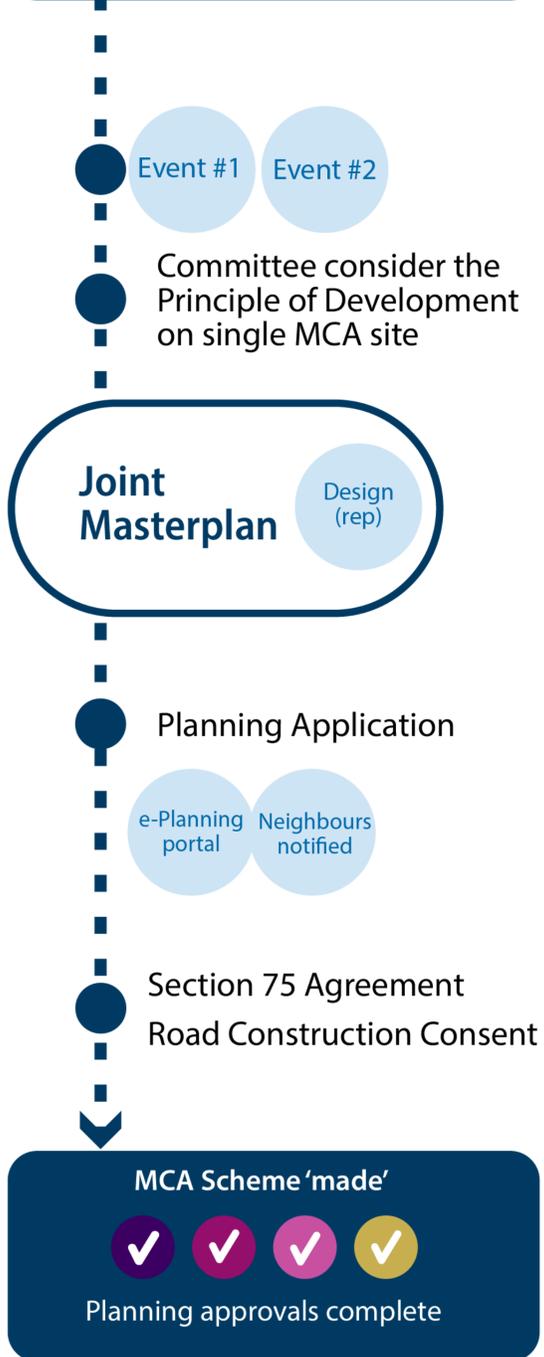


The final deadline for comments in Stage 2 is 31 March 2026.

