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## Planning and Regulatory Services Committee

Tuesday, 15 August 2023

**NOTICE IS HEREBY GIVEN** that a Meeting of the **Planning and Regulatory Services Committee** is to be held at **Council Chambers, Council Office, High Street, Elgin, IV30 1BX** on **Tuesday, 15 August 2023** at **09:30**.

### BUSINESS

1. **Sederunt**
2. **Declaration of Group Decisions and Members Interests \***
3. **Minute of Meeting of 30 May 2023** **7 - 32**
4. **Written Questions \*\***
5. **23/00519/ Section 37 - Elchies Line** **33 - 46**

Report by Depute Chief Executive (Economy, Environment and Finance)

**Section 37 Consultation for the proposed new electric line installed above ground with a voltage of 132KV or more between Rothes III windfarm and Blackhillock substation - no objections being recommended subject to conditions and community benefit requests.**
6. **23/01021/PAN** **47 - 52**

Report by the Depute Chief Executive (Economy, Environment and Finance)

**Proposed residential development of a maximum of 180 units including associated facilities landscaping infrastructure roads and drainage at R6 Dallas Dhu, Forres**

- |     |                                                                                                                                                        |           |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 7.  | <b>Planning Etc. (Scotland) Act 2006 - Scheme of Delegation Review 2023</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance) | 53 - 66   |
| 8.  | <b>Moray Business Property Needs Study</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                                  | 67 - 186  |
| 9.  | <b>Employment Land Audit</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                                                | 187 - 228 |
| 10. | <b>Housing Land Audit</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                                                   | 229 - 252 |
| 11. | <b>Findrassie Masterplan</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                                                | 253 - 324 |
| 12. | <b>Keith Green Energy and Infrastructure Framework</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                      | 325 - 386 |
| 13. | <b>Quality Audit Update</b><br>Report by Depute Chief Executive (Economy, Environment and Finance)                                                     | 387 - 396 |
| 14. | <b>Developer Obligations Update</b><br>Report by the Depute Chief Executive (Economy, Environment and Finance)                                         | 397 - 404 |
| 15. | <b>Question Time ***</b><br>Consider any oral question on matters delegated to the Committee in terms of the Council's Scheme of Administration.       |           |

## **Summary of Planning and Regulatory Services**

### **Committee functions:**

Town and Country Planning; Building Standards; Environmental Health; Trading Standards; Weights & Measures, Tree Preservation Orders, and Contaminated Land issues.

## **Watching the Meeting**

**You can watch the webcast live by going to:**

**[http://www.moray.gov.uk/moray\\_standard/page\\_43661.html](http://www.moray.gov.uk/moray_standard/page_43661.html)**

**Webcasts are available to view for 1 year following the meeting.**

**You can also attend the meeting in person, if you wish to do so, please come to the High Street entrance door and a member of staff will be let into the building.**

## GUIDANCE NOTES

\* **Declaration of Group Decisions and Members Interests** - The Chair of the meeting shall seek declarations from any individual or political group at the beginning of a meeting whether any prior decision has been reached on how the individual or members of the group will vote on any item(s) of business on the Agenda, and if so on which item(s). A prior decision shall be one that the individual or the group deems to be mandatory on the individual or the group members such that the individual or the group members will be subject to sanctions should they not vote in accordance with the prior decision. Any such prior decisions will be recorded in the Minute of the meeting.

\*\* **Written Questions** - Any Member can put one written question about any relevant and competent business within the specified remits not already on the agenda, to the Chair provided it is received by the Proper Officer or Committee Services by 12 noon two working days prior to the day of the meeting. A copy of any written answer provided by the Chair will be tabled at the start of the relevant section of the meeting. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

No supplementary question can be put or answered more than 10 minutes after the Council has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he or she can submit it in writing to the Proper Officer who will arrange for a written answer to be provided within 7 working days.

\*\*\* **Question Time** - At each ordinary meeting of the Committee ten minutes will be allowed for Members questions when any Member of the Committee can put a question to the Chair on any business within the remit of that Section of the Committee. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

No supplementary question can be put or answered more than ten minutes after the Committee has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he/she can submit it in writing to the proper officer who will arrange for a written answer to be provided within seven working days.

# MORAY COUNCIL

## Planning and Regulatory Services Committee

### SEDERUNT

Councillor David Gordon (Chair)  
Councillor Marc Macrae (Depute Chair)

Councillor Neil Cameron (Member)  
Councillor Theresa Coull (Member)  
Councillor John Cowe (Member)  
Councillor John Divers (Member)  
Councillor Amber Dunbar (Member)  
Councillor Jérémie Fernandes (Member)  
Councillor Donald Gatt (Member)  
Councillor Sandy Keith (Member)  
Councillor Scott Lawrence (Member)  
Councillor Paul McBain (Member)  
Councillor Derek Ross (Member)  
Councillor Draeyk Van Der Horn (Member)  
Councillor Sonya Warren (Member)

Clerk Name:	Lissa Rowan
Clerk Telephone:	07765 741754
Clerk Email:	committee.services@moray.gov.uk



**MORAY COUNCIL**

**MINUTE OF MEETING OF THE PLANNING & REGULATORY SERVICES  
COMMITTEE**

**30 MAY 2023**

**COUNCIL CHAMBERS, ELGIN**

**PRESENT**

Councillors Gordon, Macrae, Cameron, Coull, Cowe, Divers, Dunbar, Fernandes, Gatt, Keith, Lawrence, McBain, Ross, Van Der Horn and Warren

**IN ATTENDANCE**

Head of Economic Growth and Development, Development Management and Building Standards Manager, Mr N MacPherson, Principal Planning Officer, Mr R Smith, Principal Planning Officer, Strategic Planning and Development Manager, Ms Webster, Principal Planning Officer (Strategic Planning and Development), Mr J Killeen, Engineer (Transportation), Mrs R MacDougall, Planning Officer, Mr D Westmacott, Planning Officer, Legal Services Manager, Mrs L Rowan and Mrs T Sutherland, Committee Services Officers as Clerks to the Committee.

**1. DECLARATION OF GROUP DECISIONS AND MEMBER'S INTERESTS**

In terms of Standing Order 21 and the Councillors' Code of Conduct, there were no declarations from Group Leaders or Spokespersons in regard to any prior decisions taken on how Members will vote on any item on the agenda.

Councillor Cameron declared an interest in item 6a) "Planning Application 22/01234/APP as he is the Secretary of the Moray Ramblers Association and had advised the group of this development and stated that he would leave the Chamber and not take part in the decision.

In relation to Item 6 "Planning Application 23/00121/APP" Councillor Ross stated that his wife is Chair of the Speyside Community Council who had put forward an objection to the development and that, although he had attended a meeting arranged to discuss the proposal and an exhibition, he had taken no part in the discussion therefore was content that he could take part in the determination of the application.

There were no other declarations of Member's interests in respect of any item on the agenda.

**2. Minute of Meeting Dated 20 December 2022**

In relation to the Minute of the meeting of the Planning and Regulatory Services Committee dated 15 February 2023 (Hearing), Councillor Ross stated that he was marked as being an apology however was at the meeting.

In response, the Legal Services Manager advised that, although Councillor Ross was marked as an apology, in the "Declaration of Member's Interests" section, she had explained that Councillor Ross had declared an interest in the planning application and that was the reason he was absent.

Councillor Ross raised concern that this would be noted as an absence when he was at the meeting.

In response, the Clerk advised that she would check Councillor Ross' attendance for this meeting and amend if required. This was noted.

Thereafter, the Minute of the meeting of the Planning and Regulatory Services Committee dated 15 February 2023 (Hearing) was approved subject to any necessary changes in relation to Councillor Ross' attendance.

The Minute of the meeting of the Planning and Regulatory Services Committee dated 15 February 2023 was submitted and approved.

Under reference to paragraph 1 of the Minute of the meeting of the Planning and Regulatory Services Committee dated 14 March 2023, Councillor Divers stated that he had declared an interest in Item 5 however the minute paragraph was number 6.

In response, the Clerk advised that this would be checked and amended if necessary.

Thereafter, the Minute of the meeting of the Planning and Regulatory Services Committee dated 14 March 2023 was submitted and approved subject to any necessary changes in relation to Councillor Divers' comments.

### **3. Written Questions**

The Committee noted that no written questions had been submitted.

### **4. Planning Application 23/00121/APP**

#### **WARD 2: KEITH AND CULLEN**

#### **Section 42 to vary condition 22 part (a) relating to the frequency of operational noise surveys from biennial to 5 yearly Edintore Wind Farm Keith Moray AB55 5PJ for Koehler Renewable Energy UK Ltd**

A report was submitted by the Appointed Officer recommending that, for reasons detailed in the report, planning permission be granted for an application for a Section 42 to vary condition 22 part (a) relating to the frequency of operational noise surveys from biennial to 5 yearly at Edintore Wind Farm, Keith, Moray AB55 5PJ for Koehler Renewable Energy UK Ltd.

The meeting noted that the application had been referred to Committee in terms of the Scheme of Delegation as the application is a major application.



Following consideration, the Committee agreed to grant planning permission, as recommended, in relation to Planning Application 23/00121/APP subject to the following conditions and reasons:

1. The development to which this permission relates must be begun not later than the expiration of 3 years beginning with the date on which the permission is granted.

**Reason:** The time limit condition is imposed in order to comply with the requirements of section 58 of the Town and Country Planning (Scotland) Act 1997 as amended.

2. This permission shall cease to have effect on 15 July 2041. Within 12 months of the expiry of this period the wind turbines and ancillary equipment shall be dismantled to ground level and removed from the site and the land shall be restored in accordance with a method statement to be approved in advance by the council as planning authority.

**Reason:** To ensure that the turbines are removed when no longer required, and to secure the satisfactory restoration of the site.

3. If, upon completion of the development, any wind turbine fails to supply electricity to the grid for a continuous period of 9 months then, unless agreed in writing by the planning authority, a scheme for the removal of the wind turbine and any surface ancillary works solely relating to that wind turbine, shall be submitted in writing for the approval of the planning authority. The scheme shall be implemented as approved.

**Reason:** To ensure that any redundant wind turbine is removed from site, in the interests of safety, amenity and environmental protection.

4. An omni-directional 25 candela red light or infrared lighting with optimised flash pattern of 60 flashes per minute of 200ms to 500ms duration shall be placed at the highest practical point of each turbine and kept in operation outwith daylight hours. The lights shall flash in synchronisation.

**Reason:** In the interests of air traffic safety.

5. Where interference to domestic television reception is caused as a result of the development hereby approved the developer shall take steps to make good the reception, either by eliminating the cause of the interference or by providing an alternative means by which television signals may be received. Within two weeks of being notified by the council as planning authority of the existence of such interference (or within such longer period as the planning authority may allow) the developer shall submit to the council for its approval proposals to make good the reception, including a programme showing the time within which the proposals shall be completed. The proposals shall be carried out in accordance with the terms on which they are approved by the council.

**Reason:** To ensure the development does not cause unacceptable interference with nearby television reception.

6. Prior to the commencement of works a detailed plan of public access across the site (existing, during construction and upon completion) shall be provided

for the approval of the Council as planning authority:

- (i) All existing paths, tracks and rights of way and any areas currently outwith or excluded from statutory access rights;
- (ii) Any areas proposed for exclusion from statutory access rights, for reasons of privacy, disturbance or curtilage, in relation to proposed buildings or structures;
- (iii) All paths and tracks proposed for construction, for use by walkers, riders, cyclists, all ability users, etc;
- (iv) Any diversions or paths, temporary or permanent, proposed for the purposes of the development;
- (v) The above access plans must show consideration of linking any paths through to Cairds Wood paths and linking to the path to the north.

**Reason:** To ensure that proper consideration is given to improving paths in the vicinity of the development.

7. Prior to development commencing the developer shall submit to the council details of:
  - a) a Sustainable Drainage System (SuDS) including calculations for comment and approval. The SuDS scheme shall be implemented in accordance with the approved details unless otherwise agreed in writing with the council as planning authority.
  - b) a Surface Water Management Plan for the construction, operation and maintenance stages of the development. The plan once approved shall be adhered to unless otherwise agreed in writing with the council as planning authority.

**Reason:** To ensure consideration is given to the impact of the development on surface water in the locality.

8. Prior to commencement of any works, a full site waste management plan shall be submitted for the written approval of the planning authority, in consultation with the Scottish Environment Protection Agency (SEPA), and work shall be carried out in accordance with the approved plan.

**Reason:** To ensure that waste on the site is managed in a sustainable manner.

9. At least two months prior to the commencement of works, a full site specific environmental management plan (EMP) shall be submitted for the written approval of the planning authority in consultation with SEPA and other agencies such as SNH as appropriate, and all work shall be carried out in accordance with the approved plan.

**Reason:** To control the pollution of air, land and water.

10. The proposed route for any abnormal loads on the trunk road network shall be approved by the trunk roads authority and/or its operating company prior to the event. Any accommodation measures required including the temporary removal of street furniture, junction widening, traffic management etc. must similarly be approved in advance.

**Reason:** To maintain the safety of trunk road traffic and traffic moving to and from the development, and to ensure that the transportation does not have a detrimental effect on structures within the route path.

11. Any additional signing or temporary traffic control measures deemed necessary due to the size or length of the loads being delivered shall be undertaken by a recognised QA traffic management consultant to be approved by Transport Scotland and/or its operating company before delivery commences.

**Reason:** To minimise interference with the safety and free flow of traffic on the trunk road network.

12. No development shall commence until details regarding a plan for the management of abnormal loads has been submitted to and approved by the council as planning authority in consultation with Moray Council Transportation (Traffic) and Transport Scotland (as appropriate). The plan shall include the following:
  - (a) a detailed survey of the chosen route for delivery vehicles;
  - (b) the locations of structures, e.g. bridges and street furniture affected by any construction and abnormal load vehicle movements;
  - (c) the location, design construction and timescale for provision of any road improvements/ strengthening required or proposed;
  - (d) details of the arrangements including timescale to undertake and monitor abnormal load trial runs prior to commencement of construction;
  - (e) in the event of the trial runs identifying any restrictions not identified in any earlier detailed survey, details of the location, design construction and timescale for the provision of any additional road improvements/strengthening required or proposed to be carried out;
  - (f) details of the number, spacing, location and timescale for all passing places to be provided and constructed, in accordance with The Moray Council specification;
  - (g) details to demonstrate how abnormal load convoys will be managed travelling along the B9115;
  - (h) details of the proposals to promote a short term Road Traffic Regulation Order allowing the introduction of a one-way system for the triangular area incorporating the B9115/C75H (Marypark Edintore Road);
  - (i) thereafter, the development shall be carried out in accordance with the approved details prior to any delivery of materials to the site.

**Reason:** In the interests of road safety and to enable a safe and suitable access for large construction vehicles to/from the site.

13. No development shall commence until details regarding a Traffic Management Plan have been submitted to and approved by the council as planning authority in consultation with Moray Council Transportation (Traffic) and Transport Scotland (as appropriate). The Plan shall include the following:
  - (a) the arrangements to undertake verge hardening at the A96/B9115 junction to accommodate the wide turning circle of the abnormal load vehicles transporting turbine components over the junction areas, with dropped kerbs to be installed during the construction period to enable over-running onto the hardened verge and post-construction, the existing 254mm x 127mm h.p.c.c. kerbs shall be reinstated at the junction;
  - (b) the methods of marshalling and manoeuvring at junctions on the public road network;
  - (c) details of all heavy construction traffic routes to/from the site.

- (d) the arrangements to undertake and submit before and after video surveys of the proposed delivery route(s) together with confirmation to make good any damage caused to the road network, including the verge as a result of construction traffic and passing vehicles;
- (e) details regarding the location(s), design construction (to The Moray Council specification) and timescale for provision of all passing places to accommodate construction traffic, turbine delivery vehicles and on-coming traffic required or proposed to be provided along the B9115 between the A96 and the site access junction;
- (f) details including the location and duration for a temporary speed limit to be provided at the site access together with identification of all relevant or required statutory procedures to be promoted for the temporary speed limit. The required speed limit shall be in force for the duration of the construction and decommissioning of the wind farm;
- (g) thereafter, the development shall be carried out in accordance with the approved details prior to any delivery of materials to the site.

**Reason:** In the interests of road safety and to enable a safe and suitable access for vehicles to/from the site.

14. The new access junction to the site onto the B9115 shall have visibility splays of 4.5 metres x 120 metres, and shall be kerbed to a radius of 15 metres using 254mm x 127mm h.p.c.c. kerbs.

**Reason:** In the interests of road safety and to enable a safe and suitable access.

15. No water shall be permitted to drain, or loose material be carried onto the public footway/carriageway.

**Reason:** In the interests of road safety.

16. The applicant shall secure a warranty from the turbine supplier and/or manufacturer for the absence of tonality of the turbines, as determined in accordance with a recognised standard. A copy of the standard detailing the assessment method shall be submitted for approval by the planning authority. In the absence of such warranty a tonal penalty of 5dB will be assumed and noise levels specified in the following condition will be reduced by 5dB.

**Reason:** To protect local residents from noise from the turbines.

17. At Wind Speeds not exceeding 12m/s, (as measured, or calculated, at a height of 10 metres above ground level, at the location of one of the turbines), the Wind Turbine Noise Level, when measured at any dwelling, shall not exceed:-
- (a) during Night Hours, 40dB LA90,10min or the Night Hours LA90,10min Background Noise Level plus 5dB(A), whichever is the greater.
  - (b) during Daytime Hours, 35dB LA90,10min or the Daytime Hours LA90,10min Background Noise Level plus 5dB(A), whichever is the greater.

The Background Noise Level in this condition means the level determined at each property at the time of the Background Noise Level survey submitted with this application – see the Moray Council Informative below. The condition shall only apply to dwellings vacant, or occupied and existing at the date of this

planning permission. The above noise limits shall not apply to those properties acknowledged as having a direct financial involvement in the development, as detailed in Section 6.49 of the Environmental Statement submitted by Vento Ludens.

**Reason:** To protect local residents from noise from the turbines.

18. The Wind Turbine Operator shall log wind speed and wind direction data continuously and shall retain the data, which has been obtained for a period of no less than the previous 12 months, showing the average wind speed in metres per second for each 10 minute period. The measuring periods shall be set to commence on the hour and in 10 minute increments thereafter. The wind speed data shall be made available to the planning authority on request. The data shall be provided on a Microsoft Excel spreadsheet in electronic format or other format agreed with the planning authority. The wind speed shall be measured at a height of 10 metres, or derived and normalised to 10 metres height. The operator should be aware that if formal investigation is required, following complaint, the wind speed shall be measured at two heights and the 10 metre height wind speed derived in accordance with the procedure prescribed in the Moray Council Informative below.

**Reason:** To protect local residents from noise from the turbines.

- 19.
- (a) The wind turbine operator shall measure, at its own expense, the level of noise emissions from the wind turbines within 5 years of the date of the last measurement exercise (31 October 2022) and every five years thereafter. The frequency of measurement of the level of noise emissions shall be subject to review every 5 years by the planning authority. The results of any measurement exercise shall be forwarded to the planning authority as soon as is practicable.
- (b) At the reasonable request of the planning authority, following a complaint to Moray Council relating to noise emissions from the wind turbines, the wind turbine operator shall measure, at its own expense, the level of noise emissions from the wind turbines (inclusive of existing background noise). The LA90 index shall be used over a minimum of 20 periods each of 10 minutes duration. At least 10 of the periods of measurement shall be made at wind speeds between a wind speed specified by the council and a wind speed of not more than 2 metres per second above the wind speed(s) specified by the council. At least 10 measurements shall be made at wind speeds between the wind speed specified by the council and a wind speed not less than 2 metres per second below the wind speed(s) specified by the council. Measurements of noise emissions shall, so far as reasonably practicable, be made in consecutive 10-minute periods provided that they fall within the wind speed range defined in this condition.

The LA90, 10min noise level from the combined effect of the wind turbines (inclusive of existing background noise) shall be correlated with wind speed and derived using a Best Fit Curve and, where appropriate, allowing for a correction for the influence of the background noise level as described on page 88 of the ETSU-R-97 document, which will necessitate measurement of the background noise level in the absence of the turbines operating. Measured wind turbine

noise levels and background noise levels shall be referenced to derived 10 metre height wind speeds, (see Moray Council Informative below for methodology). The locations of monitoring shall be determined by, or agreed with, the planning authority.

**Reason:** To protect local residents from noise from the turbines.

20. Where considered appropriate by the planning authority the wind turbine operator shall be required to carry out an assessment for tonal noise in accordance with the procedure recommended in Section 6 of the document "The Assessment and Rating of Noise from Wind Farms" (ETSU-R-97) i.e. the procedure based on the Joint Nordic Method.

Where the tone level above audibility is greater than 2dB a tonal penalty shall be applied to permitted noise levels, in accordance with figure 16 of the document; so that the permitted levels specified in these conditions will be reduced by the tonal penalty.

**Reason:** To protect local residents from noise from the turbines.

21. Should the noise levels referred to in these conditions be exceeded, the wind turbine operator shall take steps forthwith, to ensure that noise emissions from the wind farm are reduced to the prescribed noise levels, or below.

**Reason:** To protect local residents from noise from the turbines.

22. Construction work, including access to the site by lorries, shall be restricted to between 0730 to 1900 hours on Mondays to Fridays and 0700 to 1400 hours on Saturdays, with no activities on Sundays or Bank Holidays. Any required works outwith those times shall not be permitted, unless prior written details are provided by the developer and are agreed in advance by the planning authority.

**Reason:** In the interests of residential amenity.

23. Shadow flicker modules shall be installed on the turbines identified in Section 13.7.3 of the Environmental Statement. At the reasonable request of the planning authority following a complaint the wind turbine operator shall investigate and instigate appropriate mitigation measures to minimise the effects of shadow flicker.

**Reason:** To minimise any potential nuisance from light flicker.

24. In the event that the on-site borrow pit requires to undergo blasting, a detailed vibration impact assessment shall be provided in writing to the planning authority, and appropriate mitigation measures shall be agreed with the planning authority prior to commencement of this activity.

**Reason:** To protect local residents from any adverse effects from blasting.

25. No wind turbine, transformer unit or anemometer mast shall be erected or installed on site until details of the following have been submitted to and approved by the planning authority:

- (a) the wind turbine towers, nacelles and blades, which shall incorporate a semi-matt finish unless otherwise agreed in writing by the planning authority;
- (b) external transformer units (if any);
- (c) anemometer masts.

The development shall be implemented in accordance with the approved details.

**Reason:** For the avoidance of doubt and in the interests of visual amenity.

26. No name, sign or other logo shall be displayed on any external surfaces of the wind turbines or external transformer units save as required by law.

**Reason:** In the interests of visual amenity.

27. All turbines blades shall rotate in the same direction.

**Reason:** In the interests of visual amenity.

## **5. Planning Application 22/01673/APP**

### **WARD 1: SPEYSIDE GLENLIVET**

#### **Erection of whisky maturation warehouses and associated works on Land West of Glenrothes Distillery, Burnside Street, Rothes, Moray for The Edrington Group**

A report was submitted by the Appointed Officer recommending that, for reasons detailed in the report, planning permission be granted for an application for the erection of whisky maturation warehouses and associated works on Land West of Glenrothes Distillery, Burnside Street, Rothes, Moray for The Edrington Group.

The meeting noted that the application had been referred to Committee in terms of the Scheme of Delegation as the development site area is greater than 2 hectares and the overall footprint of buildings exceeds 10,000 sqm thereby falling within the category of “major development” as defined in the Town and Country Planning (Hierarchy of Developments) (Scotland) Regulations 2009 and subject to Environmental Impact Assessment under EIA Regulations. The report also advised that available Members of the Committee visited the site of the application on 26 May 2023.

During discussion surrounding the farmhouse mentioned in Condition 13, it was queried whether this should read “Ardcanny” instead of “Ardnilly”.

In response, Mr MacPherson, Principal Planning Officer advised that this was a typographical error and that it should indeed read “Ardcanny”.

In relation to unwanted fire alarms at bonded warehouses, Councillor Gatt queried whether there could be a condition added to reflect this issue to rectify it.

In response, Mr MacPherson advised that, if Committee agreed, a change could be made to condition 10 asking for details of the fire alarm systems that will be in place.

Councillor Gatt, having considered the report in detail, moved that the Committee grant planning permission, as recommended, in respect of Planning Application 22/01673/APP subject to the conditions detailed within the report subject to the two changes discussed. This was seconded by Councillor Warren.

Councillor Ross raised a number of concerns in relation to the proposal including whether or not the warehouses would be able to support the weight of solar panels as he would not like to see further land being used for solar panels for the distillery and, given the climate emergency, was of the view that this should be known prior to any decision being made.

In response, Mr MacPherson advised that solar panels had not formed part of the planning application and, should the Applicant wish to apply for planning permission to have solar panels on nearby land to provide energy to the distillery, then this would need to be applied for through a further planning application.

Councillor Ross raised further concern in relation to the phasing of the development over 9 years and stated that this was a long time for the residents of Rothes to face this disruption.

In response, Mr MacPherson explained that the phasing of the development was to reduce the level of traffic to and from the development and it had been agreed that 1 warehouse would be constructed per year to achieve this.

In relation to potential dangers in relation to the release of ethanol into the environment, Councillor Ross queried whether a condition, similar to one that had been added to development of the same nature in Highland Council, could be added to mitigate against any potential dangers.

In response, Mr MacPherson advised that enforcing such a condition would be difficult given there are already distilleries in this area and that, although the Scottish Government were looking into the damage to the environment through the release of ethanol, this was not in planning policy as yet.

The Head of Economic Growth and Development further advised that conditions could only be added to planning consents if they were reasonable and proportionate and, as there has been no evidence to suggest that there is any risk to human health, then adding such a condition would not be advisable.

The Development Management and Building Standards Manager advised that the Applicant had stated that, should the Scottish Government's review identify any changes to best practice for maturation storage practices, appropriate consideration would be given to the relevance of these to the proposed development, and any required changes included in the Operational Environmental Management Plan, and that an informative could be added to reflect this.

Having considered the report and the responses from the Officers, Councillor Ross moved that the Committee refuse planning permission in respect of Planning Application 22/01673/APP as the proposal is contrary to policy EP6 (Settlement Boundaries) as the development would be placing a significant amount of concrete over a green area of land and EP7 (Forestry, Woodlands and Trees) as the proposal would require the removal of existing woodland. This was seconded by Councillor Van Der Horn.



On a division there voted:

For the Motion (12):	Councillors Gatt, Warren, Cameron, Coull, Cowe, Divers, Fernandes, Gatt, Keith, Lawrence, Macrae and McBain
For the Amendment (3):	Councillors Ross, Van Der Horn and Gordon
Abstentions (0):	Nil

Accordingly, the Motion became the finding of the meeting and the Committee agreed to grant planning permission in relation to Planning Application 22/01673/APP subject to:

- (i) an amendment to condition 13 to omit “Ardnilly” and replace it with “Ardcanny”;
  - (ii) an amendment to condition 10 to include details of the fire alarm systems that will be in place.
  - (iii) an informative to ensure action should the Scottish Government bring forward guidance in relation to the effects of Ethanol in the environment; and
  - (iv) the following conditions and reasons:
1. The development to which this permission relates must be began not later than the expiration of 3 years beginning with the date on which this permission is granted.

**Reason:** The time limit condition is imposed in order to comply with the requirements of section 58 of the Town and Country Planning (Scotland) Act 1997 as amended.

2. Prior to any development works commencing:
  - a) Details (Plans/written proposals) shall be submitted for road improvements to Burnside Street (lay-by parking or alternative scheme to be agreed with the Roads Authority). Thereafter, unless otherwise approved in writing by the Planning Authority the road improvements shall be completed in accordance with the approved details prior to completion or operational use of the first warehouse (whichever is soonest).
  - b) Evidence that a Section 96 (S96) ‘Wear and Tear’ Agreement (covering the extents of Burnside Street (U179E) from the A941 to the end of the public road and including its junction with the A941 and the immediate approaches to it, and any other roads to be agreed by the Roads Authority which are likely to be affected by the impact of the development construction traffic) has been completed and signed on behalf of the Developer and the Roads Authority.

**Reason:** Provision of information currently lacking from the submission, to ensure acceptable infrastructure is provided on the route to/from the development to accommodate construction and operational traffic in the interests of road safety.

3. Notwithstanding the details submitted for electric vehicle (EV) charging (which do not show the number of charging units or their specifications) No development shall commence until the following details have been submitted for approval by the Planning Authority in consultation with the Roads Authority:
  - a) Details confirming the number (minimum of 1) type and specifications (22Kw minimum) of the proposed EV charging units(s).

Thereafter the EV charging facilities shall be provided in accordance with the approved details prior to completion of the Filling Store and Disgorging Unit (FSDU) and offices, and shall be maintained and made available for use thereafter unless otherwise agreed in writing by the Planning Authority.

**Reason:** In the interests of an acceptable form of development and the provision of infrastructure to support the use of low carbon transport, through the provision of details currently lacking from the submission.

4. No works shall commence on site until a Construction Traffic Management Plan (CTMP) has been submitted to and approved in writing by the Council, as Planning Authority in consultation with the Roads Authority. The CTMP shall include the following information:
  - a) duration of works;
  - b) construction programme;
  - c) number of vehicle movements (i.e. materials, plant, staff, components);
  - d) anticipated schedule for delivery of materials and plant;
  - e) details for the volume of any materials to be removed from site and the destinations for this in order to consider any potential impact or mitigation required at other locations on the public road network;
  - f) full details of any temporary construction access/routes including any traffic management measures to be put in place between the site and A941;
  - g) specific measures to address issues identified by the Road Safety Assessment;
  - h) measures to be put in place to prevent material being deposited on the public road;
  - i) measures to be put in place to safeguard the movements of pedestrians;
  - j) details for the management of deliveries to avoid peak periods during school arrival departure and break times;
  - k) details of any specific instructions to drivers; and
  - l) parking provision, loading and unloading areas for construction traffic.

Thereafter, the development shall be implemented in accordance with the approved details.

**Reason:** To ensure an acceptable form of development in terms of the arrangements to manage traffic during construction works at the site.

5. Prior to development commencing, a finalised landscaping plan scheme must be provided showing the phasing of the landscaping provision, and a breakdown of the specific tree species mix and numbers in each block of planting and the phasing delivery of the pedestrian path on the south side of the development. Prior to the development commencing an Access Management Plan must be submitted, developed in consultation with the Moray Access

Manager and the Moray Local Outdoor Access Forum (MLOAF) detailing arrangements for access linking existing path routes west and east of the site.

The landscaping, tree protection and proposed landscaping management arrangements must be carried out in accordance with the approved details and plans listed as part of this decision notice below. Prior to development, details will be provided and agreed in writing the frequency of when the proposed path shall be mowed, strimmed and cleared of encroachment from trees, shrubs or other vegetation.

**Reason:** In order that the phasing for the delivery of the landscaping and of the new informal path south of the warehouses is appropriately provided.

6. Unless otherwise agreed in writing with the Council as Planning Authority, the proposed build out rate of the warehouses shall follow the below build out rate as proposed in the applicants submissions.

Phasing of the development;-

- 2023: Preparatory works and landscape planting
- 2023-2024: Phase 1 – 2 warehouse units
- 2025-2026: Phase 2 – 2 warehouse units
- 2027-2028: Phase 3 – 2 warehouse units
- 2029-2030: Phase 4 – 2 warehouse units
- 2031-2032: Phase 5 – 2 warehouse units

**Reason:** In order to control the rate of construction and its impact upon local amenity.

7. Prior to any of the warehouses coming into use, a specific post-construction lighting plan, showing measures to minimise light pollution and contain any light spill in the direction of the golf course must be submitted to and approved in writing by Moray Council as planning authority (in consultation with the Environmental Health Manager). The permanent lighting design must incorporate the mitigation measures identified in para 8.6.42 of the “Ardcanny Maturation Warehousing EIA” submitted as part of the application.

**Reason:** In order that more detailed consideration can be given to the proposed lighting arrangements for the development.

8. Unless otherwise agreed in writing with the Council as Planning Authority, the development shall be constructed and operated in accordance with Table 13.1 Schedule of Environmental Commitments contained within the “Ardcanny Maturation Warehousing EIA” Report submitted as part of the application.

**Reason:** In order to ensure that construction operations are undertaken in accordance with the proposed mitigation measures and commitments to minimise or prevent environmental disruption and reduce the impact of the development.

9. Construction works (including vehicle movements) associated with the development audible at any point on the boundary of any noise sensitive dwelling shall be permitted between 0800 - 1900 hours, Monday to Friday and 0800 - 1300 hours on Saturdays only, and at no other times out with these permitted hours (including National Holidays). This limit shall include no waiting

or stacking of HGV construction traffic approaching the site on Burnside Street outwith these times. The above construction hours shall apply, unless otherwise agreed in writing with the Planning Authority, and where so demonstrated exceptional operational constraints require limited periods of construction works to be undertaken out with the permitted construction hours.

**Reason:** To protect local residents from noise nuisance in ensuring the construction phase is restricted within permitted hours.

10. No development shall commence until a Construction Environmental Management Plan (CEMP) shall be submitted to and agreed in writing by the Planning Authority in consultation with the Environmental Health Manager. The plan shall include measures to minimise construction related noise (including vibration), dust and artificial lighting. Thereafter the development will be carried out in accordance with the agreed plan.

**Reason:** In order that environmental emissions are considered and managed at the construction phase, in order to protect local residents.

11. During hours (0700 to 2300 hours), the rating level of noise associated with the development shall not exceed 30 dB at the nearest noise sensitive dwelling which has lawfully existing or has planning permission at the date of this permission. For the avoidance of doubt, the rating level associated with this condition is defined within BS 4142: 2014+ A1:2019 Methods for rating and assessing industrial and commercial sound.

**Reason:** In order that noise from the development is controlled so as not to cause noise nuisance to local residents.

12. Unless otherwise agreed in writing with the Council the development must adopt the measures detailed in the EIAR: Technical Appendix 8.4: Reptile Species Protection Plan Para 5.4 – 5.6 Ecology Mitigation and Compensation measures and associated Technical Appendix 8.4: Reptile Mitigation Plan.

**Reason:** In order to ensure protected species are given the full range of protection cited within the Environmental Impact Assessment Report.

13. If the Ardcanney farmhouse is to be demolished any later than 1 year from the date of the planning approval a further pre-commencement bat survey (and habitat survey for other species) must be undertaken and the recommendation submitted to and approved by the Council as Planning Authority in writing prior to the demolition being carried out.

**Reason:** In order to ensure that an appropriately recent survey has been undertaken prior to any demolition of the dwelling.

14. No works in connection with the development hereby approved shall commence unless an archaeological written scheme of investigation (WSI) has been submitted to and approved in writing by the planning authority and a programme of archaeological works has been carried out in accordance with the approved WSI. The WSI shall include details of how the recording and recovery of archaeological resources found within the application site shall be undertaken, and how any updates, if required, to the written scheme of investigation will be provided throughout the implementation of the programme

of archaeological works. Should the archaeological works reveal the need for post excavation analysis the development hereby approved shall not be brought into use unless a post-excavation research design (PERD) for the analysis, publication and dissemination of results and archive deposition has been submitted to and approved in writing by the planning authority. The PERD shall be carried out in complete accordance with the approved details.

**Reason:** In order to ensure that fuller consideration can be given to the potential presence of archaeological assets upon the site and to safeguard and record the archaeological potential of the area if present.

15. Unless otherwise approved in writing with the Council as planning authority, all warehouses, other buildings, the pump house and switch room must be built in accordance with the most up to date submitted drawings (and specified materials and colours) hereby listed on this planning approval.

**Reason:** In order to ensure that the development is built in accordance with the approved plans and colours as applied for.

16. Unless otherwise agreed with the Council as Planning Authority the development must be progressed in accordance with the approved Tree Protection Plan drawing number 1301.2 - TPP, and nine specific Tree Constraints Survey Plans drawing numbers 1301 – TCP to 1301.9 – TCP.

**Reason:** In order to ensure that the various trees throughout the site to be retained are protected.

## **6. Planning Application 22/01234/APP**

### **WARD 5: HELDON AND LAICH**

#### **Restoration and change of use of fishing bothy to form holiday home at Land Adjacent to Millie Bothy, Roseisle, Moray for Millie Bothy Ltd**

Councillor Cameron, having declared an interest in this item, left the meeting at this juncture and took no part in the consideration of this item.

A report was submitted by the Appointed Officer recommending that, for reasons detailed in the report, planning permission be refused for an application for a restoration and change of use of fishing bothy to form holiday home at Land Adjacent to Millie Bothy, Roseisle, Moray for Millie Bothy Ltd.

The meeting noted that the application had been referred to Committee as it raises matters of wider community interest and/or planning significance. The report also advised that available Members of the Committee visited the site of the application on 26 May 2023.

Following consideration, the Committee agreed to refuse planning permission in relation to Planning Application 22/01234/APP as recommended.

Councillor Cameron re-joined the meeting at this juncture.

## 7. Planning Application 23/00123/APP

### WARD 5: HELDON AND LAICH

#### **New distillery process building alterations to existing building to house bio-plant/evaporator and new office/labs building with associated infrastructure including a new access road at Miltonduff Distillery Miltonduff Elgin Moray for Chivas Brothers Ltd**

Councillor Cowe left the meeting during consideration of this item.

A report was submitted by the Appointed Officer recommending that, for reasons detailed in the report, planning permission be granted for an application for a new distillery process building alterations to existing building to house bio-plant/evaporator and new office/labs building with associated infrastructure including a new access road at Miltonduff Distillery Miltonduff Elgin Moray for Chivas Brothers Ltd.

The meeting noted that the application had been referred to Committee in terms of the Scheme of Delegation as it is a major development as defined under the Hierarchy Regulations 2009 for a general industrial development on a site which exceeds 2 hectares. The report also advised that available Members of the Committee visited the site of the application on 26 May 2023.

During discussion surrounding woodland planting on the development, it was queried whether a condition could be added to extend the landscaping belt to the east of the development to connect with the Black Burn.

In response, Mr Smith, Principal Planning Officer advised that he would add a condition to reflect this should the Committee be minded to approve the planning application.

Following consideration, the Committee agreed to grant planning permission in relation to Planning Application 23/00123/APP subject to:

- (i) the addition of a condition to extend the landscaping belt to the east of the development to connect with the Black Burn; and
- (ii) the following conditions and reasons:
  1. The development to which this permission relates must be began not later than the expiration of 3 years beginning with the date on which this permission is granted.

**Reason:** The time limit condition is imposed in order to comply with the requirements of Section 58 of the Town and Country Planning (Scotland) Act 1997, as amended.

2. Prior to the commencement of construction, compensatory storage shall be provided in the area (420m<sup>3</sup>) to the east of the proposed SUDS pond, as illustrated on the drawing "Flood Risk Compensation Storage" (EC22832:00:010 C 20.4.2023). A second compensatory storage area located immediately to the south of the proposed bio plant and also illustrated on the drawing ""Flood Risk Compensation Storage" (EC22832:00:010 C 20.4.2023 as "existing bunds to be decommissioned and removed on completion of new

distillery”), shall be provided within 6 months of the cessation of production of the existing distillery. These areas shall be retained as such in perpetuity.

**Reason:** To ensure that compensatory storage is provided to offset a localised increase in flood risk located in the immediate vicinity of the new bio plant.

3. No works in connection with the development hereby approved shall commence unless an archaeological written scheme of investigation (WSI) has been submitted to and approved in writing by the planning authority and a programme of archaeological works has been carried out in accordance with the approved WSI. The WSI shall include details of how the recording and recovery of archaeological resources found within the application site shall be undertaken, and how any updates, if required, to the written scheme of investigation will be provided throughout the implementation of the programme of archaeological works. Should the archaeological works reveal the need for post excavation analysis the development hereby approved shall not be brought into use unless a post-excavation research design (PERD) for the analysis, publication and dissemination of results and archive deposition has been submitted to and approved in writing by the planning authority. The PERD shall be carried out in complete accordance with the approved details. (NOTE: The exact specification of work is to be agreed with the archaeological contractor, but likely will require a monitored topsoil strip of select areas of the proposed development site. This is alongside the archaeological Level 1 Standing Building survey required of the 18th Century dovecot (Moray HER NJ16SE0001) and the photographic survey of the existing distillery buildings (Moray HER NJ16SE0114)).

**Reason:** To safeguard and record the archaeological potential of the area.

4. Upon completion and commissioning of the development (Phase 1) hereby approved, as shown on Drawing titled Proposed Site Plan – Phase 1, MILMP22-NOR-ST-ZZ-DR-A-07003 P08, all production from the existing distillery shall cease.

**Reason:** In order to avoid any ambiguity regarding the terms of this consent and to address potential cumulative impacts from the development in combination with the existing distillery.

5. Prior to the commencement of development details of the following shall be submitted to and approved by the Council, as planning authority in consultation with the Roads Authority:
  - a) a detailed survey of the route(s) for deliveries by abnormal indivisible load traffic to/from the site in accordance with the scope of the survey which shall previously have been submitted to and approved by the Council, as planning authority in consultation with the Council as Roads Authority. The survey shall identify and determine the locations of structures (e.g. bridges) and street furniture affected by any abnormal load vehicle movements together with a schedule of works including the location(s), design specifications and time-scales for undertaking works including all road improvement/ strengthening/ verge hardening works required/proposed to accommodate construction and abnormal load traffic; and

- b) detailed proposals for undertaking both trial runs and also delivery of abnormal indivisible loads, to include (but not be limited to) identification of all temporary and permanent modifications and measures required to protect the public road and structures together with the arrangements for traffic, vehicle holding areas and non-vehicular management during deliveries, time restrictions for deliveries i.e. outwith school crossing patrol times, etc.

Thereafter, all required/proposed modifications to the road network and the arrangements for undertaking trial runs shall be implemented in accordance with the approved details.

**Reason:** To ensure an acceptable development including the provision of additional information currently lacking from the submission and to ensure infrastructure is provided to facilitate the proposed delivery/construction route to the site access in the interests of road safety.

6. No works shall commence on site until a Construction Traffic Management Plan has been submitted to and approved in writing by the Council, as Planning Authority in consultation with the Roads Authority. The Construction Traffic Management Plan shall include the following information:
- duration of works;
  - construction programme;
  - number of vehicle movements;
  - anticipated schedule for delivery of materials and plant;
  - full details of any temporary construction access;
  - construction traffic routes between the site and the A96;
  - measures to be put in place to prevent material being deposited on the public road;
  - measures to be put in place to safeguard the movements of pedestrians;
  - traffic management measures to be put in place during works including any specific instructions to drivers; and
  - parking provision, loading and unloading areas for construction traffic.

Thereafter, the development shall be implemented in accordance with the approved details.

**Reason:** To ensure an acceptable form of development in terms of the arrangements to manage traffic during construction works at the site.

7. No development shall commence until evidence of a satisfactory Wear and Tear Agreement has been submitted to and agreed in writing by the Planning Authority in consultation with the Roads Authority. The scope of the Wear and Tear Agreement shall be agreed with the Planning Authority in consultation with the Roads Authority and shall include a condition survey of the network undertaken jointly by the developer and a representative from the Council. The survey shall include the full extent of the agreed construction traffic route(s) (within Moray) between the site and the 'A' class road network. In addition, the wear and tear agreement shall also include condition surveys of all roads identified as 'unsuitable' which shall be identified by the Roads Authority.

**Reason:** To mitigate the potential risks from damage to the public road occurring during the construction phase of the development.



8. Prior to any other construction works being undertaken (unless otherwise agreed in writing by the Planning Authority in consultation with the Roads Authority), the work to form the proposed site access road and junction onto the C3E, shall be completed in accordance with the approved details. Thereafter the completed access shall be used for all construction traffic unless otherwise approved by the Planning Authority in consultation with the Roads Authority.

**Reason:** To ensure acceptable infrastructure is provided at the appropriate time to access the development in the interests of road safety.

9. A visibility splay of 4.5m metres by 215 metres shall be provided in both directions at the site access onto the C3E and maintained at all times clear of any obstruction above 0.26 metres in height, measured from the level of the carriageway.

**Reason:** To enable drivers of vehicles entering or exiting the site to have a clear view so that they can undertake the manoeuvre safely and with the minimum interference to the safety and free flow of traffic on the public road.

10. Parking for the proposed development shall be provided in accordance with the approved details prior to the proposed laboratory/offices being completed or becoming operational (whichever is soonest) and shall be maintained and available for use thereafter in association with the development unless otherwise agreed in writing by the Planning Authority.

**Reason:** To ensure the permanent availability of the level of parking necessary for staff/visitors/others in the interests of an acceptable development.

11. Notwithstanding the details submitted which indicate the provision of 16 EV chargers. Details shall be submitted in writing to confirm the location of a minimum of 5 EV charging points with a minimum output of 22Kw each. The EV charging infrastructure shall be provided in accordance with the approved details prior to the proposed laboratory/offices being completed or becoming operational (whichever is soonest) and shall be maintained and available for use thereafter in association with the development unless otherwise agreed in writing by the Planning Authority.

**Reason:** In the interests of an acceptable form of development and the provision of infrastructure to support the use of low carbon transport, through the provision of details currently lacking from the submission.

12. Construction works (including vehicle movements) associated with the development audible at any point on the boundary of any noise sensitive dwelling shall be permitted between 0800 - 1900 hours, Monday to Friday and 0800 - 1300 hours on Saturdays only, and at no other times out with these permitted hours (including National Holidays). The above construction hours shall apply, unless otherwise agreed in writing with the Planning Authority, and where so demonstrated exceptional operational constraints require limited periods of construction works to be undertaken out with the permitted construction hours.

**Reason:** To protect local residents from noise nuisance in ensuring the construction phase is restricted within permitted hours.

13. Unless otherwise agreed in writing with the Planning Authority, the construction phase of the development shall be carried out in accordance with the agreed details in the supporting document by Blyth and Blyth , dated 12<sup>th</sup> December 2022, Project Number : EC 22832, and titled “Chivas Brother Ltd. Miltonduff Distillery – Construction Phase Environmental Management Plan and Construction Phase Traffic Management Plan.”

**Reason:** In order that environmental emissions are considered and managed at the construction phase, in order to protect local residents.

14. Unless otherwise agreed in writing with the Planning Authority, operational lighting shall be provided and maintained in accordance with the agreed details within the supporting document by ZG Lighting (UK) Ltd, dated January 2023, document 11 and titled “Miltonduff Distillery. Lighting Impact Assessment.”

**Reason:** To minimise the potential for light pollution disturbance upon the visual amenity of the surrounding area and nearby residential properties.

15. The rating level of noise associated with the development shall not exceed 38 dB at the nearest noise sensitive dwelling which is lawfully existing or has planning permission at the date of this permission in the location of Lochiepots Road to the south west and also dwellings around Heather Cottage to the south of the development. For the avoidance of doubt, the rating level associated with this condition is defined within BS 4142: 2014+A1:2019 Methods for rating and assessing industrial and commercial sound.

**Reason:** To protect local residents from noise nuisance due to the use of the development.

16. The rating level of noise associated with the development shall not exceed 29 dB at the nearest noise sensitive dwelling which is lawfully existing or has planning permission at the date of this permission in properties north of the development around the location of Ballantine Circle and/or located on the minor road C3E. For the avoidance of doubt, the rating level associated with this condition is defined within BS 4142: 2014+A1:2019 Methods for rating and assessing industrial and commercial sound.

**Reason:** To protect local residents from noise nuisance due to the use of the development.

17. Unless otherwise agreed in writing with the Planning Authority, the construction details and sound insulation values for the noise mitigation measures shall be implemented and maintained in accordance with Section 5.1.1 to 5.1.10 of the approved Noise Impact Assessment document by RMP Report No.R-9170B-CL3-RRM, dated 22<sup>nd</sup> May 2023, and titled “Noise Impact Assessment: New Miltonduff Distillery, Elgin, Morayshire, IV30 3TQ.”

**Reason:** To protect local residents from noise nuisance due to the use of the development.

18. Unless otherwise agreed in writing with the Planning Authority, the earthwork and landscape mound north of the proposed new distillery shall be provided and maintained in accordance with the Proposed Site Plan, Drawing No. EC22832:00:003 Revision C, dated December 2022 and indicated as

“Proposed Earthworks & Landscaping Mound”.

**Reason:** To protect local residents from noise nuisance due to the use of the development.

19. No development shall commence until details of timescales of all tree planting, landscaping works and biodiversity measures as detailed on drawing titled Landscape Mitigation Plan Figure 4, Rev E and the Landscape Strategy and document titled Landscape and Biodiversity Plan, prepared by TGP Landscape Architects Document 9, Rev C, have been submitted to and agreed in writing by the Planning Authority.

Thereafter the tree planting, landscaping and biodiversity measures shall be implemented in accordance with these approved plans and timescales. Any trees or plants which (within a period of 5 years from the planting) die, are removed or become seriously damaged or diseased shall be replaced in the following planting season with others of similar size, number and species unless this Council, as Planning Authority gives written consent to any variation of this planning condition.

**Reason:** In order to ensure an acceptable level of planting in the interests of the amenity and appearance of the surrounding countryside and to enhance biodiversity in the area.

20. That all tree works and tree protection measures on the development site shall be carried out in accordance with those detailed in the submitted Tree Protection Plan by SCOTTISH ARBORICULTURAL SERVICES dated 29 November 2022, unless otherwise agreed in writing with this Council as Planning Authority. No trees on the site other than those identified for removal in the abovementioned Protection Plan shall be removed without the prior written consent of the Council, as Planning Authority.

**Reason:** In order to protect trees within the site scheduled for retention.

21. The surface water drainage SUDS arrangements detailed in the approved drawings, Drainage Impact Assessment prepared by Blyth and Blyth dated 19 December 2022 shall be installed prior to first occupation or completion of the development whichever is sooner, unless otherwise agreed.

**Reason:** To ensure that surface water drainage is provided timeously and complies with the principles of SUDs in order to protect the water environment.

22. The ecological mitigation, compensation and enhancement measures as detailed within the accompanying Ecological Impact Assessment (Table 8 refers), prepared by Latimer Ecology updated 24 March 2023, shall be fully implemented by the developer, unless otherwise agreed in writing by the Council, as Planning Authority. This shall include the submission of a repeat otter survey (with mitigation if required) of the Black Burn prior to works commencing on the installation of the two SUDs outfalls for the approval of the Council, as Planning Authority, as recommended within the Ecological Assessment.

**Reason:** To ensure that the development does not have an adverse impact on protected species or habitat, minimise disturbance to nature conservation interests and enhance biodiversity.

23. Prior to development commencing, a Waste Management Plan shall be submitted to and approved in writing by the Council, as Planning Authority. The Waste Management Plan shall address both the construction and operational phases of the development and include information on the following:
- a) identification of the likely waste sources associated with the construction and operation of the development;
  - b) proposed waste management requirements, including provisions to maximise waste reduction and waste separation at source; and
  - c) proposed waste management and storage strategy, which shall include details of:
    - i. measures to minimise cross-contamination of materials
    - ii. storage of waste and by-products (including measures to ensure waste is secure from wind/weather)
    - iii. provision of access for collection of waste, and
    - iv. recycling and localised waste management facilities.

Thereafter, the Waste Management Plan shall be implemented in full accordance with the details hereby approved.

**Reason:** To ensure waste is minimised as a result of the operation of the proposed development, in accordance with National Planning Framework 4 Policy 12: Zero Waste.

24. Prior to development commencing (unless agreed in writing with the Planning Authority), finalised details of the discharge outfalls to the Black Burn serving the SUDs ponds shall be submitted to and approved in writing by the Council, as Planning Authority. Thereafter the development shall be implemented in accordance with the approved details.

**Reason:** To ensure an acceptable form of development and as these details are currently lacking from the application.

25. The evaporator and bio plant hereby approved shall process pot ale from Miltonduff and Glen Burgie distilleries only, as detailed within the approved Transport Statement prepared by Blyth and Blyth Consulting Engineers, Version 4, dated 16 May 2023, document 14, unless otherwise agreed in writing by the Council, as Planning Authority.

**Reason:** To ensure an acceptable form of development and in order to avoid any ambiguity regarding the terms of this consent, which has been assessed based on the information submitted.

26. Prior to development commencing, a revised Landscape Mitigation Plan Figure 4, Rev E shall be submitted to and approved by the Council, as Planning Authority. The plan shall incorporate an area of additional woodland planting to infill the area between woodland edge WE3 (as identified on the Mitigation Plan) and the existing riparian woodland along the Black Burn to the southeast to create a more substantive enhanced woodland corridor. Thereafter the tree planting, landscaping and biodiversity measures shall be implemented in accordance with this approved plan.

**Reason:** In order to ensure an acceptable level of planting in the interests of the amenity and appearance of the surrounding countryside and to enhance biodiversity in the area.

## 8. 23/00369/PAN

### **Installation of a 30mw battery storage facility with associated infrastructure on land to east of A941, Bishopmill, Elgin**

Councillor Warren left the meeting at this juncture.

Under reference to paragraph 4 of the Minute of the meeting of this Committee dated 11 November 2014, a report by the Depute Chief Executive (Economy, Environment and Finance) informed the Committee that a Proposal of Application (PAN) was submitted on 27 February 2023 on behalf of Green Power Consultants.

During discussion, the Committee raised a number of concerns in relation to the potential hazardous nature of the proposal which could impact the safety of the residents in the nearby proposed Findrassie residential development and asked that the following points be forwarded to the Applicant for consideration ahead of the submission of a formal planning application:

That the Developer:

- engages with local officers of Scottish Fire and Rescue Services;
- has a fully developed plan to contain and extinguish any fire;
- plans on containment for any 'fire' water or other chemical spill into local waterways;
- plans to deal with any airborne chemical release as a result of lithium ion fire;
- plans for blast containment should thermal runaway result in a fire leading to potential explosion;
- notes the Committee's concern in relation to the proximity of the proposal to the Findrassie residential housing development.

In response, Mr Smith, Principal Planning Officer agreed to forward the concerns of the Committee on to the Applicant.

Thereafter, the Committee agreed:

- (i) to note the terms of the report and asked that the following provisional views/relevant issues be recorded and forwarded to the Applicant in order to inform the development of their proposed formal application for planning permission:

That the Developer:

- engages with local officers of Scottish Fire and Rescue Services;
  - has a fully developed plan to contain and extinguish any fire;
  - plans on containment for any 'fire' water or other chemical spill into local waterways;
  - plans to deal with any airborne chemical release as a result of lithium ion fire;
  - plans for blast containment should thermal runaway result in a fire leading to potential explosion;
  - notes the Committee's concern in relation to the proximity of the proposal to the Findrassie residential housing development; and
- (ii) that the matters raised by the Committee also be forwarded to consultees likely to be involved in any formal application for planning permission for the proposal.

### **9. Draft Mosstodloch Masterplan**

A report by the Depute Chief Executive (Economy, Environment and Finance) asked the Committee to agree the draft Mosstodloch Masterplan for public consultation.

Following consideration, the Committee agreed:

- (i) the draft Mosstodloch Masterplan for public consultation for a 12-week period; and
- (ii) to note that the comments received to the consultation and the Council's response to these, along with the final Masterplan will be reported back to a future meeting of this Committee for approval.

### **10. Planning Policy Guidance – Moray Development Plan**

Under reference to paragraph 9 of the Minute of the meeting of this Committee dated 14 March 2023, a report by the Depute Chief Executive (Economy, Environment and Finance) asked Committee to approve planning policy guidance for National Planning Framework 4 (NPF4) policies 2, 17 and 25 to support delivery of the Moray Development Plan.

During his introduction, the Strategic Planning and Development Manager pointed out a typographical error in Appendix 3 of the report where “under” should read “within” under the heading “Aims of Guidance”. This was noted.

Following consideration, the Committee agreed:

- (i) to approve the planning policy guidance for NPF4 Policy 2 Climate Change and Adaption as set out in Appendix 1 of the report;
- (ii) to approve the planning policy guidance for NPF4 Policy 17 Rural Homes as set out in Appendix 2 of the report;

- (iii) to approve the planning policy guidance for NPF4 Policy 25 Community Wealth Building as set out in Appendix 3 of the report subject to changing “under” to “within” under the heading “Aims of Guidance”; and
- (iv) that the planning policy guidance set out in Appendices 1-3 of the report will be used as a material consideration in the determination of planning applications.

## **11. Tree Preservation Orders**

Under reference to paragraph 13 of the Minute of the meeting of this Committee dated 20 December 2022, a report by the Depute Chief Executive (Economy, Environment and Finance) asked the Committee to confirm Tree Preservation Orders (TPOs), without modification, at Cherry Tree Avenue, Dunkinty (Elgin), Queen Victoria Picnic Tree (Glenfiddich) and King George Playing Field (Rothiemay). The report further asked that the Committee confirm the revocation of TPOs at Dunkinty House (Elgin), Rothiemay, Woodland at Damhead Cottage (Kinloss) and Woodland at Seapark House (Kinloss).

Following consideration, the Committee agreed to confirm without modification:

- (i) Moray Council (Dunkinty House, Elgin) Revocation of Tree Preservation Order 2023;
- (ii) Moray Council (Cherry Tree Avenue, Dunkinty, Elgin) Tree Preservation Order (No 1) 2023;
- (iii) Moray Council (Queen Victoria Picnic Tree, Glenfiddich) Tree Preservation Order (No 1) 2023;
- (iv) Moray Council (Rothiemay) Revocation of Tree Preservation Order 2023;
- (v) Moray Council (King George Playing Field, Rothiemay) Tree Preservation Order (No 1) 2023;
- (vi) Moray Council (Woodland at Damhead Cottage, Kinloss) Revocation of Tree Preservation Order 2023; and
- (vii) Moray Council (Woodland at Seapark House, Kinloss) Revocation of Tree Preservation Order 2023.

## **12. Question Time**

Councillor Ross made reference to the 2 large developments that had recently been approved in Rothes and raised concern in relation to the increase in large vehicles passing through the village and asked if there was anything the Council could do to address this as it is having an impact on the quality of life of the residents.

In response, the Strategic Planning and Development Manager advised that the process to bring forward the new Local Development Plan is underway where local place plans will be prepared including evidence gathering and consultation with communities. The Strategic Planning and Development Manager further offered to speak to Councillor Ross following the meeting in relation to his concerns.

Councillor Fernandes stated that, last month, the Scottish Government launched a consultation on Draft Local Living and 20 Minute Neighbourhood planning guidance and asked if Officers were responding to the consultation and if so whether the Committee could have sight of any response.

In response, the Strategic Planning and Development Manager agreed to this request.

Councillor Gatt sought an update on the possible A96 dualling.

In response, the Head of Economic Growth and Development stated that this is part of a review by Transport Scotland, the results of which have not been released.

The Chair stated that the NP4 policy notes of 20 March 2023 stated that the Council will be supporting 20 minute neighbourhoods and asked that this be brought for discussion with the Committee at the earliest opportunity.

In response, the Strategic Planning and Development Manager advised that a series of workshops are to be organised from September – December 2023 to collect comments and views of Members ahead of the Evidence Report being submitted to Full Council in March 2024 and agreed to circulate the timeline to the Committee following the meeting.

Councillor Van Der Horn sought an update on the coastal flood adaptation plan, particularly in relation to advice that had been provided for proposed development on land predicted to fall below annual flood levels in 2050.

In response, the Strategic Planning and Development Manager advised that he would liaise with Consultancy colleagues and respond to Councillor Van Der Horn following the meeting.

The Chair stated that the Landscape Sensitivity Study had been approved on 14 March 2023 where he had asked that a 781 metre Corbett, Corryhabbie, be included within that list and queried whether this had been possible.

In response, the Head of Economic Growth and Development advised that the Landscape Sensitivity Study is prepared by Consultants as they are the experts in this regard however agreed to pass this on when the study is reviewed in the future.





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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: 23/00519/S37 - ELECTRICITY ACT 1989 (AS AMENDED)  
SECTION 37 CONSULTATION FOR THE PROPOSED NEW  
ELECTRIC LINE INSTALLED ABOVE GROUND WITH A  
VOLTAGE OF 132 KV OR MORE BETWEEN ROTHES III  
WIND FARM ON-SITE SUBSTATION.**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT  
AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To inform the Committee of a consultation request from the Scottish Government Energy Consents Unit (SGECU) regarding a Section 37 application and accompanying submissions for consent to construct and operate a 132 kilovolt overhead line (OHL) reinforcement between Rothes III windfarm and Blackhillock Electricity Substation.
- 1.2 This report is submitted to Committee in terms of Section III (D) (1) of the Council's Scheme of Administration relating to exercising the functions of the Council as Planning Authority.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:-**

- (i) consider and note the contents of this report including the conclusions made regarding the planning merits of the development, as detailed in Section 3;**
- (ii) agree that, taking into account the National Planning Framework 4 (NPF4) Moray Local Development Plan 2020 (MLDP) and all relevant material considerations Moray Council raises no objection to the Section 37 application, subject to the conditions and community benefit requests set out in Appendix 2 of the report; or**
- (iii) if minded to object give planning reasons for wishing to do so; and**

**(iv) Instruct the Head of Economic Growth and Development to advise the Energy Consents Unit of the decision of this Committee.**

**3. BACKGROUND**

- 3.1 In 2022 Scottish Ministers approved a wind energy development known as 'Rothes III' windfarm which effectively extends the area of operational windfarm from Cairn Uish south. The windfarm requiring the grid connection consists of 29 turbines up to 225m in height lying west of Rothes above Archiestown. Separate to the consented windfarm a grid connection is now required from the windfarm to the national grid, and SSEN as national grid utility provider, are obliged to progress the consenting process for the necessary grid connection.
- 3.2 The transmission capacity of the proposed overhead line means that it is subject to the requirement for an application for consent under Section 37 of the 1989 Electricity Act (together with a request for a direction that planning permission be deemed to be granted under Section 57 (2) of the Town and Country Planning (Scotland) Act 1997 to be determined by Scottish Ministers. The proposal were screened against the Electricity Works (Environmental Impact Assessment) (Scotland) Regulations 2017) as a Schedule 2 development, and Scottish Ministers concluded that a full Environmental Impact Assessment was not required. The applicant has however submitted a detailed environmental appraisal alongside the Section 37 application.
- 3.3 The proposal involves use of 24.3km of overhead lines supported by 12-16m high double timber poles, cross-braced and 2.5m apart they are linked at the top by and supporting 'trident' shaped aluminium alloy which supports 3 cables. Depending upon topography the poles will be approximately 80-100m apart. For the first 500m from Rothes III substation and 1km from Blackhillock Substation the line will be undergrounded to minimise visual impacts at the two ends of the development.
- 3.4 The proposal requires to be considered under the terms of the 1989 Act, in particular Schedule 9 duties, which require Scottish Ministers to have regard to various environmental and cultural heritage matters when considering proposals. These duties apply whatever the relevant local policy circumstances expressed through a Development Plan may be, and therefore the approach required in this case is fundamentally different to the conventional approach for planning decisions under Section 25 of the 1997 Act. As such, the Development Plan has no primacy in determining an application for electricity consent under the 1989 Act, although development policies are still relevant to understanding the local context, the generic duties under Schedule 9 and are also material considerations in the decision-making process.
- 3.5 National Planning Framework 4 (NPF4) identifies and supports as a 'national development' transmission grid infrastructure associated with the renewable electricity generation throughout Scotland. Policy 11 Energy also specifically supports transmission and distribution infrastructure for renewable energy development. Weight is therefore attached to this whilst considering the proposal.

- 3.6 The route selected, following consultation with council officers (as can be seen on the maps in the **Appendix 1**) has been subject to significant scrutiny and the route selection has sought to minimise and avoid impacts on designation sites, residences or heritage assets. Officers having considered the Environmental Appraisal agree that the route proposed is the least onerous in terms of any environmental impact and welcome the mitigation proposed in the various chapters of the Environmental Appraisal.
- 3.7 In terms of mitigation, it is noted that the applicant has proposed replacement of the total amount of felling of woodland amounting to a maximum of 54.67 hectares (no ancient woodland requires to be felled). It is proposed to develop and gain approval of a compensatory planning scheme once the precise amount of felling required is determined. This scheme commits to provide this compensatory planting scheme within Moray.
- 3.8 There are a number of matters/queries raised by both the Transportation Manager and the Flood Risk Management Team requiring further information from the applicant. At the time of writing this report these matters had not been resolved (namely the need for an updated Transportation Assessment, and detailed drainage and flood risk assessment for temporary tracks and compounds crossing watercourses or lying with flood risk areas). It is recommended in Appendix 2, alongside other conditions recommended that the SGECU if minded to approve the transmission line, condition the provision of the above information.
- 3.9 NPF4 seeks to maximise the net economic impact, including local and community socio economic benefit such as employment and business and supply chain opportunities as required by Policy 11 c) relating to Energy and to ensure consistency with the aims of Policy 25 Community Wealth Building. The applicant refers only to encouraging any principal contractor to make use of suitable labour and resources from areas local to the location of the works. This fails to maximise the local socio economic benefit and it is therefore recommended that the developer contribute to a socio-economic benefit fund. Given the project will span 24km across Moray it is reasonable the request that it should contribute toward realising local socio economic benefits. See **Appendix 2** where proposals for this are requested alongside further conditions.

#### **4. SUMMARY OF IMPLICATIONS**

**(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Promote economic development and growth and maintain and promote Moray's landscape and biodiversity.

**(b) Policy and Legal**

The application is made for consent under S.37 of the Electricity Act 1989 to Scottish Government. If consented, planning permission is deemed to be granted for the development. For planning purposes proposals require to be determined in accordance with the development plan unless material considerations indicate otherwise. If granted by Scottish Government, the responsibility for the discharge of (planning)

conditions attached to the formal decision to grant consent will pass to the Council.

**(c) Financial implications**

When the Council approved the budget for 2023/24 on 1 March 2023 (paragraph 5 of the Minute refers) it balanced only by using reserves and one-off financial flexibilities. The indicative 3 year budget showed a likely requirement to continue to make savings in the order of £20 million in the next two years. All financial decisions must be made in this context and only essential additional expenditure should be agreed in the course of the year. In making this determination the committee should consider whether the financial risk to the Council of incurring additional expenditure outweighs the risk to the Council of not incurring that expenditure, as set out in the risk section below and whether a decision on funding could reasonably be deferred until the budget for future years is approved.

If the Council decides to object to the proposal, a Public Local Inquiry would be arranged by Scottish Government. The Council would be expected to attend and participate in the Inquiry process, including any pre-Inquiry arrangements with resultant costs, including officer, legal representation and consultant costs where required/appropriate. Furthermore as officers have recommended not to formally object then any case presented to a PLI may need to be by the relevant Councillors who moved against the officer recommendation. They would get support from legal but not from Development Management planning officers directly, although Strategic Planning and Development may assist. At Inquiry, the applicant may seek an award of costs against the Council if it is considered the Council has acted unreasonably.

**(d) Risk Implications**

If deciding to object, the outcome of any Public Local Inquiry held to consider this proposed development is uncertain: it might uphold and support the Council's decision to object, but equally the objection could be dismissed and consent granted for the development. Applicants may also seek expenses against the Council and Reporters may then consider such a claim justified and award costs if they deem the Council has acted unreasonably.

**(e) Staffing Implications**

In the event of a Public Local Inquiry, staff time and resources (Elected Members, planning and legal officers) will be required for preparation and attendance at any Inquiry. It is likely that external solicitors would need to be instructed due to the current staffing situation within Legal Services.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

None.

**(h) Climate Change and Biodiversity Impacts**

This proposal seeks to transmit electricity generated from a consented renewable energy development into the national grid. This proposed transmission line enabling the connection of Rothes III windfarm into the national grid therefore contributes positively to national carbon reduction targets.

**(i) Consultations**

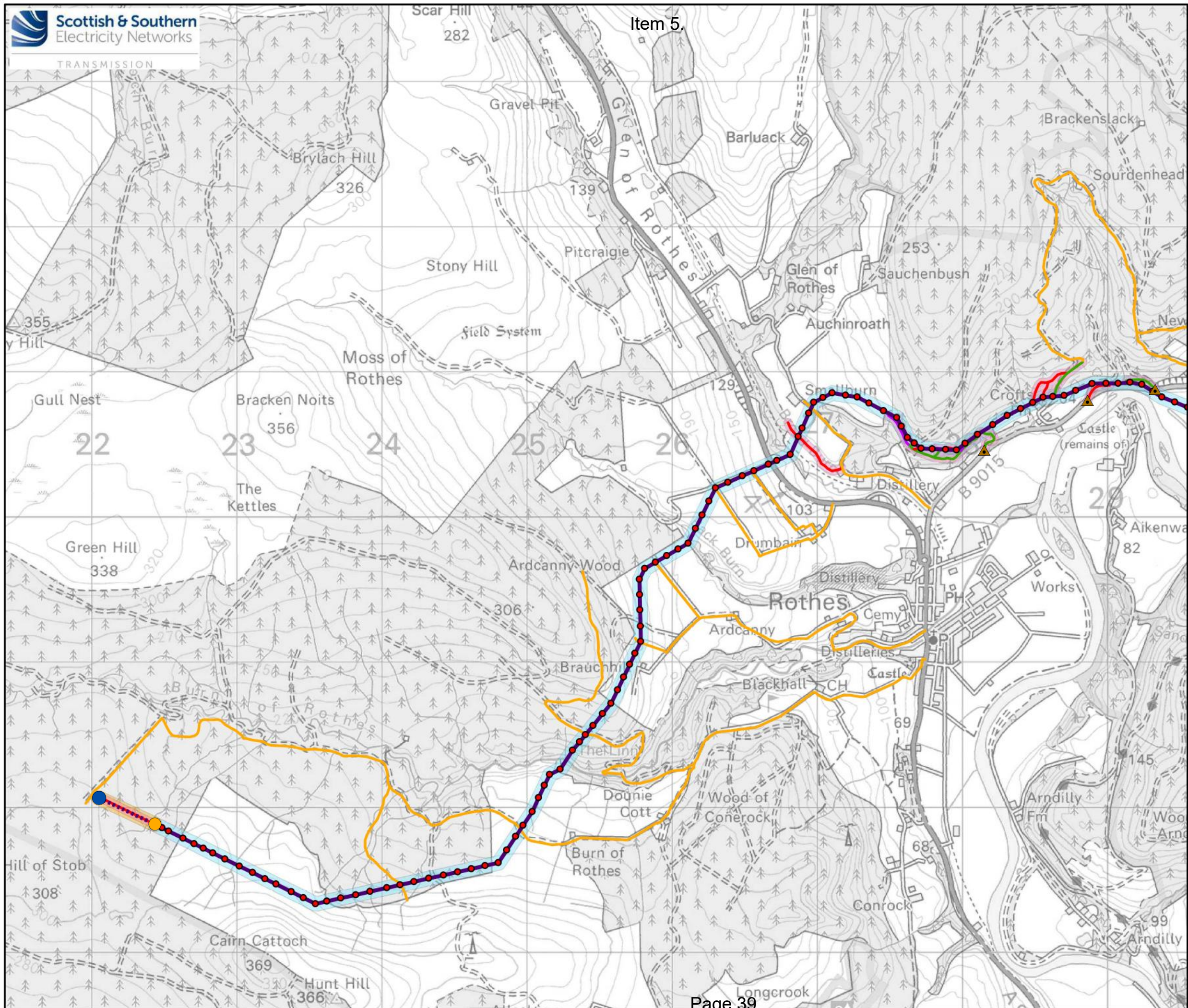
Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Development Management and Building Standards Manager, the Equal Opportunities Officer, the Strategic Planning and Development Manager, and the Democratic Services Manager have been consulted, and comments received have been incorporated into the report.

**5. CONCLUSION**

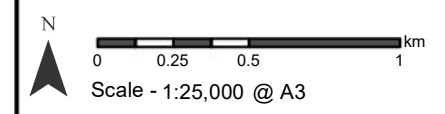
**5.1 As summarised in Section 3 above it is considered that the proposed overhead line is in an appropriate location and route. Its presence is supported by NPF4 and it does seek to avoid sensitive designations where possible. While covering a long distance across Moray the route should be discrete for much of this distance. For these reasons the recommendation in Section 2 above is recommended as appropriate.**

Author of Report: Neal MacPherson, Principal Planning Officer  
Background Papers:  
Ref: 23/00519/S37





- Legend**
- Consented Rothes III Wind Farm On-Site Substation
  - Blackhillock Substation
  - ▲ Bellmouth Junction
- Overhead Line Works**
- Proposed Pole Location
  - Proposed Overhead Line
  - 100m Limit of Deviation (LOD) for Proposed Overhead Line (50 m either side of OHL alignment)
  - Existing Access
  - New Access
  - Temporary Access
  - Upgraded Access
  - Proposed Cable Sealing End (CSE)
- Underground Cable Works**
- ⋯ Proposed Underground Cable
  - 100m Limit of Deviation (LOD) for Proposed Underground Cable (50m either side of UGC alignment)

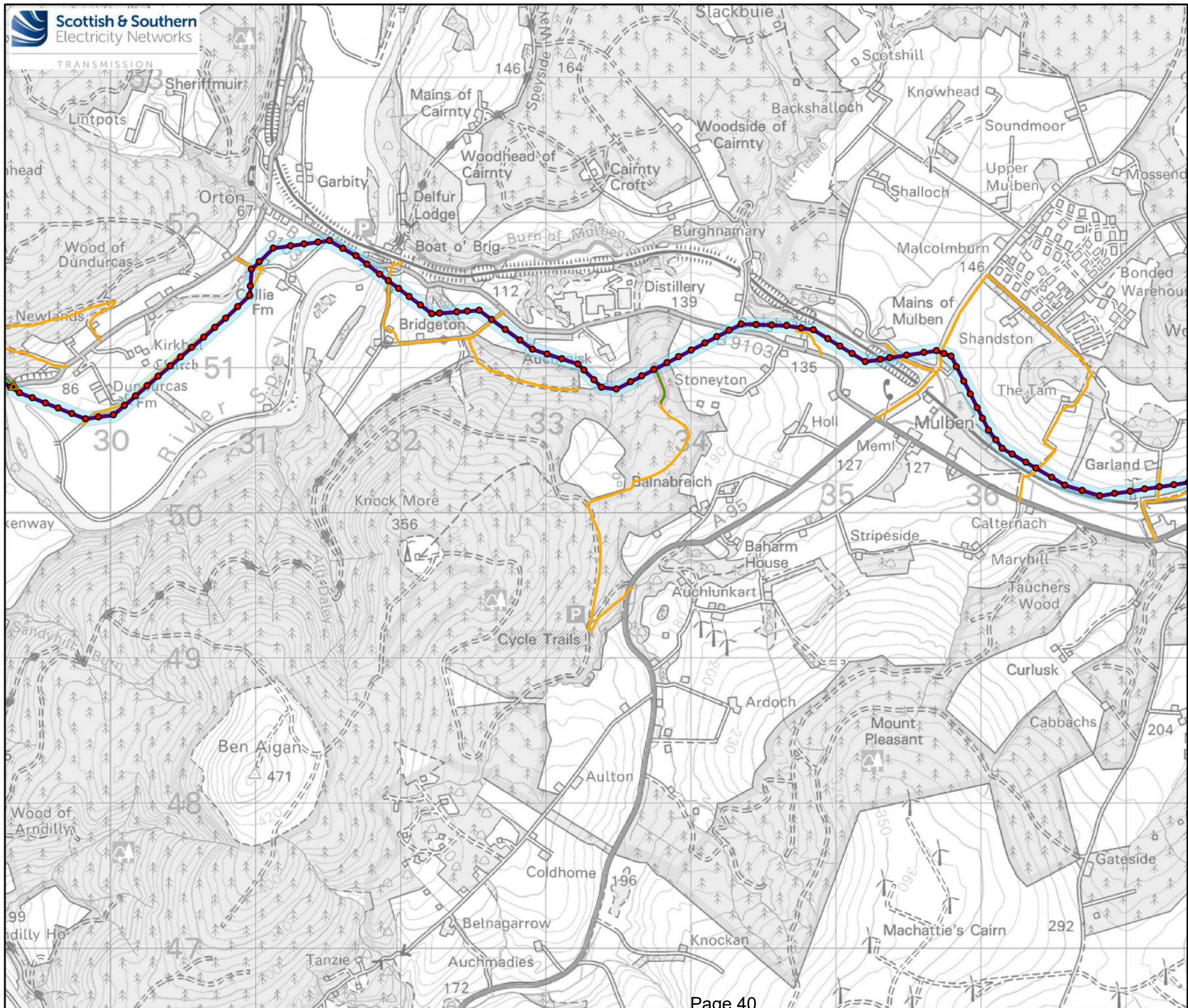


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Project No: LT122  
Project: Elchies (Rothes III) Wind Farm Grid Connection

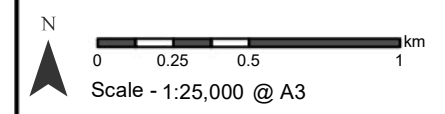
Title: Figure 3.1a - Proposed Development

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- Legend**
- Consented Rothes III Wind Farm On-Site Substation
  - Blackhillock Substation
  - ▲ Bellmouth Junction
- Overhead Line Works**
- Proposed Pole Location
  - Proposed Overhead Line
  - 100m Limit of Deviation (LOD) for Proposed Overhead Line (50 m either side of OHL alignment)
  - Existing Access Track
  - New Access Track
  - Temporary Access Track
  - Upgraded Access Track
  - 30m Limit of Deviation (LOD) for New Access Tracks
  - Proposed Cable Sealing End (CSE)

- Underground Cable Works**
- - - Proposed Underground Cable
  - 100m Limit of Deviation (LOD) for Proposed Underground Cable (50m either side of UGC alignment)



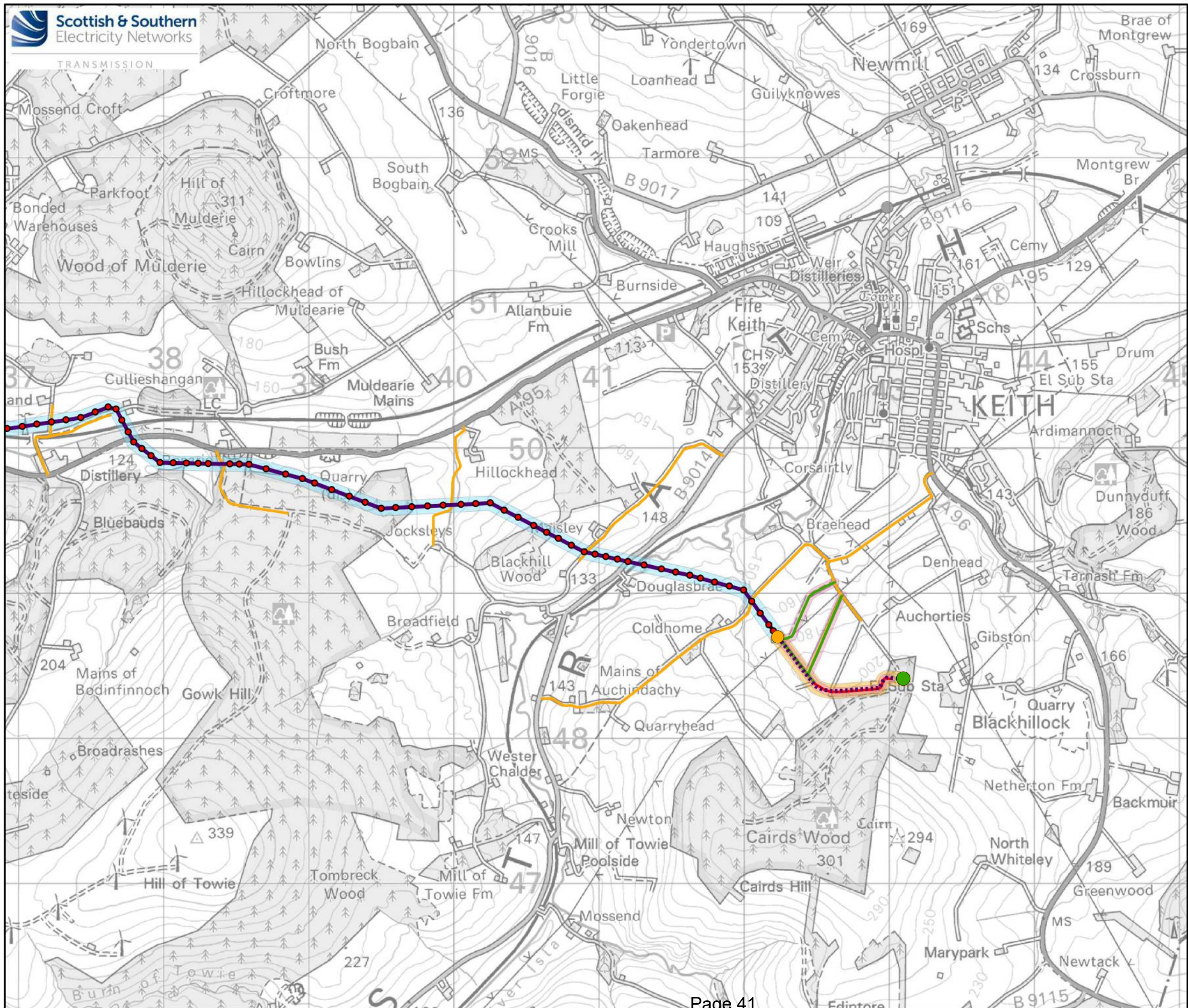
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Project No: LT122  
Project: Elchies (Rothes III) Wind Farm Grid Connection

Title: Figure 3.1b - Proposed Development

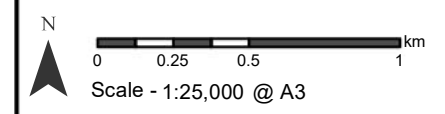
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- Legend**
- Consented Rothes III Wind Farm On-Site Substation
  - Blackhillock Substation
- Overhead Line Works**
- Proposed Pole Location
  - Proposed Overhead Line
  - 100m Limit of Deviation (LOD) for Proposed Overhead Line (50 m either side of OHL alignment)
  - Existing Access Track
  - New Access Track
  - Temporary Access Track
  - Upgraded Access Track
  - 30m Limit of Deviation (LOD) for New Access Tracks
  - Proposed Cable Sealing End (CSE)

- Underground Cable Works**
- ⋯ Proposed Underground Cable
  - 100m Limit of Deviation (LOD) for Proposed Underground Cable (50m either side of UGC alignment)



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Project No: LT122  
Project: Elchies (Rothes III) Wind Farm Grid Connection

Title: Figure 3.1c - Proposed Development

Drawn by: LV Date: 09/03/2023  
Drawing: 119012-D-EA3.1c-1.0.0



## Appendix 2

Elchies (Rothes III) Wind Farm overhead transmission line from Rothes to Blackhillock.

ECU reference - ECU00004733

Moray council 23/00519/S37

### Recommended conditions

1. Construction operations shall be suitably controlled and managed by adherence to an agreed Construction Environmental Management Plan. Prior to development commencing, the CEMP must be submitted to and approved in writing by the Moray Council as Planning Authority. The CEMP shall include details of the hours of construction activities, any anticipated works that need to occur outwith the hours specified.

**Reason-** In order that details of the construction activity can be finalised, considered and ultimately controlled so as to protect human and environmental interests.

2. No development shall commence until a private water supplies risk assessment report prepared by a suitably qualified professional has been submitted to and accepted by the Moray Council as Planning Authority. Where a possible impact on water supplies is identified, the report shall include detailed proposals for appropriate monitoring and mitigation measures, e.g. provision of new supplies.

**Reason-** To ensure that an adequate and wholesome water supply to existing properties is maintained.

3. No private water supply shall be used during or post construction for any phase of the project, until details have been submitted in order that its wholesomeness and adequacy can be assessed by the Environmental Health Manager of Moray Council.

**Reason -** To ensure detailed consideration can be given to the possible use of private water supplies for the development hereby approved.

4. In the event that the wholesomeness or adequacy of any private water supply becomes affected by construction activity, all users of such supplies and Environmental Health and Trading Standards Manager of Moray Council must be contacted by the developer to discuss remediation measures as a priority. Thereafter repair of any affected private water supply must be carried be to the satisfaction of the Council as Planning Authority in consultation with the Environment Health and Trading Standards Manager. The Council shall be the final arbiter whether any supply has been affected by this development.

**Reason -** To ensure that the adequacy and wholesomeness of private water supplies are protected at all phases of the project.

5. No works in connection with the development hereby approved shall commence unless an archaeological written scheme of investigation (WSI) has been submitted to and approved in writing by the planning authority and a programme of archaeological works has been carried out in accordance with the approved WSI. The WSI shall include details of how the recording and recovery of archaeological resources found within the application site shall be undertaken, and how any updates, if required, to the written scheme of investigation will be provided throughout the implementation of the programme of archaeological works. Should the archaeological works reveal the need for post excavation analysis the development hereby approved shall not be brought into use unless a post-excavation research design (PERD) for the analysis, publication and dissemination of results and archive deposition has been submitted to and approved in writing by the planning authority. The PERD shall be carried out in complete accordance with the approved details.

**Reason-** To safeguard and record the archaeological potential of the area.

6. Provide a single payment to a Socio Economic Benefit Fund to be administered by Moray Council assuming 10% of investment cost to benefit, 5% would be given to the socio economic benefit fund (single payment 20% on construction commencement and 80% on energisation). The fund will be used to for projects across Moray directly related to supply chain development, business support, including tourism and regeneration projects/related infrastructure, skills and barriers to employment in Moray and to promote Community Ownership.

**Reason –** In order to ensure compliance with NPF4 Policy 11c) and to maximise the local socio economic benefits of the development to the wider local community. To contribute to the local community wealth building strategy and ensure economic impact is consistent with local economic priorities which contributes to NPF4 policy 25.

#### Other matters needing conditioned.

7. The Environmental Appraisal entitled Elchies (Rothes III) 'Wind Farm Grid Connection Works - March 2023' contents page refers to a Schedule of Mitigation but it is not clear where this is located within the documents. Each chapter of the EA does summarise mitigation and a condition should seek to consolidate and compilation these mitigation methods into schedule which must thereafter be complied with.
8. Suitable conditions should be constructed to address the deficiencies in the Transport Assessment as detailed in the responses previously passed to the Energy Consents Unit by the Councils Transportation Manager.
9. Similarly submissions failed to provide detailed design proposals for the watercourse crossings and drainage proposals for the temporary compounds and access roads (many of which are in flood risk areas) such that the Councils

Flood Risk Management Team are seeking reassurances. The temporary roads and compounds will need to be properly drained and managed so as not to impact or alter the current flow of watercourses across the site. A suitable condition seeking drainage statements and Flood Risk Assessment for those temporary tracks and compounds affecting watercourses or flood risk areas in line with the consultation response previously forwarded to the Energy Consents Unit. These requirements could potentially be integrated into CEMP condition identified above.

Informatives to be added

The Environmental Health Manager has stated that the Operational noise associated with Overhead Lines shall not give rise to a Statutory Noise Nuisance in terms of the Environmental Protection Act 1990.





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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: 23/01021/PAN - PROPOSED RESIDENTIAL DEVELOPMENT OF  
A MAXIMUM OF 180 UNITS INCLUDING ASSOCIATED  
FACILITIES LANDSCAPING INFRASTRUCTURE ROADS AND  
DRAINAGE AT R6 DALLAS DHU, FORRES**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To inform the Committee that a Proposal of Application Notice (PAN) was submitted on 16 June 2023 on behalf of Moray Council.
- 1.2 This report is submitted to Committee in terms of Section III (E) (1) of the Council's Scheme of Administration relating to exercising the statutory functions of the Council as a Planning Authority.

**2. RECOMMENDATION**

**2.1 It is recommended that:**

- (i) in noting the terms of this report, the Committee advise upon any provisional views/relevant issues that Members of this Committee (or any other Member(s) of the Council) wish to raise about the proposed development so that these matters can be recorded and thereafter fed back to the prospective applicant in order to inform the development of their proposed formal application for planning permission; and
- (ii) the matters raised by the Committee also be forwarded to consultees likely to be involved in any formal application for planning permission for the proposal.

**3. BACKGROUND**

- 3.1 Scottish Government has published guidance, which encourages elected members to highlight any issues with a proposed development at the pre-application stage, which they would wish to see taken into account within any formal application for planning permission.

- 3.2 Following consideration by this Committee on 11 November 2014 it was agreed that any PAN received after this date would be reported to Committee to give Members of the Committee, and the Council, the opportunity to identify any key issues/provisional views about the proposed development and that these matters be reported back to applicant (paragraph 4 of the Minute refers).
- 3.3 This current report is not about the merits of the proposed development but rather, based on local knowledge of local issues and wider concerns, etc. Members are invited to identify any matters relevant to the proposal. These will be reported back to the prospective applicant for their information and attention, and to inform the development of the proposed application. It is also proposed that, for information, Members' comments be forwarded to consultees likely to be involved in any formal application for planning permission for the proposal.
- 3.4 As described, this PAN relates to a proposal for a residential development for a maximum of 180 units, with associated facilities, landscaping, infrastructure and drainage. The proposal is a project that forms part of the Moray Growth Deal (Housing Mix Delivery project).
- 3.5 The site is located to the south of Forres, on a site designated for housing in the Moray Local Development Plan (R6 – Dallas Dhu). It is to the east of Mannachie Road, with Dallas Dhu distillery to the south. **Appendix 1** shows the location and extent of the proposal.
- 3.6 Planning permission is required for this proposal. Relative to the current Hierarchy Regulations the development is in excess of 50 residential units. The proposal would therefore comprise a major development for planning purposes. As such, the proposal will be subject to PAN and pre-application consultation procedures with the local community. The applicant has been advised of the Council's pre-application advice service to assist in identifying key issues and information that would be expected to accompany any formal application.
- 3.7 A formal response has been issued to the applicant's agent to confirm that the proposed arrangements for engaging with the local community are sufficient. The applicant proposes to consult with Forres and Funderne Community Councils, local councillors, MSPs and MP. In this case, the applicant's agent has been advised that no additional parties require to be notified with a copy of the PAN.
- 3.8 The PAN advises that two public events will be held in Forres Town Hall - one was held on Thursday 29 June and a further event is due to be held in late August, date TBC. Each event requires to be advertised locally in advance and allow an opportunity for feedback upon the proposal. For validation purposes for a major application, the applicant is required to submit a pre-application consultation report setting out the steps taken to consult with the local community together with details of comments made on the proposal and how the applicant has responded to all comments made on the proposal in the development of the application.



#### **4. SUMMARY OF IMPLICATIONS**

**(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Identifying key issues at an early stage to assist with front loading major planning applications is a vital aspect of supporting and facilitating the Council's priority for economic development in Moray.

**(b) Policy and Legal**

Scottish Government guidance on the role of councillors in pre-application procedures affords elected members the opportunity to offer general provisional views on forthcoming developments, which are the subject of a PAN where the details of the development have yet to be finalised.

**(c) Financial implications**

None.

**(d) Risk Implications**

None.

**(e) Staffing Implications**

None.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

None.

**(h) Climate Change and Biodiversity Impacts**

None.

**(i) Consultations**

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Development Management and Building Standards Manager, the Equal Opportunities Officer, the Strategic Planning & Delivery Manager, and Lissa Rowan (Committee Services Officer) have been consulted, and comments received have been incorporated into the report.

Members of Moray Council who are not on this Committee have also been consulted and any views received on the proposal will be made known at the meeting.

#### **5. CONCLUSION**

- 5.1 The Council has received a PAN intimating that a formal application for planning permission will be submitted for a major development proposal, in this case for permission for a proposed residential development of a maximum of 180 units including associated facilities**

**landscaping infrastructure roads and drainage at R6 Dallas Dhu, Forres. The Committee (and any other Member(s) of the Council) are asked to identify any provisional views/relevant issues which they would wish to see taken into account and inform the development of the proposal.**

Author of Report: Andrew Miller, Senior Planning Officer  
Background Papers:  
Ref: 23/01032/PAN



# COMMITTEE SITE PLAN

## FORRES

Application Reference Number:

**23/01021/PAN**

Proposed residential development of a maximum of 180 units including associated facilities landscaping infrastructure roads and drainage at R6 Dallas Dhu Forres



Item 6.

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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: PLANNING ETC. (SCOTLAND) ACT 2006: SCHEME OF  
DELEGATION**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 The report is to review the existing adopted Scheme of Delegation approved on 29 January 2019 (para 11 of the minute refers). It is a requirement of The Town and Country Planning (Schemes of Delegation and Local Review Procedure) (Scotland) Regulations 2013 to prepare such a scheme of delegation at intervals of no greater than every five years.
- 1.2 This report is submitted to Committee in terms of Section III (F) (1) of the Council's Administrative Scheme relating to exercising the statutory functions of the Council as a Planning Authority.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- i) agrees the revised Scheme of Delegation, as set out in Appendix 1 and submit to Scottish Government for adoption; and**
- ii) agrees to update the Scheme of Delegation in relation to S.37 consent consultations from the Energy Consent Unit, as set out in paragraph 5.2 below.**

**3. BACKGROUND**

- 3.1 The committee may be aware that the provisions of the Planning etc. (Scotland) Act 2006 introduced significant changes in the way in which the Council carries out its planning function which included the operation of Local Review Bodies.
- 3.2 Circular 5/2013 was issued in 2013 titled Schemes of Delegation and Local Reviews which provides the following advice in the introduction:

*“The planning system should operate in support of the Government’s central purpose of creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. For decision-making this means providing greater certainty of process, including being timely and transparent, a means to achieve better places for Scotland. Planning authorities use powers of delegation so that certain decisions can be taken by officials instead of being considered by elected members of the authority at committee. Delegation to officers is an important means of adding efficiency to administrative processes and the Scottish Government wants to encourage an appropriate level of delegation to officials to support the role of the planning system in achieving their central purpose”.*

- 3.3 It is also important to remember that the 2006 Act introduced a ‘Hierarchy of Developments’ and under this Hierarchy, developments are split into three categories:
- **National** – developments of a national significance, which feature in the National Planning Framework (a spatial development plan that provides the national context for key infrastructure and development for Scotland).
  - **Major** – for which there is a prescribed schedule of what classes of development are regarded as major:
    - Developments requiring a Schedule 1 – Environmental Impact Assessment
    - Residential Development of more than 50 dwellings or 2 hectares
    - Business, general industry storage and distribution of over 10,000 Esq. or 2 hectares
    - Other development in excess of 5,000 sqm or 2 hectares
    - Electricity generating stations exceeding 20 megawatts
    - Transportation or infrastructure projects in excess of 8km.
  - **Local** – the third category, comprising all development other than national or major.
- 3.4 The current delegation scheme, which has been operating since being adopted on 19 January 2019 (**Appendix 2**) has resulted in 107 planning applications and 3 High hedge applications being determined by this committee. Only 35 of these planning applications were determined by committee for the reason that they were either a national or major planning application and 3 for reasons of wider community interest/planning significance. 4 AMC applications on the North Whins Findhorn site (previously agreed by this committee on 24 August 2019, Para 8 refers) were also determined by this committee. The remaining 61 were presented under other criteria contained within the delegation scheme.
- 3.5 There have been 9 special meetings held to deal with planning applications either by the way of a Pre-determination hearing or to deal with committee items outside of the scheduled committee calendar.
- 3.6 The approved Scheme of Delegation was submitted to Scottish Ministers before being adopted. Once adopted, a copy was made available for

inspection at council offices, and at every public library. A copy is also available on the Council's website. The rationale behind the Scheme of Delegation is that the Scottish Government's intention is that planning authorities should make the most effective use of their powers to delegate decisions on straightforward applications to officials, allowing elected members to focus on more complex and strategic applications.

#### **4. PROPOSED SCHEME OF DELEGATION**

- 4.1 The principal matters to be addressed as part of this review is whether the committee wishes to make any further amendments to the current scheme that has been in operation for the last five years.
- 4.2 Following a review of the numbers and types of applications presented to this committee it is recommended that changes are made to the current approved Scheme of Delegation to enable the committee to determine only planning applications that either are national, major or have wider community interest and/or planning significance. This would require four criteria to be deleted in the current approved scheme.
- 4.3 The first and second criteria relate to applications on housing sites designated for 50 or more dwellings and applications between 5-49 which have resulted in a number of single house developments and various minor revised layouts being determined by this committee. These are local applications and in terms of resources would be more appropriately determined by the appointed officer under delegated powers. Recent examples relate to a single house plot at Ordiequish Fields, Fochabers and five layout/re-mix applications at R2, Ferrylea in Forres. None of the applications referred to committee under this criteria have been refused by committee.
- 4.4 The third criteria relates to applications for commercial floorspace over 2,000sqm. This has resulted in 7 planning applications being referred to committee and does add delay to determining applications for small businesses. One recent example related to a recycling building at Grays Recycling Ltd at Nether Dallachy and had a floorspace of just over 2,000 sqm. None of the applications referred to committee under this criteria have been refused by committee.
- 4.5 The final criteria proposed to be deleted states "*The proposal (as a whole or in part) has previously been reported to Committee or to a Departure Hearing (Special Committee) and that the appointed officer considers that significant amendments have been made to any previous application for Committee to consider the development*". This criteria has been found to be ambiguous resulting in local applications being referred to committee when they would be more appropriately determined by the appointed officer.
- 4.6 The criteria relating to wider community interest and or planning significance would be retained and has been an effective use of resources. Only 3 cases have been being referred to committee for determination for this reason.

- 4.7 The proposed changes would ensure the committee was acting in a way more closely aligned to the Scottish Government's aspirations in allowing elected members to focus on more complex and strategic applications. There would also be substantial savings made in terms of member and officer resources as there would be a reduction in site visits, preparation of committee papers and time spent at committee. The appointed officer would prepare a handling report the same as a committee recommendation.
- 4.8 Any applications that were refused under delegated powers could be the subject of a local review, if the applicant sought to challenge the decision, rather than an independent reporter's decision resulting in an increase in local decision making. Since the delegation scheme was adopted in 2019, 71 delegated decisions have been the subject of a review by the Moray Local Review Body (a panel of nine councillors). Of the 71 that were determined, 21 were upheld and 50 dismissed.

## **5. OTHER COMMITTEE ITEMS**

- 5.1 The High Hedges (Scotland) Act came into force in April 2014 and so far only four applications have been received and it is considered that due to the nature of these proposals that the arrangements for these to be determined by this committee would also continue. Where committee agree to serve a high hedge notice this can be the subject of an appeal by any interested party and may require direct action to be taken.
- 5.2 Electricity Act 1989 Section 37 Consent for overhead lines – Currently applications for Section 37 development, for which Moray Council is a consultee, are the subject of committee reports. It is proposed that for Section 37 consultations from the Energy Consents Unit, these will continue to be reported to committee in all circumstances unless they relate to:
- a. Wooden poles lines less than 10km in length.
  - b. Reconfiguration/repositioning of larger lattice steel pylon lines, where there will be no net increase in the number of pylons proposed.

## **6. SUMMARY OF IMPLICATIONS**

**(a) Corporate Plan and 10 year Plan (Local Outcomes Improvement Plan (LOIP))**

This report enables the Council's priorities and objectives to be delivered.

**(b) Policy and Legal**

The requirements for preparing Schemes of Delegation are contained in the Schemes of Delegation and Local Review Procedures (Scotland) Regulations 2013 and the Town and Country Planning (Scotland) Act 1997.



**(c) Financial implications**

There would be a small saving in fuel costs, as the number of committee site visits needed to be undertaken would be reduced.

**(d) Risk Implications**

There is a risk that performance could be impacted upon if the Scheme of Delegation increases the number of applications being referred to the Planning and Regulatory Services Committee. This may then require a review of the committee cycle to be undertaken, which would need approval of Moray Council, to ensure current performance levels are maintained.

**(e) Staffing Implications**

This would reduce the number of papers presented to committee and would reduce the amount of officer time spent preparing committee papers and attending committee site visits although officers would still continue to write up delegated reports on applications they were determining.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

None.

**(h) Climate Change and Biodiversity Impacts**

None.

**(g) Consultations**

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, Principal Planning Officers, the Equalities Officer, the Chief Finance Officer and the Democratic Services Manager have all been consulted on this report and any comments received incorporated.

**7. CONCLUSION**

**7.1 That the Committee agrees the revised delegation scheme as set out in Appendix 1 and the approved scheme shall then be submitted to Scottish Government prior to adoption. The Scheme of Delegation is also to be updated in relation to S.37 consent consultations from the Energy Consent Unit.**

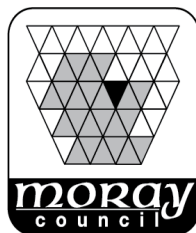
Author of Report: Beverly Smith, Development Management & Building Standards Manager

Ref:

Background Papers: Appendix 1 – Proposed Delegation Scheme  
Appendix 2 – Approved (2019) Delegation Scheme



**MORAY COUNCIL  
PROPOSED SCHEME OF DELEGATION  
15 August 2023**



**Scheme of Delegation  
Development Management**

All categories of development applications submitted to Moray Council as Planning Authority for consideration may normally be determined for approval or refusal by the appointed officer with the exception of applications of which one or more of the following applies:

- An application is submitted by, or on behalf of, an Elected Member of the Authority or an Officer involved in the statutory planning process;
- The appointed officer considers, following the consultation process, that the application raises matters of wider community interest and/or planning significance. The decision to refer to Committee or hold a hearing rests with the appointed officer and this discretion to refer may be exercised where, for example, all ward members and the chair consider that an application raises matters of wider community interest.
- The application falls within the category of “major development” as defined in the Town and Country Planning (Hierarchy of Developments) (Scotland) Regulations 2008 (the Hierarchy Regulations) which came into force on 06 April 2009). See Schedule below:

## APPENDIX 1

<b>SCHEDULE</b> <b>Major Developments</b> <b>Regulation 2(1)</b>	
Description of development	Threshold or criterion
<b>1. Schedule 1 development</b> Development of a description mentioned in Schedule 1 to the Environmental Impact Assessment (Scotland) Regulations 1999(a) (other than exempt development within the meaning of those Regulations).	All development.
<b>2. Housing</b> Construction of buildings, structures or erections for use as residential accommodation.	(a)The development comprises 50 or more dwellings; or  (b)The area of the site is or exceeds 2 hectares.
<b>3. Business &amp; General Industry, Storage and Distribution</b> Construction of a building, structure or other erection for use for any of the following purposes— (a) as an office; (b) for research and development of products or processes; (c) for any industrial process; or (d) for use for storage or as a distribution centre.	(a)The gross floor space of the building, structure or other erection is or exceeds 10,000 square metres; or  (b)The area of the site is or exceeds 2 hectares.
<b>4. Electricity Generation</b> Construction of an electricity generating station.	The capacity of the generating station is or exceeds 20 megawatts.
<b>5. Waste Management Facilities</b> Construction of facilities for use for the purpose	The capacity of the facility is or exceeds 25,000 tonnes per annum.  In relation to facilities for use for the purpose of

## APPENDIX 1

of waste management or disposal.	sludge treatment, a capacity to treat more than 50 tonnes (wet weight) per day of residual sludge.
<b>6. Transport and infrastructure projects</b> Construction of new or replacement roads, railways, tramways, waterways, aqueducts or pipelines.	The length of the road, railway, tramway, waterway, aqueduct or pipeline exceeds 8 kilometres.
<b>7. Fish Farming</b> The placing or assembly of equipment for the purpose of fish farming within the meaning of section 26(6) of the Act.	The surface area of water covered is or exceeds 2 hectares.
<b>8. Minerals</b> Extraction of minerals.	The area of the site is or exceeds 2 hectares.
<b>9. Other Development</b> Any development not falling wholly within any single class of development described in paragraphs 1 to 8 above.	(a)The gross floor space of any building, structure or erection constructed as a result of such development is or exceeds 5,000 square metres; or (b)The area of the site is or exceeds 2 hectares.



**THE MORAY COUNCIL  
APPROVED SCHEME OF DELEGATION  
12 February 2019**



**Scheme of Delegation  
Development Management**

All categories of development applications submitted to The Moray Council as Planning Authority for consideration may normally be determined for approval or refusal by the appointed officer with the exception of applications of which one or more of the following applies:

- The application is on a housing site designated for 50 or more dwellings within the Development Plan, regardless of whether the application is for all or part of the site;
- Applications for 5-49 dwellings will only be approved under delegated powers if they are in accordance with the development plan);
- Any development where the gross floor space of the building, structure or other erection constructed as a result of the proposal exceeds 2000 sq.metres. (This will include, but is not limited to, business & general industry, storage and distribution, retail, leisure and entertainment, education, healthcare, community facilities, transport interchanges, transport infrastructure projects, water and drainage developments and other similar projects);
- Any other application where the overall area of the proposed site exceeds a maximum of 2 hectares;
- An application is submitted by, or on behalf of, an Elected Member of the Authority or an Officer involved in the statutory planning process;
- The proposal (as a whole or in part) has previously been reported to Committee or to a Departure Hearing (Special Committee Meeting) and the appointed officer considers that significant amendments have been made to any previous application for Committee to reconsider the development;
- The appointed officer considers, following the consultation process, that the application raises matters of wider community interest and/or planning significance The decision to refer to Committee or hold a hearing rests with the appointed officer and this discretion to refer may be exercised where, for example, all ward members and the chair consider that an application raises matters of wider community interest.
- The application falls within the category of “major development” as defined in the Town and Country Planning (Hierarchy of Developments) (Scotland) Regulations 2008 (the Hierarchy Regulations) which came into force on 06 April 2009). See Schedule below:

## APPENDIX 2

<b>SCHEDULE</b> <b>Major Developments</b> <b>Regulation 2(1)</b>	
Description of development	Threshold or criterion
<p><b>1. Schedule 1 development</b></p> <p>Development of a description mentioned in Schedule 1 to the Environmental Impact Assessment (Scotland) Regulations 1999(a) (other than exempt development within the meaning of those Regulations).</p>	<p>All development.</p>
<p><b>2. Housing</b></p> <p>Construction of buildings, structures or erections for use as residential accommodation.</p>	<p>(a)The development comprises 50 or more dwellings; or</p> <p>(b)The area of the site is or exceeds 2 hectares.</p>
<p><b>3. Business &amp; General Industry, Storage and Distribution</b></p> <p>Construction of a building, structure or other erection for use for any of the following purposes—</p> <p>(a) as an office;</p> <p>(b) for research and development of products or processes;</p> <p>(c) for any industrial process; or</p> <p>(d) for use for storage or as a distribution centre.</p>	<p>(a)The gross floor space of the building, structure or other erection is or exceeds 10,000 square metres; or</p> <p>(b)The area of the site is or exceeds 2 hectares.</p>
<p><b>4. Electricity Generation</b></p> <p>Construction of an electricity generating station.</p>	<p>The capacity of the generating station is or exceeds 20 megawatts.</p>
<p><b>5. Waste Management Facilities</b></p> <p>Construction of facilities for use for the purpose of waste management or disposal.</p>	<p>The capacity of the facility is or exceeds 25,000 tonnes per annum.</p> <p>In relation to facilities for use for the purpose of sludge treatment, a capacity to treat more than 50 tonnes (wet weight) per day of residual sludge.</p>



## APPENDIX 2

<p><b>6. Transport and infrastructure projects</b></p> <p>Construction of new or replacement roads, railways, tramways, waterways, aqueducts or pipelines.</p>	<p>The length of the road, railway, tramway, waterway, aqueduct or pipeline exceeds 8 kilometres.</p>
<p><b>7. Fish Farming</b></p> <p>The placing or assembly of equipment for the purpose of fish farming within the meaning of section 26(6) of the Act.</p>	<p>The surface area of water covered is or exceeds 2 hectares.</p>
<p><b>8. Minerals</b></p> <p>Extraction of minerals.</p>	<p>The area of the site is or exceeds 2 hectares.</p>
<p><b>9. Other Development</b></p> <p>Any development not falling wholly within any single class of development described in paragraphs 1 to 8 above.</p>	<p>(a)The gross floor space of any building, structure or erection constructed as a result of such development is or exceeds 5,000 square metres; or (b)The area of the site is or exceeds 2 hectares.</p>





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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: MORAY BUSINESS PROPERTY NEEDS STUDY**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 The report summarises the key findings of the Business Property Needs Study that was undertaken to provide up to date information and analysis of the current and projected demand for commercial land and buildings.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- (i) **note the content of the Moray Business Property Needs Study in Appendix 1; and**
- (ii) **agree that the Moray Business Property Needs Study (Appendix 1) is used as a material consideration in the determination of planning applications and to inform the development of the new Local Development Plan**

**3. BACKGROUND**

- 3.1 As agreed by this Committee on 25 October 2022 (para 9 of the minute refers) external consultants were commissioned to undertake a Business Property Needs Study. Ryden LLP was commissioned to provide up to date information and analysis of the current and projected demand for commercial land and buildings to help inform the Evidence Report for the new Local Development Plan and the Regional Spatial Strategy.
- 3.2 The Study includes
- A review of the economic baseline and relevant economic policy.
  - A review of key sectors operating in Moray.

- A property market review including the stock of employment floor space and a review of supply and take up of industrial and office premises.
- A review of the Council’s industrial property portfolio.
- A review of the annual employment land audit, including a review of the effectiveness of all sites against 8 scoring categories.
- A summary of the results of the business survey and consultation undertaken as part of the study. This included an online survey of business property occupiers and stakeholder workshop with members of the Moray Business Resilience Group (including representatives from Highlands and Islands Enterprise, Moray Chamber of Commerce, Moray Business Women, Elgin BID, Visit Moray, Business Gateway, Federation of Small Business, Skills Development Scotland and Scottish Council for Development and Industry) and consultation with developers.
- A review of funding opportunities.
- Consideration and recommendations in respect of market needs to help inform the new Local Development Plan (LDP) and Regional Spatial Strategy.

#### 4. **KEY FINDINGS**

4.1 The full Business Property Needs Study is set out in **Appendix 1**. Set out below is a short summary of the key findings and conclusions of the study.

4.2 The study found that regional strategies highlight Moray’s aim to create work opportunities in the region which will support well paid work and retain the workforce. Demand is anticipated from existing businesses looking to expand and relocate, and future demand within key growth sectors and from inward investors. The needs of these sectors is set out in the table below.

SECTORS	LAND AND PROPERTY REQUIREMENTS	LOCATIONS
<b>Small to Medium Sized Enterprises SMEs (all general employment property sectors)</b>	<p>Responsible for the majority of demand for employment land and property across Moray.</p> <p>Strategies aim to increase the number of start-ups and mid-range businesses and therefore there will be a need for small business units and also for those expanding and modernising.</p> <p>Primarily small to medium standard industrial units and serviced sites for bespoke requirements. Also small modern office premises in service centres.</p>	<p>Across Moray, with Elgin as the regional centre accounting for c.60% of the market and a tiered focus on employment centres below that.</p> <p>Due to lack of development viability. Direct provision is expected to be required outside of Elgin and this will be explored with other partners on a case by case basis.</p>
<b>Energy and Renewables</b>	<p>Expected to grow substantially in the coming years. Sites ranging from battery storage to operations and maintenance hubs or production facilities which may include a requirement for laydown space and port access and infrastructure.</p>	<p>Likely to be heavily concentrated around Buckie as an important location for operations and maintenance activity.</p>

		Demand for battery storage around Keith which is in close proximity to the Blackhillock sub station
<b>Manufacture of food and beverages</b>	Largest sector of manufacturing in the area. Moray is home to over half of all the whisky distilleries in Scotland and a number in the area have recently undergone significant expansion with others exploring options for their sites. In addition, there is a significant development pipeline for whisky storage/bonded warehouses. Hazardous Substances Consent required and particular requirements around ventilation.	Concentrated in Speyside which may require additional sites for storage or maturation in the near future however other locations may also be suitable
<b>Manufacture of wood products</b>	Above average and increasing job numbers and likely to be an increase in employment land. Land hungry and possibly site specific.	Most significant in Elgin, Forres and Mosstodloch.
<b>Sustainable tourism</b>	Numbers of businesses now exceeding pre-pandemic levels and could perhaps lead to some demand for Class 4 space, but more likely demand for Class 7 and 11.	Potentially around Elgin.
<b>Life sciences</b>	Has attracted recent investment but starting from a low base so may not generate significant demand in short term. Longer term growth could lead to increased demand. Growth Deal includes proposals for the Moray Rural Centre of Excellence for Digital Health and Care Innovation (now launched) as well as 5 'Living Lab' testbeds.	Demand is likely to be focused around Forres but 'Living Lab' testbeds will be across the region.
<b>Defence activities</b>	Employment has more than doubled in recent years with the addition of military personnel.  Additional expected investment will increase direct and indirect employment and thus demand for employment land. Demand for general employment land as well as at RAF and Army bases.	RAF Lossiemouth and Kinloss Barracks
<b>Aerospace</b>	Strengths in the defence sector is also likely to enable development of an aerospace sector in Moray alongside projects such as the Moray Aerospace, Advanced Technology and Innovation Campus (MATTIC).	Potentially around Forres and wider supply chain.

	The Moray space cluster is currently developing. Requirements to include premises for manufacturing and engineering and testing facilities. Large sites required.	
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- 4.3 Moray’s office market is following the wider post-pandemic transition to greater hybrid working. In broad terms that involves contraction into smaller but higher quality premises on a more flexible basis. The study states that supporting adaptation of premises around flexible and possibly co-working will require to be considered.
- 4.4 The study notes that the existing industrial stock will require steady upgrade and replacement as building age, environmental requirements, and occupier modernisation drive change.
- 4.5 Industrial property development has been positive in Moray recently, particularly in Elgin. The study shows the recent development cycle in Moray is circa 115,000 sq.ft. (not including refurbishments). However, across the UK property market higher interest rates have reduced property values at the same time as costs have risen, suppressing developer activity. In projecting future demand it is assumed these pressures will alleviate and new development by the private sector is once again positive and viable again in Elgin before the LDP period in 2027. However, the study considers that intervention will still be required outwith Elgin in the secondary and tertiary growth areas identified in the Local Development Plan including Forres, Buckie, Lossiemouth, Keith, Fochabers, Mosstodloch and Aberlour. Intervention is also likely to be required for specialist properties and for the servicing of land unless cross funding from large scale residential development is available. Where intervention is required, the Council will work with other partners on a case by case basis to explore opportunities.
- 4.6 Moray’s employment land demand is demonstrated in enquiries, take-up and development. The study found Moray outperforms comparable regions including Perth and Kinross, East Lothian and South Ayrshire and employment land demand has increased recently, as occupier modernisation and growth take effect. The Study notes that Moray has a number of land-hungry extraction and production industries as well as growth prospects at the other end of the spectrum in technology-rich sectors which require more space per job than traditional industrial premises. These require a generous approach to employment land estimates and allocations. To accommodate these trends and based upon the research completed the study recommends the following projected land requirements over the next LDP period (2027-2037).
- 2027-2032 – 25-30 ha
  - 2033-2037 – 25-30 ha
- 4.7 This equates to approximately 5-6 ha per annum which is 20-25% higher than the 4-5ha used for the 2020 LDP. The study recommends that this requirement is split across market areas in the same way as the 2020 LDP

with 54% of the requirement directed towards the Elgin market area, 15% to the Forres and Buckie market area and 8% to the Keith and Speyside market areas. The Employment Land Audit 2023 (ELA 2023), which is also subject of a report to this Committee, identifies an overall effective supply of just over 99 ha. The ELA also identifies there are shortages in supply in Speyside and for general industrial land in the Forres market area which will require to be addressed. Therefore, whilst overall there is a generous supply of land available which will contribute to meeting the projected annual requirements additional land will require to be identified to ensure there continues to be effective supply towards the end of the new 10 year plan period and to address the shortages currently identified. The findings of the study and the data from the ELA 2023 will be explored further in a topic paper that will form the basis of a future workshop with members in respect of the new LDP.

- 4.8 It is recommended that the Business Property Needs Study is agreed as a material consideration for development management purposes. The study findings will also be incorporated into the Evidence Report for the next LDP that will be reported to Council in March 2024. The study will also be reported to the Economic Development and Infrastructure Committee and Moray Economic Partnership for their information.

## **5. SUMMARY OF IMPLICATIONS**

**(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The study provides an up to date evidence base to base future planning decisions relating to employment land. Ensuring sufficient provision of effective employment land supports a growing and diverse economy which will provide a stable, sustainable employment base.

**(b) Policy and Legal**

Preparation of a LDP is a statutory requirement and the study recommendations will be used to develop policy and direct designation. A good evidence base to inform policy and designations is a statutory requirement.

**(c) Financial implications**

None.

**(d) Risk Implications**

Not using the findings of the Moray Business Property Needs Study as a material consideration would mean that planning decisions are not based on the most up to date information available and could potentially have implications for business investment and economic growth.

**(e) Staffing Implications**

None. The findings and recommendations will now be taken forward during the review of the LDP by existing staff resources.

**(f) Property**

No specific implications for property at this stage however Moray Council

owns/manages land and property within its own port-folio. The Council's Asset Manager (Commercial Buildings) engaged with the study authors and reviewed the study documents.

**(g) Equalities/Socio Economic Impact**

None at this stage.

**(h) Climate Change and Biodiversity Impacts**

Moray Local Development Plan policies seek to ensure that biodiversity is enhanced and all new buildings reduce carbon emissions.

Development proposals are required to maximise connections and routes for pedestrians/cyclists including connections to active travel routes thereby reducing carbon emissions associated with vehicles, create green and blue infrastructure and incorporate and enhance biodiversity through planting and other mechanisms.

**(i) Consultations**

Consultation has taken place with the Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Asset Manager (Commercial Buildings), the Legal Services Manager, the Principal Climate Change Officer, the Equal Opportunities Officer, the Development Management and Building Standards Manager and Chief Financial Officer and Democratic Services Manager and their comments incorporated into the report.

**6. CONCLUSION**

**6.1 The Moray Business Property Needs Study provides information and analysis of the current and projected demand for commercial land and building to help inform the Evidence Report for the new Local Development Plan and the Regional Spatial Strategy.**

Author of Report: Rowena MacDougall, Senior Planning Officer

Background Papers:

Ref:



**MORAY COUNCIL  
BUSINESS  
PROPERTY NEEDS  
STUDY  
MAY 2023**

**Ryden**

<b>01</b>	<b>INTRODUCTION</b>
<b>02</b>	<b>ECONOMIC BASELINE</b>
<b>03</b>	<b>ECONOMIC POLICY</b>
<b>04</b>	<b>KEY SECTORS</b>
<b>05</b>	<b>PLANNING POLICY</b>
<b>06</b>	<b>PROPERTY MARKET REVIEW</b>
<b>07</b>	<b>COUNCIL INVESTMENT PORTFOLIO</b>
<b>08</b>	<b>EMPLOYMENT LAND</b>
<b>09</b>	<b>BUSINESS SURVEY, CONSULTATION AND ENQUIRIES</b>
<b>10</b>	<b>FUNDING</b>
<b>11</b>	<b>SUMMARY AND MARKET NEEDS</b>
	<b>APPENDICES</b>
<b>A</b>	<b>EMPLOYMENT LAND SITE ASSESSMENTS</b>
<b>B</b>	<b>BUSINESS SURVEY</b>
<b>C</b>	<b>LIST OF CONSULTEES</b>

# 01

## INTRODUCTION

- 1.1 In January 2023, Ryden was appointed by Moray Council (the Council) to undertake a Business Property Needs Study to provide up to date information and analysis of current and future demand for business property (buildings and land) in the area. The aim of the study is to ensure that the supply of employment sites within Moray reflects the needs of current and future businesses. The study will be used to inform strategy, policy and designations within the next Moray Local Development Plan (LDP).
- 1.2 Moray is located in the north east of Scotland, with a coastline on the Moray Firth, and borders the Council areas of Aberdeenshire and Highland. The large majority of Moray's population live in the northern part of the district with Elgin being by far the largest town. In 2021, the population of Moray was 96,410<sup>1</sup>, accounting for 1.8% of the total population of Scotland.
- 1.3 Employment land is defined as being suitable for any use within, or ancillary to, those specified in Use Classes 4, 5 or 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997. These are defined as:
- Use Class 4 – Office, business or light industrial
  - Use Class 5 - General Industry
  - Use Class 6 - Storage and Distribution
- 1.4 Retail, tourism and leisure uses are excluded from the definition of employment land. Having an adequate supply of employment land allows business to grow, invest and create jobs.
- 1.5 The adopted National Planning Framework 4 (NPF4) guides development and land use. It requires that LDPs allocate sufficient land for business and industry, taking into account business and industry land audits, in particular ensuring that there is a suitable range of sites that meet current market demand, location, size and quality in terms of accessibility and services. Allocations should take account of local economic strategies and support broader objectives of delivering a low carbon and net zero economic recovery, and a fairer and more inclusive wellbeing economy, in-keeping with the Scotland's National Strategy for Economic Transformation.
- 1.6 The study objectives are to:
- Understand and project demand for business property (land and buildings) in Moray for the Moray Local Development Plan 2027 plan period
  - Test demand against the available supply
  - Identify gaps in provision and highlight market failures
  - Highlight specific sectors with expansion and replacement needs, especially in relation to the growing renewables sector and opportunities available to Moray businesses through the Scottish Government's Just Transition Fund
- 1.7 The remainder of the report is structured as follows; sections 2-4 were prepared by BiGGAR Economics to provide an economic context for the business property market study:



<sup>1</sup> National Records of Scotland (2022), Mid-2021 population estimates Scotland.

- Section 2 provides the economic baseline context
- Section 3 details the economic policy context and key sectors,
- Section 4 details the key sectors which are expected to be key drivers of growth in Moray over the next few years
- Section 5 provides the planning policy context
- Section 6 contains a property market review which considers trends and evidence, supply, rents and viability
- Section 7 assesses the Council's own investment portfolio
- Section 8 provides a detailed assessment of allocated employment land
- The findings of the business survey and consultation are reported in Section 9
- Section 10 updates and summarises the employment land and property public funding landscape
- A report summary and market needs for Moray are provided in Section 11.

1.8 A copy of the full employment land site assessments is provided at Appendix A and a copy of the business survey is included at Appendix B.

# 02

## ECONOMIC BASELINE

### INTRODUCTION

- 2.1 The retention and expansion of Moray's working age population will require consideration of the land needed to enable growth in sectors which will generate employment opportunities. This section provides the economic baseline within this context. This section has been prepared by BiGGAR Economics.

### POPULATION

#### POPULATION ESTIMATES

- 2.2 In 2021, the population of Moray was 96,410, accounting for 1.8% of the total population of Scotland. The share of the population in Moray aged 16-64 years old was 61.1%, lower than the working age population for Scotland as a whole (63.8%). The proportion of residents aged 65 and over in Moray (22.3%) was higher than the national average (19.6%).

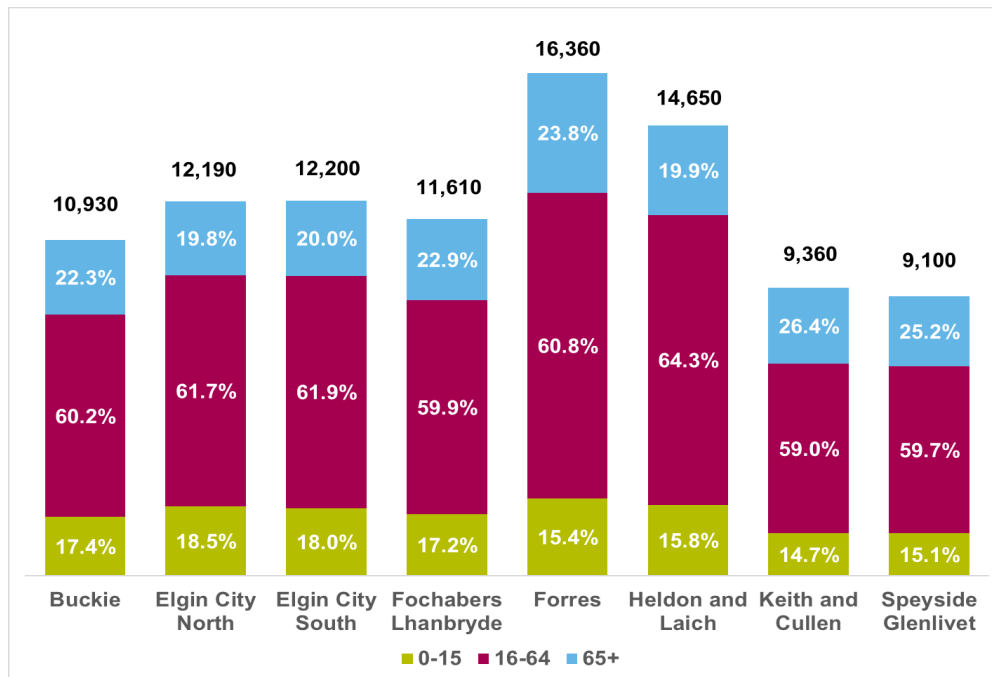
**TABLE 1: POPULATION ESTIMATES, 2021**

	MORAY	SCOTLAND
Total	<b>96,410</b>	<b>5,479,900</b>
<b>0-15</b>	16.5%	16.6%
<b>16-64</b>	61.1%	63.8%
<b>65+</b>	22.3%	19.6%

Source: National Records of Scotland (2022), Moray Council Area Profile & National Records of Scotland (2022), Mid-2021 population Estimates Scotland

- 2.3 Elgin City North (61.7%), Elgin City South (61.9%), and Heldon and Laich (64.3%) all have higher proportions of the population of working age compared to Moray as a whole (61.2%).
- 2.4 Keith and Cullen has the highest proportion of the population aged 64 and over (26.4%), with Fochabers Lhanbryde (22.9%), Forres (23.8%) and Speyside Glenlivet (25.2%) also having a higher proportion of the population aged over 64 compared to Moray as a whole (22.0%).
- 2.5 The availability of suitably skilled labour is an important consideration for any businesses. The distribution of Moray's working age population will therefore be one important influence on the locational decisions of local businesses.

**FIGURE 1: MID-2021 POPULATION ESTIMATES, ELECTORAL WARDS IN MORAY**



Source: National Records of Scotland (2022), Mid-2021 Electoral Wards Population Estimates

## POPULATION PROJECTIONS

- 2.6 Population projections released by National Records of Scotland in 2018 suggest that Moray’s population will get smaller and older over the coming years. Between 2018 and 2043, the population of Moray is predicted to fall by 2.7%, while the population of Scotland is projected to increase by 2.5% over the same period.
- 2.7 Between 2018 and 2043, the working age population of Moray was also expected to fall. The projections estimated that by 2043, people of working age would account for just 55.2% of Moray’s workforce, lower than the expected share accounted for by this demographic nationally (60.3%).
- 2.8 This suggests that businesses in the region are likely to face an increasingly tight labour market which could create difficulties in filling roles over the coming years. However, these projections do not account for the ongoing expansion of RAF Lossiemouth and the Kinloss Barracks, which could have a considerable impact on Moray’s working age population. An increase in the military population can also bring with it an increase in civilian population with spouses able to provide labour for other important sectors in Moray. Whilst population contraction may still occur it may not contract as quickly as was initially projected in 2018.

**TABLE 1: POPULATION PROJECTIONS, 2018-2043**

	MORAY		SCOTLAND	
	2018	2043	2018	2043
<b>Total</b>	<b>95,520</b>	<b>92,966</b>	<b>5,438,100</b>	<b>5,574,819</b>
<b>0-15</b>	16.9%	13.5%	16.9%	14.8%
<b>16-64</b>	61.7%	55.3%	64.2%	60.3%
<b>65+</b>	21.4%	31.2%	18.9%	24.9%

Source: National Records of Scotland (2022), Population Projections 2018-2043.

## ECONOMIC ACTIVITY

- 2.9 The economic activity rate in Moray is 78.8%, somewhat higher than Scotland as a whole (77.2%). This would be consistent with a relatively tight labour market.
- 2.10 The median annual gross wage of Moray residents was £29,666, lower than that of Scotland as a whole (£33,311).

**TABLE 3: LABOUR MARKET INDICATORS 2021/22, MORAY AND SCOTLAND**

	MORAY	SCOTLAND
Economic Activity Rate	78.8%	77.2%
Employment Rate	76.0%	74.4%
Economic Inactivity	21.2%	22.8%
Unemployment Rate	3.5%	3.5%
Median Annual Gross Wage (residents)	£29,666	£33,311

Source: ONS, (2022). Annual Population Survey. \*Model-Based Estimates. \*\*ONS, (2022). Annual Survey of Hours and Earnings.

## PRODUCTIVITY

- 2.11 In 2020, GVA per hour worked in Moray (a common measure of productivity) was £36.0, slightly lower than the Scottish rate of £36.9 GVA per hour worked. However, Moray has a relatively high proportion of employment in low productivity sectors (see Table 4), which suggests productivity in other sectors is higher than average.

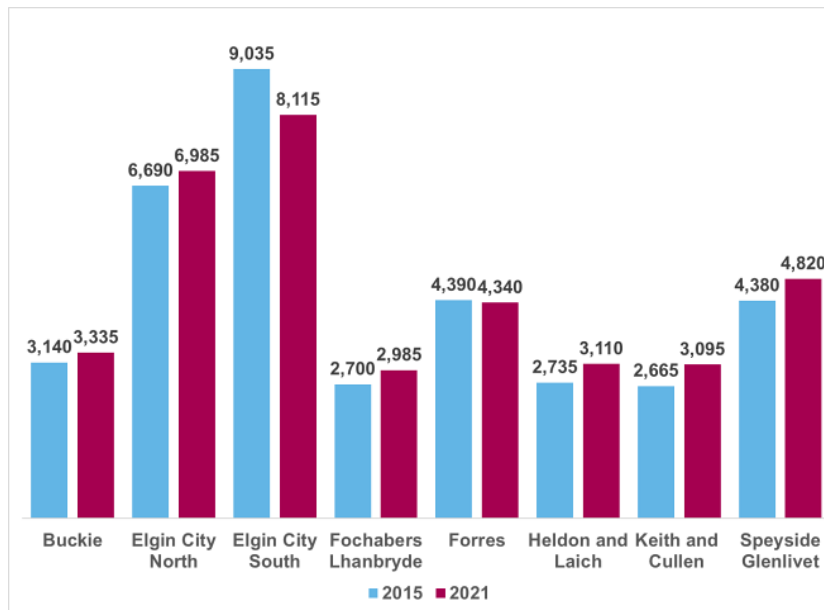
**TABLE 4: PROPORTION OF EMPLOYMENT IN LOW PRODUCTIVITY SECTORS, 2021**

SECTOR	MORAY	SCOTLAND
Accommodation and food services	7.7%	7.5%
Retail	11.5%	10.0%
Public sector	30.2%	29.9%
<b>Total</b>	<b>49.4%</b>	<b>47.4%</b>

Source: ONS (2022). Business Register and Employment Survey 2021

## EMPLOYMENT TRENDS AND DISTRIBUTION

- 2.12 The total number of jobs in Moray increased by 7.2% between 2019 and 2021. More than one in five (22.1%) of these jobs was in Elgin City South, although employment here fell by 10.2% between 2015 and 2021. This was the largest decline in employment anywhere in Moray except Forres (where employment fell by 1.1%). Employment increased in all other areas, with Keith and Cullen experiencing the largest increase.

**FIGURE 2: TOTAL EMPLOYMENT BY AREA IN MORAY, 2015 COMPARED TO 2021**

## QUALIFICATIONS

2.13 Overall, the level of qualification attainment in Moray is similar to Scotland as a whole. Moray has slightly higher than average shares of the working age population with qualifications at the NVQ1 - NVQ3 levels but is slightly below average in terms of attainment of NVQ4 qualifications. This labour market profile would tend to support expansion in elementary occupations and skilled trades rather than professional/managerial roles. This could have implications for the profile of demand for future employment space (i.e. favouring industrial rather than offices.)

**TABLE 5: QUALIFICATIONS, 2021**

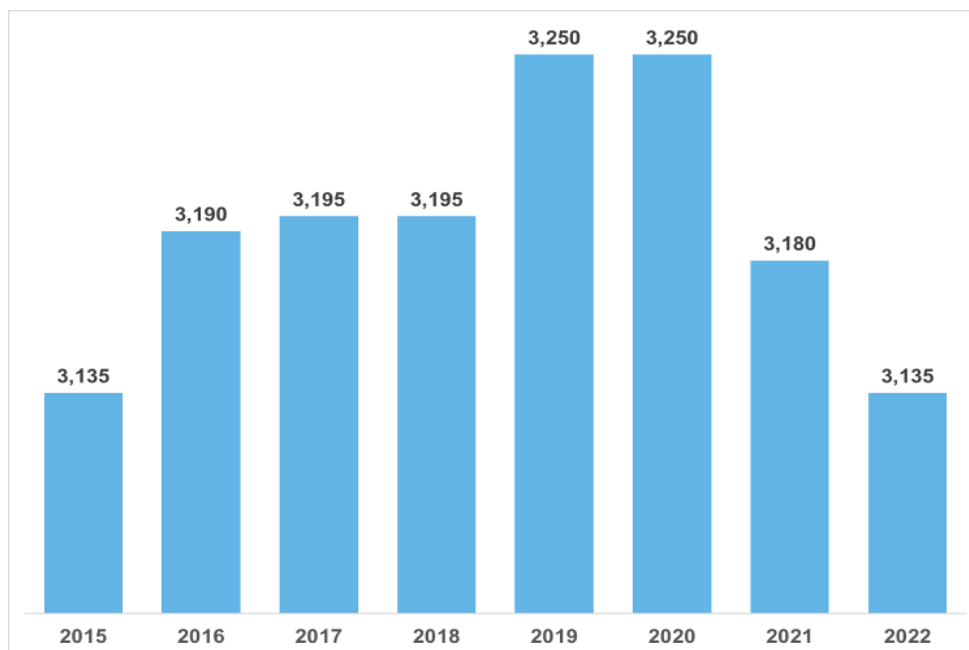
QUALIFICATION	MORAY	SCOTLAND
% with NVQ4+	48.2%	50.0%
% with NVQ3+	65.1%	64.8%
% with NVQ2+	80.9%	79.6%
% with NVQ1+	91.1%	86.4%
% with other qualifications	3.7%	5.8%
% with no qualifications	5.2%	7.8%

Source: ONS, (2022). Annual Population Survey.

## IMPACT OF COVID-19

2.14 Prior to the Covid-19 pandemic, business numbers in Moray were growing, with the total number of businesses in the area increasing by 3.7% between 2015 and 2019. Since 2020, the number of businesses in Moray has fallen by 3.5%, with the total number of enterprises in 2022 equal to the total in 2015. This is a bigger decline than for Scotland as a whole, which experienced a fall of 2.3% over the same period.



**FIGURE 3: TOTAL NUMBER OF BUSINESSES IN MORAY, 2015-2022**

Source: ONS, (2023). UK Business Counts.

- 2.15 In 2022, 88.5% of businesses in Moray were micro businesses, employing fewer than 10 people. This type of business has borne the brunt of the recent economic contraction, with 115 fewer micro businesses in the area in 2022 compared to 2020.
- 2.16 This could have implications for the size of business units likely to be required in the future to the extent that the contraction released business property onto the market. The Council did note that a number of its tenants did terminate their leases due to Covid however new tenants have since been secured for the majority of those properties.

**TABLE 6: COMPARISON OF BUSINESSES IN MORAY BY SIZE, 2020-2022**

BUSINESS SIZE	2020	2022	DIFFERENCE
Micro Businesses (employing 0-9)	2,875	2,760	-115
Small Businesses (employing 10-49)	325	325	0
Medium Businesses (employing 50-249)	40	40	0
Large Businesses (employing over 250)	10	10	0
<b>Total</b>	<b>3,250</b>	<b>3,135</b>	<b>-115</b>

Source: ONS, (2022). UK Business Counts. \*Figures may not sum due to rounding

## BUSINESS BIRTH RATE

- 2.17 A total of 225 businesses started up in Moray in 2021, 13.5% fewer than in 2019. Business births decreased more sharply in Moray than across Scotland as a whole, where total business births fell by 8.6% between 2019 and 2021. The Covid-19 pandemic will have had an impact on these figures and this trend will not necessarily persist.

**TABLE 7: BUSINESS BIRTH RATE, MORAY AND SCOTLAND**

	MORAY	SCOTLAND
Business Births 2019	260	20,680
Business Births 2020	210	16,850
Business Births 2021	225	18,910
Change in Business Birth Rate 2019-2021	-13.5%	-8.6%

Source: ONS, (2022). UK Business Demography. (These figures do not include unregistered enterprises).

## SUMMARY

- 2.18 The most recent projections suggest that the population of Moray is likely to fall in the coming years. Compared to Scotland as a whole, Moray also has a lower proportion of working aged people. While the total number of people in this demographic is likely to benefit from the expansion of the defence sector, the share it accounts for is still expected to fall overall at a faster rate than the national average in the coming years, particularly for the civilian population.
- 2.19 Access to an adequate supply of labour is an important consideration for any business so, other things being equal, these trends could dampen future demand for business space. However, new economic opportunities could stem or reverse these trends, making it particularly important they are considered within this assessment.
- 2.20 The current distribution of economic activity and working aged population in Moray is concentrated in and around Elgin. This could make this area relatively attractive to new/expanding businesses and influence future demand for business property. As a result, it is likely that development will be more viable in Elgin than some of the smaller towns.
- 2.21 The qualifications profile of the local workforce is skewed toward lower-level qualifications, which is likely to favour expansion of elementary occupations and skilled trades rather than professional and managerial roles. This could have implications for the type of business space required in the future, with industrial type space likely to be relatively more important than offices.
- 2.22 Most businesses in the region are micro-businesses, which will have implications for the size of units required in the future. However, micro-businesses bore the brunt of the recent economic contraction and the business birth rate has fallen significantly recently, which could imply reducing demand for this type of space, however it will be interesting to see if this trend persists post pandemic.
- 2.23 However, Moray's future prosperity will depend on the health of its business base. Productivity levels are already slightly lower than elsewhere in Scotland and addressing this will require innovative businesses with the capacity to grow. Such businesses will not be attracted to ageing, sub-standard accommodation.

# 03

## ECONOMIC POLICY

### INTRODUCTION

- 3.1 Achieving greater regional equality and managing the transition to net-zero will be important economic drivers in the near term. This is expected to create significant opportunities for Moray in renewable energy, life sciences and aerospace in particular. This section on economic policy has been prepared by BiGGAR Economics.

### UK CONTEXT

#### LEVELLING UP<sup>2</sup>

- 3.2 In early 2022, the UK Government published its Levelling Up strategy. The strategy acknowledged inequalities between parts of the UK and established a set of missions to address these. The objective was to allow everyone the same opportunities in regard to health, education, work, and life chances no matter which part of the UK they live in. A common theme across several of these missions is the need to create more jobs outside London. To achieve this the strategy recognises a need to attract business investment to other parts of the UK.
- 3.3 As part of the levelling up agenda, the UK Government is investing £4.8 billion in infrastructure through the Levelling Up Fund. The aims of this fund are to support the regeneration of town centres and high streets, upgrade local transport, and invest in cultural and heritage assets. By helping to make areas more attractive to businesses the Levelling Up Fund is intended to lead to the creation of new employment opportunities, which would require employment land.
- 3.4 When the prospectus for the second round of funding was published, it was expected the fund would continue until 2024/25. While no changes to the level of funding or timeline have yet been announced, changes in administration since then may affect the strategic aims of the UK Government.
- 3.5 In 2022, Moray Council submitted a bid to the second round of the Levelling Up Fund. This bid was focused on improving the attractiveness of Elgin, Moray's principal settlement and administrative centre, as a place to live and invest. Although this bid was not successful Moray Council is now considering submitting a revised bid in 2023. If successful, this would help stimulate increased growth across the region.

### SCOTTISH CONTEXT

#### NATIONAL PERFORMANCE FRAMEWORK

- 3.6 Scotland's National Performance Framework (NPF) sets out the Scottish Government's purpose of *"creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing and inclusive and sustainable growth"*.
- 3.7 The NPF is based around 11 national outcomes, which are statements of the kind of nation Scotland wants to be and progress is assessed using 81 indicators. It sits at the top of Scotland's policy hierarchy, meaning all other policies and strategies should be contributing to the outcomes that it identifies.
- 3.8 In 2021, following recommendations from the Advisory Group on Economic Recovery, the four capitals of

<sup>2</sup> HM Government (2022) Levelling Up the United Kingdom. Ryden, May 2023

the economy (human, natural, social and economic) were incorporated into the NPF as necessary elements for the wellbeing of current and future generations<sup>3</sup>. Economic capital relates to the production of physical assets, such as (for example) business premises. An adequate supply of employment land therefore directly underpins this element of the Framework.

- 3.9 Business space is also particularly relevant to the 'economy' and 'fair work and business' outcomes in the Framework, which seek to ensure businesses can thrive and the economy is sustainable. Business space can also contribute to the 'reduction of poverty' outcome by enhancing opportunities in deprived areas.

## SCOTLAND'S NATIONAL STRATEGY FOR ECONOMIC TRANSFORMATION

- 3.10 In March 2022, the Scottish Government published its National Strategy for Economic Transformation. The ten-year strategy sets out the Government's priorities and actions for achieving a wellbeing economy, which is defined as one that delivers economic prosperity across social, economic, and environmental dimensions. To achieve this the Government has emphasised the need to capitalise on key economic opportunities such as the transition to a net zero economy and the importance of reducing socio-economic inequalities between parts of the country.
- 3.11 The ambition of the strategy is for 'Scotland to be successful' over the next decade. To achieve this the strategy aims to create an economy in which all people can have access to skilled, well-paid, jobs, and businesses and entrepreneurs have the conditions necessary to flourish. These conditions will necessarily include access to an adequate supply of accommodation appropriate to business needs.
- 3.12 One aspect of the strategy's vision is for Scotland to be 'the best place to start and grow a business'.<sup>4</sup> However a key issue highlighted is that Scotland falls behind other countries in terms of productivity. It notes that there are too few businesses scaling up or starting and that limited access to infrastructure is a factor in this.
- 3.13 Each of the priorities and proposals identified in the strategy are national objectives and, as such, all have implications for Moray. With a key focus of the strategy being on inclusive growth across, an adequate supply of employment land will be important for enabling the business growth required to support inclusive growth.
- 3.14 In relation to the productivity challenge, the strategy also notes low national levels of research and development (R&D) activity. Data collected by the Scottish Government on Business Enterprise Research and Development (BERD) shows that in 2020, businesses in Moray spent approximately £3.7 million on R&D, accounting for 0.3% of the total spend in Scotland during the year. The data also shows that R&D investment by businesses in Moray has grown in recent years, with spending on R&D increasing by 95.0% between 2015 and 2020.<sup>5</sup> This suggests that future demand for business space will, to some extent, be driven by R&D focused businesses.
- 3.15 The transition to becoming a net zero economy also offers new market opportunities for Scottish businesses, most notably in the renewable energy sector. With a variety of renewable energy projects (particularly on-shore) either in development or already operational in the area<sup>6</sup>, Moray is well placed to benefit from these opportunities.

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<sup>3</sup> Advisory Group on Economic Recovery, 2020, Towards a Robust, Resilient Wellbeing Economy for Scotland

<sup>4</sup> Scottish Government (2022). Scotland's National Strategy for Economic Transformation.

<sup>5</sup> Business Enterprise Research and Development Scotland (2020). Expenditure on R&D performed within businesses in Scotland: Local Authority Level.

<sup>6</sup> UK Government (2023), Renewable Energy Planning Database: quarterly extract  
*Ryden, May 2023*

## REGIONAL CONTEXT

### HIGHLANDS AND ISLANDS ENTERPRISE MORAY SUMMARY REPORT<sup>7</sup>

- 3.16 In 2022, Highlands and Islands Enterprise published reports detailing the results of a large-scale survey aiming to understand the views and experiences of individuals living, working, and studying across eight regions of the Highland and Islands.
- 3.17 Amongst the report's findings were that fewer people in Moray were self-employed compared to the Highlands and Islands as a whole but that 11% of respondents wanted to start a business. The survey also found that the top priorities for communities in Moray included the availability of more job opportunities, and local businesses and trades. Furthermore, 20% of respondents felt the area required jobs in the area that pay better.
- 3.18 Facilitating employment opportunities and supporting local businesses will require a supply of employment land which accounts for and enables growth in sectors with the potential to effectively expand and offer high-quality employment to local people.

### MORAY COUNCIL ECONOMIC RECOVERY PLAN

- 3.19 In 2020, Moray Council published its Economic Recovery Plan, aiming to outline the actions for Community Planning Partners to take to accelerate economic growth to support recovery from the impact of Covid-19 on the region's economy. The plan was developed with six main principles:
- Smart growth: business continuity and resilience will be at the heart of the recovery process;
  - Clean growth: transition to carbon free where opportunities arise including promotion of home-working to reduce commuting;
  - Inclusive growth: no geographic locations or sections of the community are left behind;
  - Fair work: employees are rewarded and benefit from economic recovery;
  - Targeting disadvantage: enabling early recovery particularly for those reliant on child care, public transport, access to broadband and those requiring to be reskilled; and
  - Smart procurement: public sector spend will be used to maximise local economic impact and opportunity.
- 3.20 If these principles are to be fulfilled, Moray will require employment land which enables businesses to grow effectively in the area, facilitating inclusive growth and fair work in Moray through improved access to well-paid jobs.
- 3.21 In aiming to understand the impact of Covid-19 on the major sectors in Moray to allow policy decisions to best support an effective economic recovery, the strategy highlights the unique importance of Moray's manufacturing sector, to both the region and Scotland. The manufacturing sector in Moray contributed 0.48% of Scottish GVA while accounting for just 0.15% of businesses and 0.25% of employees. It also has a higher GVA per employee than the Scottish average.
- 3.22 Growing Moray's high value manufacturing activity could therefore help to boost productivity in the region. Ensuring manufacturing businesses have access to an adequate supply of appropriate accommodation will be key to achieving this.

### MORAY GROWTH DEAL<sup>8</sup>

- 3.23 The Moray Growth Deal, published in 2021, is a collaborative project between Moray Council, the Scottish and UK governments, and stakeholders from across the private, public and third sector. It aims to deliver

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<sup>7</sup> Highlands and Islands Enterprise (2022), My Life in the Highlands and Islands Research: Moray Summary Report

<sup>8</sup> Moray Council (2021), Moray Growth Deal

Ryden, May 2023

transformational investment of over £100 million over ten years on eight strategic projects designed to improve the competitiveness of Moray's economy. The projects were chosen with aim of delivering the Moray Growth Deal's vision for the area that:

*“By the year 2030 Moray is a destination of choice, the area being known and recognised as an outward-facing and ambitious community with a thriving and well-connected commercial base, and an environment in which quality of life is valued and supported.”*

- 3.24 The projects within the Growth Deal focus particularly on the development of sectors such as manufacturing, aerospace and life sciences. It was estimated that the investment delivered through the Moray Growth Deal will:
- Directly and indirectly create over 3,500 jobs associated with the economic benefits accrued from growth deal projects;
  - Of these, 450 jobs will be directly created as part of growth deal project delivery;
  - Attract an additional 50,000 tourists;
  - Construct over 300 affordable new homes;
  - Support 450 businesses to scale up to increase the value of the Moray economy by £82 million;
  - Create new and improve existing facilities for businesses;
  - Create an enhanced culture and leisure offering for local people to make; and
  - Make Moray a more attractive place to live and work.
- 3.25 For these expectations to come to fruition, the sectors supported by the investment associated with the Moray Growth Deal will require suitable employment land to enable them to create jobs and scale up businesses activity.

## THE MORAY ECONOMIC STRATEGY 2019-2029<sup>9</sup>

- 3.26 In 2018, the Moray Community Planning Partnership published a strategy outlining the aims for the economy for the period 2019-2029, maintaining the overall objective to grow and diversify the economy of Moray. Although the strategy was updated in 2022 to reflect important developments such as the Covid19 pandemic and Brexit (see section 3.31-3.35) it highlights important strategic priorities and opportunities that continue to be of relevance and bear repetition.
- 3.27 For example, the strategy highlighted four important strategic economic priorities for the region:
- Qualification levels: an increase across all ages and genders in qualifications
  - Small business growth: more small and medium-sized businesses employing between 10 and 100 people;
  - Talent attraction, retention and return: more skilled, higher paid jobs that deliver net in-migration in the 16-29 age range; and
  - Business competitiveness: an increase in capital investment and focused workforce development to strengthen competitiveness.
- 3.28 The strategy also highlighted a number of sectors that are expected to generate significant future opportunities for growth, in particular:
- The manufacture of food and drink - Moray is home to just under half of all the whisky distilleries in Scotland meaning this sector also plays an important role in supporting the local tourism sector.
  - Life sciences and technology – Moray has a growing reputation in digital health technologies.
  - Defence - Moray hosts RAF Lossiemouth, one of the largest and busiest Royal Air Force stations, as well as Kinloss Barracks.
- 3.29 The Moray Growth Deal aims to establish the region as a leader in these sectors. Two particularly important

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<sup>9</sup> Moray Community Planning Partnership (2018), The Moray Economic Strategy 2019-2029  
Ryden, May 2023

projects include the Moray Aerospace, Advanced Technology and Innovation Campus (MAATIC) and the Digital Health Institute. MAATIC will provide training, innovation and research development to build on local strengths in the defence sector and support the development of the aerospace sector while the Digital Health Institute will provide innovation support to companies in the life science sector.

3.30 An adequate supply of employment land will be needed to achieve these aspirations.

## THE MORAY ECONOMIC STRATEGY 2022<sup>10</sup>

3.31 The Moray Community Planning Partnership updated its strategic aims in 2022, considering the effects on Moray of the Covid-19 pandemic, Brexit and the cost of living crisis. The Moray Economic Strategy outlines the updated aims for the region over the coming decade, with the overall vision to see Moray as:

*“A distinctive and attractive place to live, work, operate a business or social enterprise, study and visit”.*

3.32 The strategy highlights that, to achieve this vision, the unique challenges and opportunities faced by Moray must be acknowledged in forums and government at the regional and national level. In ensuring Moray’s distinctive needs are addressed, the strategy outlines five priority areas for action, including:

- Moray Growth Deal projects;
- A sufficient labour market;
- Ensuring alignment between skills provision and the changing economy;
- Integrated approach to delivering transition to net zero and community wealth building; and
- Supporting productivity growth.

3.33 As part of the aim to support productivity growth, the strategy highlights the need to increase the number of start-ups in the area, as well as the number and speed of scale ups to help them become larger local employers. To enable growth in start-ups and scale-ups, Moray will require suitable employment land which supports the development of small and medium size businesses.

3.34 The aim to deliver the transition to net zero and community wealth building through an integrated approach highlights the opportunities for the area in the renewable energy sector, with expected growth in onshore wind, offshore wind and hydrogen developments in the area. As these sectors grow, they are likely to create the need for employment land if Moray aims to ensure that the benefits created by these projects are maximised by supporting the development of relevant sectors along the supply chain of renewables projects.

3.35 The strategy also outlines the motivations behind supporting the Moray Growth Deal and its associated projects. The Growth Deal will build on existing strengths of Moray’s culture, tourism and manufacturing sectors, as well as supporting the development of other sectors, facilitating the type of economic growth the strategy aims to create; sustainable, fair and inclusive. The updated economic strategy further emphasises the benefits associated with MAATIC, which is expected to support aerospace and other manufacturing enterprises in the area, as well as engineering and aviation.

## MORAY REGIONAL SKILLS ASSESSMENT

3.36 A Regional Skills Assessment for Moray published by Skills Development in Scotland in 2022<sup>11</sup> provided data on the industrial structure of the region to support strategic skills investment planning associated with the Moray Growth Deal. The assessment highlights various sectors with above average employment in Moray, including manufacturing, food and beverages and forestry and logging.

3.37 The assessment also includes projections of how employment could change in the region, in part as a result

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<sup>10</sup> Moray Economic Partnership (2022), The Moray Economic Strategy 2022

<sup>11</sup> Skills Development Scotland, (2022). Regional Skills Assessment: Highlands and Islands  
Ryden, May 2023

of the Moray Growth Deal. Overall, it is expected that in the mid-term (2021-2024), employment in the region should grow by 800. However, it is expected that in the long term, the region will experience a contraction in employment, with projections suggesting that there will be 1,000 fewer people in employment in the Moray Growth Deal region in 2031 compared to 2024.

- 3.38 Mid-term projections suggest growth in sectors such as accommodation and food services, as well as arts, entertainment and recreation, both associated with the tourism sector. It is also expected there will be mid-term contractions in employment, particularly in the public administration, defence sector and manufacturing sectors, which projections suggest will experience a decrease of 100 in total employment between 2021 and 2024 as less labour intensive methods of manufacturing are adopted. The mid-term contraction in manufacturing is forecast to continue into the longer term, with projections suggesting there will be 800 fewer manufacturing jobs in the Moray Growth Deal region in 2031 compared to 2024.
- 3.39 To sustain the workforce as this major sector contracts will require a consideration of how to ensure workers in Moray have access to opportunities. This will be supported by enabling potential growth sectors in the area access to the type of employment land that will allow them to expand and create employment.

## SUMMARY

- 3.40 The UK Government is aiming to Level Up communities across the UK, seeking to address regional inequalities and support local projects which will generate opportunities to improve the health, education, work and life chances of the population regardless of where they live in the UK. As part of this plan, local authorities are gaining more power through city growth deals to address the key challenges and opportunities of individual areas. This is further supported through the available funding mechanisms to drive investment in local authority areas.
- 3.41 Scottish strategic priorities have begun to focus on going beyond traditional measures of economic success by transitioning to a wellbeing economy, evidenced by the publication of the National Performance Framework. This focus on generating economic prosperity for all people while ensuring a just transition to net zero will require regional consideration of current and potential demand for employment land which accounts for the opportunities this transition will create in sectors such as renewable energy.
- 3.42 Regional strategies highlight Moray's strategic aim to create work opportunities in the region which will support well paid work and retain the workforce. The local authority area has existing strengths in a variety of sectors, for which potential growth should be considered to effectively understand requirements for employment land. The region is also in the process of establishing itself across sectors such as life sciences and aerospace, the growth of which will result in demand for employment land which allows effective growth and supports the region's economy.



# 04

## KEY SECTORS

### INTRODUCTION

- 4.1 Building on Sections 2 and 3, this section considers the key sectors which will be important drivers of growth in the Moray economy over the next few years and could stimulate additional demand for business space. Aerospace and renewable energy are expected to be particularly key. As part of its property needs assessment Moray Council will need to consider potential demand for all types of employment land, including Planning Use Class 4, 5 and 6.
- 4.2 The key sectors identified in the previous section which should be considered as part of employment land decisions include:
- Manufacturing
  - Energy and renewables
  - Manufacture of food and beverages
  - Manufacture of wood products
  - Sustainable tourism
  - Life sciences
  - Defence activities
  - Aerospace
- 4.3 This section considers recent trends and emerging opportunities relating to each of these sectors and their potential implications for demand for business space. It has been prepared by BiGGAR Economics.

### OVERALL INDUSTRIAL STRUCTURE

- 4.4 In 2021, total employment in Moray was 39,375.
- 4.5 Employment within the manufacturing sector (associated with class 5 land use) accounted for 15.4% of employment, higher than across Scotland as a whole, where the sector accounted for 6.8% of employment).
- 4.6 Wholesale and transport and storage sectors (associated with class 6 land use) employed around 2,300 people, accounting for 5.9% of employment. These sectors were relatively under-represented compared to Scotland as a whole (6.6%).
- 4.7 Office-based sectors (associated with class 4 land use), including professional, scientific and technical, ICT, financial and insurance and business administration and support services, account for over 3,000 jobs in Moray, 7.9% of total employment. This is around half the level across Scotland as a whole (14.7%).
- 4.8 Moray also has relatively a large proportion of employment within health (15.4%), retail (11.5%), and construction (7.7%).

**TABLE 8: EMPLOYMENT IN MORAY AND SCOTLAND BY INDUSTRY, 2021**

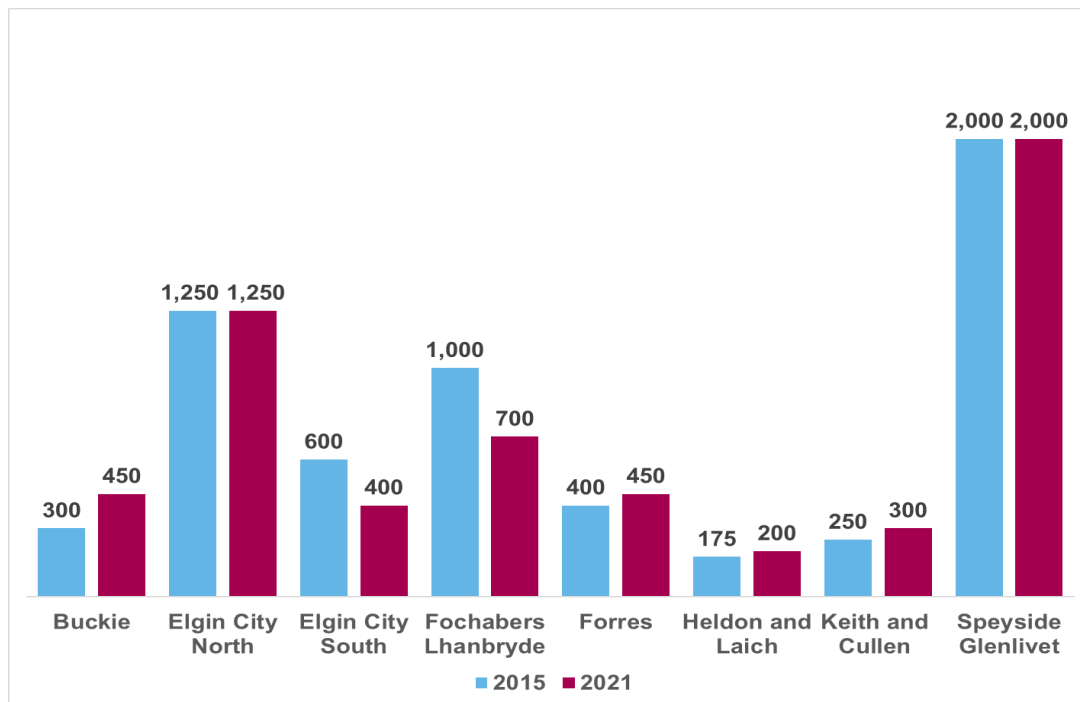
INDUSTRY	MORAY	SCOTLAND
Manufacturing	15.4%	6.8%
Health	15.4%	15.3%
Retail	11.5%	10.0%
Education	9.0%	8.3%
Construction	7.7%	6.0%
Accommodation & food services	7.7%	7.5%
Agriculture, forestry & fishing	6.4%	3.4%
Public administration & defence	5.8%	6.3%
Arts, entertainment, recreation & other services	3.8%	4.2%
Transport & storage	3.8%	4.1%
Professional, scientific & technical	3.2%	6.4%
Business administration & support services	3.2%	7.7%
Motor trades	2.3%	1.7%
Wholesale	2.1%	2.5%
Mining, quarrying & utilities	1.3%	2.4%
Information & communication	0.9%	3.0%
Property	0.9%	1.5%
Financial & insurance	0.6%	2.9%
<b>Total</b>	<b>39,375</b>	<b>2,617,000</b>

Source: ONS (2022). Business Register and Employment Survey 2021

## MANUFACTURING

- 4.9 In 2021, around 6,000 people were employed in manufacturing jobs in Moray, more than a third (34.8%) of total employment in the sector. After a period of growth between 2016 and 2021, the number of businesses operating in the manufacturing sector in Moray fell by 9.5% between 2021 and 2022 to around 190.
- 4.10 Between 2015 and 2021 employment in the sector across the region was broadly constant, despite some fluctuation between wards. By far the greatest concentration of employment in the sector is in the electoral ward of Speyside and Glenlivet.

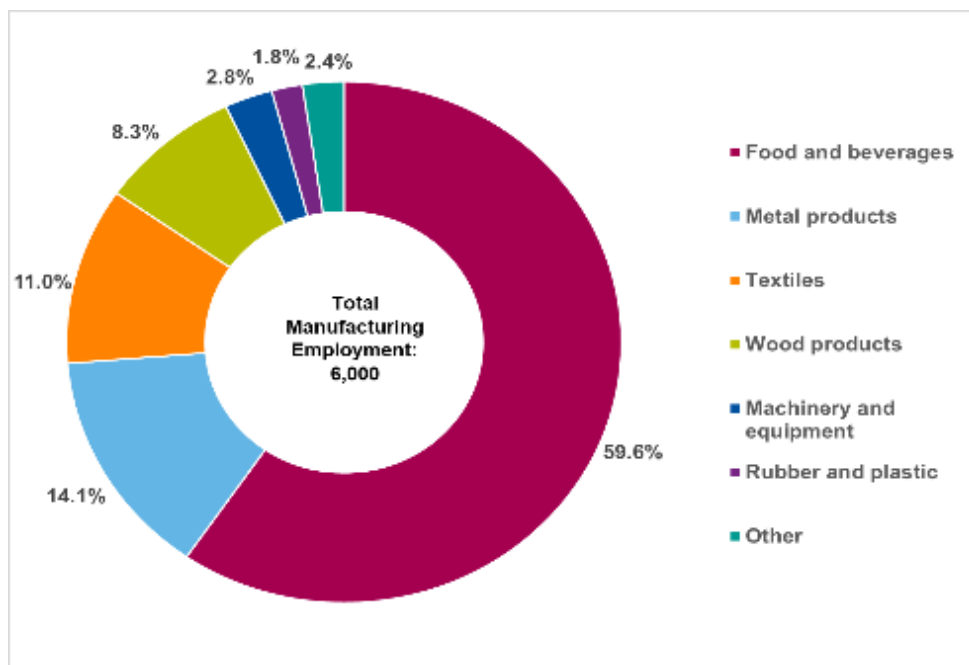
**FIGURE 4: EMPLOYMENT IN MANUFACTURING BY AREA IN MORAY, 2015 & 2021**



ONS, (2022). Business Register and Employment Survey. \*Totals may not sum due to rounding.

4.11 In 2021, most of the manufacturing employment in Moray was in the manufacture of food and beverages, which accounted for 59.6% of all manufacturing jobs. Moray also has above average employment in the manufacture of wood products. This is consistent with the findings of Section 3.

**FIGURE 5: EMPLOYMENT IN MANUFACTURING SUB-SECTORS IN MORAY, 2021**



ONS, (2022). Business Register and Employment Survey.

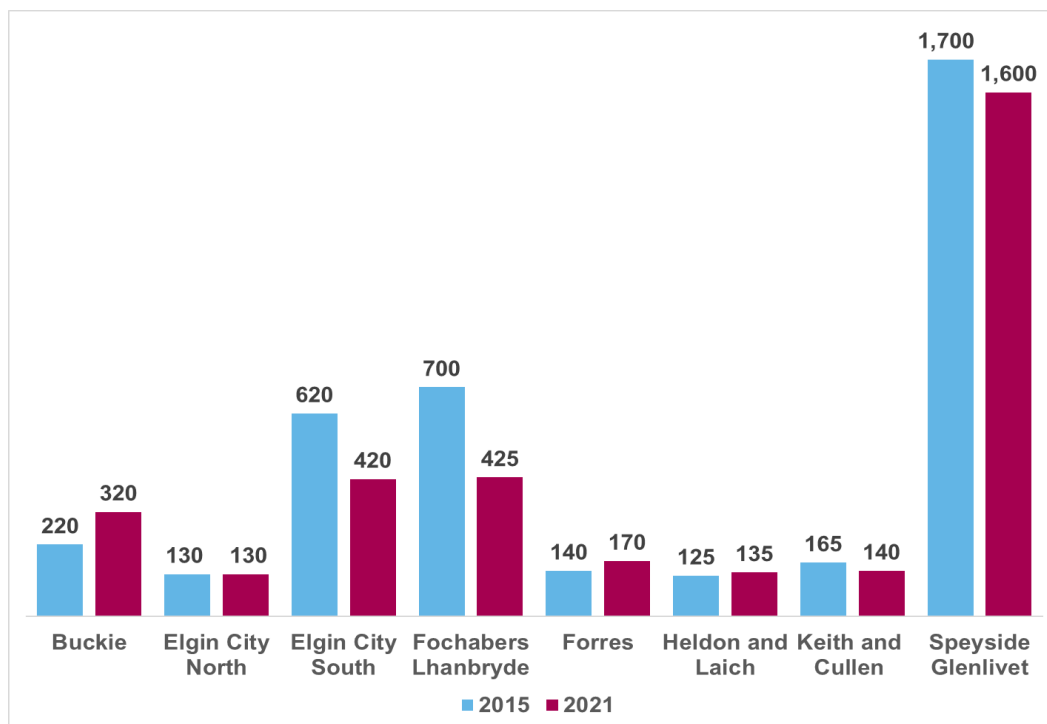
## MANUFACTURE OF FOOD AND BEVERAGES

4.12 In 2021, total employment in the manufacture of food and beverages was 3,250 in Moray. The sector accounted for 8.3% of all employment in the local authority area, compared to 1.9% of employment across Scotland as a whole. Almost half of the jobs in the sector (1,600) were located in Speyside Glenlivet, which

hosts the Glenlivet, Glenfiddich and MacCallan distilleries which are the largest single-malt producers by volume globally, as well as the Walkers Shortbread factory.

- 4.13 Between 2015 and 2021, employment in the sector fell by 13.3% (500 jobs). The most significant fall in employment occurred in Fochabers Lhanbryde, where the number of jobs in the sector fell by 39.3%. It is noted that the Covid-19 pandemic has likely impacted these figures particularly seasonal visitor roles within the distilleries. In addition, we are aware that the food manufacturers Baxter's, which are located in this area, permanently closed its visitor centre at the start of the pandemic with all of these jobs lost.
- 4.14 The number of businesses in the sector remained constant between 2017 and 2022 and now stands at 35. However, it is understood that a number of distilleries have recently undergone significant expansion and numerous others are also exploring options for increasing the energy efficiency of their production, including through the construction of biomass facilities and there this is likely to have an impact on employment land required in the future.

**FIGURE 6: EMPLOYMENT IN FOOD AND DRINK MANUFACTURING BY AREA, 2015 & 2021**



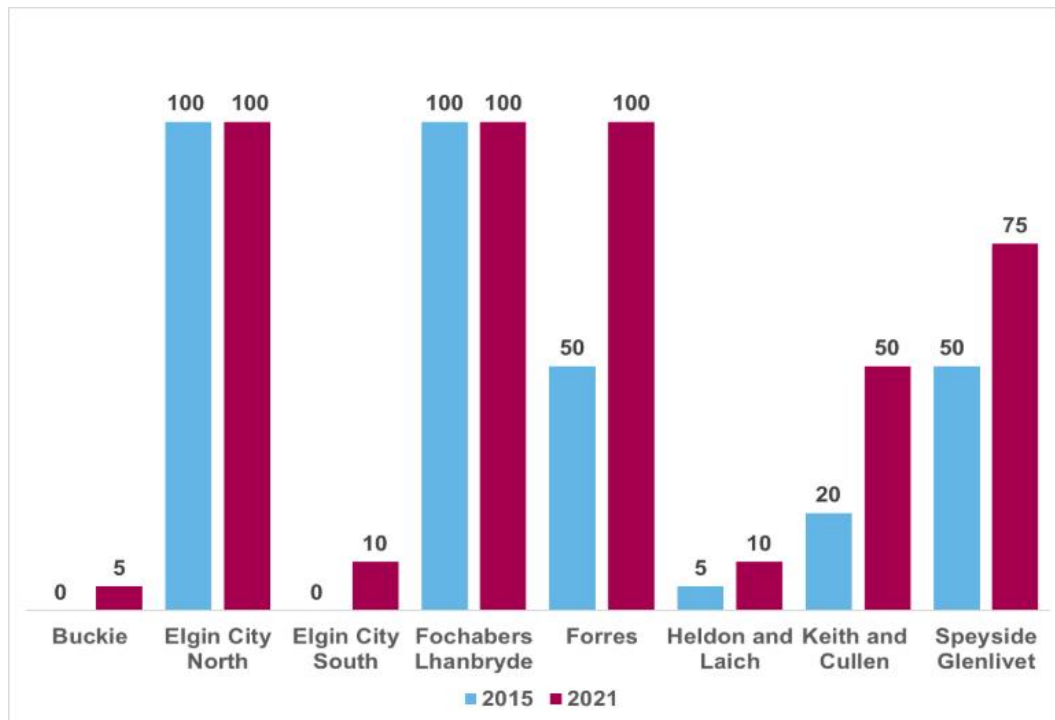
ONS, (2022). Business Register and Employment Survey.

## MANUFACTURE OF WOOD PRODUCTS

- 4.15 The second largest component of the manufacturing sector in Moray was the manufacture of wood products. In 2021, total employment in this sub-sector was 450. This equates to 1.2% of total jobs in the region, higher than the share accounted for by the sector across Scotland (0.3%). Moray accounts for 5.0% of all Scottish employment in the manufacture of wood products.
- 4.16 In 2021, employment in the manufacture of wood products was most significant in Elgin City North, Fochabers Lhanbryde, and Forres, which all had total employment of 100 in the sector. This concentration of activity is likely linked to the presence of James Jones timber processing facilities in Forres and Mosstodloch.
- 4.17 Between 2015 and 2021, employment in the manufacture of wood products increased by 28.6%. This growth was experienced across the region with the most significant increase in Keith and Cullen. Recent announcements of planned expansion to James Jones facilities suggests this trend is likely to continue,

which may result in increased demand for employment land.

**FIGURE 7: EMPLOYMENT IN THE MANUFACTURE OF WOOD AND WOOD PRODUCTS BY AREA IN MORAY, 2015 & 2021**



ONS, (2022). Business Register and Employment Survey.

4.18 In 2022 there were estimated to be 35 businesses in Moray engaged in the manufacture of wood products, and increase of around 10 businesses since 2019. This suggests that existing businesses in the area are in the process of expanding, which may in future create the requirement for suitable employment land.

## SUSTAINABLE TOURISM

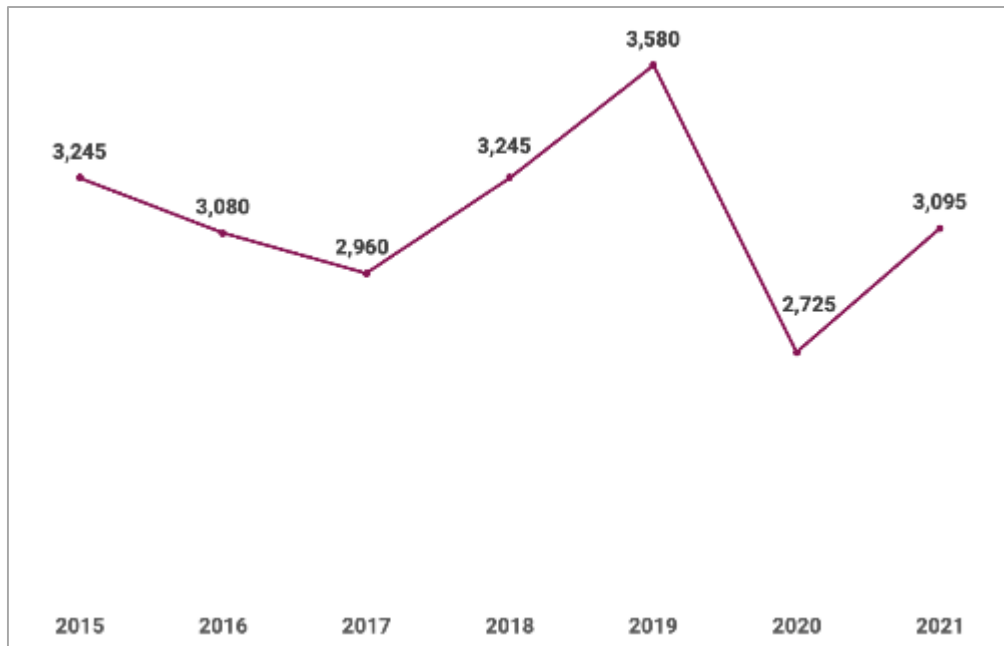
4.19 Tourism encompasses parts of various different sub-sectors and as such is difficult to capture entirely using the standard industrial classification (SICs) codes used by government statisticians. To overcome this the Scottish Government has defined the sustainable tourism sector using SIC codes<sup>12</sup> relating to several tourism-related sub-sectors including accommodation, food services, and attractions.

4.20 In 2021, total employment in sustainable tourism in Moray was 3,095, or 8.1% of all employment in the region. This is identical to the share of employment accounted for by the sector across Scotland as a whole.

4.21 Between 2015 and 2021, employment in sustainable tourism fell by 4.6%. This reduction can likely be attributed to the major effect that Covid-19 had on the tourism sector. Between 2015 and 2019, jobs in the sector had risen by 10.3%, with employment in the sustainable tourism sector in Moray then falling by almost a quarter (23.9%), between 2019 and 2020. While the sector had not yet recovered from the impacts of Covid-19, employment in the sector did increase by 13.6% between 2020 and 2021.

<sup>12</sup> Defined by the Scottish Government as SIC codes:55.1, 55.2, 55.3, 56.1, 56.3, 79.12, 79.9 91.02, 91.03, 91.04, 93.11, 93.199, 93.21 and 93.29.

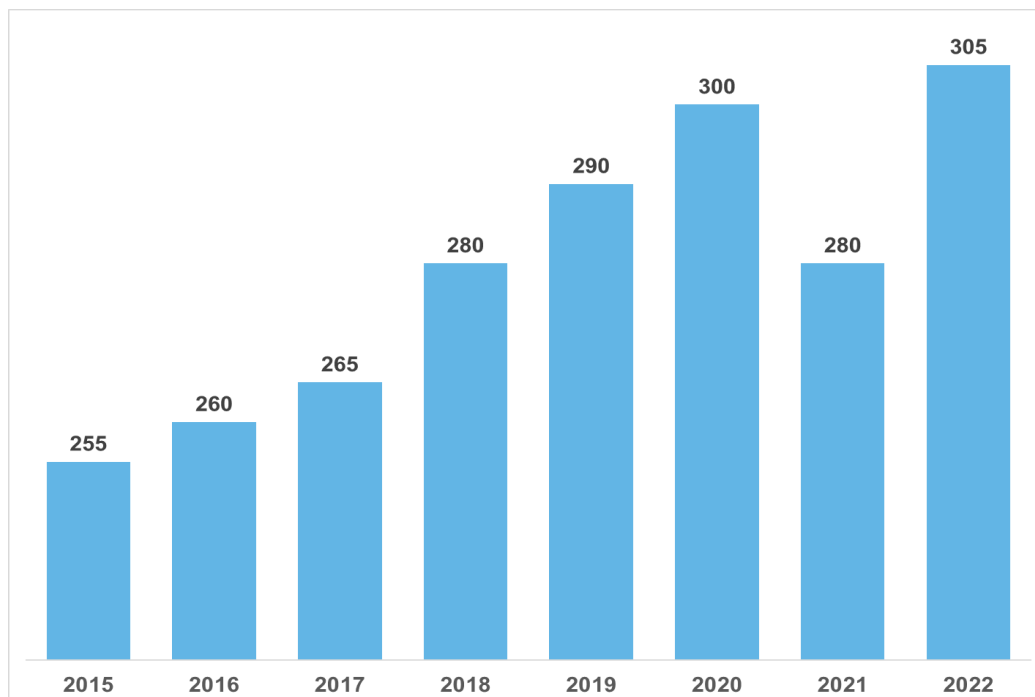
**FIGURE 8: SUSTAINABLE TOURISM EMPLOYMENT IN MORAY, 2015-2021**



ONS, (2022). *Business Register and Employment Survey*.

- 4.22 Recent employment patterns within the sector are broadly reflected in business numbers. After a period of steady growth between 2015 and 2020, the number of sustainable tourism businesses fell by 6.7% between 2020 and 2021. This was likely because of the significant impact of Covid-19 and the resulting lockdown. However, the number of businesses in the sector then increased by 8.9% between 2021 and 2022, with a larger number of sustainable tourism businesses in Moray in 2022 compared to 2020.
- 4.23 The uplift in both employment and business numbers recorded since Covid suggests that the sector may be entering a renewed period of growth, which could result in possible demand for employment land.

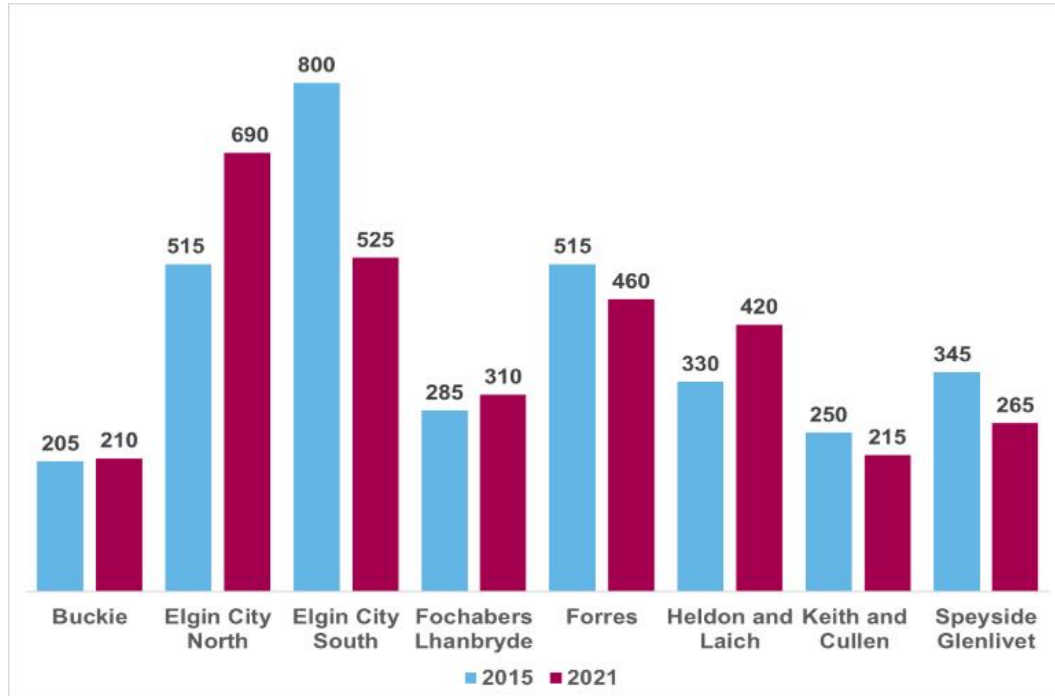
**FIGURE 9: BUSINESSES IN SUSTAINABLE TOURISM IN MORAY, 2015-2022**



ONS, (2023). *UK Business Counts*.

4.24 In 2021, employment in sustainable tourism was most significant in Elgin City North, where 690 people were employed in the sector. Proposals to create a new cultural quarter in Elgin using investment secured through the Moray Growth Deal are likely to stimulate additional growth for the sector that could result in increased demand for employment land in this part of the region in the future.

**FIGURE 10: EMPLOYMENT IN SUSTAINABLE TOURISM BY AREA IN MORAY, 2015 & 2021**



ONS, (2022). Business Register and Employment Survey.

## ENERGY AND RENEWABLES

4.25 Scotland’s renewable sector is expected to triple in size between 2022 and 2030 with much of this growth expected to be driven by expansion in off-shore wind. This is expected to generate significant economic opportunities for Scotland both during the initial construction phase and subsequent operations.

4.26 Moray does not contain any of the major construction ports being used by the sector, either for farms that have already been completed or those that are under construction. However, Buckie is expected to be an important location for ongoing operations and maintenance activity.

4.27 An analysis of port capabilities undertaken on behalf of Crown Estate Scotland<sup>13</sup> suggested that Buckie is likely to be particularly well suited to servicing longer range Service Operation Vessel (SOVs), which provide in-field accommodation for workers and platform assistance for wind turbine servicing and maintenance.

4.28 When ashore such vessels will have an on-going requirement for engineering and fabrication services, which is likely to lead to increased demand in the locality for class 5 industrial space. These vessels will also require access to refuelling services and large-scale storage facilities, which is likely to lead to demand for class 6 space. This demand is expected to be realised in the Buckie area.

## LIFE SCIENCES

4.29 In 2021, total employment in scientific research and development in Moray was very low (c. 20 jobs). However, as discussed in section 3, life sciences has been identified as an area with significant future growth potential.

<sup>13</sup> Crown Estate (2020), Ports for offshore wind Ryden, May 2023

- 4.30 In 2021 it was confirmed that £5 million would be invested in developing the Moray Rural Centre of Excellence for Digital Health and Care in Elgin. The project is expected to include the creation of a state-of-the-art demonstration and learning and simulation environment and five “living lab” test beds across Moray.
- 4.31 As the sector becomes established this could create demand for additional employment space. This is likely to take the form of high spec offices and labs, which would correspond to class 4 use, and to be focused around Forres to take advantage of co-location opportunities. Any such additional demand is likely to take time to emerge so any additional land requirement would be a long-term prospect.

## DEFENCE ACTIVITIES

- 4.32 RAF Lossiemouth has been the only operational RAF base in Scotland since the closure of RAF Leuchars in 2015 and is one of only two RAF Quick Reaction Alert stations which protect UK airspace. The base has undergone a significant development programme since 2015 and as a result by early 2022 was believed to support around 3,500 posts (including contractors), in the electoral ward of Heldon and Laich. In addition to this approximately 800 further posts, including both military personnel and civilian contractors, were based at the Kinloss Barracks in Forres.
- 4.33 Employment at the bases is expected to increase in the coming years because of increased government investment. While the expansion of military activity will have little direct impact on demand for employment land, it is likely to generate growth in parts of the supply chain, which could increase demand for employment land.
- 4.34 It is the expected that the skills developed by the current defence related workforce could provide a competitive advantage for the region in the aerospace sector. Moray is already home to a small concentration of activity in this sector thanks largely to the operations of Orbex, the Forres based commercial rocket developer.
- 4.35 In 2022, Orbex secured more than £40 million funding from the Scottish National Investment Bank to help it scale up operations. This has already resulted in an expansion of operations in the region and is likely to be a catalyst for further growth in the future. This growth will be supported by the planned investment in MAATIC (Moray’s planned aviation college) that was discussed in Section 3.
- 4.36 As the sector develops this is likely to result in additional demand for employment land, particularly of land use class 5.

## SUMMARY

- 4.37 The manufacturing sector employs more than one in ten of all employees in Moray. Most of this employment is in the manufacture of food and beverages which is a well-established sector with a number of large businesses with a long association with the region. In particular, a number of whisky distilleries have recently undergone significant expansion with numerous others exploring options for their sites which may have an impact on employment land required in the future.
- 4.38 In addition, it is likely there will be some manufacturing employment land demand associated with the manufacture of wood products. This sector has benefited from recent investment, which has helped to stimulate additional activity in this sector. In time this could result in additional demand for class 5 employment land.
- 4.39 Sustainable tourism was particularly impacted by the effects of Covid-19, resulting in an overall reduction in employment in the sector between 2015 and 2021. However, employment increased between 2020 and 2021 and the number of businesses now exceeds pre-pandemic levels, suggesting that the sector is in a period of growth. This could result in additional demand for employment land, particularly class 4.



- 4.40 The renewable energy sector is expected to grow substantially in the coming years and Moray is one of the parts of Scotland expected to benefit from this. This activity is likely to be heavily concentrated around Buckie, which has been identified as an important location for operations and maintenance activity. This is likely to result in increased demand for both class 5 and class 6 employment land in the area.
- 4.41 The life sciences sector is another sector that has attracted investment recently and has the potential for future growth. Employment in this sector is currently low so the sector may not generate major demand for additional employment land in the short term, but longer-term growth could lead to increased demand for class 4 space. This demand is likely to be focused around Forres.
- 4.42 In 2021, 590 civilians were employed in defence activities in Moray, accounting for 6.7% of all Scottish employment in defence activities. Between 2015 and 2021, employment in the sector increased by 103%. With the addition of the military personnel at RAF Lossiemouth and the Kinloss Barracks, as well as expected investment, the contribution of the defence sector is likely to be significant in the coming years, to both direct employment in the sector and along the supply chain. Consequently, the sector is expected to create increasing demands on employment land, particularly for land uses classes 5 and 6. The region's strength in defence activities is also likely to enable the development of an aerospace sector in Moray as transferrable skills are utilised along with investment in projects such as MAATIC. This sector may then require employment land of land use class 5.

# 05

## PLANNING POLICY

### INTRODUCTION

- 5.1 Planning in Scotland is currently going through a period of reform following the appointment of an independent panel in 2015 who conducted a review of Scotland's planning system. The panel concluded that the main structure of the system was not broken, however, for the potential of planning to be realised, a strong commitment to change practices, culture, and to re-focus the profession's improvement agenda would be required. The review identified 6 key outcomes to guide this planning reform: strong and flexible development plans; the delivery of more high quality homes; an infrastructure first approach to planning and development; efficient and transparent development management; stronger leadership, smarter resourcing and sharing of skills and; collaboration rather than conflict – inclusion and empowerment.
- 5.2 In June 2019, the Planning (Scotland) Act 2019 was passed which sets the future structure of the modernised planning system. Implementation of the Act runs alongside other planning reform workstreams, including: National Planning Framework 4 (NPF4); review of permitted development rights; digital transformation of planning and; the promotion of place. NPF4 is the national spatial strategy for Scotland and on 13 February 2023 it was adopted by Scottish Ministers. This replaces National Planning Framework 3 and Scottish Planning Policy. The statutory development plan for any given area of Scotland now consists of the National Planning Framework and the relevant local development plan(s).

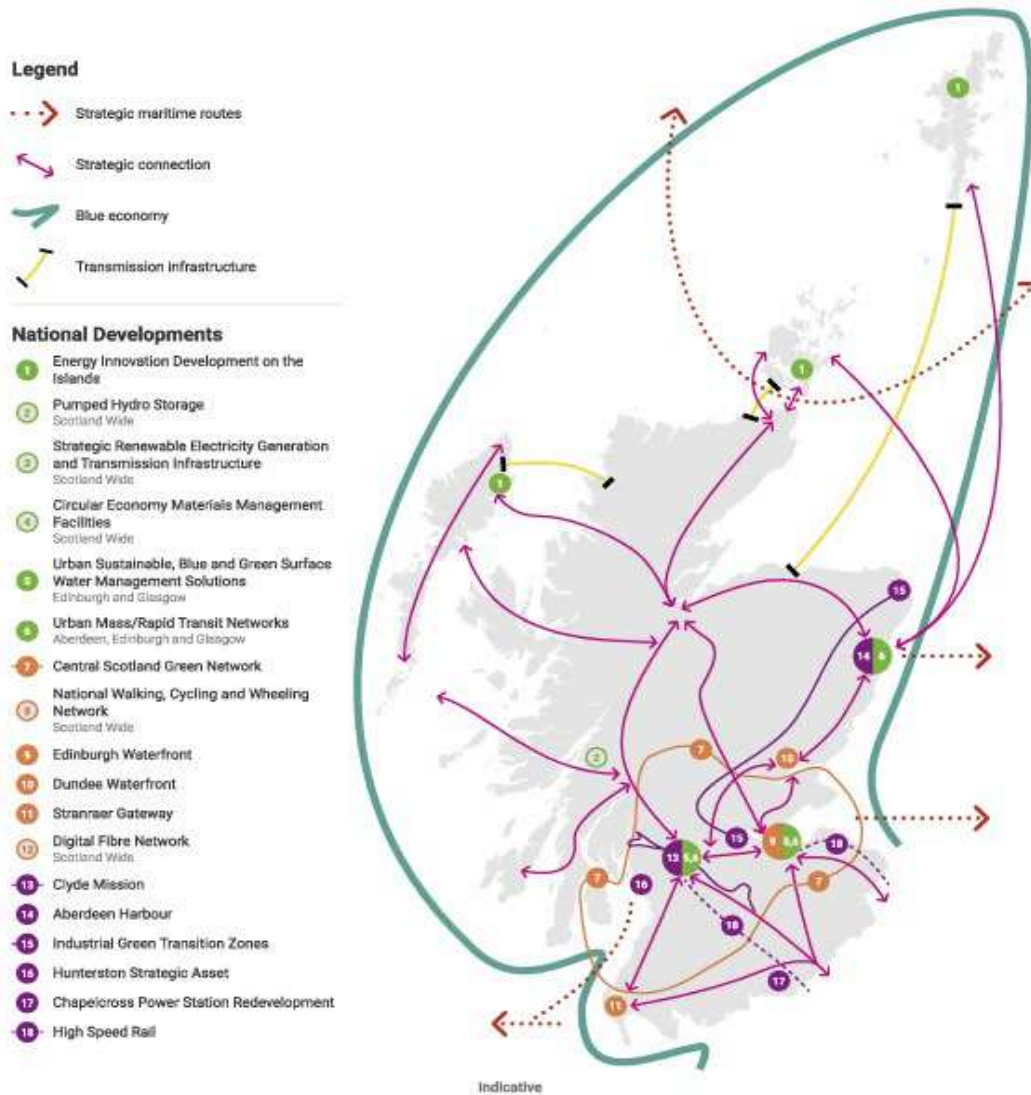
### NATIONAL PLANNING FRAMEWORK 4

- 5.3 The now adopted NPF4 is the national spatial strategy for Scotland. It sets spatial principles, regional priorities, national developments and national planning policy and focuses on creating places that are sustainable, liveable and productive. Its 6 overarching spatial principles are:
- Just transition
  - Conserving and recycling assets
  - Local living
  - Compact urban growth
  - Rebalanced development
  - Rural revitalisation
- 5.4 These principles play a key role in delivering on the United Nations Sustainable Development Goals and Scotland's national outcomes as referenced earlier.
- 5.5 Eighteen national developments support the strategy, including single large scale projects and networks of several smaller scale proposals that are collectively nationally significant. These national developments will be a focus for delivery, as well as exemplars of the Place Principle, placemaking and a Community Wealth Building approach to economic development. Moray will be a key location for strategic renewable electricity generation and transmission infrastructure which supports renewable electricity generation, repowering, and expansion of the electricity group. As well as capturing significant renewable energy potential transmission connections can also deliver social and economic benefits. Further work is underway to create guidance for industry and communities for developing community benefit packages.
- 5.6 Moray will also be required to contribute to other Scotland-wide targets, including the National Walking, Cycling and Wheeling network, circular economy materials management facilities, the digital fibre network, and pumped hydro storage.

- 5.7 The National Spatial Strategy is shown in Figure 11 alongside the 18 national developments. As well as the

transmission infrastructure between Moray and Shetland, the strategic connection between Aberdeen and Inverness, through Moray, is noted. The Scottish Government via Transport Scotland plans to dual the A96 between Inverness and Aberdeen which will involve the upgrade of 86 miles of single carriageway between the two cities. Plans are at a preparatory stage and an initial appraisal was published at the end of 2022.

**FIGURE 11: NPF4 NATIONAL SPATIAL STRATEGY**



Source: NPF4 (Revised draft)

5.8 The National Spatial Strategy has been broken down into 5 regional spatial strategies which will inform the preparation of regional spatial strategies and LDPs by planning authorities.

5.9 Moray sits within the North East region and it is noted this part of Scotland will play a crucial role in just transition to net zero. Aims for the area are to:

- Plan infrastructure and investment to support the transition from oil and gas to net zero whilst protecting and enhancing blue and green infrastructure and decarbonising connectivity
- Focus on continued regeneration through the principles of local living and 20 minute neighbourhoods to sustain the skilled workforce and improve local liveability
- Support continued economic diversification and innovation

5.10 With regard to specific policies, the business and industry policy (policy 26) states that LDPs should allocate sufficient land for business and industry, taking into account business and industry land audits, in particular ensuring that there is a suitable range of sites that meet current market demand, location, size and quality

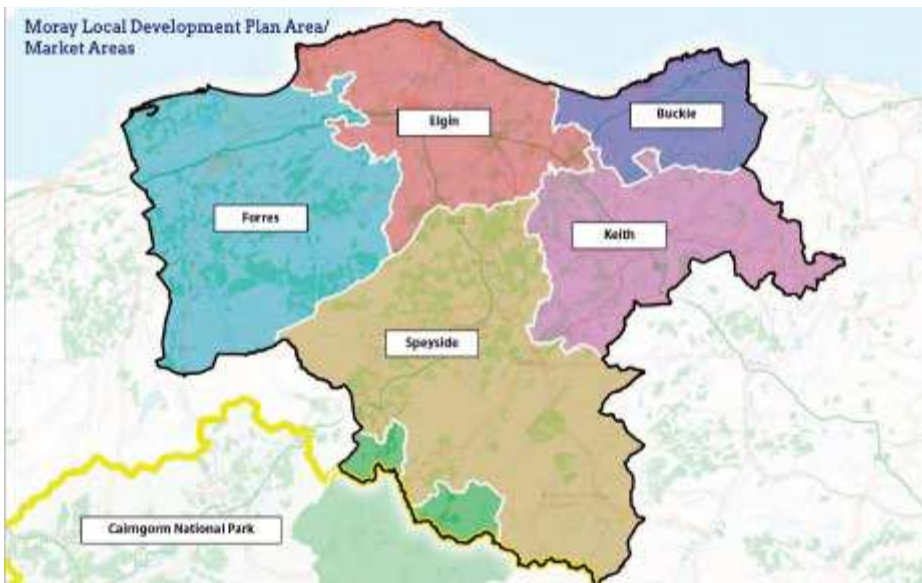
in terms of accessibility and services. This allocation should take account of local economic strategies and support broader objectives of delivering a low carbon and net zero economic recovery, and a fairer and more inclusive wellbeing economy. The policy detail includes acknowledgement of home working, live-work units and micro-businesses which will be supported where it is demonstrated that the scale and nature of the proposed business and building will be compatible with the surrounding area.

- 5.11 Local living and 20 minute neighbourhoods are referred to in Policy 15 in order to encourage the application of the Place Principle and create connected and compact neighbourhoods where people can meet the majority of their daily needs within a reasonable walking distance of their homes, preferably by walking, wheeling or cycling or using sustainable transport options. Local access to employment is part of this concept. In addition, Policy 27 covering city, town, local and commercial centres could include provision of or conversion to offices in town centres.

## MORAY LOCAL DEVELOPMENT PLAN 2020

- 5.12 Formally adopted on 27 July 2020, the Moray Local Development Plan (MLDP) 2020 sets how the Council sees the MLDP area developing over the next 10 years and beyond and covers the administrative area of Moray Council, minus the southern part which falls within the Cairngorm National Park which prepares its own LDP (see Figure 12). The Plan provides guidance to residents, developers and investors as to how much and where growth is proposed for land uses, such as housing and employment, and sets out a wide range of policies which are used to determine planning applications.

**FIGURE 12: MORAY LOCAL DEVELOPMENT PLAN AREA/MARKET AREAS**



Source: Moray Local Development Plan 2020

- 5.13 The current Growth Strategy for Moray is shown in Figure 13 and focuses new development in the primary growth centre of Elgin with growth to the north through the Findrassie Masterplan, to the south through the Elgin South Masterplan and to the south west through the Bilbohall Masterplan. The masterplans which include provision for employment land or include commercial uses are detailed later in this section.

**FIGURE 13: MORAY GROWTH STRATEGY**

Source: Moray Local Development Plan 2020

- 5.14 New growth has been identified in the Secondary growth areas at Lochyhill, Forres and south west Buckie, reflecting their role as key centres for their housing market areas. In the tertiary growth areas, the focus will largely be upon delivering existing designated sites which are either in the development process or have stalled in coming forward for development. The smaller towns and villages are expected to grow in proportion to their current size, and land designations have been made at a lower level and in accordance with existing supply. Some towns and villages have been proposed for no, or limited growth due to capacity, character or other environmental issues. Rural Groupings include development opportunities in rural areas and help to reduce demand for housing in the open countryside.
- 5.15 The formation of a new town as an option for accommodating growth is not supported in the MLDP however a longer term action to undertake preliminary investigations into suitable locations for a new town is included in the Action/Delivery Programme.
- 5.16 The preferred option for the dualling of the A96 will impact upon a number of designated sites, potentially bringing both opportunities and constraints. Additional land reserves have been identified as a contingency for the loss of any sites to this nationally important infrastructure project.
- 5.17 The MLDP spatial strategy is provided at Figure 14.

FIGURE 14: MORAY SPATIAL STRATEGY



Source: Moray Local Development Plan 2020

- 5.18 With regards to employment land, sufficient land and buildings for industrial and business uses is required. The MLDP states that demand for large sites from inward investors is small but large in terms of land take (40 hectares+). Demand is seen to come from a mix of small start-ups, renewables, digitally based businesses and decommissioning. MLDP states that demand is greatest within the Elgin area, followed by Forres and then Buckie, Keith and Speyside.
- 5.19 An annual requirement of 4-5 ha per year is identified in MLDP. The requirement has been split across Market Areas as follows:
- Elgin – 23 ha
  - Forres – 12 ha
  - Buckie – none required
  - Keith – 3.5 ha
  - Speyside – 4.8 ha
  - TOTAL = 43.3 ha
- 5.20 Within MLDP, a long term approach is taken to employment land whereby the annual employment land audit, the triggers in Policy DP3 (Long Term Land Reserves) and the new Delivery Policies will be used to monitor employment land and ensure an effective supply is maintained. It is important that a range of sites is available across Moray to accommodate inward investment, including sites for large scale users. On that basis land is identified in excess of the minimum employment land requirements in the form of long sites with strategic inward investment sites capable of accommodating large scale users identified in Elgin at Burnside of Birnie, West of Mosstodloch and at March Road in Buckie. The identification of these sites and their potential for longer term expansion allows for more strategic infrastructure and planning co-ordination between the relevant community planning partners and agencies.
- 5.21 DP5 is the policy associated with business and industry and a hierarchical approach is taken when assessing proposals for business and industrial uses:

- Business parks – to be kept predominantly for ‘high-end’ businesses such as those related to life sciences and high technology uses. These are defined as Class 4 (business) of the Town and Country Planning (Use Classes) (Scotland) Order 1997. This applies to new proposals as well as redevelopment within established Business Parks. Proposals for the development of new business parks must adhere to key design principles.
- Industrial Estates - to be primarily reserved for uses defined by Classes 4 (business), 5 (general) and 6 (storage and distribution) of the Town and Country Planning (Use Classes) (Scotland) Order 1997. This applies to new proposals as well as redevelopment within established Industrial Estates. Industrial Estates could be suitable sites for waste management facilities.
- Existing Business Areas - Long established business uses will be protected from non-conforming uses (e.g. housing). The introduction or expansion of non-business uses (e.g. retail) will not be permitted, except where the total redevelopment of the site is proposed.
- Other Uses - Class 2 (business and financial), 3 (food and drink), 11 (assembly and leisure) and activities which do not fall within a specific use class (sui generis), including waste management facilities will be considered in relation to their suitability to the business or industrial area concerned, their compatibility with neighbouring uses and the supply of serviced employment land. Retail uses will not be permitted unless they are considered ancillary to the principal use (e.g. manufacture, wholesale). For this purpose, ‘ancillary’ is taken as being linked directly to the existing use of the unit and comprising no more than 10% of the total floor area up to a total of 1,000 sq metres (gross) or where a sequential approach in accordance with town centre first principles has identified no other suitable sites and the proposal is in accordance with all other relevant policies and site requirements are met.
- Areas of Mixed Use Proposals - for a mix of uses where site specific opportunities are identified within Industrial Estate designations, these will be considered favourably where evidence is provided to the authority’s satisfaction that the proposed mix will enable the servicing of employment land and will not compromise the supply of effective employment land. A Development Framework that shows the layout of the whole site, range of uses, landscaping, open space and site specific design requirements must be provided. The minimum levels of industrial use specified within designations must be achieved on the rest of the site.
- Rural Businesses and Farm Diversification - Proposals for new business development and extensions to existing businesses in rural locations including tourism and distillery operations will be supported where there is a locational need for the site and the proposal is in accordance with all other relevant policies. A high standard of design appropriate to the rural environment will be required and proposals involving the rehabilitation of existing properties (e.g. farm steadings) to provide business premises will be encouraged.
- Inward Investment Sites - The proposals map identifies a proposed inward investment site at Dallachy which is safeguarded for a single user business proposal seeking a large (up to 40ha), rural site. Additional inward investment sites may be identified during the lifetime of the Plan.

5.22 Moray has a number of Special Landscape Areas which have been designated for areas of special character and quality. This is particularly the case for the Speyside area which is a popular location for whisky distilleries. Policy EP3 does allow development directly related to distilling where there is a locational need and no alternative location however design standard and visual/landscape impacts are a particular focus when applications are considered.

## BUCKIE HARBOUR MASTERPLAN

5.23 In 2015, a masterplan was developed for Buckie Harbour. Buckie Harbour was built over 100 years ago to serve the fishing industry, growing over the years to include a significant cargo industry as well. The decline

of the fishing industry over the last 20 years in the UK has had an impact on the port, like many others. Offshore wind has been identified as a major opportunity that could act as a catalyst to the wider revitalisation of the harbour and surrounding area. The masterplan's objectives are to:

- Enable existing business to grow and develop, and property/landowners to fulfil their aspirations
- Make provision for inward investment, especially for operations and maintenance linked to planned offshore windfarms in the Moray Firth
- Inform future investment in port infrastructure

5.24 The masterplan demonstrates that investment by existing businesses and potential operations and maintenance can both be accommodated within the harbour. The Buckie Harbour Masterplan is currently being updated by the Council.

## **FINDRASSIE MASTERPLAN SUPPLEMENTARY GUIDANCE**

5.25 Findrassie is a major land release in the north of Elgin which is allocated in the MLDP for housing and employment uses. The total land area is 112 hectares which comprises 100 hectares of housing land with an indicative capacity of 1,500 houses and 12 hectares of employment land for business uses. The site extends from Lossiemouth Road in the east to Duffus Road in the west and creates three new gateways into Elgin from the north. Findrassie has a 20-25 year timeframe for development.

## **ELGIN SOUTH MASTERPLAN**

5.26 The Elgin South Masterplan has been updated and was approved at Committee in August 2021 following an online public consultation. Elgin South is a major land release to the south of Elgin which is allocated in the MLDP. The Masterplan provides a strategic framework for a large new neighbourhood planned as three connected villages including a mix of uses, a network of green and blue spaces, and connections to adjacent employment land opportunities.

## **BARMUCKITY BUSINESS PARK STRATEGIC FRAMEWORK**

5.27 Now referred to as Elgin Business Park, this strategic framework provides landscape and land use terms which set the context for all future planning applications related to the site. Following grant funding from Highlands and Islands Enterprise infrastructure works were completed and Phase 1 is being developed via Springfield (Saltire Business Parks Ltd).

5.28 The industrial estate's primary function is for Class 4, 5 and 6 with a minimum of 14.69 ha reserved for these uses. A greater mix of uses is supported across 7.41 ha of the site adjacent to the A96. Within these areas use classes 4, 5, 6, 7 (hotel/hostel) and 11 (assembly and leisure) are permitted. Retailing is acceptable where it is ancillary to a main use.

## **SOUTH AND EAST OF KEITH MASTERPLAN**

5.29 The Council is keen to understand the extent of any opportunities for energy related developments around the Blackhillock sub station near Keith. In recent years, the Council has received planning applications for large areas of designated and undesignated employment land for this purpose and there is concern that this pressure is reducing available land for job producing other users. The Council has recently commissioned a masterplan for the area to the south and east of Keith to help better understand this demand and how and where it can be accommodated. The masterplan will consider battery storage, data centre, solar and hydrogen.

## **MORAY LDP REVIEW AND CALL FOR IDEAS**

5.30 As noted, Moray Council is preparing its Regional Spatial Strategy (RSS) and a new LDP which will set out



the long term vision for Moray. It is anticipated that the new LDP will be adopted in 2027. The first step in this work is to invite people to share their ideas, thoughts and views about how Moray should develop over the next 10 years and beyond.