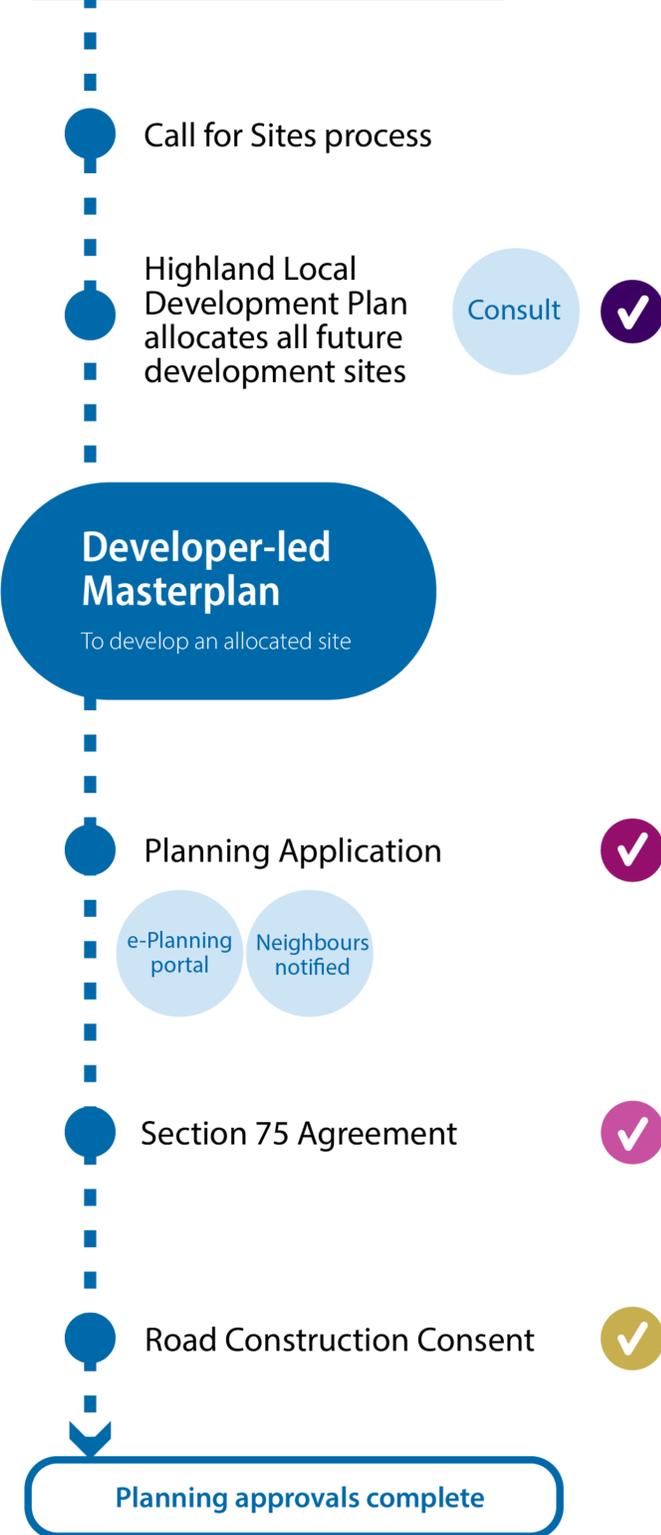
Approaches to seeking planning approval

There are two main ways developers can pursue approval for development in Highland: a conventional, sequential approach or a joint approach through a Masterplan Consent Area Scheme

MCA Approach



Conventional Approach



The Highland Council and the potential developer partner Coul Enterprises undertook a community engagement event, on the site becoming a possible Masterplan Consent Area (MCA), consisting of a drop-in, presentation and roundtable on Thursday 29 January at The Old School, Embo. Recorded attendance at the afternoon drop in was 55 people across two sessions. Including paper, email and the online Consultation Portal, we received 17 written comments.

The following text outlines the issues raised and indicates how concerns raised might be addressed if the MCA proceeds to Stage 3:

General principle of development

Issues raised:

- Opposition to potential development is largely due to the scale of 150 homes, and view that the village and its current infrastructure could not sustain this growth.
- Concern that development would change Embo's character and its "magic" beyond recognition.
- Some prefer that the site remain as it is, with no development.
- An opportunity to strengthen the Embo community by providing affordable homes for young people.
- Many are supportive of development in principle if infrastructure can meet increased demands and essential services such as a local shop and bus are provided.

Response:

We will formally record opposition in-principle to any development of the site in the report to the Council's Economy and Infrastructure Committee in May 2026. That committee will decide whether the possible MCA should or should not proceed to its next stage.

If the possible MCA proceeds to the next detailed planning stage, then the development partner would be required to **investigate infrastructure capacity and undertake or fund infrastructure improvements** necessary to service the MCA site and any other mitigation required to offset other impacts of the development.

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 deficiencies. In practice, an infrastructure solution such as an improved water supply for Embo may have joint funding and benefits. Scottish Water continues to investigate water pressure issues in Embo.

School capacity and condition

Issues raised:

- The Dornoch Primary School, Nursery, and school transport are all at capacity.
- Dornoch Academy buildings are older and in ageing condition.
- Expectation that additional housing must be matched by expanded education facilities to accommodate increased demand.

Response:

If there are financial payments required in respect of education 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).

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. The need for additional staff such as doctors, nurses or teachers is a matter to be addressed via general taxation. Similarly, existing physical capacity issues such as school buildings in poor condition are a matter for the Council's existing capital programme not for the developer.