- 5.31 The Council has issued a Call for Ideas via an online response form with ideas to be submitted by the end of June 2023. As part of this, ideas are sought on encouraging and facilitating employment, business and industry and what land should be developed over the next 10-20 years. The Call is open to individuals, businesses, landowners, developers/builders and community bodies and groups.

## **SUMMARY**

- 5.32 The over-arching aim of NPF4 is to manage development and land use in the long term public interest and to ensure Scotland meets its goal of achieving net zero emissions. Moray has a key role to play in this ambition and will be a key location for infrastructure supporting renewable electricity generation.
- 5.33 NPF4 also notes the strategic connection between Aberdeen and Inverness, through Moray. The Scottish Government has made a commitment to dual the A96 by 2030 however the project has been faced with delays and a final decision on the project has yet to be reached. The proposed route will have an impact on the designation of employment land sites.
- 5.34 Moray Council is preparing its Regional Spatial Strategy and a new LDP which will set out the long-term vision for the area. In the meantime, the 2020 Moray LDP prevails which adopts a hierarchical approach to growth with the primary growth area noted to be Elgin. The secondary growth areas are Forres and Buckie with tertiary growth areas noted to be Lossiemouth, Keith, Fochabers, Aberlour and Mosstodloch.
- 5.35 Sufficient land and buildings are required for industrial and business uses with demand seen to come from a mix of start-ups, renewables, digitally-based businesses and decommissioning. Demand from inward investors is small but can be large in terms of land take (40 ha+). At the time of the last LDP employment demand was greatest in Elgin, followed by Forres and then Buckie, Keith and Speyside. This will be tested as part of this report.
- 5.36 The Moray LDP identifies an annual requirement of 4-5 ha per year, split across the market areas.
- 5.37 Moray has a number of Special Landscape Areas which have been designated for areas of special character and quality, particularly in Speyside. There are restrictions for development proposals within these areas which are particularly popular with those in the whisky industry.
- 5.38 Several masterplans are in place in order to guide the development of specific areas with employment allocations. These include Buckie Harbour, Findrassie, Elgin South and Elgin Business Park (Barmuckity).

# 06

## PROPERTY MARKET REVIEW

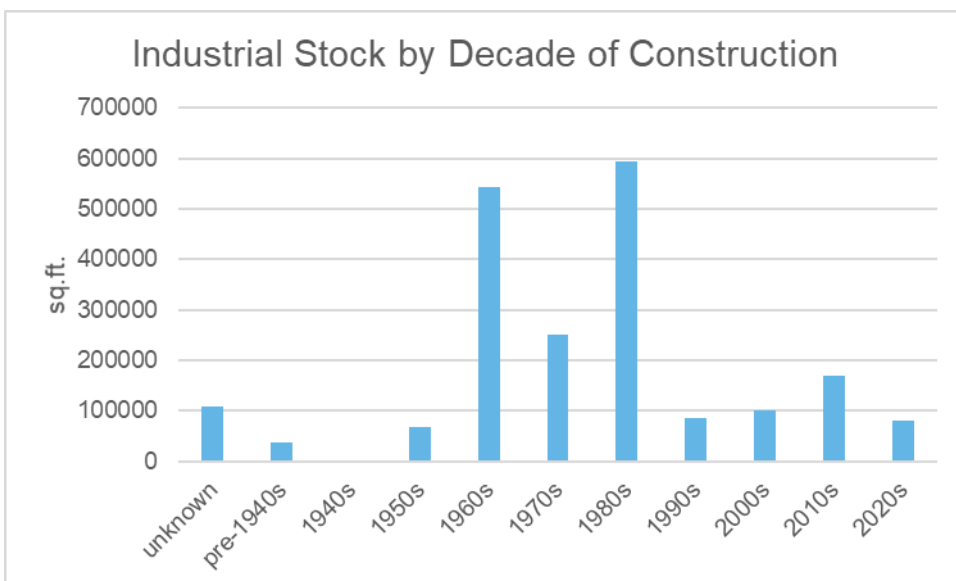
### MARKET CONTEXT

- 6.1 This section provides a comprehensive business property market review for Moray. It considers the stock of employment property floorspace across the region (both occupied and vacant) and provides a fully detailed review of the supply and take up (sales and lettings) of industrial and office premises, including new development and proposals. Demand for premises ultimately drives demand for employment land.
- 6.2 Scotland’s **industrial** property market fundamentals remain strong. The demand profile is wide and includes different types of business requirement due to ongoing structural changes in the economy, for example online shopping requiring more storage and logistics buildings. However, very limited supply due to insufficient new development and current economic uncertainty are suppressing some demand, leading to short term lease renewals. Meanwhile, the looming issue of obsolescence and better building performance, particularly energy, will have to be addressed in the near future.
- 6.3 The flight to smaller, better quality **offices** to meet ESG requirements and hybrid and home working requirements post-pandemic is now fully evident across the market in occupier requirements and deals being struck.

### MORAY’S EMPLOYMENT PROPERTY STOCK

- 6.4 Moray’s **industrial** property stock comprising Use Classes 5 and 6 totals 2.04 million sq.ft. This includes both occupied and vacant properties. The figure excludes bonded warehousing and distilleries of which there are many throughout the region.
- 6.5 The age of industrial property can provide a broad indication of its market potential, in terms of physical and functional obsolescence and reinvestment/refurbishment requirements. Figure 15 groups Moray’s 2.04 million sq.ft. of industrial floorspace into the decades in which it was built.

**FIGURE 15: INDUSTRIAL STOCK BY DECADE BUILT**

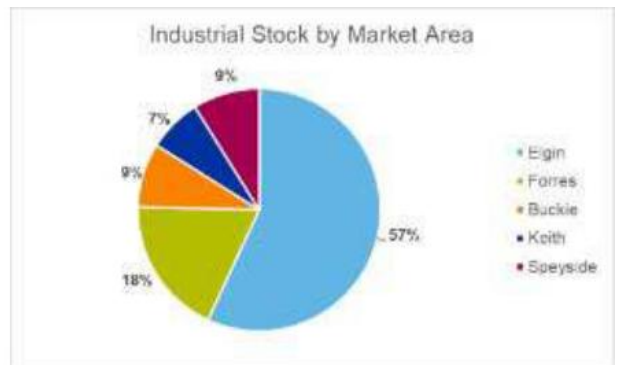


Source: Ryden/CoStar

- 6.6 Around half (41%) of the region’s industrial floorspace was built in the 1970s and in particular the 1980s, so is typically 33-53 years old. Many industrial estates across Scotland from this era were built by the public sector. Moray’ stock also includes speculative development by Moray Badenoch & Strathspey Enterprise from the 1990s. Although around 30% of stock was built during the 1960s, on closer inspection the majority of this is at the Baxters food processing facility in Fochabers.
- 6.7 Around 0.41 million sq.ft. of **office** stock is recorded in Moray. The office stock is comparatively old with 36% built pre-war. During the 1970s and 1980s, 12% of the regions office stock was built, while over the past 20 years 28% of the office stock has been constructed.
- 6.8 For the purposes of this market analysis, Moray is presented as a single region and as five market areas (Figure 12 in Section 5 above).
- Elgin Market Area, including Elgin, Lossiemouth, Mosstodloch and Troves
  - Forres Market Area
  - Buckie Market Area, including Buckie and Cullen
  - Keith Market Area
  - Speyside Market Area, which includes Aberlour and Rothes

6.9 In the **industrial** market over half of the floorspace stock is in Elgin (57%), followed by Forres with 18%. Other market areas have between 7 and 9% of the region’s stock. (Figure 16)

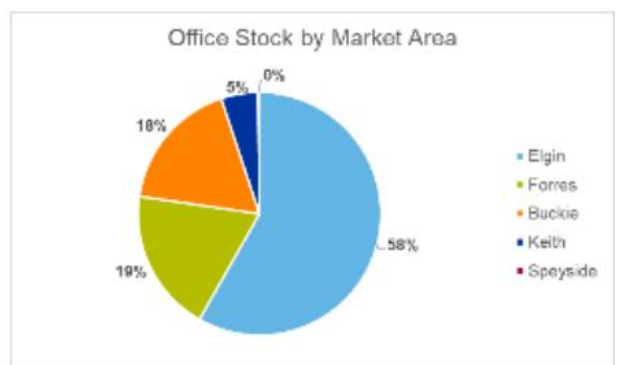
FIGURE 16



6.10 The Scottish Assessors valuation roll notes 606 properties on the roll classified as industrial uses <sup>14</sup>. A similar spread of industrial units is noted throughout the region, although this time by number. Elgin has 49%, Forres has 18%, Buckie has 14%, Keith 12% and Speyside with 7% of units.

6.11 In the **office** market a similar pattern in the spread of office floorspace stock is seen, with over half in Elgin (58%), followed by 19% in Forres, and a larger 18% in Buckie. (Figure 17)

FIGURE 17



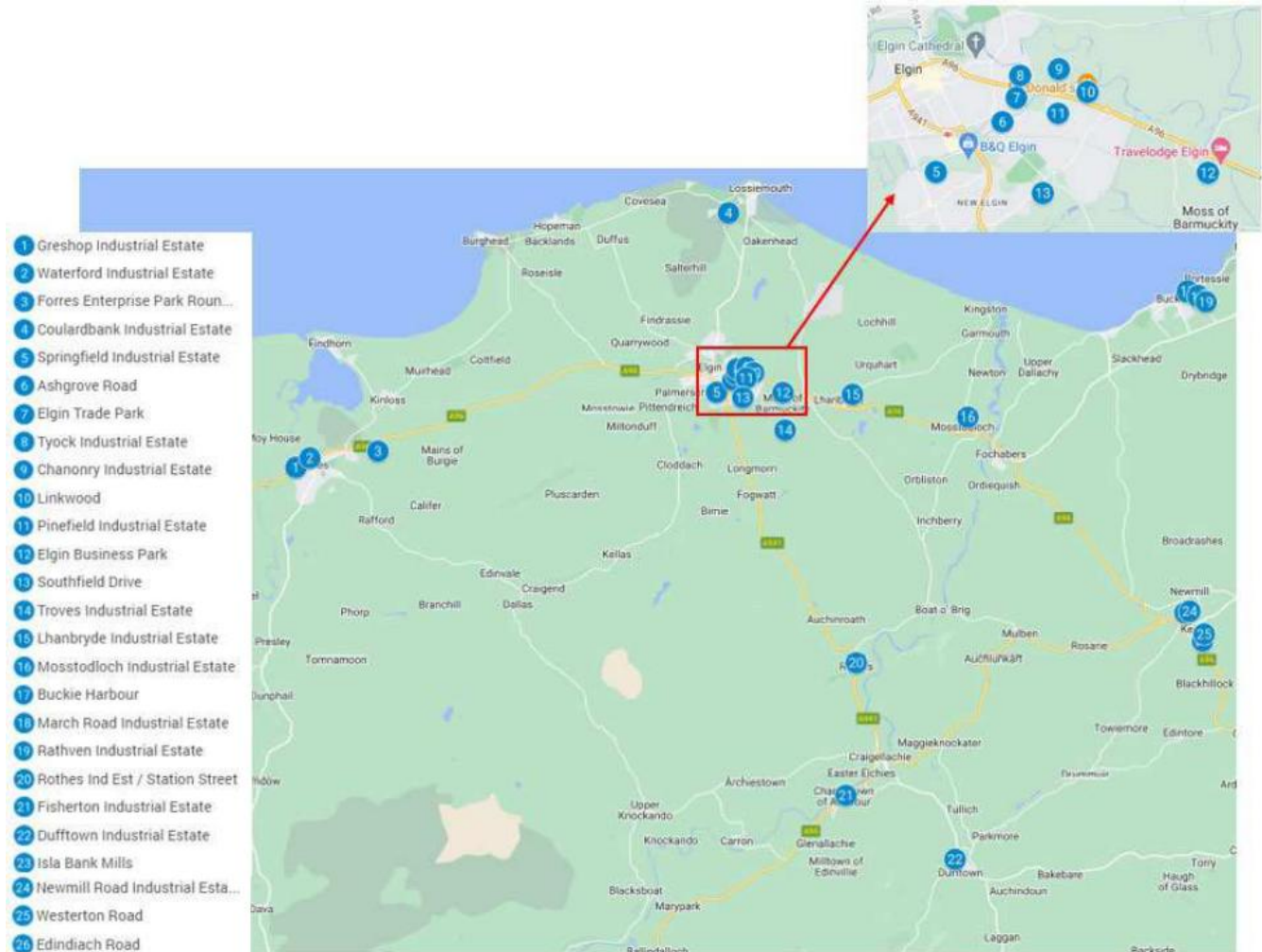
6.12 The Scottish Assessors valuation roll notes 435 properties on the roll classified as office(s). A similar spread of office properties is noted throughout the region, although this time by number. Elgin has 60%, Forres has 20%, Buckie has 8%, Keith 9% and Speyside with 4% of offices.

<sup>14</sup> fields selected are depot, factory, studios(s), warehouse(s), and workshop  
 Ryden, May 2023

## MORAY INDUSTRIAL MARKET

6.13 The principal employment estates in Moray are mapped on Figure 18. Although there is a spread throughout the region there is a cluster in and around Elgin which aligns with the floorspace and units analysis summarised above.

**FIGURE 18: PRINCIPAL EMPLOYMENT LOCATIONS**



Source: Ryden / Google maps

## INDUSTRIAL SUPPLY

6.14 In terms of **supply** there is currently 73,803 sq.ft. of industrial floorspace space in 28 units currently being actively marketed in Moray, these are in Table 9 across the following two pages<sup>15</sup>. This is a low floorspace vacancy rate of only 3.6%.

6.15 The majority of industrial properties on the market are older units, although there are modern units at Chanonry Court and Elgin Business Park in Elgin available.


6.16 Asking rents range from £2.60 per sq.ft. up to £8.50 per sq.ft. for new build units.

6.17 In addition, a further 11 units totalling 14,966 sq.ft. are currently under offer.

<sup>15</sup> While Ryden has endeavoured to include all marketed properties, in a large, dispersed market area with many settlements and a rural hinterland, other properties may come on and off the market less formally and not be recorded.

6.18 The analysis covers marketed vacancies only, which were identified through a trawl of all known national and local sources. There may be individual units vacant and available locally which are not being formally advertised (e.g. with simply a telephone number on a sign on the building).

**TABLE 9: CURRENT INDUSTRIAL SUPPLY**

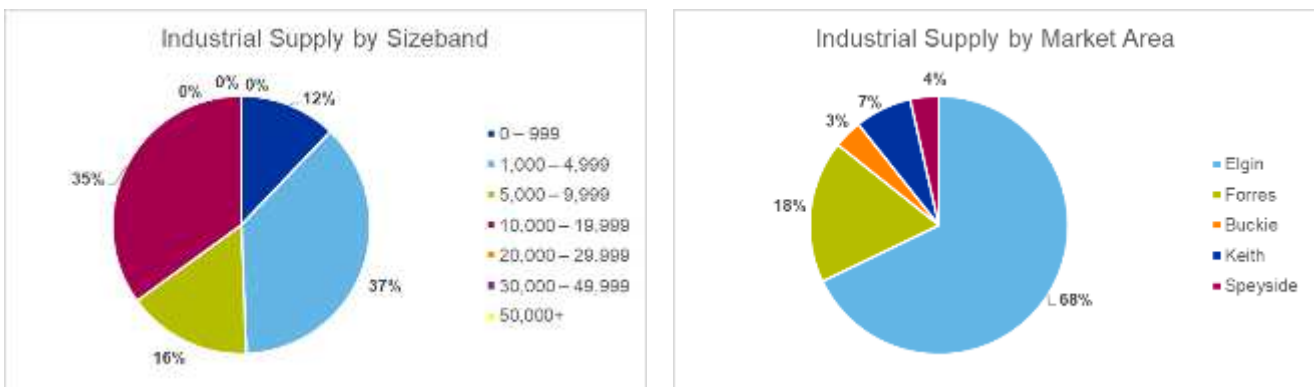
ADDRESS	SIZE (SQ.FT.)	DETAILS
<b>ELGIN MARKET AREA</b>		
Chanonry Court, Chanonry Road South, Chanonry Industrial Estate Elgin	 8,732	6 modern terraced units for lease at c. £8.30 per sq.ft. 1 x 3,788 sq.ft., and 5 x 987 sq.ft. Due to the nature of the construction of the units do not require an EPC due to them being of low energy demand. Built 2021 by Excel Scotland.
12 Chanonry Road South, Chanonry Industrial Estate, Elgin	 13,707	Modern detached trade counter unit. For assignment of sublease to July 2036 at £8.30 per sq.ft. Suitable for a builder's merchant or Use Classes 4, 5 and 6. Built 2011.
4 Wards Road, Elgin	 5,491	Single storey industrial / trade counter / office. For lease £4.20 per sq.ft. Built 1970s.
Tower Place, Elgin Business Park, Elgin	 5,275	5 new-build starter units, all 1,055 sq.ft. Rents £8.50 per sq.ft. Built 2021. Built by Saltire/Springfield.
Store 2, Burghead Harbour, Burghead	 856	Single storey workshop of brick construction on a 783 sq.ft. yard. For lease at £2.60 per sq.ft.
Pinefield Business Centre, Pinefield Industrial Estate	 3,207	Unit D Single storey end-terrace workshop/storage unit. For lease at £6 per sq.ft.
Unit 8 Chanonry Spur, Chanonry Spur Industrial Estate, Elgin	 646	Unit G Single storey mid-terrace industrial workshop/storage unit. For lease at £7 per sq.ft. from 1-month upwards.
Unit 8 Chanonry Spur, Chanonry Spur Industrial Estate, Elgin	 925	Single storey industrial/warehouse unit in the middle of a terrace of 3 units. For lease at £7.60 per sq.ft. from 1-year upwards.
Unit 14 Pinefield Parade, Elgin	 1,027	Single storey unit with workshop and office space. For lease £12,000 pa.
Edgar Road, Elgin	 5,917	Detached unit with warehouse space. Use Classes 5 & 6. For lease at £5.75 per sq.ft.
Linkwood Place, Elgin	 1,465	Five offices available together on upper floor within Alan Milne Motors premises. For lease £30,000 pa.
<b>FORRES MARKET AREA</b>		
3 Bogton Place, Forres	 11,876	Former car sales garage, the buildings have been converted to provide a series of business units suitable for a variety of uses from office, to sales/storage and workshop use. For lease. Built 1990.
Waterford Circle, Waterford Industrial Estate, Forres	 2,368	Unit 1 Single storey detached factory unit on a 6,835 sq.ft. yard. For lease on a month by month basis at £7.40 per sq.ft.
		Unit 5 Single storey mid terraced workshop/storage unit, for lease from 1 month to 5 years at £8.30 per sq.ft.

4 Greshop Industrial Estate, Forres		1,313	Single storey semi-detached workshop/ storage unit on a 3,013 sq.ft. fenced yard. For lease from 1 month to 5 years at £8 per sq.ft.
4 Waterford Way, Forres		3,452	Industrial yard and workshops on an irregular site. For sale o/o £90,000, may be an option for re-development
<b>BUCKIE MARKET AREA</b>			
17 March Road East, Buckie		753	Single storey mid terraced workshop/storage unit. Use classes 5 & 6. For lease £6.80 per sq.ft. on a 1-month to 5 years term.
<b>KEITH MARKET AREA</b>			
Unit B, Balloch Road, Keith		2,647	Single storey industrial workshop unit with offices and stores on a 0.07 acre yard. For lease from 1 month upwards.
Unit B, Isla Bank Mills, Keith		3,146	Substantial brick/block built workshop with secured yard of 2,659 sq.ft. For lease from month to month upwards ar £2.70 per sq.ft.
<b>SPEYSIDE MARKET AREA</b>			
Aberlour Filling Station, High Street, Aberlour		1,000	Filling station with warehouse, shop and cottage, for auction. Possible redevelopment opportunity.

Source: Ryden / CoStar/ Zoopla/ Property agents

6.19 By sizeband the majority of available units are smaller, with 12% smaller than 1,000 sq.ft., and 37% between 1,000 – 5,000 sq.ft. There are no units available larger than 20,000 sq.ft. (Figure 19 and Table 10). The Elgin Market Area has the majority of market share for number of units on the market with 68%, due to the fact Elgin has attracted new development recently, followed by Forres with 18%.

**FIGURE 19: INDUSTRIAL SUPPLY BY SIZEBAND AND MARKET AREA**



**TABLE 10: CURRENT INDUSTRIAL SUPPLY BY SIZEBAND**

SIZEBAND	FLOORSPACE SQ.FT. / (NUMBER)					TOTAL
	ELGIN	FORRES	BUCKIE	KEITH	SPEYSIDE	
0 – 999	7,362 (8)	753 (1)	753 (1)	-	-	<b>8,868</b> <b>(10)</b>
1,000 – 4,999	13,297 (8)	7,133 (3)	-	5,793 (2)	1,000 (1)	<b>27,223</b> <b>(14)</b>
5,000 – 9,999	11,408 (2)	-	-	-	-	<b>11,408</b> <b>(2)</b>
10,000 – 19,999	13,707 (1)	11,876 (1)	-	-	-	<b>25,583</b> <b>(2)</b>
20,000 and above	-	-	-	-	-	-
<b>Total</b>	<b>45,774</b> <b>(19)</b>	<b>19,762</b> <b>(5)</b>	<b>753</b> <b>(1)</b>	<b>5,793</b>	<b>1,000</b>	<b>73,082</b>



Source: Ryden / CoStar/ Zoopla/ Property agents

6.20 Energy performance is an increasingly important feature of industrial buildings, both in terms of carbon emissions and the revenue costs of operation. Energy Performance Certificates (EPCs) are a statutory requirement for marketing of properties and provide a further guide to the modernity of industrial premises. The rating is based on the buildings characteristics (the fabric) and its services (e.g. heating, ventilation, lighting); A is best, G is worst.

- 12 of the available industrial units have a registered EPC rating (43%)<sup>16</sup>
- 5 buildings achieve A ratings. These buildings are very energy efficient. A B rating also indicated this.
- 5 buildings have mid-range EPC ratings of C, D or E.
- 1 building has a poor EPC rating of F, and 1 has G, which is the worst. These building could be termed 'environmentally obsolete' without appropriate improvements.
- 10 properties could not be identified on the EPC register. For 4 of them marketing particulars state 'The premises are unheated and therefore an Energy Performance Certificate will not be provided'.
- 6 do not require an EPC rating as the units are new build and of low energy demand

6.21 In addition to industrial units currently on the market, three trading businesses in industrial premises are for sale across the region (Table 11). Two are car/motorcycle garages both in Elgin, and one is a funeral director business in Buckie.

**TABLE 11: CURRENT INDUSTRIAL BUSINESSES FOR SALE**

ADDRESS	DETAILS
JR Motors, The Wards, Elgin	 Car garage and MOT centre business located in a purpose-built garage facility 1,000 sq.ft., available on a leasehold basis at £149,995 (Hilton Smyth)
Willie Young Motorcycles, 4 Parade Spur South, Elgin	 Sale and repair of motorcycles and motorcycle clothing and equipment, business for sale o/o £325,000 (CCL Property)
Joe Dawson Funeral Directors, 25 East Cathcart Street, Buckie	 Funeral directors business for sale, c. 3,580 sq.ft. (Stewart & Watson)

Source: Ryden / Zoopla / Rightmove

<sup>16</sup> While these may have a rating, it is not recorded in either the marketing details or identifiable on the Scottish EPC Database <https://www.scottishepcregister.org.uk/>

6.22 Industrial units are also being marketed as redevelopment opportunities as per Table 12. Two have or had residential planning permission and one appears to be a residential-style building so it is probable that these be developed for residential rather than industrial uses. In addition, 4 Waterford Way, Forres and Aberlour Filling Station, High Street, Aberlour are marketed properties from Table 12 which are alternatively described as potential redevelopment opportunities.

**TABLE 12: CURRENT INDUSTRIAL REDEVELOPMENT OPPORTUNITIES**

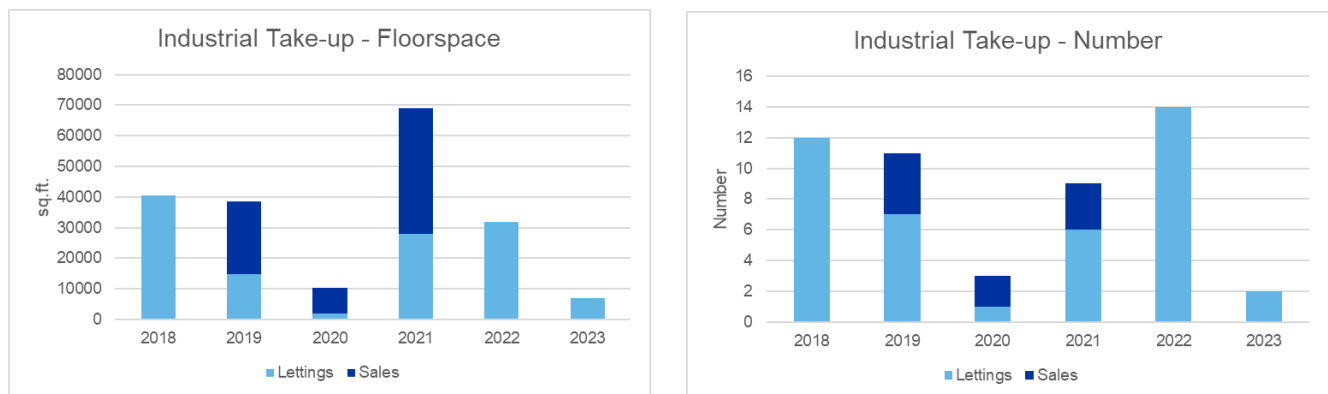
ADDRESS		DETAILS
Former Laundrette, 3-5 Gordon Street, Forres		Former laundrette in a commercial building and site which has had planning permission granted to demolish and build 6 luxury flats and 2 townhouses. (McEwan Fraser Legal)
Upper Hempriggs Farm, Kinloss		Former agricultural buildings on a 6.16 acre site. For sale £400,000. Has expired outline planning consent for residential development (J & E Shepherd)
Nicholson Building, St Catherines Road, Forres		Originally used as a coachbuilders and more recently a tractors dealer. Development opportunity. For auction, guide price £59,000 (Auction House Scotland)

Source: Ryden / Rightmove/ Zoopla

**INDUSTRIAL TAKE-UP**

6.23 A total of 197,173 sq.ft. of industrial floorspace in 51 transactions has been recorded as taken-up (sales and lettings) in Moray from January 2018 to February 2023 (Figure 20). This is an annual average of 38,040 sq.ft. in 10 units per annum. This is less than 1 deal per month however it is recognised that this could be due to a lack of supply and we are aware that the Council in particular has good demand for its vacant industrial properties and closing dates are often required due to multiple interests. The majority of transactions were lettings. The spikes in 2019 and 2021 were due to larger transactions rather than an increased number of transactions. Over the past five years, 2022 had the most transactions.

**FIGURE 20: INDUSTRIAL TAKE-UP**



Source: Ryden / CoStar

6.24 While Ryden has endeavoured to include all marketed properties and transactions, in a dispersed market area with many settlements and a rural hinterland, other properties may come on and off the market less formally and not be recorded.

6.25 Examples of recent industrial transactions in Moray are provided in Table 13 on the next page. Transactions tend to be on industrial estates, with lease lengths of between 2 to 20 years. Achieved rents range from a low of £4 per sq.ft. up to £8.50 per sq.ft. New-build units in Moray achieve £8.30 - £8.50 per sq.ft. Active sectors are motor trades, logistics, food and drink and trades suppliers.



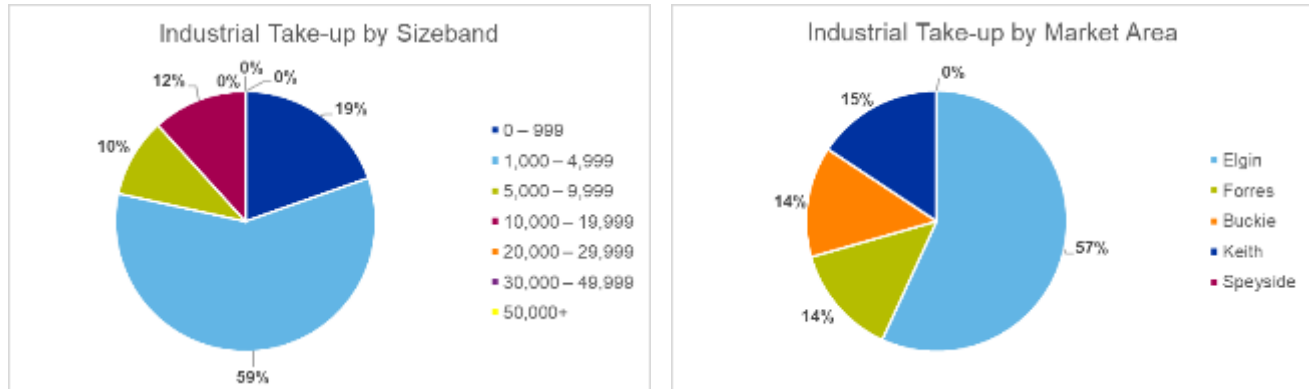
**TABLE 13: RECENT INDUSTRIAL TRANSACTIONS**

ADDRESS	SIZE (SQ.FT.)	DETAILS
<b>ELGIN MARKET AREA</b>		
Edgar Road, Springfield Industrial Estate, Elgin	 5,917	Let in February 2023 to Lima Auto Body Shop on a 20-year lease at £5.75 per sq.ft.
Tower Place, Elgin Business Park, Elgin	 1,055 1,055 1,585	New-build speculative units at rents of £8.50 per sq.ft. Unit 12 Let in January 2023 Unit 3 let in August 2022 to Moray Coast Couriers Unit 15 let in July 2022 Unit 10 let in January 2022
Chanonry Court, Chanonry Road South, Elgin	 3788 987 986  986 986 986 987 3,081	New-build speculative units, at rents of £8.30 per sq.ft. Let in December 2022 Let in June 2022 to Dream Events by Sarah Let in June 2022 to Magical Events Company on a 3-year lease Let in May 2022 to SM Electricals on a 3-year lease Let in May 2022 to Whisky Mad Ltd on a 2-year lease Let in May 2022 to McGregor Memorials on a 5-year lease Let in May 2022 to M & H Carriers on a 4-year lease Let in April 2022 to Megga Deals Moray
Chanonry Court, Chanonry Road South, Elgin	 8,463	Let in November 2022 to M & H Carriers
Unit 8 Chanonry Road, Chanonry Road South Industrial Estate	 3,788	Council property previously occupied as a Council store. Heads of Terms have recently been agreed for a letting to a local private company.
6 Chanonry Street, Elgin	 2,093	Let in July 2022, standalone industrial workshop with offices on 1f.
Unit 1 Edgar Road, Elgin	 5,761	Let in October 2021 on a 20-year lease at £7 per sq.ft. Trade counter / showroom, now Edgar Road Garage.
<b>FORRES MARKET AREA</b>		
6 Greshop Road, Greshop Industrial Estate, Forres	 2,082	Let in June 2022 at £4 per sq.ft. to D & M Winchester for a bonded warehouse
11 Forres Enterprise Park, Forres	 12,600	Let in August 2021 to Orbex Ltd
<b>KEITH MARKET AREA</b>		
5 Westerton Road, Keith	 12,455	Sold in May 2021. Modern unit with yard

Source: Ryden / CoStar

6.26 A breakdown of this take-up by sizeband and area is shown in Table 14. The majority of take-up has been for units smaller than 5,000 sq.ft., with 78% of units by number. (Figure 21 and Table 14). Industrial units in the sizeband 1,000 – 5,000 sq.ft. had the majority of take-up at 59% of all take-up by number. This matches supply noted above. The majority of take-up (57%) was in the Elgin market area, which also matches the distribution of industrial stock across Moray.

**FIGURE 21: INDUSTRIAL TAKE-UP BY SIZEBAND AND MARKET AREA**



Source: Ryden / CoStar

**TABLE 14: INDUSTRIAL TAKE-UP**

SIZEBAND	FLOORSPACE SQ.FT. / (NUMBER)					TOTAL
	ELGIN	FORRES	BUCKIE	KEITH	SPEYSIDE	
0 – 999	6,795 (8)	1,829 (2)	-	-	-	<b>8,624</b> <b>(10)</b>
1,000 – 4,999	40,758 (16)	7,420 (3)	10,667 (4)	17,949 (7)	-	<b>76,794</b> <b>(30)</b>
5,000 – 9,999	32,781 (5)	-	-	-	-	<b>32,781</b> <b>(5)</b>
10,000 – 19,999	-	27,186 (2)	39,333 (3)	12,455 (1)	-	<b>78,974</b> <b>(2)</b>
20,000 and above	-	-	-	-	-	-
<b>Total</b>	<b>80,334</b> <b>(29)</b>	<b>36,435</b> <b>(7)</b>	<b>50,000</b> <b>(7)</b>	<b>30,404</b> <b>(8)</b>	-	<b>197,173</b> <b>(51)</b>

Source: Ryden / CoStar

**INDUSTRIAL INVESTMENT PROPERTY MARKET**

6.27 Industrial investment transactions, i.e. purchased by investors for income by investors rather than by occupiers, in Moray are shown in Table 15 on the next page. Both are new-built trade counter units.

6.28 In addition to these transactions an investment opportunity at Chanonry Court on Chanonry Road South in Elgin is currently for sale and is understood to be under offer.

**TABLE 15: INDUSTRIAL INVESTMENT TRANSACTIONS**




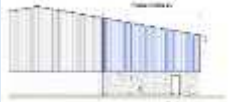




ADDRESS		SIZE (SQ.FT.)	DETAILS
Units 2 & 3 Ashgrove Road, Elgin Trade Park		6,106	Sold in October 2022 to The Hartley Trust Corporate Trustee Ltd for £1.35 million (5.10%)
Units 1 Ashgrove Road, Elgin Trade Park		10,149	Sold in November 2021 to Jilona Ltd for £1.4 million (5.66%). Pre-let to Howdens Joinery





Source: Ryden / CoStar

## INDUSTRIAL DEVELOPMENT ACTIVITY

- 6.29 There has been a number of recent new build industrial developments and proposals in Moray (Table 16A across the following two pages). New development is concentrated around Elgin. The activity comprises mainly private sector development built for, or to be built, for companies, totalling more than 111,500 sq.ft. across 26 developments. There are four speculative private sector developments – i.e. built at the developers' risk without occupiers in place - which total around 55,000 sq.ft.

**TABLE 16A: RECENTLY COMPLETED AND PIPELINE DEVELOPMENT**

DEVELOPMENT		DETAILS
<b>ELGIN MARKET AREA</b>		
Chanonry Court, Chanonry Industrial Estate, Elgin		Terrace of 18 <b>new-build speculative industrial units</b> totalling 22,022 sq.ft. in units from 987 sq.ft. ESL Developments. The site totals 1.84 acres and is held on a 99-year ground lease from Moray Council at £18,695 pa.
Chanonry Road South, Elgin		<b>Warehouse</b> built at No 2 in 2015 totals 8,500 sq.ft. Owned / built by ESL Investments.
Chanonry Road North, Chanonry Industrial Estate, Elgin		<b>Industrial/Warehousing development sites</b> Site 1 : 0.24 ha (0.592 acres) and Site 3 : 0.24 ha (0.593 acres) are available. Suitable for general purposes and industrial operations. Moray Council will consider offers to lease the sites on a long (99 years to 125 year) development lease basis.  21/00219/APP - Proposed container storage yard at 7 Chanonry Road North by MonStore Self Storage, permitted in May 2021.
1 Chanonry Spur, Elgin		22/00370/APP Erect extension for hammer head <b>shed and store</b> at Northern Fabricators Ltd for own use
Elgin Trade Park, Ashgrove Road, Elgin		Development of <b>trade counter units</b> on a 4 acre site adjacent to the A96 trunk road. Units totalling c. 16,000 sq.ft. were developed by Seamount Ltd for Howdens, City Plumbing and Crown Paints in 2020 and the balance of the site was sold to Macphersons of Aberlour. Upon completion the pre-let trade counter units were sold to investors.
Elgin Business Park	  	Development plots have been sold here.  Tower Place by Saltire Business Parks has been developed. Two terraces of 14 <b>new-build industrial starter units</b> totalling c. 15,820 sq.ft. in units from 1,055 sq.ft. Use Class 5 General Industrial, and Class 6 Storage or Distribution. Site 12a. 18/01000/APP  Recent developments and applications are : Site 1: 22/00607/APP - Construction of 7 attached <b>storage units</b> for Morlich Homes. Approved Site 2: 21/01587/APP - Formation of <b>storage yard</b> and erection of fencing/gateways for Seivwright Brothers Ltd. Approved Site 3: 21/00448/APP - <b>New office and workshop</b> of c. 21,000 sq.ft. for Morlich Homes. Approved and built Site 4: Sold but no planning application yet Site 5: Sold but no planning application yet Site 6: 22/00983/APP Proposed new <b>workshop and display</b> premises of c. 12,000 sq.ft. for Mr G Russell. Approved Site 7: 19/01195/APP Formation of <b>storage yard</b> including roadways, laydown areas and erection of fencing/gateways for Speyside Scaffolding Site 9: 20/00012/APP Construct <b>warehouse for distribution use</b> containing a small office with a collections point of c. 10,000 sq.ft. for Menzies Distribution, Approved and built Site 10: 19/01218/APP - Erection of a <b>warehouse and distribution unit</b> of c. 20,000 sq.ft. for RH Claydon. Permitted Site 11: 21/01588/APP - Formation of <b>storage yard</b> and erection of fencing/gateways for Seivwright Brothers Ltd. Approved Site 12: 22/00239/APP - Pot ale <b>processing plant</b> and associated reception office for Horizon Proteins approved September 2022 Site 13: 21/00207/APP Siting of temporary <b>storage containers</b> for S & D Harper Site 14: 22/01084/APP - Erect <b>industrial unit</b> of c 5,000 sq.ft. with yard for Moray Distillery Ltd. Approved March 2023 Site 14A: 22/01278/APP - Erect single storey <b>office accommodation</b> of c 9,000 sq.ft. for Johnston Carmichael, approved February 2023 Site 17: 22/00410/APP - Erect <b>showroom warehouse and workshop</b> building for MacGregor Industrial Supplies (MIS) of c 35,000 sq.ft.

		Approved Site 8, 13a, 14b, 15 and 16 remain available for sale In addition, a Travelodge, Starbucks and petrol filling station are located on the site.
Former Hopeman Service Station, Forsyth Street, Hopeman		Planning application by Saltire Business Parks (22/00842/APP) permitted in February 2023, for the demolition of existing service station and garage and erect 3 buildings consisting of 5 starter units for <b>class 4, 5 &amp; 6</b> uses with associated parking totalling c 9,000 sq.ft.
Unit 2B Linkwood Lane Linkwood Industrial Estate Elgin		A planning application (21/00860/APP) by MG Motors to erect a single storey double <b>garage/workshop</b> for own use
Adjoins 31 Grampian Road Adjoins 33 Grampian Road, Elgin		22/00457/APP - Proposed commercial <b>storage</b> facility including 3 steel containers by Laing & Sim, approved June 2022 22/00458/APP - Proposed industrial / commercial <b>storage</b> facility including 1 steel container by Laing & Sim, approved June 2022
<b>FORRES MARKET AREA</b>		
4 Waterford Circle, Forres		22/00110/APP Change of use of Class 1 retail element for sale of whisky to <b>workshop</b> for Speyside Whisky Auctions.
Berry Burn Wind Farm, Dunphail, Forres		22/00527/APP - Erect <b>workshop</b> for Statkraft at its wind farm here.
<b>BUCKIE MARKET AREA</b>		
28B Commercial Road, Buckie		22/01368/APP - New <b>operations and maintenance base</b> for Moray Offshore Windfarm (West) Limited to be constructed comprising office and warehouse building yard area. Approved February 2023
March Road Industrial Estate, Buckie		21/01629/APP - Erect a <b>storage building</b> for Boormalt at its facility at The Maltings, 20 March Road East 22/00781/APP - Site <b>modular storage</b> building on site for Lossie Seafoods 22/01257/APP - Develop <b>3 yards</b> for class 4,5 and 6 uses and erect galvanised palisade security fencing with gated access by Moray Council
<b>KEITH MARKET AREA</b>		
ERDF Funded Business Development Sites, Westerton Road South, Keith		Sites 7 & 8 are currently under offer. Site 7 is 0.225 ha (0.55 acres) and site 8 is 0.575 ha (1.4 acres). A recent planning application (23/00314/APP) for these sites and including plots above them by Isla Cooperage to erect a <b>cooperage</b> including office staff facilities storage yard and associated works is awaiting a decision.
<b>SPEYSIDE MARKET AREA</b>		
Spey Bay Auto-Salvage, Nether Dallachy, Spey Bay, Fochabers		22/01587/APP - Erect 2(no) <b>storage buildings</b> at Spey Bay Auto-Salvage. Awaiting a decision

Source: Ryden / Moray Council Planning/ websites

6.30 In addition, there have been planning applications from the food & drink industry, particularly the whisky sector and mainly for storage. Table 16B below shows a summary of the most relevant applications.

**TABLE 16B: RECENTLY COMPLETED AND PIPELINE DEVELOPMENT – FOOD & DRINK**

ADDRESS	PLANNING REFERENCE	DESCRIPTION	STATUS
Wester Greens, Dunphail, Forres	21/00045/APP	Renovate existing farm sheds and convert to small craft Scotch whisky distillery with associated visitors centre erect new cask <b>storage building</b>	Permitted
Spey Valley Brewery, Mulben, Keith	21/00352/APP	Proposed <b>storage extension</b>	Permitted
Glenfarclas Distillery, Ballindalloch	21/00420/APP	Proposed <b>bonded warehouses</b>	Permitted
Glenburgie Distillery, Forres	21/01363/APP	Proposed new <b>bunded spirit tanks</b> with stair access and pipebridge to connect them to adjacent process building	Permitted
Macallan Distillery, Craigellachie, Aberlour	21/01435/APP 22/00091/APP	Erect timber cabin pump house Extension of amenities building extension of car park new access road and <b>engineering workshop</b>	Permitted Permitted
Coleburn Distillery, Longmorn, Elgin	21/00166/APP 21/01646/APP	Erect <b>two storey extension</b> to existing bonded warehouse Proposed removal of existing fuel tanks and erection of <b>storage building</b>	Permitted Permitted
Viewfield Farm, Craigellachie, Aberlour	21/02008/APP	Demolish 2 no agricultural sheds and erect 2 no whisky <b>storage warehouses</b>	Permitted
6 Greshop Road, Forres	22/00784/APP	Proposed change of use from vegetable processing business with ancillary cold storage facilities to <b>bonded warehouse</b> . D & M Winchester	Permitted
Allt A Bhainne Distillery, Glenrines	22/00867/APP	Demolish existing bunded tanks chemical store garage associated canopy and substation within the rear service yard erect a new <b>bunded tank farm</b> dedicated loading bays and construction of a HGV turning circle	Permitted
Tomintoul Distillery Kirkmichael Ballindalloch	22/01152/APP	Construction of a new <b>whisky storage warehouse</b>	Permitted
William Grant, Land to the South of Crisp Maltings, Port Gordon, Buckie	22/01269/APP	Erect <b>storage warehouses</b> and ancillary development	Permitted
Cabrach Distillery, Lower Cabrach, Huntly	22/01430/APP	Installation of <b>malt silos</b> to support the operation	Permitted
Glenrothes Distillery, Burnside Street, Rothes	22/01673/EIA	Erection of <b>whisky maturation warehouses</b> and associated works	Awaiting a decision
Tamdhu Distillery, Knockando, Aberlour	22/01804/APP	Demolish existing building and erect new <b>office building</b>	Permitted
Glenmoray Distillery Bruceland Road Elgin	22/01938/APP	Extend existing fermentation tank farm to provide up to <b>9 additional vessels</b>	Permitted
Malcolmburn Bond, Mulben, Keith	22/00290/APP	Erect <b>single storey shed</b> to house forklift trucks	Permitted
Baxters Food Group Fochabers	22/00809/APP	Change of use from visitors centre restaurant and shop to e-commerce and <b>storage</b>	Permitted
Land at Greens of Rothes	21/01901/EIA	Proposed 100,000 tonnes per annum <b>malt producing facility</b>	Permitted

Source: Ryden / Moray Council Planning

## OFFICE MARKET

- 6.31 Moray's office property market is largely concentrated in and around the main towns of Elgin and Forres where modern purpose built office pavilions have been constructed, along with offices in traditional buildings in and around the town centres. For other areas office stock is mainly in older buildings, on upper floors within town centres and townhouses on the fringes.
- 6.32 As noted above the total stock of offices in Moray, including both occupied and vacant properties, is around 410,000 sq.ft.
- 6.33 By market area over half is in Elgin (58%), followed by 19% in Forres and 18% in Buckie. Only 5% of the office stock is located in Keith, with minimal office stock in Speyside (although there are likely to be office components within major distillery complexes).
- 6.34 Table 22 later in this section notes modern office development at Southfield Drive in Elgin, at Elgin Business Park and Enterprise Park Forres with a number of business centres in Elgin and Fochabers operated by Gairland Business Centres. There has also been a recent conversion of Greenbrae Steading between Hopeman and Burghead, Elgin to co-working space.











## OFFICE SUPPLY

- 6.35 There is currently 64,590 sq.ft. of office space actively being marketed in Moray, within 27 offices, as shown in Table 17 over the following two pages. This equates to a comparatively high floorspace vacancy rate of 16%. Scotland's office vacancy rate is 10.3%<sup>17</sup>. In Moray, available offices tend to be in traditional buildings or business centres. It is interesting to note the number of offices on the market is similar to in the industrial market but in a much smaller sector with lower demand levels (see below).
- 6.36 The analysis covers marketed vacancies only, which were identified through a trawl of all known national and local sources. There may be individual units vacant and available locally which are not being formally advertised (e.g. with simply a telephone number on a sign on the building).






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<sup>17</sup> CoStar Group, 4 April 2023  
Ryden, May 2023

TABLE 17: CURRENT OFFICE SUPPLY

ADDRESS		SIZE (SQ.FT.)	DETAILS
<b>ELGIN MARKET AREA</b>			
5 Commerce Street , Elgin		1,094	Self-contained ground floor office suite, on a corner position within a traditional semi-detached stone building. Class 2 planning use. Available summer 2023. For lease.
66/68 High Street, Elgin		2,620	Office suites on first and second floors of traditional building. For lease at £3.80 per sq.ft. Available as a whole but may sub-divide. Class 4 business consent.
Prospect Lodge, 7 Mayne Road, Elgin		808	Three offices on first floor of Grade B listed building. For lease together or separately. Office 1 : 280 sq.ft. at £490 pcm; Office 2 : 248 sq.ft. at £400 pcm, Office 3 : 280 sq.ft. at £495 pcm., c £20 per sq.ft.
Southfield Drive, Elgin		1,090 1,690	Ground floor office in modern two storey office pavilion. For lease £16 per sq.ft. Built 2019.
149 High Street, Elgin		2,268	Offices on first, second and third floors in traditional B listed building, above retail unit. For lease, may sell.
Park House Business Centre, South Street, Elgin		95 160	Office 1A Serviced office on first floor of restored Georgian manor. For lease on an all-inclusive rent at £6,000 pa. Office 2B Serviced office on second floor. For lease on an all-inclusive rent at £530 pcm.
The Gairland Building, 14 Chanonry Road South, Elgin		278 197	Executive office on second floor in modern office building. For lease on an all-inclusive rent at £1,100 pcm. Office 2 For lease on an all-inclusive rent at £800 pcm.
Caledonian House Business Centre, High Street, Elgin		14 desks 104 96 192	Office 3 First floor office with space for 14 desks, £1,700 pcm Office 2 First floor office, space for 1 desk, £450 pcm Office 4 First floor office + store, space for 4 desks, £650 pcm Office 5 Second floor office, space for 3 desks, £600 pcm All rents are all inclusive
250 – 258 High Street, Elgin		1,985	Seven cellular offices on the first floor in part of the Royal Main sorting office building. For lease as a whole or may be sub-divided into rooms from 89 – 279 sq.ft. at £5 per sq.ft.
25a High Street, Elgin		1,506	Second and third floors in mid-terrace Grade B listed building. Cellular rooms. For sale £100,000.

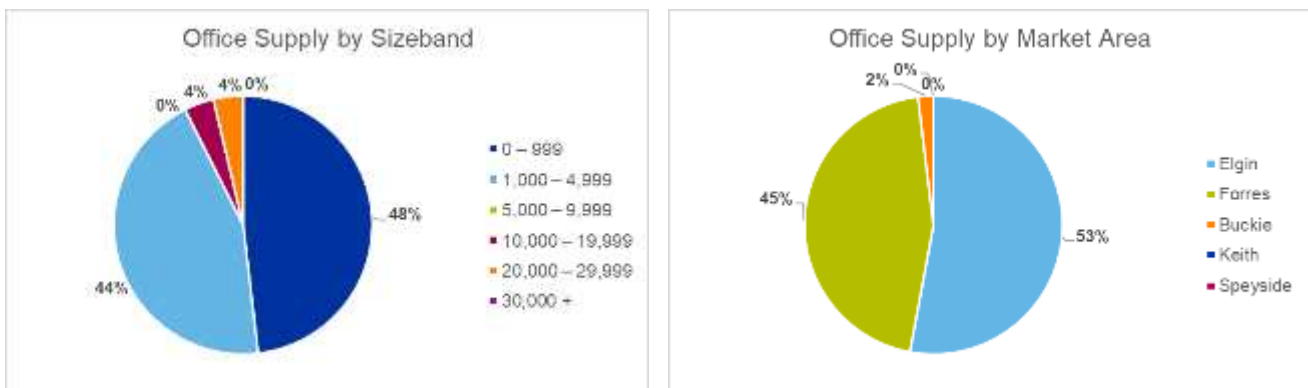


Commerce House, South Street, Elgin		16,602	Detached, three storey office over two blocks. For sale / may let. Possible development opportunity.
<b>FORRES MARKET AREA</b>			
Venture House, 1 Enterprise Court, Forres Enterprise Park, Forres		4,854	Suite on first floor of modern two story pavilion office on business park. Built in 2013. For lease £10 per sq.ft.
Strathcona House, Forres Enterprise Park, Forres		22,041	Modern single story detached office pavilion. Can be subdivided into two offices. For lease on a minimum of 5-years. Also available to purchase.
Unit 8, Horizon Scotland, 2 Innovation Way, Forres Enterprise Park, Forres		215	Small office for 3-4 people in managed business centre for lease at £19.50 per sq.ft.
The Elms, 29 St Leonards Road, Forres		1,695	Detached office building for lease at £13 per sq.ft.
108 High Street, Forres		353	Offices on first floor of traditional building. For lease £12.75 per sq.ft. on a minimum 3-year lease.
<b>BUCKIE MARKET AREA</b>			
19 East Church Street, Buckie		1,243	First floor office in traditional building. Provides 7 cellular offices. For lease £5.50 per sq.ft.

Source: Ryden / CoStar/ Zoopla/ Rightmove/ Property agents

6.37 By sizeband the majority of available units are small. A total of 48% are smaller than 1,000 sq.ft., and 44% between 1,000 – 5,000 sq.ft. There are no offices available between 5,000 – 10,000 sq.ft., or larger than 30,000 sq.ft. (Figure 22 below and Table 18 on the next page). The Elgin Market Area has the majority of market share for number of offices on the market with 53%, followed by Forres with 45%.

**FIGURE 22: OFFICE SUPPLY BY SIZEBAND AND MARKET AREA**



**TABLE 18: CURRENT OFFICE SUPPLY**

SIZEBAND	FLOORSPACE SQ.FT. / (NUMBER)					TOTAL
	ELGIN	FORRES	BUCKIE	KEITH	SPEYSIDE	
0 – 999	2,818 (11)	568 (2)	-	-	-	<b>3,386</b> <b>(13)</b>
1,000 – 4,999	14,769 (9)	6,549 (2)	1,243 (1)	-	-	<b>22,561</b> <b>(12)</b>
5,000 – 9,999	-	-	-	-	-	-
10,000 – 19,999	16,602 (1)	-	-	-	-	<b>16,602</b> <b>(1)</b>
20,000 and above	-	22,041 (1)	-	-	-	<b>22,041</b> <b>(1)</b>
<b>Total</b>	<b>34,189</b> <b>(21)</b>	<b>29,158</b> <b>(5)</b>	<b>1,243</b> <b>(1)</b>	<b>0</b>	<b>0</b>	<b>64,590</b> <b>(27)</b>

Source: Ryden / CoStar / Property agents

6.38 While energy performance is becoming important in the industrial sector as noted earlier, carbon emissions and energy costs are also relevant to offices. Of the current supply listed above:

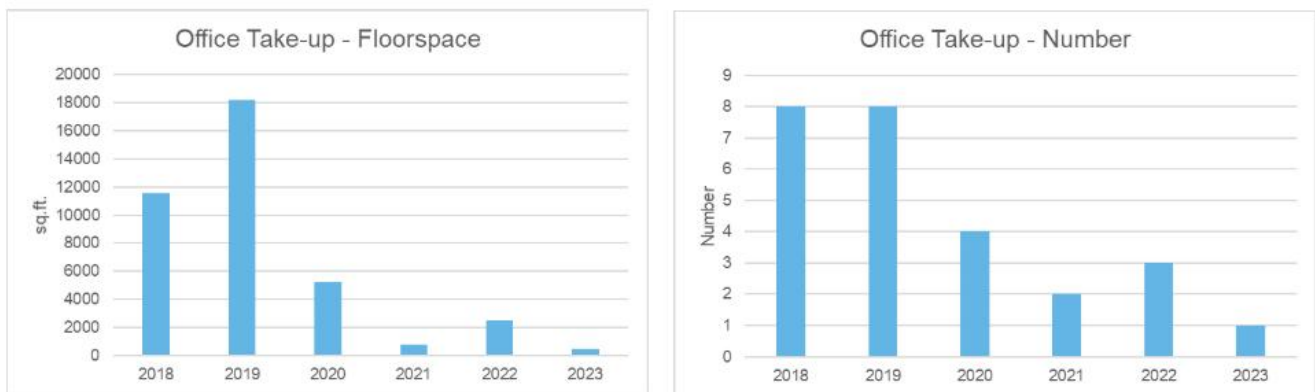
- 14 of the available offices have a registered EPC rating (52%)<sup>18</sup>
- 3 offices achieve A or B ratings. These buildings are very energy efficient.
- 9 buildings have mid-range EPC ratings of C, D or E.
- No buildings have a poor EPC rating of F. and 2 have G, which is the worst. This building could be termed 'environmentally obsolete' without appropriate improvements.
- 5 properties could not be identified on the EPC register
- 8 have ratings which do not reflect more recent refurbishments

**OFFICE TAKE-UP**

6.39 A total of 38,745 sq.ft. of office floorspace in 26 offices has been recorded as taken-up (sales and lettings) in Moray since January 2018 (Figure 23). This is an annual average of 7,649 sq.ft. in 5 offices. All transactions were lettings. The years 2018 and 2019 had most take-up by both floorspace and number.

6.40 While Ryden has endeavoured to include all marketed properties, in a large, dispersed market area with many settlements and a rural hinterland, other properties may come on and off the market less formally and not be recorded.

**FIGURE 23: OFFICE TAKE-UP**



Source: Ryden / CoStar

<sup>18</sup> While these may have a rating, it is not recorded in either the marketing details or identifiable on the Scottish EPC Database <https://www.scottishepcregister.org.uk/>  
Ryden, May 2023

6.41 Examples of recent office transactions in Moray are in Table 19. Transactions tend to be, with lease lengths of between 5 to 10 years at rents ranging from £5 to £16 per sq.ft. These rents are below the levels where developers could viably build new office space. Rents of £20-25 per sq.ft. would be required to support new-build office development. This would be on a serviced site in a business park/pavilion format rather than in a constrained town centre. Higher construction costs, building regulations and occupier requirements for ESG have pushed the required rent to these levels. Value engineering could minimise the cost, but not to the level where the current market could support new development, unless perhaps it was a pre-let or pre-sale to an occupier willing to pay the required rent.

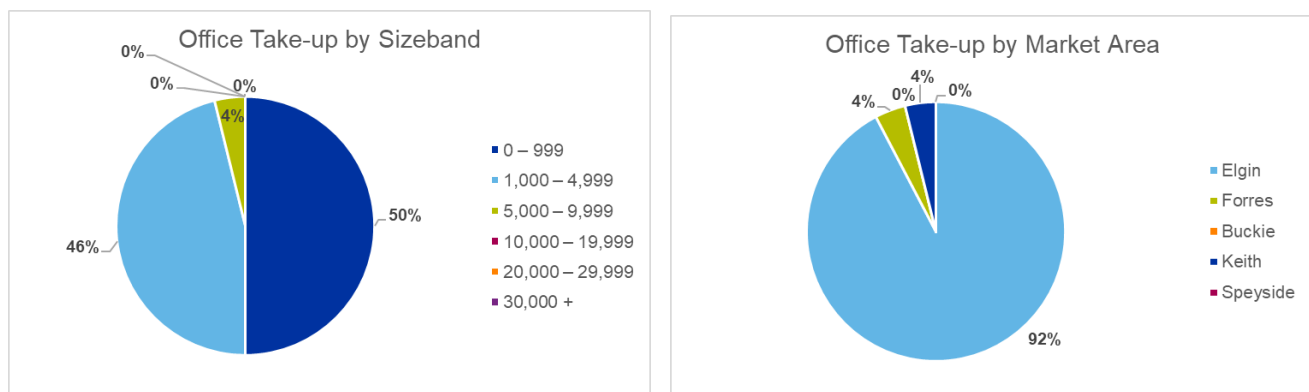
**TABLE 19: RECENT OFFICE TRANSACTIONS**

ADDRESS	SIZE (SQ.FT.)	DETAILS
<b>ELGIN MARKET AREA</b>		
35 Moray Street, Elgin	500	Let in March 2023
	370	Let in December 2021
	425	Let in July 2021
Moycroft House, Moycroft Road, Elgin	742	Let in November 2022 on a 5-year lease at £13 per sq.ft. To be used as a dog grooming business
Southfield Drive, Elgin	1,690	Let in November 2022 to Fairhurst and Partners LLP on a 10-year lease at £15.40 per sq.ft.
	1,690	Let in December 2020 to NFU on a 10-year lease at £16 per sq.ft.
The Park House, South Street, Elgin	95	Let in May 2022
<b>KEITH MARKET AREA</b>		
Gatehouse, Station Road	2,069	Let in October 2019 at £4.70 per sq.ft.

Source: Ryden / CoStar

6.42 A breakdown of this take-up by sizeband and area is shown in Table 20. The vast majority are for offices smaller than 5,000 sq.ft., the smallest sizeband 0 – 999 sq.ft. has 50% of take-up, with 1,000 – 4,999 sq.ft. having 48%. (Figure 24 and Table 20). The majority have been in the Elgin market area with 92% of transactions by number. Both office stock and supply are dispersed but the active market for demand is Elgin.

**FIGURE 24: OFFICE TAKE-UP BY SIZEBAND AND MARKET AREA**



Source: Ryden / CoStar  
Ryden, May 2023

**TABLE 20: OFFICE TAKE-UP**




SIZEBAND	FLOORSPACE SQ.FT. / (NUMBER)					TOTAL
	ELGIN	FORRES	BUCKIE	KEITH	SPEYSIDE	
0 – 999	6,455 (12)	-	-	-	706 (1)	7,161 (13)
1,000 – 4,999	18,705 (11)	-	-	3,012 (1)	-	21,717 (12)
5,000 – 9,999	-	9,867 (1)	-	-	-	9,867 (1)
10,000 and above	-	-	-	-	-	-
Total	25,160 (23)	9,867 (1)	-	3,012 (1)	706 (1)	38,745 (26)

Source: Ryden / CoStar

## OFFICE INVESTMENT PROPERTY MARKET

6.43 Office investment transactions in Moray are shown in Table 21. Three are traditional buildings while one is a modern pavilion. In terms of office investment currently being offered to the market, Phoenix House at 1 Wards Road in Elgin is available for investment sale at £550,000 (8.5%), the modern 2-storey office is let to SCRA, Mears Care (Scotland) Ltd and Allied Health Services Ltd.

**TABLE 21: OFFICE INVESTMENT TRANSACTIONS**

ADDRESS		SIZE (SQ.FT.)	DETAILS
7 Commerce Street, Elgin		2,920	Sold in September 2022 for £135,000 (14.55%). At the time of sale let to Cornerstone Community Care on a lease expiring 1 April 2025 at £20,000 pa
Elgin Business Centre, Maison Dieu Road, Elgin		8,423	Multi-let business centre with 19 offices sold at auction in May 2022. Asking price £430,000. Annual rent £79,440.
103 High Street, Forres		1,487	Sold in November 2018 for £80,000 (10.44%). Top 3 floors with cellular offices in traditional building at the time of sale let to Ritsons Accountants at £8,500 pa
Mansfield House, Land Street, Keith		5,648	Sold in September 2018, asking price £300,000. Modern, purpose built, two storey, detached office building. At the time of sale, ground floor let to National Farmers Union Mutual Insurance Society at £26,400 pa and first floor vacant

Source: Ryden / CoStar

## OFFICE DEVELOPMENT ACTIVITY

6.44 There have been some recent planning applications and new build developments and conversions in the office sector (Table 22). The completed and pipeline developments comprise a mix of modern pavilions and business centres.

**TABLE 22: RECENTLY COMPLETED AND PIPELINE DEVELOPMENT**

DEVELOPMENT		DETAILS
<b>ELGIN MARKET AREA</b>		
Southfield Drive, Elgin		A modern <b>office development</b> in Elgin South built between 2010 and 2020. Office buildings are No 8, Alexander Fleming House (occupiers include Springfield, Scotgrain and the Scottish Government); No 9, c. 8,000 sq.ft. (occupiers include NHS and Marsh Commercial); and No 10, c. 7,000 sq.ft. (occupiers include Fairhurst and NFU). Alongside 3 office pavilions are retail, nursery and NHS uses.
Elgin Business Park		Site 14A: 22/01278/APP - Erect <b>single storey office</b> accommodation of c 9,000 sq.ft. for Johnston Carmichael, approved February 2023
Caledonian House Business Centre, High Street, Elgin		Conversion of former bank premises into a modern premium <b>serviced business centre</b> by Gairland LLP. The business centre opened in 2017 and comprises 10 offices. Rents are all inclusive.
Gairland Building, 14 Chanonry Road South, Elgin		<b>New build office</b> building. The Gairland LLP HQ, also offers serviced office space for lease.
Greenbrae Steading, between Hopeman and Burghead		Steading converted to <b>co-working space</b> , opened in 2021. Also incorporates community space  21/01787/APP - Change of use of former steading building from office and showroom to an office meeting/training room and event space
1 Pinefield Parade, Elgin		22/00292/APP Proposed office extension for Pinefield Glass at its factory premises
<b>FORRES MARKET AREA</b>		
Forres Enterprise Park		100 acre business park developed by HIE –Horizon Scotland is a business and innovation centre based on the park, comprises flexible business space, with individual units suitable for office, research and development, and clean manufacturing. Orbex, Gael Force, Maker Technologies, Phoenix Instinct, Life & Sole  20/01714/APP – A phased erection of eight office pods associated car parking and landscaping at Horizon Scotland, by Highlands and Islands Enterprise (understood to now be on hold) 20/00814/APP - Construction of flexible small business units with potential use classes 4/5/6, by HIE. To comprise 2 sustainable units of 1,600 sq.ft. each.

Source: Ryden / Moray Council Planning / websites

## SUMMARY

- 6.45 The industrial property market in Scotland has strong underlying demand however supply is tightening and economic uncertainty is suppressing some of this demand. Meanwhile the office market has experienced a seismic shift following the Covid-19 pandemic and the flight to smaller, better quality offices is now evident across the market.
- 6.46 Within Moray, industrial stock totals 2.04m sq.ft and office stock totals 410,000 sq.ft. making industrial by far the largest sector of employment property in the area. The largest proportion of industrial and office property was built 30-50 years ago which means there could be an issue of looming obsolescence associated with some stock in the area, indeed a number of poor quality units are noted to be on the market currently. The majority of industrial and office floorspace is located in Elgin.
- 6.47 In the industrial sector there is a low floorspace vacancy rate of 3.6% and although as noted the majority are older units there have been some modern private developments undertaken at Elgin Business Park and Chanonry Court, Elgin. As a result, rents range widely from £2.60 - £8.50 per sq.ft. for poorer quality up to brand new industrial units. Average market rents for modern second hand stock are between £7-8 per sq.ft. The majority of available units are smaller than 5,000 sqft and there are no units available over 20,000 sq.ft. This could present a barrier to businesses which are looking to scale up.
- 6.48 In terms of industrial unit energy performance, it is a 'mixed bag' with new modern premises and other energy efficient premises on the market as well as a number which could be considered environmentally obsolete.
- 6.49 For the industrial market, the take-up rate is an average of 38,040 sq.ft. in 10 units per annum. This is just under 1 deal per month. Active sectors based upon recent transactions include motor trades, logistics, food and drink and trades suppliers. There are a number of recently completed industrial developments and an active future development pipeline of new industrial units, workshops and units for storage, predominantly for owner occupiers. The amount of planning applications for food and drink storage is particularly high. The provision for facilities of this nature is important for these businesses but they have comparatively low employment densities (jobs per unit of floorspace). There could be an opportunity to re-purpose larger, older, lower-quality industrial units which are lacking in energy efficiency to meet the needs of bonded warehousing although urban areas are unlikely to be appropriate given the flammable nature of whisky.
- 6.50 Moray's office property market is largely concentrated in and around the main towns of Elgin and Forres where modern purpose built office pavilions have been constructed, along with offices in traditional buildings in and around the town centres. For other areas office stock is mainly in older buildings, on upper floors within town centres and townhouses on the fringes. There has been modern development and a number of new business centres and co-working spaces created.
- 6.51 The office floorspace vacancy rate is high at 16% and those on the market lean towards traditional supply. The majority of available units are small and there is very limited supply above 5,000 sq.ft. Energy performance is less of an issue in the general office sector (although it can be to major corporate occupiers) and majority of available offices have mid-range EPC ratings.
- 6.52 For the office sector, there is an annual average take-up of 7,649 sq.ft in 5 offices suggesting a narrow market. There does appear to be ample supply for the levels of demand. Recent transactions show rents between £5-16 per sq.ft which is below the level at which private developers could viably build new space however there has been some facilities converted to offices and office extensions undertaken recently or in the pipeline. The active demand for offices is largely seen in Elgin.

# 07

## COUNCIL INVESTMENT PORTFOLIO

### INTRODUCTION

- 7.1 Moray Council owns and manages an industrial property portfolio comprising a range of industrial land and buildings throughout Moray including all of the principal settlements. The Council's operational portfolio of offices, depots and other facilities from which it provides local services are held separately.
- 7.2 The portfolio generates rental income for the Council and delivers economic benefits for the area. It is managed by the Council's Estates team.
- 7.3 Further analysis of the portfolio is provided within this section.

### STOCK AND MIX OF PREMISES

- 7.4 At 31 March 2022, the Council's industrial portfolio comprised 175 industrial buildings with a total floor area of 327,858 sq.ft. making the Council a major landlord and provider of units to the market. In terms of land the Council owns 130 development and ground leases with a total site area of 20.70 ha and a stock of serviced and un-serviced land for future development totalling 21.12 ha. A summary of the portfolio is provided in the Table below. The development and ground leases are plots provided on a ground lease to businesses to either build their own premises or use as yards for storage.

**TABLE 23: MORAY COUNCIL ANALYSIS OF PORTFOLIO AS AT 31 MARCH 2022**

SETTLEMENT	INDUSTRIAL PREMISES		INDUSTRIAL SITES		FUTURE INDUSTRIAL DEVELOPMENT LAND	
	No.	Floor Area (Sq.ft)	No.	Total Area (Ha)	Serviced (Ha)	Un-serviced (Ha)
Elgin	66	114,108	72	9.99	0.87	0.94
Forres	24	32,378	15	3.61	0.00	0.00
Buckie	20	31,172	9	2.18	8.97	7.96
Keith	38	120,071	11	1.41	0.54	1.84
Lossiemouth	13	15,005	9	0.97	0.00	0.00
Other	14	15,123	14	2.54	0.00	0.00
<b>TOTAL</b>	<b>175</b>	<b>327,857</b>	<b>130</b>	<b>20.70</b>	<b>10.38</b>	<b>10.74</b>

Source: Moray Council, Industrial Portfolio Annual Report 2021/22

- 7.5 Key industrial estates which the Council holds industrial premises or sites include the following which can be identified on the previous map provided within Section 6 at Figure 19 via the reference numbers provided:

- Pinefield Industrial Estate, Elgin (11)
- Chanonry Industrial Estate, Elgin (9)
- Tyock Industrial Estate, Elgin (8)
- Linkwood Industrial Estate, Elgin (10)
- Waterford, Forres (2)
- Greshop Industrial Estate, Forres (1)
- March Road Industrial Estate, Buckie (18)
- Rathven Industrial Estate, Buckie (17)
- Isla Bank Mills, Keith (22)
- Westerton Road, Keith (24)
- Newmill Industrial Estate, Keith (23)

- Coularbank Industrial Estate, Lossiemouth (4)
- Mosstodloch Industrial Estate, Mosstodloch (16)
- Lhanbryde Industrial Estate, Lhanbryde (15)
- Rothes Industrial Estate, Rothes (19)
- Dufftown Industrial Estate, Dufftown (21)

- 7.6 The Council has significant ownership at over half of Moray's industrial estates.
- 7.7 The largest number of industrial units (37.7%) are located within Elgin, followed by Keith (21.7%). The Council's portfolio is less concentrated in Elgin and more dispersed across Moray than the market stock; this is consistent with its economic development role with the private sector being more active in Elgin as the main market centre.
- 7.8 In floorspace terms 36.6% of the Council's industrial holding is in Keith. This is skewed by the Council's largest industrial premises which is a former woollen mill complex at Isla Bank which totals 34,423 sq.ft. In terms of industrial sites, the majority are again in Elgin. Having regard to the Moray market areas presented earlier at Figure 2 there are notably less Council industrial sites and premises in the Speyside area. There is no future industrial development land in Forres, Lossiemouth or Speyside.
- 7.9 Industrial premises range in size from the 34,423 sq.ft Isla Bank former woollen mill complex to 270 sq.ft. offices within business centres. It is worth noting that although the portfolio is referred to as industrial it does also contain premises for sole or ancillary office use. This includes offices in the Council's 3 business centres at Chanonry (Elgin), Westerton Road (Keith) and Coularbank (Lossiemouth). Chanonry Business Centre comprises 5 studio/office units each of 270 sq.ft and Westerton Road business centre comprises four 270 sq.ft studio/office units and two 538 sq.ft units. Coularbank Business Centre comprises 4 studio/office units each of 270 sq.ft. and 2 workshop units of 538 sq.ft. This size of centre and number of units (and levels of rent presumably) would be uneconomic for the private sector therefore the Council is providing offices in areas of market failure.
- 7.10 The average unit size across the portfolio is 1,830 sq.ft. which tends to pertain to small and medium sized businesses and is in keeping on a portfolio which focuses on economic development. An industrial unit of this size would accommodate on average 5 employees using typical employment densities.
- 7.11 The Council describes the majority of its tenants as trades and they include motor repairs/garages, carpenters, joiners, shop-fitters, metal fabricators, builders, light haulage, electricians and plant hire etc. It is understood that units for the motor sector including repairs, de-tailing etc. is a growing sector. As well as these small to medium sized businesses, Council units/land are also home to a number of larger tenants including a cooperage.
- 7.12 In addition, a small number of units within the portfolio are occupied by Council services, which is contrary to the economic development objectives of the portfolio. However, it is understood that the majority of these properties are within the scope of a review of Council depots and stores. This may provide an opportunity to re-locate Council services to free up the industrial portfolio for letting to businesses. This would mean it may be possible to offer additional unit supply in local markets through portfolio management without incurring the costs and risks of new development.
- 7.13 In recent years, the Council has invested in general upgrading works to the industrial portfolio to ensure properties remain responsive to future business needs. During 2021/22, the Council invested £80,000 of revenue and £62,500 of capital in the Industrial Portfolio and in supporting industrial development across Moray through a range of projects including roof repairs, electrical repairs/upgrades, new heating systems, surface and foul water repairs/upgrades, estate road repairs and design work for new projects to create serviced sites. Further monies have been allocated in 2022/23 to carry out condition surveys and for the refurbishment of the portfolio. Condition surveys were delayed as a result of the Covid-19 pandemic.
- 7.14 Refurbishment works ensure properties continue to meet business needs and safeguard future rental income. The Council notes that officers continue to work with tenants on the most appropriate ways to



deliver improvements to properties, including agreeing where appropriate for tenants to do works in return for commensurate temporary reductions in rental, or capital payments.

- 7.15 Since 2018 in England and Wales there has been a prohibition on letting properties with Energy Performance Certificates (EPCs) worse than E ratings. In April 2023 the prohibition is due to have been extended to existing leases in England as well as new leases. In 2018 the Scottish Government consulted on draft proposals to make non-domestic properties more energy efficient and further consultations were delayed due to the coronavirus. It is likely that Scottish legislation will be brought in and this should be kept under review. In particular, this will affect Council industrial premises with heating systems.

## OCCUPANCY AND INCOME

- 7.16 The occupancy levels of Council industrial buildings in recent years are set out below.

**TABLE 24: OCCUPANCY LEVELS OF COUNCIL INDUSTRIAL BUILDINGS**

YEAR	% OF FLOORSPACE OCCUPIED	% OF BUILDINGS OCCUPIED
2016/17	96.1%	95.4%
2017/18	94.4%	92.7%
2018/19	83.57%	93.18%
2019/20	93.54%	95.48%
2020/21	88.84%	93.71%
2021/22	92.45%	92.57%

Source: Moray Council, Industrial Portfolio Annual Report 2021/22

\* The floor area occupancy figures for 2018/19 were skewed as a result of the former sawmill at Waterford Circle in Forres (which was by far the largest in the portfolio) becoming vacant.

- 7.17 At 31 March 2022 the occupancy rate in terms of buildings occupied was 92.57% compared to the Council target of 80%. The figures for 2022/23 have yet to be prepared however it is understood from discussions with the Council that there is only 1 vacant unit within the portfolio currently and therefore the portfolio is maintaining very high occupancy. This is consistent with the wider very low industrial vacancy rate of 3%. It is also interesting that the office occupancy rate may be high too which suggests that the Council's small affordable office premises are performing well despite a wider 16% vacancy rate.
- 7.18 Although around 10 tenants' leases terminated due to Covid, new tenants have since been secured for the majority of those properties.
- 7.19 The total gross rental income for the past 6 years is set out in Table 25 below.

**TABLE 25: COUNCIL GROSS RENTAL INCOME**

YEAR	GROSS RENTAL INCOME
2016/17	£1,753,000
2017/18	£1,756,000
2018/19	£1,930,000
2019/20	£1,954,000
2020/21	£1,940,000
2021/22	£2,066,000

Source: Moray Council, Industrial Portfolio Annual Report 2021/22

- 7.20 The Council reports that rental income was impacted by the Covid lockdown in 2020/21 and there was considerable uncertainty at that time over the medium/long term impact on the portfolio. However, as can be seen the total rental income increased by £126,000 in 2021/22, exceeding the budget target of £1,890,000. Part of this was due to the implementation of rent reviews which were deferred during Covid lockdown. The portfolio's annual income has increased by £787,000 over the last 10 years.
- 7.21 It is difficult to compare the rental of the industrial portfolio objectively over a number of years as its Ryden, May 2023

composition changes due to the sale of properties, addition of new properties and the refurbishment and repair of existing properties. However, increases in rental achieved at rent review for industrial premises (3 yearly rent reviews) and for industrial sites (5 yearly rent reviews) have continued to outstrip the Consumer Prices Index over the corresponding periods, but to a lesser extent than previous years. There have been particular issues with rising inflation in 2022/23 and it may be that for the first time inflation will outstrip rental growth for the period.

- 7.22 Typical rents across the portfolio are between £6-8 per sq.ft. for industrial premises. However, rents can be as low as £2-4 per sq.ft at Isla Bank Mills due to the size and poorer quality of stock. This is in comparison with average market rents of £7-8 per sq.ft for second hand stock and £8.50 per sq.ft for new build.
- 7.23 The Council has commented that it often has to set closing dates for its industrial premises for lease as multiple offers can be received.

## **FUTURE DEVELOPMENT**

- 7.24 The Council continually reviews its portfolio in terms of its effectiveness, disposing of properties where appropriate and taking steps to increase supply where demand dictates. The Council has concerns about a shortage of industrial development land and units in various locations.
- 7.25 The following actions are aimed at addressing supply issues:
- A major extension of March Road Industrial Estate in Buckie has provided a supply of industrial development land in East Moray
  - The Council acquired 36 Commercial Road, Buckie to facilitate its strategic plans for the Harbour to support the town's role in offshore wind developments
  - Officers continue to work with private developers to facilitate the provision of new business units
  - Existing properties will be repaired and refurbished as required
  - Continue to consider opportunities for the re-development of Vacant and Derelict Land and Buildings for business use
  - Officers continue to investigate the potential to secure external funding for industrial development, e.g. UK Shared Prosperity Fund, Place Based Investment Fund and the Just Transition Fund; this is considered further in Section 10
  - The Council had an allocation in its capital plan for the expansion of the portfolio in Forres and Speyside however the monies have been put back into the plan as the proposed projects encountered difficulties
- 7.26 In discussions with the Council it has been noted that the two main issues which prevent new developments are finding sites and construction costs. The prevalence of Special Landscape Areas in Moray can also restrict development in specific areas.

## **SUMMARY**

- 7.27 At 31 March 2022, the Council's industrial portfolio comprised 175 industrial buildings with a total floor area of 327,858 sq.ft.; 130 development and ground leases with a total site area of 20.70 ha and a stock of serviced and un-serviced land for future development totalling 21.12 ha. The Council has a particular concentration of industrial premises and sites in Elgin however it is noted it has significant ownership in more than half of Moray's industrial estates. The scale of the Council's portfolio also means it is a significant landlord in the area.
- 7.28 As well as industrial premises and sites the Council's portfolio also includes office space within its three business centres at Chanonry (Elgin), Westerton Road (Keith) and Coulardbank (Lossiemouth).
- 7.29 It is understood that a small number of units within the portfolio are occupied by Council services however these properties are within the scope of a review of Council depots and stores. This may provide an

opportunity to re-locate Council services to free up the industrial portfolio for letting to businesses. If possible, re-use of these units would provide additional stock to the local market without incurring the costs and risks of new development.

- 7.30 The Council continues to invest in general upgrading and refurbishment works. Anticipated future changes to EPC legislation in Scotland may have an impact on the lettable of some Council units.
- 7.31 The Council portfolio benefits from very high occupancy (92.57%) and closing dates often have to be set where multiple offers are anticipated for popular units. This is consistent with the wider very low industrial vacancy rate of 3%. It is also interesting that the office occupancy rate may be high too which suggests that the Council's small affordable office premises are performing well despite a wider 16% vacancy rate.
- 7.32 Typical rents across the portfolio are between £6-8 per sq.ft. for industrial premises which is in comparison with average market rents of £7-8 per sq.ft for second hand stock and £8.50 per sq.ft for new build.
- 7.33 The Council has concerns about a shortage of industrial development land and units in various locations. In order to tackle this the Council is working in partnership with HIE and private developers to facilitate new provision. It has also undertaken strategic acquisitions to support key sectors such as offshore wind in Buckie.
- 7.34 Construction costs are currently very high and this is an issue for the Council in terms of creating new supply. It has also struggled to acquire appropriate sites for development. The prevalence of Special Landscape Areas in Moray can also restrict development in specific areas.

# 08

## EMPLOYMENT LAND

### INTRODUCTION

- 8.1 In accordance with NPF4, Councils should allocate sufficient land for business and industry, taking into account business and industry land audits, in particular ensuring that there is a suitable range of sites that meet current market demand, location, size and quality in terms of accessibility and services. This section assesses employment land supply and take-up in Moray. A comprehensive market assessment of employment land sites is also undertaken.

### EMPLOYMENT LAND AUDIT

- 8.2 The Moray Employment Land Audit is undertaken annually by the Council in order to provide up to date and accurate information on the supply and availability of employment land for business and industrial use within the Council area.
- 8.3 The most recent audit was conducted in April 2022 and has been prepared from information gathered by Council planning officers through monitoring of the LDP, planning approvals and individual inspections.
- 8.4 All employment sites in the existing LDP have been recorded by the Council in a database, unless the site has been built out in its entirety. In addition to sites allocated in the Moray LDP 2020 any windfall sites with planning consent for employment uses have been added to the database unless these are constrained to a single user (e.g. a distillery). It is noted that land with buildings that are vacant is not included in the audit nor are redeveloped sites.
- 8.5 Once sites have been identified officers undertake a review of planning applications and collect information such as ownership, proposed use etc. for each site. Officers also undertake site visits to monitor development activity. This information is then updated in the database. The data is then analysed to produce the audit report.

### DEMAND COMMENTARY

- 8.6 The latest Employment Land Audit for Moray provides a commentary on demand for employment land in the area, updated where relevant. The following key points are made:
- Despite the Covid-19 pandemic and impacts of Brexit demand continues to hold up relatively well. However, there may be signs that the level of space for uses like call centres may be reduced with continued homeworking and demand is increasing for technology and advanced engineering uses.
  - There have also been notable developments of new private sector small business units recently in Elgin with 14 units developed by Saltire at I7 Barmuckity/ Elgin Business Park and 18 by Excel at I2 Chanonry Industrial Estate.
  - The Moray Council Industrial Portfolio Annual Report 2021-2022 showed continued high levels of occupancy within the Moray Council Industrial portfolio with strong demand for smaller units (*this was reviewed in detail in Section 7*)
  - The provision of further serviced sites and units is an issue and a number of projects are being considered with a focus on Speyside where there are shortages and limited private sector interest in providing units on speculative basis.
  - Moray Council has worked with HIE to investigate opportunities in Forres to address deficiencies in supply. However these have not come to fruition due to site constraints, construction costs and funding issues.

- HIE has responded to demand at Forres Enterprise Park by obtaining consent for 8 office pods (now on hold) adjacent to the Horizon building and for two small business units. A road extension has been built to open up part of the site for development. HIE is also working to secure opportunities within the aerospace industry and around a North Highland and Moray space cluster. HIE also continue to support Elgin Business Park.
- The demand for employment sites and buildings is still considered to be greatest for smaller buildings with fewer businesses looking for larger sites. Demand for smaller sites and buildings are generally from small local businesses including builders, plumbers and plant and machinery supply. Demand for medium sized sites is from smaller businesses looking to grow and the demand for larger sites is generally from inward investors. There needs to be land and sites available at all levels to meet demand.
- The Moray Economic Strategy expects demand from existing businesses looking to expand and relocate. It also anticipates future demand within aerospace/space related businesses, life sciences, creative industries and digital, as well as the engineering sector.
- A key industry for Moray is the food and drink industry. Whisky distilling has seen considerable expansion over recent years, including bonded warehousing. These businesses are long established and often in rural areas. The Local Development Plan currently looks to support such expansion through its policy on rural business which supports proposals where there is locational justification.
- Sufficient land and buildings require to be available in to facilitate wider economic development and to support the vision of the Moray Economic Strategy and support economic recovery.

## SUPPLY

8.7 Several categories of employment land supply are identified within the audit:

- Established employment land supply – this includes all un-developed land that is allocated for industrial/business/employment use in the adopted LDP or has a valid planning approval for these uses
- Marketable/Effective employment land supply - This is land that as well as meeting business requirements, has a secure planning status, can be serviced within 5 years and is accessible by walking, cycling and public transport. Land that is subject to user restrictions or that is held as 'option land' for existing companies' own expansion cannot be considered to be marketable. Such land is not constrained.
- Immediately available land supply - This is marketable/effective land that currently has planning permission, is serviced and has no other major constraints to immediate development. This definition is useful in the assessment of whether demand for land is being adequately met.
- Constrained employment land supply - This includes land for example, that has planning difficulties, land subject to ownership difficulties (e.g. multiple ownership/unwilling sellers), land with insufficient infrastructure provision, etc. This category therefore includes much of the land in the Established Employment Land Supply that is not Marketable (see above).
- LONG sites - The Moray LDP 2020 included LONG employment sites for the first time. These sites set out the direction of growth and assist in forward planning.

## ESTABLISHED EMPLOYMENT SUPPLY

8.8 As at April 2022, Moray has a gross established employment land supply of 298.55 ha with a net established area of 226.48 ha across 36 sites<sup>19</sup>. There has been a decrease in the gross established supply by 1.22 ha since 2021. This decrease is due to development at Barmuckity/Elgin Business Park (I7), Chanonry Industrial Estate, Elgin (I2) and Greshop, Forres (I1). This is balanced against the addition of land at the former shipyard at Buckie Harbour (I5) which has now been cleared and land at Troves (I1) where

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<sup>19</sup> 76% gross: net ratio  
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construction has stalled.

- 8.9 The established employment land supply is broken down in the following table by market area. The majority of net established supply (63.1%) is located within the Elgin market area with 16.5% in the Buckie market area, 15.4% in Forres, 4.3% in Keith and 0.7% in the Speyside market area. The employment land supply appears consistent with the geographic distribution of the property market in the area.

**TABLE 26: ESTABLISHED EMPLOYMENT LAND SUPPLY BY TOWN (2022)**

TOWN	GROSS ESTABLISHED (HA.)	NET ESTABLISHED (HA.)	NO. OF SITES
<b>ELGIN MARKET AREA</b>	<b>186.26</b>	<b>143.01</b>	<b>18</b>
• Elgin	125.41	95.32	11
• Lossiemouth	12.8	10.24	1
• Mosstodloch	46.44	36.35	5
• Troves	1.61	1.1	1
<b>FORRES</b>	<b>55.48</b>	<b>34.77</b>	<b>4</b>
<b>BUCKIE MARKET AREA</b>	<b>43.96</b>	<b>37.46</b>	<b>6</b>
• Buckie	43.15	36.81	5
• Cullen	0.81	0.65	1
<b>KEITH</b>	<b>11.1</b>	<b>9.64</b>	<b>6</b>
<b>SPEYSIDE MARKET AREA</b>	<b>1.75</b>	<b>1.6</b>	<b>2</b>
• Aberlour	1	1	1
• Rothes	0.75	0.6	1
<b>TOTAL</b>	<b>298.55</b>	<b>226.48</b>	<b>36</b>

Source: Moray Council Employment Land Audit, April 2022

- 8.10 As shown in Table 27, the established employment land supply has been broken down by size of site to provide an indication of the range of site sizes available.

**TABLE 27: ESTABLISHED EMPLOYMENT LAND SUPPLY BY SITE SIZE (2022)**

SITE AREA	NET ESTABLISHED	NO. OF SITES
<b>0-1 ha</b>	3.75	6
<b>1-5 ha</b>	28.71	15
<b>&gt;5 ha</b>	194.91	15

Source: Moray Council Employment Land Audit, April 2022

- 8.11 The greatest proportion (72%) of land is suitable for Class 4, 5 and 6. On some designations the whole area may be capable of accommodating higher amenity or a greater mix of uses but on some designations distinct areas within a site are identified. These tend to be uses within Class 4 that require a higher amenity setting or due to the location close to residential development general industrial uses would not be suitable. On some larger sites a greater mix of uses are identified on part of the site to help support delivery of the site as a whole.

## MARKETABLE/EFFECTIVE EMPLOYMENT LAND SUPPLY

- 8.12 As noted above Moray has a marketable/effective employment land supply of 100.37 ha across 21 sites. Overall the marketable/effective area has decreased by 1.31 ha compared to 2021. The number of marketable/effective sites has remained the same. The decrease is again due to construction activity outlined above.

- 8.13 The marketable/effective employment land supply has been broken down by market area in the table below.

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- 8.14 Annual requirements established through historic demand studies, build out rates recorded in previous audits, and from discussions with HIE and Moray Council Estates have been used to provide the estimated number of years supply available. It is noted that previously it was desirable to have a 5-year effective land supply at all times and therefore previous LDPs sought to designate a minimum of 10-year land supply. However, to ensure a generous supply, increase choice and a 10-year replacement period for future LDPs, the Moray LDP 2020 sought to designate a minimum of 15 years supply. The estimated annual requirements appear to be above the take-up actually achieved and noted at Section 8.38.

**TABLE 28: MARKETABLE/EFFECTIVE EMPLOYMENT LAND SUPPLY BY TOWN (2022)**

MARKET AREA	MARKETABLE/ EFFECTIVE (NET FIGURE IN HA)	NO. OF SITES	ESTIMATED ANNUAL REQUIREMENTS	AVAILABLE SUPPLY IN YEARS
Elgin	58.11	10	2.8	20 years
Forres	13.02	1	0.8	16 years
Buckie	22.34	4	0.8	28 years
Keith	5.3	4	0.4	13 years
Speyside	1.6	2	0.4	4 years

Source: Moray Council Employment Land Audit, April 2022

- 8.15 The Council notes that the level of effective supply in Elgin, and Buckie is currently good. However, the choice of sites is limited across all market areas. It is noted that within Elgin there are only small areas now available within I6 Linkwood East (I6) and Chanonry (I2). The level of interest and recent planning applications at Barmuckity/ Elgin Business Park (I7) also suggests availability will be limited in the future. In Forres whilst there is a good supply of land this is all at Forres Enterprise Park (BP1) only a small portion is able to accommodate general industrial uses. Whilst Keith has less than 15 years supply there is a LONG allocation that could be brought forward, however there is a limited choice of sites in Keith with these primarily being in the Westerton Road area. There is a shortage of sites in Speyside and finding suitable sites has been an ongoing issue. There will be a reliance on windfall proposals within this area.
- 8.16 The greatest proportion of land is suitable for Class 4, 5 and 6. As set out previously, some sites are wholly allocated for or have areas that would only be capable of accommodating higher amenity uses or a greater mix of uses, e.g. Forres Enterprise Park.

## IMMEDIATELY AVAILABLE

- 8.17 There is currently (2022) 33.85 ha (net) of immediately available employment land supply across 6 sites. This has decreased by 1.49 ha since 2021 again due to construction at Barmuckity/Elgin Business Park (I7) and Chanonry (I2). As previously noted, take-up at Elgin Business Park has been very good and therefore the Council anticipates that the level of immediately available land in the Elgin market area will reduce significantly over the next few years. Bringing forward and servicing new sites will be critical to maintaining supplies.

## LONG

- 8.18 As noted the Moray LDP 2020 included LONG sites for the first time. In 2022, the long supply was 48.06 ha (net) across 5 sites. These sites set out the direction of growth and assist in forward planning. LONG sites are designated at:
- LONG 3 Burnside of Birnie, Elgin (20.74 ha)
  - LONG MU1 South of the A96 (8 ha)
  - LONG 2 West of Mosstodloch (11.2 ha)
  - LONG 2 Westerton Road, Keith (2.5 ha)
  - LONG 2 March Road, Buckie (5.62 ha)

## CONSTRAINED

8.19 The employment land supply which is subject to constraints is 78.03 ha (net) across 16 sites. The constrained supply has increased by 2.8ha compared to 2021. In the main, this is due to the addition of land at I5 Harbour Buckie at the former shipyard. The constrained supply can be broken down into the type of constraints identified in the following table. The predominate constraints relate to infrastructure (e.g. access and location of utilities etc.) and physical (e.g. contamination, steep slopes, flood risk, natural features of significance etc.).

**TABLE 29: CONSTRAINED EMPLOYMENT LAND SUPPLY BY CONSTRAINT (2022)**

CONSTRAINT	CONSTRAINED (NET FIGURE IN HA)	NO. OF SITES
Infrastructure	45.75	8
Ownership	14.15	4
Physical	44.23	11

Source: Moray Council Employment Land Audit, April 2022

## SITE EFFECTIVENESS

8.20 Moray Council has supplied its latest employment land data which includes 'live sites' as at 1<sup>st</sup> January 2022 and tallies with the data for the Employment Land Audit 2022. Ryden has ranked the effectiveness of these sites on a desktop basis.

8.21 As such 36 sites were reviewed on a desktop basis. The sites review focused on 8 scoring categories:

- A. Strategic fit with economic development priorities and re-development policy aims and objectives
- B. Commercial market assessment of likely demand from occupiers, developers and investors
- C. Quality of public transport and access to the strategic road network
- D. Potential economic impact based on existing uses and the types of businesses which may be attracted
- E. Development potential in terms of whether a large proportion could be developed for marketable space
- F. Alternative use pressure is scored on a negative scale. Sites with significant alternative use pressure are given a low score and those with little or no alternative use pressure are awarded a high score

Additionally, limited assessments based upon Council information were made of:

- G. Ground conditions based on any information provided within the Employment Land Audit or LDP
- H. Utilities and Drainage information based on any information provided within the Employment Land Audit or LDP

8.22 A maximum score of 5 points is awarded for each of these 8 criterion which allows each site to be ranked, highlighting which sites are more or less likely to be developed in the future, establishing a hierarchy of priority. The maximum score a site could theoretically achieve is 40 points.

8.23 A detailed spreadsheet at Appendix A provides the full comments and scores against each site by category. The spreadsheet is designed to be a working document which the Council can utilise, update and expand as more information becomes available or as conditions alter over time. In particular, the technical assessments at criteria G and H as above are only tentative without more comprehensive information. The Council may also wish to consider weighting particular criteria depending on its own priorities. For the purposes of this report the analysis provides a robust desktop review of each site against relevant criteria.

8.24 A summary of the scoring is shown in Table 30. The overall results are:

- 10 sites scoring under 20 points
- 17 sites scoring 20-24 points



- 7 sites scoring 25-29 points
- 2 sites scoring 30 or above

- 8.25 With so few sites achieving a score of 30 or above, in general this shows the limited number of allocated employment sites in Moray which offer a promising combination of market appeal, development potential and (at this tentative stage) technical deliverability. The assessments can also have a combined effect, as in situations where market potential is limited, this introduces market failure (or simply uneconomic market conditions) to compound the costs of the technical investigations and remediation / servicing works which would be required to bring a site to market. It is worth noting that the sites that are highly rated include those that have had some form of intervention from the public sector.
- 8.26 It is recommended that more detailed desktop assessments of both ground conditions and utilities and drainage are undertaken. This would include the review of sources such as:
- The British Geological Survey online viewer for superficial deposits and bedrock
  - Online OS maps 1: 25,000 scale to review topography
  - Coal Authority online maps to review mineral stability constraints
  - SEPA flood maps
  - Scottish Water records on surface water drainage, foul water discharge and water supply servicing
  - SGN and Scottish Power records in relation to gas and electricity servicing
  - BT Openreach records for telecoms servicing information
- 8.27 This would allow scoring under these categories to be more accurate as there is limited information on these factors within the LDP and Employment Land Audit. Further investigation of these factors could have a significant impact on site effectiveness and subsequent scoring.
- 8.28 There is also an evolving need to look more closely at active travel to/from employment sites and consider this as part of the scoring with Category C.
- 8.29 With regard to Ryden's scoring for market assessment and development potential, sites have tended to score more highly where they would be the next phase in an estate with recent development, e.g. Forres Enterprise Park, Chanonry Industrial Estate in Elgin and March Road in Buckie etc. Whereas lower scoring sites are future opportunities dependent upon settlement expansion and market needs at that time, e.g. Burnside of Burnie in Elgin and Sunbank in Lossiemouth etc.

TABLE 30: SITE EFFECTIVENESS SUMMARY

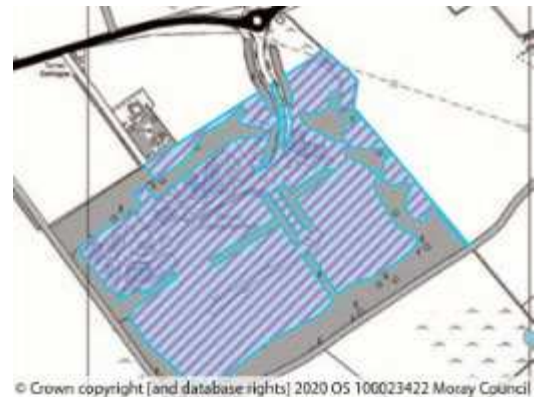
Ref	LPR	Location	Town	Gross Area (Ha)	A. Strategic Fit	B. Market Assessment	C. Transport & Accessibility	D. Economic Impact	E. Development Potential	F. Pressure for Alternative Use	G. Ground Conditions	H. Utilities & Drainage	TOTAL
<b>M/FR/E/001</b>	<b>20/BP1</b>	<b>Forres Enterprise Park</b>	<b>FORRES</b>	<b>22.88</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>33</b>
M/BC/E/004	20/I3	March Road (SE)	BUCKIE	17.69	4	4	4	3	4	5	3	3	30
M/EL/E/001	20/I7	Elgin Business Park, Barmuckity	ELGIN	33.83	5	4	3	4	4	3	2	2	27
M/EL/E/008	20/I2	Chanonry Industrial Estate	ELGIN	3.17	4	4	3	4	4	4	2	2	27
M/BC/E/006	20/I5	The Harbour Area	BUCKIE	1.77	5	4	3	4	3	3	2	2	26
M/MS/E/005	20/I2	North of Baxter's	MOSSTODLOCH	3.22	4	3	3	4	3	5	2	2	26
M/EL/E/012	20/I6	Linkwood East	ELGIN	1.71	4	4	4	3	4	2	2	2	25
M/EL/E/016	20/I8	Newfield	ELGIN	12	4	4	3	4	3	3	2	2	25
M/MS/E/003	20/I5	Baxters	MOSSTODLOCH	2.22	4	2	4	4	3	4	2	2	25
M/BC/E/007	20/LNG2	March Road (LONG)	BUCKIE	7.02	3	3	3	2	3	5	2	2	23
M/FR/E/013	20/I2	Waterford	FORRES	1	3	3	3	2	3	5	2	2	23
M/FR/E/014	20/I4	Easter Newforres	FORRES	27.6	4	3	3	4	3	4	1	1	23
M/EL/E/017	20/I16	Burnside of Birnie	ELGIN	22.3	3	3	3	3	3	3	2	2	22
M/EL/E/018	20/LNG3	Burnside of Birnie (LONG)	ELGIN	38.2	3	3	3	3	3	3	2	2	22
M/EL/E/019	20/MU2	Lossiemouth Road (NE)	ELGIN	7	4	3	3	3	3	2	2	2	22
M/BC/E/005	20/I4	Maltings	BUCKIE	10.3	3	2	3	2	2	5	2	2	21
M/EL/E/002	20/MU1	Riverview	ELGIN	4.12	3	3	3	3	3	2	2	2	21
M/FR/E/006	20/I3	Benromach Distillery	FORRES	4	3	3	3	3	3	2	2	2	21
M/KH/E/010	20/I2	Westerton Road South	KEITH	0.52	3	3	2	2	3	4	2	2	21
M/KH/E/011	20/I11	Westerton Road East Expansion	KEITH	1.74	3	3	2	3	2	4	2	2	21
M/EL/E/011	20/I5	Pinefield Industrial Estate	ELGIN	0.18	3	2	3	2	2	4	2	2	20
M/EL/E/020	20/OPP4	Ashgrove Road (Yard)	ELGIN	1.6	3	3	4	2	3	2	1	2	20
M/KH/E/004	20/I4	Bridge Street	KEITH	2.05	3	2	2	3	2	4	2	2	20
M/KH/E/012	20/LNG2	Westerton Road (LONG)	KEITH	3.2	3	2	2	3	2	4	2	2	20
M/LS/E/007	20/OPP1	Sunbank	LOSSIEMOUTH	12.8	3	3	3	3	2	3	1	2	20
M/MS/E/007	20/I3	West of Mosstodloch	MOSSTODLOCH	16	3	2	2	2	3	4	2	2	20
M/AB/E/005	20/R2	Speyview	ABERLOUR	1	3	3	3	2	2	2	2	2	19
M/CL/E/002	20/I1	South of Cemetery	CULLEN	0.81	2	2	2	2	2	5	2	2	19

M/MS/E/008	20/LNG2	West of Mosstodloch (LONG)	MOSSTODLOCH	14	3	2	2	2	2	4	2	2	19
M/RS/E/001	20/11	Back Burn	ROTHES	0.75	2	2	3	2	2	4	2	2	19
M/BC/E/001	20/MU	High Street (W)	BUCKIE	6.37	3	2	3	2	2	2	2	2	18
M/MS/E/006	20/MUL1	South of A96	MOSSTODLOCH	11	3	2	2	2	2	3	2	2	18
M/TV/E/001	20/11	Troves Industrial Estate	TROVES	1.61	2	2	2	2	2	4	2	2	18
M/EL/E/004	20/112	Glen Moray Distillery	ELGIN	1.3	3	2	3	2	2	1	2	2	17
M/KH/E/005	20/17	Isla Bank Mills	KEITH	1.84	2	2	3	1	1	5	2	1	17
M/KH/E/013	20/MU	Banff Road South	KEITH	1.75	3	2	2	2	2	2	2	2	17

8.30 An example of a full desktop assessment is shown below.

### M/FRE/E/001, 20/BP1, FORRES ENTERPRISE PARK

8.31 The top scoring site is M/FRE/E/001, 20/BP1 Forres Enterprise Park which has a gross area of 22.88 ha and a net area of 13.02 ha. This site has received an overall score of 33. It is owned by Highlands and Islands Enterprise who are considering various options for the development of the site. The site is highlighted in bold in Table 30 above.



8.32 With regards to strategic fit, the site is located within a secondary growth area but is key for accommodating growth sectors such as advanced engineering and space. The market assessment reflects the fact the Park is an existing business location which has availability for office and industrial uses albeit they should conform to the high amenity and design standards of the Enterprise Park.

8.33 In terms of transport and accessibility the site is located on the eastern edge of Forres off the A96 which is part of the strategic road network. The Enterprise Park is an existing business location and internal roads have been provided. It is worth noting that development proposals will require to take into account the preferred option for the A96 dualling which may impact this site.

8.34 The potential economic impact of the site is significant as it is a proven high impact site accommodating key growth sectors. As the site is owned by Highlands & Islands Enterprise this increases its development potential and we are aware they are progressing several medium to long term options for the site.

8.35 There is potential pressure for alternative use in the form of a hotel or nursery however this provision would be complementary to the site.

8.36 The site ground conditions are not known and in terms of utilities and drainage it is understood that the strategic servicing is in place.

8.37 The site characteristics noted above show a site which is developable in market and technical terms but still requires public sector intervention to allow it to come to fruition. This illustrates the challenges associated with the large number of sites which achieve lower scores on market potential and/or technical deliverability.

### EMPLOYMENT LAND TAKE-UP

8.38 Employment land take-up was 4.74ha across 6 sites in the year to 1<sup>st</sup> January 2022. This includes completion or occupation of sites at Barmuckity (I7) for business plots and industrial units, Chanorny (I2) for industrial units, Linkwood East (I6) for sale of motor vehicles, Ashgrove in Elgin (OPP4) for an industrial building for Seamount and Greshop in Forres (I1). A new road has also been completed at Forres Enterprise Park (BP1). This is a similar level of take up and construction as recorded in 2021 when 4.68 ha was recorded but is across a greater range of sites (6 compared to 4 in 2021). Historic employment land take-up is provided in the Table below and shows that take up in recent years is above historic levels although it is noted that Covid-19 may have affected the figures. The average take-up across the 6 year period is 2.4 ha per annum.

**TABLE 31: MORAY EMPLOYMENT LAND TAKE-UP**

YEAR	TAKE UP AREA (GROSS FIGURE IN HA)	NO. OF SITES
2022	4.74	6
2021	4.68	4
2020*	0.85	3
2019	1.29	5
2018	1.6	3
2017	1.23	Not recorded

Source: Moray Council Employment Land Audit, 2022, 2021, 2020, 2019, 2018

\* there was a reliance on Development Management and Building Standards data rather than the usual site visits which were curtailed due to Covid-19 restrictions.

- 8.39 The Council is currently working on its Employment Land Audit for 2023 and notes that employment land take-up has slowed slightly to 3-3.5 ha over 3 or 4 sites (still to be confirmed). This is lower than levels achieved in 2021 and 2022 but still above historic levels.
- 8.40 These levels can be compared with other relevant (semi-rural) local authorities as per Table 32. Moray is performing well against its peers with average take up exceeding levels in Perth & Kinross, East Lothian and South Ayrshire and on par with that in Stirling. Fife is outperforming Moray however it is much larger in terms of population.

**TABLE 32: COMPARABLE EMPLOYMENT LAND TAKE-UP**








YEAR	PERTH & KINROSS TAKE UP (HA)	STIRLING TAKE UP (HA)	EAST LOTHIAN TAKE UP (HA)	FIFE TAKE UP (HA)	SOUTH AYRSHIRE (HA)
2022	0	N/A	N/A	N/A	N/A
2021	1.61	5.91	0	1.6	0.93
2020	1.15	4.56	6.7	1.6	0.93
2019	0		0	33.9	1.95
2018	1.92	2.99	0.45	35.05	N/A
2017	N/A	1.4	0.15	47.45	N/A

Source: Heads of Planning Scotland, Planning Performance Framework Reports

## EMPLOYMENT LAND MARKET

- 8.41 The market for employment land in Moray comprises land which is being advertised for development for office, industrial or distribution use and land which is bought and sold for those purposes. The land market is a sub-set of all allocated employment land in the development plan, as analysed above, plus any windfall sites which were not allocated in planning but were marketed or taken-up for employment use.
- 8.42 There is currently 81.71 acres (33 hectares) of land over six locations actively being marketed in Moray. These are shown in Table 33 and are all employment land allocations within the LDP. The majority of sites are in the Elgin area however there are also sites available in Buckie and Forres. Contrary to what is being advertised it is understood from the owner of Elgin Business Park that all sites there are now sold or under offer. This site accounts for much of the serviced supply in Elgin and therefore it is likely there could be unmet demand in the area in the short term until further sites and serviced are made available.

**TABLE 33: CURRENT EMPLOYMENT SITES SUPPLY**

ADDRESS		SIZE (ACRES / HA)	DETAILS
<b>ELGIN MARKET AREA</b>			
Chanonry Road North, Chanonry Industrial Estate, Elgin		1.18 (0.48 ha)	No 1 0.592 acres (0.24 ha) No 3 0.593 acres (0.24 ha) Can be combined to a single site. Moray Council will consider offers to lease the sites on a long (99 years to 125 year) development lease basis. Suitable for general purposes and industrial operations
Elgin Business Park, Elgin		10 (4 ha)	Sites for sale on a 50-acre business park. Many sites sold but still being advertised are: Site 1C: 0.59 acres Site 2: 1.18 acres Site 8: 1.07 acres Site 10: 1.07 acres Site 11: 1.25 acres Site 14: 2.13 acres Site 15: 0.98 acres Site 16: 1.73 acres Discussions with owner suggests all sites are now sold or under offer.
Linkwood Park, Elgin		5 (2 ha)	Prime site available. From 1 acre. Identified within the extant and emerging Local Development Plans as an Opportunity Site suitable for a variety of uses including office, retail, leisure, trade counter, industrial and potentially education related uses
Findrassie Elgin North, Elgin		29 (12 ha)	Findrassie is a major land release allocated in the Moray LDP. The Masterplan covers a total area of c. 112 hectares, which will comprise c. 12 hectares of employment land for Use Class 4 (business) and c. 100 hectares of housing land. Land for sale or to let
<b>BUCKIE MARKET AREA</b>			
Rathven Industrial Estate, Buckie		26.7 (10.8 ha)	Phase 1 extends to 10.8 hectares (26.7 acres). Development sites available from 0.25 acres (0.1 ha) to 9.9 acres (4 ha). Short and medium term leases for storage yards and on long term leases for periods up to 125 years, for development purposes, at c. £9,000 pa per acre (£22,250 pa per ha) (Moray Council). Serviced site.
<b>FORRES MARKET AREA</b>			
Plot 2, The Enterprise Park, Forres		3.73 (1.51 ha)	High amenity development site. Generally rectangular and level. The site will be able to connect to mains electricity, water and sewerage, gas is available nearby. Suitable for Class 4 Business use. Possible sub-division. (HIE /Graham & Sibbald)
Plot 5, The Enterprise Park, Forres		6.10 (2.47 ha)	High amenity development site. Generally rectangular and level. The site will be able to connect to mains electricity, water and sewerage, gas is available nearby. Suitable for Class 4 Business use. (HIE / Graham & Sibbald)

Source: Ryden / CoStar/ HIE / Zoopla

8.43 Ten sites totalling 32.37 acres (13 hectares) have been recorded as taken-up for employment purposes since January 2018 (transactions) which equates to 2.6 ha per annum (correlating with earlier figures from the Employment Land Audit). These are at known employment locations in Elgin and Forres. (Table 34). Again, there is a caveat around potentially further sites having been taken up at Elgin Business Park.

**TABLE 34: EMPLOYMENT SITES TAKE-UP**

ADDRESS		SIZE (ACRES / HA)	DETAILS
<b>ELGIN MARKET AREA</b>			
Elgin Business Park		8 (3.2 ha)	Sold in January 2023 to MacGregor Industrial Supplies Ltd for £1.2 million, to be developed into a showroom
		1 (0.4 ha)	Sold in September 2021
		1 (0.4 ha)	Sold in July 2021
		1 (0.4 ha)	Sold in December 2020 to Whiterow Properties
		2.99 (1.21 ha)	Sold in June 2019 to Springfield Properties for £523,250
<b>FORRES MARKET AREA</b>			
The Forres Enterprise Park, Forres		11.131 (4.5 ha)	In November 2020 Highlands & Islands Enterprise purchased the freehold interest in The Enterprise Park, Forres comprising 11.131 acres from an unknown vendor for £408,476

Source: Ryden / CoStar

## SUMMARY

- 8.44 The Moray Employment Land Audit was most recently undertaken in April 2022 and shows an established employment land supply of 298.55 ha with a net established area of 226.48 ha across 36 sites. Of this, the marketable/effective employment land supply is 100.37 ha (net) across 21 sites. The Moray LDP 2020 included LONG employment sites for the first time which in the latest audit total 48.06 ha (net) across 5 sites. These sites set out the direction of growth and assist in forward planning. With regard to constrained sites these total 78.03 ha (net) across 16 sites. Infrastructure and physical constraints dominate.
- 8.45 Employment land take-up was 4.74ha across 6 sites in the year to 1<sup>st</sup> January 2022. The average take-up across the last 6 years has been 2.4 ha per annum and therefore take up in recent years in above historic levels. The average employment land take-up in Moray is exceeding levels in Perth & Kinross, East Lothian and South Ayrshire and on par with that in Stirling. Fife is outperforming Moray however it is much larger in terms of population. Moray appears to be ‘punching above its weight’ in this regard.
- 8.46 Ryden has undertaken a desktop assessment of Moray Council’s established employment land supply which ranks their effectiveness based on 8 categories with a maximum score of 40. Just 2 sites scored 30 or above which shows the limited number of sites in Moray which offer a promising combination of market appeal, development potential and (at this tentative stage) technical deliverability. In addition, these two sites required public sector intervention in order to come to fruition which suggests there will continue to be a role for the public sector in terms of site servicing.
- 8.47 The supply of employment land in terms of those which are physically on the market does appear to be tightening over the short to medium term as the majority of sites at Elgin Business Park are understood to be sold or under offer. Again, further public sector intervention will be required in order to ensure there is an ongoing supply of appropriate land in the future.

# 09

## BUSINESS SURVEY, CONSULTATION AND ENQUIRIES

### INTRODUCTION

9.1 This section summarises the results of the business survey and consultation exercises which were undertaken. It also analyses enquiries data received from the Council and HIE to provide further evidence of demand. Taken together these items provide further evidence of demand.

### BUSINESS SURVEY

9.2 In order to assess potential demand for business property in Moray, a survey of business property occupiers was undertaken during February and ran until 15 March 2023. This was promoted by Moray Council on its own website, on mymoray.co.uk and its Facebook page and in the local press. It was also shared with local business organisations for distribution amongst their members. This included Moray Chamber of Commerce, the Federation of Small Businesses and the Scottish Whisky Association. A copy of the survey questions can be found in Appendix B.

9.3 A total of 51 responses were received. Of these 9 were from industrial occupiers, 10 from office occupiers, but 32, although of interest, were less relevant to this study (i.e. retail, restaurants, accommodation services).

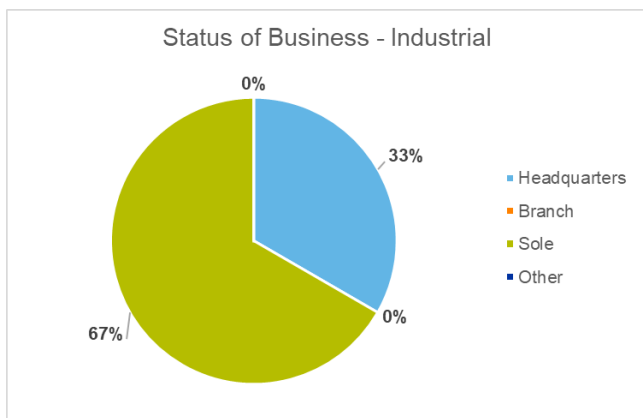
9.4 Positively these 19 business property responses provide a selective but detailed insight into the performance and constraints of existing business premises and potential future demand in Moray.

9.5 Respondents were asked for their postcode to gauge the spread of **locations** within the region. Industrial occupiers are more widely spread throughout the region, while office occupiers are concentrated in Elgin.

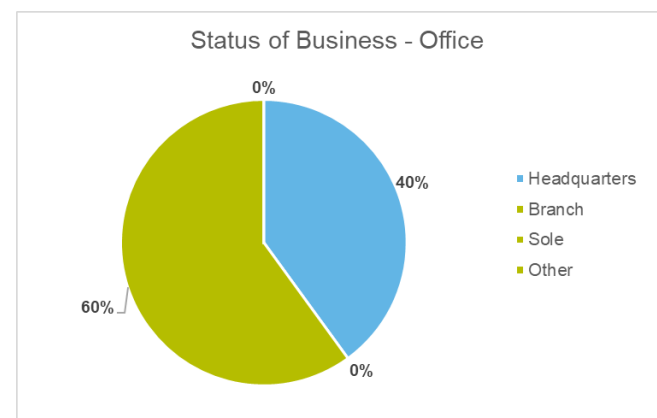
- 2 industrial occupiers are located in the Elgin Market Area, 1 in Forres Market Area, 3 in Buckie Market Area, with 2 in Keith Market Area.
- 9 office occupiers are located in the Elgin Market Area, with 1 in the Forres Market Area.

9.6 The **status** of each business was asked. The majority of industrial respondents are sole operators (6), while office occupiers are either Headquarters or sole premises. (Figures 25 and 26)

**FIGURE 25**



**FIGURE 26**

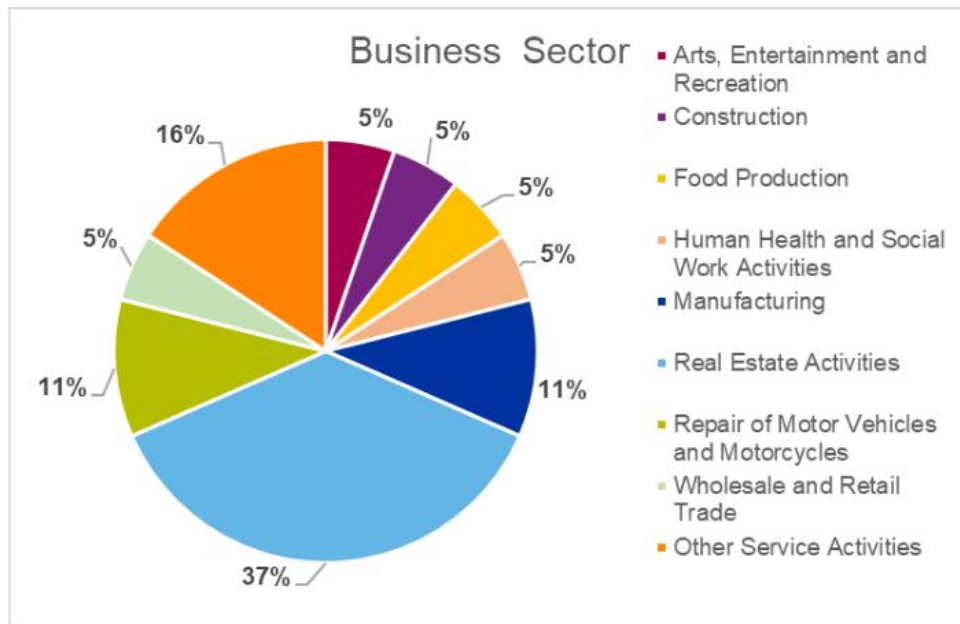


9.7 Eight **business sectors** are represented (Figure 27), with Real Estate Activities having the most (7, of which 2 are industrial and 5 office); followed by 'Other' Service Activities with 3 (1 is industrial and 2 are office); Repair of Motor Vehicles and Motorcycles has 2; and Arts, Entertainment and Recreation (industrial),



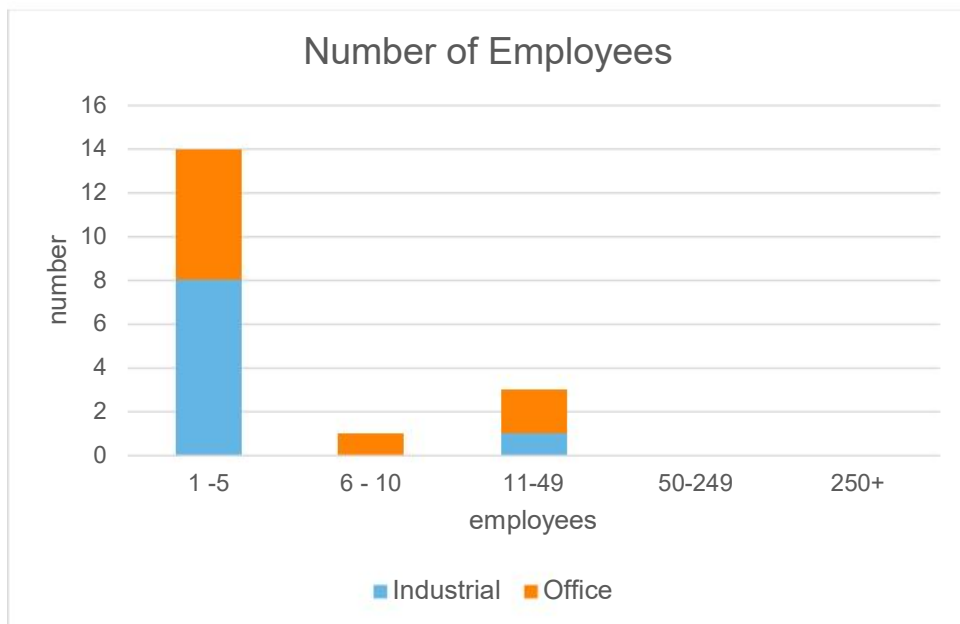
Construction (industrial), Food Production (industrial), and Human Health and Social Work Activities (office), Wholesale and Retail Trade (office) all have 1 each.

**FIGURE 27: BUSINESS SECTOR**



- 9.8 Survey questions turned to the occupiers' current premises, asking what is the **nature of the premises** occupied. As noted above this is 9 industrial occupiers, which includes one stating 'storage yard' rather than a unit, and two home based; and 10 office occupiers, with one of the office occupiers home based.<sup>20</sup>
- 9.9 Three industrial occupiers stated the **size** of their premises: all 3 are in the 1,000 – 4,999 sq.ft. sizeband but one of these is the storage yard. Four office occupiers know the size of their premises: 3 are in the 0 – 999 sizeband, with the other 1 in the 5,000 – 9,999 sq.ft. sizeband.
- 9.10 All respondents are 'Small Businesses', i.e. with 0 – 49 **employees**. The smallest employee bracket of 1-5 employees had the majority at 14, with 8 for industrial and 6 for office sectors. The office sector had 1 business in the 6-10 employee band, while 1 business in the industrial sector and 2 businesses in the office sector fell within the 11-49 employee band (Figure 28). One did not state their employee numbers.

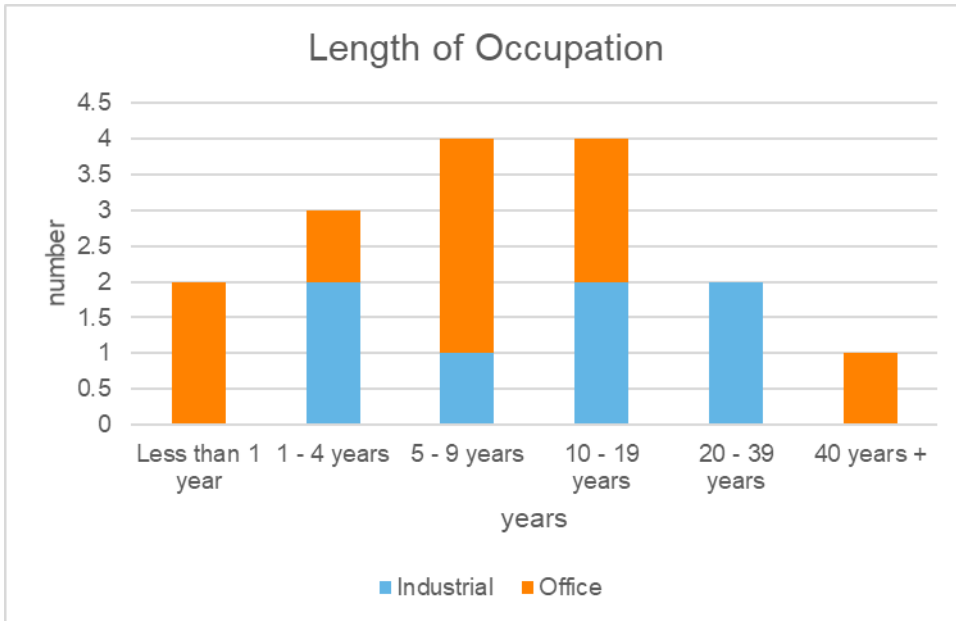
**FIGURE 28: EMPLOYEES**



<sup>20</sup> Only responses from relevant questions from the Home based occupiers were analysed.  
 Ryden, May 2023

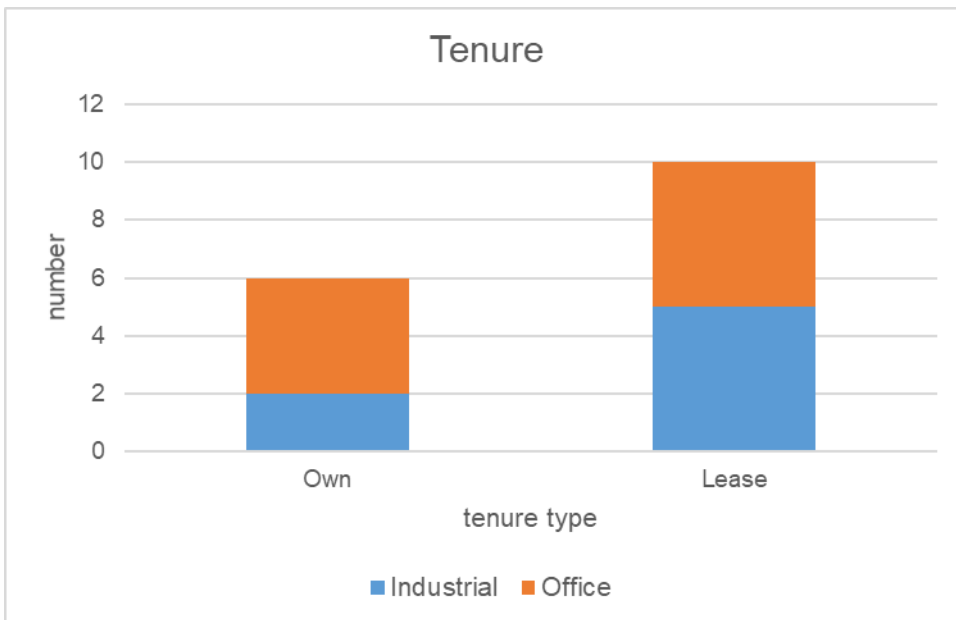
9.11 Respondents were asked the **length of occupation** in the current premises (Figure 29). Industrial and office occupiers have a similar spread in length of occupation. Six office occupiers have been in occupation for between 1 month to 9 years, with one over 40 years. Industrial occupiers have 2 in each of the 1 to 4 years, 10 to 19 years and 20 to 39 years categories.

**FIGURE 29: LENGTH OF OCCUPATION**



9.12 On **tenure** of property, a majority of respondents lease their property (10, with 5 for each sector), while 6 are owner occupiers (2 industrial and 4 office) (Figure 30).

**FIGURE 30: TENURE**



9.13 Respondents were asked to rate their **existing property and environment**. Overall industrial respondents considered this positively. Views on location, size, condition, road connection, parking, access, image/general environment, security, staff services/amenities and communications were viewed as Good or Satisfactory. While Energy efficiency, accommodation and public transport links were identified as Less than Satisfactory and Poor (Figure 31).

9.14 Office occupiers rated their properties more positively than industrial occupiers, with location, size, condition, accommodation, road connections, public transport links, parking, access/ circulation, image/

general environment and staff services/amenities all scoring well. With energy efficiency, security and communications scoring less well. (Figure 32)

FIGURE 31



FIGURE 32



9.15 Fourteen of the respondents (73%) have a **requirement to expand/relocate**. This suggests a high propensity to move but it may be the case that there is some self-selection, with responses to the survey potentially more likely from those with a potential property requirement. In addition, one businesses (in an arts, entertainment & recreation building) has a requirement for an industrial property.

9.16 Nine have a requirement for an industrial property, with two of these for land, 3 of which are definitely considering expanding / relocation, with 6 stating a possibility. Table 35 below provides summary tables of these requirements. Smaller units and both the Elgin and Buckie Market Areas are the most popular.

TABLE 35: INDUSTRIAL REQUIREMENTS

When	Requirement Size	Location	Type				
In the next 12 months	4	0 - 999	0	Elgin Market Area	3	Industrial	2
After 12 months	4	1,000 – 4,999	3	Forres Market Area	1	Industrial / office mix	1
Don't know	1	5,000 – 9,999	1	Buckie Market Area	3	Land for storage	1
		10,000 +	0	Speyside Market Area	1	Land for development	2
		No response	4	Moray	1	Commercial unit	3
		1 – 5 acres	1				

9.17 The main reasons given for industrial occupiers with a requirement to relocate/expand are: property too small, configuration, out-of-date premises and location.

9.18 While two office occupiers are definitely considering expanding/relocation, with 4 stating a possibility. Table 36 below provides summary tables of these requirements. All would like space in and around Elgin.

TABLE 36: OFFICE REQUIREMENTS

When	Requirement Size	Location	Type				
In the next 12 months	3	0 – 999	1	Elgin Market Area	6	Office	1
After 12 months	3	No response	5			Office / industrial mix	1
						Office / retail	3
						Co-working space	1

- 9.19 The main reasons given for office occupiers with a requirement to relocate/expand are: property too small, location, building configuration, environment, out of date premises, other occupiers and pricing.
- 9.20 On a scale of 1 to 5, where 1 is not important and 5 is very important, respondents were asked to rate what is **important in deciding new premises**. The results are noted below.

Industrial:

- of greatest importance was location, cost, size and digital connectivity (mainly ranked 5)
- energy efficiency, quality of building and transport connectivity ranked high
- on site facilities ranked in the middle, neither not important or very important
- of least importance was the opportunity to share facilities

Office:

- of greatest importance was cost (mainly ranked 5)
- location, quality of building, energy efficiency, transport connectivity, size and digital connectivity ranked high
- Onsite facilities ranked in the middle, neither not important or very important
- of least importance was the opportunity to share facilities

- 9.21 Looking at future **tenure**, four of the industrial respondents would like to purchase new premises, one would like to lease with a view to purchase, while 3 would like to lease. One already owns the land. In the office sector leasehold is the preference with 5 stating this as the preferred option, with only one looking to purchase.
- 9.22 Respondents were asked if they had any **specific requirements** from the new property. Industrial respondents selected mainly prominent location / visible to passing trade, vehicle access to the building, and yard space. Eaves height, alarms and trade / retail counter were also noted. While three phase electricity was an additional requirement. In the office sector, similar requirements of prominent location / visible to passing trade, vehicle access to the building were selected by most. Eaves, height alarms and trade/ retail counter were also noted. Heating was also noted by one.
- 9.23 Seven industrial respondents and 5 office respondents have started to look for new / additional premises. The **constraints** those businesses have found are:
- in the industrial sector: Lack of suitable properties, costs, location, no land for sale and planning issues.
  - in the office sector: Cost, lack of and standard of available property, Non-domestic rates charges too high, and current lease arrangement.

Constraints for both property sectors are similar, i.e. Cost and the lack of suitable quality premises.

- 9.24 Respondents were asked if they had any additional property related comments. The majority relate to the costs (both rent and rates), transport and access, regeneration required, and planning constraints. These comments are summarised below:

**Additional property related comments: industrial**

- I feel the council need to improve their current leased buildings to a better standard.*
- Cost is crippling to business in current climate.*
- Landowners around Dufftown unwilling to sell or rent. Dufftown Valley is owned by 5 named landowners. Totally constrained.*
- To look at the possibility of developing an area of my woodland for commercial use, such as shared-use office space/hot-desking, smaller industrial units*
- Better public transport and pedestrian access would help the town, along with improved & free car parking*

**Additional property related comments: office**

*The high street will never recover without serious overhaul of the non-domestic rates system. It is archaic and has not been adjusted to move with the changing face of the high street and how the public has shifted in its shopping habits. We see regular demand for independent retailers looking to take on premises however once they see the cost associated with Rates it makes small business non-viable. Batchen Street only succeeds due to many of the shops being eligible for Small business relief. Previously the feedback from the council is landlords need to reduce rents. Most landlords are happy to be flexible regarding rates and offer discounted periods and reduced rents for long periods whilst the tenant gets established. The Empty Property Relief offers a very short window of assistance and then no assistance once it ends. The council also voted to bring in a charge for empty properties normally eligible for Small Business Relief when the property was empty. They did this with no consultation and via Zoom in April 2020 right at the start of the pandemic. Hardly a supportive decision for any of those properties affected and the business/landlord communities.*

*Elgin's high street has beautiful historical buildings many of which have been allowed to fall into disrepair by distant landlords. The lack of maintenance of the exteriors/roofs and upper floors is firstly so dangerous but incredibly sad. Legislation needs to be introduced to penalise neglectful landlords. You only need to look at The Thunderton to see the fantastic restoration work done there to see what can be achieved.*

*We have owned this property in the centre of Forres now for 15 months, we hoped to satisfy the demand for commercial space in Forres as there has been a lack of it for years. Unfortunately delays in replies from planning department is holding up tenants moving in.*

*Rates of retail premises along with high rents, just put the high street off limits for affordability to a small company like mine. Add the compulsory fee for Elgin Bid and it just isn't an option.*

- 9.25 The other property sectors (not of interest for the main survey), provided some valid comments. Those of particular interest are:

**Additional property related comments: miscellaneous**

*Local government needs powers to press on landlords - especially absent ones to maintain their premises. The bigger next step is to downsize the large High St units in Elgin (& other towns) to make them more appropriate for smaller businesses as there are plenty looking to open but not enough options. Lots of small businesses in a town centre keep it different and interesting*

*High street dirty and tired looking with poor quality expensive parking, difficulties getting deliveries as high street pedestrianised and shop units empty and uninviting.*

*Better public transport and pedestrian access would help the town, along with improved & free car parking*

*Access to the Town Centre is poor due to inadequate/expensive parking and lack of a traffic warden to police the illegal all day parking, is making the area inaccessible to some. Allowing drop off/pick up areas, instead of pedestrianising more areas would allow greater access to all and help create an atmosphere, air of vibrancy with more footfall and activity.*

*It's an excellent location for our upcoming business*

*Re- location to our new and superior premises, has greatly increased our profitability reflected by the very high level of service we can now provide to the wider Moray community. Regrettably, our plans for future development are being impeded by the high level of business rates currently inflicted by Moray Council.*

*Businesses will not be encouraged to expand , or to locate to Moray , unless high-level, non -domestic rate payers are given some incentive.*

- 9.26 A number of these comments relate to changes to the retail environment which have been accelerating over the last few years and have had an impact on towns and their High Streets.

**STAKEHOLDER CONSULTATION**

- 9.27 In addition to the business survey, Ryden also consulted with members of the Moray Business Resilience Forum. The Business Resilience Forum includes representatives from Moray Council, Highlands and Islands Enterprise, Moray Chamber of Commerce, Moray Business Women, Elgin BID, Visit Moray Speyside, Business Gateway Moray, Skills Development Scotland, Federation of Small Business, Scottish Council for Development and Industry, and Department for Work and Pensions. Ryden undertook a workshop session with the Forum in March 2023 and picked up others from the group who couldn't attend separately via Teams meetings.

- 9.28 Consultations were also undertaken with local developers, HIE, the Scotch Whisky Association and Chivas Brothers who own several distilleries in the area. A full list of consultees can be found at Appendix 3.

- 9.29 There was discussion amongst consultees in terms of ‘winners and losers’ within the local economy. The ‘winners’ were noted to be organisations such as Orbex and the Ministry of Defence who are expanding in the area and capitalising on growth within the key sector of aerospace. Orbex is a key tenant at Forres Enterprise which is owned by HIE. Orbex occupy a number of properties within the Park and hope to increase staffing numbers from the current 100 to 400 over the next few years as they expand their rocket production but consultees noted there are constraints in attracting jobs to the area particularly because of a pressing need for housing in the area. HIE is keen to attract further space companies to the Park but large sites are required. HIE is also considering further complementary uses on the Park including childcare, an additional food offering and/or a budget hotel. Forres Enterprise Park will also be a key location for a number of the Moray Growth Deal projects and it is anticipated that incubation and “grow-on” space will be developed on site later this year as part of the Manufacturing Innovation Centre Moray (MICM). Consultees stated that there is uncertainty around Phase 2 of the Park as it may be affected by the dualling of the A96.
- 9.30 There was also noted to be a lot of activity at Elgin Business Park where, although visually there are notable areas of land still to be developed, all employment land plots for sale were noted to be sold or under offer. Businesses within the Park are diverse and will include (subject to planning consents) engineers, food and drink, construction, industrial suppliers and an accountant amongst others. The question was raised of “*where next*” if Elgin Business Park does become full. Consultees stated there is uncertainty over Phase 2 of Elgin Business Park because of flood risk issues.
- 9.31 A further key sector considered to be ‘winning’ in the area, was the whisky industry with over half of all of Scotland’s whisky distilleries found in Moray Speyside. Several distillery expansions have been undertaken in recent years and many are upgrading sites and considering facilities such as biomass to meet their own carbon neutral targets. Many are also upgrading their visitor experiences. This is positive not only for the industry but also for the local supply chain including farming and logistics and the tourist industry. Consultees considered there was future potential for synergies between the whisky industry and the Council’s plans for renewables in the area. Many distilleries already have lorries running on green gas and it was considered there could be better co-ordination between producers and the Council in this regard.
- 9.32 There was also considered to be a “*continuing and increasing demand*” in the area for whisky storage with one consultee commenting “*the industry can’t get enough*”. Whisky is a highly flammable product and therefore it was noted that rural locations can often be more suitable for this purpose. Consultees acknowledged that warehousing is not particularly employment generating in itself but again that the industry as a whole supports a wider supply chain as well as this global industry which was noted to be responsible for 77% of all Scottish food and drink exports<sup>21</sup>. It was noted by consultees that planning permission for warehousing could take a long time. Meanwhile, the industry was described as taking a very long term view and therefore has a good understanding of what their land and property requirements will be for the next decade.
- 9.33 Meanwhile, a number of businesses were considered to still be “*battening down the hatches*” following the impact of the pandemic, Brexit and the continuing effects of the energy crisis and inflation. This was considered to be true particularly of the retail and hospitality sector.
- 9.34 There was concern about those businesses ‘*stuck in the middle*’. One consultee noted that “*there is an appetite for business growth in Moray from SMEs but the current cost and skills pressures mean that many are happy to stick where they are*”. The labour market was noted to be tight in Moray with an example provided of a recent call centre closure (Kura contact centre, Forres) where all affected staff were quickly re-employed.
- 9.35 It was considered that more support could be provided to SMEs to enable them to gradually expand and move “*out of bedrooms and into property*”. Reference was made to a new co-working space (Greenbrae Steading, Elgin) where people can gradually step up their requirements from a desk space to a larger self-contained unit. This “*stepping stone*” approach, which also builds a business community at the same time,

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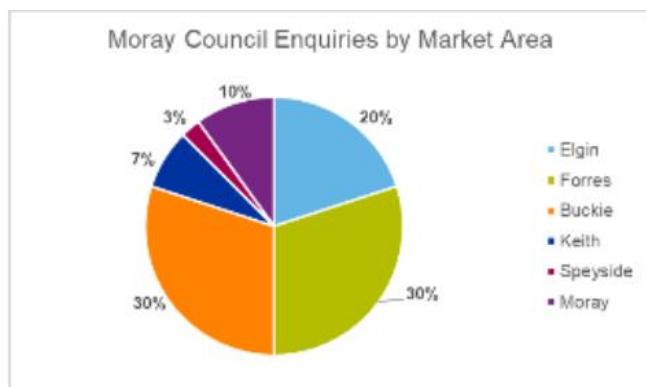
<sup>21</sup> Scotch Whisky Association  
Ryden, May 2023

was considered to be important for Moray. Incubator premises were acknowledged amongst consultees to be part of the Growth Deal although it was noted they will be targeted at specific growth sectors.

- 9.36 Premises which were appropriate for the community and wellbeing economy were also noted to be important for the area going forward. An example was given of a martial arts club with over 100 members who cannot find appropriate premises yet is making a real difference in the community. Consultees noted change of use planning applications had been slow and reported many businesses had had to *“push quite hard to make them happen”*. This was particularly true of former retail premises.
- 9.37 There was considered to be a growing trend for mixed use businesses such as tap rooms which may also include the main brewery as well as a food and retail offering. Facilities such as these were also considered to be a potential test bed for start-ups.
- 9.38 There was also considered to be demand for larger bespoke premises including from the transportation sector. It was noted that currently it was unfeasible because of construction costs for businesses to build their own large bespoke premises and that developers are not building these units in the area currently. As a result, some companies were reported to be experiencing restricted growth within unsuitable premises.
- 9.39 More generally, it was raised that there is a lack of energy efficient buildings in Moray and that this is an area which will need to be considered further as Scotland aims to reach net zero carbon emissions by 2040. It was also realised that there will be a greater requirement for more energy efficient buildings not simply to create cost and carbon savings but also to attract businesses which will be part of the net zero revolution. Moray is a key location for Scotland’s transition.
- 9.40 Non domestic rates were also considered to be affecting businesses in the area. It was commented that *“small businesses pay nothing and while large ones simply absorb the costs; it is the middle ground businesses trying to expand which face the ‘cliff edge’”*. It was suggested rates should be tapered further to avoid this impact.

## OCCUPIER ENQUIRIES

- 9.41 In order to further understand demand, Moray Council and HIE shared details of their business enquiries.
- 9.42 Since January 2022 **Moray Council** received 43 enquiries for industrial, yard or office premises, these total 22,440 to 29,395 sq.ft.<sup>22</sup> Forty of the enquiries were for industrial property. Only one enquiry was specifically for offices and two enquiries were for yards. Enquiries received by an organisation can to some extent reflect the type of premises which they are marketing, so given the Council’s portfolio of small industrial units (see Section 7) it is not unexpected that this is the most common type of enquiry.
- 9.43 The 40 enquiries for industrial premises together total between 22,440 to 29,395 sq.ft. (where a size was stated). The market areas of Forres and Buckie were the preferred locations with 30% each of all industrial enquires. By sizeband 15 enquiries had no suggested size, 19 are in the 0 - 999 sq.ft. range, and 6 in the 1,000 – 5,000 sq.ft. range. No enquiries larger than this were received.



**FIGURE 33**

Source: Moray Council / Ryden

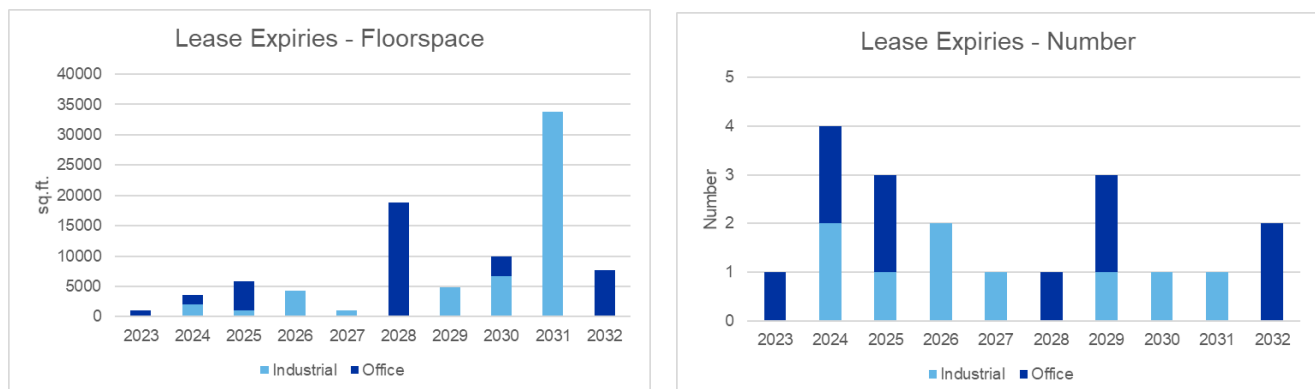
<sup>22</sup> Not including yard sizes  
Ryden, May 2023

- 9.44 Two enquiries were specifically for yards, one of c. 21,500 sq.ft. and the other with no specified size. Additionally, 10 of the enquiries for industrial property also stated they would like a yard with the premises, only one size (1,615 sq.ft.) was noted.
- 9.45 The one office enquiry was for an office in Elgin, no size was provided
- 9.46 Over the past six months Highland and Islands Enterprise (HIE) received 13 enquires.
  - for The Enterprise Park, Forres, with 3 for a 22,000 sq.ft. industrial unit and one for a 3.7 acre development plot
  - enquiries from the space sector, totalling 123,600 sq.ft.
  - 1 from the manufacturing sector, for a factory of 135,000 sq.ft.
  - enquiries for 5 offices at Horizon Scotland at The Enterprise Park, Forres

## LEASE EXPIRIES

- 9.47 As a sample of potential future demand using available lease data, 19 leases totalling 91,008 sq.ft. are due to expire across the region in the next 10 years at a rate of 1-4 each year. Nine of these are for industrial units totalling 53,643 sq.ft. and 10 are for offices totalling 37,365 sq.ft. (Figure 34). In addition, there are a high number of Council tenants on rolling short term leases.

**FIGURE 34: LEASE EXPIRIES**



## SUMMARY

- 9.48 A total of 51 responses were received to the business survey which sought to understand the views of business occupiers and their experiences of the property market. Responses from industrial occupiers were spread throughout the region however responses from office occupiers were concentrated in Elgin. The majority occupy small premises with only one in a unit above 5,000 sqft. In terms of existing properties and their environment, occupiers raised energy efficiency and standard of accommodation amongst features which were less than satisfactory or poor.
- 9.49 73% of respondents had a requirement to expand/re-locate with the majority seeking industrial property with a preference for the Elgin or Buckie area. Those seeking office properties were only interested in the Elgin area. Cost was a key consideration in deciding on new premises as was digital connectivity, size and energy efficiency. A lack of suitable properties was raised as a constraint by those who have started to look for new/additional premises.



- 9.50 Consultation described a dichotomy between those businesses in the area which are seeking to grow and expand and others which are experiencing economic, staffing and other pressures and *“happy to stick where they are”*. Further consultation with the whisky industry is recommended. There was considered to be a requirement for mixed use properties and for properties suitable for the wellbeing economy. The energy efficiency of buildings was again raised as an issue in the area.
- 9.51 Council enquiries focus on small industrial stock which represents its own portfolio. It is notable that a quarter of enquiries sought premises with a yard. HIE has received a mix of mobile enquiries as well as those with specific interest in their properties. Enquiries from the space sector totalled 123,600 sq.ft.

# 10

## FUNDING POTENTIAL

- 10.1 This section provides an update and summary on the employment land and property public funding landscape. Public sector intervention in the property market is often required in areas where market failure exists in order to support economic development. Market failure is common in Scotland outside of city centres and strategic transport corridors. Public sector intervention has moved from large scale development in the 20<sup>th</sup> Century to selective support for target locations and sectors, allied to economic strategies.
- 10.2 However, in recent years this landscape and the funds available has altered as a result of Brexit and the Covid-19 pandemic. Britain's exit from the European Union in January 2020 means it cannot participate in the next round of European Union Structural Funds for which the Scottish Government was the managing authority. This has affected funds such as SPRUCE and LEADER with SPRUCE in particular being a previously important funding source for the refurbishment or conversion of employment space. In its commitment to fully replacing European funding levels, the UK Government has introduced several new funding streams as part of its Levelling Up agenda which are applicable to the whole of the UK. This means that the UK Government is now more actively involved in economic development in Scotland than was the case previously.
- 10.3 The policy landscape has also moved on. In Scotland, there is an increased focus on net zero and other agendas including a greater focus on place, community wealth building and natural capital which has resulted in a number of funders reviewing their objectives and re-casting grant programmes. The recovery from the pandemic has also had an impact on funding streams.
- 10.4 Applicable funding sources for Moray are discussed within this section.

## UK GOVERNMENT

### LEVELLING UP FUND

- 10.5 Levelling Up is the UK Government's *"moral, social and economic programme which aims to spread opportunity more equally across the UK"*.
- 10.6 The Levelling Up Fund was launched in 2021 and is a capital fund designed to directly support communities across the UK with capital investment in local infrastructure. It is open to all areas of the UK and seeks to regenerate town centres and high streets, invest in local transport schemes and create, renew and upgrade local cultural and heritage assets. Projects should also be aligned to and support net zero goals.
- 10.7 The Fund will provide £4.8bn of capital investment across the UK over the next 5 financial years for local infrastructure projects with £800m of this ring-fenced for Scotland, Wales and Northern Ireland. It is anticipated that all funding provided from the Fund will be spent by 31 March 2024 with the potential exception of larger schemes into 2024-25.
- 10.8 In Scotland, funding will be delivered through local authorities. Bidders are encouraged to collaborate with neighbouring authorities on cross boundary schemes where applicable.
- 10.9 Funding is competitive and will be targeted towards places with the most significant need as measured by an index which takes into account need for economic recovery and growth, need for improved transport connectivity and need for regeneration. This index places areas into a category 1, 2 or 3, with category 1 representing places with the highest level of identified need. The Levelling Up Index for Scotland is shown

below. Moray sits in the Priority 2 Category.

- 10.10 Two rounds of the Levelling Up Fund have been awarded to date with £3.8bn awarded to 216 projects. To date, Scottish local authorities have been awarded funding for 18 projects with a total value of £349m. In Scotland to date, priority 1 areas have received 56% of the funding.
- 10.11 Projects have included:
- £38.7m to improve travel links between the Advanced Manufacturing Innovation District Scotland (AMIDS) and the towns of Paisley and Renfrew
  - £19m in Stirling which will go towards the regeneration of Forthside, helping to create 1,000 jobs
  - More than £9m for Cumbernauld to support the demolition and regeneration of two failing shopping centres and a vacant office block to help bring education, employment and homes
- 10.12 Unfortunately, Moray Council was unsuccessful in its bid to deliver on elements of the Elgin City Centre Masterplan which would have helped regenerate South Street and redevelop vacant and derelict buildings and sites for a mix of uses including offices, retail, commercial and residential.
- 10.13 Whilst this fund does not specifically target employment land and property it can play a role in the provision of employment property in a town centre regeneration context as per the Elgin bid. Linking in with ambitions around 20 minute neighbourhoods, the provision of local enterprise hub/co-working spaces could be relevant.
- 10.14 The UK Government has confirmed there will be a round 3 of the Levelling up Fund however no further details have been published at this stage.

## UK SHARED PROSPERITY FUND

- 10.15 The UK Shared Prosperity Fund (UKSPF) is another pillar of the UK Government's Levelling Up agenda. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.
- 10.16 The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. Underneath this overarching aim there are three UKSPF investment priorities: communities and place; supporting local business; and people and skills.
- 10.17 Moray will receive a total of £4.3 m from the Fund. This will be £3.6 m in core funding and £0.7 m for the Multiply programme which focuses on adult numeracy across the Region. A high level investment plan outlining the proposed interventions has been developed and approved by Moray Economic Partnership and the UK Government.
- 10.18 All interventions should end by March 2025 and match funding should be considered in order to fully leverage options when selecting communities and place and supporting local business interventions to fund.

## GREEN FREEPORTS

- 10.19 Green Freeports are designed to boost innovation and inclusive growth within communities, while supporting Fair Work First practices, creating new green jobs, upholding the highest environmental protections and supporting economic transformation.
- 10.20 A Green Freeport is a large zoned area within a defined boundary which includes a rail, sea or airport. Operators and businesses in the zone can benefit from a package of tax and other incentives through a combination of devolved and reserved levers. They allow goods to be imported, manufactured and re-exported without being subject to checks, paper work or import taxes (tariffs). This means raw materials

can be imported, then engineered into whole products for export. Typically, companies operating in the zone pay lower taxes, such as reduced VAT and lower rates of employment tax.

- 10.21 Green Freeports are an adaptation of the UK Government's Freeport model and is backed by up to £52m of seed funding from the UK Government. The Green Freeports must contribute to four policy objectives:
- Promoting regeneration and high-quality job creation (lead policy objective)
  - Promoting decarbonisation and a just transition to a net zero economy
  - Establishing hubs for global trade and investment
  - Fostering an innovative environment
- 10.22 On 13th January 2023, it was announced that Opportunity Cromarty Firth and Forth Green Freeport have secured Green Freeport status in Scotland. The Inverness and Cromarty Firth Green Freeport will focus on industries around offshore wind, hydrogen and nuclear, covering sea ports in the region as well as Inverness Airport. It is expected to create 25,000 jobs and generate up to £4.8 billion in investment for the area. Whilst the Highland Council area will be the predominate benefactor of this project it is likely there may also be an impact on the Moray area as a neighbouring authority. This could take the form of supply chain opportunities resulting in demand for land and property. However, a common criticism of Green Freeports is that economic activity may also be displaced from other areas. This may also have a potential impact on Moray. There is no evidence currently as to which scenario will prevail.
- 10.23 The UK Government has also mooted the topic of Investment Zones however in Scotland the interaction between these and Green Freeports is to be agreed. It has been announced that there will be "at least one"<sup>23</sup> Investment Zone in Scotland. The investment zones will also have numerous tax benefits over five years, similar to Green Freeports, with enhanced rates for Capital Allowances and Structures and Buildings Allowance. The areas will be exempt from Stamp Duty Land Tax, Business Rates and employer National Insurance contributions. They will also have access to "flexible grant funding" for funding apprenticeships, supporting businesses operating in the zone and for local infrastructure projects. It is likely that local authorities will have to apply for Investment Zone Status and it will be competitive. Plans will need to demonstrate how the Investment Zone will support net zero ambitions. Further details are to be announced in due course.

## SCOTTISH GOVERNMENT

### JUST TRANSITION FUND

- 10.24 The Just Transition Fund is a £500m ten-year commitment that will support projects in the North East and Moray which contribute towards the region's transition to net zero. The Fund was announced in recognition of the particular need to diversify the regional economy away from carbon-intensive industries and to capitalise on the opportunities, including jobs and prosperity, that the transition to net zero will bring.
- 10.25 Year 1 projects were announced in October 2022 and included investments in research and innovation new green skills training facilities; pilots for emerging energy technologies and projects that will get businesses ready for the supply chain opportunities to come from the energy sector's transition to net zero. Over £50m has been awarded for Year 1.
- 10.26 As part of the awards, Moray Council will receive £881,000 for its Just Transition Masterplan which will fund 5 interlinked projects to support Moray's journey away from fossil fuels, including projects to support offshore renewables, creation of a local hydrogen economy, natural capital approach to offsetting, and redeveloping derelict land and premises. The 5 projects are:
- Buckie Harbour feasibility study

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<sup>23</sup> Chancellor Jeremy Hunt, Spring Budget, 15<sup>th</sup> March 2023  
Ryden, May 2023

- Blackhillock Masterplan
- Hydrogen feasibility study
- Carbon Offset feasibility study
- Vacant Land Development feasibility study

- 10.27 The funding for this stage of the work is for 2022/23 and the intention is that this feasibility work will result in costed plans for how these projects will be delivered.
- 10.28 Funding from the Just Transition Fund will be critical for Moray moving forward in order to ensure it can capitalise on the journey to net zero which will require careful planning of the employment land and property required, not only for direct property demand but also supply chain and induced economic activity.

## PLACE BASED INVESTMENT PROGRAMME (PBIP)

- 10.29 Announced in February 2021, the PBIP is being used to link and align place-based funding initiatives within the Scottish Government. Its aim is to ensure that all place based investments are shaped by the needs and aspirations of local communities and accelerate Scottish Government ambitions for place, 20-minute neighbourhoods, town centre action, community led regeneration and community wealth building.
- 10.30 The PBIP is supported by an initial £325m capital over 5 years (commencing 2021/22) with funds being allocated to local authorities by the Scottish Government. Allocations are based on a weighted formula based on the number of towns and population in a local authority area and deprivation indices.
- 10.31 The PBIP aims to invest in centres or neighbourhoods connected with 2 categories of settlement:
- i. Rural settings with smaller populations, dependent on larger geographical areas for support, for example:
    - Small Towns with a limited range of non-specialised facilities
    - Villages with very limited, or non-existent, access to facilities
  - ii. Urban settings with sizeable populations, for example:
    - Regional Capitals with extensive provision supporting a wide geographical area
    - Larger Towns with a comprehensive range of dedicated services and facilities.
    - Individual Neighbourhoods with limited access to relevant local provision.
- 10.32 The allocation for Moray for 2021/22 was £770k capital funding and this was used for the purchase of property at Buckie Harbour to enable regeneration and employment associated with offshore wind. The funding allocation for 2022/23 is £466k with a similar allocation expected in future years. It is anticipated that further properties may be purchased at Buckie Harbour to facilitate harbour development and the supply chain for offshore wind which will create jobs and opportunities or to directly deliver harbour improvements associated with offshore wind.

## VACANT AND DERELICT LAND INVESTMENT PROGRAMME (VDLIP)

- 10.33 The VDLIP is a Scottish Government capital programme scheduled across five years to help with tackling persistent VDL and supporting place based approaches to delivering regeneration and sustainable inclusive growth, as part of a 'just transition' to net-zero by 2045.
- 10.34 The VDLIP has four pillars of action: sustained place-based approaches; urban green spaces; community-led regeneration and; low carbon developments and renewables. The total level of funding over the 5 years is £50 million.
- 10.35 The VDLIP is available to all 32 Scottish Local Authorities and Clyde Gateway URC. Grants are for capital

works with the fund specifically targeting 'long term' (15 years+) VDL. It is to be noted that the Investment Panel may prioritise proposals that involve DUSTE (Derelict and Urban Sites unused since Two Thousand or Earlier) sites, as identified by the VDL Taskforce. Essentially these are Scotland's 'stuck sites' and are captured on the [Scottish Land Commission's DUSTE map](#). There are however many sites that meet the DUSTE criteria but because of their size (>0.1 ha) have never been formally recorded on the register. Proposals for both registered and unregistered DUSTE sites are welcome.

- 10.36 In the 2021 Scottish Vacant and Derelict Land Register, Moray recorded 17 sites totalling 14.96 ha. This includes the former Jones shipyard in Buckie which is a designated site for mixed use including employment. It is noted there are no DUSTE sites in Moray.

## REGENERATION CAPITAL GRANT FUND (RCGF)

- 10.37 The RCGF is part of the Scottish Government's Capital Investment Fund and is delivered in partnership with COSLA and local government. It supports locally developed place based regeneration projects that involve local communities, tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland. Local authorities must act as the lead applicant for RCGF bids.
- 10.38 The fund has been operative since 2014 and the funding made available across Scotland is c. £20m per annum. The 2023/24 allocations, recently announced, will provide funding for 23 different projects.
- 10.39 The RCGF has been used to pump prime a number of Council (or Council subsidiary) property developments particularly enterprise or community business hubs. However, it has also been used for more commercial projects by applicants. For example, Clyde Gateway has brought the Olympia Housing building in Bridgeton back into commercial business use as well as delivering flexible hybrid industrial space at Magenta Business Park, Shawfield. North Lanarkshire Council has also received funding for the refurbishment and renewal of the run-down and partially derelict Braidhurst Industrial Estate, ensuring its long-term viability and supporting local businesses and jobs.
- 10.40 In the 2023/24 funding round Moray Council was successful with its bid for Lossiemouth Community Hub and was awarded £270,200.

## SCOTTISH NATIONAL INVESTMENT BANK (SNIB)

- 10.41 The Scottish National Investment Bank (SNIB) is a development investment bank, established and funded by Scottish Ministers on behalf of the people of Scotland. SNIB has been established to operate commercially, and is operationally dependent from the Scottish Government. It invests in Scottish business, projects and communities to deliver environmental, social and financial returns. Investments in debt and equity are made on commercial terms and all investments must support at least one of SNIB's missions. These are:
- Achieving a just transition to net zero by 2045 – rebalancing the economy towards leadership in sustainable technology, services and industry
  - Extending equality of opportunity through improving places by 2040 – invest in places and regeneration to reduce inequalities and improve opportunities and outcomes for people and communities
  - Harnessing innovation to allow Scotland's people to flourish by 2040 – invest in innovation and industries of the future for a healthier, more resilient and productive population
- 10.42 SNIB provides patient (long term) capital to businesses and projects throughout Scotland to support the development of a fairer, more sustainable economy. SNIB launched in November 2020 and the total investment committed to date is £378.2m
- 10.43 Typically, the Bank will invest in businesses and projects seeking more than £1m in investment support (debt or equity). The maximum level for projects is £50m. The Bank does not provide grants and is unable

to offer investment on sub-commercial terms.

- 10.44 The Bank invests in businesses based in Scotland, projects based in Scotland, or businesses seeking to move to Scotland. It can invest in all stages and sizes of business but expects to focus its business, demonstrating commercial progress. SNIB's particular focus is on small and medium sized Enterprises (SMEs).
- 10.45 The Bank may also undertake project investment which is distinct from business investment as it typically brings together a number of parties to deliver a project. Project finance is typically associated with infrastructure and energy investment.
- 10.46 The Bank will also support investment in communities and the third sector, e.g. charitable businesses, clean energy projects, local affordable housing developments, local regeneration projects.
- 10.47 To date monies have been provided to allow a number of companies to scale up production in turn expanding their footprint and creating jobs. As noted in Section 4, this has included funding for Orbex, headquartered in Forres, to help scale up operations. SNIB's role is in supporting the demand side through organisations and projects rather than any direct provision of employment land or property.

## TAX AND INCREMENTAL FINANCING INITIATIVES

- 10.48 The Scottish Futures Trust leads the Tax Incremental Financing (TIF) programme for Scotland as a way of securing infrastructure investment in order to unlock regeneration and inclusive economic growth. TIF seeks to capture locally generated, incremental public sector revenues (e.g. business rates) that would not have arisen were it not for investment in the delivery of 'enabling' public sector infrastructure.
- 10.49 The use of TIF is normally predicated on a 'but for' test i.e. that but for TIF, the anticipated outcomes from a regeneration and economic perspective would not occur or not occur in the time frames which TIF would enable. A TIF project must therefore demonstrate that the enabling infrastructure will generate additional public sector revenues to repay the financing requirements.
- 10.50 As an example in the employment property market, the Falkirk TIF, led by Falkirk Council will deliver an initial phase of 53,582 sq.ft. of business space. The total area has the potential to deliver up to 400,000 sq.ft. of business space across a number of sites. Fife Council also has a TIF focused on industrial property.

## GREEN GROWTH ACCELERATOR

- 10.51 The Green Growth Accelerator was launched in June 2021 as a new investment programme to help deliver Scotland's just transition to a net-zero emissions economy. The Green Growth Accelerator will speed up delivery of low carbon infrastructure projects across Scotland and provide extra resources and technical support to local authorities to get projects off the ground more quickly. Once fully opened the programme will unlock £200m of public sector investment to drive the transition to net zero – with further investment from private sector also anticipated.
- 10.52 Developed in collaboration with COSLA, it builds on the principles of the Growth Accelerator model which has already supported major economic investment opportunities including the St James Quarter in Edinburgh and the Waterfront in Dundee.
- 10.53 Six pilot projects are currently underway to help test the Green Growth Accelerator model. The pilot projects include a hydrogen refuelling module in Aberdeen; hydrogen production infrastructure in the Western Isles; building efficiency upgrades in Edinburgh; natural coastline adaptations in the Highlands; and a water source heat pump retrofit at Strathclyde Park in North Lanarkshire. A further rollout of the model has been mooted.

## CITY REGION AND REGIONAL GROWTH DEALS

- 10.54 City Region and Regional Growth Deals are bespoke packages of funding and decision making powers negotiated between the Scottish Government, the UK Government and local government designed to bring about long-term strategic approaches to improving regional economies. They are implemented by regional partners and overseen by the Scottish City Region and Growth Deal Delivery Board.
- 10.55 Each of the Deals agreed in Scotland is tailored to its region, reflecting its individual economic strengths and weaknesses, and comprises a programme of interventions to support positive, transformative change.
- 10.56 There are 6 City Region and 6 Regional Growth Deals which provide 100% coverage of Scotland. Moray has been awarded funding for the Moray Growth Deal which as noted in Section 3 has a focus particularly on the development of the manufacturing, aerospace and life sciences sectors. Specific business property projects include the Moray Aerospace, Advanced Technology and Innovation Campus (MAATIC) and the Manufacturing Innovation Centre for Moray (MICM).
- 10.57 MAATIC will provide training, innovation and research development supporting aerospace and other manufacturing enterprises, and the development of advanced engineering skills in the region's workforce with specialisms in aviation, aerospace, and digital manufacturing. Meanwhile, MICM will bring world-leading research and development expertise in advanced manufacturing to increase productivity, create jobs, attract inward investment and grow the region's manufacturing outputs. Further support will also be offered for the scaling-up of existing small and micro-businesses through a Business Enterprise Hub. Full Business Cases are being finalised for the projects yet to commence delivery.

## ENTERPRISE AGENCIES

- 10.58 Moray is covered by the Highlands and Islands Enterprise Agency (HIE) which works with businesses and communities of all sizes to help them grow. HIE is an active participant in the provision of employment land and property in Moray and are the owners of Forres Enterprise Park. Through grant support they have also helped to service employment sites including Elgin Business Park. The Council should continue to work collaboratively with HIE.

## JOINT VENTURES

- 10.59 There are a number of instances of joint ventures being set up across Scotland to enable property development for specific sectors or sites. This is a model which has been used by Enterprise Agencies as well as a number of local authorities as a way of furthering their employment land and property ambitions. As well as the public sector, JV arrangements can also incorporate universities and the private sector.
- 10.60 For example, Fusion Assets Limited is a special purpose vehicle developed by North Lanarkshire Council following the closure of Boots' manufacturing operation in Airdrie. Fusion Assets works together with private sector partners through establishing joint ventures for the delivery of property development and land reclamation initiatives.
- 10.61 This includes the development of Gartcosh Industrial Park, situated at junction 2A on the M73, where Fusion Assets has entered into a JV with J Smart & Co. The JV – Gartcosh Estates LLP, has constructed three new speculative industrial units totalling 60,000 sqft. Fusion Assets purchased the land from SE in 2015 and have spent the last 2 years undertaking a programme of enabling works to bring the site up to a development ready condition. The works included construction of a new access road and ground consolidation and was financed through the Scottish Government's Vacant and Derelict Land Fund. Fusion Assets has drawn up plans for further phases of development on the site totalling some 160,000 sq.ft.



## OTHER COUNCIL FUNDING SOURCES

### PUBLIC WORKS LOAN BOARD

- 10.62 Councils are able to borrow from the Public Works Loans Board, a national government body and arm of the Treasury, at interest rates lower than those commercially available to the private sector. It is mainly targeted towards capital projects and funding cannot be used to plug gaps in everyday funding of services. CIPFA guidelines are in place however there is no upper limit on borrowing. It is the responsibility of Councillors to ensure funds borrowed appropriately and responsibly. Guidelines for the scheme were tightened at the end of 2020 and local authorities are no longer able to purchase assets purely for yield or investment income.
- 10.63 A relevant example is of the City of Edinburgh Council which borrowed from the Public Works Loan Board for part funding of the £85m redevelopment and expansion of the Edinburgh International Conference Centre. Completed in 2013, the development includes office and retail space alongside the conference venue. Atria One and Atria Two together comprise almost 200,000 sq ft of Grade A office and retail accommodation. At the time, Atria was the largest speculative office development over 100,000 sq ft outside of central London and satisfied the need for new Grade A office space in central Edinburgh during the market crash. The buildings are now home to a variety of high quality tenants. In 2016, the Council sold Atria for £105m to Deka Immobilien. Proceeds from the sale were used to pay off borrowing costs, with profits going to a City Strategic Investment Fund which was used (amongst others things) for East Hermiston Business Park. This development, completed in 2017, comprises 16 light industrial units (17,200 sq.ft) on Council-owned land in Sighthill. The development is fully let and generates c. £140,000 pa in rental income for the Council.

### COUNCIL'S CAPITAL PROGRAMME

- 10.64 Local authorities in Scotland receive the majority of their funding from the Scottish Government with the level of support for each authority determined by the Cabinet Secretary for Finance and Constitution. Councils obtain additional income through Council Tax, that the Council sets itself. Councils produce a Capital Expenditure Plan which details their capital funding priorities for a set period (usually 10 years).

### COMMUTED SUMS

- 10.65 A number of local authorities have a policy within their LDP that where employment land is lost to alternative land uses it is required to be either replaced in an appropriate location (to meet existing and future employment and business needs) or where this is not possible a commuted sum payment is often required. The commuted sum is ring-fenced and used only for bringing forward the implementation, or upgrade, of existing and planned employment sites. This policy tends to be used on a limited and discretionary basis where a notable loss has to be compensated for.
- 10.66 Fife Council is one local authority who currently implements this policy. A commuted sum was required as part of the planning conditions associated with the new Dunfermline Learning Campus which is currently being built on the site of the former Hyundai manufacturing facility. The site was designated as an employment/development opportunity site within the Fife LDP however there were material considerations which outweighed planning policy. This included the redevelopment of brownfield land which had been vacant for some time, limited success in the prior marketing of the site for employment use and that the education institution in itself would directly support employment sites through providing training and future labour.
- 10.67 The loss of 16.63 hectares of employment land to education uses was compensated against by a commuted sum totalling £1.64m (£99,000 per hectare). This figure is equivalent to the replacement value of the gross area lost, calculated at serviced land value at the time of the decision arbitrated by the District Valuer. A Legal Agreement is used to structure the payment of the commuted sum.

- 10.68 A Planning Policy in line with the above could be considered in the next Moray LDP as a means of protecting employment land and enabling sites to be brought forward. This may be useful given the planned settlement expansions in Moray.

## SUBSIDY CONTROL BILL

- 10.69 From 4 January 2023, public funding is subject to a new, UK-wide subsidy control regime which replaces EU State aid rules. The framework for this new regime is provided in the [Subsidy Control Act 2022](#). The Act represents a more flexible approach to subsidy control by adopting a principles based and self-assessment focused approach to compliance. This may have a positive impact on property interventions via aid for local infrastructure schemes.

## FUNDING RAG

- 10.70 Ryden has placed the funding sources discussed in this section into a RAG (Red, Amber, Green) summary shown at Table 37 on the next page:
- Red indicates that it is unlikely that Moray Council could attract this funding
  - Amber indicates that there is some potential although there may be constraints
  - Green indicates that Moray Council is eligible and could pursue this funding source
- 10.71 The purpose of the RAG is to help summarise for the Council how it may wish to prioritise these funds when considering the delivery of future projects. This is primarily based on current eligibility and whether a partnering arrangement would be required, but also some of the funds are time limited so this is also considered where relevant.
- 10.72 The Scottish Government's Just Transition Fund will be key in terms of maximising Moray's future economic potential however there are a number of other funding mechanisms available to Moray which should also be considered.

#

TABLE 37: MORAY FUNDING RAG

RAG	FUNDING SOURCE	SUMMARY
	UK Government's Levelling Up Fund	Does not specifically target employment land however could play a role in provision in a town centre regeneration context. £800m ring-fenced for Scotland. Moray sits in Priority Category 2 (out of 3).
	UK Government's Shared Prosperity Fund	All areas of the UK will receive a share via a funding formula rather than a competition. Supporting local businesses is one of the investment priorities. Moray will receive £4.3m from the fund.
	Scottish Government Just Transition Fund	£500m 10-year commitment that will support projects in Moray and the North East which contribute to the region's transition to net zero. Critical for Moray moving forward in order to ensure it can capitalise on the journey to net zero which will require careful planning of the employment land and property required.
	Scottish Government Place Based Investment Programme	Funding for place based investment to target efforts in a particular geography. Ensure inclusive economic development. Moray received £770k for 2021/22 and £466k for 2022/23. Focus to date on Buckie Harbour site assembly.
	Scottish Government Vacant & Derelict Land Investment Programme	Funding to tackle persistent VDL sites. The Fund is competitive and available to all local authorities. Should align with Place Based Investment Programme. Moray has 17 registered VDL sites but no DUSTEs.
	Scottish Government Regeneration Capital Grant Fund	All local authorities are eligible however it is competitive and primarily focuses on areas that suffer high levels of deprivation.
	Growth Deals	The Moray Growth Deal has a focus on the development of the manufacturing, aerospace and life sciences sectors. Specific business property projects include the Moray Aerospace, Advanced Technology and Innovation Campus (MAATIC) and the Manufacturing Innovation Centre for Moray (MICM).
	Enterprise Agencies (Highlands & Islands Enterprise)	HIE is an active participant in the provision of employment land and property in Moray and are the owners of Forres Enterprise Park. Through grant support they have also helped to service employment sites including Elgin Business Park. The Council should continue to work collaboratively with HIE.
	Joint Ventures with the public and private sector	JV can be a way of bringing sites forward which are out with Council ownership. JVs can be with both the private and public sector.
	Public Works Loan Board	Available to every local authority for a range of capital projects
	Council capital and portfolio	The Council has access to their own capital and portfolio subject to internal approval/discussions
	Commutated Sums	This is not currently in place for lost employment land. This could be reviewed as part of the next LDP. Commuted sums tend to be ring-fenced and used only for bringing forward the implementation, or upgrade, of existing and planned employment sites.
	Green Freeports	Opportunity Cromarty Firth has been awarded Green Freeport status in Scotland. Whilst Highland Council area will be the main benefactor it is likely there may also be an impact on the Moray which could take the form of supply chain opportunities resulting in demand for land and property.
	Green Growth Accelerator	Allows for the delivery of public sector enabling (emissions reducing) infrastructure in order to stimulate private sector investment and the wider economy. Six pilot projects are currently underway. Moray does not have a pilot project however there could be further roll out of the model.
	Tax Incremental Funding	All pilot projects have been awarded. Focus on infrastructure investment primarily on vacant and derelict land.
	Scottish National Investment Bank	Available across Scotland with a focus on green investment, placemaking and innovation. Focus is on SMEs and targets the demand side through organisations and projects rather than direct provision. In order to be eligible the Council would need to partner with private sector. However, the bank operates commercially and therefore likely the Council would achieve better interest rates elsewhere, e.g. PWLB.

## **SUMMARY**

10.73 The RAG provided within this section suggests how available funds could be prioritised for employment land and property purposes. There are a number of 'new entrants' to the funding landscape largely associated with the UK Government's Levelling Up Agenda as well as the Scottish Government's Just Transition Fund. However, funding streams are not exclusively available for employment land and property and therefore there is a requirement to prioritise a wide range of potentially applicable projects within the Council. To date, where property and sites have been enabled this has tended to be on the back of Council/Enterprise Agency intervention. The Growth Deal will also be important. However, even in these circumstances it is likely a 'cocktail' of funding sources will be required. It is also noted that the Moray Council area is often considered comparatively affluent next to other regeneration candidates and thus will need to compete hard and often to secure funding success. This further emphasises the importance of using allocated funds well as the probability of securing competitive funding is potentially below average.

# 11

## SUMMARY AND MARKET NEEDS

### INTRODUCTION

- 11.1 Ryden was appointed by Moray Council to provide analysis of the local authority area's employment land and property market in order to help inform the development of the next LDP which is planned for 2027. This section summarises the work and market needs for Moray.

### SUMMARY

- 11.2 The most recent projections suggest that the population of Moray is likely to fall in the coming years. Compared to Scotland as a whole, Moray also has a lower proportion of working aged people. Access to an adequate supply of labour is an important consideration for any business and new economic opportunities in the area could stem or reverse these trends. The current distribution of economic activity and working aged population in Moray is concentrated in and around its largest town of Elgin. This makes Elgin attractive to new and expanding businesses which will influence future demand for business property. It is also likely that development will be more viable in Elgin than some of the smaller towns. This correlates with the current LDP which notes that overall demand is greatest within the Elgin area, followed by Forres and then Buckie, Keith and Speyside.
- 11.3 The qualifications profile of the local workforce is skewed toward lower-level qualifications, which is likely to favour expansion of elementary occupations and skilled trades rather than professional and managerial roles. Alongside changes to working patterns including working from home it is likely that industrial space will be more important than office space in the future.
- 11.4 Most businesses in the region are micro-businesses however the Council is keen to enable growth in start-ups and scale-ups, which will have implications for the size of units required in the future. Premises up to 2,000 sqft would be desirable for micro-businesses in the area with larger premises (5,000 - 10,000 sqft) more suitable for scale-ups. There is significant opportunity associated with the renewable energy sector with expected growth in on and off shore wind and hydrogen developments in the area. The sites analysis confirms that the market is currently supplying plots of between 0.5 - 2 acres for general market use. The public sector is also providing larger opportunities of up to 6 acres (at Forres Enterprise Park). It will be important to maintain a supply and choice of these larger sites to deliver business growth and attract inward investment. Although lower value, there is also likely to be future demand associated with large open sites for uses such as forestry and logging or whisky cask storage. The requirements for whisky cask storage are often for large sites in rural areas.
- 11.5 Contributing to the UK Government and Scottish Government agendas, local authorities such as Moray are gaining more power through city and growth deals to address the key challenges and opportunities of individual areas. The Moray Growth Deal focuses particularly on the development of sectors such as manufacturing, aerospace and life sciences.
- 11.6 The Moray Regional Skills Assessment includes projections of how employment could change in the region, in part as a result of the Moray Growth Deal. Overall, it is expected that in the mid-term (2021-2024), employment in the region should grow by 800. However, it is expected that in the long term (2025-2031), the region will experience a contraction in employment, with projections suggesting that there will be 1,000 fewer people in employment in the Moray Growth Deal region in 2031 compared to 2024. The contraction is mainly due to decrease in job numbers associated with manufacturing which reflects the general trend of more capital intensive and higher value-added activity in the sector, which requires less labour intensive methods. Interestingly, this could drive land/property investment but without accompanying job growth – a current example of this is whisky storage.

- 11.7 Future decisions associated with the dualling of the A96 will have an impact on the employment land designations in a number of key locations. In addition, Moray has a number of Special Landscape Areas particularly in the Speyside area which means there is a particular focus on design standards and visual/landscape impacts associated with development proposals.
- 11.8 From a planning perspective, several masterplans are in place in order to guide the development of specific growth areas with employment allocations. This includes Buckie Harbour, Findrassie (north Elgin), Elgin South and Elgin Business Park (Barmuckity).
- 11.9 The existing Moray LDP identifies an annual employment land requirement of 4-5 ha per year, split across these market areas. This correlates with recent take-up levels noted in the Employment Land Audit. Take-up has increased to this level in recent years however it is understood this will potentially slip back to 3-3.5 ha for the 2023 Employment Land Audit.
- 11.10 There is strong demand for industrial property across Scotland however supply is tightening in many areas including Moray. Meanwhile the office market has experienced a seismic shift following the Covid-19 pandemic and the flight to smaller, better quality offices is now evident across the market. In terms of employment floorspace, 83% relates to industrial property making it by far the largest sector with office property accounting for the remaining 17%. The majority of industrial and office floorspace is located in Elgin.
- 11.11 The largest proportion of industrial and office property was built 30-50 years ago which means there could be an issue of looming obsolescence associated with some stock in the area. This is coupled with greater pressure for energy efficient properties. Much of Moray's office stock is contained within older town centre buildings which often have added complexities in terms of modernisation, e.g. conservation areas, listed buildings, access etc.
- 11.12 The industrial sector in Moray has a low floorspace vacancy rate of 3.6% while offices have a much higher level of 16%. Vacancies in both sectors lean towards traditional and in some cases very poor quality supply. Average industrial rents for modern second hand stock are between £7-8 per sq.ft. Rents are pushing up to £8.50 per sq.ft. for new build. In the office sector, rents range from £5-16 per sq.ft. It would be challenging to build viable new office or industrial premises with rents at this level, particularly considering current construction costs.
- 11.13 The majority of units in both sectors are small and there is a lack of stock above 5,000 sqft. This could have an impact on business ability to scale-up and perhaps to attract inward investors to the area.
- 11.14 There has been new development in the area recently including most notably at Elgin Business Park and Chanonry Court, Elgin. It is also notable that there are a high number of planning applications for food and drink storage. In the office sector, the majority of developments have been conversions or office extensions.
- 11.15 The Council operates its own sizeable industrial portfolio which includes industrial buildings, business centres, development and ground leases and serviced and un-serviced land for future development. The majority of premises are tailored towards SMEs in-keeping with the Council's economic development objectives.
- 11.16 The Council portfolio benefits from high occupancy of around 93%. The Council proactively reviews its portfolio to ensure it is meeting its objectives, disposing of properties where appropriate and taking steps to increase supply where demand dictates. It also undertakes strategic acquisitions to support key sectors such as offshore wind in Buckie. Current construction costs are a barrier to new Council development, as well as restricted public sector finance. The Council considers opportunities for the redevelopment of vacant and derelict buildings for employment use and continue to explore opportunities to access external funding to expand its portfolio.
- 11.17 A small number of units within the portfolio are occupied by Council services. A review of Council depots and stores may provide an opportunity to re-locate these services and free up the industrial portfolio for letting to businesses. This would create new supply without the outlay or risk of construction costs.

- 11.18 As per the Employment Land Audit 2022, Moray has an established employment land supply of 298.55 ha with a net established area of 226.48 ha across 36 sites. Of this, the marketable/effective employment land supply is 100.37 ha (net) across 21 sites. With regard to constrained sites these total 78.03 ha (net) across 16 sites. Infrastructure and physical constraints dominate.
- 11.19 As noted, demand in the area is generally focused on smaller units from small local businesses however there also needs to be larger sites available for inward investment and scale-up. Whisky distilling has seen considerable expansion over recent years, including bonded warehousing and the current LDP seeks to support this where there is locational justification.
- 11.20 Provision of further serviced sites and units is an issue and a number of projects have been considered by the Council with a focus on Forres and Speyside where there are shortages and no private sector interest in providing units on speculative basis.
- 11.21 Employment land take-up was 4.74ha across 6 sites in the year to 1<sup>st</sup> January 2022. The average take-up across the last 6 years has been 2.4 ha per annum and therefore take up in recent years is above historic levels. Moray appears to be 'punching above its weight' in this regard when compared to other comparable local authorities. Servicing sites throughout Moray will likely be reliant on externally leveraged public sector intervention.
- 11.22 Moray is a key benefactor of the Scottish Government's Just Transition Fund which will be key alongside the Growth Deal in terms of maximising Moray's future economic potential. However, there are a number of other funding mechanisms available to Moray which should also be considered as a 'cocktail' of funding sources is often required.
- 11.23 From the business survey, 73% of respondents had a requirement to expand/re-locate with the majority seeking industrial property. Cost was a key consideration in deciding on new premises as was digital connectivity, size and energy efficiency. A lack of suitable properties was raised as a constraint by those who have started to look for new/additional premises.

## **MARKET NEEDS**

- 11.24 Regional strategies highlight Moray's aim to create work opportunities in the region which will support well paid work and retain the workforce. The strategy expects demand from existing businesses looking to expand and relocate, and future demand within key growth sectors and from inward investors. The sectors which should be considered as part of employment land decisions are shown in Table 38 on the next page.
- 11.25 In terms of volumes of employment land and property, the potential requirement for employment land and property in Moray over the period of the next LDP (2027-2037) is based upon the research and market analysis presented in this report. The projections are split into two 5-year periods: 2027-32 (25-30 ha) and 2033-2037 (25-30 ha). As the LDP start and end dates respectively are four and fourteen years from now, these are simply projections forwards from this 2023 baseline and market conditions can and will change (particularly as the property market in 2023 is currently in a period of post-pandemic adjustment to normalised interest rates).

**TABLE 38: MORAY MARKET NEEDS**

SECTORS	LAND AND PROPERTY REQUIREMENTS	LOCATIONS
<b>SMEs (all general employment property sectors)</b>	<p>Responsible for the majority of demand for employment land and property across Moray.</p> <p>The Council is seeking to increase the number of start-ups and mid-range businesses and therefore there will be a need for small business units and also for those expanding and modernising.</p> <p>Primarily small to medium standard industrial units and serviced sites for bespoke requirements. Also small modern office premises in service centres.</p>	<p>Across Moray, with Elgin as the regional centre accounting for c.60% of the market and a tiered focus on employment centres below that.</p> <p>Due to lack of development viability Council direct provision is expected to be required outside of Elgin.</p>
Energy & Renewables	Expected to grow substantially in the coming years. Sites ranging from battery storage to operations and maintenance hubs or production facilities which may include a requirement for laydown space and port access and infrastructure.	<p>Likely to be heavily concentrated around Buckie as an important location for operations and maintenance activity.</p> <p>Demand for battery storage around Keith which is in close proximity to the Blackhillock sub station</p>
Manufacture of food & beverages	Largest sector of manufacturing in the area. Moray is home to over half of all the whisky distilleries in Scotland and a number in the area have recently undergone significant expansion with others exploring options for their sites. In addition, there is a significant development pipeline for whisky storage/bonded warehouses. Hazardous Substances Consent required and particular requirements around ventilation.	Concentrated in Speyside which may require additional sites for storage or maturation in the near future however other locations may also be suitable
Manufacture of wood products	Above average and increasing job numbers and likely to be an increase in employment land. Land hungry and possibly site specific.	Most significant in Elgin, Forres and Mosstodloch.
Sustainable tourism	Numbers of businesses now exceeding pre-pandemic levels and could perhaps lead to some demand for Class 4 space, but more likely demand for Class 7 & 11.	Potentially around Elgin.
Life sciences	Has attracted recent investment but starting from a low base so may not generate significant demand in short term. Longer term growth could lead to increased demand. Growth Deal includes proposals for the Moray Rural Centre of Excellence for Digital Health and Care Innovation (now launched) as well as 5 'Living Lab' testbeds.	Demand is likely to be focused around Forres but 'Living Lab' testbeds will be across the region.
Defence activities	<p>Employment has more than doubled in recent years with the addition of military personnel.</p> <p>Additional expected investment will increase direct and indirect employment and thus demand for employment land. Demand for general employment land as well as at the two RAF bases.</p>	RAF Lossiemouth and Kinloss Barracks
Aerospace	<p>Strengths in the defence sector is also likely to enable development of an aerospace sector in Moray alongside projects such as MAATIC.</p> <p>The Moray space cluster is currently developing. Requirements to include premises for manufacturing and engineering and testing facilities. Large sites required.</p>	Potentially around Forres and wider supply chain.

11.26 Further investigation into the specific requirements of the above sectors is recommended. As noted previously in this report, further consultation with the whisky industry is particularly recommended.

11.27 Moray's **industrial stock** will require steady upgrade and in some cases replacement. While it does not appear to be obsolete on any major scale, a combination of building age (much of it is 40 years old),



environmental requirements and occupier modernisation will continue to drive change. Assuming a building lifespan of around 60 years, to include periodic refurbishment, the run rate to maintain a stock of approximately 2 million sq.ft. through full replacement or comprehensive refurbishment around a frame is c.333,000 sq.ft. over the proposed 10-year LDP.

- 11.28 This is a guideline to sustain the current market in modern industrial premises. Growth, new sectors and inward investment would be additional. In particular Moray has a number of land-hungry extraction and production industries as well as growth prospects at the other end of the spectrum in technology-rich sectors which require more space per job than traditional industrial premises. These require a generous approach to employment land estimates and allocations (below).
- 11.29 In terms of the need for modern premises on that scale, industrial property development has been positive in Moray recently, particularly in Elgin. The recent development cycle in Moray shown in this report is c.115,000 sq.ft., not including refurbishments. However, across the UK property market higher interest rates have reduced property values at the same time as costs have risen, suppressing developer activity for the short term at least. It is assumed that this alleviates and new development by the private sector is once again positive and viable again in Elgin before the LDP period in 2027, although public sector intervention will still be required in lower tier settlements and for specialist properties. Public sector intervention will also still be required for the servicing of land unless cross funding from large scale residential development is available.
- 11.30 Moray's **office** market is following the wider post-pandemic transition to greater hybrid working. In broad terms that involves contraction into smaller but higher quality premises on a more flexible basis. There can be variation by occupier type and location however and Moray is a comparatively thin market with only a few transactions each year and economic projections for office space as a distinct property type (rather than forming part of larger industrial-led premises) are not positive. The market and planning requirement is to support the adaptation of premises around flexible and possibly co-working as it continues to evolve. At the moment the private sector appears to be meeting the market needs, but a combination of older town centre buildings requiring new purposes and the high cost of offering best-in-class fitted out offices – 'CAT A-plus' – on a fully flexible basis could merit a public sector demonstration project in Elgin.
- 11.31 Moray's **employment land** demand is demonstrated in enquiries, take-up and development. It outperforms comparable regions and has increased recently, as occupier modernisation and growth take effect. As noted, Moray has existing and emerging land-hungry industries. To accommodate this trend, the currently adopted demand rate of 4-5 hectares per annum is inflated by 20-25% to 5-6 hectares per annum. In LDP periods this equates to:
- 25-30 hectares for the period 2027-2032, and subject to a mid-term review:
  - 25-30 hectares for the period 2032-2037
- 11.32 The current LDP directs 54% of its land requirement towards the Elgin market area with 15% for each of Forres and Buckie and 8% for each of Keith and Speyside (see Table 28). The research provided in this report shows no reason to change these levels dramatically and the levels noted still provide a good benchmark for the Council moving forward. Within the Elgin market area there should be an emphasis upon development in and around the town itself as the principal market focus. Flexibility will also be required as additional, ad hoc demand for larger sites above these take-up rates can be anticipated in particular locations from specific sectors such as whisky, renewables and aerospace.

# APPENDIX 1

# EMPLOYMENT LAND SITE ASSESSMENTS

Ref	LPR	Location	Town	Gross Area (Ha)	Supply Type	Constraint	Long Area	Proposed Use	Owner	Designations	A. Strategic Fit	B. Market Assessment	C. Transport & Accessibility	D. Economic Impact	E. Development Potential	F. Pressure for Alternative Use	G. Ground Conditions	H. Utilities & Drainage
M/AB/E/005	20/R2	Speyview	ABERLOUR	1	Effective		0	EMPL		SLA (Special Landscape Area)	Tertiary growth area.	1ha employment space to be provided as part of wider residential masterplan for 60 units. Distilleries nearby. Gateway into settlement suitable for higher amenity employment uses.	Emp land to be located to south of site. A95 runs along western edge and Ruthrie Road to south of site. Active travel connections to be provided.	Medium sized site depending on sector and user who would most likely be local.	Un-serviced dependent on wider residential delivery.	Part of wider residential masterplan. Could be commercial gateway potential.	Not known. Currently open space.	Drainage Impact and Flood Risk Assessment required.
M/BC/E/001	20/MU	High Street (W)	BUCKIE	6.37	Effective		0	BUSP	Private		Secondary growth area but restricted uses.	Mixed use site on edge of town that can accommodate Class 2 and 4. Site also appropriate for hotel and potentially residential. Not acceptable for general industrial use.	A98 currently runs along southern site boundary and A942 to eastern boundary. Transport Assessment for combined sites R5 and MU will be required. May require new roundabout.	Limited by service sector demand in local market area	May appeal to local business for office or employment generating use	Mixed use site	Not known. Currently open space.	Flood Risk & Drainage Impact Assessments required which may reduce developable area of the site
M/BC/E/004	20/I3	March Road (SE)	BUCKIE	17.69	Effective		0	EMPL	Moray Council		Secondary growth area.	Extension of popular March Rd industrial area (Ruthven) to east of town.	March Road runs along western boundary and new access road provided by Council.	Potential for medium to larger uses in proven market area	In Council ownership and site is serviced and access provided.	Industrial area with no known alternative use interest.	Serviced, assumed no major constraints but unconfirmed.	SUD system installed by Council
M/BC/E/005	20/I4	Maltings	BUCKIE	10.3	Constrained	Owner	0	EMPL	Boortmalt		Secondary growth area.	Undeveloped area around the maltings has in the past been reserved for expansion purposes and there may be scope for alternative compatible business activities to be introduced. Existing business area.	March Road runs along the eastern boundary of the site. Access is provided to maltings site.	Large site but uncertain depending on expansion land or future general industrial supply.	Depending on intentions of land owner (could remain undeveloped).	Industrial area with no known alternative use interest.	Not known. Currently open space.	Drainage Impact Assessment required.
M/BC/E/006	20/I5	The Harbour Area	BUCKIE	1.77	Part Constrained	Infrastructure, Physical	0	EMPL	Moray Council/ Private	Part SLA, Special Area of Conservation (SPC) and Special Protection Area (SPA).	Secondary growth area. Important area for renewables sector.	No longer restricted to harbour related uses but operational needs of harbour still have priority. Scope to redevelop and regenerate the area with the introduction of a wider range of uses. Important area for future renewables sector.	A Transport Statement or Assessment may be required.	Direct impact for harbour industries and strategic support for major renewables sector.	Mixed ownership and mix of sites and buildings so may be piecemeal or site assembly.	Proposals for retail, residential or tourist related developments will be considered on their merits inland.	Unknown but has been operational harbour and port for some time.	Flood Risk & Drainage Impact Assessment required. Development to be connected to mains water and sewerage, or demonstrate there will be no adverse effect on the integrity of the SPA
M/BC/E/007	20/LNG2	March Road (LONG)	BUCKIE	7.02	Effective 5years+	Infrastructure	5.62	MEDI	Moray Council	Close proximity to scheduled monument to the SE.	Secondary growth area.	Strategic reserve. Would be natural extension to March Rd/Ruthven industrial areas.	March Rd runs along western boundary of the site. Transport Assessment likely to be required as part of a wider masterplan with I3 to identify any junction/road improvements.	Large site for future demand if it continues in this market area.	To be determined in future market circumstances.	None known	Not known. Currently open space.	Drainage Impact Assessment required.
M/CL/E/002	20/I1	South of Cemetery	CULLEN	0.81	Effective		0		Moray Council / Lawtief Trust	SLA	Smaller towns/villages.	Small development opportunity for business uses within Class 4 or light industrial uses that are compatible with the scale of the site and the historic setting. The site is located within the Cullen House Garden and Designed Landscape and is adjacent to the formal entranceway.	Proposals must demonstrate suitable access into the site can be achieved which is not detrimental to the formal entranceway into the Designed Landscape. Access to be taken off B9018. Traffic Speed Survey required. Third party land owner agreement required to provide and maintain the visibility splay. Siting of bus stops to be investigated. New footways along the site frontage required.	Depending on local demand for site	Depending on local demand for site and/or Council promoting development.	None known	Not known. Currently open space.	Not known.
M/EL/E/001	20/I7	Elgin Business Park, Barmuckity	ELGIN	33.83	Part Constrained	Physical	0	MIXU			Primary Growth Area	Phase 1 already in progress with Springfield. Land plots selling well. Popular new estate.	Located to the east of the town. Existing site is serviced with access developed off A96. Access to remainder of site to be confirmed.	Large site for future demand for modern industrial and business premises	Significant potential for further modern development. Active developer.	A greater mix of uses is supported across the site.	Not known. Currently open space.	Level 2 Flood Risk Assessment required. No development within functional floodplain. Drainage Impact Assessment is required.

M/EL/E/002	20/MU1	Riverview	ELGIN	4.12	Constrained	Infrastructure, Physical	0	BUSP	Moray Council		Primary Growth Area	Mixed use site. Suitable uses are for business, hotel and/or residential. Development proposals must be compatible with the quality and high amenity setting of site.	Existing access must be used. A Transport Assessment required, the scope of which must be agreed with Transport Scotland and the Moray Council Transportation. Development proposals will require to take into account the preferred option for the A96 dualling route	Larger site though more likely to be commercial mixed rather than industrial and business	Depending on local demand for mixed use and/or Council promoting development.	Mixed use site.	Not known. Currently open space.	Level 2 Flood Risk Assessment required. No development within 6m of existing flood alleviation measures will be permitted.
M/EL/E/004	20/I12	Glen Moray Distillery	ELGIN	1.3	Constrained	Owner, Physical	0	EMPL	Glen Moray Distillery		Primary Growth Area	Reserved for distillery related uses.	Located on western edge of town. Close proximity to A96.	Medium site but uncertain depending on expansion land or future general industrial supply.	Controlled by owner	The site has consent for warehouses which Glen Moray have been implementing in stages.	Unknown	Level 2 Flood Risk Assessment required.
M/EL/E/008	20/I2	Chanonry Industrial Estate	ELGIN	3.17	Part Constrained	Infrastructure, Physical	0	EMPL	Moray Council		Primary Growth Area	Popular existing industrial estate. Suitable for light and heavy industrial operations. Limited land available. Remainder of site built out with new development likely to comprise redevelopment, extension or change of use.	To east of town. Close proximity to A96.	General employment use potential in proven market area.	Owned by Council. Would be continuation of development and re-development of estate.	None known but has been COU applications in estate	Unknown.	Flood Risk & Drainage Impact Assessments required.
M/EL/E/011	20/I5	Pinefield Industrial Estate	ELGIN	0.18	Effective	Owner	0				Primary Growth Area	Small area to NW of site identified for the expansion of Hendry Hydraulics	To east of town, close proximity to A96. Transport Statement required.	Local site potentially for owner	Controlled by owner	None known	Unknown.	Flood Risk & Drainage Impact Assessments required.
M/EL/E/012	20/I6	Linkwood East	ELGIN	1.71	Effective	Owner, Physical	0	EMPL	Private		Primary Growth Area	Edge of popular existing industrial area. Front of site along A96 frontage is built out for restaurant, café and retail uses. The remaining undeveloped land is suitable for Class 4, 5 and 6.	Access via roundabout junction on the A96 with Reiket Lane.	Medium sized site for general employment use.	Depending on local demand in popular estate	Site is partly built out for restaurant, café and retail uses.	Unknown.	Flood Risk & Drainage Impact Assessments required. Any proposal must not impact on the integrity of the Flood Alleviation Scheme. No development within 6m of the embankment.
M/EL/E/016	20/I8	Newfield	ELGIN	12	Effective		0	EMPL	Pitgavenny	In close proximity to SLA and SSSI	Primary Growth Area	Part of major land release associated with the Findrassie masterplan which also includes 1500 houses over next 20-25 years. Suitable for business uses within use Class 4 and 5 that are compatible with predominantly residential surroundings. Actively marketed with a reasonable level of interest	Located to the NE of the town. Transport Assessment required. The site may be impacted by the A96 dualling and development may require to take into account the preferred A96 dualling route.	Significant expansion site which is currently being actively marketed with a reasonable level of interest.	Potential alongside residential expansion	Potential but separated from residential area	Unknown currently open space.	Flood Risk & Drainage Impact Assessments required. Requirement to demonstrate that there will not be an adverse effect on the integrity of SPA.
M/EL/E/017	20/I16	Burnside of Birnie	ELGIN	22.3	Part Constrained	Infrastructure, Physical	0	EMPL			Primary Growth Area	The site's primary function is for Class 4, 5 and 6. Minimum of 9ha is reserved for these uses. A greater mix of uses is supported across 5ha of the site; these areas are adjacent to the A941. The site must provide a minimum of 30% open space. Development Framework required in conjunction with LONG3.	Located to the south of the town adjacent to LONG residential area Elgin South. A941 runs along eastern edge of the site and new junction would be required. Transport Assessment required. Development proposals will require to take into account the preferred option for the A96 dualling route which impacts on this site.	Significant expansion site but potentially longer term.	Future potential alongside future residential expansion	Potential but separated from residential area	Unknown currently open space.	Level 2 Flood Risk & Drainage Impact Assessments required. No development within the functioning floodplain. A Water Framework Directive waterbody specific objective will require to be addressed.
M/EL/E/018	20/LNG3	Burnside of Birnie (LONG)	ELGIN	38.2	Part Constrained	Physical	20.74	EMPL			Primary Growth Area	Development Framework required in conjunction with I16.	A941 runs along eastern edge of the site and new junction would be required. Transport Assessment required. Development proposals will require to take into account the preferred option for the	Significant expansion site but potentially longer term.	Future potential alongside future residential expansion	Potential but separated from residential area	Unknown currently open space.	Level 2 Flood Risk & Drainage Impact Assessment required. No development within the functioning





M/MS/E/003	20/15	Baxters	MOSSTODL OCH	2.22	Constrained	Owner	0	EMPL	Baxter's	Adjacent to SLA, SAC and SSSI	Smaller Towns and Villages	Baxter's existing business area. Major employer and significant tourist attraction. New development will comprise redevelopment, extension or change of use.	Just off A96. Access through Baxter's existing site.	Potentially significant in food and drink and visitor sectors	Depending upon Baxter's plans	None known	Not known	Demonstrate that there will be no adverse effect on the integrity of the SAC from development activity
M/MS/E/005	20/12	North of Baxter's	MOSSTODL OCH	3.22	Constrained	Owner, Infrastru cture	0	EMPL			Smaller Towns and Villages	Site to provide for expansion of Baxter's. As access is through the existing Baxter's site development by others is not intended.	Just off A96. Provision of cycle and pedestrian links to the A96 and bus stops required. This may involve upgrading the Core Path to Redhall to the north. Transport Assessment may be required.	Potentially significant in food and drink sector	Depending upon Baxter's plans	None given restriction on access	The site slopes upwards from the existing Baxter's buildings	Drainage Impact Assessment required.
M/MS/E/006	20/MUL1	South of A96	MOSSTODL OCH	11	Effective 5years+	Infrastru cture	8	EMPL	Crown Estate Scotland		Smaller Towns and Villages	Mixed use site. Residential and industrial. Embargoed from development in current LDP period unless DP3 conditions are met. Proposals must deliver a minimum of 8ha (net) of employment land. May suit a lower density user.	Runs adjacent to A96. Transport Assessment required. Consultation with Moray Council Transportation and Transport Scotland required. New cycle path provision required. Improvements required to provide safe routes to School and access to local shops. Development proposals will require to take into account the preferred option for the A96 dualling route which impacts on this site.	Dependent on scale and sectors of users	To be determined dependent upon user demand	Mixed use site	30% open space required due to the mix of residential and industrial and edge of settlement location. Archaeological evaluation of the site required.	Drainage Impact Assessment with SUDS plans required. Flood Risk Assessment required.
M/MS/E/007	20/13	West of Mosstodlo ch	MOSSTODL OCH	16	Effective		0		Crown Estate Scotland		Smaller Towns and Villages	Potential new industrial area. May suit larger lower density user.	Adjacent to A96. Transport Assessment required.	Dependent on scale and sectors of users	To be determined dependent upon user demand	None known	Minimum of 30% open space required Archaeological evaluation of the site required.	Flood Risk & Drainage Impact Assessment required. A Water Framework Directive waterbody specific objective will require to be addressed.
M/MS/E/008	20/LNG2	West of Mosstodlo ch (LONG)	MOSSTODL OCH	14	Effective 5years+	Infrastru cture	11.2	LARI	Crown Estate Scotland		Smaller Towns and Villages	LONG can only be brought forward if the Policy DP3 triggers are met. The scale of this site may be suitable for large scale inward investment.	Adjacent to A96. Transport Assessment required.	Dependent on scale and sectors of users	To be determined dependent upon user demand	None known	Minimum of 30% open space required. Archaeological evaluation of the site required.	Flood Risk & Drainage Impact Assessment required. A Water Framework Directive waterbody specific objective will require to be addressed.
M/RS/E/001	20/11	Back Burn	ROTHES	0.75	Effective		0	EMPL	Private	SLA. Adjacent to SAC.	Smaller Towns and Villages	Site bounded by distillery and other uses.	Close proximity to A941	Dependent on local demand	To be determined	None known	Not known	Demonstrate that there will be no adverse effect on the integrity of the SAC from development activity
M/TV/E/001	20/11	Troves Industrial Estate	TROVES	1.61	Effective		0	MEDI	Strathdee Properties		Rural grouping	Rural area but to the south of Elgin, close to expansion areas. Development must unify the existing building pattern be consistent in terms of materials, size/scale and overall design.	Access off Linkwood Road	Dependent on rural demand	Dependent on rural demand	None known	Not known	Options for waste water drainage should be investigated as options for discharge to the water environment are limited.

# APPENDIX 2

# BUSINESS SURVEY



# Moray Business Needs Survey

Moray Council is undertaking analysis of the commercial property market in the area in order to help inform the future provision of these properties in Moray and ensure the development of a thriving and prosperous economy.

The Council is keen to understand your views as a local business and this survey is open to commercial tenants, leaseholders, property owners and key stakeholders who are either currently located in Moray or have an interest in locating in Moray in the future. We are particularly interested in anticipated demand for office and industrial space in the region.

We would be grateful if you would take the time to complete the short survey below to help inform future property projects. The survey should only take 5 minutes to complete and will be open until Wednesday 15th March.

If you have any queries regarding this survey please do not hesitate to contact Rowena.MacDougall@moray.gov.uk

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1. Please state the name of your Business

Short answer text

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2. What is the location and post code of your business address?

Short answer text

---

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3. Please indicate the status of the business at this address :

- Headquarters
- Branch
- Sole premises
- Other...

4. Which Business Sector do you operate in?

- Agriculture
- Mining and Quarrying
- Manufacturing
- Food production
- Distilling
- Renewable Energy
- Electrical, Gas, Steam and Air Conditioning Supply
- Water Supply; Sewerage, Waste Management and Remediation Activities
- Construction
- Wholesale and Retail Trade
- Repair of Motor Vehicles and Motorcycles
- Transportation and Storage
- Accommodation and Food Service Activities
- Information and Communication
- Financial and Insurance Activities
- Real Estate Activities
- Professional, Scientific and Technical Activities
- Administrative and Support Service Activities
- Public Administration and Defence, Compulsory Social Security
- Education
- Human Health and Social Work Activities
- Arts, Entertainment and Recreation
- Other Service Activities
- Other..

---

5. What type of property do you occupy?

- Industrial unit
- Office
- Storage Yard
- Commercial / retail unit
- Home based
- Other..