If the scale of the development proposed will generate an increase in school children that breaches the physical capacity of a local school then a **developer contribution** is very likely to be payable. Similarly, 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.

Local shop and amenities

Issues raised:

- Lack of a year round local shop and limited services in Embo. Embo relies on Dornoch's already stretched stores.
- Some concern that footfall from new development would not sustain amenities and challenge of meeting 20 minute neighbourhood policy requirements.

Response:

Embo has few local facilities, due to its lack of critical mass and suitable land and/or buildings to accommodate such facilities to retain and attract these services.

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.

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 a community or commercial use.

Water pressure, drainage and wastewater

Issues raised:

- Ongoing issues with low water pressure in Embo, particularly during the April–October period when seasonal demand at Grannie's Heilan Hame peaks. There is concern about how the already strained water system would cope with additional housing. Investigations in summer 2025 have not seemed to resolve the problem.
- Concern that additional homes would increase loads on foul water system.
- Concern about impacts on the surface water drainage system that has blockage issues and floods during rainfall, including at Dornoch/Embo road junction.

Response:

The development partner will undertake enquiries with Scottish Water to discuss the state 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 potentially to deliver net benefit relative to the existing situation.

At the next detailed planning stage, the development partner will be required to prepare a **Drainage Impact Assessment (DIA)** which will ensure no increase in surface water flooding in the area.

Similarly, the development partner will be required to connect the development to the existing public sewerage network and if necessary, model the impact the extra foul water will have on the wider network.

Existing surface water drainage issues unrelated to the development site will not be a matter for this MCA and the development partner.

GP capacity

Issues raised:

- Concern that more homes will impact already stretched health services, with the Dornoch GP surgery facing two week appointment waits, the dental surgery closed to NHS patients, and wider capacity and waitlist pressures at Raigmore Hospital.
- Expectation that new housing must be supported by increased capacity for health services.

Response:

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.

Public Transport

Issues raised:

- Embo currently has no public bus service to Dornoch and relies on a demand responsive dial a bus service.
- Any public transport service is essential for older people in Embo who no longer drive.

Response:

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 for 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 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 Ballintore Circular (Stagecoach service 23) or the Dornoch High School to Bonar Bridge service.

Local road and access constraints

Issues raised:

- Safety problems at the Dornoch–Embo junction, including poor sightlines and flooding and single track section between Embo Street, Heatherwood and Hilton.
- Concern about speeding along the Embo bypass road, especially during summer peak period with Grannie's Heilan Hame traffic.
- Point of site access could be hazardous during busy periods and that additional traffic from new homes would increase wear, pollution and accident risk.
- Will development delay long awaited upgrades to the single track road.
- Uncertainty around construction traffic impacts on traffic and the operation of the roads in Embo.

Response:

If the possible MCA proceeds to the next detailed planning stage, then the development partner will produce 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 the adverse transport impacts of the MCA development can be resolved or mitigated to an acceptable degree.

Flood risk

Issues raised:

- The burn running across the site presents a flood risk.
- Concern about how mean high water spring levels could further exacerbate flooding on parts of the site.

Response:

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.

Biodiversity and natural environment

Issues raised:

- Concern about losing valued views from Station Road across the Firth and the impact of development on winter feeding grounds for migratory birds, woodland areas, rare and protected species, and broader biodiversity.
- Support for community woodland and wildlife regeneration initiatives
- Ecological concerns raised during the golf course proposal noted.
- Loss of prime agricultural land.

Response:

The potential development is currently being **Screened** for Environmental Impact Assessment (EIA). If the outcome of Screening is that EIA is required, the next step is Scoping which aims to establish the focus of the EIA, before a full EIA would be undertaken at the next detailed planning stage.

Regardless of if EIA is identified as required or not, the development partner will produce a **Preliminary Ecological Appraisal** (PEA) and **Ecological Impact Assessment** (EclA) showing how development will affect habitats, species, designated sites and ecological processes. The EclA must also provide mitigation measures against any impacts identified. The development partner will be required to demonstrate how they can deliver a minimum of 10% biodiversity net gain, preferably onsite.