---

6. If known please state the size of property occupied in sq.ft. or sq.m. (please state which)

Short answer text

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7. How many staff work at this address?

- 1 - 5
- 6 - 10
- 11 - 49
- 50 - 249
- 250+

---

8. How long have you occupied your current property (years / months)?

Short answer text

---

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9. What is the tenure of your property?

- Own the property
- Lease the property

---

10. How do you rate your existing property and environment?

	Good	Satisfactory	Less than satisfac...	Poor
General location	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Size of premises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Condition of buildi...	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Energy efficiency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Accommodation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Road connections	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public transport lin...	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parking provision	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access / circulation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Image / general en...	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Staff services / am...	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communications (...)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

---

11. Are you considering expanding / relocating your existing business property in the next 5 years?

- Definitely - go to question 12
- Possibly - go to question 12
- No - go to question 22
- Don't know - go to question 22

---

12. When might you move / expand?

- In the next 12 months
- After 12 months
- Don't know

---

13. What type of property would you prefer?

- Industrial space
- Office space
- Flexible office / co-working space
- Mix of both industrial and office space
- Commercial / retail unit
- Land for yard / storage
- Land for new-build
- Other...

---

14. What size of property / land are you likely to require? (please specify below and note if sq.ft. / sq.m. / acres / hectares)

Short answer text

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15. What estate/ town/ area would you consider as a potential location?

Short answer text

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16. If you intend to move / expand please indicate the main reasons why (please tick all that apply)

- Property too small for current requirements
- Property too large for current requirements
- Building configuration no longer suitable
- Out-of-date premises
- Location not suitable for the business
- Environment not suitable
- Other...

17. What will be important in deciding on new property?

A. Location

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

Question

B. Quality of building

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

Question

C. Energy efficiency of building

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

Question

D. Cost

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

Question

E. On-site facilities (eg. cafe, events space, childcare)

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

---

Question

F. Transport Connectivity (access to public transport and strategic road network)

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

---

Question

G. Opportunity to share facilities with other businesses (eg. meeting / training rooms, reception, kitchen facilities)

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

---

Question

H. Size

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

---

Question

I. Digital connectivity

	1	2	3	4	5	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

---

18. What tenure would you prefer for your new or additional property or land for your business?

- Ownership
- Leasehold
- Other...

---

19. Do you have any of the following specific requirements for your new property?

- Prominent location / visible to passing trade
- Vehicle access to building
- Yard space
- Eaves height
- Alarms
- Trade / retail counter
- Secretarial support
- Other...

---

20. Have you started looking for new or additional property or land for your business?

- Yes, please go to the next question
- No, please go to question 22

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21. If yes, what, if any, constraints have you faced?

Short answer text

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22. Do you have any other comments related to property?

Long answer text

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Thank you for your time and assistance

Description (optional)

# APPENDIX 3

## LIST OF CONSULTEES



During the course of this study, Ryden consulted with the following:

- Chris Muir, Senior Officer Economic Strategy & Development, Moray Council
- Rowena MacDougall, Senior Planning Officer, Moray Council
- Stuart Beveridge, Asset Manager – Commercial Buildings, Moray Council
- Lorna Williamson, Business Gateway Manager, Moray
- Richard Lothead, SNP MSP for Moray
- Mike Duncan – Development Manager, Federation of Small Businesses in Scotland
- Andrew Stanley, Head of Regional Development – Moray, Highlands & Islands Enterprise
- David Reid, Area Manager, Highlands & Islands Enterprise
- Ailsa Stinson, Moray Business Women
- Grant Campbell, Highlands & Islands Regional Manager, Scottish Council for Development Industry
- Sarah Medraf, Chief Executive, Moray Chamber of Commerce
- Gemma Cruickshank, Chief Executive Officer, Visit Moray Speyside
- Fraser Grieve, Deputy Director, Strategy & Communications, Scotch Whisky Association
- Brian Macaulay, Operations Director Chivas Brothers
- Alan Esson, Managing Director, Saltire Business Parks

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M2 6AY  
0161 249 9778

# Ryden






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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: EMPLOYMENT LAND AUDIT 2023**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report summarises the employment land supply in Moray and asks the Committee to agree the final version of the Moray Employment Land Audit 2023.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee;**

- (i) **note the employment land supply in Moray; and**
- (ii) **approve the finalised Moray Employment Land Audit 2023, as set out in Appendix 1 of the report.**

**3. BACKGROUND**

- 3.1 NPF4 was adopted on 13 February 2023 and now forms part of local development plans. NPF4 requires LDP's to allocate sufficient land for business and industry to ensure that there is a suitable range of sites that meet current market demand, location, size, and quality in terms of accessibility and services and that it is reviewed regularly to ensure that there is a sufficient supply to meet national and regional targets. The levels of effective/marketable employment land and take-up of land are National Headline Indicators returned annually in the Planning Performance Framework (PPF) to the Scottish Government.
- 3.2 The Moray LDP 2020 Main Issues Report, published in January 2018, identified 9 main land use issues to be addressed by the new LDP, including "providing a generous employment land supply". This has been a long-

standing issue and the MLDP 2020 provides a long term, strategic approach to the provision of employment land to meet demand ranging from small start-up units to much larger sites for inward investment.

3.3 The Moray Employment Land Audit has three key functions:-

- demonstrate the availability of a range and choice of marketable employment sites;
- provide an overview of the supply and availability of employment land across the Local Development Plan area; and
- provide an evidence base for the monitoring and review of policies and proposals within the LDP.

3.3 The audit includes four categories of land supply:-

**Established** – This includes all undeveloped land allocated for industrial/business/employment use in the adopted LDP or land that has a valid planning approval for these uses.

**Marketable/Effective** – Land that as well as meeting business requirements, has a secure planning status, can be serviced within 5 years and is accessible by walking, cycling and public transport as defined in SPP.

**Constrained** – Land that is not considered developable within 5 years due to issues such as planning difficulties, ownership issues, infrastructure provision and physical constraints.

**Immediately Available** – Land that has planning permission, is serviced and has no major constraints to immediate development.

3.4 A copy of the audit will be submitted to the Economic Development and Infrastructure Committee Services for their information due to their interest in industrial and commercial development.

3.5 A separate item is being reported to this committee on the Moray Business Property Needs Study. The study provides up to date information and analysis of the current and projected demand for commercial land and building. The findings of this study have informed this year's Employment Land Audit.

#### **4. CONSULTATION**

4.1 The draft audit was made available for consultation on the Council's website and sent to internal and external consultees, with comments invited by 19 June 2023.

4.2 Comments were received from Springfield Real Estate Management noting the limited availability of plots at 17 Barmuckity/Elgin Business Park with many of these now let or under offer and it was noted there continued to be demand including for larger sites. Sites that are let or under offer remain shown in the supply until construction commences. However, the level of interest and take up at 17 Barmuckity/ Elgin Business Park is reflected within Employment Land

Audit text with the need to bring forward and service sites to maintain supply identified.

## **5. AUDIT FINDINGS**

- 5.1 The 2023 Audit is provided in full as **APPENDIX 1** to the report. The audit identifies that there is 297.92 hectares (ha) of Gross Established Employment Land Supply. This is a decrease of 0.63ha compared to 2022 due to development at I7 Barmuckity/Elgin Business Park. The main supply of employment land continues to be within the Elgin, Forres and Buckie Market Areas, with a more limited supply in Keith and a very limited supply in Speyside. A summary for each Market Area can be found on page 5 of the Audit.
- 5.2 99.87 ha (net) of land, across 21 sites, is classed as Marketable/Effective. This is a decrease of 0.5 ha compared to 2022. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park. The distribution of Marketable/Effective sites reflects the settlement hierarchy within the MLDP, however there continues to be a shortage of Effective sites within Speyside.
- 5.3 The Marketable/Effective supply is split with 63.28ha suitable for general industrial and 36.59 ha suitable for proposals that require a higher amenity setting usually within the class 4 Business category. The Elgin and Buckie market areas have relatively healthy supplies of general industrial land providing at least the equivalent of 15 years supply. In Keith the general industrial supply is more limited however there is a LONG allocation that could be drawn down if there is shortage. There has historically been a significant shortage of general industrial land in Speyside. This means there is a reliance on windfall proposals to accommodate demand. In Forres there is a significant shortage of general industrial land with only 2.75ha of land available at BP1 Forres Enterprise Park. This shortage of general industrial land requires to be urgently addressed.
- 5.4 The amount of land Immediately Available is 33.63 ha (net), across 6 sites. This is a decrease of 0.22 ha since 2022. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park. Take up at I7 Elgin Business Park/Barmuckity has been very good as reflected in previous audits. There is now limited availability with many of these plots now developed, sold or under offer. It is therefore anticipated that the level of immediately available land in the Elgin Market Area will reduce significantly over the next few years.
- 5.5 There continues to be a restricted choice of sites in the Immediately Available Land Supply. This is a particular issue in Forres and Speyside. The availability of Immediately Available land is a Key Measure in the Moray Economic Strategy. To maintain a supply of serviced sites it is necessary to work towards bringing other sites forward. A draft Masterplan for Mosstodloch has been prepared by consultants appointed by Crown Estate Scotland. The draft Masterplan was approved on 30 May 2023 at a meeting of this Committee for a 12 week public consultation period (para.9 of the Minute refers). The masterplan will cover the current designations for employment and consider business requirements. A masterplan is also being prepared for Blackhillock

Keith which has seen considerable development interest associated with renewable energy infrastructure.

- 5.6 78.03ha (net) across 15 sites is classed as constrained. This means approximately a third of the Established Supply has some form of constraint that is likely to prevent the land being developed in the next five years. 48.06ha of land across 6 sites is classed as a LONG designation and would be capable of being bought forward should the need arise as set out within Policy DP3 Long Term Land Reserves within the MLDP 2020.
- 5.7 In the last year, 1.24 ha of land was developed - this includes completion or occupation of sites at I7 Barmuckity, OPP4 Ashgrove in Elgin, and an energy management facility at I3 in Keith.
- 5.8 3.65 ha of land is under construction which is an increase in construction activity compared to 2021 of 3ha and 2.22ha compared to 2020. These figures do not represent all building activity only that on designated sites or windfall sites that are not restricted to a single user.

## **6. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The Employment Land Audit is a key part of monitoring the implementation and effectiveness of the LDP, which delivers Corporate and Community Planning objectives. Ensuring sufficient provision of effective employment land supports a growing and diverse economy which will provide a stable, sustainable employment base.

### **(b) Policy and Legal**

The preparation of the annual Employment Land Audit is a requirement of NPF4 to monitor the effectiveness of the LDP and ensure an effective supply of employment land is maintained.

### **(c) Financial implications**

None identified at present.

### **(d) Risk Implications**

Risk that insufficient provision of effective employment land limits inward investment and expansion opportunities and risks an unplanned approach being taken to development.

### **(e) Staffing Implications**

Preparation of the annual Employment Land Audit is part of the workload of the Strategic Planning & Development section.

### **(f) Property**

The Employment Land Audit includes industrial estates and sites owned by the Council. The Council's Estates section were consulted on the draft audit.

**(g) Equalities/Socio Economic Impact**

There are no equalities issues arising from this report as it is to inform the Committee on monitoring of land supply.

**(h) Climate Change and Biodiversity Impacts**

Moray Local Development Plan policies seek to ensure that biodiversity is enhanced and all new buildings reduce carbon emissions.

Development proposals are required to maximise connections and routes for pedestrians/cyclists including connections to active travel routes thereby reducing carbon emissions associated with vehicles, create green and blue infrastructure and incorporate and enhance biodiversity through planting and other mechanisms.

National Planning Framework 4 (NPF4) has introduced new national policies to bring significant changes to the planning system including reducing carbon emissions in new development, enhancing biodiversity and a much greater focus on brownfield redevelopment.

**(i) Consultations**

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Asset Manager (Commercial Buildings), the Equal Opportunities Officer, Deborah O'Shea (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and are in agreement with the contents of the report/comments received have been incorporated into the report.

**7. CONCLUSION**

**7.1 NPF4 requires LDP's to allocate sufficient land for business and industry and that it is reviewed regularly to ensure that there is a sufficient supply to meet national and regional targets. The levels of effective/marketable employment land and take-up of land are National Headline Indicators returned annually in the Planning Performance Framework (PPF) to the Scottish Government.**

**7.2 The Employment Land Audit 2023 identifies that there is 99.87ha (net) of Marketable/Effective Employment Land, of which 33.63 ha (net) is Immediately Available. Issues are identified with the restricted choice of sites across all settlements, a shortage of land in the Speyside market area, a shortage of general industrial land at Forres, and the likely impacts of high take up at Elgin Business Park/Barmuckity (I7) on future supplies of Immediately Available Land.**

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Planning Officer, Strategic Planning and Development

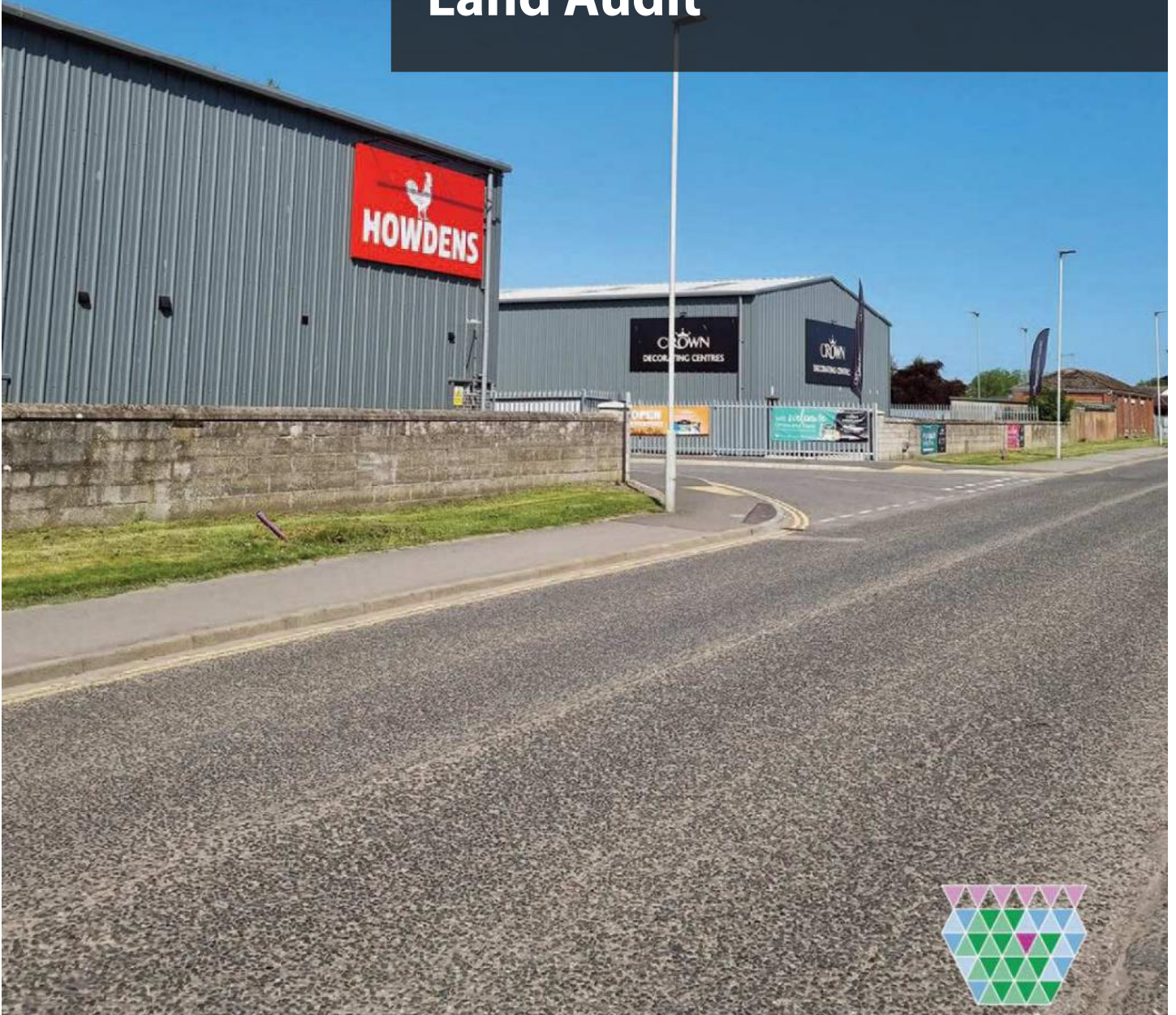
Background Papers:  
Ref:





JULY 2023

# Moray Employment Land Audit





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# 1. Introduction

## 1.1 Purpose of Audit

The Moray Employment Land Audit provides an overview of the supply and availability of employment land across the Moray Local Development Plan area. The audit is an annual document and includes figures for take up and sites under construction.

The audit provides an evidence base for the monitoring and review of policies and proposals included within the Local Development Plan. In addition it can help to identify areas where further analysis and investigation is required. The baseline against which information is analysed is 1st January 2023.

The information contained in the Employment Land Audit will also be of use to businesses, developers, and other organisations with an interest in employment land in Moray.

## 1.2 Methodology

The audit is prepared from information gathered by Council planning officers through monitoring of the development plan, planning approvals and individual inspections.

All employment sites in the existing local development plan have been recorded in a data base, unless the site has been built out in its entirety. In addition to sites allocated in the Moray Local Development Plan 2020 any windfall sites with planning consent for employment uses have been added to the database unless these are constrained to a single user (e.g. a distillery). It is noted that land with buildings that are vacant are not included in the audit nor are redeveloped sites.

Once sites have been identified officers undertake a review of planning applications and collect information such as ownership, proposed use etc. for each site. Officers also undertake site visits to monitor development activity. This information is then updated in the data base. The data is then analysed to produce the audit report.

## 2. Background

### 2.1 National Planning Framework 4 (NPF4)

NPF4 was adopted on 13 February 2023 and replaces NPF3 and Scottish Planning Policy. It now forms part of Local Development Plans and sets out the Scottish Government's policies in relation to supporting economic development in Scotland.

NPF4 requires LDP's to allocate sufficient land for business and industry, taking into account business and industry land audits, to ensure that there is a suitable range of sites that meet current market demand, location, size, and quality in terms of accessibility and services. This allocation should take account of local economic strategies and broader objectives of delivering a low carbon and net zero economic recovery, and a fairer and more inclusive economy.

The ELA is undertaken annually to monitor the location, size, planning status, existing use, neighbouring land uses and any significant land use issues of sites within the existing business land supply which is fed into the review of the LDP.

### 2.2 Moray Local Development Plan

NPF4 and the Moray Local Development Plan 2020 now form the statutory Development Plan for Moray. LDP's already adopted will continue to be part of the development plan and existing LDP land allocations will be maintained. The Moray Local Development Plan 2020 was adopted on 27 July 2020 and designates land for employment uses within towns. Sites from the 2020 plan were first included in the 2020 audit.

The Moray Local Development Plan 2020 already sets out the employment land policies for the Planning Authority (excluding the Cairngorms National Park area) related to economic development. These seek to safeguard employment land and support development of employment uses on designated sites. The policies also look at the types of uses that will be supported on designated sites. A more flexible approach to rural business proposals is provided for, with policy criteria used to ensure the most appropriate locations are supported in rural areas.

### 2.3 Moray Economic Strategy and Moray Economic Partnership (MEP)'s Economic Recovery Plan.

The Moray Economic Strategy 2022 was published in November 2022. The strategy takes account of changes in the economic landscape since 2012. It also reflects the work undertaken for the emerging Moray Growth Deal. The strategy is for the period 2022-2032 and maintains the overall objective to grow and diversify the economy and focuses on achieving four outcomes, one of which is supporting the economy through the provision of employment land for businesses of all sizes to locate.

## **2.4 Moray 10 Year Plan - Local Outcome Improvement Plan (LOIP)**

One of four priorities within the Moray Community Planning Partnership Local Outcomes Improvement Plan is “Developing a diverse, inclusive and sustainable economy.” Whilst employment land supply is not a performance indicator within the Local Outcomes Improvements Plan land supply is important for achieving outcomes.

## **2.5 Demand for Employment Land**

Discussion with stakeholders as part of the Moray Business Property Needs Study (completed by Ryden LLP for Moray Council) found that demand in the area is generally focused on smaller units from small local businesses however there also needs to be larger sites available for inward investment and scale-up. From the business survey completed as part of the study, 73% of respondents had a requirement to expand/re-locate with the majority seeking industrial property. Cost was a key consideration in deciding on new premises as was digital connectivity, size and energy efficiency. A lack of suitable properties was raised as a constraint by those who have started to look for new/additional premises.

Whisky distilling has seen considerable expansion over recent years, including bonded warehousing and this demand is likely to be continue and increase. It was also found the organisations such as Orbex and the Ministry of Defence were capitalising on growth within the aerospace sector creating demand within the sector, often with large space requirements. There is significant opportunity associated with the renewable energy sector with expected growth in on and off shore wind and hydrogen developments in the area. There was also considered to be demand for larger bespoke premises including from the transportation sector. It was noted that currently it was unfeasible because of construction costs for businesses to build their own large bespoke premises and that developers are not building these units in the area currently. As a result, some companies were reported to be experiencing restricted growth within unsuitable premises.

Discussion also considered that there could be more support for SMEs to enable them to gradually expand and step up their space requirements. The co-work space at Greenbrae Steading near Hopeman was seen as an example where a stepping stone approach allowed businesses to gradually increase space requirements. It was noted that incubator space is part of the Moray Growth Deal this is targeted at specific sectors.

Some businesses were considered to be “battening down the hatches” following impacts from the Covid 19 pandemic, Brexit and the continuing impacts of the energy crisis and inflation. This was seen to be particularly the case for retail and hospitality. Other issues that were raised included where demand will be met in Elgin was raised in discussion given that the majority of sites at Elgin Business Park/Barmuckity are developed, sold or under offer.

Sufficient land and buildings require to be available in to facilitate wider economic development and to support the vision of the Moray Economic Strategy and support economic recovery.

### 3. Employment Land Supply

Several categories of land supply are identified in the audit. Definitions for these are provided in section 5.

Detailed information on the established, constrained, effective and immediately available sites is provided in Appendix 2.

#### 3.1 Established Employment Land Supply

The established employment land supply for Moray is shown in figure 1. There has been a decrease in the gross established supply by 0.63 ha since 2021. This decrease is due to development at 17 Barmuckity/Elgin Business Park and 12 Chanonry Industrial Estate, and Ashgrove (Elgin).

Figure 1 Established Employment Land Supply (2023) (Figures in hectares)

Gross Established	Net Established	Number of Sites
297.92	225.98	36



The established employment land supply is broken down in figure 2 by market area.

Figure 2 Established Employment Land Supply by town (2022) (Figures in hectares)

Town	Gross Established	Net Established	Number of Sites
<b>Elgin Market Area</b>	<b>185.63</b>	<b>142.51</b>	<b>18</b>
<i>Elgin</i>	<i>124.78</i>	<i>94.82</i>	<i>11</i>
<i>Lossiemouth</i>	<i>12.8</i>	<i>10.24</i>	<i>1</i>
<i>Mosstodloch</i>	<i>46.44</i>	<i>36.35</i>	<i>5</i>
<i>Troves</i>	<i>1.61</i>	<i>1.1</i>	<i>1</i>
<b>Forres</b>	<b>55.48</b>	<b>34.77</b>	<b>4</b>
<b>Buckie Market Area</b>	<b>43.96</b>	<b>37.46</b>	<b>6</b>
<i>Buckie</i>	<i>43.15</i>	<i>36.81</i>	<i>5</i>
<i>Cullen</i>	<i>0.81</i>	<i>0.65</i>	<i>1</i>
<b>Keith</b>	<b>11.1</b>	<b>9.64</b>	<b>6</b>
<b>Speyside Market Area</b>	<b>1.75</b>	<b>1.6</b>	<b>2</b>
<i>Aberlour</i>	<i>1</i>	<i>1</i>	<i>1</i>
<i>Roths</i>	<i>0.75</i>	<i>0.6</i>	<i>1</i>

**ELGIN MARKET AREA** - There has been a small decrease in the established supply within the Elgin Market area compared to 2022 (0.63ha to the gross supply and 0.5ha to the net supply). This is as a result of development at I7 Barmuckity/Elgin Business Park and at Ashgrove.

**FORRES MARKET AREA** - There has been no change to the established supply in the Forres Market Areas compared to 2022.

**BUCKIE MARKET AREA** - There has been no change to the established supply in the Buckie Market Areas compared to 2022.

**KEITH MARKET AREA** - There has been no change to the established supply in the Keith Market Areas compared to 2022.

**SPEYSIDE MARKET AREA** - There has been no change to the established supply in the Speyside Market Areas compared to 2022.

The established employment land supply has also been broken down by size of site to provide an indication of the range of size of sites available.

Figure 3: Established Employment Land Supply by site size (2023) (Figures in hectares)

Site area	Net Established	Number of Sites
0 - 1ha	4.75	7
1 - 5 ha	27.43	14
>5 ha	193.8	15

The land supply is broken down by the type of employment uses that are considered suitable on the site. The greatest proportion of land is suitable for Class 5 General Industrial uses (and also Class 4 Business and Class 6 Storage and Distribution). On some designations the whole area may be capable of accommodating higher amenity or a greater mix of uses but on some designations distinct areas within a site are identified. These tend to be uses within Class 4 that require a higher amenity setting or due to the location close to residential development general industrial uses would not be suitable. On some larger sites a greater mix of uses ( for example Class 1 Shops where ancillary to main use, Class 4 Business, Class 5 General Industrial, Class 6 Storage or Distribution, Class 7 Hotel and Hostels and Use Class 11 Assembly and Leisure) are identified on part of the site to help support delivery of the site as a whole. A breakdown of the type of sites is shown in figures 4 and 5 below. It is noted that some sites will be counted in both the General Industrial and High Amenity figures as on larger sites part of the site may be identified for a greater mix of uses.

Figure 4: Net supply by type (2023). Figures in hectares

	Net Area	Number of Sites
General Industrial	161.37	28
High Amenity	53.59	12



Figure 5: Net supply by Market Area and type (2023). Figures in hectares

Market Area	General Industrial	Number of Sites	High Amenity	Number of Sites
<b>Elgin</b>	<b>102.7</b>	<b>16</b>	<b>32.71</b>	<b>6</b>
<i>Elgin</i>	<i>60.13</i>	<i>9</i>	<i>27.59</i>	<i>5</i>
<i>Lossiemouth</i>	<i>5.12</i>	<i>1</i>	<i>5.12</i>	<i>1</i>
<i>Mosstodloch</i>	<i>36.35</i>	<i>5</i>		
<i>Troves</i>	<i>1.1</i>	<i>1</i>		
<b>Forres</b>	<b>22.3</b>	<b>4</b>	<b>10.27</b>	<b>1</b>
<b>Buckie</b>	<b>30.44</b>	<b>4</b>	<b>7.02</b>	<b>2</b>
<i>Buckie</i>	<i>30.44</i>	<i>4</i>	<i>6.37</i>	<i>1</i>
<i>Cullen</i>			<i>0.65</i>	<i>1</i>
<b>Keith</b>	<b>6.05</b>	<b>4</b>	<b>3.59</b>	<b>2</b>
<b>Speyside</b>	<b>0.6</b>	<b>1</b>	<b>1</b>	<b>1</b>
<i>Aberlour</i>			<i>1</i>	<i>1</i>
<i>Roths</i>	<i>0.6</i>	<i>1</i>		

### 3.2 Marketable/Effective Employment Land Supply

The marketable and effective employment land supply in 2023 is shown in figure 6. Overall the marketable/effective area has decreased by 0.5 hectares compared to 2022. The number of effective sites has remained the same. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park.

Figure 6: Marketable/Effective Employment Land Supply (2023)

Marketable/Effective (Net figure in hectares)	Number of Sites
99.87	21

The marketable/effective employment land supply has been broken down by market area in figure 7. Annual requirements established through historic demand studies, build out rates recorded in previous audits, and from discussions with HIE and Moray Council Estates have been used to provide the estimated number of years supply available. It is noted that previously it was desirable to have a five year effective land supply at all times and therefore previous Local Development Plans sought to designate a minimum of 10 year land supply. However, to ensure a generous supply, increase choice and the prospect of a 10 year replacement period for future Local Development Plans, the Moray Local Development Plan 2020 sought to designate a minimum of 15 years supply.

Figure 7 Marketable/Effective Employment Land Supply by market area (2023)

Market Area	Marketable/ Effective (Net figure in hectares)	Number of Sites	Estimated Annual Requirements	Available Supply in years
Elgin	57.61	10	2.8	20 years
Forres	13.02	1	0.8	16 years
Buckie	22.34	4	0.8	28 years
Keith	5.3	4	0.4	13 years
Speyside	1.6	2	0.4	4 years

The level of effective supply in Elgin, and Buckie is currently good. However, the choice of sites is limited across all market areas. It is noted that within in Elgin there are only small areas now available within I6 Linkwood East and I2 Chanorny. The level of interest and recent planning applications at I7 Barmuckity also suggests availability will be limited in the future as these applications build out. In Forres whilst there is a good supply of land this is all at BP1 Forres Enterprise Park. Whilst Keith has less than 15 years supply there is a LONG allocation that could be brought forward, however there is a limited choice of sites in Keith with these primarily being in the Westerton Road area. There is a shortage of sites in Speyside and finding suitable sites has been an ongoing issue. Removal of a site in the Examination of the 2020 Local Development Plan means there will be a reliance on windfall proposals within this area.

The effective land supply is broken down by the type of employment uses that are considered suitable on the site. The greatest proportion of land is suitable for Class 5 General Industrial uses (and also Class 4 Business and Class 6 Storage or Distribution). As set out above some sites are wholly or have areas that would be capable of accommodating higher amenity uses or a greater mix of uses. These tend to be uses within Class 4 that require a higher amenity setting or due to the location of the site close to residential development general industrial uses would not be suitable. On some larger sites areas that could accommodate a greater mix of uses ( for example Class 1 Shops where ancillary to main use, Class 4 Business, Class 5 General Industrial, Class 6 Storage or Distribution, Class 7 Hotel and Hostels

and Use Class 11 Assembly and Leisure) are identified to help support delivery of the site as a whole. A breakdown of the type of sites is shown in figures 8 and 9 below. It is noted that some sites will be counted in both the General Industrial and High Amenity figures as on larger sites part of the site may be identified for a greater mix of uses.

Figure 8: Effective area by type (2023) Figures in hectares.

	Effective Area	Number of Sites
General Industrial	63.28	16
High Amenity	36.59	8

Figure 9: Effective area by Market Area and type (2023). Figures in hectares.

Market Area	General Industrial	Number of Sites	High Amenity	Number of Sites
<b>Elgin</b>	<b>41.06</b>	<b>9</b>	<b>16.55</b>	<b>3</b>
<i>Elgin</i>	<i>27.16</i>	<i>7</i>	<i>16.55</i>	<i>3</i>
<i>Mosstodloch</i>	<i>12.8</i>	<i>1</i>		
<i>Troves</i>	<i>1.1</i>	<i>1</i>		
<b>Forres</b>	<b>2.75</b>	<b>1</b>	<b>10.27</b>	<b>1</b>
<b>Buckie</b>	<b>15.32</b>	<b>2</b>	<b>7.02</b>	<b>2</b>
<i>Buckie</i>	<i>15.32</i>	<i>2</i>	<i>6.37</i>	<i>1</i>
<i>Cullen</i>			<i>0.65</i>	<i>1</i>
<b>Keith</b>	<b>3.55</b>	<b>3</b>	<b>1.75</b>	<b>1</b>
<b>Speyside</b>	<b>0.6</b>	<b>1</b>	<b>1</b>	<b>1</b>
<i>Aberlour</i>			<i>1</i>	<i>1</i>
<i>Roths</i>	<i>0.6</i>	<i>1</i>		

The Elgin and Buckie market areas have relatively healthy supplies of general industrial land providing the equivalent of around 15 years supply. In Forres there is a significant shortage of general industrial land and this requires to be urgently addressed. Only a small portion of the BP1 Forres Enterprise Park is able to accommodate general industrial uses. In Keith the general industrial supply is more limited however there is a LONG allocation that could be drawn down if there is shortage. There is, and has historically been, a significant shortage of general industrial land in Speyside. This means there is a reliance on windfall proposals to accommodate demand.

**3.3 Immediately Available**

The immediately available employment land supply in 2023 is shown in figure 10. The immediately available supply decreased by 0.22 ha compared to 2022. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park. As noted above take up at I7 Barmuckity/Elgin Business Park has been very good and therefore it is anticipated that the level of immediately available land in the Elgin Market Area will reduce significantly over the next few years. Bringing forward and servicing new sites will be critical to maintaining supplies.

Figure 10: Immediately available Employment Land Supply (2023)

Immediately Available (Net figure in hectares)	Number of Sites
33.63	6

**3.4 LONG**

The Moray Local Development Plan 2020 included LONG employment sites for the first time. The LONG supply is set out in figure 11 below. These sites set out the direction of growth and assist in forward planning. LONG sites are designated at LONG3 Burnside of Birnie Elgin, LONG MU1 South of the A96, LONG 2 West of Mosstodloch, LONG 2 Westerton Road Keith and LONG2 March Road.

Figure 11: LONG sites 2023

LONG (Net figure in hectares)	Number of Sites
48.06	5

**3.5 Constrained**

The established land supply that is subject to constraints is shown in figure 12 and has not changed from 2022.

Figure 12: Constrained Employment Land Supply (2023)

Constrained Supply (Net figure in hectares)	Number of Sites
78.03	15

The constrained supply can be broken down into the type of constraints identified.

Figure 13: Constrained Employment Land Supply by constraint (2023) (Net figures in hectares) Note some land may fall under more than one constraint.

Constraint Type	Constrained Supply	Number of Sites
Infrastructure	45.75	8
Ownership	14.15	4
Physical	44.23	11

### 3.6 Take up and Construction

The number and area of proposals completed in the year to 1st January 2023 is shown in figure 14 below. This includes completion or occupation of sites at I7 Barmuckity, and OPP4 Ashgrove in Elgin. This is a drop in construction from previous year (4.68 in 2021 and 4.74ha in 2022). While this may be the case a number of planning applications have been approved over the audit year and it is anticipated that take up of these will form part of the next audit.

Figure 14 Employment land completed/taken up in year to 1st January 2023

Take up area (Gross figure in hectares)	Number of Sites
1.24	3

The number and area of proposals under construction on the base date of 1st January 2023 is shown in figure 15 below. This is decrease in construction activity compared to 2022 (4.7ha) and is similar to the level recorded in audits completed in 2015-2019 which ranged from 2.31ha to 5.25ha. The sites now marked as being under construction include four at I7 Barmuckity/Elgin Business Park

Figure 15: Employment land under construction at 1st January 2023

Under Construction (Gross figure in hectares)	Number of Sites
3.65	2

It is noted that this does not represent all building activity, and only that on designated sites or windfall sites that are not restricted to a single user. Other notable areas of activity primarily relate to expansion proposals of existing businesses, sites in the countryside and expansion of distilleries.

## 4. Conclusion

The Employment Land Audit has been carried out in this format for several years allowing comparison to be made to previous audits.

It is clear that the emphasis on employment land continues to be within the main settlements of Elgin, Forres, Buckie and Keith. However, Mosstodloch is also the focus of a large proportion of the supply in the Elgin Market Area. The shortage of general industrial land in the Forres Market Area is a significant issue that requires to be addressed. There is a significant shortage of land and sites within the Speyside Market Areas which means there is a reliance on windfall sites to accommodate demand.

Around 34% (78.03ha) of the Established Supply has some form of constraint that is likely to prevent the land being brought forward in the next five years and has not changed from the 2022 audit.

There continues to be a limited choice of serviced sites/immediately available sites across all settlements with only 6 sites being classed in this category. A number of consents were approved on identified sites in 2022 along with a number of sites which are now deemed to be under construction. It is anticipated that several of these will be implemented and brought forward in 2023 which will be reflected in next years ELA.

The availability of Immediately Available employment land is a Key Measure in the Moray Economic Strategy and will be a focus for the next Moray Local Development Plan.

In figure 16 below is a summary by market area.

Figure 16 Market Area Summary

<p><b>Elgin (including Lossiemouth and Mosstodloch)</b></p>	<p>Development at Barmuckity/Elgin Business Park (I7) is progressing with several plots now completed and others under construction. There continues to be significant interest in the remaining plots, including some of the larger plots. The high levels of take up at Elgin Business Park/Barmuckity (I7) suggest the level of Immediately Available land will reduce significantly over the next few years and therefore bringing new sites forward and servicing these is critical to maintaining a supply of serviced sites.</p> <p>At Chanonry (I2) and Linkwood East (I6) there continues to small areas of immediately available land but this has reduced to only a couple of small plots on each site available. At Chanonry there is a private development of 18 starter units that have been built with several now occupied. At OPP4 Ashgrove three general industrial and storage and distribution buildings (including ancillary trade counters) have been built and occupied.</p> <p>Bringing forward other sites within Elgin will be critical to maintaining a choice of immediately available sites. To the north of Elgin Newfield (I8) is being actively marketed increasing choice of sites across Elgin. Land has been identified at Burnside of Birnie (I16/LONG3) to meet future demand.</p> <p>Choice of sites is severely restricted in Lossiemouth, only Sunbank OPP1 or windfall opportunities are available. The topography and ground conditions at Sunbank OPP1 are considered to constrain the site.</p> <p>In Mosstodloch additional land is identified at I3 West of Mosstodloch and there are discussions ongoing with the landowner regarding the site.</p> <p>There are issues with delivery of higher quality business land. Strong demand continues for industrial buildings.</p>
<p><b>Forres</b></p>	<p>Very small choice of marketable/effective sites given settlement size and population, but reasonable areas available at the BP1 Enterprise Park. I4 Easter Newforres is understood to have high infrastructure costs that will likely require public sector funding support to make this site effective.</p> <p>There is continued demand for small offices at Horizon Scotland at BP1 Enterprise Park. Consent has also been granted for two small business units in the north west of BP1. The road extension has opened up an area for development to the south east of BP1.</p>

<b>Forres</b>	<p>The remaining land at Waterford (I2) is now constrained due to restricted access.</p> <p>Strong demand, particularly for smaller units and need for serviced employment land to allow businesses to develop and relocate from smaller units.</p> <p>The Economic Recovery Plan includes an action to progress the development of employment land or industrial units in Forres.</p>
<b>Buckie</b>	<p>Small choice of marketable sites but reasonable areas available. Significant area immediately available at I3 Rathven Industrial Estate. Redevelopment opportunities at harbour. Small site available at Cullen.</p> <p>The Moray Local Development Plan identifies a reserve of industrial land at March Road (LONG2) that could be brought forward if need arose.</p>
<b>Keith</b>	<p>Very small choice of marketable sites focussed around the Westerton Road area. Issues with providing readily accessible employment sites. Demand for smaller units but greatest demand is currently for battery storage and development linked to Blackhillock where a masterplan for this area is currently being progressed. An energy management facility that was previously noted as being under construction on the I3 Westerton Road East designation is now complete.</p> <p>Opportunities for higher amenity employment uses promoted within a mixed use site to the south of Banff Road (MU).</p>
<b>Speyside</b>	<p>Severely limited choice of designated sites. There is a need for sites for small local businesses in Speyside. The Moray Local Development Plan 2020 identifies a site at Speyview (R2) where 1ha of the housing site is identified for employment uses. The removal of a site during the Examination of the Moray Local Development Plan 2020 means there is a reliance on windfall proposals supported through policy.</p> <p>The Economic Recovery Plan includes an action to progress the development of employment land or industrial units in Speyside.</p>



## 5. Glossary

### **Constrained Employment Land Supply**

This includes land for example, that has planning difficulties, land subject to ownership difficulties (e.g. multiple ownership/unwilling sellers), land with insufficient infrastructure provision, etc. This category therefore includes much of the land in the Established Employment Land Supply that is not Marketable (see below).

### **Employment Land**

This includes land for general industrial and business/office use, storage and distribution uses, business parks and specialist technology parks including research and development uses. This comprises Classes 4 (Business), 5 (General Industrial) and 6 (Storage or Distribution) of the 1997 Town and Country Planning (Use Classes) (Scotland) Order, but is not exclusive to these uses.

### **Established Employment Land Supply**

This includes all undeveloped land that is allocated for industrial/business/ employment use in the adopted Local Plan or has a valid planning approval for these uses.

### **Gross**

This refers to the total area in (hectares) within the boundary of the site.

### **Immediately Available Land Supply**

This is marketable/effective land that currently has planning permission, is serviced and has no other major constraints to immediate development. This definition is useful in the assessment of whether demand for land is being adequately met.

### **Marketable/Effective Land Supply**

This is land that as well as meeting business requirements, has a secure planning status, can be serviced within 5 years, is accessible by walking, cycling and public transport as defined by SPP. Land that is subject to user restrictions or that is held as 'option land' for existing companies' own expansion cannot be considered to be marketable. Such land is not constrained.

### **Net**

The total area of land excluding roads, landscaping etc. As the physical attributes of a site and surrounding land uses will determine the area suitable for development and the level of landscaping required the net area will vary. For sites that are partially complete, the net area given is the area that is actually available to be developed. For sites that are undeveloped the net area is estimated. This estimate is based on an assumption that on average, 20% of available land will be taken up with roads, landscaping etc. If relevant site information is available, this is taken into account in the estimate.

### **Take-Up**

The take up figure includes all proposals where development has been completed within the particular year.

### **Under Construction**

This is the area of land under construction at the base date. These sites are not yet complete. The area under construction area is not included within the land supply or built totals.

# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/AB/E/005	<b>Town:</b>	ABERLOUR
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/R2
<b>Location:</b>	Speyview		
<b>Grid Ref:</b>	325631	841602	



### Established Supply (Ha):

Gross Established:	1	Net Established:	1
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### Effective Supply (Ha):

Effective:	1	General Industrial:	0
Immediately Available:	0	High Amenity:	1

### LONG Supply (Ha):

LONG:	0
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### Constrained

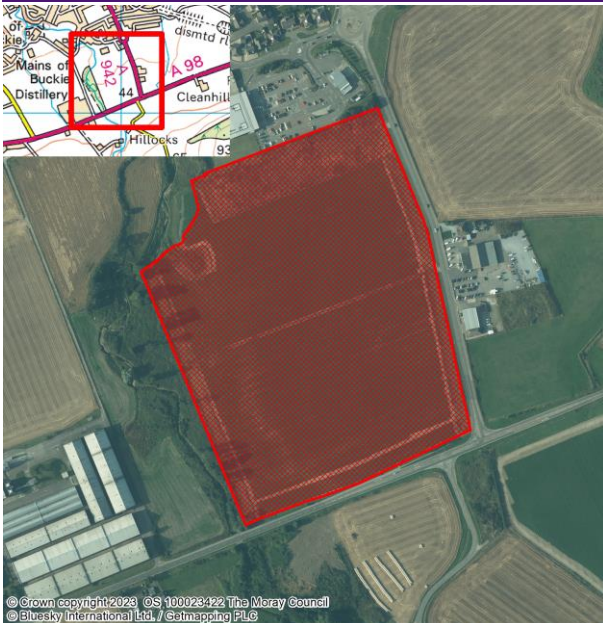
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/BC/E/001	<b>Town:</b>	BUCKIE
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/MU
<b>Location:</b>	High Street (W)		
<b>Grid Ref:</b>	342942	864437	



### Established Supply (Ha):

Gross Established:	6.37	Net Established:	6.37
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### Effective Supply (Ha):

Effective:	6.37	General Industrial:	0
Immediately Available:	0	High Amenity:	6.37

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

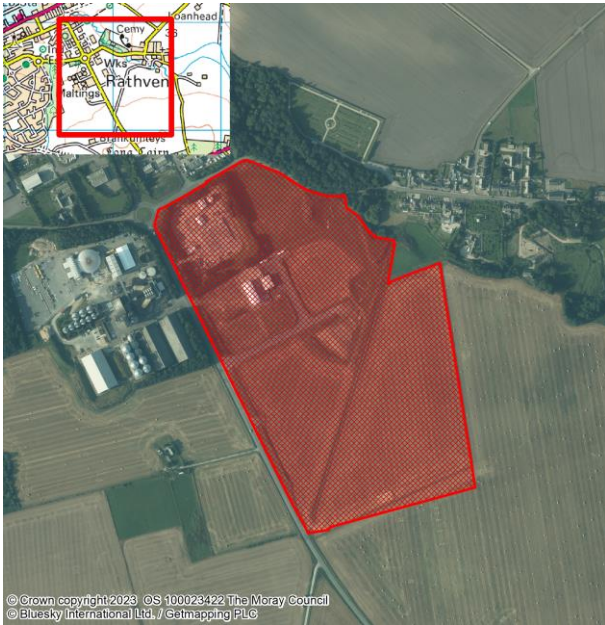
Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/BC/E/004	<b>Town:</b>	BUCKIE
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/13
<b>Location:</b>	March Road (SE)		
<b>Grid Ref:</b>	343984		865510



### Established Supply (Ha):

Gross Established:	17.69	Net Established:	14.55
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### Effective Supply (Ha):

Effective:	14.55	General Industrial:	14.55
Immediately Available:	7.95	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

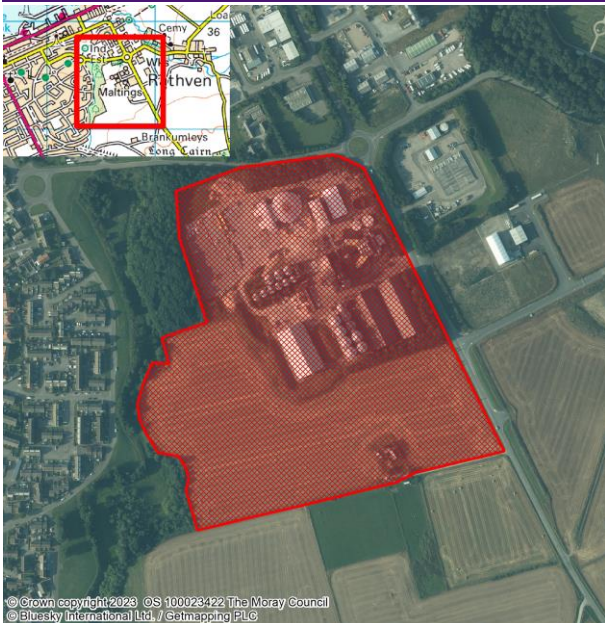
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	3.14	Under Construction:	0
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<b>Reference:</b>	M/BC/E/005	<b>Town:</b>	BUCKIE
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/14
<b>Location:</b>	Maltings		
<b>Grid Ref:</b>	343676		865357



### Established Supply (Ha):

Gross Established:	10.3	Net Established:	8.5
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

Constrained Total (Ha): 8.5

### Development (Ha):

Built:	5.96	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/BC/E/006	<b>Town:</b>	BUCKIE
<b>Supply Type:</b>	Part Constrained	<b>LPR:</b>	20/15
<b>Location:</b>	The Harbour Area		
<b>Grid Ref:</b>	343086		865957



### Established Supply (Ha):

Gross Established: 1.77    Net Established: 1.77

### Effective Supply (Ha):

Effective: 0.77    General Industrial: 0.77  
Immediately Available: 0    High Amenity: 0

### LONG Supply (Ha):

LONG: 0

### Constrained

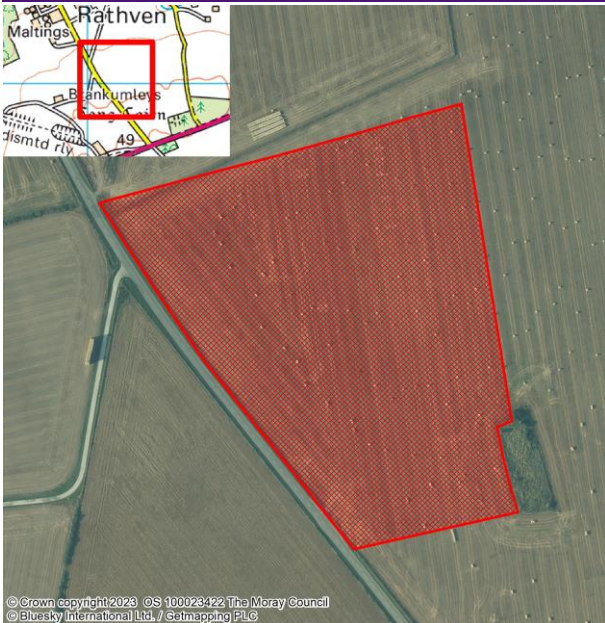
Owner     Infrastructure     Physical

Constrained Total (Ha): 1

### Development (Ha):

Built: 20.97    Under Construction: 0

<b>Reference:</b>	M/BC/E/007	<b>Town:</b>	BUCKIE
<b>Supply Type:</b>	Effective 5years+	<b>LPR:</b>	20/LNG2
<b>Location:</b>	March Road (LONG)		
<b>Grid Ref:</b>	344222		865018



### Established Supply (Ha):

Gross Established: 7.02    Net Established: 5.62

### Effective Supply (Ha):

Effective: 0    General Industrial: 0  
Immediately Available: 0    High Amenity: 0

### LONG Supply (Ha):

LONG: 5.62

### Constrained

Owner     Infrastructure     Physical

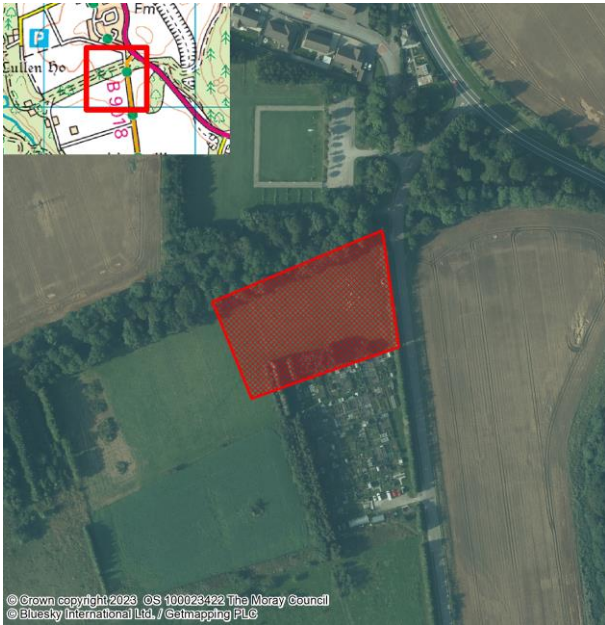
Constrained Total (Ha): 0

### Development (Ha):

Built: 0    Under Construction: 0

# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/CL/E/002	<b>Town:</b>	CULLEN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/11
<b>Location:</b>	South of Cemetery		
<b>Grid Ref:</b>	351482		866184



### Established Supply (Ha):

Gross Established:	0.81	Net Established:	0.65
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### Effective Supply (Ha):

Effective:	0.65	General Industrial:	0
Immediately Available:	0	High Amenity:	0.65

### LONG Supply (Ha):

LONG:	0
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### Constrained

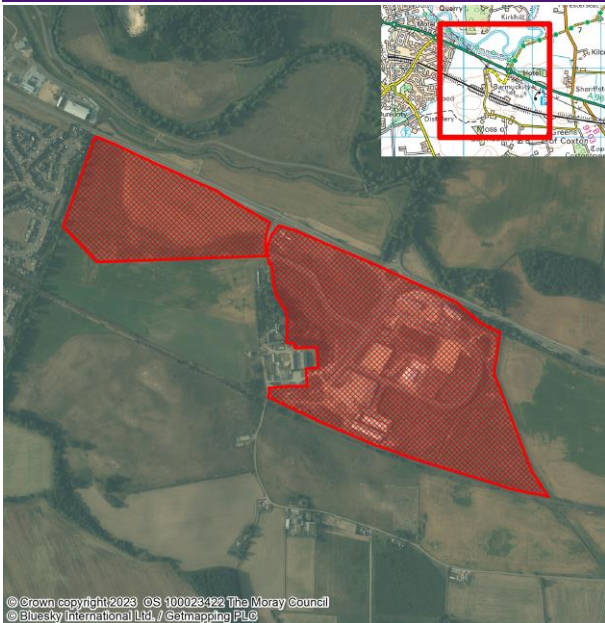
Owner       Infrastructure       Physical

Constrained Total (Ha):	0
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### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/EL/E/001	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Part Constrained	<b>LPR:</b>	20/17
<b>Location:</b>	Elgin Business Park, Barmuckity		
<b>Grid Ref:</b>	324719		861725



### Established Supply (Ha):

Gross Established:	33.6	Net Established:	22.12
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### Effective Supply (Ha):

Effective:	16.26	General Industrial:	10.31
Immediately Available:	10.07	High Amenity:	5.95

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

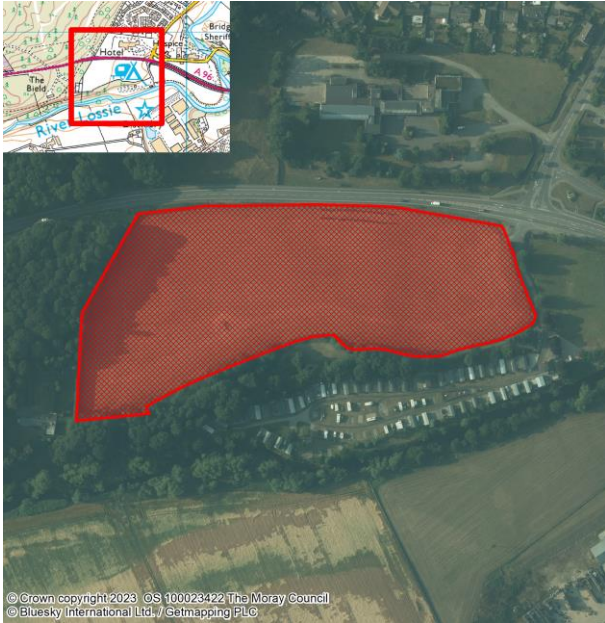
Constrained Total (Ha):	5.86
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### Development (Ha):

Built:	2.9	Under Construction:	2.35
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/EL/E/002	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/MU1
<b>Location:</b>	Riverview		
<b>Grid Ref:</b>	319633		862782



### Established Supply (Ha):

Gross Established:	4.12	Net Established:	3.3
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

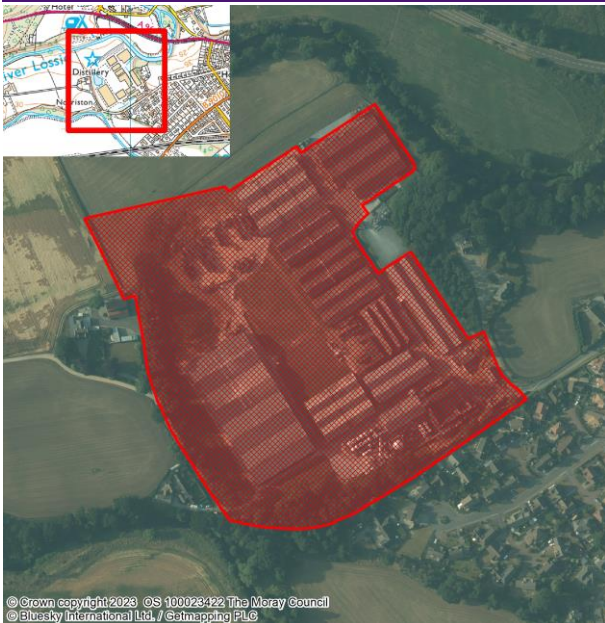
Owner
  Infrastructure
  Physical

Constrained Total (Ha): 3.3

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/EL/E/004	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/I12
<b>Location:</b>	Glen Moray Distillery		
<b>Grid Ref:</b>	319932		862424



### Established Supply (Ha):

Gross Established:	1.3	Net Established:	1.3
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner
  Infrastructure
  Physical

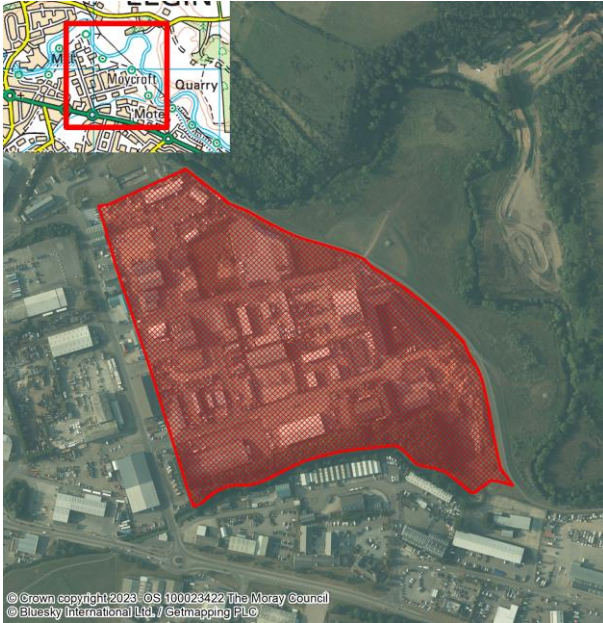
Constrained Total (Ha): 1.3

### Development (Ha):

Built:	6.5	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/EL/E/008	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Part Constrained	<b>LPR:</b>	20/12
<b>Location:</b>	Chanonry Industrial Estate		
<b>Grid Ref:</b>	323161		862960



### Established Supply (Ha):

Gross Established:	3.17	Net Established:	1.89
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### Effective Supply (Ha):

Effective:	0.67	General Industrial:	0.67
Immediately Available:	0.67	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

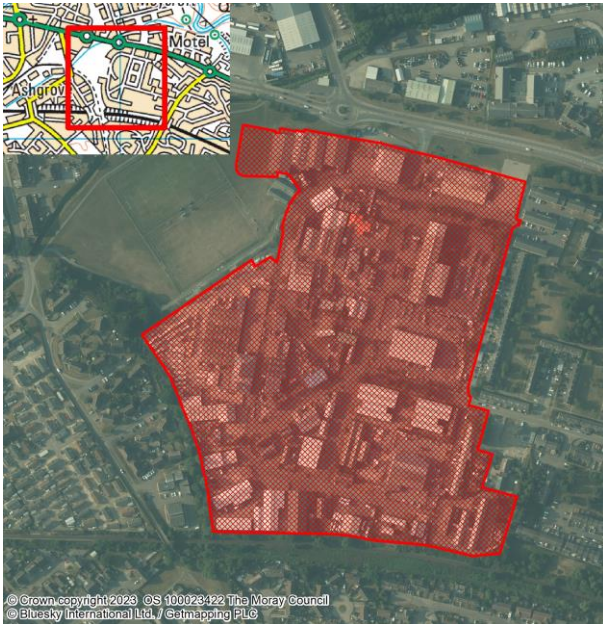
Owner
  Infrastructure
  Physical

Constrained Total (Ha): 1.22

### Development (Ha):

Built:	10.36	Under Construction:	0
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<b>Reference:</b>	M/EL/E/011	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/15
<b>Location:</b>	Pinefield Industrial Estate		
<b>Grid Ref:</b>	322991		862330



### Established Supply (Ha):

Gross Established:	0.18	Net Established:	0.18
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### Effective Supply (Ha):

Effective:	0.18	General Industrial:	0.18
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner
  Infrastructure
  Physical

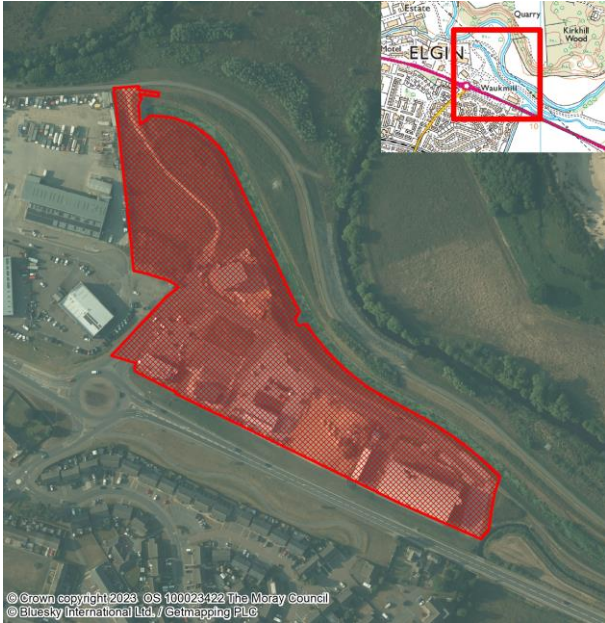
Constrained Total (Ha): 0

### Development (Ha):

Built:	12.23	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/EL/E/012	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/16
<b>Location:</b>	Linkwood East		
<b>Grid Ref:</b>	323707		862498



### Established Supply (Ha):

Gross Established:	1.71	Net Established:	1.4
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### Effective Supply (Ha):

Effective:	1.4	General Industrial:	1.4
Immediately Available:	1.4	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

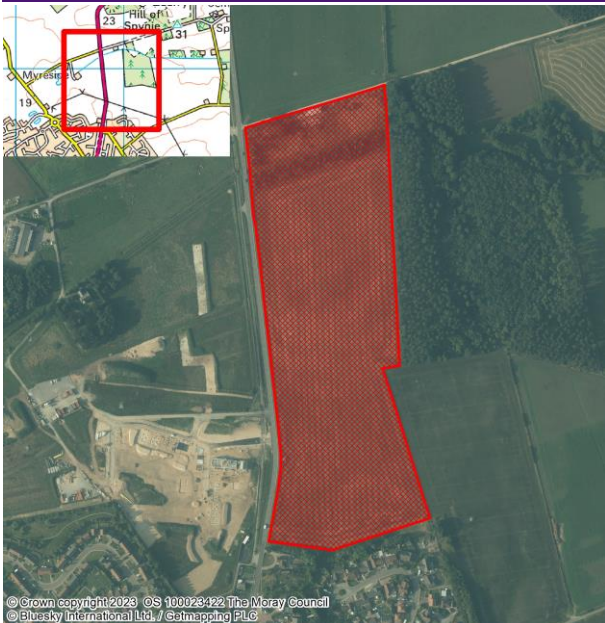
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	2.01	Under Construction:	0
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<b>Reference:</b>	M/EL/E/016	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/18
<b>Location:</b>	Newfield		
<b>Grid Ref:</b>	321907		864903



### Established Supply (Ha):

Gross Established:	12	Net Established:	9.6
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### Effective Supply (Ha):

Effective:	9.6	General Industrial:	9.6
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

Constrained Total (Ha): 0

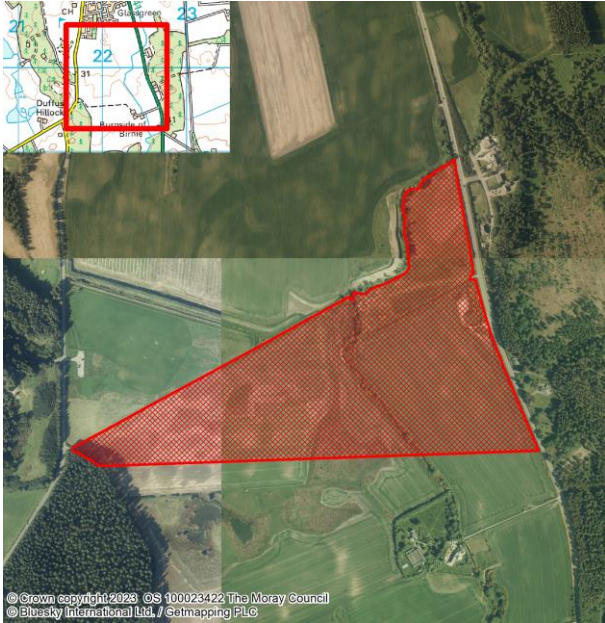
### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/EL/E/017	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Part Constrained	<b>LPR:</b>	20/116
<b>Location:</b>	Burnside of Birnie		
<b>Grid Ref:</b>	322206		859613



### Established Supply (Ha):

Gross Established:	22.3	Net Established:	17.87
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### Effective Supply (Ha):

Effective:	9	General Industrial:	4
Immediately Available:	0	High Amenity:	5

### LONG Supply (Ha):

LONG:	0
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### Constrained

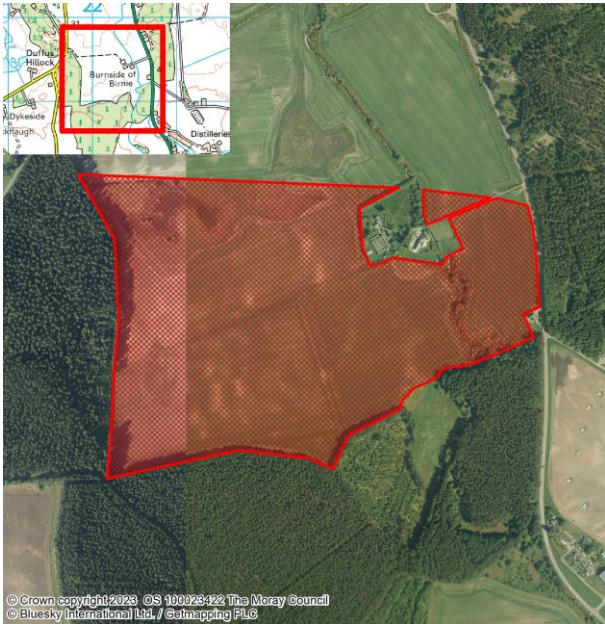
Owner
  Infrastructure
  Physical

Constrained Total (Ha): 8.87

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/EL/E/018	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Part Constrained	<b>LPR:</b>	20/LNG3
<b>Location:</b>	Burnside of Birnie (LONG)		
<b>Grid Ref:</b>	322279		859158



### Established Supply (Ha):

Gross Established:	38.2	Net Established:	30.56
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	20.74
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### Constrained

Owner
  Infrastructure
  Physical

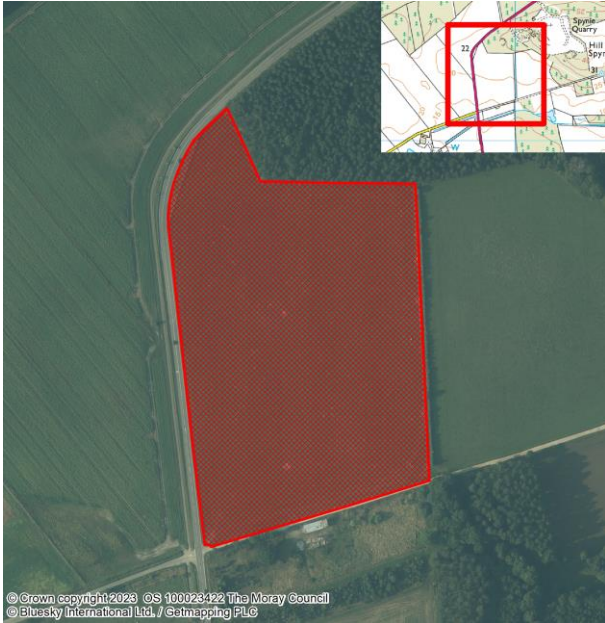
Constrained Total (Ha): 9.8

### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/EL/E/019	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/MU2
<b>Location:</b>	Lossiemouth Road (NE)		
<b>Grid Ref:</b>	321871		865361



### Established Supply (Ha):

Gross Established:	7	Net Established:	5.6
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### Effective Supply (Ha):

Effective:	5.6	General Industrial:	0
Immediately Available:	0	High Amenity:	5.6

### LONG Supply (Ha):

LONG:	0
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### Constrained

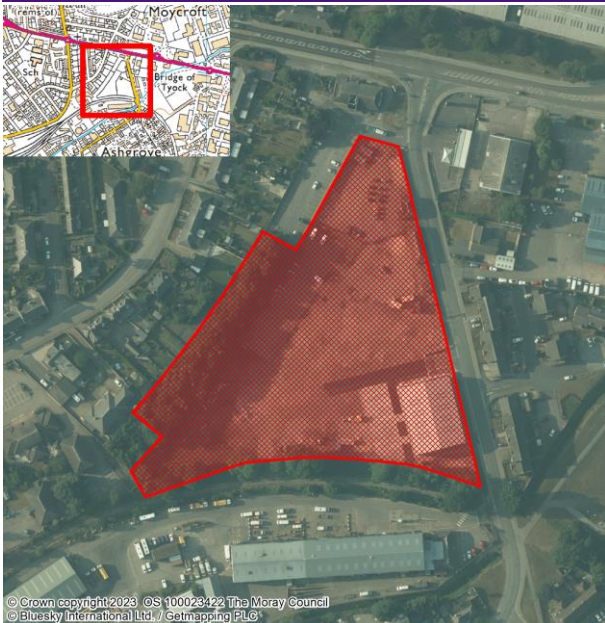
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/EL/E/020	<b>Town:</b>	ELGIN
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/OPP4
<b>Location:</b>	Ashgrove Road (Yard)		
<b>Grid Ref:</b>	322589		862554



### Established Supply (Ha):

Gross Established:	1.2	Net Established:	1
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### Effective Supply (Ha):

Effective:	1	General Industrial:	1
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

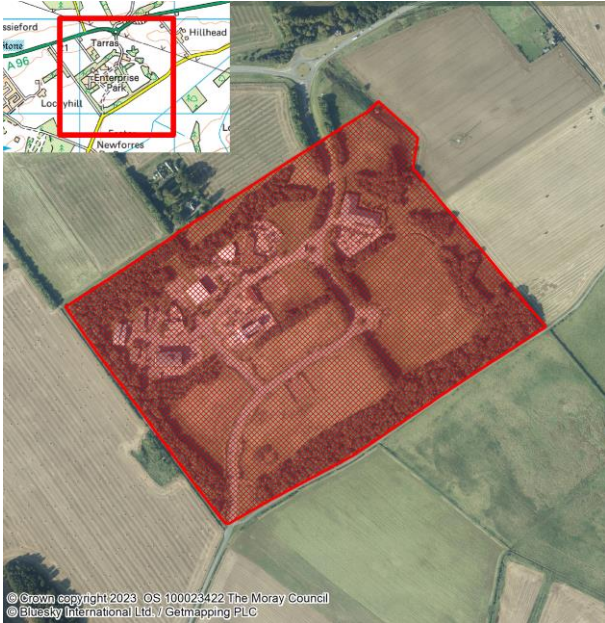
Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/FR/E/001	<b>Town:</b>	FORRES
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/BP1
<b>Location:</b>	Forres Enterprise Park		
<b>Grid Ref:</b>	306378		859307



### Established Supply (Ha):

Gross Established:	22.88	Net Established:	13.02
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### Effective Supply (Ha):

Effective:	13.02	General Industrial:	2.75
Immediately Available:	13.02	High Amenity:	10.27

### LONG Supply (Ha):

LONG:	0
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### Constrained

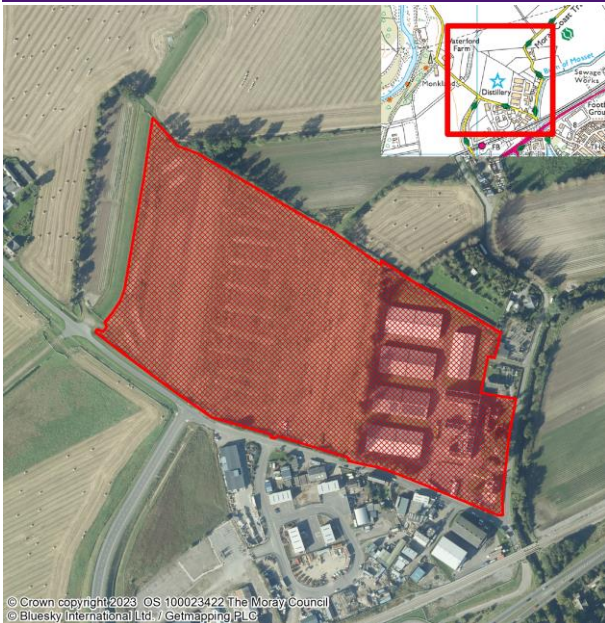
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	17.92	Under Construction:	0
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<b>Reference:</b>	M/FR/E/006	<b>Town:</b>	FORRES
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/I3
<b>Location:</b>	Benromach Distillery		
<b>Grid Ref:</b>	303187		859423



### Established Supply (Ha):

Gross Established:	4	Net Established:	3.2
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

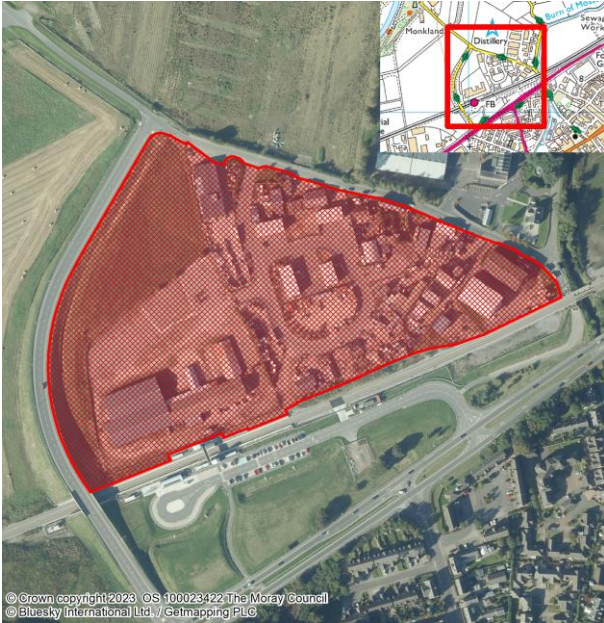
Constrained Total (Ha): 3.2

### Development (Ha):

Built:	4	Under Construction:	1.3
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/FR/E/013	<b>Town:</b>	FORRES
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/12
<b>Location:</b>	Waterford		
<b>Grid Ref:</b>	303151	859195	



### Established Supply (Ha):

Gross Established: 1      Net Established: 0.8

### Effective Supply (Ha):

Effective: 0      General Industrial: 0  
Immediately Available: 0      High Amenity: 0

### LONG Supply (Ha):

LONG: 0

### Constrained

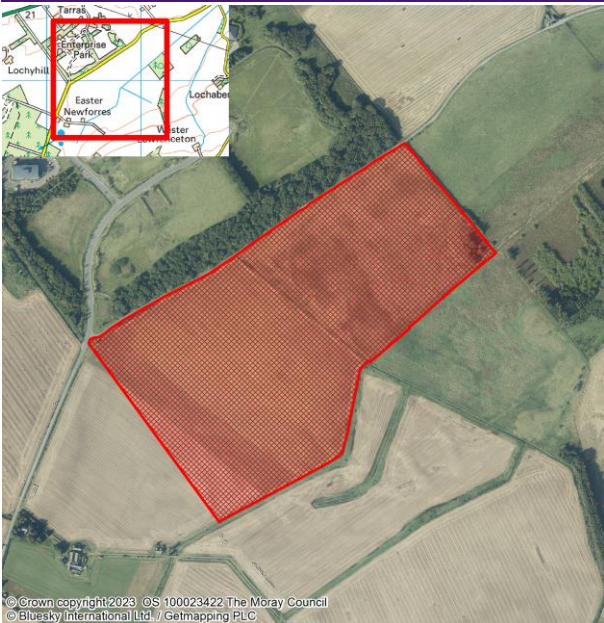
Owner       Infrastructure       Physical

Constrained Total (Ha): 0.8

### Development (Ha):

Built: 6.2      Under Construction: 0

<b>Reference:</b>	M/FR/E/014	<b>Town:</b>	FORRES
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/14
<b>Location:</b>	Easter Newforres		
<b>Grid Ref:</b>	306670	859033	



### Established Supply (Ha):

Gross Established: 27.6      Net Established: 17.75

### Effective Supply (Ha):

Effective: 0      General Industrial: 0  
Immediately Available: 0      High Amenity: 0

### LONG Supply (Ha):

LONG: 0

### Constrained

Owner       Infrastructure       Physical

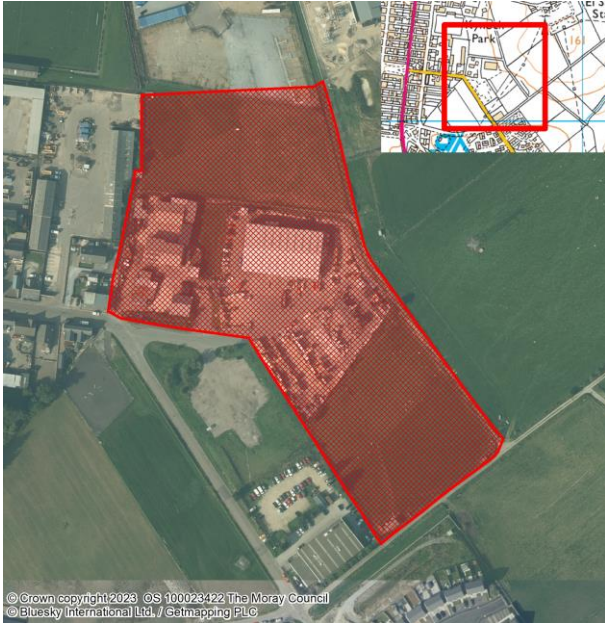
Constrained Total (Ha): 17.75

### Development (Ha):

Built: 0      Under Construction: 0

# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/KH/E/004	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/14
<b>Location:</b>	Bridge Street		
<b>Grid Ref:</b>	343609		850228



### Established Supply (Ha):

Gross Established:	2.05	Net Established:	1.64
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### Effective Supply (Ha):

Effective:	1.64	General Industrial:	1.64
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

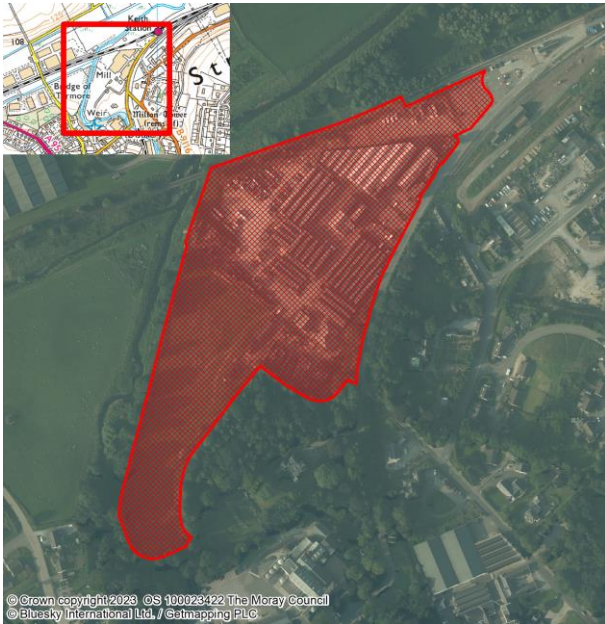
Owner       Infrastructure       Physical

Constrained Total (Ha):	0
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### Development (Ha):

Built:	1.72	Under Construction:	0
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<b>Reference:</b>	M/KH/E/005	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/17
<b>Location:</b>	Isla Bank Mills		
<b>Grid Ref:</b>	342764		851453



### Established Supply (Ha):

Gross Established:	1.84	Net Established:	1.84
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

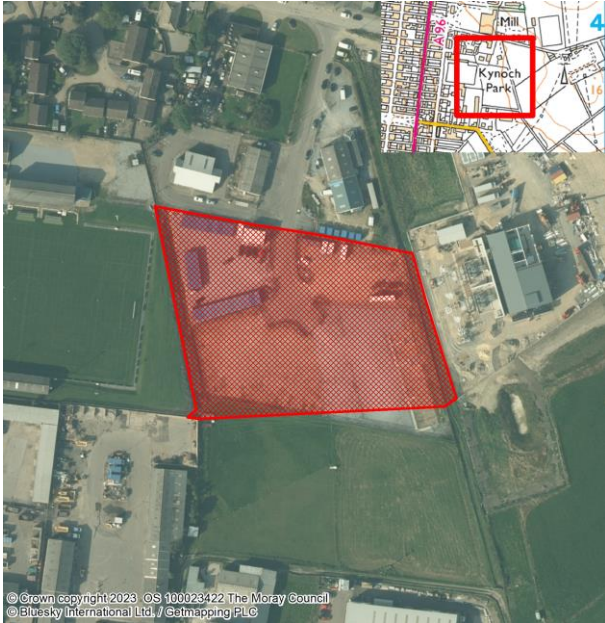
Constrained Total (Ha):	1.84
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### Development (Ha):

Built:	4.03	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/KH/E/010	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/12
<b>Location:</b>	Westerton Road South		
<b>Grid Ref:</b>	343584		850372



### Established Supply (Ha):

Gross Established:	0.52	Net Established:	0.52
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### Effective Supply (Ha):

Effective:	0.52	General Industrial:	0.52
Immediately Available:	0.52	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

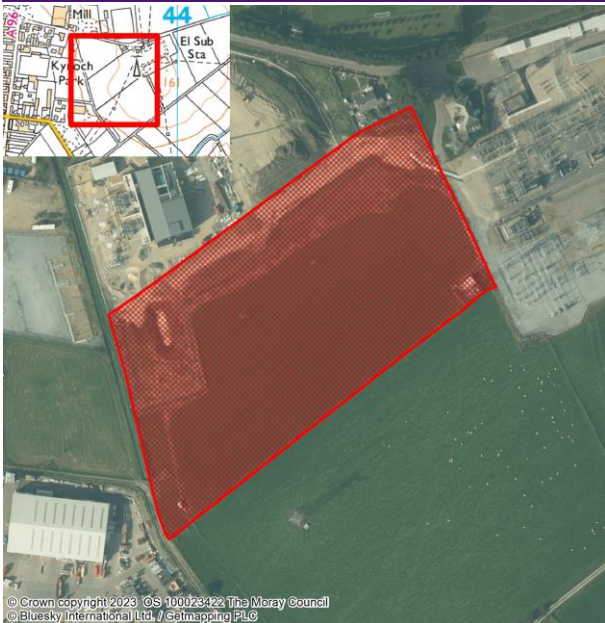
Owner       Infrastructure       Physical

Constrained Total (Ha):	0
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### Development (Ha):

Built:	1.45	Under Construction:	0
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<b>Reference:</b>	M/KH/E/011	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/111
<b>Location:</b>	Westerton Road East Expansion		
<b>Grid Ref:</b>	343761		850329



### Established Supply (Ha):

Gross Established:	1.74	Net Established:	1.39
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### Effective Supply (Ha):

Effective:	1.39	General Industrial:	1.39
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

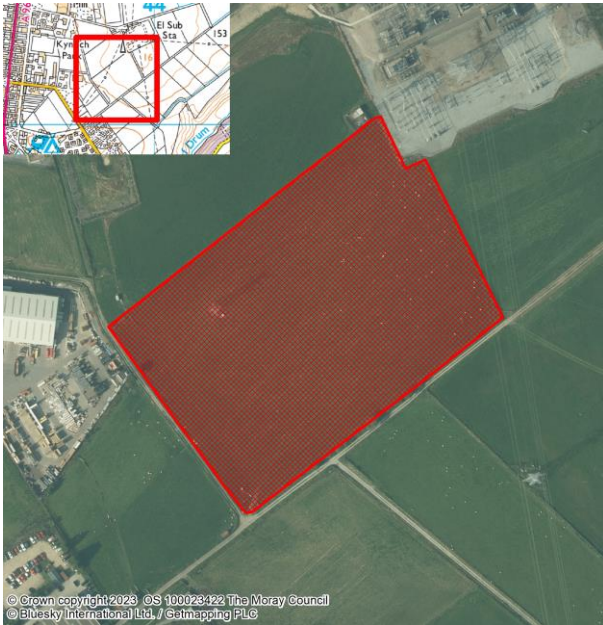
Constrained Total (Ha):	0
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### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/KH/E/012	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Effective 5years+	<b>LPR:</b>	20/LNG2
<b>Location:</b>	Westerton Road (LONG)		
<b>Grid Ref:</b>	343822		850218



### Established Supply (Ha):

Gross Established:	3.2	Net Established:	2.5
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	2.5
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### Constrained

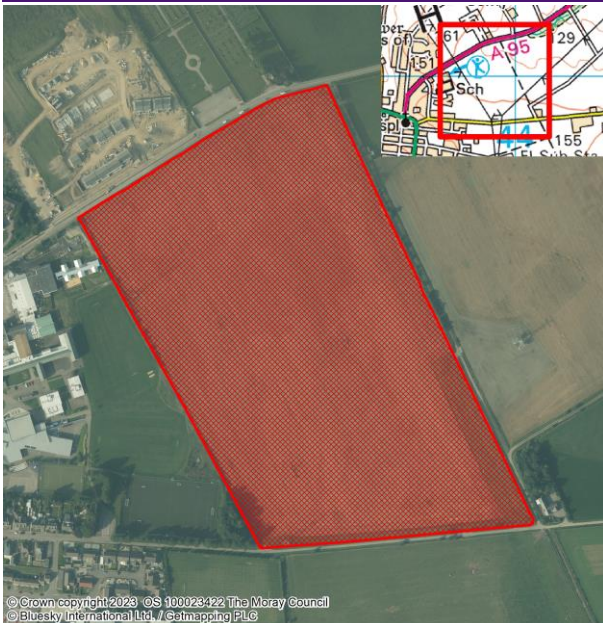
Owner
  Infrastructure
  Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/KH/E/013	<b>Town:</b>	KEITH
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/MU
<b>Location:</b>	Banff Road South		
<b>Grid Ref:</b>	343847		850958



### Established Supply (Ha):

Gross Established:	1.75	Net Established:	1.75
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### Effective Supply (Ha):

Effective:	1.75	General Industrial:	0
Immediately Available:	0	High Amenity:	1.75

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner
  Infrastructure
  Physical

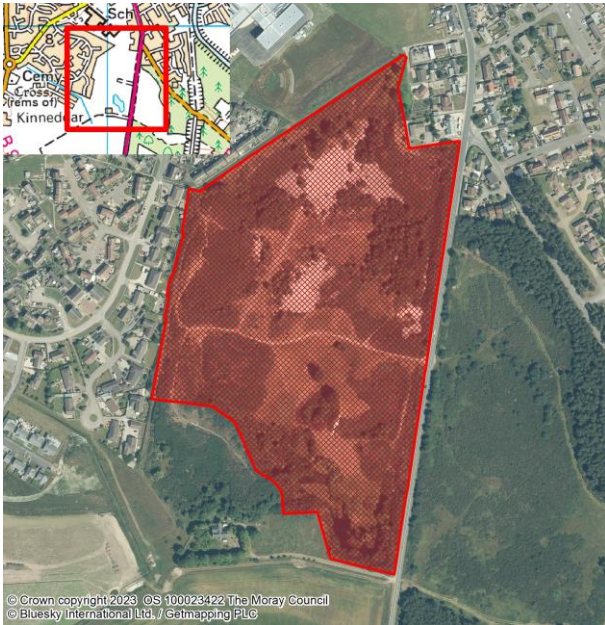
Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/LS/E/007	<b>Town:</b>	LOSSIEMOUTH
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/OPP1
<b>Location:</b>	Sunbank		
<b>Grid Ref:</b>	323075		869644



### Established Supply (Ha):

Gross Established:	12.8	Net Established:	10.24
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

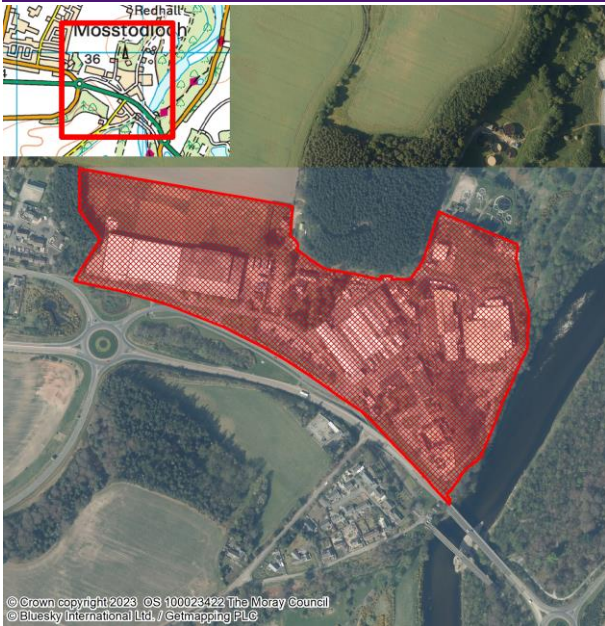
Owner
  Infrastructure
  Physical

Constrained Total (Ha): 10.24

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/MS/E/003	<b>Town:</b>	MOSSTODLOCH
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/15
<b>Location:</b>	Baxters		
<b>Grid Ref:</b>	333948		859705



### Established Supply (Ha):

Gross Established:	2.22	Net Established:	1.78
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner
  Infrastructure
  Physical

Constrained Total (Ha): 1.78

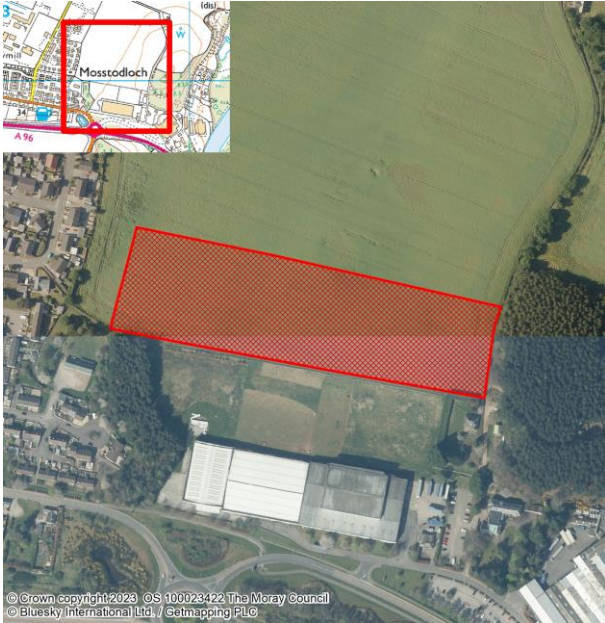
### Development (Ha):

Built:	12.05	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/MS/E/005	<b>Town:</b>	MOSSTODLOCH
<b>Supply Type:</b>	Constrained	<b>LPR:</b>	20/12
<b>Location:</b>	North of Baxter's		
<b>Grid Ref:</b>	333613		860016



### Established Supply (Ha):

Gross Established:	3.22	Net Established:	2.57
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

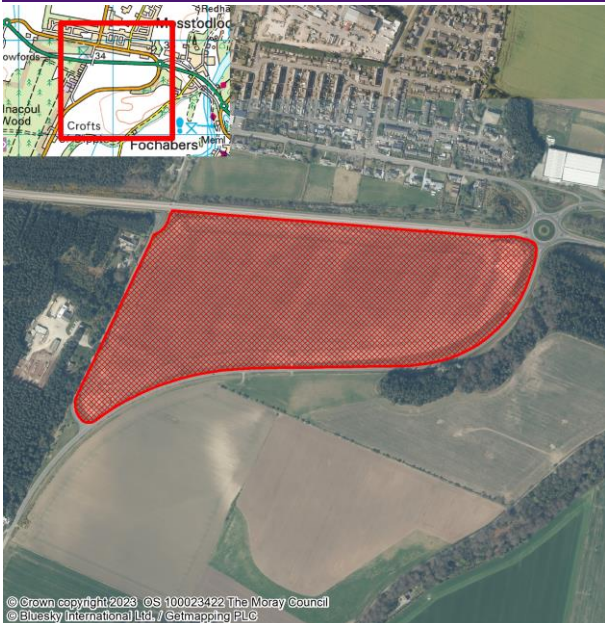
Owner       Infrastructure       Physical

Constrained Total (Ha): 2.57

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/MS/E/006	<b>Town:</b>	MOSSTODLOCH
<b>Supply Type:</b>	Effective 5years+	<b>LPR:</b>	20/MUL1
<b>Location:</b>	South of A96		
<b>Grid Ref:</b>	333268		859627



### Established Supply (Ha):

Gross Established:	11	Net Established:	8
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	8
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### Constrained

Owner       Infrastructure       Physical

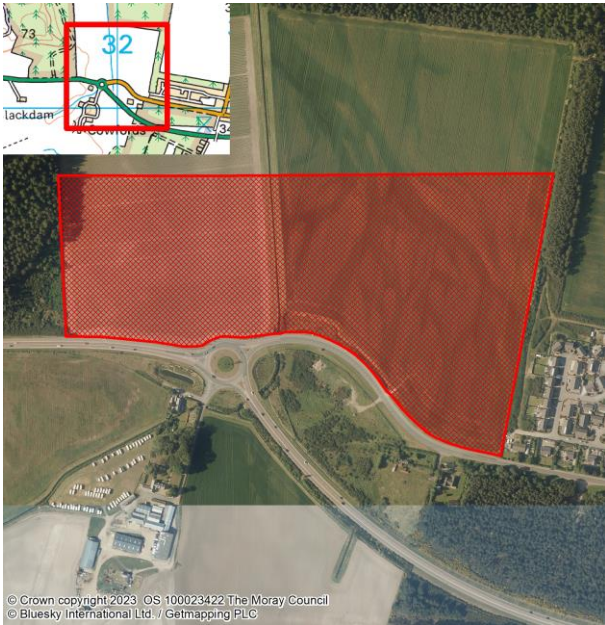
Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/MS/E/007	<b>Town:</b>	MOSSTODLOCH
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/13
<b>Location:</b>	West of Mosstodloch		
<b>Grid Ref:</b>	331976		860333



### Established Supply (Ha):

Gross Established:	16	Net Established:	12.8
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### Effective Supply (Ha):

Effective:	12.8	General Industrial:	12.8
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

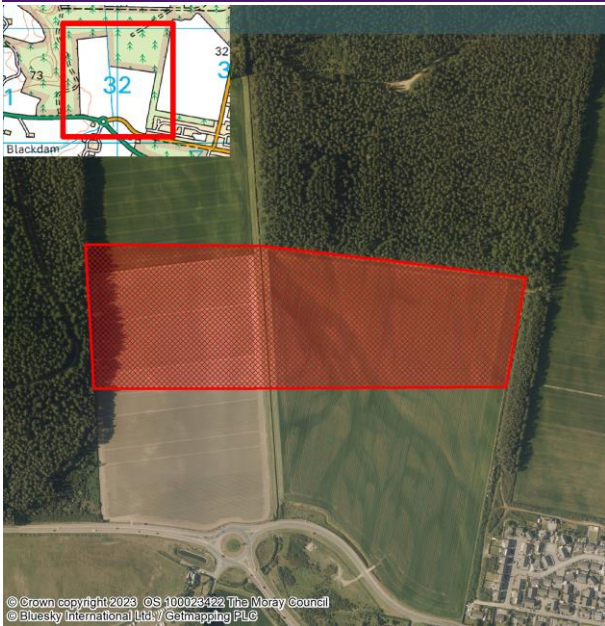
Owner       Infrastructure       Physical

Constrained Total (Ha):	0
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### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/MS/E/008	<b>Town:</b>	MOSSTODLOCH
<b>Supply Type:</b>	Effective 5years+	<b>LPR:</b>	20/LNG2
<b>Location:</b>	West of Mosstodloch (LONG)		
<b>Grid Ref:</b>	331976		860549



### Established Supply (Ha):

Gross Established:	14	Net Established:	11.2
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### Effective Supply (Ha):

Effective:	0	General Industrial:	0
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	11.2
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### Constrained

Owner       Infrastructure       Physical

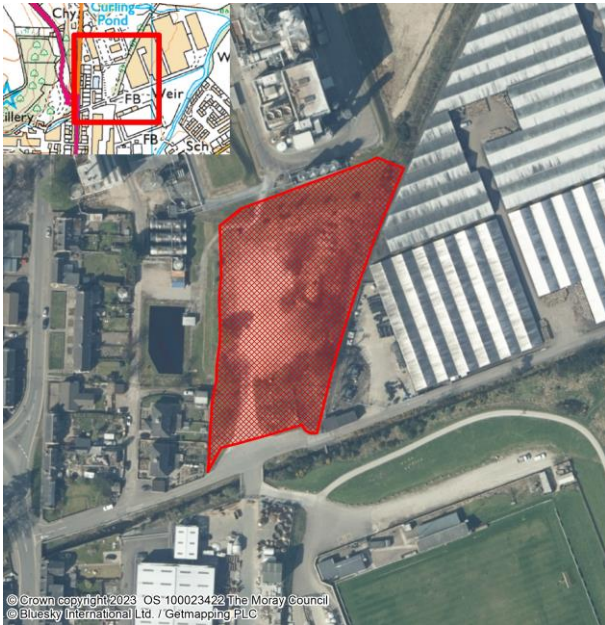
Constrained Total (Ha):	0
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### Development (Ha):

Built:	0	Under Construction:	0
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# The Moray Council Employment Land Audit 2023

<b>Reference:</b>	M/RS/E/001	<b>Town:</b>	ROTHES
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/11
<b>Location:</b>	Back Burn		
<b>Grid Ref:</b>	327876		849746



### Established Supply (Ha):

Gross Established:	0.75	Net Established:	0.6
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### Effective Supply (Ha):

Effective:	0.6	General Industrial:	0.6
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

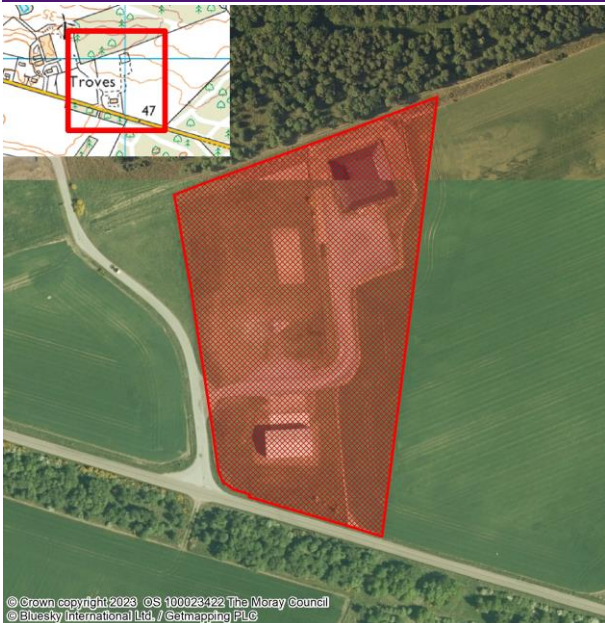
Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	0
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<b>Reference:</b>	M/TV/E/001	<b>Town:</b>	TROVES
<b>Supply Type:</b>	Effective	<b>LPR:</b>	20/11
<b>Location:</b>	Troves Industrial Estate		
<b>Grid Ref:</b>	324974		324974



### Established Supply (Ha):

Gross Established:	1.61	Net Established:	1.1
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### Effective Supply (Ha):

Effective:	1.1	General Industrial:	1.1
Immediately Available:	0	High Amenity:	0

### LONG Supply (Ha):

LONG:	0
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### Constrained

Owner       Infrastructure       Physical

Constrained Total (Ha): 0

### Development (Ha):

Built:	0	Under Construction:	
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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: HOUSING LAND AUDIT 2023**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

1.1 This report summarises the housing land supply situation in Moray and asks the Committee to agree the final version of the Moray Housing Land Audit (HLA) 2023.

1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee agree:**

- (i) to note the housing land supply in Moray;**
- (ii) the response to the consultation on the draft audit, as set out in Para 4.4 of the report;**
- (iii) the finalised Moray Housing Land Audit 2023, as set out in Appendix 1 of the report; and**
- (iv) the early release of Keith LONG1 *Nursery Fields* to address a deficit in the effective land supply in the Keith Local Housing Market Area (LHMA).**

**3. BACKGROUND**

3.1 The Town and Country Planning (Scotland) Act 1997, as amended, requires the National Planning Framework (NPF) to include targets for the use of land in different areas of Scotland for housing. To meet this, NPF4 proposes a Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority. The 10 year MATHLR for Moray is confirmed as 3,450 units.

- 3.2 NPF4 also places an expectation on Local Development Plans (LDP) to identify a Local Housing Land Requirement (LHLR) which meets the duty for housing targets and to represent how much land is required. There is an expectation that the LHLR exceeds the 10 year MATHLR. NPF4 requires LDPs to allocate land on a range of sites to meet the LHLR up to Year 10 and beyond. A Topic Paper on housing land requirements is currently being prepared to inform the Evidence Report which forms the first key stage of preparing the new LDP. The Topic Paper will refer to the MATHLR and the new Housing Need and Demand Assessment (HNDA) to identify the LHLR, which will include a specific target for brownfield land development.
- 3.3 As part of the LDP delivery programme, there is an expectancy to establish a deliverable housing land pipeline for the LHLR. To inform this pipeline, planning authorities are required to carry out an annual HLA that monitors housing completions and to programme projected completions to demonstrate the availability of land for housing. The aim is to ensure that an ongoing effective supply of housing land is available and to inform the pipeline and the actions to be taken in the delivery programme. The HLA is prepared in consultation with Homes for Scotland, local developers, landowners and statutory consultees. New guidance on HLAs to support the application of Policy 16 is due to be published shortly by the Scottish Government.
- 3.4 The audit has three key functions:
- To demonstrate the availability of sufficient effect land to meet the strategic housing land requirement for a minimum of 10 years into the future;
  - To provide a snapshot of the amount of land available for the construction of houses at any particular time; and
  - Act as an information source for a variety of purposes, including school roll forecasts, transport infrastructure provision and health care. For such forecasting exercises, figures in the audit are further refined to get as accurate position as possible.

#### **4. PROPOSALS**

- 4.1 The information contained in the HLA is important to monitor LDP strategy for housing and the process enables adjustments to be made to address any issues arising. The audit and the Housing Need and Demand Assessment (HNDA) provide the baseline for calculating the housing land requirements set out in LDPs.
- 4.2 The audit includes three main categories of land supply:
- Effective – land that can be developed for housing within the period under consideration, which is free from constraints in terms of ownership, physical, contamination, marketability, infrastructure and land use;
  - Constrained – land that is considered to be constrained within the period under consideration and then constraints cannot easily be overcome in the short term; and

- Established – the total housing land supply (effective added to constrained).

4.3 Housebuilders and landowners were consulted during the preparation of the draft audit to provide the most up to date build-out projections. The figures within the draft audit are based upon housebuilders' returns, where received, with adjustments made by Planning Officers.

4.4 The draft HLA 2023 was made available for consultation on the Council's website and housebuilders, landowners and agents were notified, with comments invited by 20 April 2023. As part of the consultation, comments were invited on the high projections for Elgin and for 2026 as well as the current figure for 'Rest of Moray'. Comments were received from Altyre Estate/Urban Animation and Homes for Scotland which are summarised, with the proposed Council responses, in the table below:

Organisation	Comments	Moray Council Response	Changes Proposed to HLA
Altyre Estate/Urban Animation	Agreement with status of sites relating to Altyre Estate.  Projections for Elgin and 2026 look ambitious based on recent history and current market conditions.	Noted.  Officers agree that the projections do not reflect recent trends.	No change.  Projections for Elgin sites have been amended.
Homes for Scotland	No comment to make on HLA.	Noted.	No change.

4.5 The introduction section of the final HLA is included as **APPENDIX 1** and the full audit has been uploaded to CMIS along with the agenda, as an additional document. The audit identifies that there is a 28 year established housing land supply (11,770 units), based on an annual housing land requirement identified in the HNDA. This consists of a 12 year effective housing land supply (5,022 units) and 16 year constrained housing land supply (6,748 units), of which 9 years supply is designated as LONG (3,875 units).

4.6 This approach to LONG term housing land has been recognised as good practice and allows for longer term infrastructure planning through strategic level masterplanned expansion areas. This also means that the next MLDP will likely to only require minimum additional housing land to be identified, with a much greater focus on redevelopment of brownfield sites rather than greenfield releases.

4.7 Completions in 2022 were 418 compared with 398 in 2021, 231 in 2020 (impact of Covid-19 pandemic), 414 in 2019 and 358 in 2018. The majority of completions between 2012 and 2022 were in Elgin, Forres and Buckie.

4.8 While the overall effective supply of housing is very good, the projected house completions reflect the low supply of new housing in Keith and Speyside. However, work at Banff Road (Keith R4) is progressing and discussions are ongoing regarding Speyview (Aberlour R2). In addition, a masterplan is being developed for Hillside Farm (Dufftown R1) in partnership with Dufftown & District Community Association. The Moray Growth Deal Housing Mix Delivery project will bring further investment to help unlock previously constrained housing land sites.

## 5. **KEITH LONG1 Nursery Field**

5.1 As detailed in Table 9 of the HLA, Keith HMA currently has a deficit in effective housing land. This is due to constraints including ownership, marketability and physical.

5.2 The need for early release of LONG term housing land is evaluated through the annual HLA process and monitoring report. Officers recommend that Keith LONG1 *Nursery Field* is released into the effective supply for the following reasons:

- Of the 297 units available in the Keith LHMA, 194 units are considered to be constrained;
- The shortfall cannot be met by windfall provision in the area;
- The current constrained sites are unlikely to become available for development in the relevant timeframe; and
- The release of Keith LONG1 will increase the effective housing supply by 70 units and increase the choice of available sites for developers.

## 6. **SUMMARY OF IMPLICATIONS**

### (a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The annual HLA is a key part of monitoring the implementation and effectiveness of the LDP, which delivers Corporate and Community Planning objectives. Ensuring an effective supply of housing land and taking a longer term approach supports economic growth, delivers much needed housing (notably affordable housing) and allows for longer term planning for community services and infrastructure, including education and health facilities.

### (b) **Policy and Legal**

The preparation of an annual HLA is a key requirement of NPF4 to monitor effectiveness of the MLDP and ensure an effective supply of housing land is maintained.

### (c) **Financial implications**

None.

### (d) **Risk Implications**

None.



**(e) Staffing Implications**

Preparation of an annual HLA is part of the workload of the Strategic Planning & Development section.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

No Equality Impact Assessment is required for this report.

**(h) Climate Change and Biodiversity Impacts**

NPF4 and MLDP policies seek to ensure that development proposals reduce carbon emissions and enhance biodiversity. NPF4 also places a much greater focus on brownfield redevelopment.

Work is underway on the next HNDA, which is being led by the Housing Strategy and Development Manager, and this will inform the housing land requirements for the next LDP which will set a target for brownfield redevelopment.

**(i) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Housing Strategy and Development Manager, the Principal Climate Change Officer, the Senior Engineer (Transportation), the Equal Opportunities Officer, Deborah O'Shea (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and comments received have been incorporated into the report.

**7. CONCLUSION**

**7.1 NPF4 requires planning authorities to carry out an annual HLA to monitor the delivery of housing land.**

**7.2 The 2023 HLA identified a 12 year effective supply of housing land, with a total 28 years established land supply.**

**7.3 Approval is sought for the early release of Keith LONG1 *Nursery Field* to address the deficit of effective housing land supply in the Keith LHMA.**

Author of Report: Darren Westmacott, Planning Officer (Strategic Planning and Development)

Background Papers:

Ref:



July 2023

# Moray Housing Land Audit



**moray**  
council



# Moray towns and Local Housing Market Areas (LHMA)



For further information, please contact:  
Darren Westmacott, Email [darren.westmacott@moray.gov.uk](mailto:darren.westmacott@moray.gov.uk)

## Preface

This schedule of housing land is produced by Moray Council in consultation with local housebuilders and landowners. While every effort has been made to ensure that the information in the audit is accurate and complete, the attention of the user is drawn to the following points:

- The introduction contains advice on the interpretation and analysis of the statistics and this should be carefully studied, to avoid possible misrepresentation.
- The information on housing is presented comprehensively for sites of 4 or more houses, only aggregated annual totals of past completions are given for smaller sites and individual houses.
- Development Plans, Capital Programmes and commitment levels are continually being updated and should be checked with the appropriate source to obtain the current position.

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# 1 Purpose of Audit

- 1.1 This audit provides details of Moray's housing land supply as at January 2023. The audit explains the different classifications of land within the overall supply and compares supply with the housing land requirement identified through the Housing Need and Demand Assessment.
- 1.2 The audit also examines past and future predicted trends in housing land supply and identifies any action required to address issues arising.
- 1.3 The audit has been produced using the guidance set out in Planning Advice Note 2/2010 and Homes for Scotland Advice Note on Housing Land Audits.

# 2 Preparation of Audit

- 2.1 The audit has been prepared by Moray Council using details of all relevant development sites within the Moray Local Development Plan 2020 and other (windfall) sites with planning consent for residential use.
- 2.2 Completions have been recorded through contact with housebuilders and analysis of building warrant completion certificates. Constraints have been identified through the local development plan process and through discussion with statutory consultees.
- 2.3 Details of sites with a capacity of 4 or more houses are recorded and an assessment made of potential future development rates, informed by landowners and developers. This takes account of planning status, infrastructure constraints, building capacity, market demand and financial plans.

## 3 Land Supply Definitions

3.1 There are three categories of land identified within the audit.

### 3.2 **Established Housing Land Supply**

3.2.1 This is the total housing land supply, calculated by adding the effective and constrained land together. This includes sites under construction, sites with planning consent and other sites agreed as having potential for development.

### 3.3 **Effective Housing Land Supply**

3.3.1 This is the housing land supply that is expected to be free from development constraints and available for construction of housing. Most sites with planning consent for residential development and/or identified within the Moray Local Development Plan 2020 fall into this category where the site is free of the following constraint:-

- Ownership
- Physical
- Contamination
- Deficit funding
- Marketability
- Infrastructure
- Land

### 3.4 **Constrained Housing Land Supply**

3.4.1 This consists of sites which at the time of the audit were not assessed as being effective. The principal reason for the site being constrained is identified in the schedules. The identified constraint is considered to be significant and may not be resolved within the “effective” land supply period. This also includes “LONG” designations, which are constrained under the terms of the Local Development Plan.



## 4 Established Land Supply

4.1 The established land supply for the Moray Local Development Plan is shown in Table 1 below.

	2019	2020	2021	2022	2023
Moray	12,387	12,751	12,346	12,192	11,770

*Table 1: Established Land Supply*

4.2 The established land supply in 2023 has a capacity of 11,770 units. This includes extensive areas of LONG term land, which act as a reserve and can be released should a shortfall be projected.



# 5 Constrained Land Supply

5.1 The constrained land supply is shown in Table 2.

	2019	2020	2021	2022	2023
<b>Moray</b>	8,198	6,940	6,838	6,827	6,748

Table 2: Constrained Land Supply

5.2 A total of 6,748 units are constrained in 2023, continuing to reflect the more proactive approach being taken to overcome constraints and explore ways of unlocking sites. Table 3 below summarises the constrained sites and the nature of the constraint. The table shows that the majority of these sites are constrained through marketability or programming either as “LONG” designations or unlikely to be built within the 5 year effective period. LONG sites can only be considered effective when the required triggers for release of LONG sites have been met and the site is free of the constraints listed in paragraph 3.3.1.

Constraint	No. of units	No. of sites
Contamination	64	2
Marketability	483	18
Ownership	635	5
Physical	282	11
Programming	1,409	9
LONG	3,875	9
<b>Total</b>	<b>6,748</b>	<b>54</b>

Table 3: Analysis of Constraints

# 6 Effective Land Supply

6.1 The five year effective land supply for the Moray Local Development Plan area is shown in Table 4.

	2019	2020	2021	2022	2023
Moray	4,189	5,811	5,508	5,365	5,022

Table 4: Effective Housing Land Supply

6.2 The effective housing land supply has a capacity of 5,022 units in 2023, reflective of the new sites identified in the Moray Local Development Plan 2020 which are included in the audit.

# 7 Rest of Moray

7.1 In the Rest of Moray there are a number of consents granted for sites with a capacity of 4 units and over, which cumulatively make a significant contribution to the housing land supply. New consents and completions are monitored and added to the schedules as part of the audit. The contribution from small sites and the role of sites in rural communities was discussed and agreed as 50 units with Homes for Scotland as part of the 2009 audit. A figure of 65 units was included in the 2019 audit. However, to reflect the new Rural Housing policy, this has been lowered to 40 units and will continue to be monitored and reviewed.



## 8 Windfall sites

- 8.1 A windfall site is a site not specifically allocated for development in the Local Development Plan but which becomes available for development or is granted planning permission during the lifetime of the Plan.
- 8.2 The contribution of windfall sites to the number of units completed and projected to be complete will be monitored. Windfall completions can make a significant contribution to the land supply.

	2018	2019	2020	2021	2022
Windfall completions	38	16	22	47	14

Table 5a: Windfall sites

	2023	2024	2025	2026	2027
Projected windfalls	42	56	30	35	14

Table 5b: Projected windfall

- 8.3 Windfall sites continue to demonstrate the historical trend of varied annual completions and projections.

## 9 Completions

- 9.1 Table 6 identifies previous completion rates. The impacts of the Covid-19 pandemic on housebuilding in Moray are clearly evident in the significantly lower house completions in 2020, however completions since appear to show a positive return to pre-covid figures.

	2018	2019	2020	2021	2022
Moray	358	414	231	398	418

Table 6: Completions

9.2 Table 7 identifies projected completion rates for the five year effective housing land period. These are largely based upon returns from housebuilders and landowners. As part of School Roll Forecasting, information is also provided to Education Services which includes a reduced ratio applied to projections within the Housing Land Audit for Elgin and Forres.

	2023	2024	2025	2026	2027
Moray	464	623	600	697	621

Table 7: Projected Completion Rates

## 10 Housing Land Requirement & Effective Housing Land Supply

10.1 The Council's Housing Need and Demand Assessment 2017 has informed the housing land supply and housing completions targets set out in the Moray Local Development Plan 2020. These figures have included a 30% generosity figure on top of the baseline figures from the Housing Need and Demand Assessment 2017. The key targets are;

- Annual housing completion target 2018-2035: 318 units
- Annual average housing land supply target 2018-2035: 414 units

10.2 Using these figures gives a 5 year completion target of 1590 units and a 5 year land supply target of 2070 units.

	Housing Land Supply	No. of years supply
Established	11,770	28
Effective	5,022	12
Constrained	6,748	16

Table 8: Land supply/ No. of years supply

LHMA	5 year supply target (5x 414)	5 year land supply 2023-2027	5 year completion target (5x318)	5 year projected completions	Comments
Buckie	342	576	1,590	431	Surplus effective housing land.
Elgin	1,037	2,632		1,562	Surplus effective housing land.
Forres	362	1,360		621	Surplus effective housing land.
Keith	170	143		143	Deficit effective housing land.
Speyside	159	311		236	Surplus effective housing land.
<b>Total</b>	<b>2,070</b>	<b>5,022</b>		<b>2,993</b>	<b>Surplus effective housing land.</b>

Table 9: 5 year housing land/ completion targets by LHMA

10.3 The audit totals of effective, constrained and established housing land supply are set out in Table 10 below.

	2018	2019	2020	2021	2022	2023
<b>Effective</b>	3,638	4,189	5,638	5,508	5,365	5,022
<b>Constrained</b>	9,210	8,198	6,890	6,838	6,827	6,748
<b>Established</b>	12,848	12,387	12,528	12,346	12,192	11,770

Table 10: Moray Housing Land Supply 2023

TOWN	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028+
ABERLOUR				1	0	0	2	33	34	30	10	
ALVES												250
ARCHIESTOWN								3	3	3	3	23
BUCKIE	31	13	56	21	74	37	19	75	80	75	72	670
BURGHEAD										12	8	146
CRAIGELLACHIE											12	10
CULLEN								12	12	12	12	7
CUMMINGSTON	0	0	0	0	0	0	1	1	1			
DALLAS												10
DUFFTOWN									25	20	0	60
DYKE			2	0	5	5		1	1	1		5
ELGIN	155	189	200	111	121	146	182	205	211	266	268	5483
FINDHORN	17	3	1	2	9	10	10	8		13		
FINDOCHTY												55
FOCHABERS	3	24	6	6	11	4	15	20	20	20	25	80
FORRES	63	59	48	34	41	119	121	123	75	94	96	1327
GARMOUTH/KINGSTON												10
HOPEMAN				22			3	8	8	8	8	40
KEITH	25	4	12	4	3	31	23	27	24	17	12	158
KINLOSS	0	0	1				6	6	6	4	4	9
LHANBRYDE								31	41	37		
LOSSIEMOUTH	6	16	23	10	18	26	42	27	16	10	10	158
MOSSTODLOCH					76							70
NEWMILL												10
PORTGORDON											10	30
PORTKNOCKIE											12	38
RAFFORD										12		
REMAINDER OF MORAY	50	50	65	20	40	40	40	40	40	40	40	40
ROTHES										15	15	40
ROTHIEMAY												26
URQUHART								3	3	8	4	10
<b>Total</b>	<b>350</b>	<b>358</b>	<b>414</b>	<b>231</b>	<b>398</b>	<b>418</b>	<b>464</b>	<b>623</b>	<b>600</b>	<b>697</b>	<b>621</b>	<b>8,765</b>

## 11 Long Term Housing Designation

11.1 Long term designations have been identified to set out the direction of growth and to assist in the forward planning of infrastructure and landscape enhancement/mitigation. The Council will evaluate the need for early release of long term housing land through the annual Housing Land Audit process and monitoring report.

11.2 The release of LONG term designations is controlled through the Policy DP3 *LONG Term Land Reserves* of the Moray Local Development Plan 2020. The triggers are:-

A shortfall in the 5 year effective housing land supply or shortfall in projected delivery of housing land is identified in the annual Housing Land Audits, which cannot be met by:-

1. Windfall provision assuming previous trends;
2. Constrained sites which are likely to become available for development to meet the shortfall in the relevant timeframe; or
3. Where the release of LONG term land is required to deliver key objectives of the Council or its Community Planning Partners set out in the Local Outcome Improvement Plan, or to meet significant increased demand for housing arising from personnel deployment at RAF Lossiemouth or Kinloss Barracks.

In these circumstances, an appropriate release of LONG term land may be recommended where:-

- This can be achieved without compromising delivery of a master-planned approach and where appropriate access, infrastructure and landscaping setting can be secured.
- The site is demonstrated to be effective within the next five years.
- Any site specific triggers are fully complied with.

11.3 The amount of land to be released will be dependent upon an assessment of what other sites will become effective to ensure a continuous 5 year effective housing land supply. A shortfall of effective housing land in one of the 8 main towns should be met through a LONG term release in the same town.

11.4 Where a decision is made to release LONG term land and there is more than one LONG term site in that settlement, an assessment will be made as to which site is considered the most suitable based on considerations such as infrastructure, landscaping, settlement pattern and effectiveness.



11.5 Outwith the 8 main towns, LONG term sites will only be considered for early release where the residential land designations are clearly demonstrated to be constrained for the entire plan period and that constraint cannot be overcome.

Settlement	Site	Comment/Triggers	Recommendation
Alves	North	No effective land supply.	No requirement to release.
Buckie	South West	Effective land supply of 421 units, projected 5 year completions of 321 units.	No requirement to release.
Burghead	Clarkly Hill	Effective land supply of 66 units, projected 5 year completions of 20 units.	No requirement to release.
Elgin	North East	Effective land supply of 1,983 units, projected 5 year completions of 1,495 units.	No requirement to release.
Elgin	South	Effective land supply of 1,983 units, projected 5 year completions of 1,495 units.	Amendment to Elgin South phasing approved in 2021. No requirement to release.
Fochabers	Ordiquish Road East	Effective land supply of 145 units, projected 5 year completions of 100 units.	No requirement to release.
Forres	Lochyhill	Effective land supply of 1,239 units, projected 5 year completions of 509 units.	No requirement to release.
Keith	Nursery Field	Effective land supply of 103 units, projected 5 year completions of 103 units.	Release site to meet supply target due to deficit of effective land in Keith LHMA.
Urquhart	Meft Road	Effective land supply of 18 units, projected 5 year completions of 18 units.	No requirement to release.

Table 11: LONG Term Sites

The following definitions and classification in the schedules apply:

### Housing Sites - SITE DETAILS GLOSSARY

<b>Site Ref</b>	Area/Settlement or Parish/Residential/Sequential Reference Number.
<b>Location</b>	Address of Site.
<b>Owner</b>	Current owner of the site.
<b>Developer</b>	Agency responsible for the development and management of the site and not necessarily to the actual construction company.
<b>Tenure</b>	Five tenure types are specified:- HA - Housing Association for rent LA - Local Authority PRIV - Private MOD - Ministry of Defence Other - Other tenure, i.e. housing association shared ownership or low cost home ownership and joint venture between a local authority and a private developer.
<b>Area</b>	Site areas are quoted in hectares and represent the gross area of the site.
<b>Units</b>	The capacity of sites is expressed as a number of house units. For sites where no detailed housing layout has yet been prepared and no density has been specified, then an estimate has been made.
<b>Serviced</b>	Indicates the number of housing units which are serviced.
<b>Not built</b>	Total number of house units on the site which have not yet been built at the date of the update.
<b>Effective</b>	Currently effective (EFF) or constrained (CON)
<b>LPR</b>	Local Plan Site Reference
<b>Land Use</b>	Categorises the main existing or former use of a site before it is re-zoned or developed. The land use categories used are:-  AGR 1-7            Agricultural Land by Class (1, 2 & 3. 1 = prime) AG BLDG            Agricultural Building WOOD                Woodlands (may also be grazed) HORT                Allotments and nurseries PRIV/PUB OS        Privately or publicly owned open space (e.g. Grounds of a large house or hospital)  RESID                Residential COMM                Commercial EDUC                Educational RAIL                 Railway MOD                 Ministry of Defence PUB BLD            Public Building UNUSED             Derelict, Vacant, Backland etc. COMMTY            Community IND                  Industry
<b>Greenfield/ Brownfield</b>	Describes whether the site is within an urban area or previously developed (brownfield) or outwith the urban area and not previously developed (green-

## APPLICATION DETAILS

<b>Applic Ref</b>	Reference number of planning applications relating to the development of the site. Note where applications are made for individual plots within a site, these have been grouped together under the Application Reference 'Individs' with no decision date given.
<b>Units</b>	Number of units relating to each planning application.
<b>Type</b>	Describes the type of permission application:- OUT Application for Outline Planning Permission DET Application for Full Permission or Permission of Reserved Matters
<b>Decision</b>	Details of decision on the application. Apart from self explanatory terms – Approved, Refused, Withdrawn, Expired, Pending, it has been necessary to indicate the latest classified either as 'Superseded' or 'Duplicate'.
<b>Dec. Date</b>	Date of final decision on the application.

## COMPLETION DETAILS

<b>Built</b>	Take up rates (in house units) for the previous 5 years are listed on an annual basis and assessments of subsequent completions are also listed annually for the next 5 years.
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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: FINDRASSIE MASTERPLAN UPDATE 2023**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report asks the Committee to agree the draft Findrassie Masterplan Update for public consultation.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee;**

- (i) agree the draft Findrassie Masterplan Update for public consultation for a 12-week period;**
- (ii) agree that the comments received to the consultation and the Council's response to these, along with the final Masterplan will be reported back to a future meeting of this Committee for approval; and**
- (iii) agree that the draft Findrassie Masterplan Update is used as a material consideration in the determination of planning applications**

**3. BACKGROUND**

- 3.1 Findrassie is a major land release to the north of Elgin and provides a strategic long term planned growth area for housing and employment. The Findrassie Masterplan was approved on 1 December 2015 as statutory Supplementary Guidance forming part of the Moray Local Development Plan (MLDP) 2015 (para 7 of minute refers). A report to this Committee on 15 September 2020 (para 16 of minute refers) highlighted the need to review and update a number of Supplementary Guidance documents to ensure compliance with the new MLDP 2020.

- 3.2 In addition to the need to review the Masterplan to ensure compliance with the MLDP2020, there were other factors which influenced the update:
- The R12 and MU2 sites were newly designated in MLDP2020 and are contiguous with the masterplan area.
  - Pitch provision within open space.
  - Updated retail requirements from the Moray Retail Study completed in 2021 which was agreed as a material consideration at a meeting of this Committee on 4 April 2022 (para 8 of minute refers)
  - Experience of using the masterplan for the E1 and E2 phase applications.
- 3.3 The draft updated masterplan has been prepared by the Strategic Planning and Development team and has been subject to internal consultation with Transportation, Development Management, Consultancy (Flooding) and Education Resources and Communities. The landowners and developers to date have also been consulted. The draft updated masterplan is provided as **Appendix 1**.

#### **4. DRAFT FINDRASSIE MASTERPLAN UPDATE**

- 4.1 The draft masterplan has been revised and updated to reflect the issues outlined above. A summary of the main changes is set out below:
- Adding R12 and MU2 to the masterplan with new connections and design guidance provided. These sites are contiguous with the masterplan area and connections are required through the R11 and I8 sites which are part of the original masterplan to these. Their location means they logically form part of the Findrassie neighbourhood. The addition of these sites to the masterplan has knock on impacts on some of the design details, for example the location of gateway features and potential locations for public art.
  - Reflecting the retail and commercial requirements within the Moray Retail Study 2021 within the document including setting out the floor area requirements and potential phasing.
  - Pitch requirements associated with the proposal include provision of fenced pitches which allow for competitive games to be played. The fencing would impact on the attractiveness of and access across the central open space if these were located within this. Indicative locations within the I8 business site have been identified for pitch provision to minimise the impact on the central open space. Further investigation as to which of these potential locations will be suitable to accommodate the pitch provision is required.
  - More detail has been provided on the level of allotment provision and this is now required within each phase of development.
  - A change to the location of self-build opportunities to later phases and within clear development blocks has been made. Previously the masterplan had shown self-build opportunities across partial blocks. This is considered to be impractical for delivery.
  - The parking strategy has been amended to reflect MLDP2020 policy.

- The masterplan has been updated to provide opportunities for increased heights of up to 3 storeys at key locations, particularly where there are commercial uses on the ground floor.
- The Design Code has been restructured to make this more user friendly and consolidating the information for each character zone into one section.
- Sections have been removed that repeated MLDP policy with a general review to remove unnecessary text to allow for a more user friendly document.
- New text in respect of sustainable travel, sustainable development, green infrastructure, Biodiversity and community wealth building to bring the masterplan in line with the overarching principles of National Planning Framework 4 (NPF4).

## **5. NEXT STEPS**

- 5.1 Given the previous engagement and views gathered during the consultation on the original masterplan it is recommended that a virtual online 12 week consultation period is undertaken for the draft masterplan with the opportunity for bookable 1-2-1 sessions to be held. In person meetings will be offered to the Community Council and other groups. The 12 week consultation period will commence on 16 August and end on 8 November 2023. The draft masterplan consultation will be advertised via social media, press release, letters and emails.
- 5.2 Following the consultation, responses will be reported back to a future meeting of this Committee to consider, along with the final Masterplan for approval. The masterplan will be a material consideration for development management purposes and will be embedded into the new Local Development Plan 2027.

## **6. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The draft Findrassie Masterplan update provides a long term vision for the growth of the north of Elgin including infrastructure, employment and affordable housing which are priorities for the Council. The updated masterplan will be embedded into the new Local Development Plan 2027.

### **(b) Policy and Legal**

Once approved the Masterplan will become Supplementary Guidance forming part of the statutory Local Development Plan which planning applications will be determined against.

### **(c) Financial implications**

None.

### **(d) Risk Implications**

None.

**(e) Staffing Implications**

Work on the updated Findrassie Masterplan has been carried out within existing staff workloads of the Strategic Planning and Development section with input and review of draft documents by Transportation, Education Resources and Communities, Consultancy (Flooding) and Development Management.

**(f) Property**

The masterplan includes the location for a proposed Primary School.

**(g) Equalities/Socio Economic Impact**

None at this stage.

**(h) Climate Change and Biodiversity Impacts**

The NPF4, specifically policy 1 (Tackling the climate and nature crises) gives significant weight to the global climate and nature crises in the determination of planning applications. NPF4 Policy 2 (Climate mitigation and adaption) states that all proposals should be designed to minimise emissions over their lifecycle and development is to be sited and designed to adapt to current and future risk from climate change. Similarly, policy 3 (Biodiversity) requires development to contribute to the enhancement of biodiversity. Whilst policy 15 (Local Living and 20 minute neighbourhoods) supports the principle of Local Living.

The draft Findrassie Masterplan Update seeks to achieve the aspirations of NPF4 in terms of providing opportunities for local services and active travel connections to support Local Living. Future applications will be assessed against NPF4 policies

**(i) Consultations**

Consultation has taken place with the Depute Chief Executive Economy, Environment and Finance, the Head of Economic Growth and Development, the Head of Education Resources and Communities, the Head of Housing and Property, the Legal Services Manager, the Senior Engineer Transportation, the Principal Climate Change Officer, the Equal Opportunities Officer, the Development Management and Building Standards Manager, Chief Financial Officer and Democratic Services Manager and their comments incorporated into the report.

**7. CONCLUSION**

**7.1 The Findrassie Masterplan has be updated to bring this in line with MLDP2020, to reflect NPF4 and address other factors.**

**7.2 The draft masterplan will be subject to public consultation using virtual methods. The responses will be reported to a future meeting of this Committee for consideration along with the final Masterplan for approval. The updated masterplan will be a material consideration for development management purposes and will be embedded into the new Local Development Plan 2027.**



Author of Report: Rowena MacDougall, Senior Planning Officer

Background Papers:

Ref:



# FINDRASSIE

MASTERPLAN / A NEW NEIGHBOURHOOD FOR ELGIN



VOLUME 1

SUPPLEMENTARY GUIDANCE

# RECREATIONAL FRINGE



# VISION FOR FINDRASSIE

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# 1.0: THE MASTERPLAN

4

## 1. Introduction

Findrassie is a major land release in the north of Elgin which is allocated in the Moray Local Development Plan (MLDP) 2020 for housing and employment uses as sites R11 Findrassie and I8 Newfield. The designations comprise 100 hectares of housing land with an indicative capacity of 1500 houses and 12 hectares of employment land for business uses. The 2020 Local Development Plan designated additional land R12 and MU2 which is now incorporated. R12 is for 150 houses and MU2 is primarily for Class 4 business or light industrial uses compatible with surrounding uses. The site extends from Lossiemouth Road in the east to Duffus Road in the west and creates three new gateways into Elgin from the north. Findrassie (R11 + I8) has a 15 - 20 years timeframe for delivery with the R12 + MU2 following this.

The Findrassie Masterplan was adopted in December 2015 and was developed through collaborative working between Pitgaveny, Moray Council and other key agencies and following extensive community engagement throughout its development. The original Masterplan was also the subject of a design forum review facilitated by Architecture and Design Scotland who assessed the project as “well considered”.

The Findrassie Masterplan has been updated to ensure it is consistent with the Moray Local Development Plan 2020 and incorporates the R12 and MU2 sites. The review has also provided an opportunity to “sense check” the proposals and consider some of the key outcomes from NPF4 including 20 minute neighbourhoods; a transition to netzero; a wellbeing economy; resilient communities; and better, greener places. Proposals will be considered against the policies of NPF4 and the Moray Local Development Plan as well as the masterplan.

### Progress to date

- Planning Permission in Principle (17/00834/PPP) for Area 1 was granted in July 2019. Area 1 incorporates the following Character Zones: Lossiemouth Road, North South Connections (most southerly part only), the Hub and Central Open Space, Sub Station, Pylon Corridor, and advance planting for other character zones including Duffus Road, Findrassie Edge, North/South Connections, Northern Edge and Employment Zone. A subsequent application 19/01085/APP to vary several conditions was approved in August 2020.
- Detailed applications for phase E1 (20/00753/AMC) and E2 (21/00961/AMC) which make up the Lossiemouth Character Zone were approved in January 2021 and April 2022 respectively. Combined these phases provide 202 private homes (ranging from 2 to 4 bedrooms), 67 affordable homes (ranging from 1 to 5 bedrooms), 570 sqm of retail/commercial floor space, three play areas and extensive areas of landscaping. Development is well advanced on phase E1 with initial properties occupied in spring 2022.
- A Proposal of Application Notice (21/00670/PAN) was submitted in June 2021 for the Duffus phases including D1 to D4.







WOODLAND WALKS



PLAY



EMPLOYMENT



SUDS



COUNTRY CYCLES

## 2.0: THE VISION

### FINDRASSIE IS:

- A desirable place, the development of which is embedded in the landscape and is reflective of the traditional pattern of development, open space and built form of Elgin;
- An attractive northern gateway(s) into the city akin to the western approach;
- A place where opportunities for social interaction are created through a mix of residential, commercial, community and recreational uses and walking, cycling and local food production are encouraged;
- A distinctive place where people identify with where they live and one another helping to create communities;
- A place where people can live throughout their lifetime.

The integration of Findrassie Wood into the new neighbourhood will create a sense of place and identity from the outset. The integration of the primary green space along the Sey Burn Corridor and incorporation of the pond at Myreside Farm also retains and enhances existing features of the site to create interest along this route.

The masterplan establishes connections into the existing surrounding residential areas to ensure the development is integrated and can become part of the local community. The design also respects the existing tree planting and historical field pattern.



# CONCEPT



# 3.0: DEVELOPMENT FRAMEWORK

8

- EXISTING ROAD NETWORK
- WATERCOURSE
- ENCLOSING WOODLANDS / TREE BELTS
- OPEN SPACE
- URBAN FABRIC
- PRIMARY ROUTE
- SECONDARY STREETS
- SHARED SURFACES / HOUSING STREETS
- FOOTPATH NETWORK
- CORE PATHS
- ESN<sub>2</sub>N OFF ROAD CYCLE ROUTE TO LOSSIEMOUTH
- EXISTING CYCLE ROUTE
- EXISTING WIDER FOOTPATH NETWORK
- POTENTIAL FUTURE CONNECTIONS
- POTENTIAL SPORTS PITCHES



### 3.1 Landscape and Open Space Hierarchy

Findrassie is a landscape-led masterplan that responds to the natural environment and traditional built form and open spaces of Elgin. There are nine elements to the landscape strategy for Findrassie. They are fundamental to a successful and distinctive development of Findrassie and each phase of development must adhere to these principles.

#### 1. DEFINE AND STRENGTHEN EDGES

- To break away from the “building led” appearance of Elgin’s southern and eastern approaches, Findrassie is to be developed with a softened integration of building and adjoining woodland and countryside;
- To lessen the present impact of the housing developments along the towns current northern edge, deciduous edges will be planted on the southern boundary of Findrassie wood.

#### 2. IMPROVE APPROACHES TO THE TOWN

The Northern approach is to be transformed by boulevard planting along Lossiemouth Road, merging into the distinctive avenue planting in Bishopmill. Similarly, the Duffus road approach is to be replanted in a strengthened deciduous woodland edge.

#### 3. TO CREATE A “GREEN” SPINE

An east-west green corridor along the length of the Sey Burn Valley will replicate one of Elgin’s most important characteristics - the extensive open space which stretches from the Oakwood in the west to Deanshaugh and Lesmurdie Wood in the east, through Old mills and Cooper Park.

#### 4. IMPROVE LINKS TO EXISTING HOUSING AREAS TO THE SOUTH

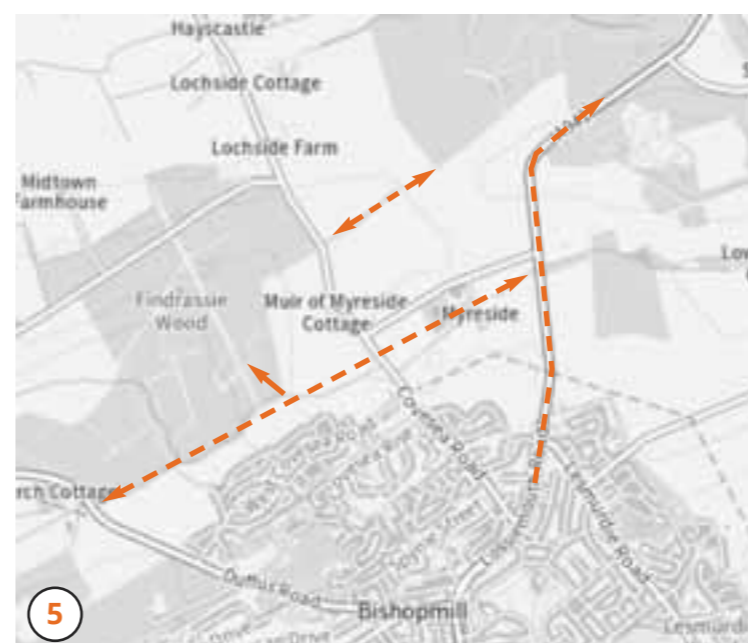
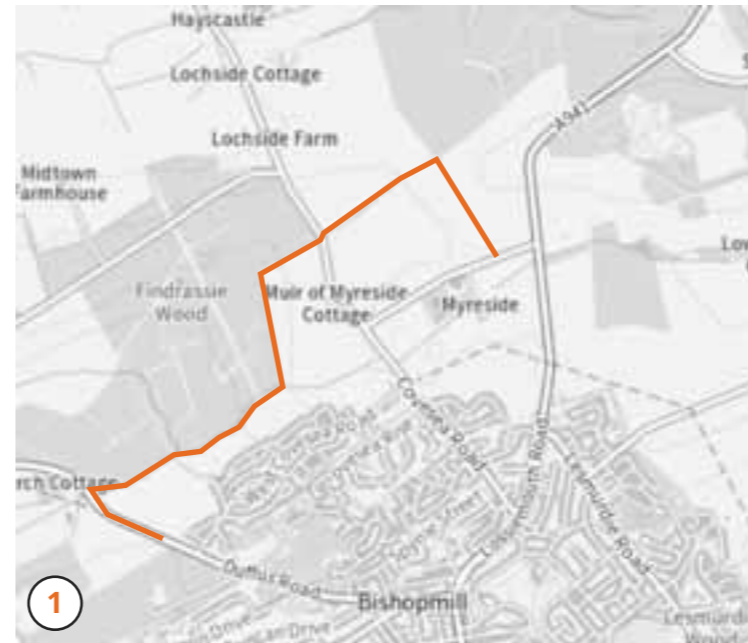
There needs to be more, and better links to ensure, for example safe walking routes to school, and to ensure the cycle tracks and footpaths permeate through existing build up areas all the way from the Findrassie development to the town centre.

#### 5. TO CREATE LINKS INTO THE COUNTRYSIDE

Findrassie woods will become accessible from the development, and tracks and footpaths will link to attractive features like Spynie Loch, Spynie Palace and Quarrel Wood.

#### 6. TO USE EXISTING ROADS FOR CIRCULATION

Field boundary dykes are to be retained and upgraded if necessary.



### 7. REDUCE AND SUBDIVIDE THE OPEN SPACE AREAS

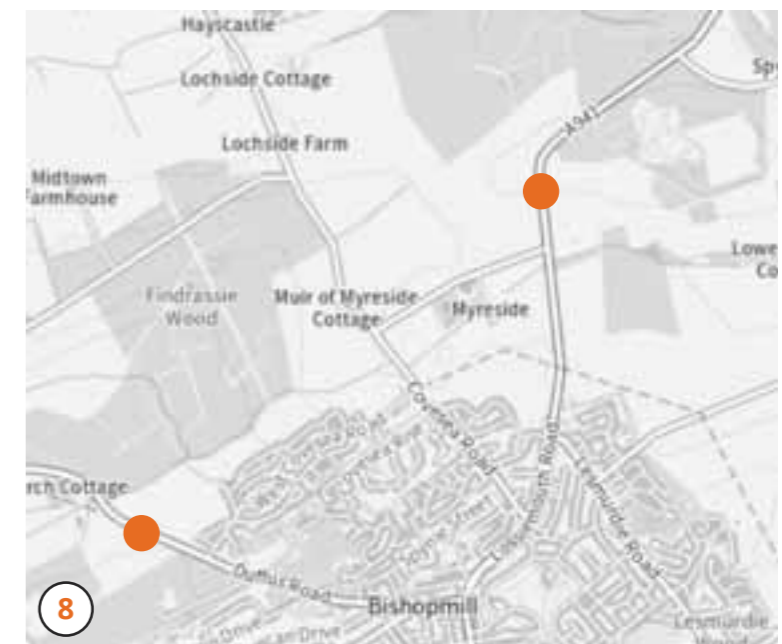
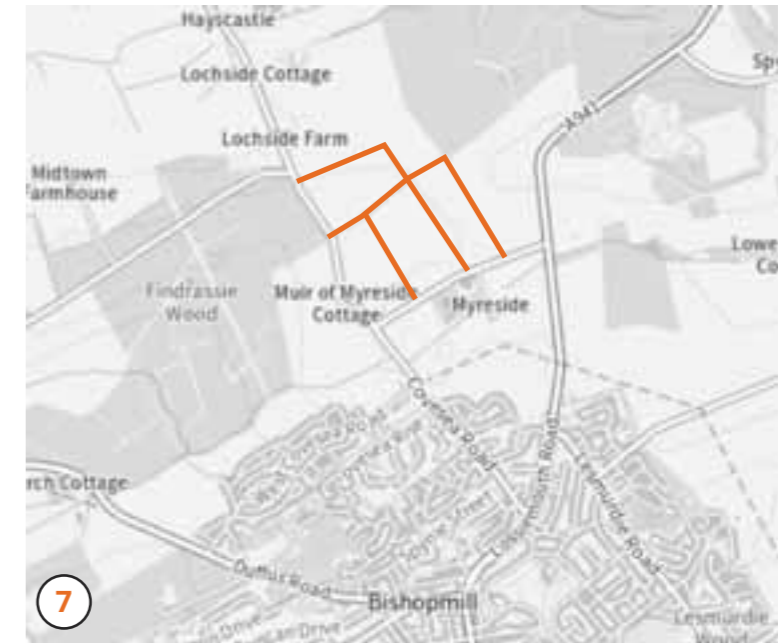
Landscaped green spaces and corridors are to be used to create distinct enclosed areas within the housing development, and to reduce the scale of the open fields as they currently are. These areas are to be functional and usable for recreation, pedestrian/cycling interconnections, and community uses such as for allotments or for public events.

### 8. TO CREATE GATEWAYS

The accesses from Lossiemouth Road and Duffus Road into the Findrassie site are particularly important in “making a statement” about entering a carefully planned and designed development.

### 9. LOCATE COMMUNITY FACILITIES IN SIGNATURE SPACES

The proposed community facilities will be positioned along the length of the green corridor signature space, and not concentrated in one area of interest, so as to draw movement and activity throughout more of the total development.



## Advance Planting

Advance planting in key areas will provide shelter and enclosure early in the development helping to establish an early sense of character and identity. The principle of advance planting is to be applied to new woodland, avenue/boulevard planting, SUDS features/wetlands and also to landforms.



## Allotments

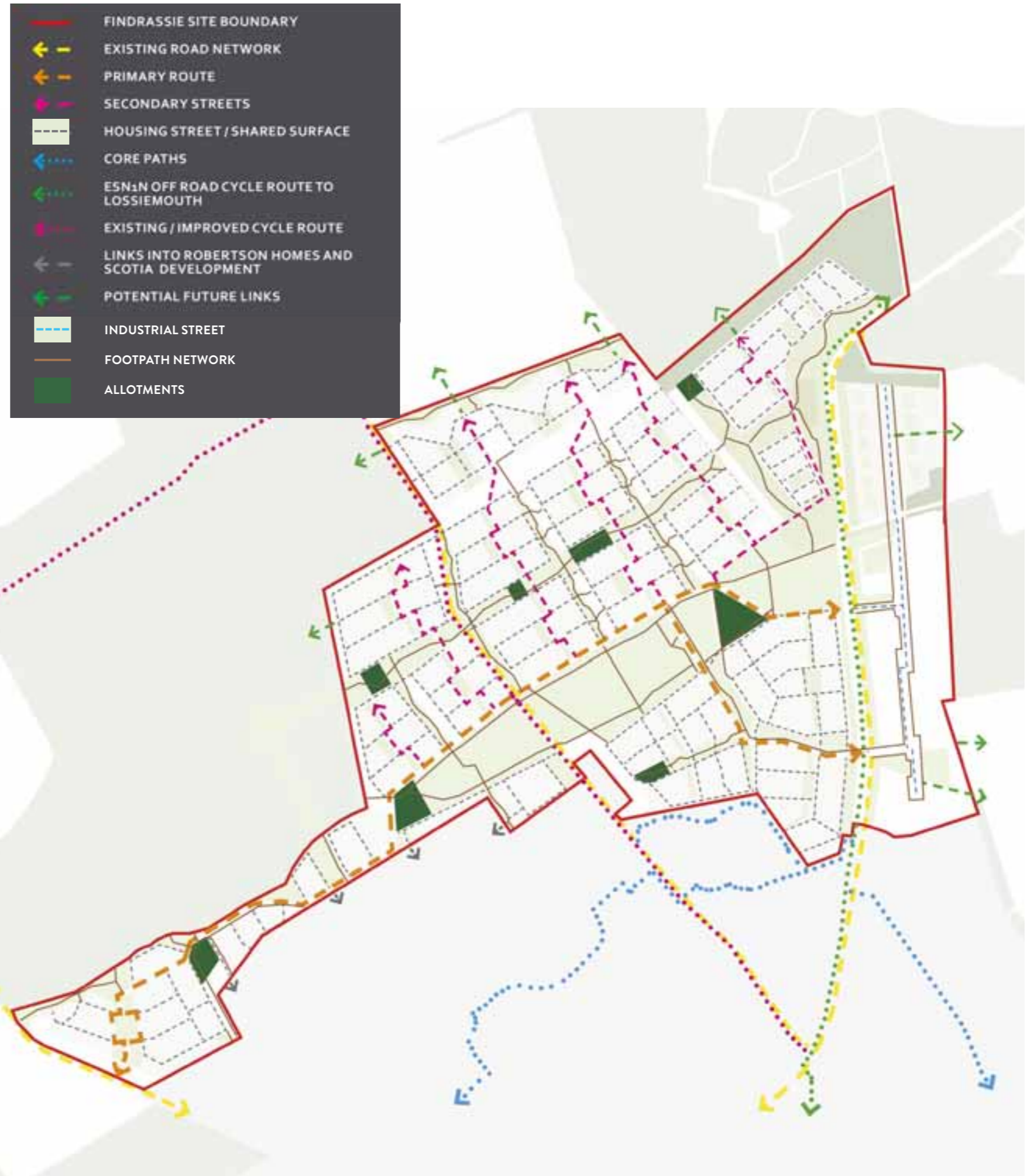
Allotments are to be provided within the new neighbourhood to meet demand and meet local Development Plan policy requirements. A total of 33 full size/66 half size allotments are to be provided across the site.

These are to be located within each of the phases (N, E, D, W and R12) and also within the central open space along the Sey burn. Allotments will require to be fully accessible to people of all ages and abilities. This includes access to and from these facilities taking into consideration gradients and path surfaces.

Central Open Space	6 full size /12 half size	(1,500sqm)
Phase E	7 full size/14 half size	(1,759sqm)
Phase D	4 full size/8 half size	(1,000sqm)
Phase N	9 full size/18 half size	(2,250sqm)
Phase W	4 full size/8 half size	(1,000sqm)
Site R12	3 full size/6 half size	(750sqm)

The locations provided are indicative and will be determined through detailed planning applications. However, these must be integrated into the open space of each phase.

In exceptional circumstances where it is demonstrated, with reference to waiting lists that there is no demand for allotment plots consideration will be given to community and shared growing spaces. Decisions will be taken in consultation with relevant allotment associations.



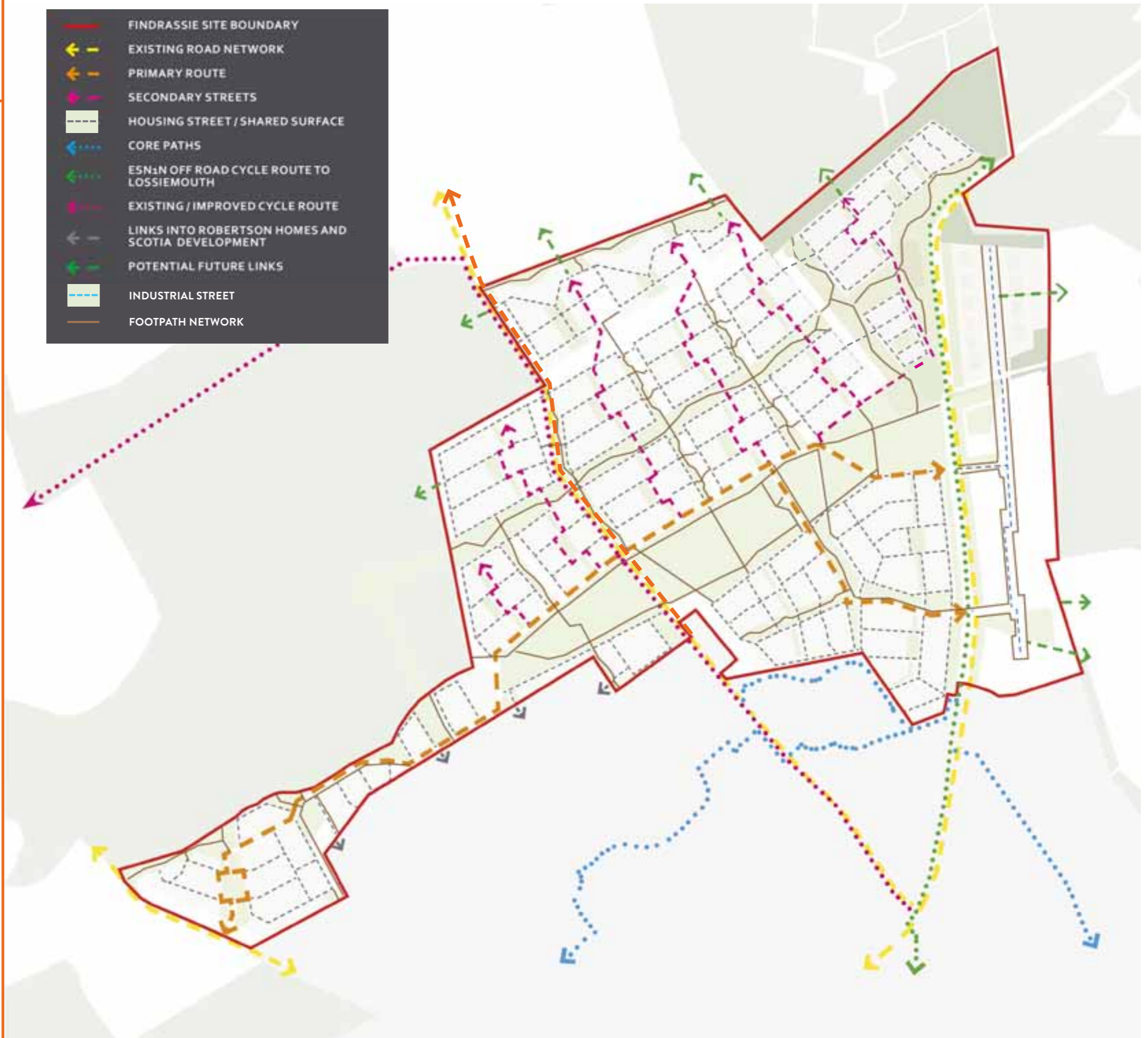
### 3.2. Access and Connectivity

The masterplan framework promotes development that is integrated and connected, and offers a variety of modes of travel.

The development at Findrassie will create a network of green spaces with safe and pleasant footpaths and cycleways which link to the local hub, the proposed school and the open space.

Connections must link to the existing core path network along the northern edge of Bishopmill and the existing Elgin to Lossiemouth cycle path.

Different surface materials are to be used to distinguish the different functions of rural paths, neighbourhood footpaths, and safe routes to school. Street footpaths along the primary and secondary routes must provide separate zones for pedestrians, and therefore have been detached where possible. This is important for pedestrian safety. Elsewhere these can be part of the carriageway such as shared surfaces or housing streets. In these areas the pedestrian is prioritised over the vehicle.



### 3.3. Local Living

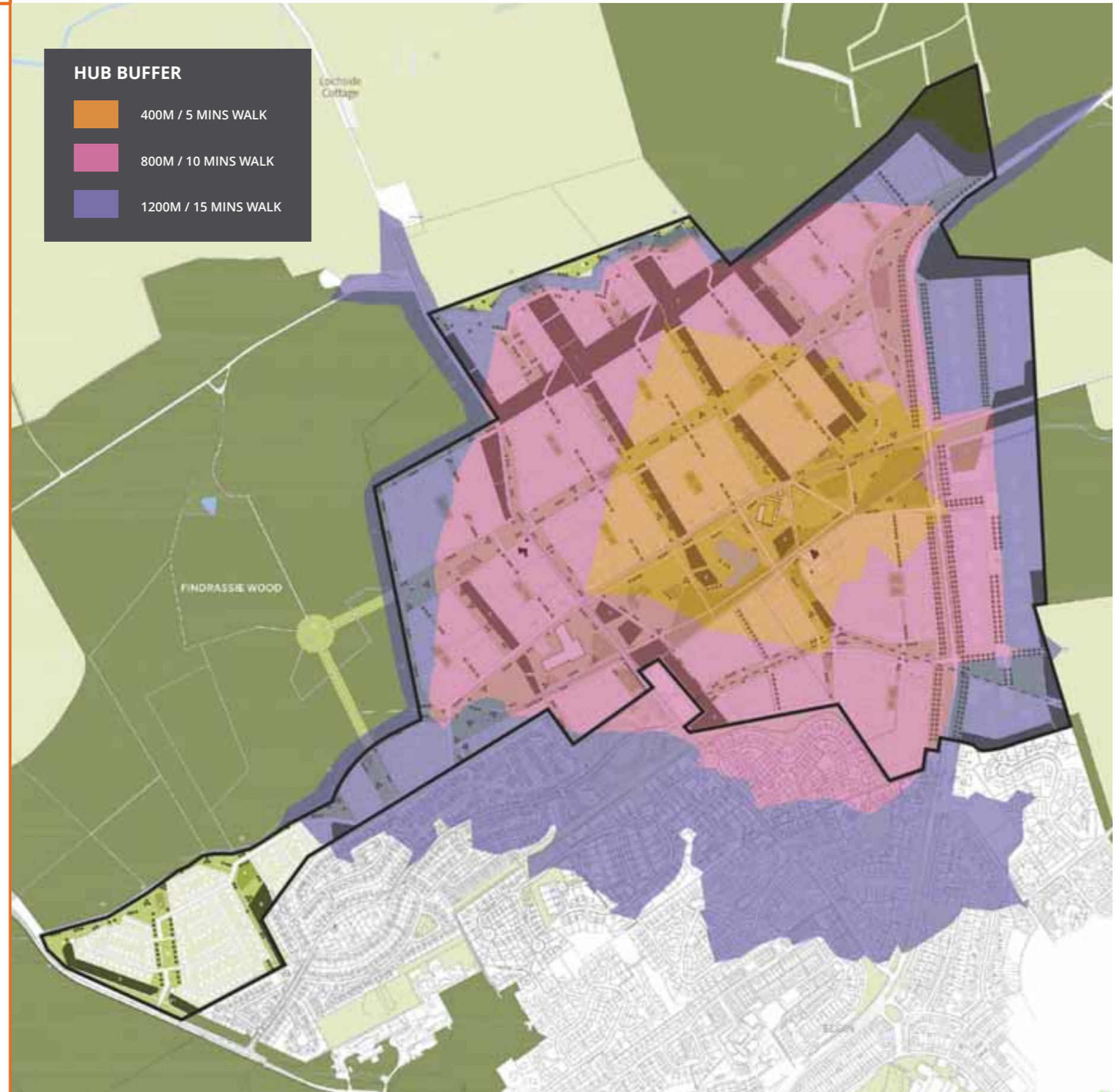
Findrassie has been planned to support the majority of daily needs within reasonable distances from homes. The level of development proposed at Findrassie and resulting population will allow local services and amenities to be provided within the new neighbourhood. Services and amenities provided within the neighbourhood will be served by a network of foot and cycle paths to support sustainable travel. Housing has been planned together with neighbourhood infrastructure including

- Community hub incorporating small business units and workshop space with potential for farm shop and childcare/nursery.
- Proposed Primary school
- Shops (retail) and commercial uses
- Recreational opportunities including play areas, sports pitches and allotments.
- Employment uses located within the I8 and MU2 designation will accommodate larger scale business uses as well as office and warehouses.

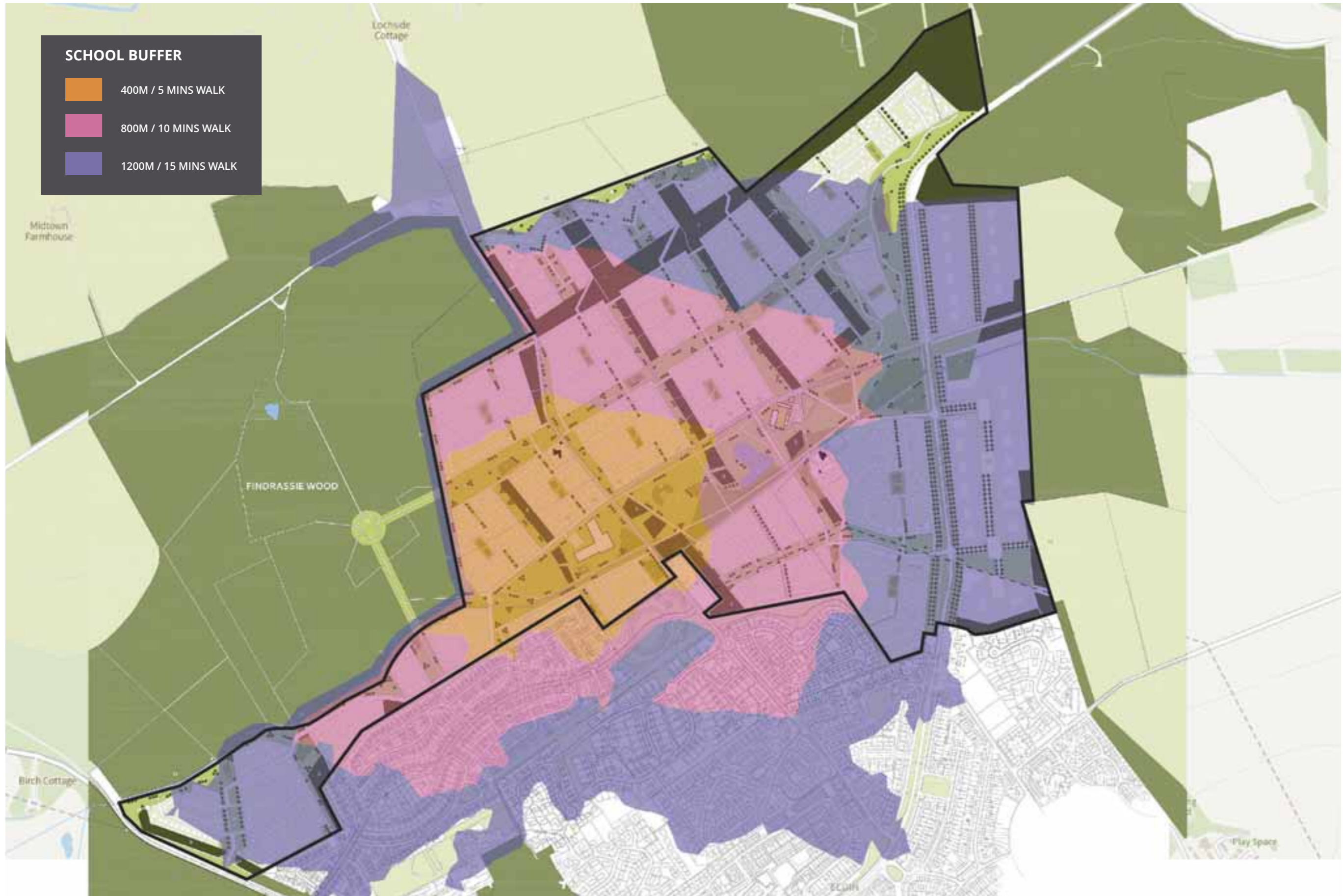
Connections to wider path networks and public transport routes are identified within the masterplan to provide access to existing services and amenities within Elgin to further support local living. Further assessment as part of wider work on implementing national policy relating to Local Living and 20 Minute Neighbourhoods is being developed.

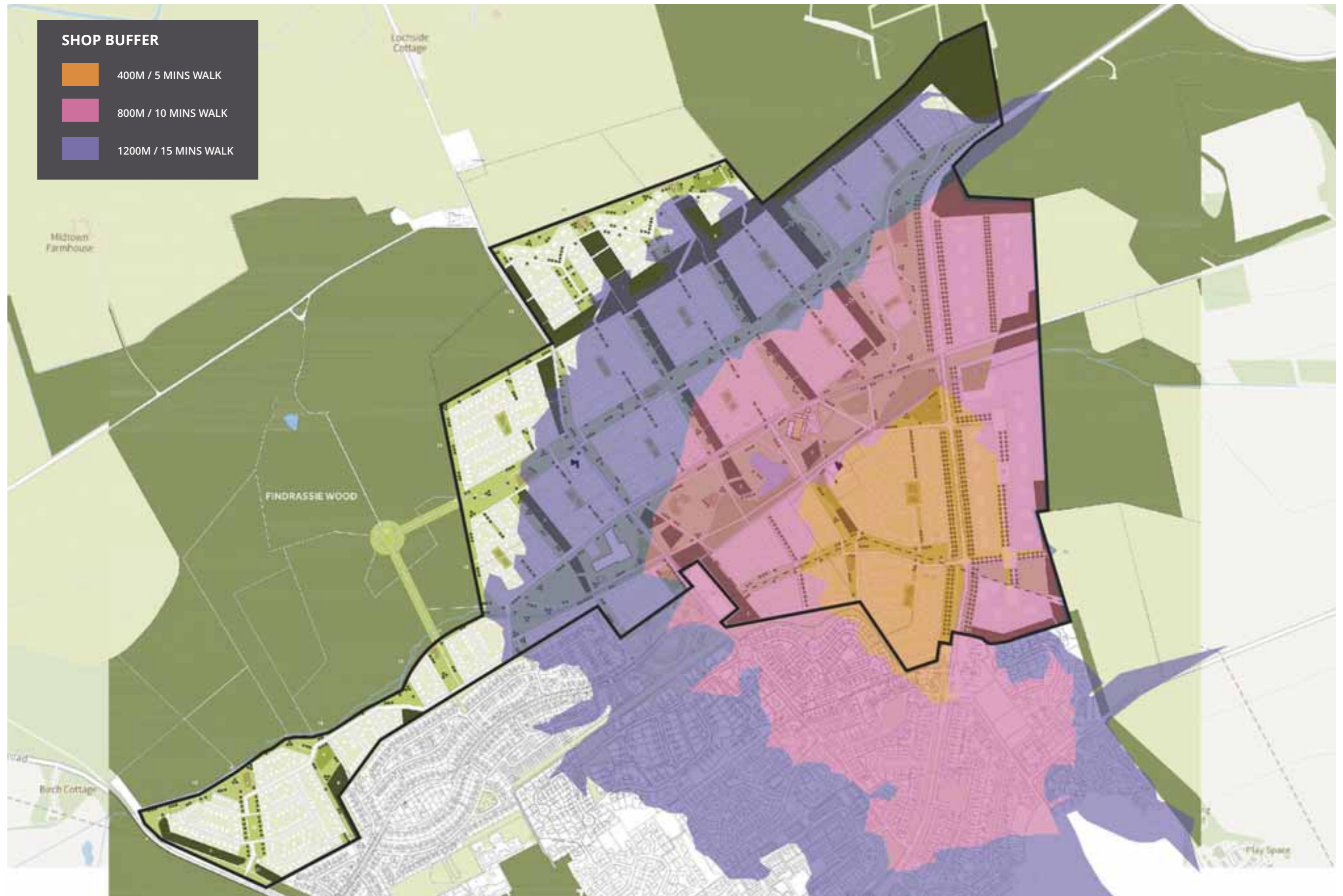
The accessibility of the proposed primary school, community hub and shops (retail) was assessed using GIS service area analysis by applying 400m, 800m, and 1200m buffers to network routing. The network routing is based on the proposed paths and roads shown in the masterplan and existing roads/paths. This provides an indication of the likely 5, 10, and 15 minute walk from these key neighbourhood facilities.

A well connected community will mean people are able to interact with neighbours and friends more often helping to build a greater sense of community. By making it easier for people to access the services they need people are more likely to walk or cycle to these places. This increases exercise supporting health and wellbeing and reduces the need to travel by car leading to lower greenhouse gas emissions.









### 3.4. Housing Mix

Findrassie will provide a wide range of well integrated tenures in a housing mix that includes a range of house types and plot sizes for different household sizes, incomes and generations. This will include private, affordable and accessible housing in line with current policy requirements. There will also be opportunity for self build plots in appropriate areas allowing individuals the chance to design and build their own homes within this sustainable new neighbourhood.

Affordable housing will be fully integrated within the new community and be tenure blind so that there is no obvious difference between private and affordable houses. Each phase, or planning application, will have to comply with the affordable housing contribution set out within policy, with applications assessed in terms of the design standards and parameters laid down in the masterplan and policies of the Local Development Plan. Affordable housing will therefore be dispersed throughout the masterplan area and not concentrated within one area. It is expected that a large proportion of the affordable housing will be for social rent, but there will be provision for other tenures such as mid-market rent.

Self-build opportunities are to be provided as serviced plots and allow potential purchasers the opportunity to design and build their own home within design parameters to be set out within design codes for self-build zones.

On the mixed use site (MU2), to the north of the employment site I8, up to 2ha of the site could potentially be developed for live work units/ workshops. These have the potential to be self build to provide opportunity to design to meet individual business and housing needs. The extent of area available will be dependent on if land within I8 is required to meet the need for sport pitches. Any reduction in available space for business within I8 will be deducted from the 2ha available for live work units on MU2. Where live work units are proposed these have potential for modern innovative designs to be incorporated which reflect the gateway location of the site. Conditions will apply to secure a continuing ratio of work and living space and ensure a strong employment aspect to the areas and prevent units becoming solely residential in the future. Parking requirements will reflect the ratio of work to living space.



## Density

Buildings around open spaces shall be a mixture of terraces, semi-detached and detached houses to create the massing necessary to reflect the importance of these areas within Findrassie. Terraces will allow the accommodation of commercial space on the ground floor around the central spine.

The housing within the pockets created by the proposed landscape framework will vary in density between 15 and 35 units per hectare. This provides flexibility and will create a new neighbourhood with a range of accommodation and house types. Larger houses within more generous plot sizes will be more appropriate along the northern boundary at the new urban edge of Elgin. These houses will benefit from the view north towards Lossiemouth and the Moray Firth. Similarly lower density and larger units will be more appropriate along the Duffus Road corridor with close links to the adjacent housing at Hamilton Drive in the west.

Buildings around the central open space shall be a mixture of terraces, town houses, semi-detached and detached houses to create a higher density and massing necessary to reflect the importance of these areas within Findrassie. Terraces will allow the accommodation of commercial space on the ground floor around the central spine.



### 3.5. Mixed Use

The provision of local amenities within the new neighbourhood will encourage activity, reduce the need to travel, create a sense of place and provide opportunities for social interaction. Local amenities will be served by public transport routes and a network of foot and cycle paths to promote sustainable travel.

- Community hub incorporating small business units and workshop space with potential for farm shop and childcare/nursery.
- Proposed Primary school
- Shops (retail) and commercial uses
- Employment uses located within the I8 designation will accommodate larger scale business uses as well as office and warehouses.
- A mixed use site (MU2) suitable for business use with 2ha available for live work units.

Buildings identified for commercial use must have increased floor to ceiling heights to be sufficiently flexible to accommodate retail and other uses. These will be designed to include sufficient space to accommodate plant equipment as required.

Grass sports pitches with changing facilities are to be located within the I8 designation. Further investigation is required to determine the location of these. The intention is that only one of the potential sites will be required and that pitches and changing facilities will be grouped together at one location. The loss of any business/industrial land will require to be compensated for within the MU2 designation through a reduction in land available within MU2 for live - work units.

A primary school is proposed at the western end of the central open space as this maximises accessibility and will create a focal point for the neighbourhood. Findrassie Primary School is a planned 450 pupil school with Additional Support Needs (ASN) provision and nursery. This proposal is under review and the scope will be determined based on analysis of school roll forecasting and housing build out rates.

The Moray Retail Study 2021 included a recommendations on the level of retail and commercial floorspace within masterplan areas including Findrassie. This included the following:

- Total convenience floorspace 350-500sqm GFA which could be made up of a convenience format store plus a small number of additional smaller units.
- Total retail and commercial floor space of 1,200-1,500 sqm. In addition to the convenience space outlined above the remaining space should be flexible permitting either Class1, Class 2, Class 3, and sui generis uses that can respond to market demand.
- In addition to the total retail and commercial floorspace consideration should be given to other uses such as public house/bar and community uses that support a community focus.
- For phasing of retail space:
  - ◆ Initial commercial space (ca 300-400 sq m GFA) could be provided by the completion of the 450th dwelling.
  - ◆ The convenience-format store should be provided by the completion of the 900th dwelling.

Phase E2 within the Lossiemouth Road Character Zone includes consent for 450sqm of retail and commercial space to include on unit a minimum of 200sqm GFA for Class 1 (Shops, food) and Class 3 (Food and Drink) and a minimum of three flexible ground floor retail/commercial units (a minimum of 250sqm GSA in total) for Class 1 (Shops), Class 2 (Financial and Professional and other services) and Class 3 (Food and Drink) and Class 10 (Non-residential Institutions).



### 3.6. Focal Points and Gateways

Important community buildings such as the local hub and proposed school are predominantly located within the central open green space. The green spine forms the backbone of the new neighbourhood and is located so that it is easily accessible from all of the housing pockets.

Gateways provide the first impression of a place and need to be attractive to create a positive perception. Gateways should help people identify the neighbourhood and the town, and help people find their way around. Features such as planting, public art, boundary treatments and buildings can help create gateways that add to character, identity and legibility.

Lossiemouth Road is an important gateway as it is key route into Elgin from Lossiemouth and key tourist route to the coast. This gateway will take the form of a boulevard with avenue planting along both sides and buildings fronting onto the road. The management of traffic through signalisation will form part of the gateway

Duffus Road is rural in character and presents a layered approach into Elgin - woodland, stone dyke walls, hedges and fencing transitions into recent development set back from the road, into mature trees and stone walls and slowly into a variety of houses fronting onto the street with walls and trees defining public and private space. This layered approach must be reinforced. The new gateway will be formed by re-planting native trees set back from the roadside behind a mown verge, wildgrass/planting, footpath and stone dyke. The level of planting must screen rear gardens. Gatehouses located at the entrance from Duffus Road into the new neighbourhood at Findrassie will be linked and built into the estate wall and railings to replicate a more traditional estate style entrance. The gatehouses must be used as dwellings and will provide opportunities for unique and innovative designs.

Covesea Road forms the main central north-south route through Findrassie. The approach from the north will retain the current rural character through mature woodland and the re-use of stone dyke walls along the road edge which will screen development in the Findrassie wood edge character zone. The transition from the countryside to the built up area takes place as mature planting and stone dyke walls will give way to an increasing amount of housing visible as the central open space is reached. From the south the gateway at Covesea Road will require screening of the substation by an appropriate boundary treatment.

The opportunity for focal points in the form of public art exists throughout the development. Provision of public art within each phase is a requirement. The locations shown are indicative and will be the subject of detailed design in each phase.



## Sustainability and Community Wealth Building

National Planning Framework 4 (NPF4) includes overarching spatial principles to ensure the transition to net zero and support local living. NPF4 Policy 1 on Tackling the Climate and Nature Crises states that significant weight will be given to the global climate and nature crises. The masterplan provides a framework and opportunity to incorporate a range of measures that will help reduce carbon emissions, reduce the impact on the environment and support biodiversity.

### Sustainable Travel

The Masterplan promotes sustainable modes of transport by setting out the requirements for walking and cycling routes throughout the development and requirement for links to the wider path network. Public transport routes will also be provided through the heart of the new neighbourhood along the primary route. The new neighbourhood will be well connected to the existing surrounding cycle and footpath network. Findrassie will have a network of greenspaces with safe and pleasant foot and cycle paths which will provide sustainable routes and reduce the need to drive to schools, central open space, local community hub and employment zone. This will encourage people to walk and cycle creating a truly walkable neighbourhood.

### Sustainable Development

All development will be designed to minimise carbon emissions and be as energy efficient as possible. Priority will be given to designing buildings with reduced energy demand and incorporating energy efficiency measures. This will require good design including efficient layout that considers orientation, micro-climate and exposure and taking a fabric first approach including ensuring high levels of insulation, air tightness and use of sustainable materials.

The use of renewable energy and low carbon technologies will also be considered to limit carbon emissions. Solar arrays will be encouraged on commercial roofs with panels on housing. The employment zone could incorporate an element of energy production such as biomass or CHP. This would be subject to relevant supporting technical studies, evaluations and consents. This could produce energy for the new neighbourhood and infrastructure supplied through the central green space to the primary school and the local hub. This would also allow the potential for future affordable housing sites to connect into the network. Such features must contribute to biodiversity and sense of place.



### SUDS and Flooding

The proposed SUDS strategy utilises existing features of the site and surroundings such as the Sey Burn and the Spynie Canal. Development avoids areas at risk of flooding. Flood risk will be mitigated and contained within the areas of open space along the Sey Burn corridor. A range of attenuation and treatments can be provided at the detailed planning application stage such as permeable paving, rain gardens and wetlands and swales.

### Green Infrastructure and Biodiversity

The masterplan creates opportunities to provide green corridors that aid habitat creation and enhance biodiversity. These corridors are linked across the masterplan area supporting the movement of wildlife and linking habitats. The masterplan respects the existing features of the site such as the wood, the pond and existing hedgerows whilst proposing new features within the landscape and improved connections. The new trees to be planted within the site will be native species and appropriate for this type of development and location. There are also opportunities for food creation such as allotments and community orchards. Blue-green infrastructure will be incorporated into the multi-functional open space in the form of swales, sustainable urban drainage systems and other water features. These will be designed to enhance biodiversity and provide opportunities for habitat creation.

### Community Wealth Building

Development at Findrassie will contribute to Moray's Community Wealth Building strategies. Use of local supply chains, local job creation including apprenticeships and supporting community led proposals could be key ways Findrassie contributes.

## Phasing

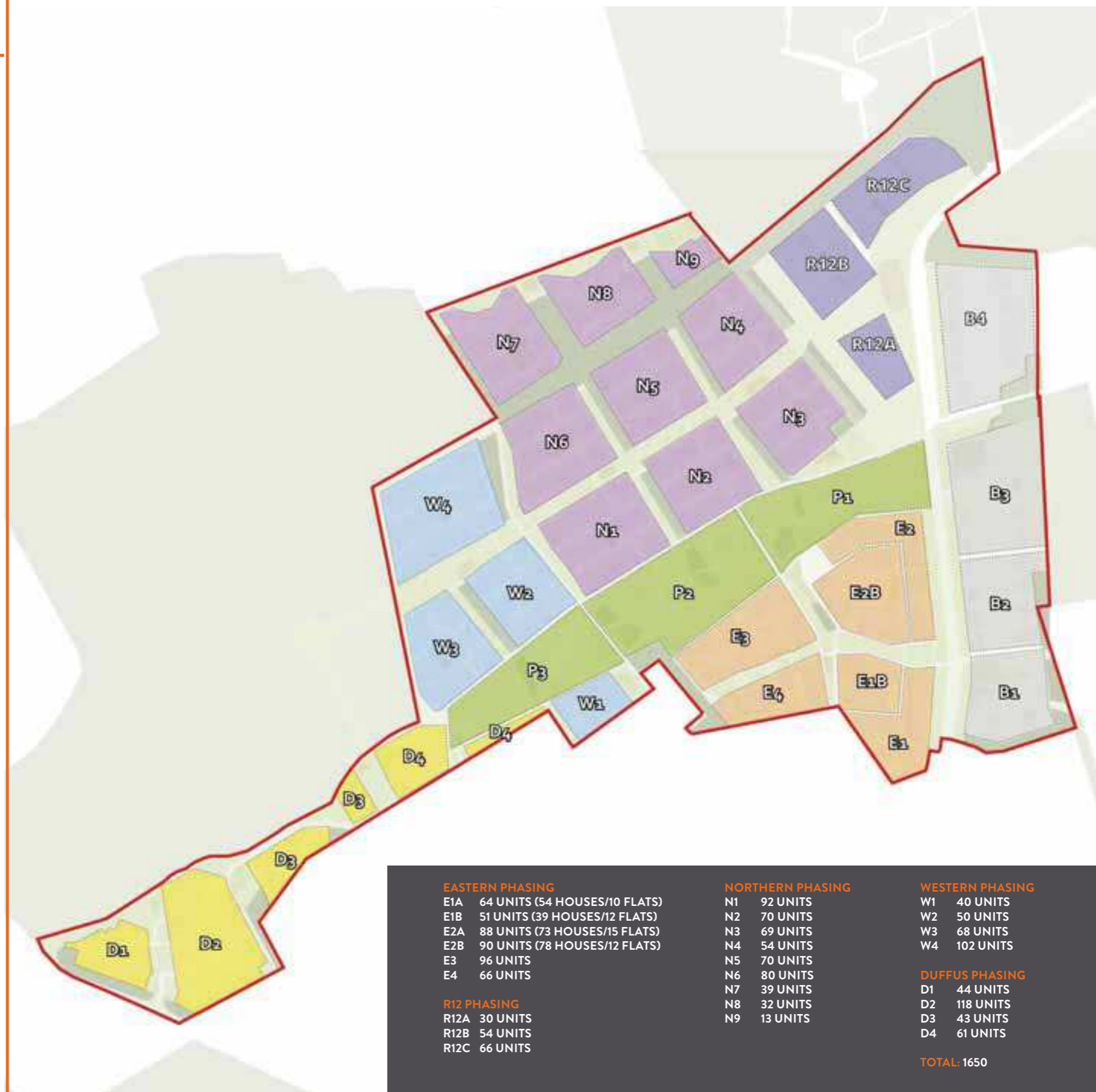
It is estimated that development at Findrassie could achieve between 50-90 completions per annum based on current figures and projections. The proposed phasing of Findrassie is to come forward in incremental stages that will be dictated by the pace of local market conditions. The phasing below sets out the desired direction of growth but should be viewed as a guide that will ultimately be determined by market conditions.

Development is now well advanced on the Lossiemouth Road Character Area (phases E1 and E2) with detailed consent granted for a total of 269 houses that are being delivered by Barratt Homes and David Wilson Homes. It is anticipated that development will then progress to the remaining E parcels (E3 and E4) to complete this first phase of development.

Phase 2 of development will comprise of the D parcels (D1 to D4). It is anticipated that the first completions from this phase will be in 2026.

Phase 3 would comprise the W2, W3 and W4 parcels. Phase 4 the N1 and N6 parcels and phase 5 N2. The remaining N parcels would comprise phase 6. The R12 site will for the final phase of development.

The employment zone is currently being marketed for development and its development will depend on market demand.





# FINDRASSIE

MASTERPLAN / A NEW NEIGHBOURHOOD FOR ELGIN



DESIGN CODE

# RECREATIONAL FRINGE



# VISION FOR FINDRASSIE

# CONTENTS

## Design Code Guide

The Design code sets out the rules and principles to which the design of Findrassie must adhere to. It is a mechanism to control future applications and ensure that the vision established within the framework is realised and delivered. The design code comprises illustrated design rules and requirements, which instruct and advise on the physical development of a site or area. This will serve to provide the benchmark for the new neighbourhood as it progresses over time.

Assessment of the design and place quality of all planning applications will be through a Quality Audit process. This process will include review of proposals against the Masterplan and Design code.

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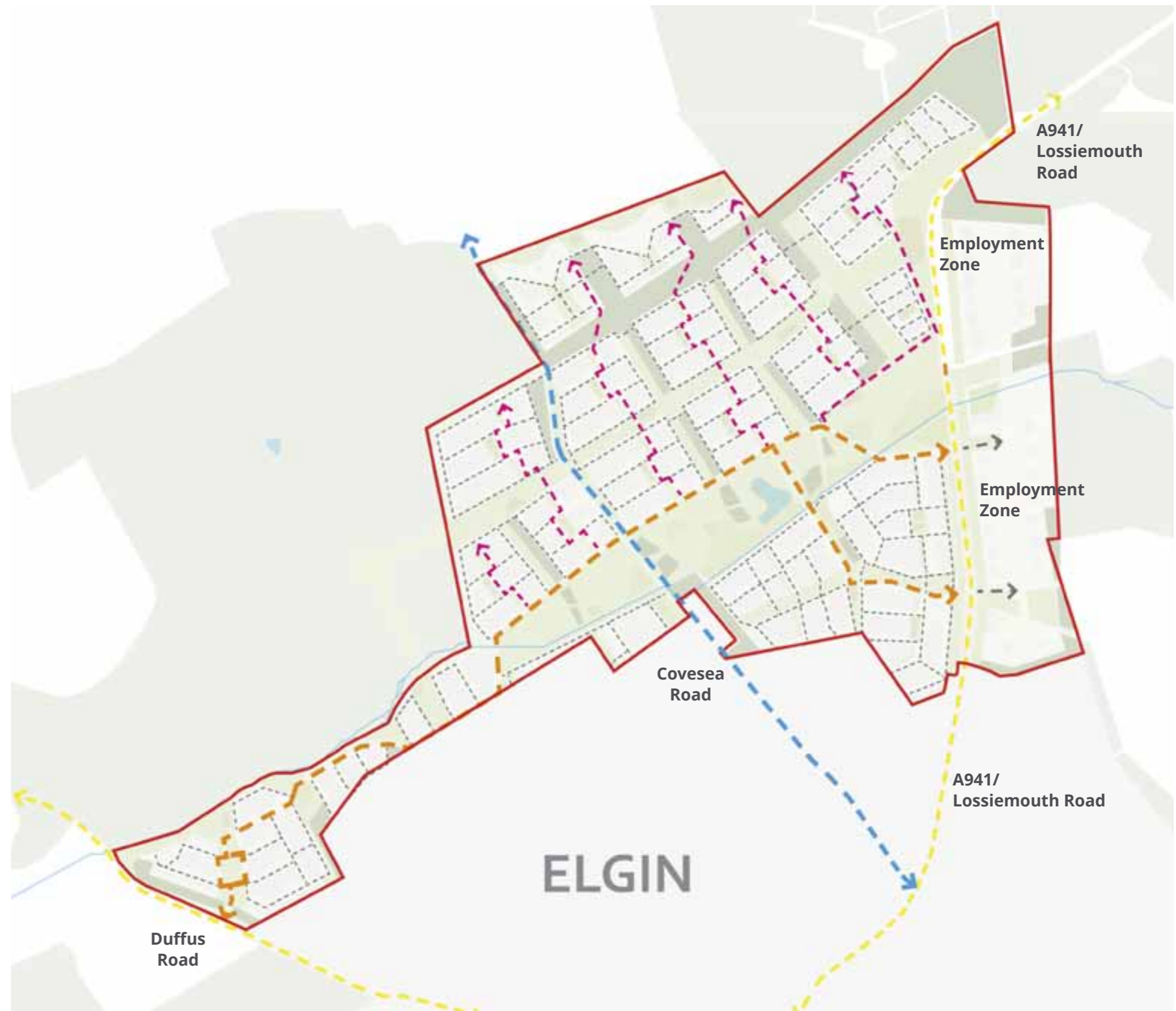


# 1.0: DESIGN CODE

## Street Structure/ Hierarchy

The primary route will run from the A941 / Lossiemouth Road to the B9012 Duffus Road connecting into Covesea Road. At the Lossiemouth Road edge there will be at least two points of connection, one facilitating access to the employment area. The north / south secondary routes maximise connectivity through the new neighbourhood and provide access to the residential blocks. Elsewhere the streets are to be residential streets and lanes in order to reduce vehicle speeds and maximise pedestrian and cycle activity.

- Findrassie Site Boundary
- - - Existing road network
- - - Covesea road
- - - Primary Route
- - - North / South Secondary Routes
- - - Shared Surface / Housing Street



## Legibility

A grid iron street pattern based on historic and local precedent has been developed. The block sizes and building locations have been developed at an appropriate scale and have focal points, landmarks and characteristics which help distinguish different parts of the new neighbourhood. The buildings are arranged as perimeter blocks which address the street and have a clear definition between public and private realm. The size of the residential blocks has been developed in accordance with those of successful residential developments within Bishopmill, Elgin and Lossiemouth. The small block sizes offer a choice of routes and are more permeable.



Elgin grid iron block layout



Bishopmill small block sizes



Lossiemouth small block sizes + grid iron pattern



- Vehicular connection/permeability
- ..... Route through neighbourhood block
- Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corners

## Parking Strategy

On all streets a minimum of 50% of car parking must be provided to the side or rear and behind the building line with a maximum of 50% of car parking within the front curtilage or on street, subject to the visual impact being mitigated by hedging, low stone boundary wall or other treatments that enhance the streetscape. Detached garages are the most effective way of achieving this.

Parking for flats or commercial units is indicated as a maximum row of 4 spaces, broken up by areas of planting. Any associated visitor parking is located close to flats. All flats/apartments, retail, community, education, health and employment centres will provide covered and secure facilities for cycle parking.

## Key Frontages

Key frontages have been identified in important locations and elevations. Buildings have been orientated to overlook key spaces such as primary routes, open space and play areas, providing active frontage and natural surveillance. They will also act as landmarks to aid navigation and provide identity.

When a building is on a corner it must provide an active frontage to both streets. This will serve to increase interest, enhance legibility and improve visual surveillance and the overall feeling of safety and security. Corner buildings must be designed to 'turn a corner' (i.e. L-shaped footprints, windows built onto gable elevations) to address both streets and provide natural surveillance.



## Maximum Building Heights

Findrassie Wood provides the backdrop for the new neighbourhood and will be much higher than the proposed houses. With the wood visible from much of the site this helps establish a sense of character and identity from the outset. The topography of the site falls away from the wood increasing the impact of this imposing feature.

2.5 storey buildings can be accommodated in the lower lying parts of the site on the Sey Burn Corridor. There may be scope for increased height at corners such as the entrance into the development at Lossiemouth Road, around the hub, primary school and central open space.

Increased height on areas of higher ground will be avoided with lower heights of maximum 1.5 storey adjacent to the ridge in the northern part of the site.

Elsewhere the new neighbourhood will comprise of predominantly 2 storey buildings.



## Public Art

Public art can contribute towards creating a sense of character and identity in a place. Public art will be provided as standalone features or built into the fabric of development. Public art will be used to create gateways and landmarks. Opportunities to build public art into the fabric of development in unique and innovative ways are encouraged. Opportunities to incorporate art into functional pieces such as cycle parking and play equipment can be explored but must have clear artistic merit and not “off the peg” proposals. Using local artists to develop public art is strongly encouraged and could contribute to community wealth. Historic links such as Thomas Telford/Spynie Canal, Spynie Palace, Pitgaveny, and the more recent farming heritage should be reflected in public art. This would provide a sense of history to the new neighbourhood helping to create a sense of place and identity from the outset.

Each phase of development will be required to provide public art. The locations shown are indicative and the location will be subject to detailed design.





# Common Elements

## Landscape

The landscape design guidelines aim to achieve a high quality setting for Findrassie through consistent standards and management.

The objectives of the landscape design guidelines are:

- to achieve a robust and healthy landscape;
- to have regard to growing conditions on site to obtain optimum growth performance;
- to create a hierarchy of external spaces which give an ordered appearance;
- to ensure that landscape spaces are protected and managed.

Variations in building forms will be the main means of achieving visual diversity across the site.

### MINIMUM PLANTING STANDARDS:

Woodland structure planting will consist of a core mix and an edge mix, planted as a matrix including pioneer and climax species and will be established using transplanted nursery stock. Woodland areas should not be less than 15m in width.

Semi mature trees will be used for avenue planting and within parks and residential streets.

Ornamental planting will be limited in extent and chiefly confined to private garden areas where the use of small scale ornamental species is appropriate.

Hedge planting is encouraged as an effective means of defining spaces and providing shelter. Mixed hedges will be used at the edge of woodland belts. Beech hedges are preferred in residential areas and parks.

Marginal planting is limited to SUDS basins, swales and rain gardens which will be planted and seeded with native marginal species.

### LANDSCAPE MAINTENANCE

Developers will prepare a Landscape Management Plan which specifies the operations to be carried out each year for a five year period following completion of the planting works to ensure that the intended planting performance is achieved.



## Streets

The proposed streets at Findrassie are one of the common elements which will create a cohesive and well integrated new neighbourhood. Whilst the geometry of the streets can vary there will be a number of elements which are consistent across the masterplan area. The varied geometry of the streets will help to slow vehicle speeds. This will be further reduced by the introduction of street trees, positive boundary treatments and a varied building line. With the majority of the parking located to the side and rear of the properties there will be more flexibility to create a varied building line with properties located closer to the carriageway.

Materials such as slabs and pavements will help to define the pedestrian focused streets and lanes. Higher quality materials such as stone setts or cobbles are more appropriate within public areas such as the local hub and around the primary school. It is important that a consistent palette of materials is adopted across the entirety of the masterplan area.

Parking is an important part of any new housing development but its impact on the streetscape must be minimised. The impact of car parking must be mitigated with careful planting and landscape strategies.



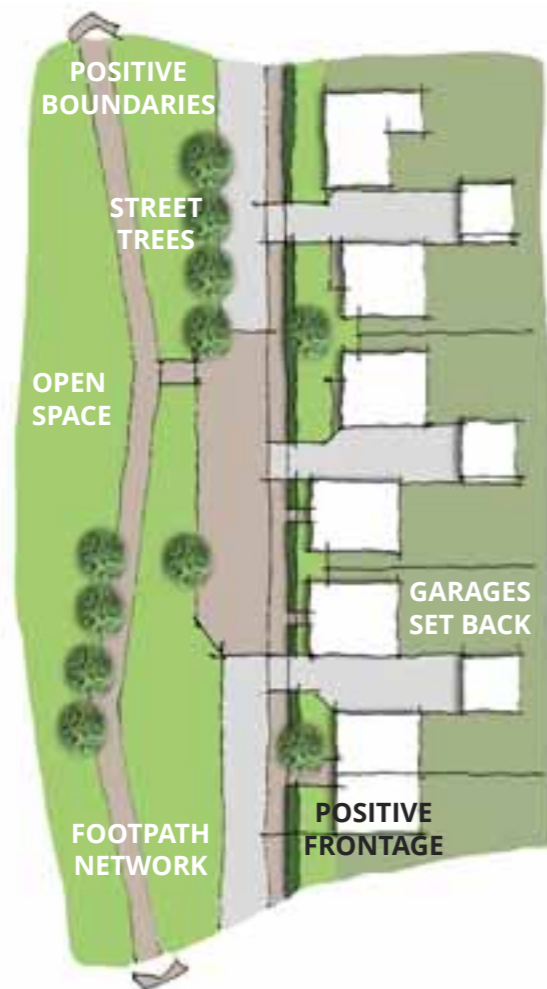
- - - Primary Routes
- - - Secondary Routes
- - - Housing Streets
- Buildings at Key Locations/Vistas
- Key Corners

**PRIMARY STREET:**

The primary route will run through the new neighbourhood and link Lossiemouth Road in the East with Duffus Road in the west. This will also be the route for the proposed integration of public transport. Materials will therefore need to be considered in relation to higher levels of traffic and buses.

**Typical Carriageway Width:** 6m

**Footway:** Pedestrian/cycle provision based on masterplan layout connectivity principles subject to minimum widths; Footway/Footpaths minimum width 2m, Cyclepath minimum width 3m.



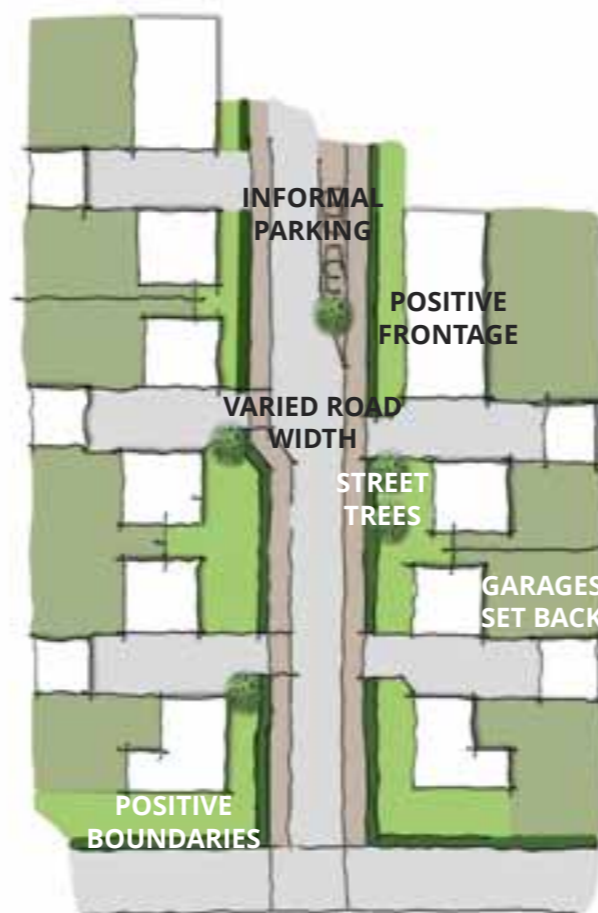
**SECONDARY STREET:**

The secondary streets run through the new neighbourhood on a north to south axis linking the residential neighbourhoods in the northern part of the masterplan with the central open space and the local hub. These streets can have a more varied road width which will help to reduce vehicle speeds. They have also been located within the residential blocks away from strategic green links to further prioritise pedestrian and cycle travel through the green network.

This should also slow vehicles adjacent to houses.

**Typical Carriageway Width:** 5.5m

**Footway:** 2m footway on both sides of street except where development is on one or neither side, in which case footpaths will be provided on a single side.



**HOUSING STREET:**

The streets and lanes through the residential blocks will be less rigid with varied carriageway widths and building lines. This will prioritise pedestrian and cycle movement and make these streets a more attractive area to meet, congregate and play. Elements such as street trees, courtyards, varied surfaces and informal parking will reduce vehicle speeds and increase safety.

**Speed:** <20mph/design used to manage traffic speeds.

**Carriageway Width:** 3.7m

**Minimum Footpaths:** Shared surfaces.



## Boundary Treatments

Another common element is the treatment of boundaries within the new neighbourhood. Positive boundary treatments must be incorporated in all areas of the new masterplan. This is particularly important along important frontages such as the primary route and central open space but also along secondary streets and within housing streets. Positive boundary treatments will serve to define boundaries between the private and public realm and also help to mitigate the impact of cars on the street environment.

A mix of hedges, railings and walls will be located at the back of footpaths or shared surfaces helping to enclose and screen cars/drives. With the inclusion of street trees, the provision of positive boundaries adjacent to shared surfaces will also help to reduce forward visibility for motorists and therefore reduce vehicles speeds.

Rear and side boundaries onto the public realm should be avoided wherever possible. Where this cannot be designed out these boundaries must be formed in appropriate materials such as block and render or stone / cast stone and to an appropriate height to provide privacy.

Divisions between private front gardens should be as far as possible post and wire fences with supplementary shrub planting. Timber fences within the public realm are not an acceptable solution.



# CHARACTER ZONES

The masterplan has been divided into 9 character zones as follows:

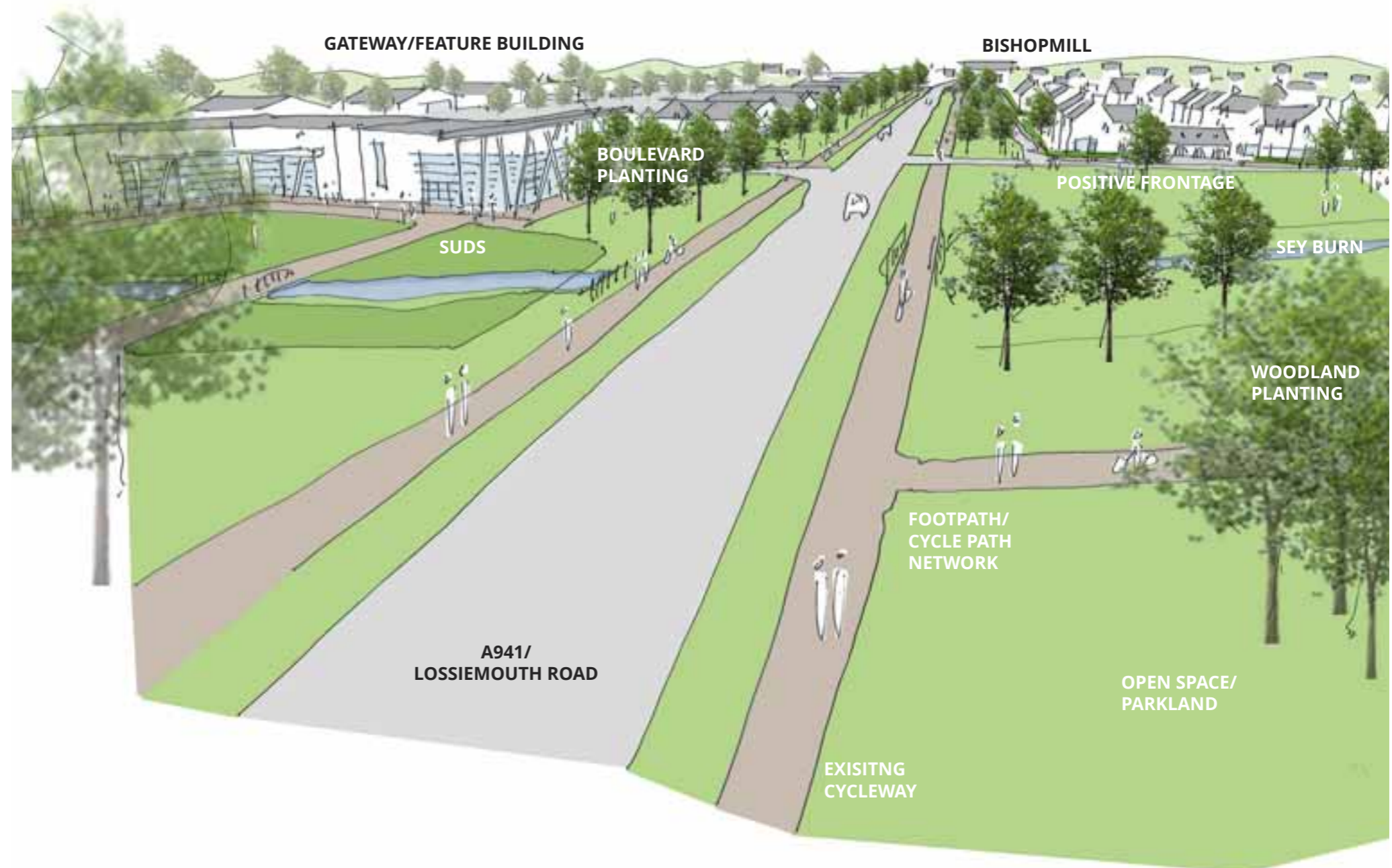
- Lossiemouth Road
- Duffus Road
- Hub and Central Open Space
- Findrassie Wood Edge
- North/South Connections
- Northern Edge
- R12
- Employment Zone



# LOSSIEMOUTH ROAD CHARACTER ZONE

## FUNDAMENTALS

- Provide a positive new gateway to Elgin from the north and at the entrance to the Findrassie neighbourhood.
- Avenue planting along Lossiemouth Road will help integrate the new neighbourhood into the existing settlement of Elgin and reflect trees along existing northern edge. This must give the impression of a tree lined entrance to the town.
- Maximise views into the development across the proposed open space from the approach to Elgin from the north.
- Create green link which links the employment zone with the hub located in the heart of the new neighbourhood
- The zone will be divided by an open space corridor accommodating the pylons and overhead lines and along which a primary access is to be routed.
- Maximise connections to the existing cycleway and south to Bishopmill.
- Strong building line and continuous frontage to Lossiemouth Road.
- Boundaries to reflect existing properties along Lossiemouth Road including low level hedges, railings and walls.
- Features including chimneys and window surrounds must be used to reflect the history of housing along Lossiemouth Road.
- Retail opportunities to be provided in buildings with direct frontage to the road with flexible ground floor uses.
- Special buildings and raised buildings heights up to 3 storey at key locations and corners.



EXISTING CYCLEWAY RETAINED/PROTECTED



EXISTING FRONTAGE



EXISTING APPROACH TO ELGIN

**THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR LOSSIEMOUTH ROAD**

**GATEWAY**

The frontage to Lossiemouth Road is to be bounded by two rows of trees merging from the open parkland landscape to the immediate north into boulevard planting all the way into Bishopmill and containing (and improving) the existing cycleway.

**MATERIALS**

The materials within the Lossiemouth Road character zone reflect the existing housing along Lossiemouth Road/the A941. Whilst a mix of materials has developed over time some of the materials such as off white render and slate are more consistent. Appropriate materials for this area within the masterplan will be:

- White wet dash / textured render
- Off white wet dash / textured render
- Natural stone, reconstituted stone or cast stone
- Slate or slate effect

**BOUNDARY TREATMENTS**

Existing housing along Lossiemouth Road adopts a mix of walls, railings and hedges to define private gardens from the public realm. A similar positive approach will be appropriate in this area.

At the southern and south western boundary, the ground rises, and the site abuts the existing housing and boundary planting there; the southern edge will need edge-of-development planting, and must provide links into the existing cycle track and footpaths.