An **Arboricultural Impact Assessment** will be required from the development partner, identifying how development will affect existing trees, and what protection and mitigation measures are required.

Demand for local housing options

Issues raised:

- Strong demand for a wider range of housing—including 1 bed homes, family homes to rent, bungalows, and options for younger local people.
- New housing prioritised for those with a local connection, preventing resale on the open market and how locals—especially young people—will be prioritised.
- Concern incomers could block or development of housing or purchase homes needed by returning residents.
- Will self build plots be included?

Response:

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).

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.

Highland Council maintains a register of interest in self-build. If there is demand in Embo, the development could include self-build plots (a Rural Housing Burden can also be applied to plots).

Affordable housing provision

Issues raised:

- Support affordable and social housing in Embo.
- Lack of clarity about the number, type and quality of affordable homes.
- More than 25% affordable homes sought
- Concern about mortgage affordability.
- Concern affordable homes will be poorly integrated and of lower quality than the rest of the development.

Response:

Highland-wide planning policy requires that at least 25% of the total units on any housing development should meet the Council's definition of affordable housing. The development partner is in discussions with the Communities Housing Trust to determine the most appropriate tenure and type of affordable homes (at least 25%) that could be provided on this site.

A range of affordable housing categories are set out in the Highland Council Developer Contributions Supplementary Guidance 2018. If and when the MCA proceeds, there will greater clarity on the number, type and tenure of the affordable units/plots at future stages.

Affordable housing provided by **Registered Social Landlords** (RSL) with Scottish Government grant aid is allocated as per the published Allocations Policy. Those with a local connection are given additional points but this is only one of many factors influencing allocation.

Scale, design and ownership of new homes

Issues raised:

- Concern that 150 homes is too many for Embo, around 50 would be appropriate.
- If fewer houses are built, supporting amenities might not be delivered.
- Worry new homes could become short term lets, second homes, or purchased by people from outside Sutherland.
- Larger “exclusive” detached homes proposed for later phases do not meet local needs.
- Concern that homes may not sell or will impact local property market.
- What is the orientation of homes?
- Need for sustainable, energy efficient homes with features like solar with battery storage.

Response:

See feedback above regarding infrastructure capacity and housing types and affordability.

A **Design Code** will be incorporated within the Embo MCA if it proceeds to its detailed planning stage. This will specify matters such as site design and development including access and movement, materials, density, size and orientation of homes, landscaping and public spaces. Sustainable design and energy considerations can form part of the Code. A similar approach was used in Tornagrain in Highland to achieve an integrated design approach for the new town.

The Highland Council is doing all it can within existing legislation to financially disincentivise geographically excessive short term let and second home use of the housing stock. For an MCA at Embo, a **Rural Housing Burden** is intended to be used to retain at least 25% of the homes or plots for those with a local connection.

Local recreation impacts

Issues raised:

- Increased foot traffic from new development could damage well used local walking routes, harm nature, and add pressure to Dornoch’s facilities and parking.
- Unsure if a proposed community meeting area would be well used.
- Support for improved walking paths, access to core paths, and local play facilities such as parks, a zipline, a tree house etc.

Response:

The MCA development will create new community greenspaces and walking pathways which will represent a net benefit to the local community and help spread the impact of recreational access on existing routes.

Other points raised

Issues raised:

- Concern about impact of additional homes on power network.
- Embo experiences mini power outages.
- Lack of local vets and hard to get appointments at nearby clinics
- Archaeology - There is a Viking grave nearby and further materials may be in this area.
- Broader local concerns about security and safety, including vandalism and drug activities

Response:

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.

Veterinary services are a private, commercial provision not a public function and therefore outwith the control of a council or a developer.

For archaeology, no sites are currently recorded within the MCA site area. 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, it is recommended that an **Archaeological Evaluation** is carried out in advance of the start of works on site.

The use of a **Design Code** for a housing development, as is proposed in Embo, can help proactively to establish safety by design.