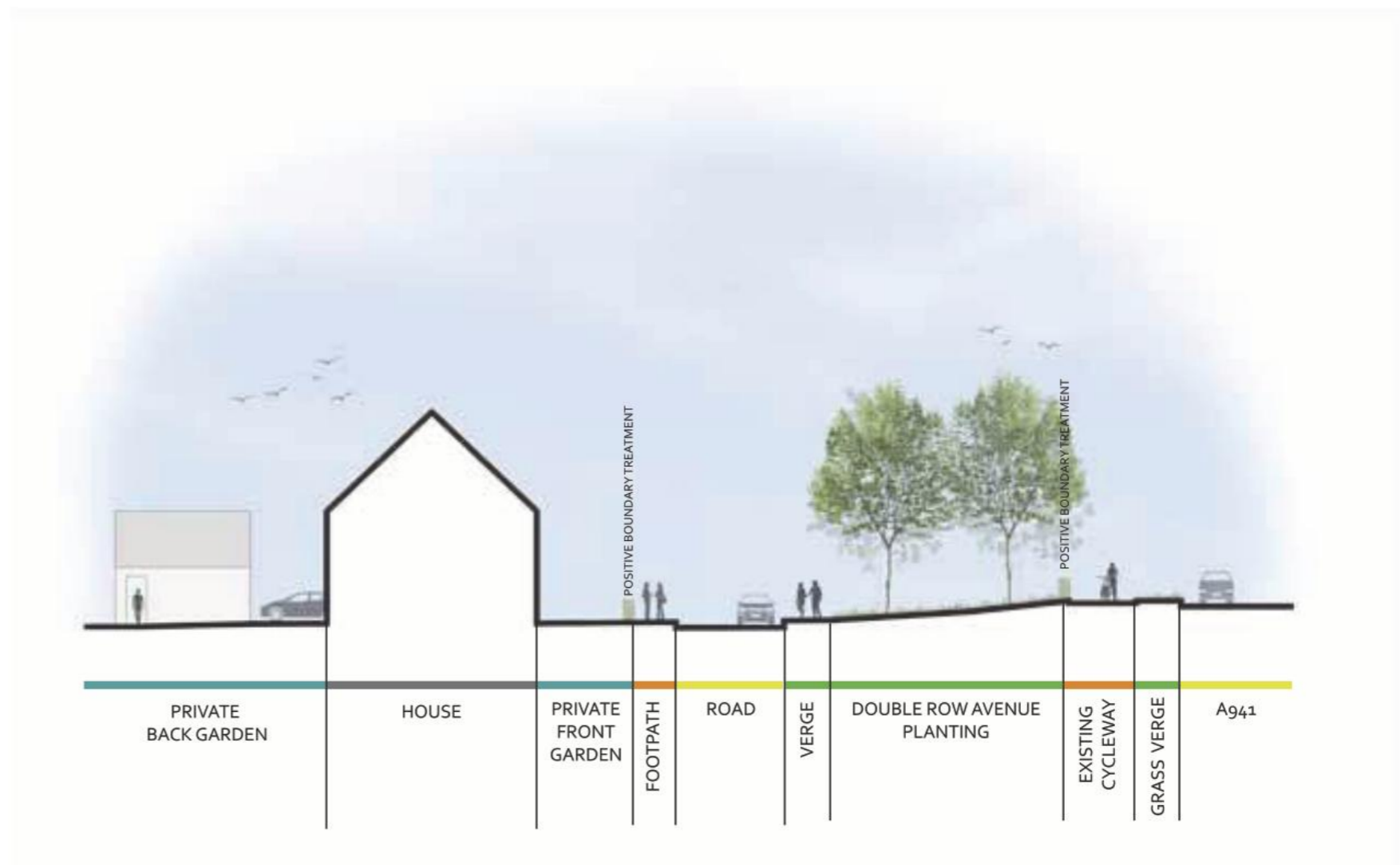
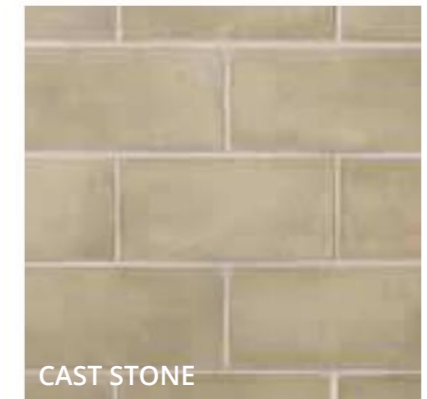
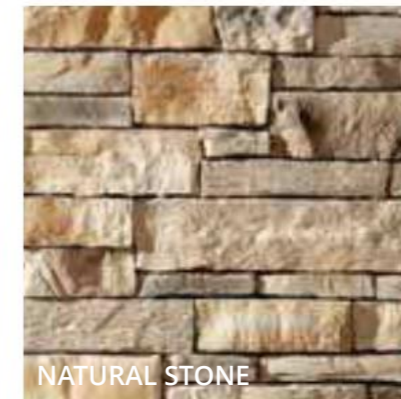
**KEY FEATURES**

Chimneys and window surrounds are prominent architectural elements in neighbouring housing as are gable features and slate dormers. These positive elements will be a feature of the new Lossiemouth Road housing and help to establish a sense of character, place and identity for the area.

**KEY BUILDINGS**

Key buildings where higher quality materials and key architectural features will be used have been identified along the frontage of the Lossiemouth Road and the northern edge which bounds the open space. Buildings must be orientated to maximise visual connection with the surrounding area (i.e. termination of a vista with a landmark)

Flexible ground floor commercial space must be provided in buildings that front onto the entrance of the Findrassie development.



### LEGIBILITY / CONNECTION

Connections within this area are crucial as it provides one of the 3 key access points into the new neighbourhood. This vehicular connection is supplemented by a number of connections into the existing cycle route which provides access back into Elgin and north to Lossiemouth. The vehicular and pedestrian connections between the employment area and the hub are also important and will be protected through the development of the open space.

The character zone will be accessed at both the key gateway feature at the entrance to the development (Myreside Road- the primary route) and by a secondary entrance to the south. These accesses will be signal-controlled, so that there is both a traffic calming effect and a safe crossing created between the 'employment' and 'residential' areas, each served by bus routes.

### HEIGHT / DENSITY

The A941 / Lossiemouth Road will have a strong frontage through massing created predominantly by terraces and flats 2 storey's in height with scope to increase to 3 storeys at corner locations and the entrance into the development. Buildings at the entrance to the development will have commercial space within the ground floor.

### FRONTAGES:

The character of this housing area will be defined by the set-back frontage of Lossiemouth Road; it must not present rear gardens or fences to the service road which runs parallel to the tree lined planting. Housing blocks facing north onto the 'green corridor' should be designed in a strong two storey elevational treatment, opening onto, and overlooking, the corridor, as they are the first buildings that will be seen on this important approach from the north into Elgin. Buildings (houses and businesses) located along key frontages will front onto primary spaces such as Lossiemouth Road, the central open space and the pylon corridor.

Buildings located along secondary street key frontages will address local areas of open space / play areas within development pockets, as well as secondary streets.



HOUSING FRONTING PLAY PARK



RECREATIONAL ROUTES



BUILDINGS SET BACK



HOUSING FRONTING ONTO ROAD



- - - - Character zone boundary
- - - - Existing road network
- . . . . . Primary route
- . . . . . Secondary North/South streets
- . . . . . Shared surfaces / Housing streets
- - - - Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corner buildings
- Key frontages
- Secondary street key frontages
- - - - Pylon corridor
- ┌ Cross Section
- 5. Tree planting
- 6. SUDS
- 7. Play areas
- 12. Avenue planting
- 22. Food retail and flexible ground floor commercial space



# DUFFUS ROAD CHARACTER ZONE

40

## FUNDAMENTALS

- Provide a positive new gateway to Elgin from the west along Duffus Road that reflects the transition of rural to urban.
- Deliver a new vehicular connection to Duffus Road to maximise connectivity. Access through the development will link the west of Findrassie to Lossiemouth Road.
- Provide a positive gateway to the new neighbourhood at Findrassie.
- Establish new woodland to replace existing scrub removed to create sightlines.
- Build new stone 'estate type' wall enclosing woodland and new neighbourhood. Layered boundary treatments (Drystone Dyke / Railings / Woodland).
- Gatehouses built into the estate wall provide a focal point and opportunity for innovative design.
- Create arrival space / new village green to provide early direct visual link to Findrassie Wood.
- Create a transitional zone of green space between housing and woodland. Maximise frontage to woodland for views..
- Work with existing topography to ensure level access to woodland and no major level changes.
- Provide connection to existing national cycle route / network within Quarrel Wood.
- Maximise pedestrian and cycle connectivity and create a recreational link from Quarrel Wood to Findrassie Woods and new recreational opportunities in the development.



GATEHOUSE



EXISTING CHARACTER OF DUFFUS ROAD



EXISTING VEGETATION ALONG DUFFUS ROAD

## THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR DUFFUS ROAD:

### ACCESS

Road access at Duffus Road is likely to be in the form of a priority 'ghost island' junction which will be laid out to lie within the 60mph speed limit and permit later conversion to a roundabout should ground to the west be developed in future.

### GATEWAY

The character zone is a key gateway into Elgin and to the Findrassie neighbourhood. The gateway will be formed by re-planting native trees set back from the roadside being a mown verge, wild grass / planting, footpath and stone dyke wall. Two gatehouses will be included within the stone dyke wall. The gatehouses will be used as dwellings and must be designed and implemented to replicate a traditional estate style entrance.

Arrival into the new neighbourhood will comprise of a series of events - 1. Open space 2. Estate type wall 3. New woodland 4. Gatehouse 5. Village green 6. Public park 7. Findrassie Wood. This is in accordance with one of the primary aims of the masterplan to provide a series of events or points of interest along a key route or green space.

### MATERIALS

The materials within the Duffus Road character zone are informed by the rural nature of this approach into Elgin including stone walls and gatepost pillars and earthy and colourful render tones. Appropriate materials for this area within the masterplan will be: -

- Earthy / recessive coloured wet dash / textured render
- White / Off white wet dash / textured render
- Natural stone, reconstituted stone or cast stone
- Slate or slate effect
- Timber

### BOUNDARY TREATMENTS

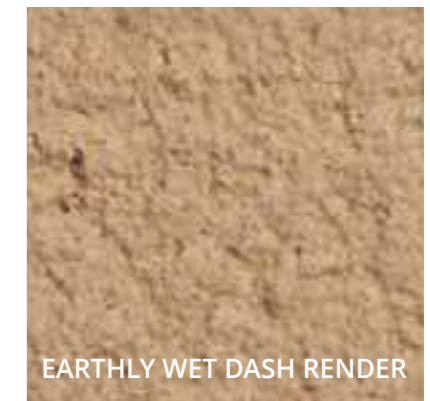
The boundary treatments along the Duffus Road corridor must reflect the rural nature of this location. The proposed wall / railings along the existing road are to be higher than those along the Lossiemouth Road frontage. Development must be screened from the road and together with the proposed woodland create an entrance to Findrassie and the north of Elgin not unlike the approach from Oak Wood in the west. After entering the new neighbourhood the private and public realm can be defined by smaller scale walls and hedges.

The existing scrub along the Duffus Road serves to screen the site from the road but provides little visual amenity. By introducing a positive element between Findrassie Wood and the existing settlement a section of new stone wall will provide a more appropriate transition between town and country. The existing scrub can be replaced by more appropriate native tree planting which will be set back from the carriageway and will entirely screen the back gardens of the properties facing onto Duffus Road. This layered approach will provide a more structured edge to the new neighbourhood. This will also help to improve sight-lines at the new junction.

Public and private spaces will be defined by boundary treatments that have been identified as appropriate for this character zone (high walls / railings and gateposts along development boundary with lower walls and hedges within the new neighbourhood).



HEDGES AND WALLS



EARTHY WET DASH RENDER



CONCRETE TILE



FOOTPATHS THROUGH WOODLAND



WOODLAND PROVIDES POSITIVE SETTING



GATE POSTS



ENTRANCE CANOPIES

**KEY FEATURES**

The housing along the Duffus Road is more varied in character and less ordered than the Lossiemouth Road. A mix of building and architectural styles have been employed with varying degrees of success. Positive features that must inform the Duffus Road character zone are chimneys, quoins, vertical windows, entrance canopies and external stairs.

**KEY BUILDINGS**

The two key buildings identified along the frontage of Duffus Road are gatehouses. These should be built into the proposed estate style boundary wall and mark the entrance of the new neighbourhood. The north lodge defines the pedestrian access in the extreme east of the development whilst the south lodge defines the new vehicular access. Both are to be developed as dwelling houses and present an opportunity for innovative design. Consideration would also be given to other uses including office or community space where this is supported by a business case. The gatehouses must be designed as useable buildings and not simply entrance features or structures.

Other key buildings must be orientated to maximise visual connection with the surrounding area (i.e. termination of a vista with a landmark)

**LEGIBILITY / CONNECTION**

Footpaths within this area are important to maximise the connectivity between Findrassie and Quarrel woods. The footpath network must provide safe and easy access between these two important amenities. As many pedestrian and cycle connections as possible to the woods and the Sey Burn corridor must be provided. The vehicular connection along Duffus Road is also one of three access points to the new neighbourhood from Elgin.

**HEIGHT / DENSITY**

The rural character of the Duffus Road corridor lend itself to a new neighbourhood which is lower in density and height than the majority of the new neighbourhood. There will be opportunity here to provide accessible homes in the form of bungalows and 1.5 storey housing within bigger plots.

**SELF BUILD**

A Design Code for Self Build plots will be prepared that sets out more detailed design guidelines for areas of self-build with potential for Plot Passports also. These will allow design freedom but set design parameters to ensure the quality and character of the zone continues to be achieved. The Self Build Design Code will cover aspects including building height, building orientation, permitted built area, heights of outbuildings/hedges/fences, boundary types/materials, building materials, and eco-design features.

**ACCESS TO WOODLAND**





- - - Character zone boundary
- - - Existing road network
- . . . . . Primary route
- . . . . . Secondary North/South streets
- . . . . . Shared surfaces / Housing streets
- - - Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corner buildings
- Key frontages
- Secondary street key frontages
- - - Pylon corridor
- 5. Tree planting
- 6. SUDS
- 7. Play areas
- 8. Connection to Findrassie Wood
- 10. Village Green
- 11. Gatehouse
- 20. Potential Vehicular Connection

# HUB AND CENTRAL OPEN SPACE CHARACTER ZONE

## FUNDAMENTALS

- The Hub and Central Open Space will create focal point and heart for new community
- Provide series of events along central open space including important buildings (Primary School and Local Community Hub).
- Provide location for proposed community primary school adjacent to Findrassie Wood. Routes to and from the school will incorporate principles aimed at enabling these to be considered (and possibly signed) as 'safe routes'.
- Steading buildings to be retained and reused as a Local Community Hub with potential for farm shop / small business/incubator units.
- The street to the north of the central open space will be well used as it is the primary east-west route through the development and between the main points of the local hub and primary school. The buildings along this route will incorporate flexible floor space at ground level for commercial uses.
- All buildings must have positive relationship / frontage to central open space and form a back drop to the open space.
- Tree planting and landscaping to define spaces and form enclosure within open space.
- An amphitheatre will provide opportunity to create meeting / congregational space.
- Myreside Pond to be retained and enhanced as historical / SUDS feature
- Maintain and reinforce the existing and proposed network of footpaths.
- Contain parking within suitable areas of landform or vegetation.
- Covesea Road provides primary north / south connection.
- Maximise pedestrian and cycle connections to all proposed housing pockets to encourage active travel to this key space.



FOOTPATHS THROUGH OPEN SPACE



POTENTIAL FOR NEW PRIMARY SCHOOL



FARM STEADING / NEW LOCAL HUB

**THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR THE LOCAL HUB AND CENTRAL AREA OF OPEN SPACE:**

**CENTRAL OPEN SPACE:**

The central opens space will include a number of important buildings including the Local Community Hub and proposed primary school. Series of focal points will populate the central open space, including the existing pond, and a landscape amphitheatre.

A site for a proposed school has been identified to accommodate the additional pupils projected from development of this scale. However, should circumstances change and the site is no longer required for a school this site will be reserved for other community use. If no development is proposed the site will be incorporated into the central open space for recreational use i.e. the land will not be considered for housing.

**MATERIALS**

The materials within the local hub should take reference from the existing farm and steading buildings, however there is an opportunity for a fresh approach to the look and feel of this area. The hub and primary school will also present opportunities for elements of contemporary architecture and more modern materials. Appropriate materials for this area within the masterplan will be:

- Pastel coloured wet dash / textured render
- White / Off white wet dash / textured render
- Natural stone or reconstituted stone
- Coloured timber cladding
- Slate or slate effect

**BOUNDARY TREATMENTS**

The boundary treatments overlooking the local community hub and open space must be strong enough to clearly define private gardens from public realm. As these will be public areas, privacy will also be an issue. Appropriate boundaries will be walls and hedges. The hedges must be supplemented by estate style railings or post and wire fence which will allow the landscaping to establish and decrease the likelihood of individual owners removing the planting.

**KEY FEATURES**

The area along the open space provides opportunities to use elements which will create a different style for Findrassie and set the character for new neighbourhood. This could include elements such as timber porches and sun-rooms on front elevations. This would be particularly effective along the south facing frontages. The use of timber and colour would also be appropriate for detailing at doors and windows. Detailing to be simple and avoid clutter.



HOUSING FRONTING ONTO OPEN SPACE



APHITHEATRE



EFFECT OF CARS MINIMISED



OUTSIDE CAFE SPACE / SEATING AREA



MYRESIDE POND



FARM SHOP OFFERING LOCAL PRODUCE

**KEY BUILDINGS**

The key buildings within the character zone will be the Local Community Hub which will define the eastern edge of the open space and the primary school in the west. The Local Community Hub has the potential to accommodate a mix of uses and will be built around / in the form of the existing steading, utilising existing stone walling and window surrounds / arches. The primary school offers the opportunity to introduce contemporary architecture to the new neighbourhood.

There are also locations that have been identified for commercial use which would supplement the Local Community Hub. Buildings along the northern boundary of the central open space must incorporate flexible floor space at ground level for commercial use. Commercial space identified in the masterplan will only be suitable for residential use where it can be proven that this space is not needed.

**LEGIBILITY / CONNECTION**

It is important that the buildings and uses around the open space maximise connection to this important focal point within the new community. Footpaths and cycleways will run through the open space providing safe access to the local community hub and Safer Routes to School.

**HEIGHT / DENSITY**

Housing will utilise increased height and massing to address the open space. This could be in the form of 2.5-3 storey elements with a mix of housing including terraces and flats.

**FRONTAGES:**

Buildings (houses and businesses) located along key frontages will front onto primary spaces such the central open space and the primary route through the development.



- — — — Vehicular connection/permeability
- Route through neighbourhood block
- — — — Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corners







- - - - Character zone boundary
- - - - Existing road network
- . . . . . Primary route
- . . . . . Secondary North/South streets
- . . . . . Shared surfaces / Housing streets
- . . . . . Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corner buildings
- — — — Key frontages
- — — — Secondary street key frontages
- - - - Pylon corridor
- 1. Central Open Space
- 2. Primary School
- 3. Local Hub
- 4. Myreside Pond
- 5. Tree planting
- 6. SUDS
- 7. Play areas
- 9. Bridge
- 21. Amphitheatre
- 22. Flexible Ground Floor Commercial Space
- 23. Food Growing / Allotments
- 24. Potential retail location

# FINDRASSIE WOOD EDGE CHARACTER ZONE

## FUNDAMENTALS

- Create a transitional zone of green space between housing and woodland. Woodland provides a positive backdrop for new neighbourhood.
- The woodland edge will be protected and access provided to woodland.
- Improved pedestrian and cycle access to and within Findrassie Woods to provide recreational opportunities for new housing residents. Work with existing topography to ensure level access to woodland and no major level changes
- Create 3 critical connection points:
  1. Link to upper east / west route
  2. Link to hub
  3. Link to Robertson / Scotia Homes development.
- Provide a positive relationship between housing and Findrassie Wood. Views of Findrassie Wood are important in this character zone and have been provided within the masterplan in a number of ways
  1. Continuous frontage to woodland
  2. Gable frontage to woodland offering views from private gardens
  3. Along streets, lanes and pedestrian links.
- Building features such as picture windows to maximise views towards woodland and materials such as timber which reflect the proximity of the wood.
- Improved access to the to Sey Burn and new bridge crossing across the Sey Burn;
- Improved north / south connections from Findrassie woods to the Robertson Homes / Scotia development;
- Minimise cul-de-sac development.



EDGE OF FINDRASSIE WOOD



FINDRASSIE WOOD



BRIDGE OVER BURN

**THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR FINDRASSIE WOOD EDGE:**

**CONNECTIONS TO FINDRASSIE WOODS:**

A network of green spaces and new footpaths / cyclepaths throughout the new neighbourhood will connect to the existing network of footpaths within Findrassie Woods, providing improved access to this existing amenity.

**MATERIALS**

The buildings and materials adjacent to the woodland edge must be sympathetic to the woodland surroundings. There will however be more scope to introduce different styles and materials away from the primary route in more secluded pockets. Timber could be used in larger areas. Renders and stone / cast stone will also be prominent. Appropriate materials for this area within the masterplan will be:

- Coloured render
- White / Off white render
- Natural / cast stone / reconstituted stone
- Timber cladding
- Slate or slate effect

**BOUNDARY TREATMENTS**

The boundary treatments within this area must be softer as the housing merges with the woodland edge and Sey Burn. Varied species of hedging will be appropriate which define the boundary between garden and shared surface. This will help to integrate the housing within the woodland setting.

**KEY FEATURES**

This area offers opportunities for some contemporary features such as large areas of glazing and picture windows. This will help to maximise views out toward the woodland and the important backdrop of Findrassie.

**KEY BUILDINGS**

The key buildings within the woodland edge are located on key corners throughout the character zone. These will provide focal points along the key areas of public realm such as the primary route, open space and woodland.

**LEGIBILITY / CONNECTION**

The housing areas located along the woodland edge will be ideally placed to take advantage of the existing amenity of Findrassie Wood and the Sey Burn. Connections to these areas must be maximised to the benefit of the surrounding housing and the new neighbourhood as a whole.



WOODLAND PATH CONNECTIONS



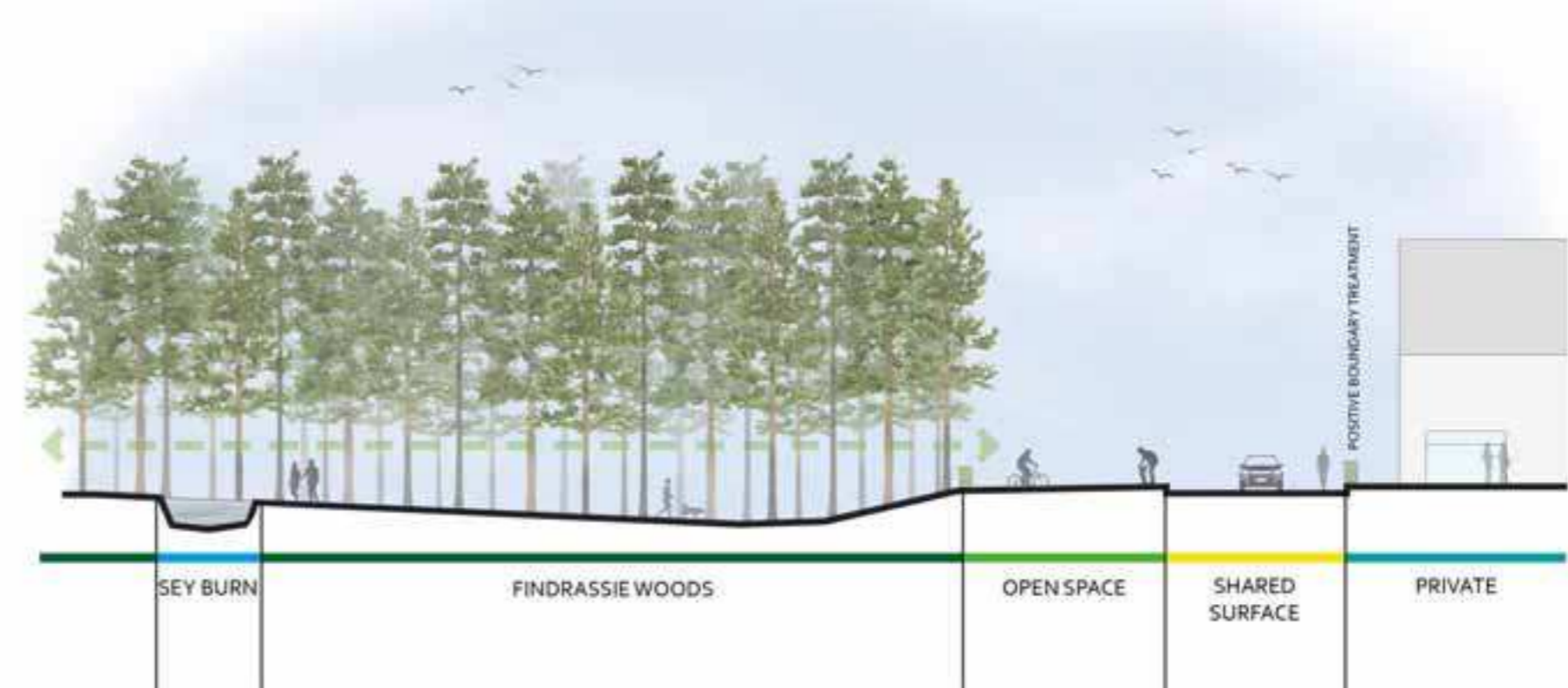
PLAYING FIELDS



NEW BRIDGE OVER SEY BURN



SHARED SURFACES AND HOUSING STREETS



**HEIGHT / DENSITY**

The housing adjacent to the wood will be a maximum of 2 storeys and will have a positive relationship with the woodland which is much higher and provides a positive backdrop. There are also opportunities for lower storey heights and densities within this area as the new neighbourhood meets the woodland. The area adjacent to the woodland also provides an appropriate location for self-build houses.

**SELF BUILDS**

A Design Code for Self Build plots will be prepared that sets out more detailed design guidelines for areas of self-build with potential for Plot Passports also. These will allow design freedom but set design parameters to ensure the quality and character of the zone continues to be achieved. The Self Build Design Code will cover aspects including building height, building orientation, permitted built area, heights of outbuildings/hedges/fences, boundary types/materials, building materials, and eco-design features.

**FRONTAGES**

Buildings located along key frontages will front onto primary spaces such as the central open space, connection points into Findrassie Woods and the primary route through the new development. Buildings located along secondary street key frontages will address local areas of open space / play areas within development pockets and secondary streets.





- - - - Character zone boundary
- - - - Existing road network
- . . . . . Primary route
- . . . . . Secondary North/South streets
- . . . . . Shared surfaces / Housing streets
- - - - Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corner buildings
- Key frontages
- Secondary street key frontages
- - - - Pylon corridor
- Self Build Areas
- 5. Tree planting
- 7. Play areas
- 8. Connections to Findrassie Woods
- 20. Potential vehicle connections

# NORTH/SOUTH CONNECTIONS CHARACTER ZONE

52

## FUNDAMENTALS

- Design for new neighbourhood is based upon permeability and connection in all directions;
  - Maximise north / south connections to local hub, primary school, open space and into Elgin;
  - Maximise east / west connections to Findrassie Wood and Lossiemouth Road;
  - Maximise connections between development pockets.
- Mature woodland belts will define development pockets.
- New areas of North / South woodland and open space throughout the new neighbourhood will help to link the housing pockets within the area with the new community hub. These green spaces will incorporate footpaths and cycleways and give residents the opportunity to reduce car use.
- Create a transitional zone of green space between housing and woodland.
- Ensure significant topographical level changes occur within the green spaces.
- Maximise opportunities to take advantage of southern aspect. Views to be maximised south towards Elgin and east / west over new landscape areas of woodland and open space.
- Frontage must be maximised in three distinct areas
  - Houses which front onto woodland
  - Houses which front onto open space
  - Houses which front onto green thread.
- Green thread created along linear north / south route so that more private green space within development pocket is still well connected.
- Detached footpaths and cycle routes provide safe routes to school.
- Woodland belts to be used to define development pockets.
- Opportunities to be provided for play and community interaction within development pockets.



**THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR THE NORTH / SOUTH CONNECTIONS:**

**SAFE ROUTES TO SCHOOL**

Dependent on the final catchment of the new school, it may be necessary to examine off site routes to and from the school in relation to their suitability to be considered as 'safe routes'.

**CONNECTION TO ELGIN**

In addition to Duffus Heights, connection opportunities for those on foot or cycle exist at Covesea Rise, Myreside Circle and Newfield Road. Connection opportunities at these locations must form an integral part of consideration for foot and cycle links particularly where links to existing core paths can be made. Adopting this approach will maximise the north / south connectivity and permeability of the scheme enabling site users to integrate with the town through using the extensive, existing, off site path network.

**MATERIALS**

The buildings and materials within the north / south grid will provide a transition between the housing along the open space at the hub and the lower density housing along the northern edge. The materials in this area must be more recessive in colour so as not to clash or detract from the local hub. Appropriate materials for this area within the masterplan will be:

- Render
- Natural / reconstituted stone / cast stone
- Slate or slate effect
- Contemporary

**BOUNDARY TREATMENTS**

The boundary treatments within this area must be more rural as the development moves towards its northern edge with the countryside. Estate railings and hedges will be appropriate and will provide a transition between the hub and the housing in the far north.

**KEY FEATURES**

The community open space will be a key feature of these areas as will the housing which fronts onto these spaces. Within the individual blocks of the grid there will be a play area and community space. This will provide toddlers play and facilities for younger children but also areas for seating, social events and public outside cooking facilities. The area around this open space will also be enclosed by railings, hedging or both. Natural surveillance will be a key to the success of this area so large windows will be important in the houses. There will be more scope for innovative design solutions for buildings and parking in these areas.



OPPORTUNITIES TO CYCLE



HEDGES



PRIMARY ROOMS TO FRONTAGE / POSITIVE BOUNDARIES



ESTATE FENCING



**KEY BUILDINGS**

The key buildings are located on corners and frontages within this zone and at the end of key vistas. The buildings will provide frontage to the strategic areas of open space and the smaller local parks within.

**LEGIBILITY / CONNECTION**

These housing pockets can be accessed from north, south, east and west and provide additional connections through woodland and open space. The footpath network and connectivity is important to access the north / south corridors and Safer Routes to School. The footpath network also provides access to the central open space and the hub.







**HEIGHT / DENSITY**

The housing in these areas will be predominantly 2 storey with a mix of terraces, semi-detached and detached properties. These development pockets comprise of approximately 100 units. The housing adjacent to the wood should be a maximum of 2 storeys and will have a positive relationship with the woodland which is much higher and provides a positive backdrop

**FRONTAGES**

Buildings located along key frontages will front onto primary spaces such as Covesea Road, open spaces and the north / south pedestrian routes. Buildings located along secondary street key frontages will address local areas of open space / play areas within development pockets and secondary streets.



-  Vehicular connection/permeability
-  Route through neighbourhood block
-  Pedestrian/cycle connectivity
-  Buildings at key locations/vistas
-  Key Corners
-  Cross Section



-  Character zone boundary
-  Existing road network
-  Primary route
-  Secondary North/South streets
-  Shared surfaces / Housing streets
-  Pedestrian/cycle connectivity
-  Buildings at key locations/vistas
-  Key Corner buildings
-  Key frontages
-  Secondary street key frontages
-  Pylon corridor
-  Self build
- 5. Tree planting
- 7. Play areas
- 18. Landmark
- 20. Potential vehicle connections



# NORTHERN EDGE CHARACTER ZONE

56

## FUNDAMENTALS

- Maximise views to the north towards over the Laich, to the Moray Firth, Lossiemouth and on the horizon, the coast of Sutherland and Caithness
- Create frontage to north and new settlement edge
- Woodland planting will define development pockets. Housing will respect the containment of the new woodland and prevent new housing on the highest part of the site along the ridge. Open space and woodlands in this zone are to be on a north - south axis, with more open landscaping along the northern edge.
- Work with existing topography to ensure level access to woodland and no major level changes.
- Maximise connections to the new neighbourhood to the south off the ridge.
- Opportunity for larger plots and self-build plots. The footprint of all buildings on each plot must not exceed 50%, and domestic scale trees and hedging will be imposed within garden grounds.
- Housing will be lower density housing (one / one and a half storey) in a less defined grid pattern with three distinct areas across the Character Zone
  - Housing along northern edge
  - Housing around the woodland edge
  - Housing facing onto open space
- Housing along northern edge will
  - No continuous frontage / views between housing
  - 1 or 1.5 storey only
  - Garages and outbuildings to be located to the south
  - Potential for self-build
- Frontage to be maximised to woodland, open space and northern aspect.
- Boundary treatments to be low walls, hedges, railings to northern aspect to maximise views. Rear boundaries to be consistent to present positive uniform frontage to streets and lanes.
- Building features such as picture windows to maximise views towards woodland and materials such as timber which reflect the proximity of the wood.
- Primarily shared surfaces and housing streets with an informal street pattern that is legible and welcoming
- The green edge of Findrassie provides a gradual transition between the urban fabric and countryside



SHARED SURFACES



VIEWS TO COUNTRYSIDE



ACTIVE FRONTAGE TO OPEN SPACE

**THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR THE NORTHERN EDGE:**

**MATERIALS**

The materials on the northern edge should reflect the prominent location on the periphery of the new neighbourhood at one of the highest points just off the ridge. Materials and styles in this area can be mixed and should allow for the possibility of one off houses or self-builds. The varied palate of appropriate materials will be:

- Render
- Natural stone / reconstituted stone
- Cast stone
- Timber cladding
- Slate or slate effect

**BOUNDARY TREATMENTS**

The boundary treatments within this area must be rural with a mix of estate hedges and railings. The larger properties along the northern edge have the possibility to incorporate higher boundary walls and gates / gateposts. This allows the property to be accessed from the street and provide a positive, car free frontage to the open countryside. These walls must be render, stone or cast stone. Timber fences may be appropriate between gardens but will not be appropriate boundaries for elements within the public realm.

**KEY FEATURES**

The key feature of housing in this character zone is to be large areas of glass. This will maximise the potential to benefit from views out over the surrounding countryside and north towards Lossiemouth and the Moray Firth. Chimneys, stone / timber detailing and large gardens must also feature. The open space along the northern edge will also allow public access to this important frontage and viewpoint.

**KEY BUILDINGS**

Key buildings are located on corners and frontages within this zone and will provide positive frontages to the streets which they address. This will be achieved through detailing or through the incorporation of windows and doors on elevations which overlook the street or public realm.

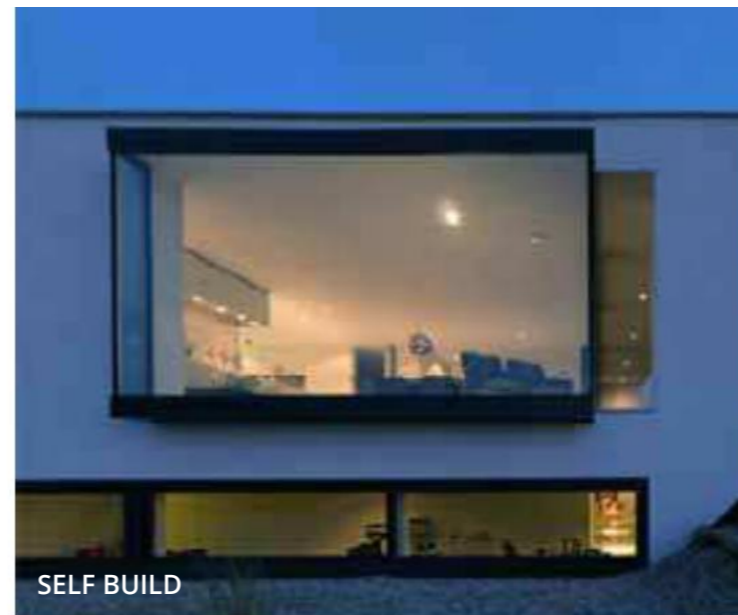
**LEGIBILITY / CONNECTION**

This area maximises connection to the northern edge which will become the focal point of this character zone. The location of a footpath which runs across the length of this frontage is important and will link the areas of woodland in the east and west. The area also provides footpath / cycle connection to the south towards the school, open space and local hub and the potential to provide future connections to the north.

**HEIGHT / DENSITY**

The housing along the northern edge should be kept under 2 storeys. There are also opportunities for lower storey heights and densities within this area as the new neighbourhood meets the countryside. The area adjacent to the woodland also provides an appropriate location for an element of self-build houses.

**SELF BUILDS**



SELF BUILD



PLAY AREAS



DORMER WINDOWS



POTENTIAL FOR VIEWS



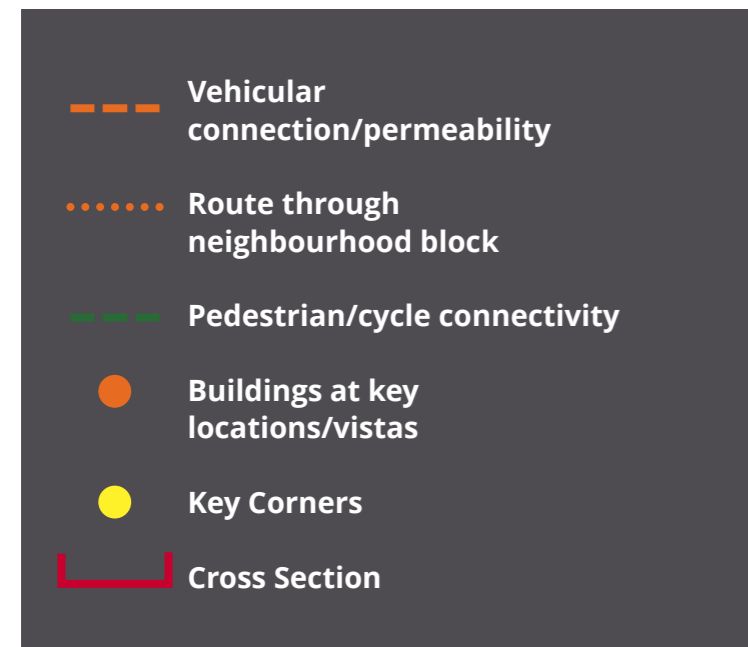
A Design Code for Self Build plots will be prepared that sets out more detailed design guidelines for areas of self-build with potential for Plot Passports also. These will allow design freedom but set design parameters to ensure the quality and character of the zone continues to be achieved. The Self Build Design Code will cover aspects including building height, building orientation, permitted built area, heights of outbuildings/hedges/fences, boundary types/materials, building materials, and eco-design features.

**FRONTAGES**

Buildings located along key frontages will front onto primary spaces such as the green fringe of the development along the sites northern boundary and other open spaces. Buildings located along secondary street key frontages will address secondary streets.

**POTENTIAL VEHICULAR CONNECTIONS**

The proposed street layout allows for future vehicular connections north and west into Findrassie Wood to be provided if required.

















- - - - Character zone boundary
- - - - Existing road network
- . . . . . Primary route
- . . . . . Secondary North/South streets
- . . . . . Shared surfaces / Housing streets
- - - - Pedestrian/cycle connectivity
- Buildings at key locations/vistas
- Key Corner buildings
- Key frontages
- Secondary street key frontages
- - - - Pylon corridor
- Self build
- 5. Tree planting
- 6. SUDS
- 7. Play areas
- 17. Covesea Road
- 20. Potential vehicle connections

# R12 CHARACTER ZONE

## FUNDAMENTALS

- Provide a positive new landscaped gateway to Elgin from the north and entrance to the Findrassie neighbourhood;
- Avenue planting along Lossiemouth Road will help integrate the new neighbourhood into the existing settlement of Elgin and reflect trees along existing northern edge. This must give the impression of a tree lined entrance to the town.
- Woodland edges must be reinforced by new planting to ensure a permanent woodland edge providing containment to development.
- Maximise views into the development across the proposed open space from Lossiemouth Road.
- Maximise connections to the existing cycleway and south to Bishopmill.
- Strong building line and continuous frontage to Lossiemouth Road.
- Boundaries to reflect existing properties along Lossiemouth Road including low level hedges, railings and walls.
- Features including chimneys and window surrounds must be used to reflect the history of housing along Lossiemouth Road.

-  Character zone boundary
-  Existing road network
-  Primary route
-  Secondary North/South streets
-  Shared surfaces / Housing streets
-  Pedestrian/cycle connectivity
-  Buildings at key locations/vistas
-  Key Corner buildings
-  Key frontages
-  Secondary street key frontages
-  Pylon corridor
-  Self build
- 5. Tree planting
- 7. Play areas
- 12. Avenue Planting
- 18. Landscape / Landmark feature
- 20. Potential future connections



## THIS IS HOW THE DESIGN CODE WILL BE IMPLEMENTED FOR R12:

### GATEWAY

The frontage to Lossiemouth Road is to be bounded by two rows of trees merging from the woodland into boulevard planting all the way into Bishopmill and containing (and improving) the existing cycleway.

A landscaped gateway must be provided creating an attractive distinctive feature on this approach to Elgin. This must create a welcoming approach to Elgin and provide a distinctive gateway into Elgin.

### MATERIALS

The materials within the R12 character zone reflect the existing housing along Lossiemouth Road/the A941. Whilst a mix of materials has developed over time some of the materials such as off white render and slate are more consistent. Appropriate materials for this area within the masterplan will be:

- White wet dash / textured render
- Off white wet dash / textured render
- Natural stone
- Slate
- Concrete tile
- Cast stone and dry dash render could be used in less prominent locations.

### BOUNDARY TREATMENTS

Existing housing along Lossiemouth Road adopts a mix of walls, railings and hedges in this area to define private gardens from the public realm. A similar positive approach will be appropriate in this area.

### KEY FEATURES

Chimneys and window surrounds are prominent architectural elements in the housing along Lossiemouth Road as are gable features and slate dormers. These positive elements will be a feature of the R12 housing and reflect the strong frontage created within the Lossiemouth Road Character Zone. This will help to establish a sense of character, place and identity for the area.

A key feature will be the area of open space that fronts onto the A941 that creates a strong sense of arrival into Elgin. This space will provide for cycle and pedestrian links and play but be designed to create a landscaped gateway feature.

### KEY BUILDINGS

Key buildings where higher quality materials and key architectural features will be used have been identified along the frontage of the Lossiemouth Road and fronting onto the open space corridor that runs through the middle of the character zone. Buildings must be orientated to maximise visual connection with the surrounding area (i.e. termination of a vista with a landmark).

### HEIGHT / DENSITY

The A941 / Lossiemouth Road will have a strong frontage through massing created predominantly by terraces and flats 2 storey's in height.

### FRONTAGES:

The character of this housing area will be defined by the set-back frontage of Lossiemouth Road; it must not present rear gardens or fences to the service road which runs parallel to the tree lined planting feature gateway open space; while the housing blocks facing north onto the 'green corridor' should be designed in a strong two storey elevational treatment, opening onto, and overlooking, the corridor.

Buildings located along secondary street key frontages will address local areas of open space / play areas within development pockets, as well as secondary streets.



# EMPLOYMENT CHARACTER ZONE

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## FUNDAMENTALS

- Provide feature building to create gateway into Elgin.
- Create new boulevard planting which reflects tree along existing northern edge and integrates site with Elgin.
- Create positive frontage to Lossiemouth Road.
- Provide grass pitches with associated changing facilities.
- Provide 2 points of access to new employment area including the MU2 designation. Allow for potential future expansion to the east.
- Utilise existing woodland as backdrop to new buildings.
- Predominantly 2 storey with continuous frontage.
- Opportunities for modern / contemporary design and materials.
- Provide a high amenity setting with landscaping providing a green frontage and feel to the access road.
- Parking and service yards to be located to rear and away from primary frontage.
- Connection maximised to proposed local community hub and amenities in new neighbourhood through footpath / green network.
- SUDS design to be innovative and create positive landscape frontage to signature gateway building.
- Employment units set within a landscape settings.
- Potential for expansion to the east.
- Detached footpaths will also help to increase safety and keep pedestrians away from large delivery vehicles.
- Potential location for sports pitches and associated changing facilities



EXISTING CYCLEWAY RETAINED/PROTECTED



OPPORTUNITIES TO CYCLE



EXISTING APPROACH TO ELGIN



**EMPLOYMENT AND RECREATIONAL OPPORTUNITIES**

The local development plan allows for class 4 Business and Class 5 Industrial uses that are compatible with surrounding uses that are predominantly residential.

The employment zone and the local hub will provide opportunities within the new neighbourhood to live and work within the new neighbourhood and encourage active travel. The central green space and surrounding footpath network will maximise connection throughout the site for pedestrians and cyclists. This will offer a real alternative to vehicular travel and minimise car journeys throughout the new neighbourhood and surrounding area.

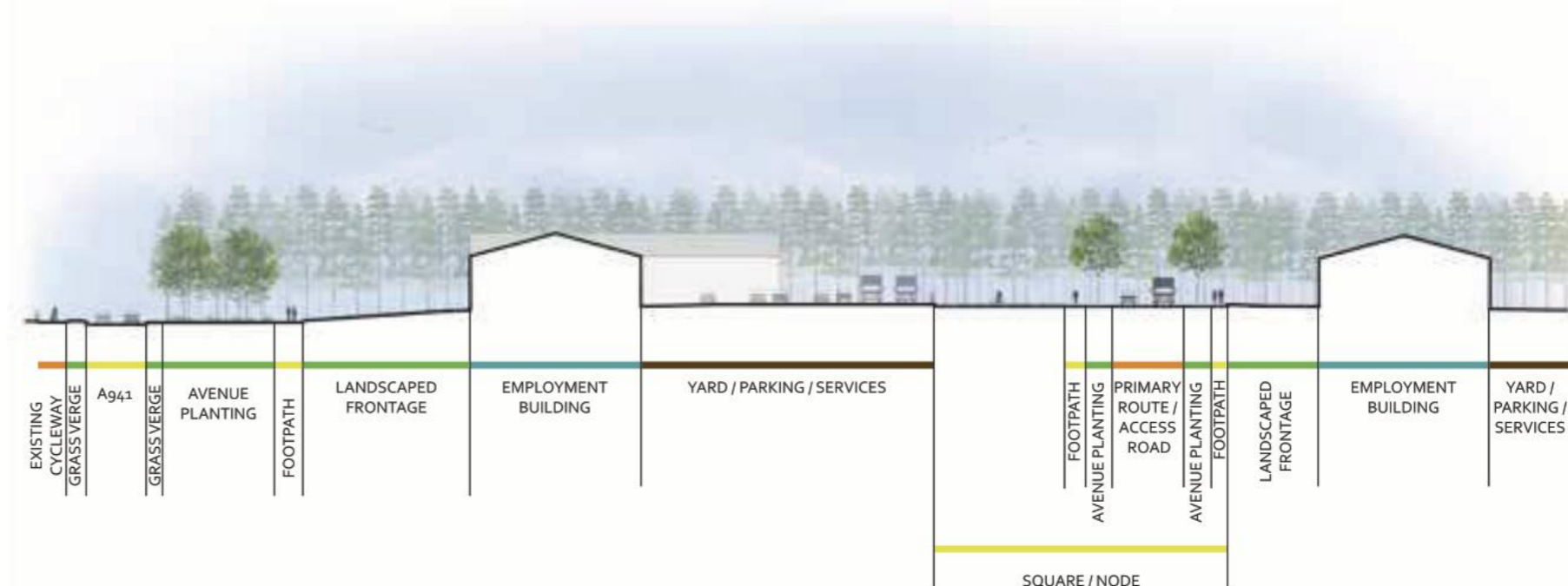
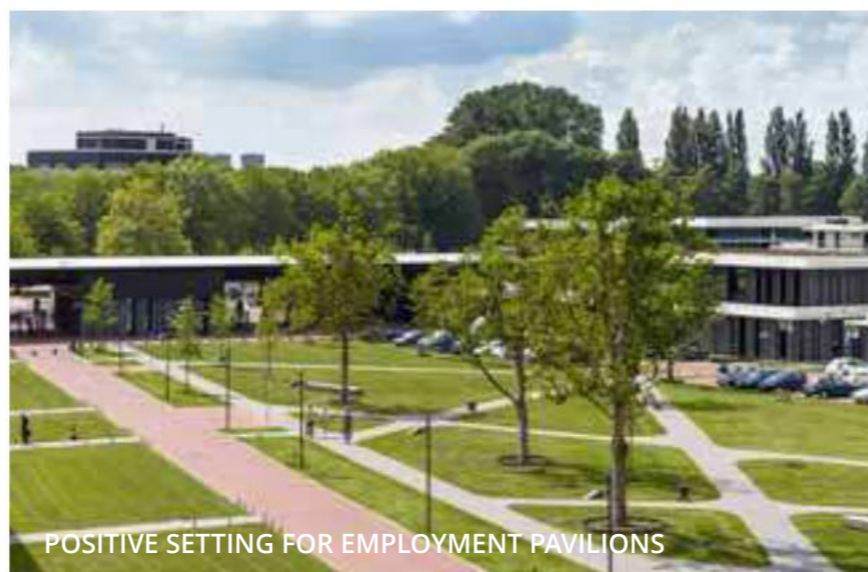
Grass sport pitches with changing facilities are to be provided within the Character Zone. The pitches will be capable of being used for a range of sports. Further investigation is required to determine the location of these. The loss of any business/industrial land will require to be compensated for within the MU2 designation. The location must aim to connect to green corridors within the wider Findrassie neighbourhood and maximise pedestrian and cycle connections to the pitches. Pitches and changing facilities must be grouped together. This will allow competitive games to be played and provided scope for larger events.

**GATEWAY**

The gateway will take the form of a boulevard with avenue planting along both sides of Lossiemouth Road and a gateway feature building. The gateway building must be a high quality building which marks the entrance to Findrassie on the northern edge of Elgin. Its location on the eastern side of the Lossiemouth Road and along the corridor of central open space is in keeping with the masterplan. The scale of the building should be appropriate for this important location and the building will be at least 2 storeys in height. The look and feel of the building will depend on the eventual use and can be determined through future applications, however the proposed design and materials must be of a high quality.

**MATERIALS**

The materials within the employment zone can be more varied and appropriate for the eventual use of the buildings within this location. The feature building must be the subject of a high quality, innovative design to achieve the necessary impact at the gateway to the new development and the north of Elgin. This area is defined by boulevard planting along its length with the buildings providing a positive frontage to the A941 / Lossiemouth Road. The detailed landscape proposals for this area shall be robust enough to provide a positive setting for the new employment pavilions.



### LEGIBILITY / CONNECTION

This area needs to be well connected and integrated with development on the western side of the Lossiemouth Road. This particularly applies to the relationship with the Hub and Central Open Space which will be a focal point for the new housing but also the employment zone. Footpaths and crossing points are provided at both entrances to this area and then are located within open space leading to the hub. The employment zone also provides the potential to create future access points to the west of the masterplan site.

The mixed use site (MU2) must be accessed through the I8 which will require a crossing of the Sey Burn. The existing access track on the southern edge of the MU2 site will require to connect to the new industrial road with the existing track junction onto Lossiemouth Road closed.

### HEIGHT/DENSITY

The height of the buildings within the employment zone will be a maximum of 2 storeys. This will be reflected by increased height within the housing area on the western side of the Lossiemouth Road. There may be scope for the gateway building to be increased in height to reflect its locational importance. This will create a rhythm with corner buildings along the A941. The buildings will provide a frontage to the road with car parking to the side or rear.

### WOODLAND

Mature woodland belts will screen the employment zone from existing houses in the south.

### LIVE / WORK UNITS

Within the Mixed Use site (MU2) 2ha of the site has the potential for live work units. These units will have the potential for modern innovative designs that reflect the gateway location and business character. Conditions will apply to secure a continuing ratio of work and living space to maintain a strong employment aspect to the area to prevent this becoming solely residential. Parking requirements will reflect the ratio of work to living space.



### SUB STATION

The western edge of the sub-station is out with the boundary of the masterplan. However the design of a positive boundary treatment for this elevation along Covesea Road must be controlled as part of future planning applications and Roads Construction Consents (RCC). A positive boundary treatment (such as walls, hedges other appropriate landscaping measures) for this area and location should be part of any future design and application. The masterplan shows an offset to the existing line of Covesea Road to provide a 2m strip along the edge of the sub-station which would create enough area to create a positive screening element within this zone. The delivery of this element should be provided through a S75 legal agreement which will be attached to any future planning consent for this area.

### PYLON CORRIDOR HOUSING SHOULD BE MORE PROMINENT THAN PYLON

To the west of the existing sub-station the overhead lines are to be relocated underground. For a number of reasons this has not been possible to the east. The strategy has been to deal with these elements positively. The overhead pylons are currently isolated within existing farmland and as a result are very obvious elements within the landscape. The new neighbourhood at Findrassie has been developed so that the housing is the positive primary element and that the pylons become a secondary feature. The pylons have been located along a green corridor which reflects the larger central open space to the north. Along the northern part of this corridor the housing is orientated so that the gables of the houses face onto the corridor thus minimising the effect on the public realm and private gardens. To the south the housing is located to front onto the pylon corridor. The result is a positive frontage to the open space whilst the effect of the pylons within the private gardens of these houses is minimal. The overall aim of the masterplan has been to reduce the impact of these elements through careful consideration of the proposed landscape. Despite the length of this green corridor there are only 2 pylons located within the housing site area. The number of houses affected is therefore minimal.



- Covesea Road
- Pylon Corridor
- Sub-station Boundary Treatment
- 1. Central Open Space
- 5. Tree Planting
- 6. SUDS
- 7. Play Areas
- 14. Sub-Station








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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON 15 AUGUST 2023**

**SUBJECT: KEITH GREEN ENERGY AND INFRASTRUCTURE FRAMEWORK**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report asks the Committee to agree the draft Keith Green Energy and Infrastructure Framework for public consultation.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee agree:**

- (i) the draft Keith Green Energy and Infrastructure Framework, as set out in Appendix 1, for an 8-week public consultation;**
- (ii) to note that comments received to the consultation and the Council's response to these, along with the final Framework will be reported back to a future meeting of this Committee for approval; and**
- (iii) that the draft Keith Green Energy and Infrastructure Framework is used as a material consideration in the determination of planning applications.**

**3. BACKGROUND**

- 3.1 In May 2022, the Scottish Government announced a £500m Just Transition Capital Fund to assist the North East and Moray economy to diversify away from carbon-intensive industries.
- 3.2 In November 2022, the Moray Just Transition Masterplan received £881,000 from the Scottish Government's North East Just Transition Fund. Consisting of five interlinked projects – Buckie Harbour Feasibility; Blackhillock Masterplan; Hydrogen Feasibility Study; Carbon Offset Feasibility Study and

Vacant Land Development Feasibility – the Masterplan seeks to support the area’s transition towards a zero carbon economy.

- 3.3 In recent years, the Council has experienced an increasing number of preliminary enquiries and planning applications submitted for sites in the immediate vicinity of Blackhillock - and subsequently Keith - Substations for development that will support the National Grid. As a result, the surrounding area is coming under increasing development pressure, on a piecemeal basis, and there is no forward planning to identify necessary infrastructure or development potential, which undermines the plan-led system advocated by the Government.
- 3.4 With national developments promoted in National Planning Framework 4 (NPF4), including Strategic Renewable Electricity Generation and Transmission Infrastructure, a development framework was proposed for the Blackhillock area in order to make best use of surrounding land and appropriately control the opportunities arising from renewables associated with the grid infrastructure and energy systems/storage.
- 3.5 The Blackhillock Masterplan – renamed the Keith Green Energy and Infrastructure Framework – has been prepared by Collective Architecture, on behalf of the Council, and provides a strategic framework that focuses on energy and infrastructure around Keith. The Design Team have engaged with stakeholders including SSEN Transmissions, Transportation (Moray Council) and the Keith and Strathisla Community Councils.
- 3.6 The draft Framework is provided as **APPENDIX 1**. A copy of the Framework’s appendix has been uploaded along with the agenda, as an additional meeting document.

#### **4. DRAFT KEITH GREEN ENERGY AND INFRASTRUCTURE FRAMEWORK**

- 4.1 The draft Framework seeks to guide development proposals for grid infrastructure and energy systems/storage associated with renewable energy to the most appropriate locations in and around Keith.
- 4.2 During consultation with SSEN Transmissions about their growth needs at Blackhillock Substation, the Design Team were advised that there were no plans for a substantial expansion of Blackhillock Substation due to the requirement for a new 400kV substation to service the proposed Beauly - Blackhillock - New Deer - Peterhead 400kV transmission line. SSEN advised that a preferred site had been identified on Banff Road, Keith based on criteria including access, connectivity, footprint requirements, hazards and environmental conditions. SSEN carried out public consultation on the proposed transmission lines and substation, which closed on 30 June, and they are currently considering responses and alternative sites based on these.
- 4.3 In response to proposed substation on Banff Road, the scope of the Framework was expanded to include a second study area at Keith North East to respond to the potential substation and any associated developments that could potentially follow.

- 4.4 The Framework uses two scenarios to reflect the different scales of development that are being experienced or may be proposed in the study areas:
- Type 1 – Electricity substations/converter stations, representing large-scale industrial-style development, in the form of large buildings, outdoor electrical infrastructure and associated road infrastructure. Development will potentially occupy a larger footprint than Type 2; and
  - Type 2 – Battery Energy Storage Systems (BESS) / solar farms, representing industrial style development of more modest scale, in the form of ‘shipping container’ size buildings and / or solar arrays and associated road infrastructure. Development will potentially occupy a smaller footprint than Type 1 (unless it relates to a larger scale solar farm).
- 4.5 Based on a landscape sensitivity assessment, the Framework identifies potential development sites for a range of uses and associated landscape mitigation required. Landscape sensitivity to Types 1 and 2 is significantly higher in the Keith North East study area compared to Blackhillock. This is reflected in the potential sites identified.
- 4.6 As part of the development of the Framework, a briefing was held with Keith and Cullen Ward Members and the Chair and Depute Chair of this Committee. Briefings were also held with the Keith and Strathisla Community Councils.
- 4.7 Keith Community Council expressed concern regarding fire risk associated with BESS and the cumulative impact of development. Unrelated to the Framework, comments were also raised about the use of the name Blackhillock 2 by SSEN and the confusion this caused. Strathisla Community Council had no specific comments to make in response to the briefing.

## **5. NEXT STEPS**

- 5.1 It is recommended that an 8-week consultation period is undertaken for the draft Framework. The consultation period will commence on 21 August and end on 16 October 2023. The draft Framework will be published on the Council’s website and the consultation advertised via social media, press release and emails. A drop-in exhibition for the Local Development Plan, due to be held on 9 September 2023 in the Longmore Community Hall, Keith, will also highlight the consultation on the draft Framework.
- 5.2 As part of the public consultation, the Health and Safety Executive (HSE), Scottish Fire and Rescue Service (SFRS) and Police Scotland will be notified and invited to comment on the Framework.
- 5.3 Following the consultation, responses will be reported back to a future meeting of this Committee to consider, along with the final Framework for approval. The Framework will be a material consideration for development management purposes and will be used to inform the new Local Development Plan.

## 6. **SUMMARY OF IMPLICATIONS**

(a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Whilst promoting economic development, growth and diversity, the Framework seeks to balance this with maintaining Moray's landscape and biodiversity by guiding development to the most appropriate locations in and around Keith.

(b) **Policy and Legal**

Once approved, the Framework will become a material consideration for development management purposes and will be used to inform the new Local Development Plan.

(c) **Financial implications**

None.

(d) **Risk Implications**

Without the Framework, there is a risk that there is continued unplanned energy infrastructure related development in the Keith area.

(e) **Staffing Implications**

Work on the Keith Green Energy and Infrastructure Framework has been carried out within existing staff workloads of the Strategic Planning and Development team, with input and review of draft documents by Transportation.

(f) **Property**

None.

(g) **Equalities/Socio Economic Impact**

The proposed public consultation will feed into the Equality Impact Assessment (EIA). The focus will be on ensuring that the benefits of economic development, growth and diversity will be distributed fairly.

(h) **Climate Change and Biodiversity Impacts**

NPF4 and MLDP policies also seek to ensure that development proposals reduce carbon emissions and enhance biodiversity. The Frameworks provides opportunities for renewable energy development in the Keith area.

(i) **Consultations**

The Depute Chief Executive (Economy, Environment and Finance), the Chief Financial Officer, the Head of Economic Growth and Development, the Development Management and Building Standards Manager, the Legal Services Manager, the Principal Climate Change Officer, the Senior Engineer (Transportation), the Equal Opportunities Officer and the Democratic Services Manager have been consulted and comments received have been incorporated into the report.



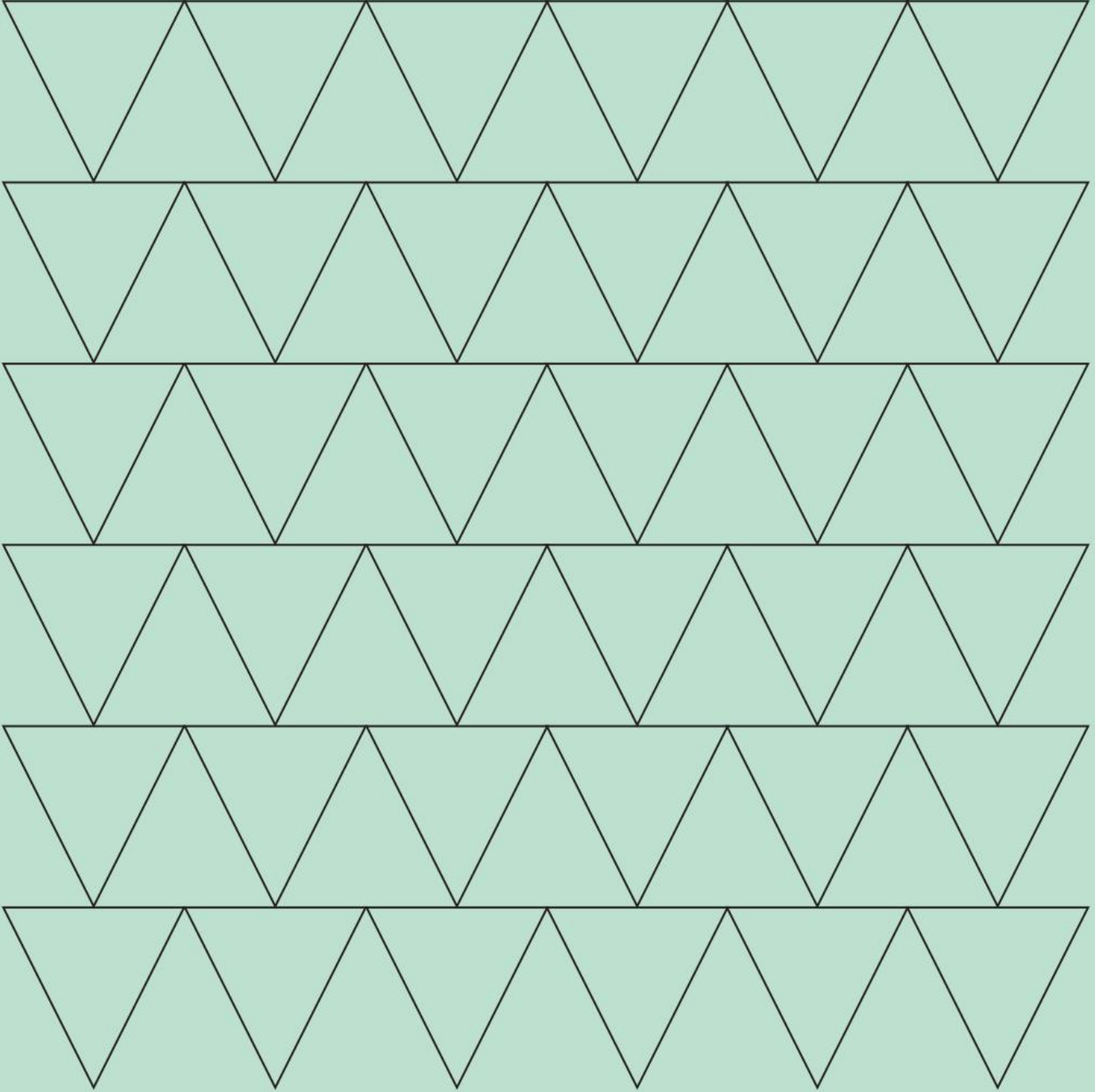
**7. CONCLUSION**

- 7.1 As part of the Moray Just Transition Masterplan, the draft Keith Green Energy and Infrastructure Framework seeks to guide development proposals for grid infrastructure and energy systems/storage associated with renewable energy to the most appropriate locations in and around Keith.**
- 7.2 The draft Framework will be subject to an 8-week public consultation. The responses will be reported to a future meeting of this Committee for consideration along with the final Framework for approval.**

Author of Report: Darren Westmacott, Planning Officer (Strategic Planning and Development)

Background Papers:  
Ref:





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# Keith Green Energy & Infrastructure Framework

June 2023

A Just Transition strategy  
for Moray





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 Transport Consultant: Meinhardt

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4th	25.07.2023	final		MC	JB

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- 02 KEITH IN CONTEXT
- 03 THE TOWN OF KEITH
- 04 STUDY AREA 1 BLACKHILLOCK - CONSTRAINTS + OPPORTUNITIES
- 05 STUDY AREA 2 KEITH NORTH EAST - CONSTRAINTS + OPPORTUNITIES
- 06 KEITH - A GREEN INDUSTRIAL HUB?
- 07 A DEVELOPMENT STRATEGY FOR GREEN INFRASTRUCTURE IN THE KEITH AREA
- 08 NEXT STEPS
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“The brief is to develop a strategic framework for Blackhillock and Keith North East (NE) in order to clearly guide development proposals for grid infrastructure and energy systems/storage associated with renewable energy to the most appropriate locations in and around Keith. This will help to speed up the planning process, delivery of associated facilities and jobs and the overall transition to Net Zero.’

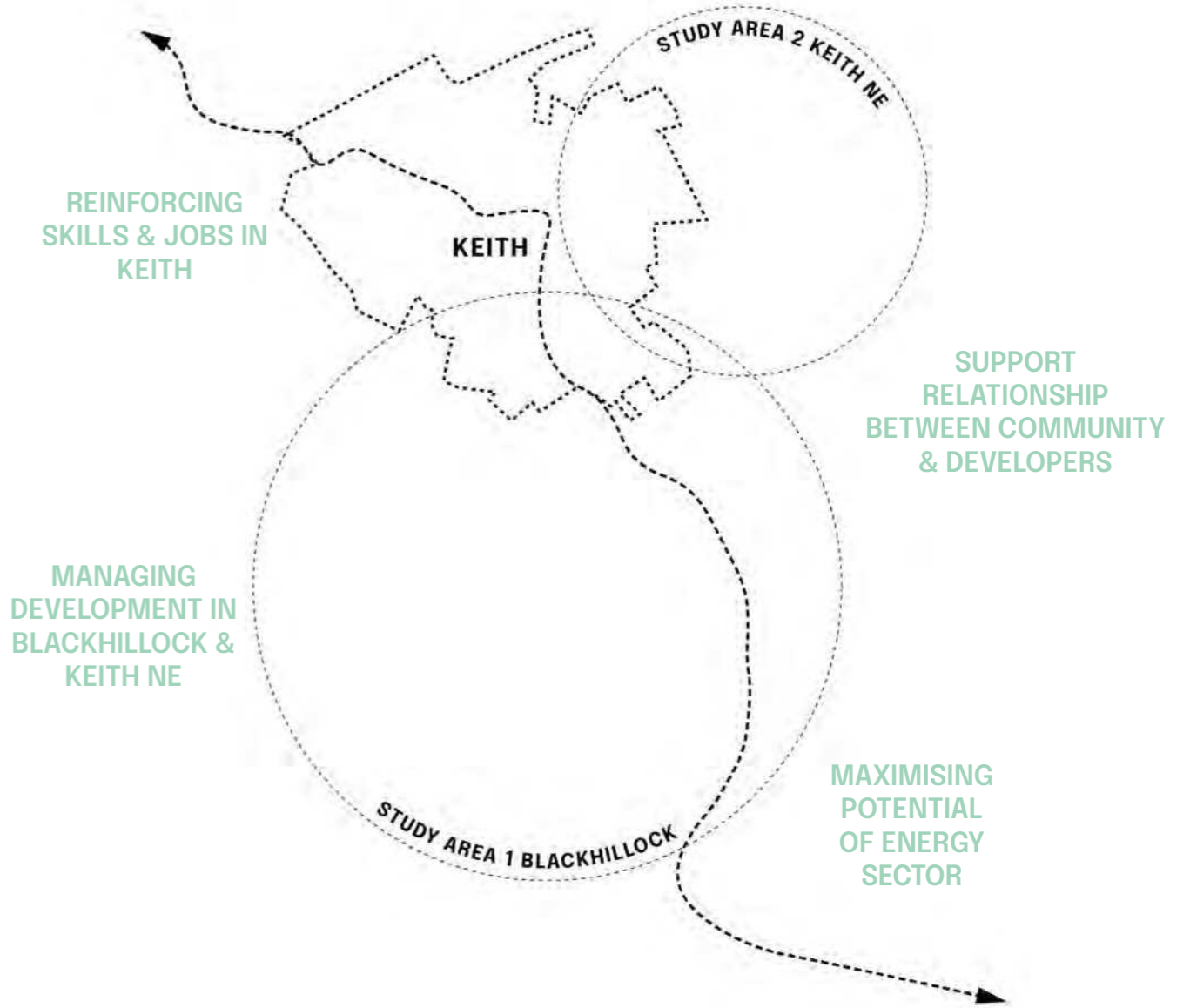


Figure 1 Diagram Presenting Keith and the study areas

# Introduction

This draft strategy seeks to develop a strategic framework with a focus on energy & infrastructure for Keith NE and Blackhillock and sets out the following:

- 01 A strategy for future development in Keith NE and Blackhillock.
- 02 A landscape sensitivity assessment of the Blackhillock and Keith NE area.
- 03 Identifies potential development sites, including any requirements for the expansion of the existing Substation and opportunities identified in the Moray Hydrogen Strategy.
- 04 Identifies infrastructure improvements required to accommodate a variety of uses on opportunity sites.
- 05 Consultation and engagement with public/private sector organisations, including SSEN and Keith and Strathisla Community Council, on how the area surrounding Blackhillock should develop.
- 06 Recommendations for landscape mitigation required to integrate future development opportunities.

## Strategic Framework For Blackhillock & Keith NE

A framework to guide holistic and considered development in the area based on the National Planning Framework (NPF4) and other national development policies including the Energy Strategy, and future and existing development demands in order with the aim to safeguard the landscape and setting of the town.

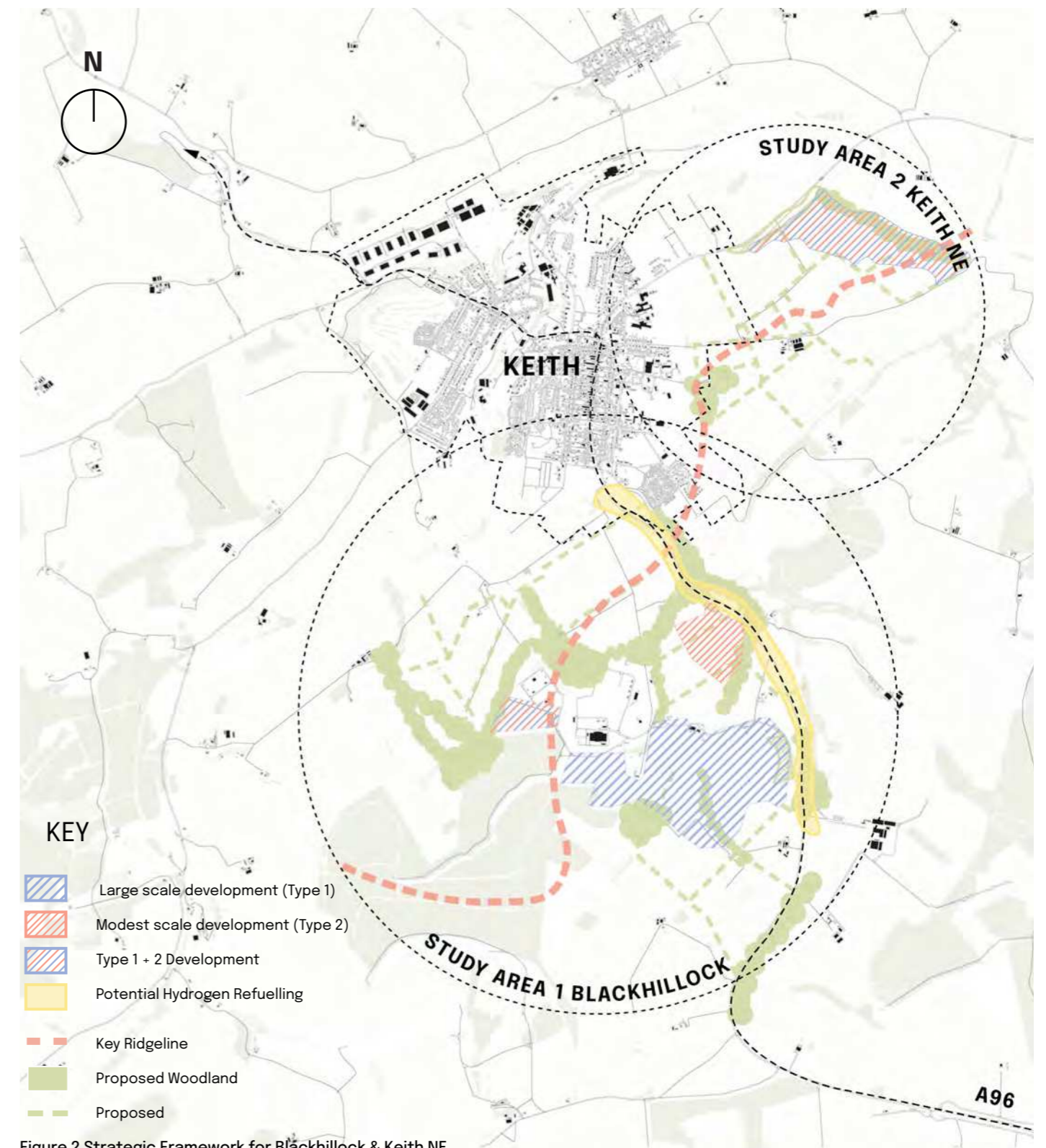


Figure 2 Strategic Framework for Blackhillock & Keith NE

# 01 NATIONAL AND MORAY CONTEXT

This chapter sets out the national and local policy context and Moray's role in the transition to Net Zero.

# National Planning Framework 4 (NPF4)

National Planning Framework 4 (NPF4) was adopted in February 2023 and sets out Scottish Government spatial principles, regional priorities, national developments and national planning policy. The six overarching spatial principles of the Plan are described opposite.

NPF4 sets out the National Spatial Strategy for Scotland up to 2045 and National Planning Policy to inform its delivery. NPF4 forms part of the Statutory Development Plan along with the Moray Local Development Plan 2020 (LDP) and associated planning guidance. The Strategy sets out the spatial priorities for the five regions of Scotland as identified by NPF4. In terms of Moray, the National Spatial Strategy aims to deliver:

- **Sustainable Places** - Protect environmental assets and stimulate investment in natural and engineered solutions to climate change and nature restoration, whilst decarbonising transport and building resilient connections.
- **Liveable Places** - Maintain and help to grow the population by taking a positive approach to rural development that strengthens networks of communities.
- **Productive Places** - Support local economic development by making sustainable use of the areas' world-class environmental assets to innovate and lead greener growth.

This needs to be balanced with protecting the natural and built environment from inappropriate development.



## Just transition

We will empower people to shape their places and ensure the transition to net zero is fair and inclusive



## Local living

We will support local liveability and improve community health and wellbeing by ensuring people can easily access services, greenspace, learning, work and leisure locally.



## Conserving and recycling assets

We will make productive use of existing buildings, places, infrastructure and services, locking in carbon, minimising waste, and building a circular economy.



## Rebalanced development

We will target development to create opportunities for communities and investment in areas of past decline, and manage development sustainably in areas of high demand.



## Compact urban growth

We will limit urban expansion so we can optimise the use of land to provide services and resources, including carbon storage, flood risk management, blue and green infrastructure and biodiversity.



## Rural revitalisation

We will encourage sustainable development in rural areas, recognising the need to grow and support urban and rural communities together..



# Scottish Government Draft Energy Strategy and Just Transition Plan

The Scottish Government's Just Transition Plan aims to ensure that the economic advantages of a green economy are widely shared amongst regions, industries, communities, and consumers.

The public consultation on the Scottish Government's Draft Energy Strategy and Just Transition Plan ran from January – May 2023. The strategy sets out key ambitions for Scotland's energy future proposing a vision for a just energy transition that benefits communities and workers across Scotland, provides high-quality jobs and economic benefit, delivers affordability, and protects the environment and energy security. Figure 3 sets out the vision for a net zero future will be delivered.

The Scottish Government's draft Energy Strategy sets out the following action to deliver their vision for net zero:

- **Significantly scale up renewable energy production.**
- **Maximise community benefit from energy projects.**
- **Continue to invest in the net zero energy economy and provide certainty through clear market signals to attract increased private investment.**
- **Ensure the energy transition supports Scotland's ambitions for restoring nature and reversing biodiversity loss, including through avoidance of negative impacts and promotion of nature-based solutions.**

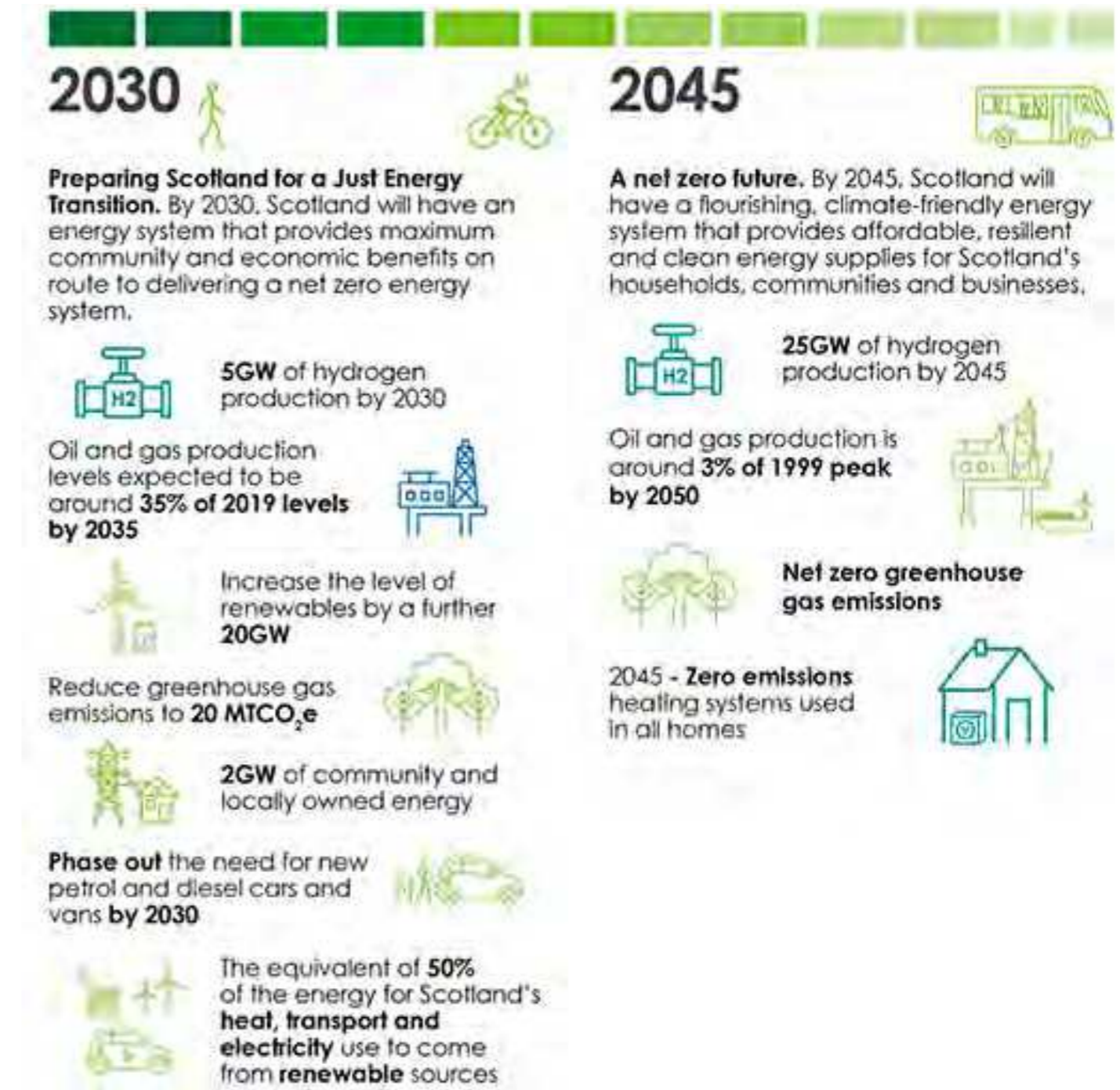


Figure 3 - Scotland's Journey to Net Zero - Delivering the Vision  
Source - Pg 21, Draft Energy Strategy and Just Transition Plan (2023)

# NPF4 and the Keith Green Energy and Infrastructure Framework

The Keith Energy and Infrastructure Framework seeks to ensure that the principles of NPF4 are delivered in a balanced and appropriate way for Keith and the surrounding area.

Along with the 6 spatial principles outlined in NPF4, the plan has also identified 18 national development which will help deliver the spatial strategy. These are listed on the page 13.

## Strategic Renewable Electricity Generation and Transmission Infrastructure

Keith and Blackhillock currently operate as strategic locations for energy infrastructure, providing a nationally significant role in energy transmission. With another substation proposed in the Keith locality by SSEN and the co-location opportunities for secondary energy associated technologies such as battery storage systems coming forward,

This study seeks to inform the management of future change in the area, implementing the spatial objectives of NPF 4 to provide an integrated strategy to bring together cross-cutting priorities and achieve sustainable development.

Once adopted the strategy will therefore be used as a decision making tool in the planning process to support Moray Council in the delivery of their climate change and biodiversity obligations under NPF4.

### National Developments:

1. Energy Innovation Development on the Islands
2. Pumped Hydro Storage (Scotland Wide)
3. Strategic Renewable Electricity Generation & Transmission Infrastructure (Scotland Wide)
4. Circular Economy Materials Management Facilities (Scotland Wide)
5. Urban Sustainable, Blue and Green Surface Water Management Solutions (Edinburgh & Glasgow)
6. Urban Mass/Rapid Transit Networks (Aberdeen, Edinburgh and Glasgow)
7. Central Scotland Green Network
8. National Walking, Cycling and Wheeling Network (Scotland Wide)
9. Edinburgh Waterfront
10. Dundee Waterfront
11. Stranraer Gateway
12. Digital Fibre Network
13. Clyde Mission
14. Aberdeen Harbour
15. Industrial Green Transition Zones
16. Hunterston Strategic Asset
17. Chapelcross Power Station Redevelopment
18. High Speed Rail

### Legend

-  Strategic maritime routes
-  Strategic connection
-  Blue economy
-  Transmission infrastructure

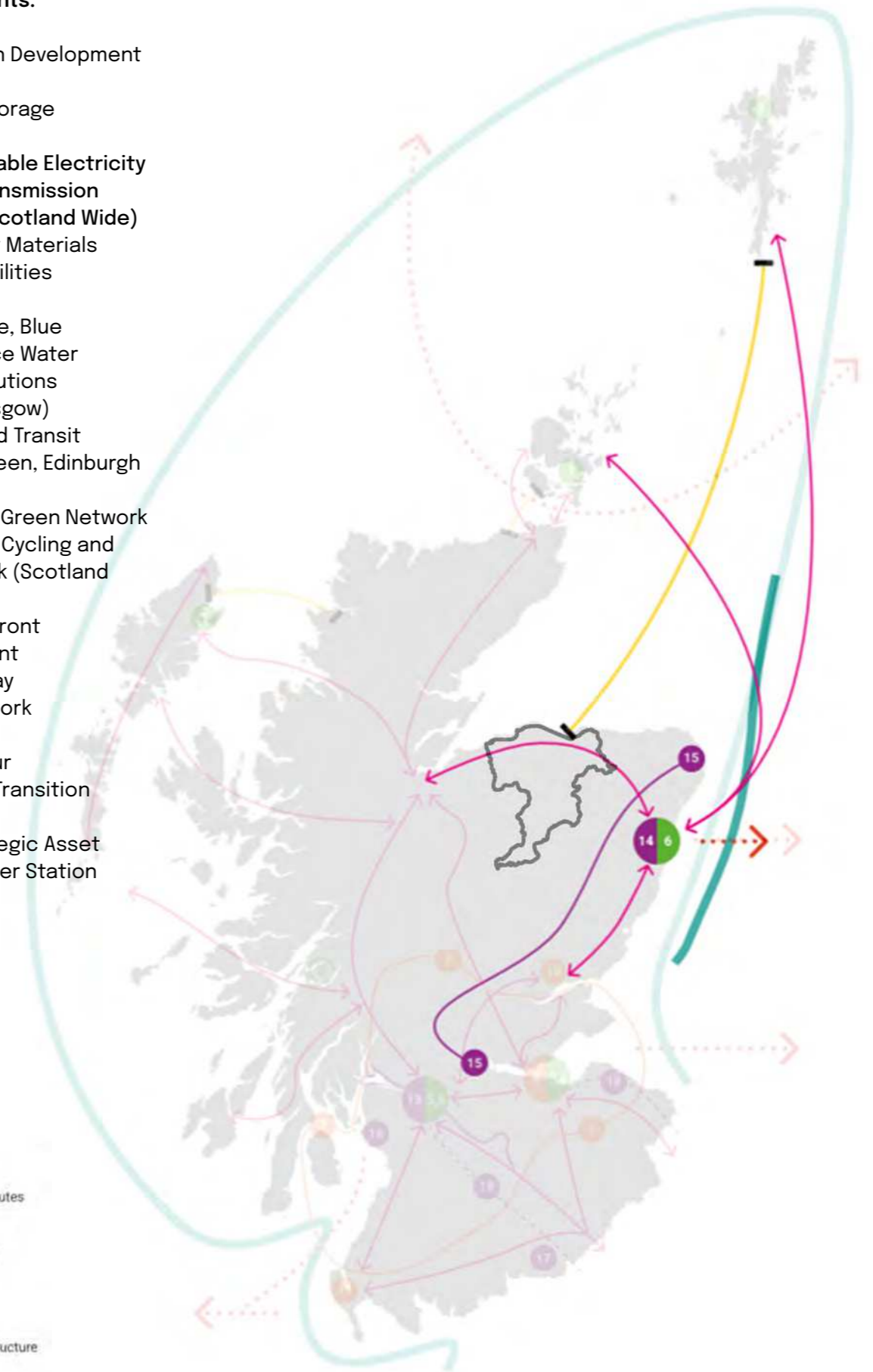


Figure 4 Extract from NPF4 outlining National Developments and their relevance to North East Scotland

NPF4's key policies in regard to climate change are set out below. Community Wealth Building is an important aspect of any development proposal and therefore is also cited. These policies are not exhaustive and any renewable energy proposal must be balanced against policies which protect the natural and built environment of Moray to guide development to the most suitable locations.

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**Policy 1** - Tackling the Climate and Nature Crises seeks to encourage, promote, and facilitate development that addresses the global climate emergency and nature crisis. Key policy outcomes include promoting zero carbon and nature positive places.

**Policy 2** - Climate Mitigation and Adaptation seeks to encourage, promote, and facilitate development that minimises emissions and adapts to the current and future impacts of climate change. Development proposals must be sited and designed to minimise lifecycle greenhouse gas emissions and adapt to risks from climate change. Any retrofit measures to existing developments that reduce emissions or support adaptation to climate change will be supported. Key policy outcomes are to minimise emissions from development and to make Scotland more resilient to climate change impacts.

**Policy 3** - Biodiversity aims to protect biodiversity, reverse biodiversity loss, deliver positive effects from development and strengthen nature networks. Any potential adverse impacts, including cumulative impacts, of development proposals on biodiversity, nature networks and the natural environment will require to be minimised through careful planning and design, and where required adverse impacts will be fully mitigated. Key policy outcomes of Policy 3 are to enhance biodiversity and strengthen nature networks and nature-based solutions.

**Policy 4** - Natural Places seeks to protect, restore, and enhance natural assets making best use of nature-based solutions. Policy 4 sets out specific guidance on development which impacts local to internationally important natural assets. The key policy outcomes are to protect and restore natural places, and to manage and grow natural assets in a sustainable way.

**Policy 11** - Energy seeks to encourage, promote, and facilitate all forms of renewable energy development onshore and offshore including energy generation, storage, new and replacement transmission and distribution infrastructure and emerging low-carbon and zero emissions technologies including hydrogen and carbon capture utilisation and storage. Key policy outcomes include the expansion of renewable, low carbon and zero emissions technologies and maximising net economic benefits, including local and community socio-economic benefits.

**Policy 25** - Community wealth building seeks to encourage, promote and facilitate a new strategic approach to economic development that also provides a practical model for building a wellbeing economy at local, regional and national levels. The key policy outcomes include local economic development that focuses on community and place benefits as a central and primary consideration and supports community ownership and management.

**Policy 29** - Rural Development seeks to encourage rural economic activity, innovation and diversification whilst ensuring that the distinctive character of the rural area and the service function of small towns, natural assets and cultural heritage are safeguarded and enhanced. Key policy outcomes include to create vibrant, balanced, and sustainable rural communities.

# Moray Local Development Plan (MLDP) 2020

The MLDP was formally adopted in July 2020. The MLDP provides a vision for the area as a place where “people want to live, work and invest in Moray because of the outstanding quality of life and environment.” This is supported by a series of objectives including the below which is relevant to this framework

- **Protect and enhance the built and natural environment.**
- **A strong framework for investment that provides sufficient land for development and supports sustainable economic growth.**
- **Encourage efficient use of land and promote low carbon and sustainable development.**
- **Improve resilience of the natural and built environment to climate change.**

## MLDP Land Use Allocations for Framework Study Areas

The land use allocations for the Study Areas in this Framework (Blackhillock and Keith North East) are set out below.

Figure 5 shows the allocations and designations within the larger study area to the south of Keith. The northern edge of the site is allocated as other functional greenspace (environmental) with a smaller plot as a long-term residential site. The area in green to the south of Keith is allocated as ‘Countryside Around Towns (CAT)’ where only specific uses will be accepted as set out under Policy EP4 below. The red strip to the southern edge of the site is identified as an area with potential for wind farm development in Moray Council’s wind farm spatial framework.

### Blackhillock Study Area

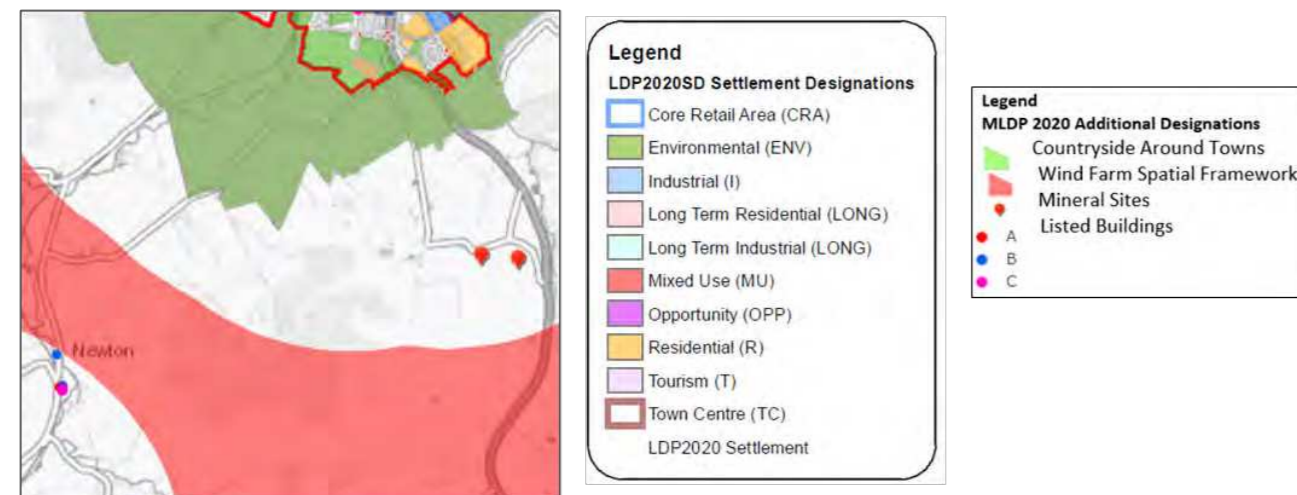


Figure 5 - Extract from MLDP (2020) Sites and Designations Map - Keith Study Area  
Source - MLDP Website (2020)

### Keith NE Study Area

As shown in figure 6 and 6.1 below, within the Keith NE study area, there are a number of allocations on the western edge of the site. To the west of Keith substation are sites allocated for environmental protection, industrial use, and long-term industrial use. There is also a large mixed-use site to the north of the existing substation and a residential site to the southwest of the substation.

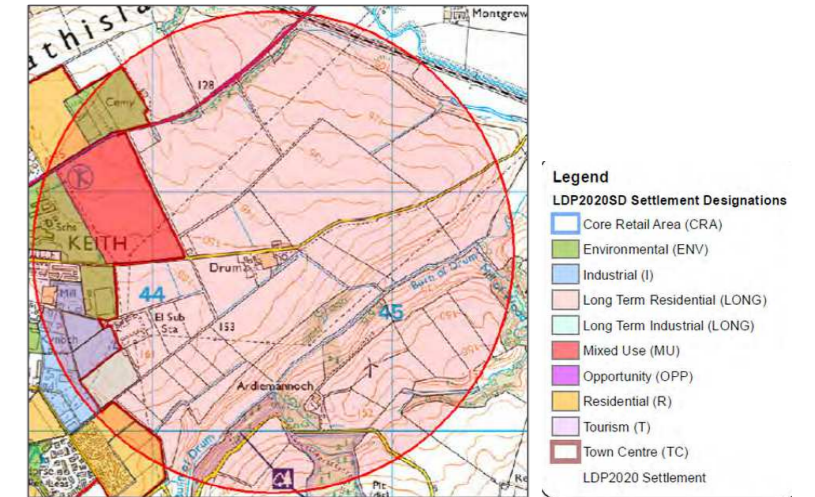


Figure 6 - Extract from MLDP (2020) Proposals Map - Keith NE Study Area  
Settlement Designations  
Source - MLDP Website (2020)

Figure 6.1 shows that the setting of Keith is protected by a Countryside Around Towns (CAT) land use allocation. The Mill Wood SSSI is located in the eastern edge of the site.



Figure 6.1 - Extract from MLDP (2020) Proposals Map - Keith NE Study Area  
Additional designations  
Source - MLDP Website (2020)

# Moray Hydrogen Strategy

The key MLDP policies are outlined below. This is not an exhaustive list and other policies may be applicable depending on the type, scale and nature of the development proposal along with any other relevant planning guidance

- **EP1** - Natural Heritage Designations – seeks to protect any local, national, or international natural heritage designations and protected species.
- **EP2** - Biodiversity – seeks to retain, protect, and enhance features of biological interest and provide for their appropriate management.
- **EP3** - Special Landscape Areas and Landscape Character – seeks to protect any landscape designations and to ensure new development reflects the landscape characteristics of the locale identified in the landscape character assessment.
- **EP4** - Countryside Around Towns – seeks to restrict development around towns including Keith unless they meet certain criteria to prevent development sprawl into the countryside.
- **EP5** - Open Space – seeks to protect existing allocated open space and sets out guidance for open space in new development.
- **EP6** - Settlement Boundaries – seeks to limit the expansion of the existing settlement boundaries.
- **EP7** - Forestry, Woodlands and Trees sets out Moray Council's forestry and woodland strategy including guidance on tree retention, controlling woodland removal and compensatory planting.
- **Policy DP9** - 'Renewable Energy' states that all renewable energy proposals will be considered favourably where they meet the relevant criteria. The policy criteria includes safeguarding and enhancing the built and natural environment, avoiding any unacceptable significant adverse landscape and visual impacts, etc., ensuring that proposals do not result in the loss of prime agricultural land, and consideration of the extent that the proposal contributes to renewable energy targets, its effect on greenhouse gas emissions and net economic impact, including socio-economic benefits.

In September 2022, the Moray Hydrogen Strategy was adopted having been developed with the Highland and Islands Enterprise (HIE) to coordinate the development of a hydrogen economy in Moray. The Moray Hydrogen Strategy examines the short, medium, and long-term actions required to develop a hydrogen economy for Moray and assesses the significant opportunities to generate local community benefits in relation to social, economic, and environmental wellbeing, supporting Scotland's ambitions for a Just Transition.

Blackhillock substation is identified as a Medium-Term Production Location (2030-2040) suitable for producing and distributing hydrogen using tube trailers or a new pipeline network to nearby industrial users and the wider transport network within Moray. There is opportunity to create a Hydrogen Corridor through Moray by considering hydrogen refuelling stations along the route of the A96 (with Blackhillock offering a location approximately halfway between Aberdeen and Inverness).

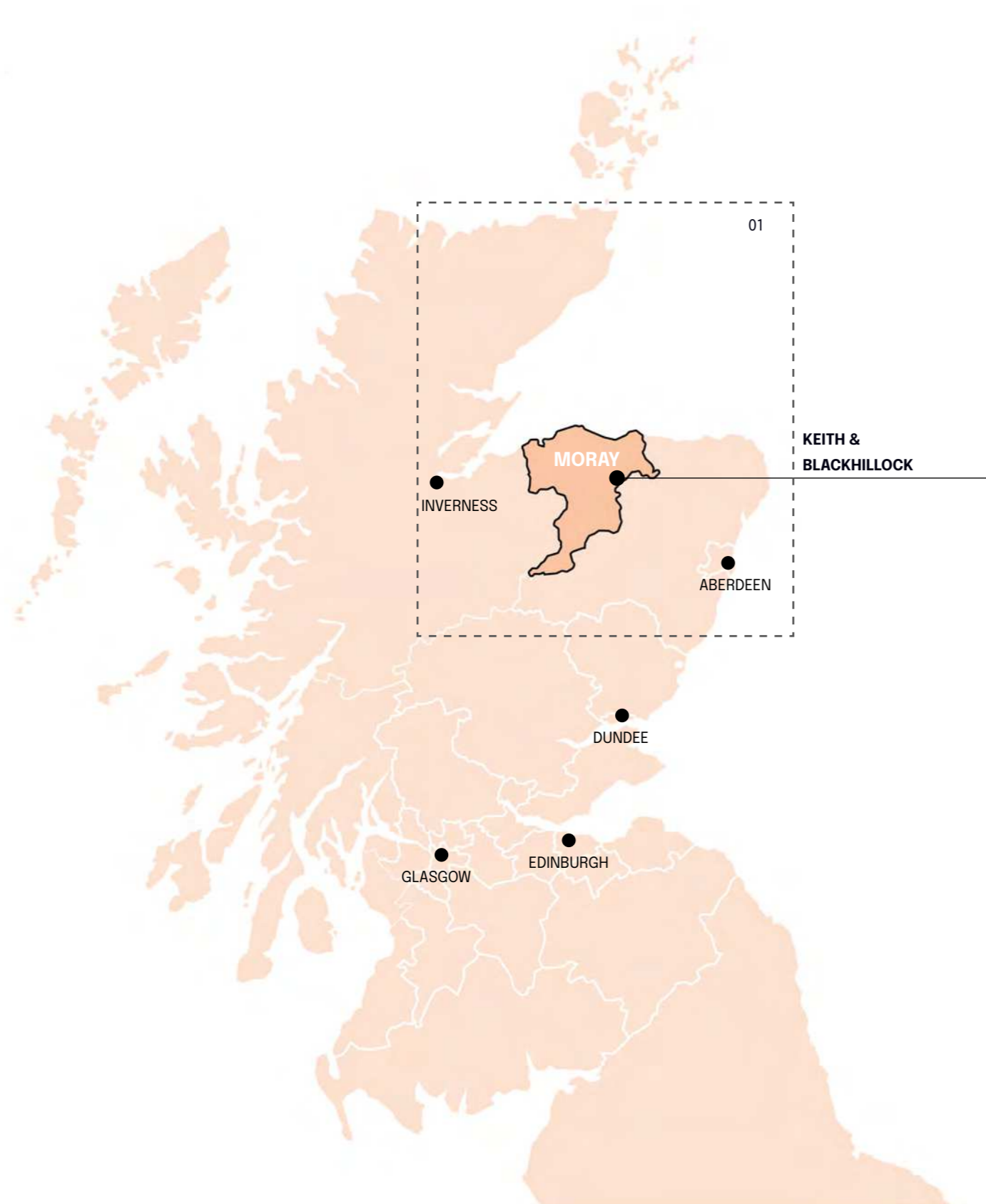
The Strategy outlines that the Blackhillock area has potential to be the renewable hub of Moray, because of access to power from offshore wind.

## 02 Keith in Context

This chapter sets out the national and local policy context and Keith's role in the transition to Net Zero.



## 2.1 National Level



Moray is located in the north east of Scotland between the Aberdeenshire and Highland local authority areas. The Moray area includes the coastline of the Moray Firth and stretches inland to the Cairngorms. The majority of towns in Moray are situated in the northern area of the district where most of the population resides.

Blackhillock, which lies just below the town of Keith, is home to the largest substation in the UK and covers an area of at least 24 football pitches (approximately 17hectares). The station allows power generated by renewable sources to be processed and transferred to the national grid.

It is seen as important to the UK electricity grid since the north of Scotland generates the majority of its renewable energy through windfarms.

Figure 7: Map of Scotland identifying Moray Region, Keith and Blackhillock

01

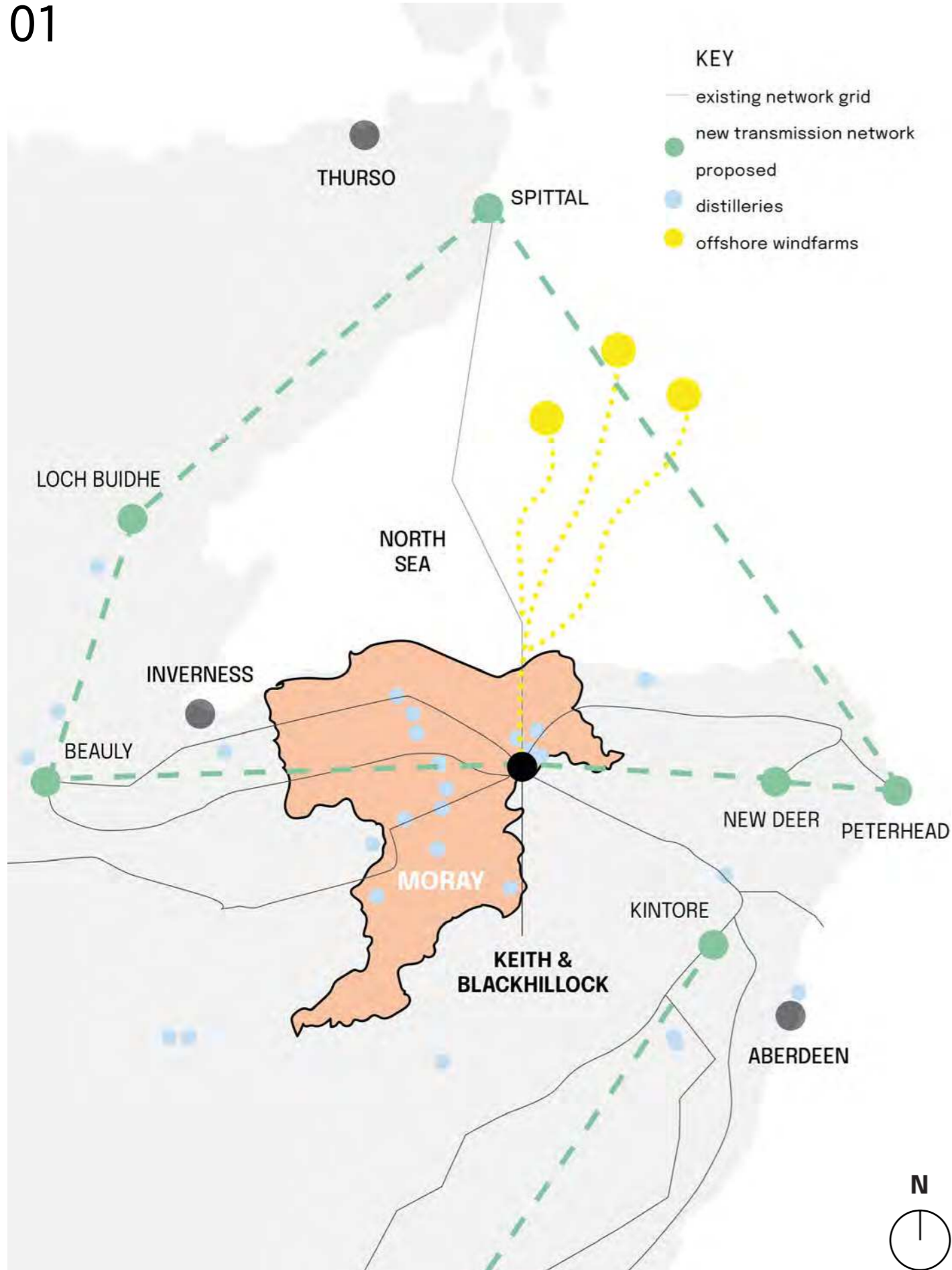


Figure 8 Regional Map - Information extracted from 'Pathway to 2030' by SSEN

## 2.2 Regional Level

At a regional level, Keith and Blackhillock sit within a network of energy infrastructure spanning from Spittal in the far North to Peterhead in the East. It sits between the two cities of Inverness and Aberdeen connected by the A96 and in proximity to the North Sea. The area is also home to a large number of distilleries and various industries.

Blackhillock substation was upgraded in 2019 to accommodate a new station. The Beatrice substation completed in 2022 which, alongside the Blackhillock substation processes the electricity generated by the Beatrice offshore windfarm (90km away). This electricity is then transmitted to the adjacent Blackhillock station where it is transferred to the national grid.

The Scottish Government has identified that efforts should be focused on wind energy, as this is one of the cheapest form of electricity making it the most viable option. The aim is to generate at least 50% of Scotland's energy demand through renewables.

Both of these stations are owned and operated by Scottish Southern Electricity Network (SSEN).

"In July 2022, National Grid, the Electricity System Operator (ESO) responsible for making sure that the electricity flows across the UK's system, balancing supply and demand at all times, set out how the transmission network needs to develop to accommodate the growth in renewable electricity across Great Britain. This includes delivering the UK and Scottish Government's 2030 offshore wind targets of 50GW and 11GW" - SSEN

To enable the projects identified in the 'Pathway to 2030' by SSEN, which have been recognised as vital to meeting the ambitions set out by the UK and Scottish Government with regards to energy, a new substation is required in the Keith/Blackhillock area.



## 2.3 Local Scale

On a local scale Keith NE and Blackhillock areas lie outwith the town of Keith. The vital A96 road which connects Aberdeen to Inverness passes directly through the town and past Blackhillock.

The map overlaid identifies the two key study areas outlined in this framework

### Blackhillock - Study Area 1

### Keith NE - Study Area 2

These areas, specifically around the substations are largely industrial and farmland and consist of the following industries (See map for location):

- 1 Blackhillock substation
- 2 Beatrice substation
- 3 Blackhillock & Cairdshill Quarry
- 4 A number of whisky distilleries in Keith
- 5 Keith substation
- 6 Edintore Windfarm
- 7 Agricultural land
- 8 One of the sites being looked at by SSEN for a new substation

### KEY

-  Train
-  Train station
-  Roads
-  Industrial
-  Woodland
-  Keith
-  Distillery

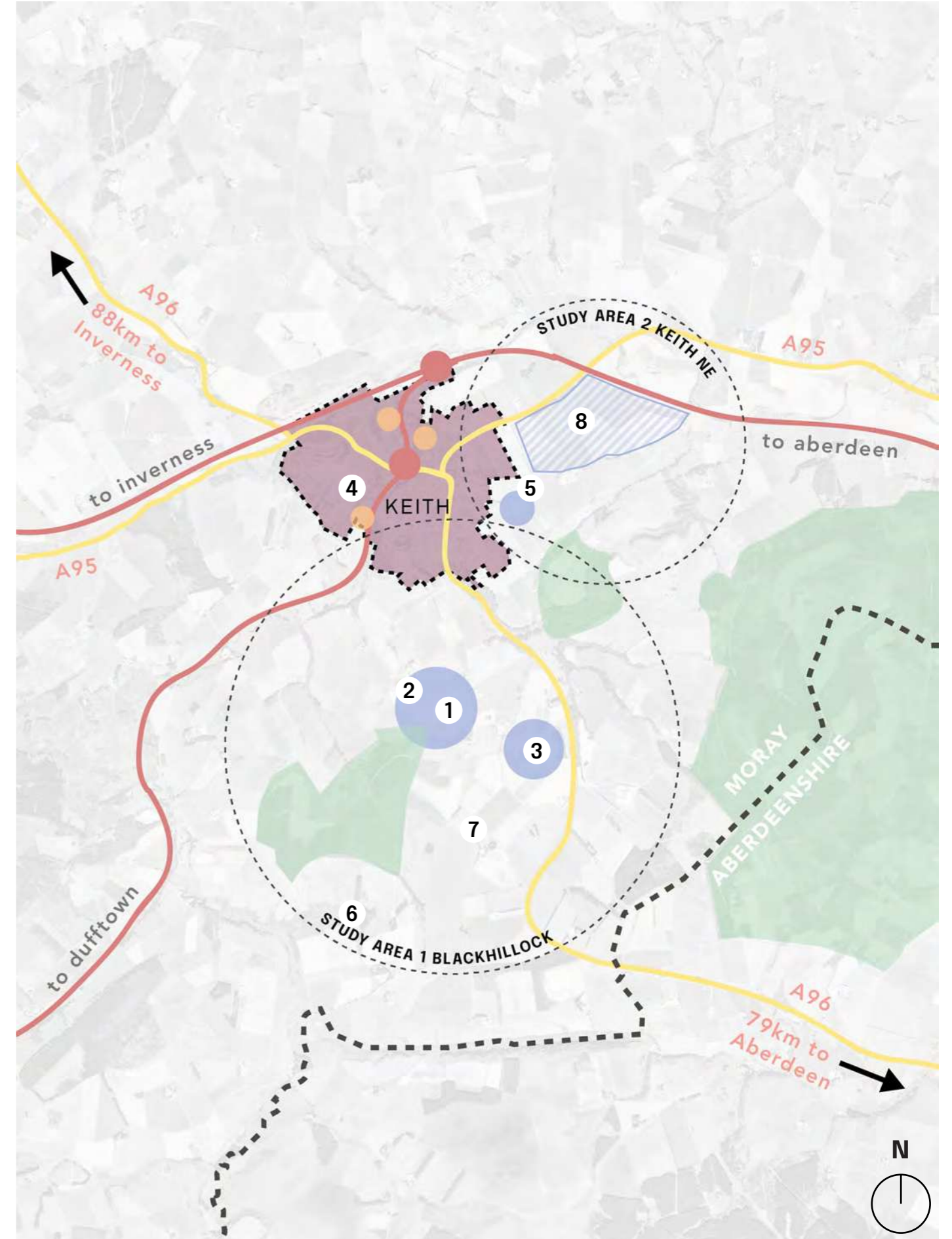


Figure 9 Map of Keith and the two study areas

## 03 Town of Keith

The following outlines a high level urban analysis of the town of Keith, that charts its evolution and its current form.



KEITH TOWN

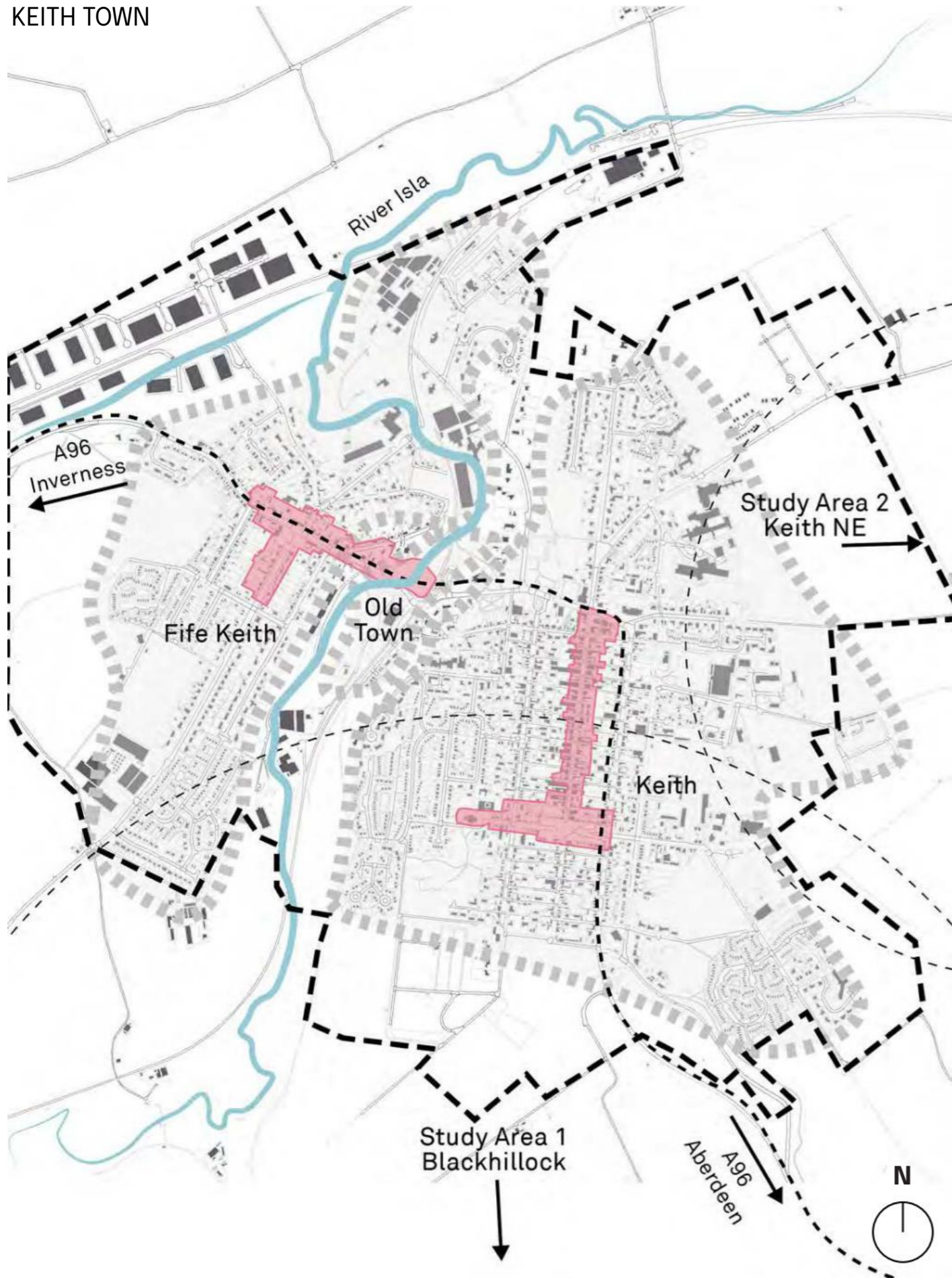


Figure 10 - Keith Town

### 3.1 Historical Context

The town of Keith is located in the north-east of Moray and has a population of around 4700. It is divided into three distinct areas: Keith, the main commercial centre, Old Town, where the town originated and Fife Keith. Fife Keith, once a separate town created in rivalry by the Earl of Fife, was finally combined to form one village, presently divided only by the river.

The Old Town has become nearly indistinguishable from the rest of the town and was first established around the old bridge in Keith about the year 1180. The town's central area was planned around 1750 and is located on higher ground above the river

KEY  
(Diagram Opposite)

- Keith Town Boundary
- Keith Areas
- Conservation Areas
- River
- - - Study Area Boundary



1868

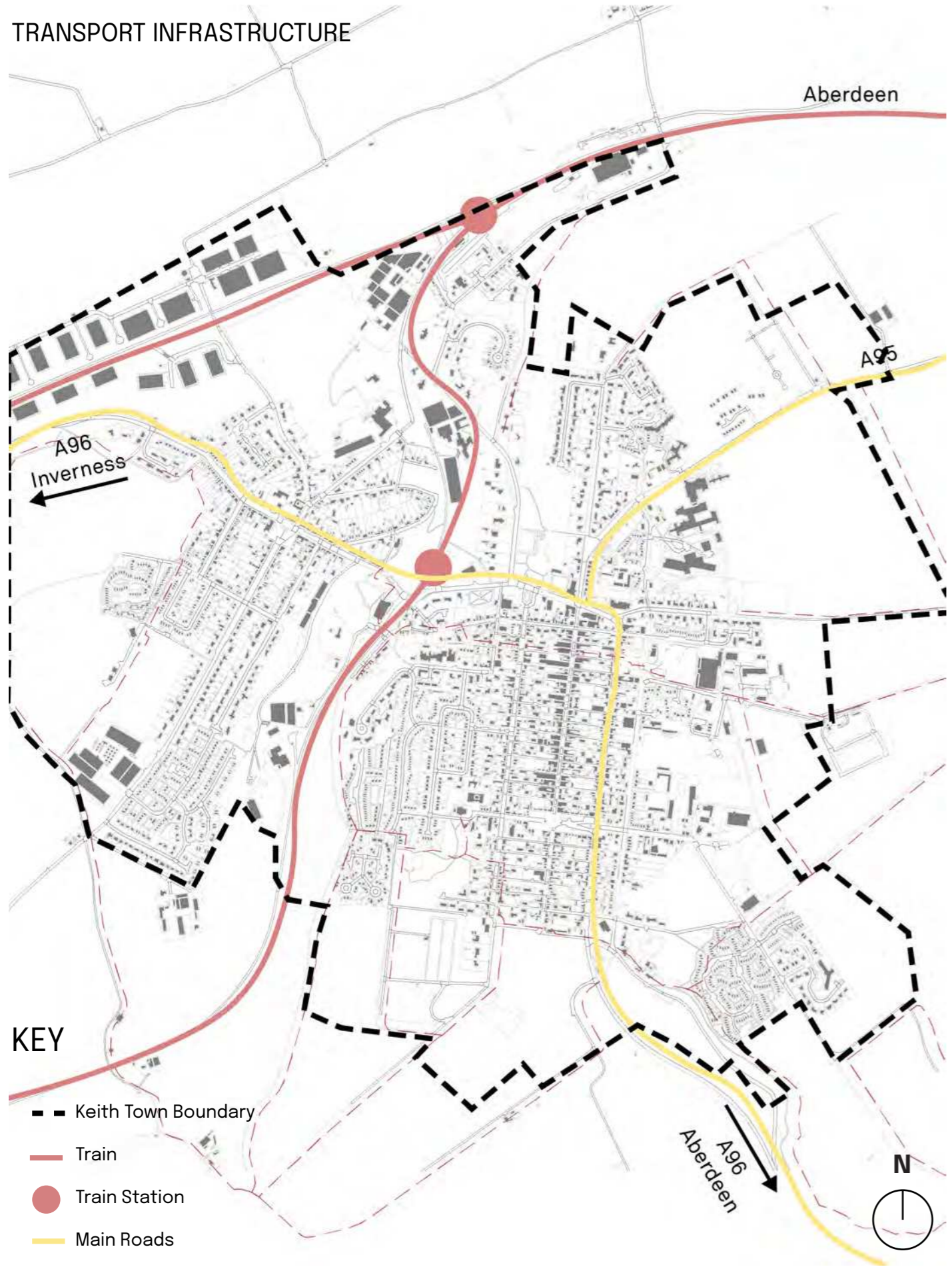


1900



1938

Figure 11 Historical Maps of Keith



### 3.2 Baseline Analysis

This section presents a series of maps outlining:

- Transport Infrastructure
- Community & Education
- Green spaces
- Industry & New Development

The map overleaf shows that the town of Keith lies at an intersection between the A95 and A96 roads which means that there is a significant level of traffic passing through the town as the A96 is the main route that connects Inverness to Aberdeen. The river Isla divides the town into Fife Keith and Keith.

Currently the town has 3 schools: Keith Grammar School, Keith Primary school and St Thomas Primary school. The town is well connected with a number of bus routes and one main train station with direct lines to Inverness and Aberdeen. A heritage train station exists in the old part of the town with a direct route to Dufftown.

The edge of Keith is defined by new housing developments to the east with the Keith substation located just outside the town.

The following pages present the other baseline maps of Keith.

Figure 12 - Keith Transport & Infrastructure

### GREEN SPACE

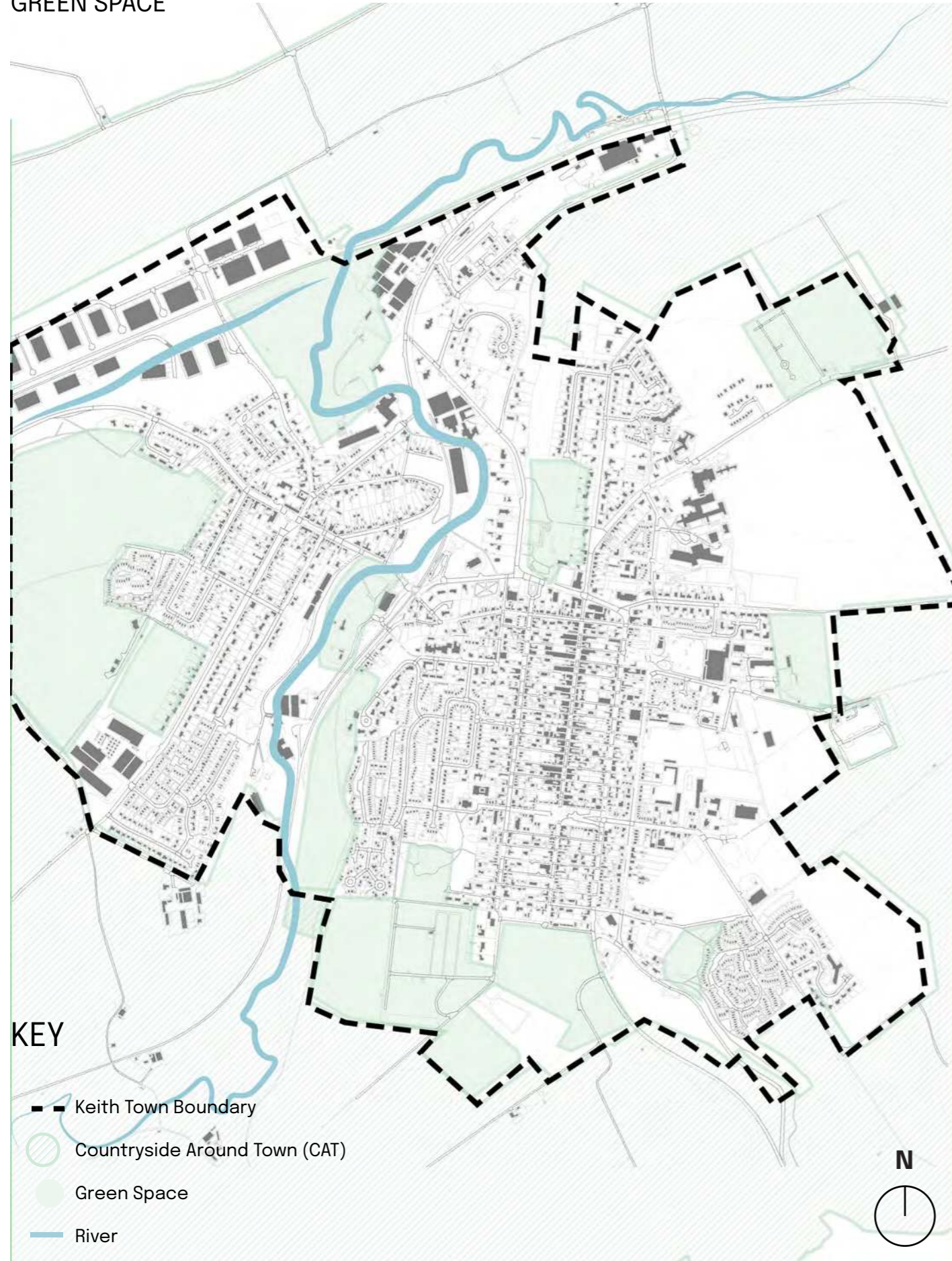


Figure 13 - Keith Green Spaces

### INDUSTRY & NEW DEVELOPMENT

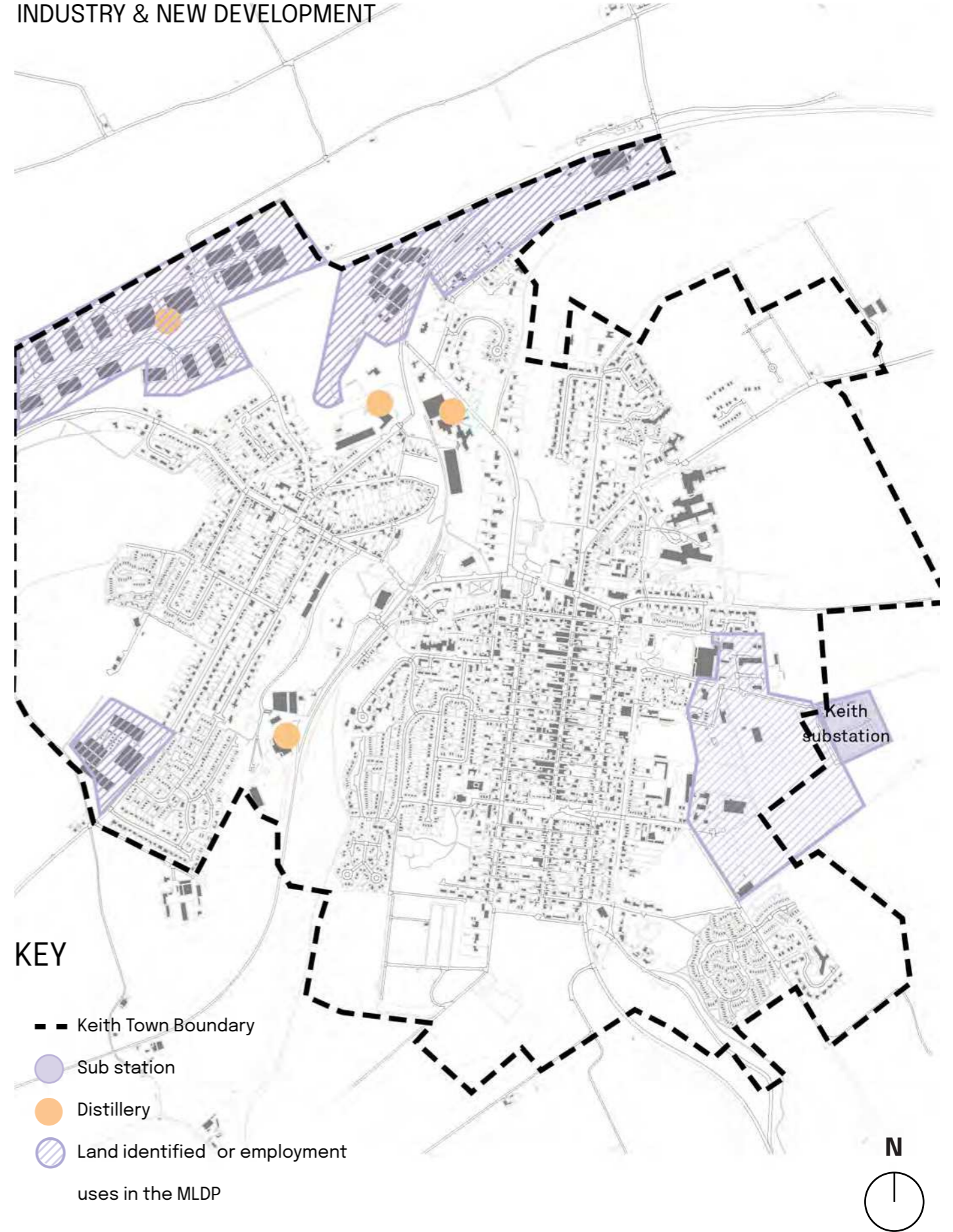


Figure 14 - Keith Industry

## 04 Study Area 1 - Blackhillock Site & Context

The following section explores the study area of Blackhillock to the south of the town of Keith, highlighting the constraints and opportunities. It begins by providing an executive summary of the comprehensive landscape sensitivity assessment which is included in more detail in Appendix (i)

# 4.1 Landscape Sensitivity Study

The following section is an executive summary of the landscape sensitivity study (LSS) carried out by Land Use Consultants (LUC) as part of the wider study on behalf of Moray Council. The full report can be found in Appendix (i).

The LSS focuses on the area immediately surrounding the existing Blackhillock Substation, within a radius of 2km. It is considered that this area captures potential development pressure and landscape sensitivities within the masterplan area and its immediate surroundings.

### Development Scenarios:

NatureScot’s Landscape Sensitivity Assessment Guidance (2022) recommends that sensitivity studies consider the likely levels of sensitivity to specified types of development or land use (para 21). The use of high-level scenarios for development types recognises that different types of built development have different physical and visual characteristics, different infrastructural requirements and different landscape and visual impacts.

The following scenarios have been used to reflect the different scales of development that may be proposed in the study areas:

**Type 1 - Electricity sub-stations / converter stations, representing large-scale industrial-style development, in the form of large buildings, outdoor electrical infrastructure and associated road infrastructure. Development will potentially occupy a large footprint than Type 2; and**

**Type 2 - Battery Energy Storage Systems / solar farms, representing industrial-style development of more modest scale, in the form of ‘shipping container’ size buildings and / or solar arrays and associated road infrastructure. Development will potentially occupy a smaller footprint than Type 1 (unless it relates to a larger scale solar farm).**

### Landscape Sensitivity Criteria

The landscape sensitivity assessments are based on an assessment of Local Landscape Character Areas (LLCAs) using carefully defined criteria. LLCAs are shown on Figure 15. The criteria are summarised below:

- Physical character (including topography and scale);
- Natural character;
- Historic landscape character;
- Form, density, identity and setting of existing settlement/development;
- Views and visual character including skylines;
- Access and recreation; and
- Perceptual and experiential qualities.

### Making an overall judgement on levels of landscape sensitivity

An overall sensitivity judgement for each LLCA was derived based on the individual criteria ranks. This is not a linear process as it recognises that some attributes or elements of particular landscape parcels may be more important in defining character than others and may be given more ‘weight’ in reaching an overall judgement. Professional judgement is therefore used rather than a system of numerical scoring. Sensitivity ratings are given on a scale of low, low-moderate, moderate, moderate-high, and high.

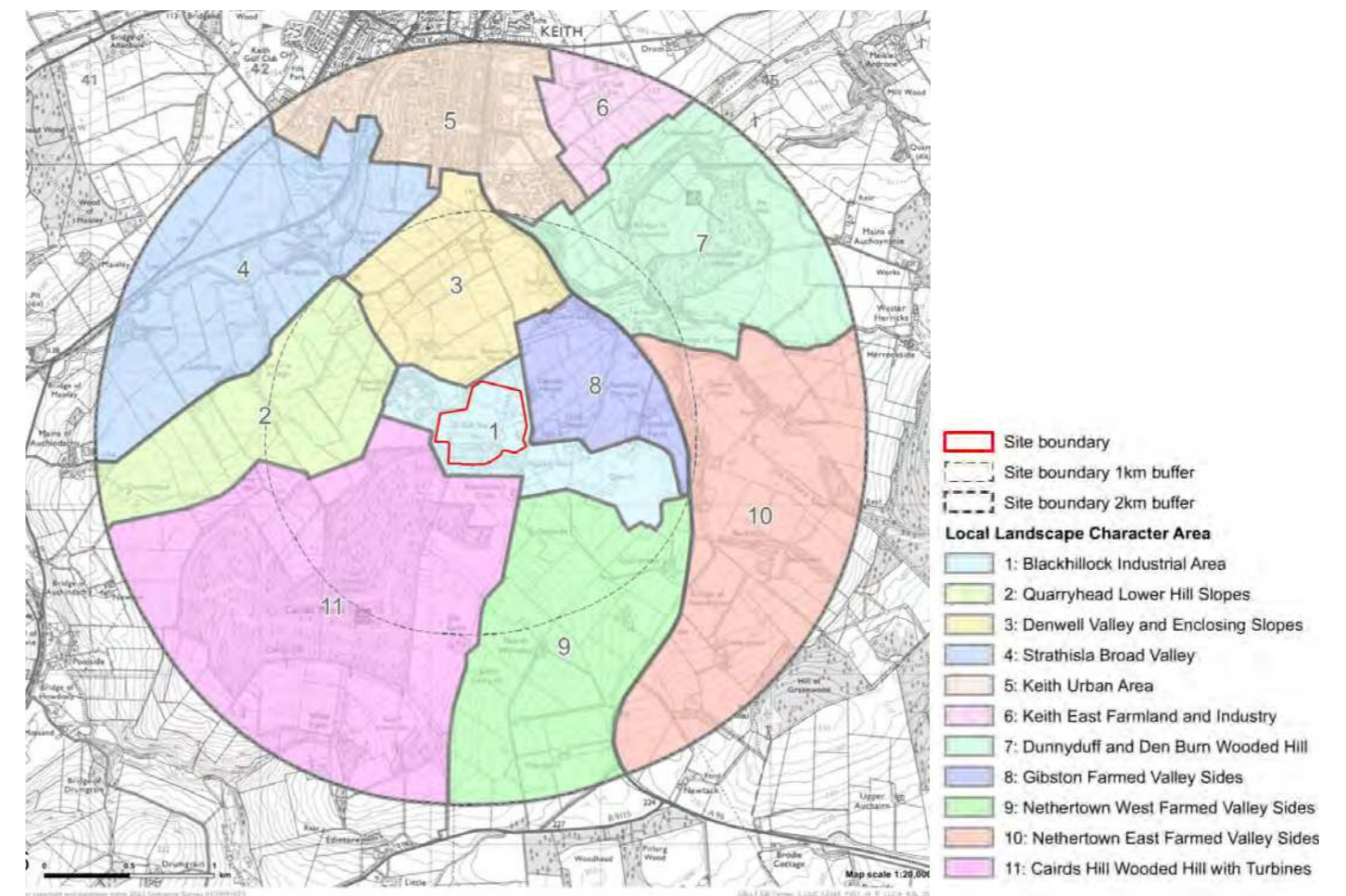


Figure 15 - Blackhillock Landscape Character Areas

## Blackhillock Substation - Conclusions & Recommendations

The overall findings of the sensitivity assessment for Blackhillock are summarised in Table 1, see below, and on Figures 2 and 3.

Figure 16 illustrates sensitivity to Type 1 development (i.e. large scale industrial development such as sub-stations or converter stations). Areas of higher sensitivity (orange/red/dark red) are unlikely to be suitable for Type 1 development. There may be some limited scope for Type 1 development in areas of lower sensitivity (yellow), subject to appropriate siting and landscape mitigation.

Figure 17 illustrates sensitivity to Type 2 development (i.e. industrial development of a more modest scale such as battery energy storage systems or solar farms). Areas of higher sensitivity are unlikely to be suitable for Type 2 development. There may be some scope for Type 2 development in areas of lower sensitivity (yellow) and also in parts of areas of moderate sensitivity (orange) subject to appropriate siting and landscape mitigation.

The landscape sensitivity assessment has identified that the following areas are of high or moderate-high sensitivity to Type 1 (column 1) and Type 2 (column 2) development.

LLCA NO.	LLCA Name	Overall Sensitivity Rating: Type 1	Overall Sensitivity Rating: Type 2
1	Blackhillock Industrial Area	Low - Moderate	Low - Moderate
2	Quarryhead Lower Hill Slopes	Moderate	Low - Moderate
3	Denwell Valley & Enclosing Slopes	High	Moderate - High
4	Strathisla Broad Valley	Moderate	Moderate
5	Keith Urban Areas	High	High
6	Dunnyduff and Den Burn Wooded Hill	Moderate - High	Moderate - High
7	Gibston Farmed Valley Sides	Moderate	Low - Moderate
8	Netherton West Farmed Valley Sides	Moderate - High	Moderate
9	Nethertown East Farmed Valley Sides	Moderate - High	Moderate
10	Cairds Hill Wooded Hill with Turbines	Moderate - High	Moderate

Table 1: Overall landscape sensitivity score for the local landscape character areas (Blackhillock)

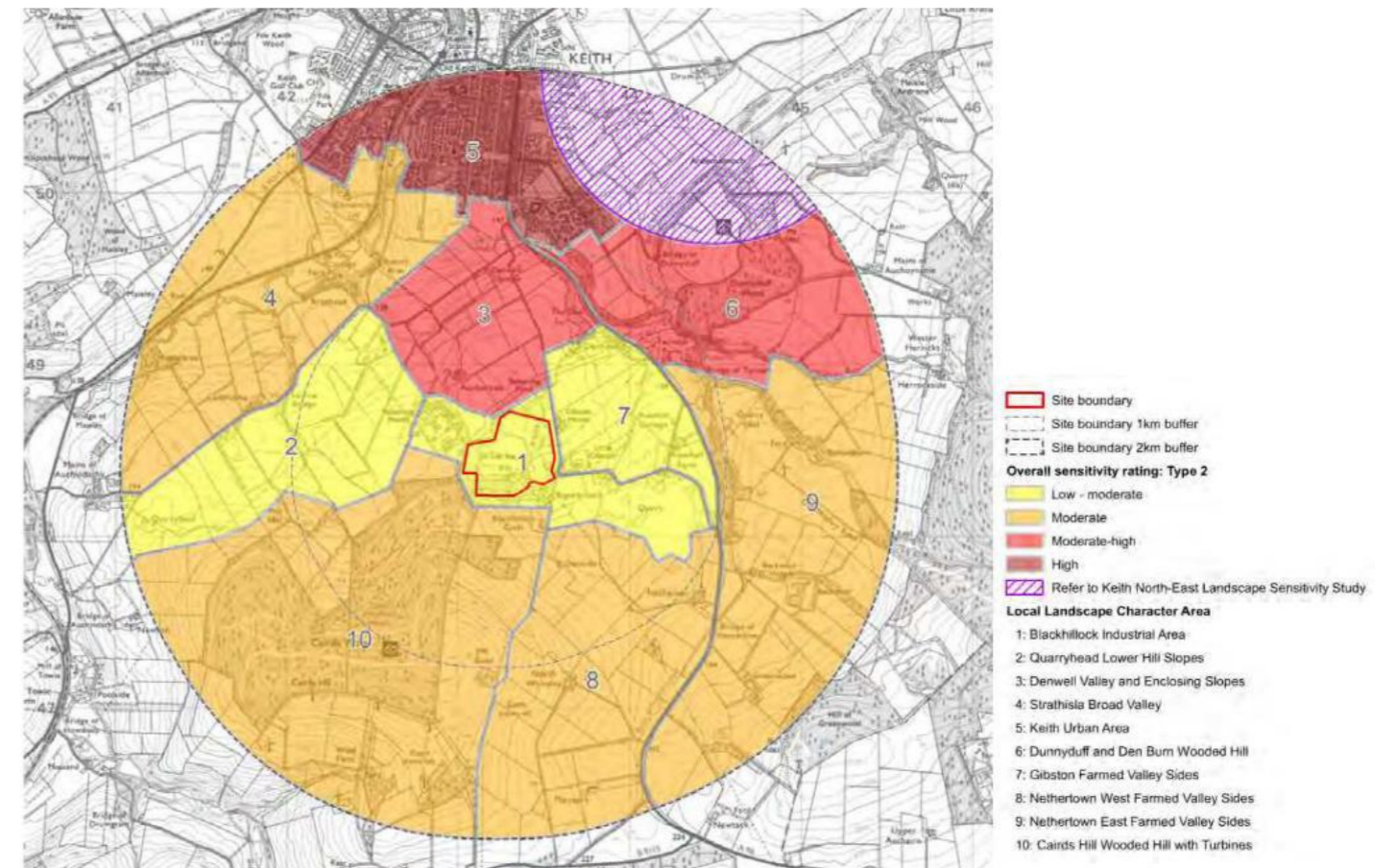
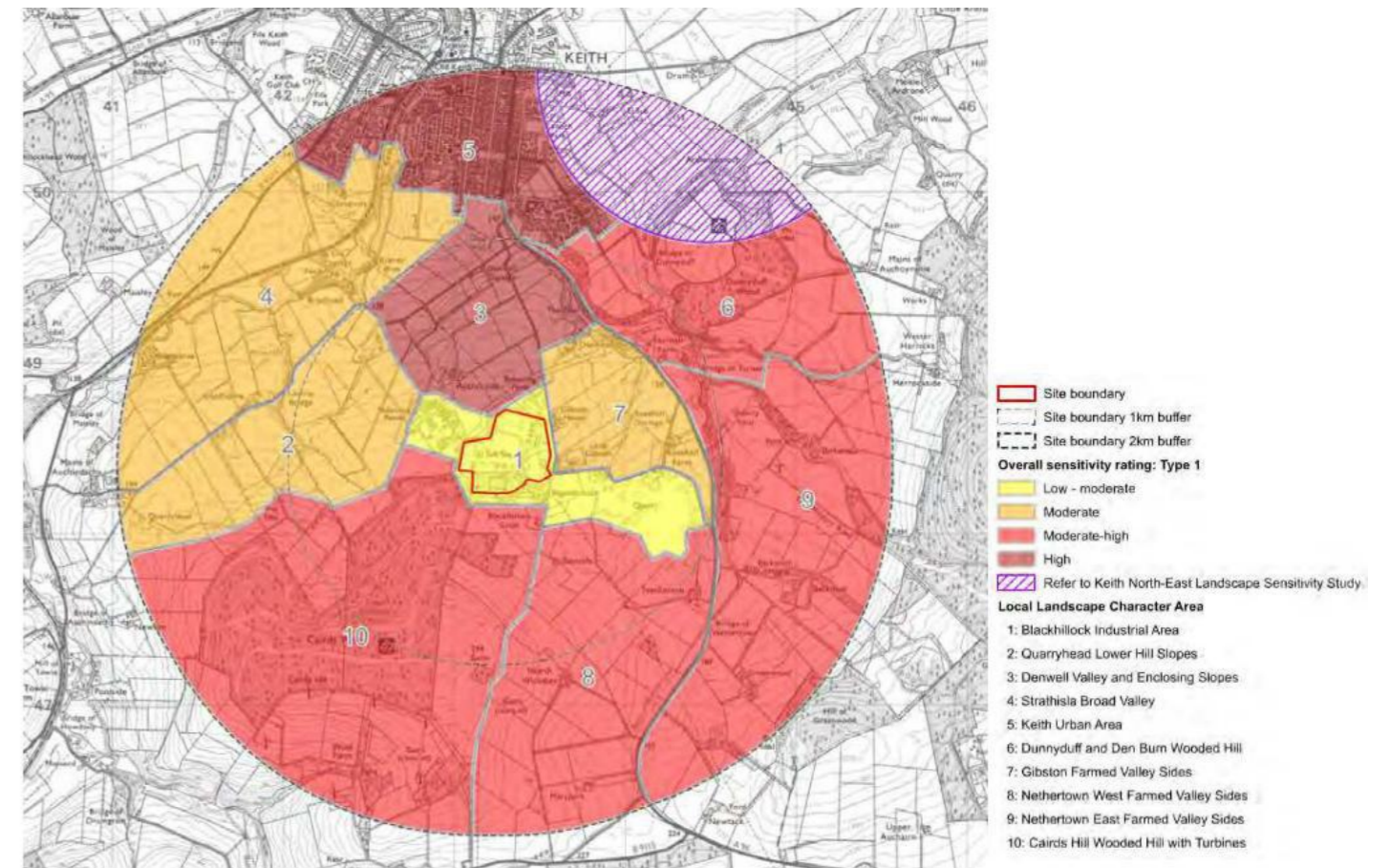


Figure 16 (Above) - Landscape Sensitivity Study for Type 1 Development

Figure 17 (Below) - Landscape Sensitivity Study for Type 2 Development



**The following types of landscape/visual mitigation and landscape enhancement have been identified as potentially appropriate:**

- Reprofilng of platforms where possible to provide a more naturalistic landform across Cairds Hill (LLCA 1).
- Mixed woodland planting along A96 to screen views towards Blackhillock substation, the quarries and potential development sites (LLCAs 3, 7, 8).
- Enhanced planting around Blackhillock Substation and Beatrice HVDC Converter station to screen in views from the west, north and east (LLCA 1).
- Rationalisation/ potential undergrounding of overhead lines in the vicinity of the substation, to help reduce the prominence of larger scale vertical electricity infrastructure in the area (LLCAs 1, 3, 7, 8).
- Consider colour palette of buildings in substation sites, using colours which help structures recede into views (LLCA 1). Recessive colours which are likely to be suitable for the Moray landscape include greys, greens and browns.
- Native hedgerow planting along field boundaries to enhance landscape character and strengthen the habitat network / enhance biodiversity (LLCAs 2,3,7, 8).
- Native riparian woodland along tributary burns to enhance landscape character, strengthen habitat networks / enhance biodiversity and filter views towards the Beatrice Converter Station, Blackhillock Substation or quarries (LLCAs 2,3,7,8).
- Expansion and diversification of woodland on Cairds Hill to soften the linear forestry edge, strengthen the habitat network / enhance biodiversity and filter / screen views towards existing development and potential development site from the north-west (LLCA 10).

## 4.2 Constraints & Opportunities

The town of Keith lies to the north of the site, just 2.5km from the Blackhillock substation. A number of residential properties are dotted around the area, most of which are adjacent to agricultural buildings.

The vast majority of the area is used for agriculture with the central area, around Blackhillock substation mainly focused around energy use and the quarry sites to the east of the sub station.

The road infrastructure mainly consists of rural roads, with the A96, that connects Inverness and Aberdeen, bypassing the site leading straight into Keith. Cairds Wood to the south west of the substation lies at the top of a hill and the smaller Dunnyduff Wood lies to the north east of the site.

Importantly, in terms of underground utilities, a main gas line intersects the site as shown in the diagram opposite, which will restrict certain developments happening in this area.

The diagram opposite provides an overview of the key existing constraints which exist in the area, which is extensive for such a small area. More information on these infrastructure constraints are provided over the next few pages.

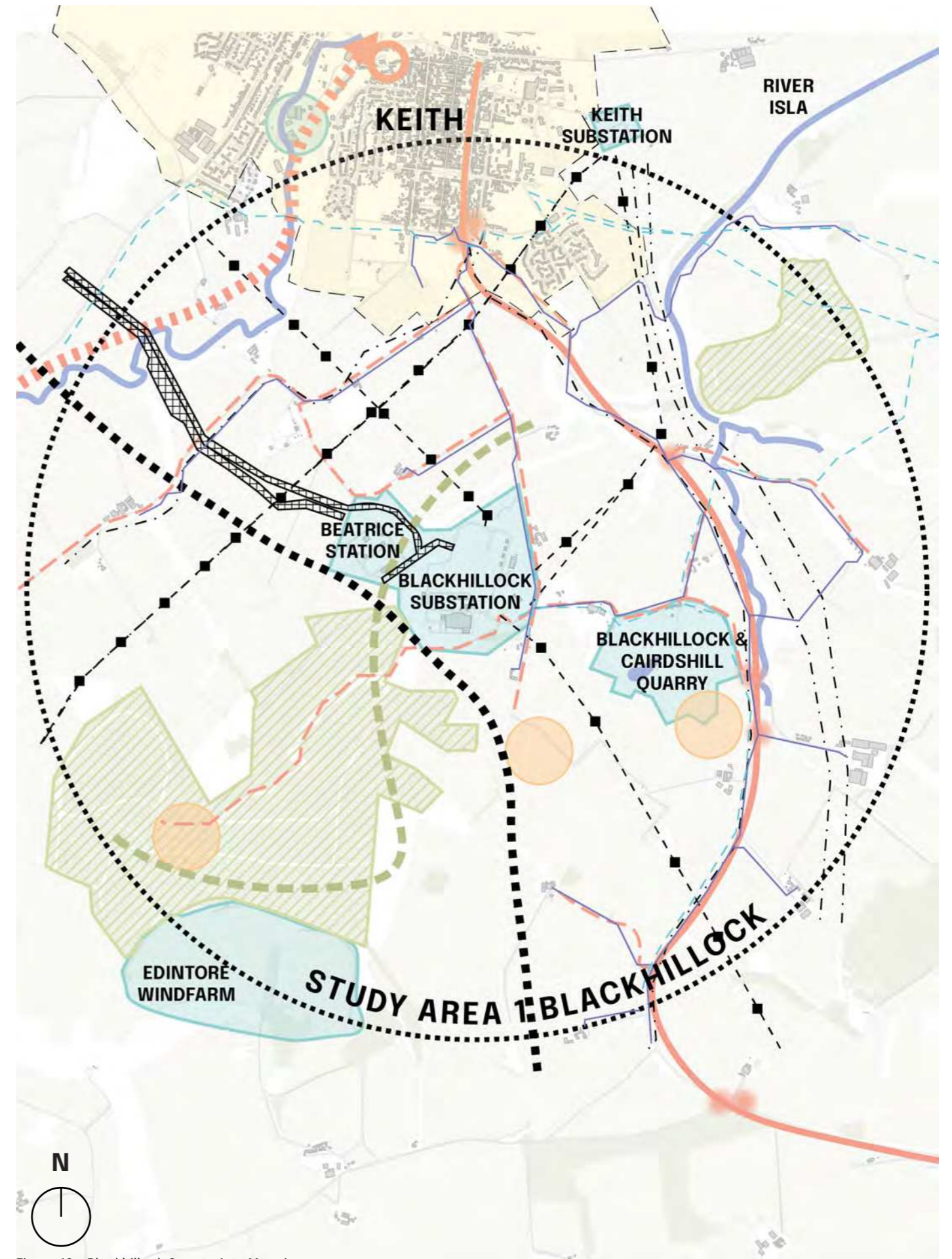
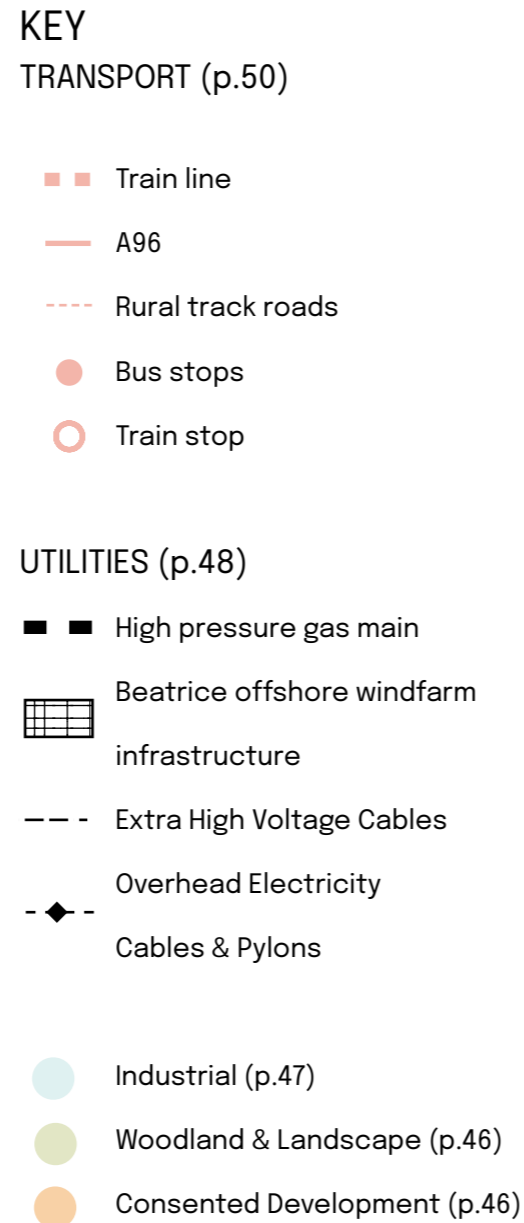
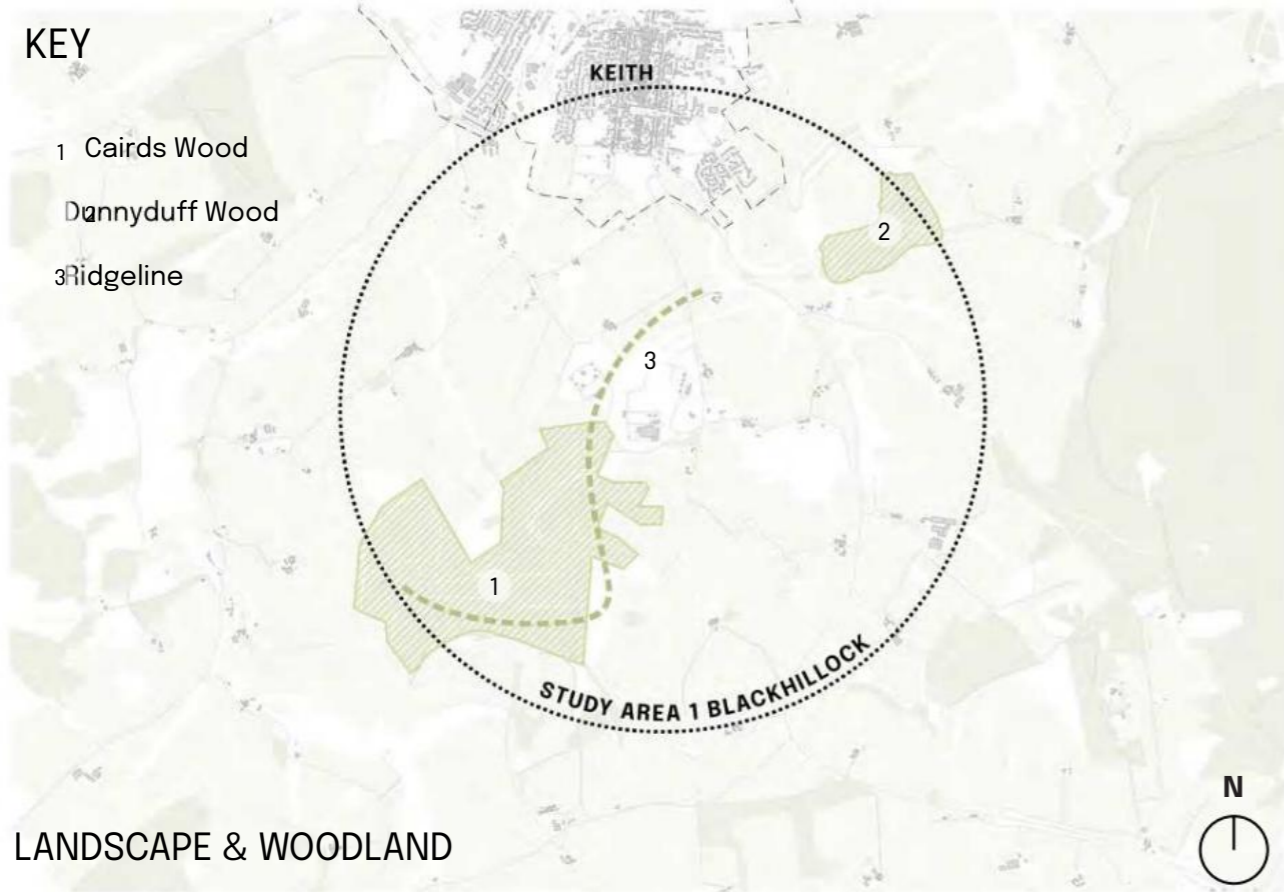


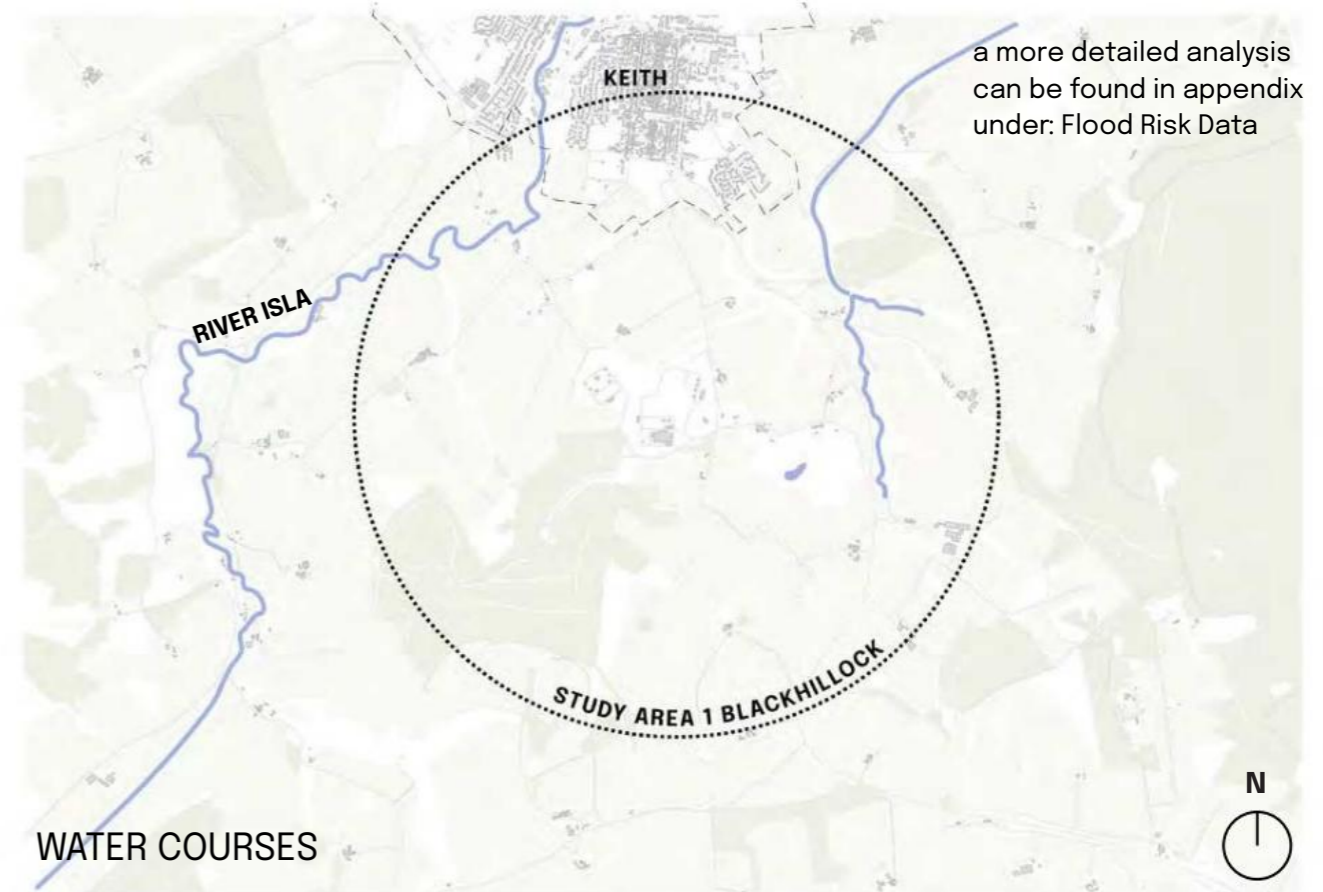
Figure 18 - Blackhillock Constraints Mapping

KEY

- 1 Cairds Wood
- Dannyduff Wood
- 3 Ridgeline



LANDSCAPE & WOODLAND

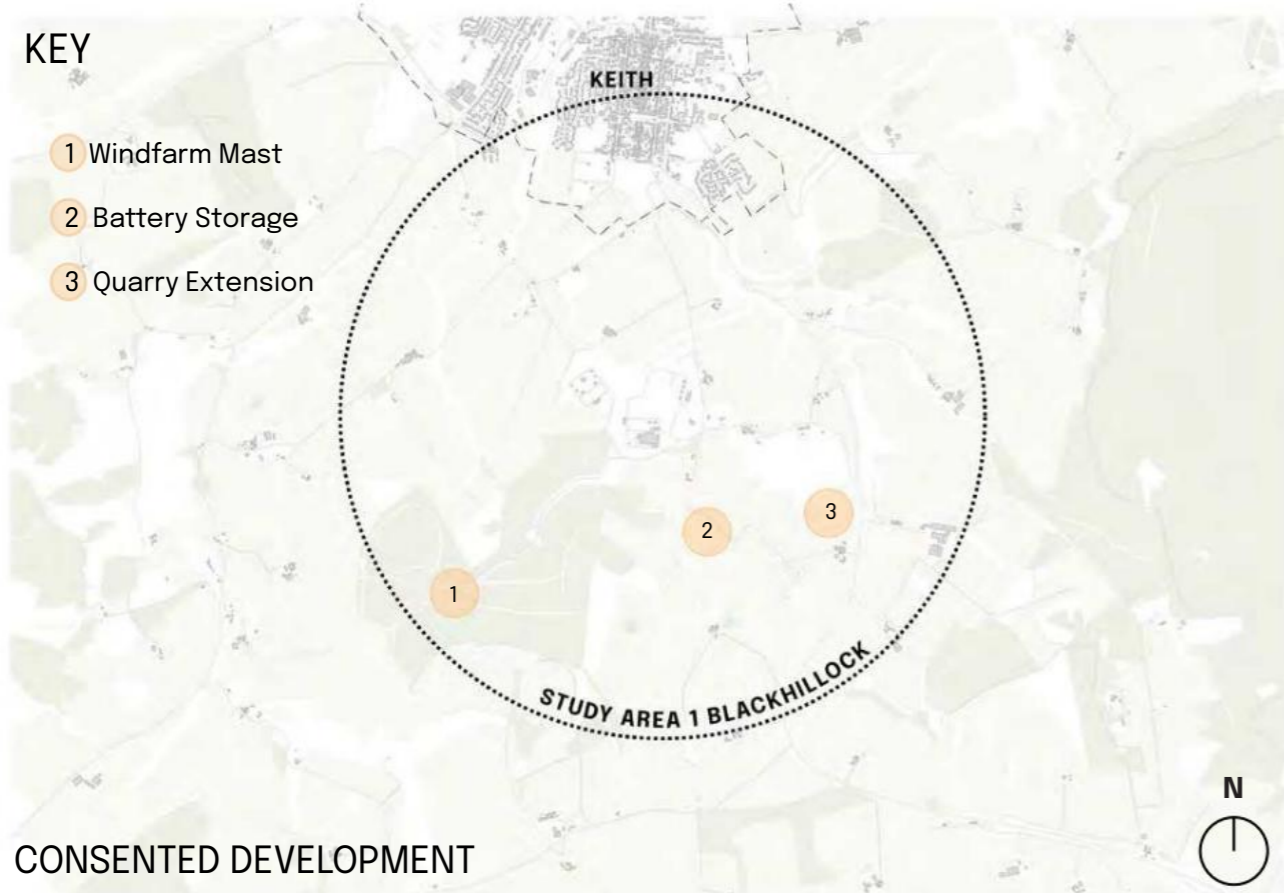


WATER COURSES

a more detailed analysis can be found in appendix under: Flood Risk Data

KEY

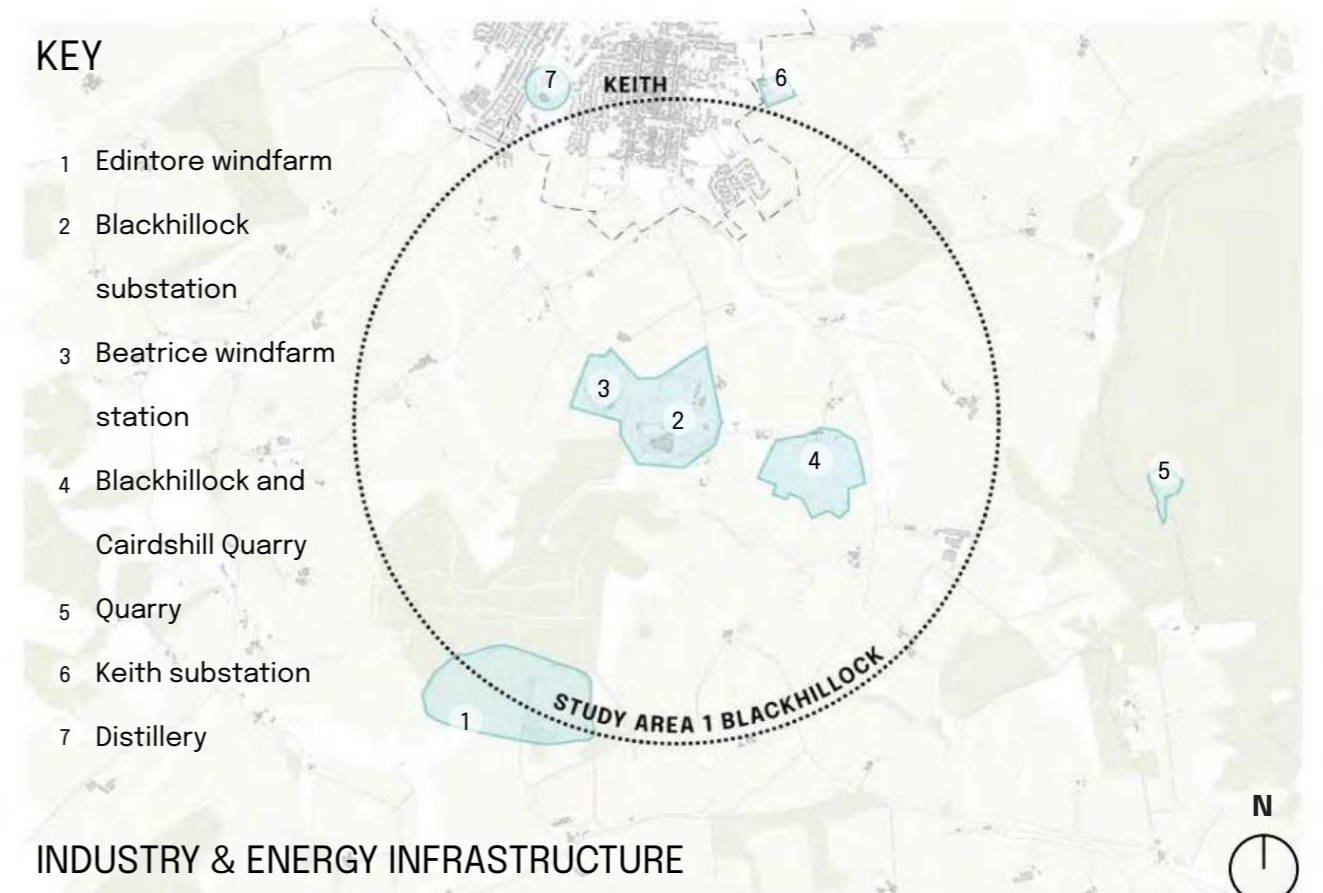
- 1 Windfarm Mast
- 2 Battery Storage
- 3 Quarry Extension



CONSENTED DEVELOPMENT

KEY

- 1 Edintore windfarm
- 2 Blackhillock substation
- 3 Beatrice windfarm station
- 4 Blackhillock and Cairdshill Quarry
- 5 Quarry
- 6 Keith substation
- 7 Distillery



INDUSTRY & ENERGY INFRASTRUCTURE

Figure 19 (Above) - Blackhillock Constraints - Landscape & Woodland  
Figure 20 (Below) - Blackhillock Constraints - Consented Development  
p 46

Figure 21 (Above) - Blackhillock Constraints - Water Courses  
Figure 22 (Below) - Blackhillock Constraints - Industry & Energy Infrastructure  
Page 355

## Utilities Implications

The following desktop utilities study of the Blackhillock area outlines the existing underground and overground utilities present. Most of the existing utilities indicated within the study area are a significant constraint to any prospective development as most of those identified on the record plans are part of main distribution networks that are likely serving a much larger area.








- Existing large electrical substation complex in the middle of the study area with overhead electricity cables and pylons radiating out from this heading north and south
- Offshore windfarm infrastructure corridor running from the substation complex out in a west/north-westerly direction
- Extra high voltage cables running north to south through the eastern part of the study area
- High pressure gas mains running across the western and south part of the study area
- Trunk water mains running across the eastern part of the study area
- Telecoms cables, typically along the existing road infrastructure (A96,)

Minimum clearance distances to existing utilities vary and will be dictated by each of the individual utility providers. It could typically be somewhere between 6 and 12m, dependant on the specific details of the infrastructure and the provider

Note: This list of utilities is not extensive and upon further review there may be several more constraints that may arise.

**A detailed map with additional utilities can be found in the Appendix under: Existing Utilities**

### KEY

-  Electricity Substation
-  High pressure gas main (Scottish Gas Network)
-  Beatrice offshore windfarm infrastructure
-  Extra High Voltage Cables (SSEN)
-  Overhead Electricity Cables & Pylons (SSEN)
-  Telecom Cables (BT Openreach)
-  Water Supply Network (Scottish Water)

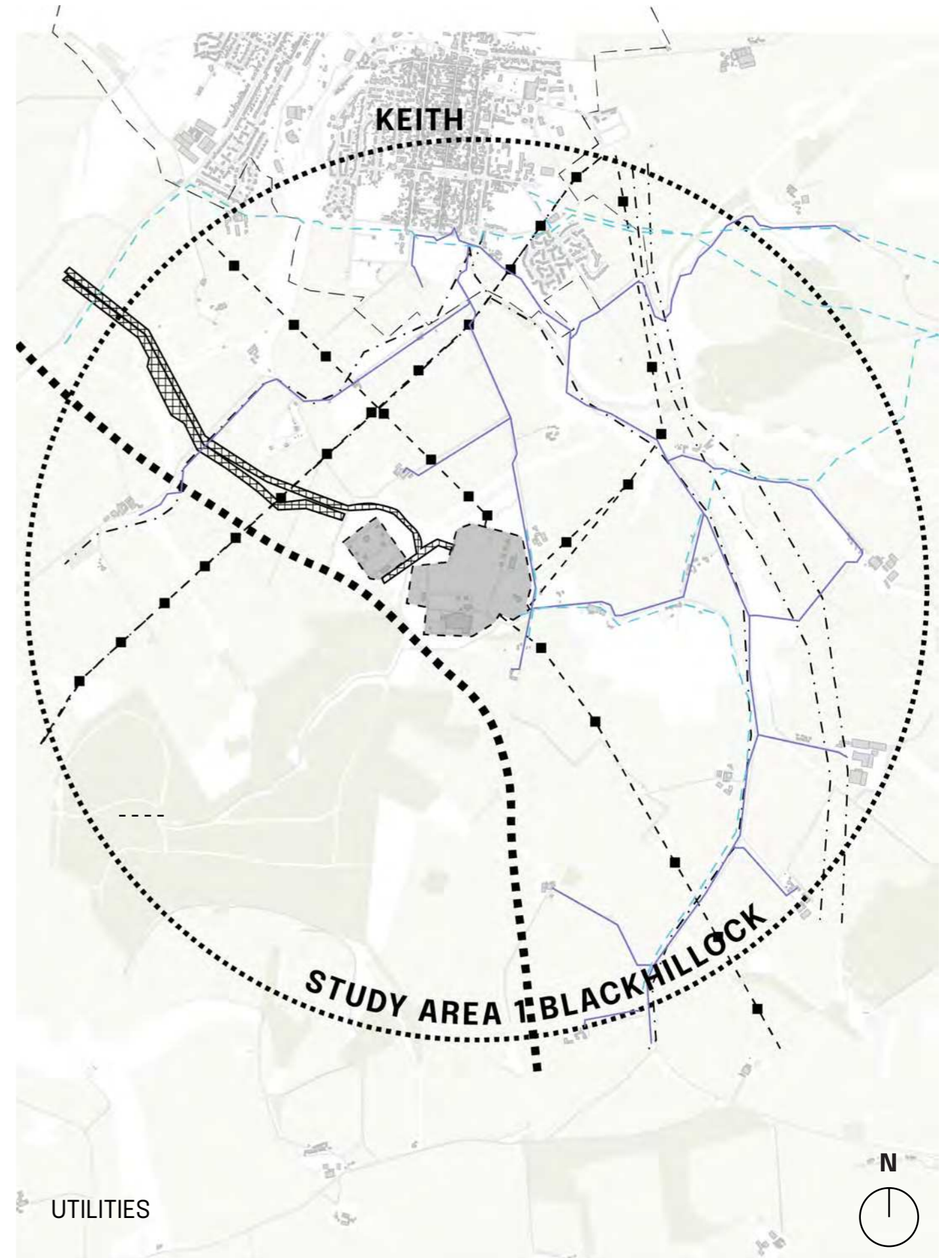


Figure 23 - Blackhillock Constraints Mapping- Utilities

## Transport Implications - Blackhillock & Keith NE

- The study areas are proximate to major road, bus and rail corridors between Inverness and Aberdeen, however, improvements to each of these is required to improve the quality of transport routes.
- There is a network of public access paths throughout both study areas which are a mix of traffic free and on-road routes. Development within the study areas will need to be cognisant of these routes and mitigate potential impacts on routes, during construction and operation.
- Bus stops along the A96 vary in quality and services are limited to the Stagecoach Bluebird Route 10, although it is noted this has reasonable services across the week and across each day.
- Development within the Blackhillock Study Area that generates high rates of employment may need to consider potential upgrades to improve quality of bus stops.
- There are no bus routes running through the Keith NE Study Area, and the study area is not accessible via public transport.
- The Keith and Dufftown Heritage Railway route, running through the northwest of the Blackhillock Study Area is safeguarded from development.
- In addition, where the route crosses over a rural road within the study area, there is a very low height rail bridge which would constrain vehicle movements and any potential road improvements.
- The A96 is constrained by its single carriageway design. Although the speed limit is 60mph, for HGVs (comprising roughly 8% of vehicle traffic along the A96 south of Keith) the speed limit is 40mph. In addition, where the A96 routes through local settlements (including Keith), the speed limit drops to 30mph. Consequently, journey times along the A96 are particularly unreliable and platooning of vehicles is common.
- Its single carriageway design also means diversions due to incidents on the road (e.g. road accidents, poor weather, flooding, etc) are often significant and disruptive.
- Proposed development will need to demonstrate no worsening impacts on road traffic and road safety, during construction and operation.
- The condition and characteristics of rural roads within the study area (e.g. narrow single lane roads, low bridges, overhead transmission lines, existing built form, poor road conditions, no through routes, lack of pedestrian infrastructure) highlights the potential need for improvements and upgrades to deliver development associated with the Energy Framework (e.g. road widening, improved access points and junctions, road safety improvements).
- Road safety is a significant concern within Keith and along the A96 outside of Keith. The rate of accidents involving casualties that were KSI within Keith between 2015 and 2019 was 4.8 times higher than the national average. South of Keith, along the A96, it was 1.3 times the national average.
- Proposed development that generates significant traffic, particularly HGVs, will need to demonstrate no worsening impact on road safety, or sufficient mitigation measures.
- As the currently alignment of the A96 routes through Keith, increased traffic on the A9 particularly HGVs, also has the potential to impact upon noise and air pollution, which would need to be addressed as part of any development proposal.
- A96 corridor improvements may include bypassing of Keith. At this stage, potential routes are unknown, but have the potential to route through either of the study areas. Outcomes of the ongoing A96 Corridor Review should be monitored to understand potential bypass routes.
- Additionally corridor improvements will likely see dualling of the A96, an assumption that should be incorporated into the Energy Framework.
- The A96 Corridor Review is also considering the potential for the A96 to function as an 'Electric Highway', providing alternative refuelling infrastructure and facilities along the corridor.

The Energy Framework has potential to integrate into Electric Highway proposals, particularly in terms of the potential hydrogen refuelling station.

- Work is ongoing to improve the Aberdeen to Inverness rail corridor, including improved freight capacity and decarbonisation of Scotland's rail network, which may be relevant to potential uses within the Energy Framework.

### KEY

- Train line
- A96
- - - Rural track roads
- Bus stops
- Train stop

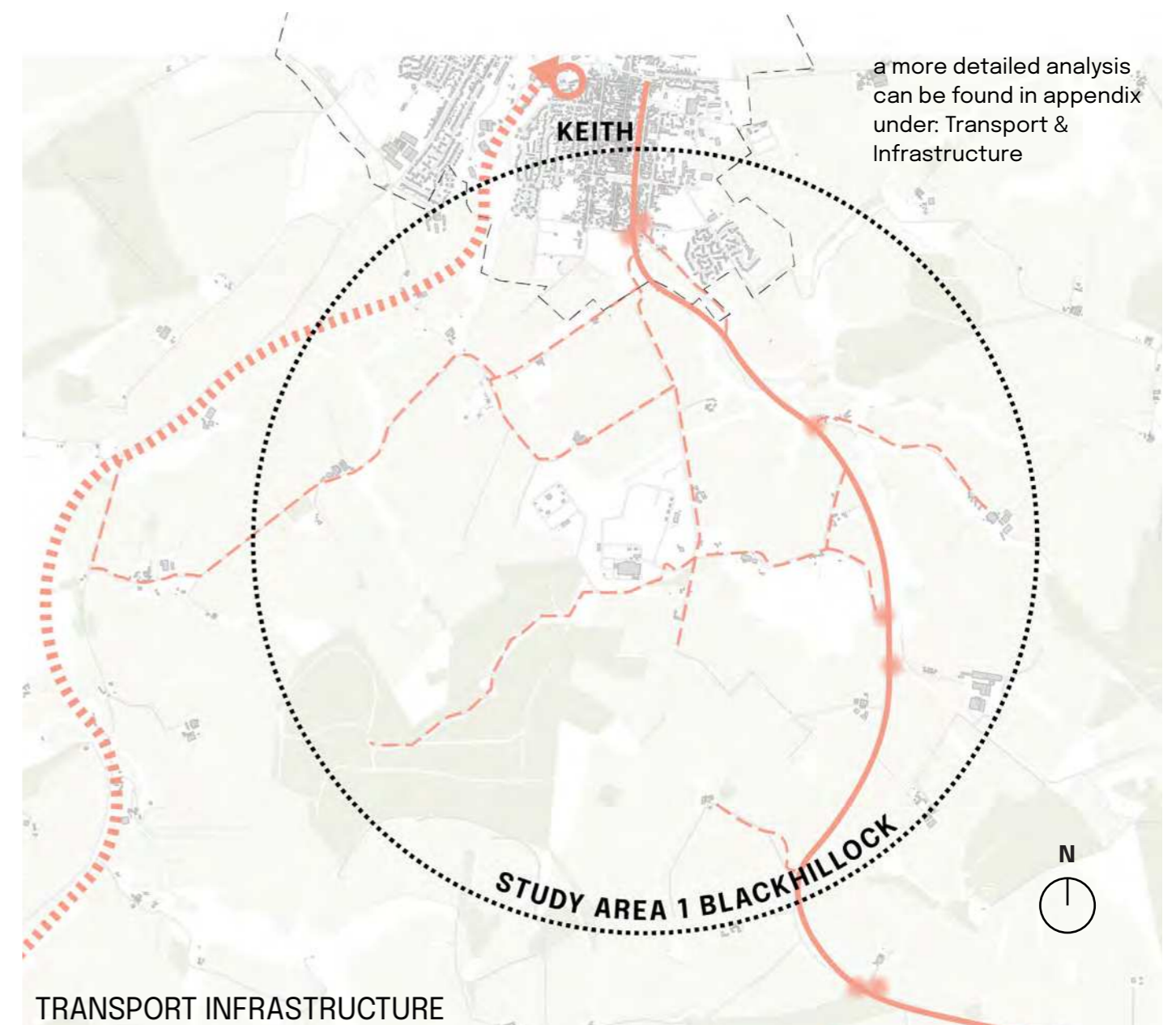


Figure 24 - Blackhillock Constraints Mapping- Transport Infrastructure

## 4.3 Ownership

A desktop analysis of the land ownership situation in Blackhillock was undertaken to identify whether there were any gaps and what sort of properties existed in the area.

There are approximately 23 different land owners in Blackhillock. Due to the amount of agricultural land present in the area, there exists a large number of gaps in registered title deeds on the Scottish land registry. These could probably be found in the sasine register or at the National Records of Scotland.

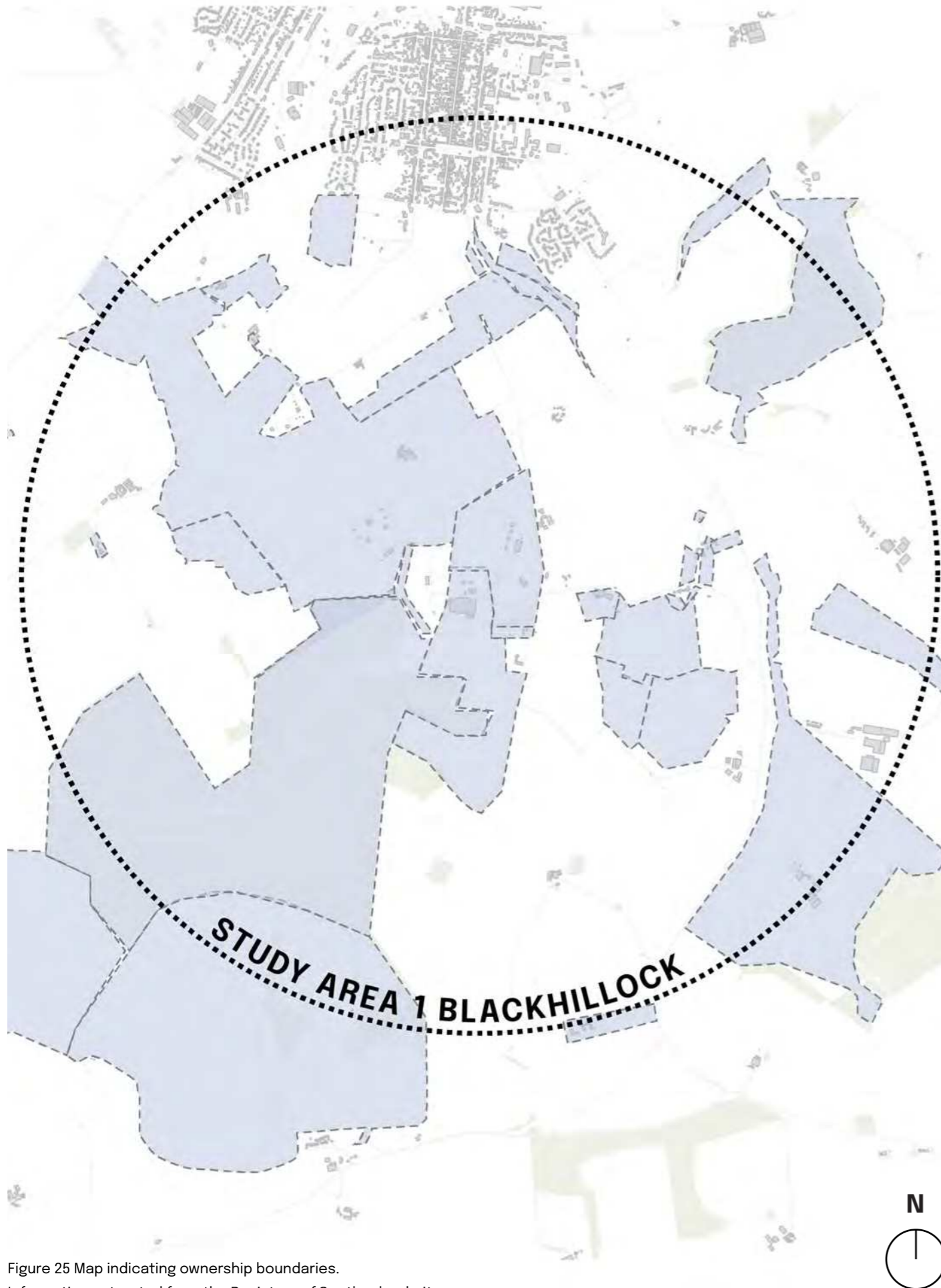





Figure 25 Map indicating ownership boundaries.  
Information extracted from the Registers of Scotland website.

## 4.4 Planning Applications

The following developments are either under construction (at the time of writing this report) or are in the process of obtaining planning consent or other relevant permissions in the Blackhillock study area.

There is also potential for the windfarm to the south of the site to extend and a bypass of the A96 to be developed, however these are still in early stages.

- |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p> Description: Install a battery energy storage system (BESS) with associated infrastructure at Blackhillock Electricity Substation</p> <p>Planning Reference: 22/00067/S36<br/>Date Decision: 01.06.2022<br/>Status: Permitted<br/>Built Status: Under Construction</p> | <p> Description: Installation of synchronous compensators with electrical connection to adjacent substation and associated infrastructure on Land Adjacent To Blackhillock Electricity Substation</p> <p>Planning Reference: 21/01777/APP<br/>Date Decision: 01.03.2022<br/>Status: Permitted<br/>Built Status: Under Construction</p> |
| <p> Description: Proposed quarry extension at Cairdshill Quarry</p> <p>Planning Reference: 22/00499/APP<br/>Date Decision: 27.10.2022<br/>Status: Permitted - Discharging conditions</p>                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                           |

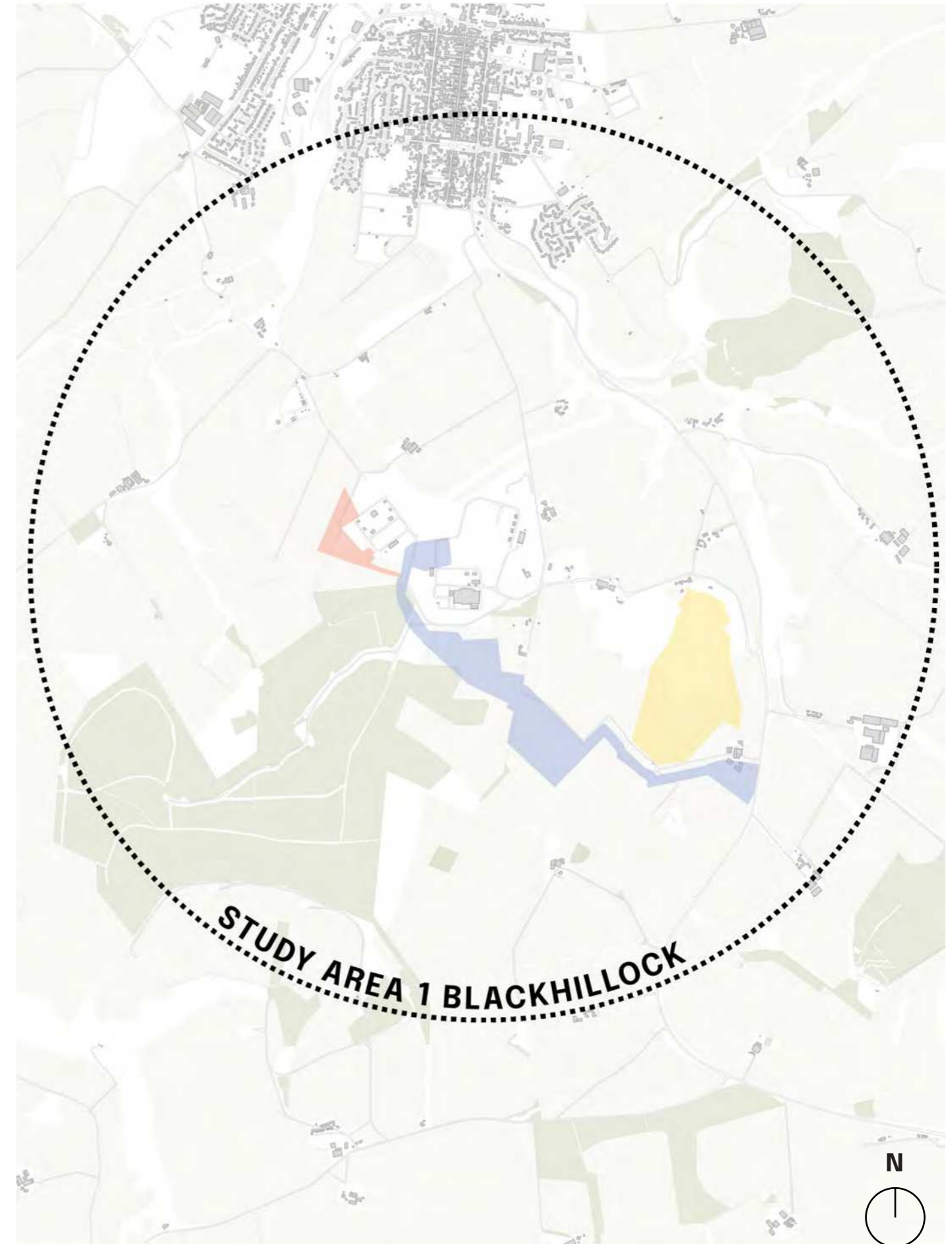


Figure 26 - Blackhillock Planning Applications

## 05 Study Area 2 - Keith NE Site & Context

The following section explores the study area of Keith North East, highlighting the constraints and opportunities. It begins by providing an executive summary of the comprehensive landscape sensitivity assessment which is included in more detail in Appendix (i)



# 5.1 Landscape Sensitivity Study

The following section is an executive summary of the landscape sensitivity study (LSS) carried out by Land Use Consultants (LUC) as part of the wider study on behalf of the Council. The full report can be found in Appendix (i).

The LSS focuses on the area immediately surrounding the existing Blackhillock Substation, within a radius of 1km. It is considered that this area captures potential development pressure and landscape sensitivities within the masterplan area and its immediate surroundings.

### Development Scenarios:

NatureScot’s Landscape Sensitivity Assessment Guidance (2022) recommends that sensitivity studies consider the likely levels of sensitivity to specified types of development or land use (para 21). The use of high-level scenarios for development types recognises that different types of built development have different physical and visual characteristics, different infrastructural requirements and different landscape and visual impacts.

The following scenarios have been used to reflect the different scales of development that may be proposed in the study areas:

**Type 1 - Electricity sub-stations / converter stations, representing large-scale industrial-style development, in the form of large buildings, outdoor electrical infrastructure and associated road infrastructure. Development will potentially occupy a large footprint than Type 2; and**

**Type 2 - Battery Energy Storage Systems / solar farms, representing industrial-style development of more modest scale, in the form of ‘shipping container’ size buildings and / or solar arrays and associated road infrastructure. Development will potentially occupy a smaller footprint than Type 1 (unless it relates to a larger scale solar farm).**

### Landscape Sensitivity Criteria

The landscape sensitivity assessments are based on an assessment of Local Landscape Character Areas (LLCAs) using carefully defined criteria. LLCAs are shown on Figure 1. The criteria are summarised below:

- Physical character (including topography and scale);
- Natural character;
- Historic landscape character;
- Form, density, identity and setting of existing settlement/development;
- Views and visual character including skylines;
- Access and recreation; and
- Perceptual and experiential qualities.

### Making an overall judgement on levels of landscape sensitivity

An overall sensitivity judgement for each LLCA was derived based on the individual criteria ranks. This is not a linear process as it recognises that some attributes or elements of particular landscape parcels may be more important in defining character than others and may be given more ‘weight’ in reaching an overall judgement. Professional judgement is therefore used rather than a system of numerical scoring. Sensitivity ratings are given on a scale of low, low-moderate, moderate, moderate-high, and high.

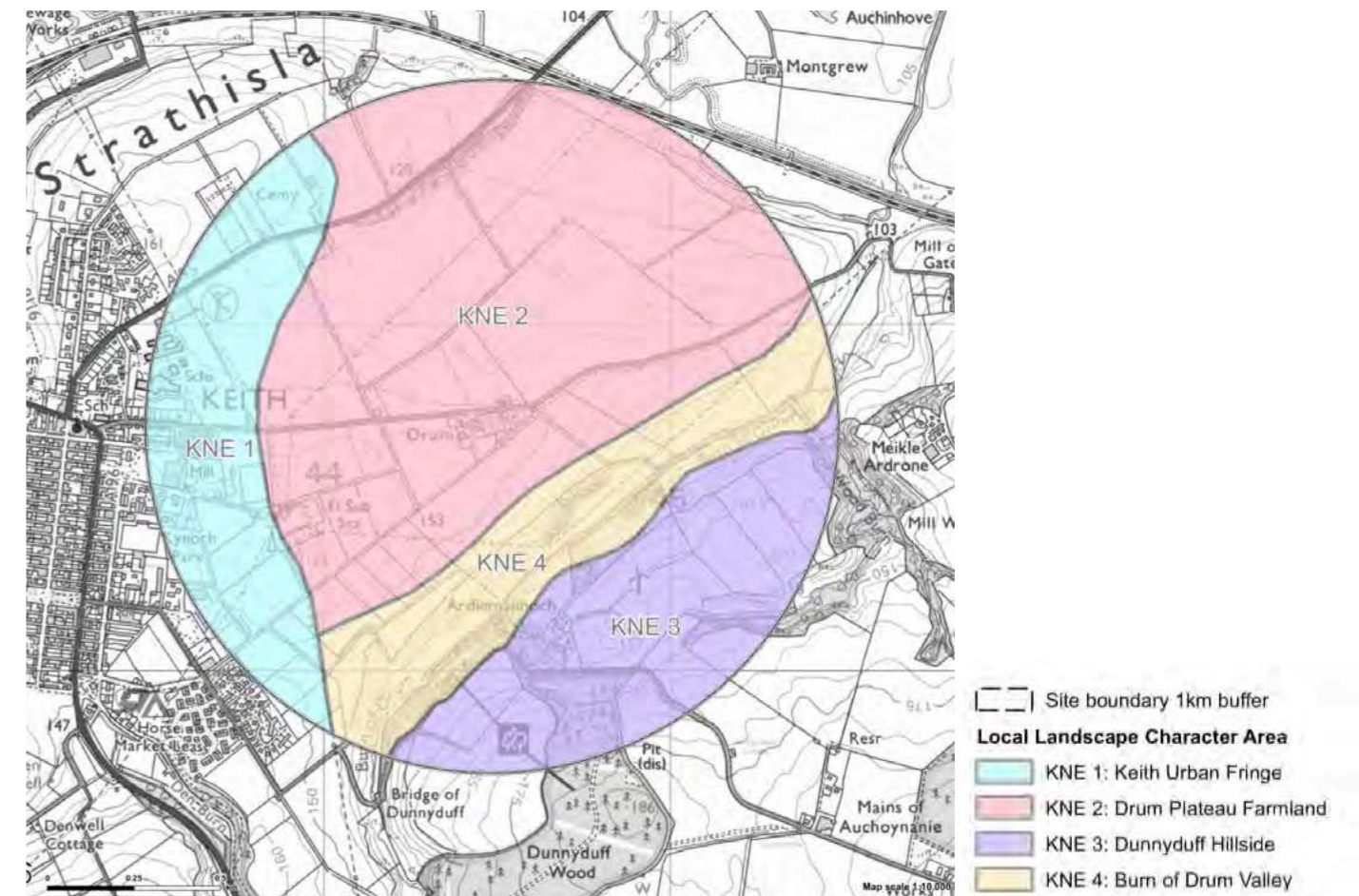


Figure 27 - Keith NE Landscape Character Areas

## Keith NE - Conclusions & Recommendations

The overall findings of the sensitivity assessment for Keith NE are summarised in Table 1, see below, and on Figures 2 and 3.

Figure 2 illustrates sensitivity to Type 1 development (i.e. large scale industrial development such as sub-stations or converter stations). Areas of higher sensitivity (orange/red/dark red) are unlikely to be suitable for Type 1 development. There may be some limited scope for Type 1 development in areas of moderate sensitivity (orange), subject to appropriate siting and landscape mitigation.

Figure 3 illustrates sensitivity to Type 2 development (i.e. industrial development of a more modest scale such as battery energy storage systems or solar farms). Areas of higher sensitivity are unlikely to be suitable for Type 2 development. There may be some scope for Type 2 development in parts of areas of moderate sensitivity (orange) subject to appropriate siting and landscape mitigation.

The landscape sensitivity assessment has identified that the following areas are of high or moderate-high sensitivity to Type 1 (column 1) and Type 2 (column 2) development.

LLCA NO.	LLCA Name	Overall Sensitivity Rating: Type 1	Overall Sensitivity Rating: Type 2
1	Keith Urban Fringe	High	Moderate - High
2	Drum Plateau Farmland	Moderate - High	Moderate - High
3	Dunnyduff Hillside	High	High
4	Burn of Drum Valley	High	Moderate - High

Table 1: Overall landscape sensitivity score for the local landscape character areas(Keith NE)

### The following types of landscape/visual mitigation and landscape enhancement have been identified as potentially appropriate:

- Explore opportunities to rationalise/ underground existing overhead line electricity infrastructure, on approach to the existing substation. Any steel tower pylons which are not in use should also be removed. This would help minimise the influence of larger scale vertical electricity infrastructure in views from the settlement edge (KNE LCAs 1, 2).
- Consider colour palette of buildings, using colours which help structures recede into views from the settlement edge (KNE LCAs 1, 2, 3, 4).
- New areas of woodland and hedgerows would help to break up and screen views of existing industrial development, on the eastern edge of Keith. This would help to restore a more rural fringe setting, whilst providing opportunities to screen smaller areas of new Type 2 development (KNE LCA 1, 2, 3, 4).

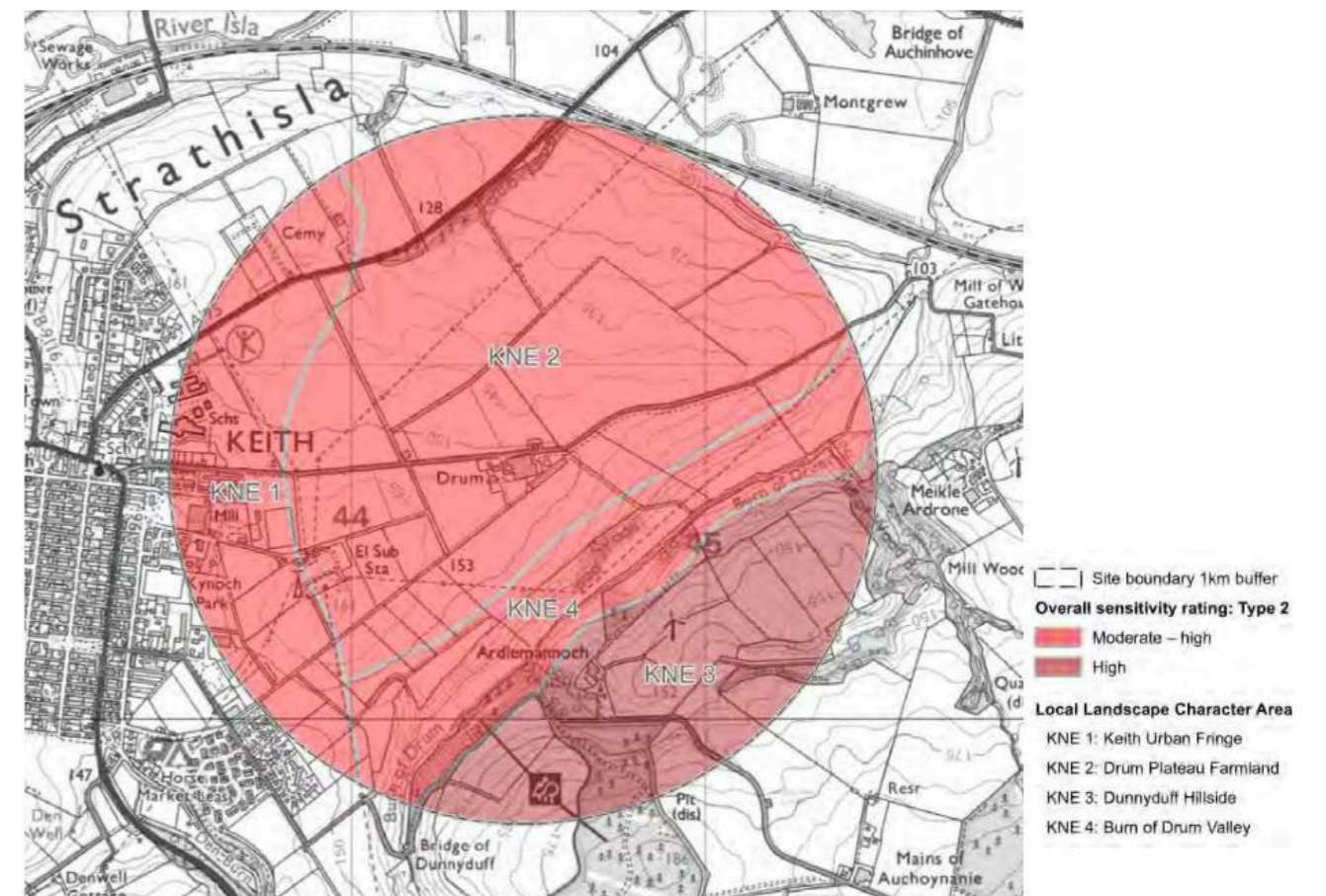
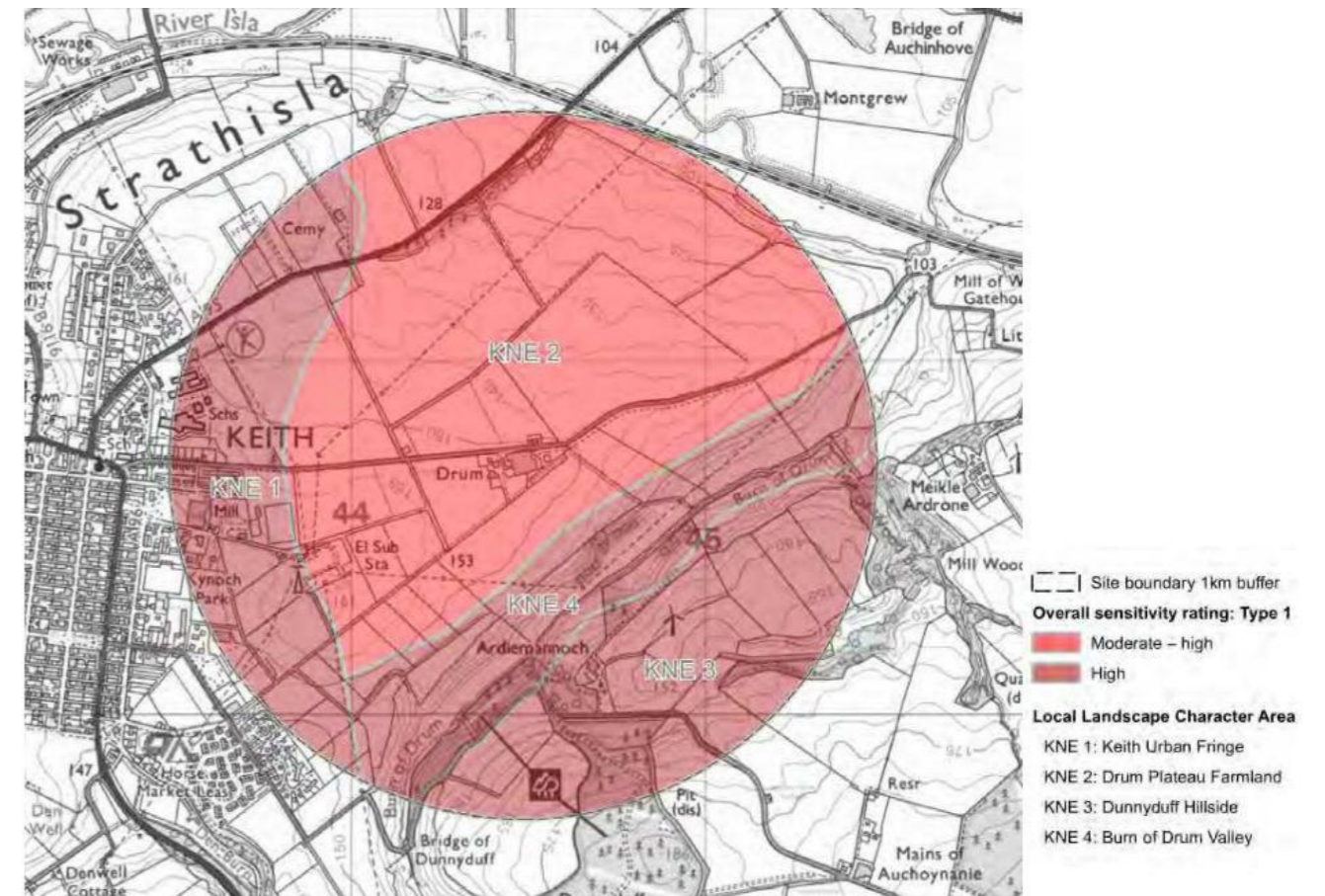


Figure 28 (Above) - Landscape Sensitivity Study for Type 1 Development

Figure 29 (Below) - Landscape Sensitivity Study for Type 2 Development

# 5.2 Constraints & Opportunities

The town of Keith lies to the west of the site. The vast majority of area is used for agriculture with Keith substation in the south west of the site where a number of overhead cables and pylons radiate outwards.

The road infrastructure is minimal with the A95 running across the north of the site and a narrow rural road running west to east in the centre of the site.

The diagram opposite provides an overview of the existing constraints which exist in the area, which is extensive for such a small area. More information on these infrasturcutre constraints are provided over the next few pages.

- KEY**
- TRANSPORT (p.68)**
- Train line
  - A96
  - - - Rural track roads
- UTILITIES (p.66)**
- - - Extra High Voltage Cables
  - ◆ - Overhead Electricity Cables & Pylons
- LANDSCAPE & DEVELOPMENT (p.64-65)**
- Industrial (p.65)
  - Woodland & Landscape (p64)
  - Consented Development (p64)

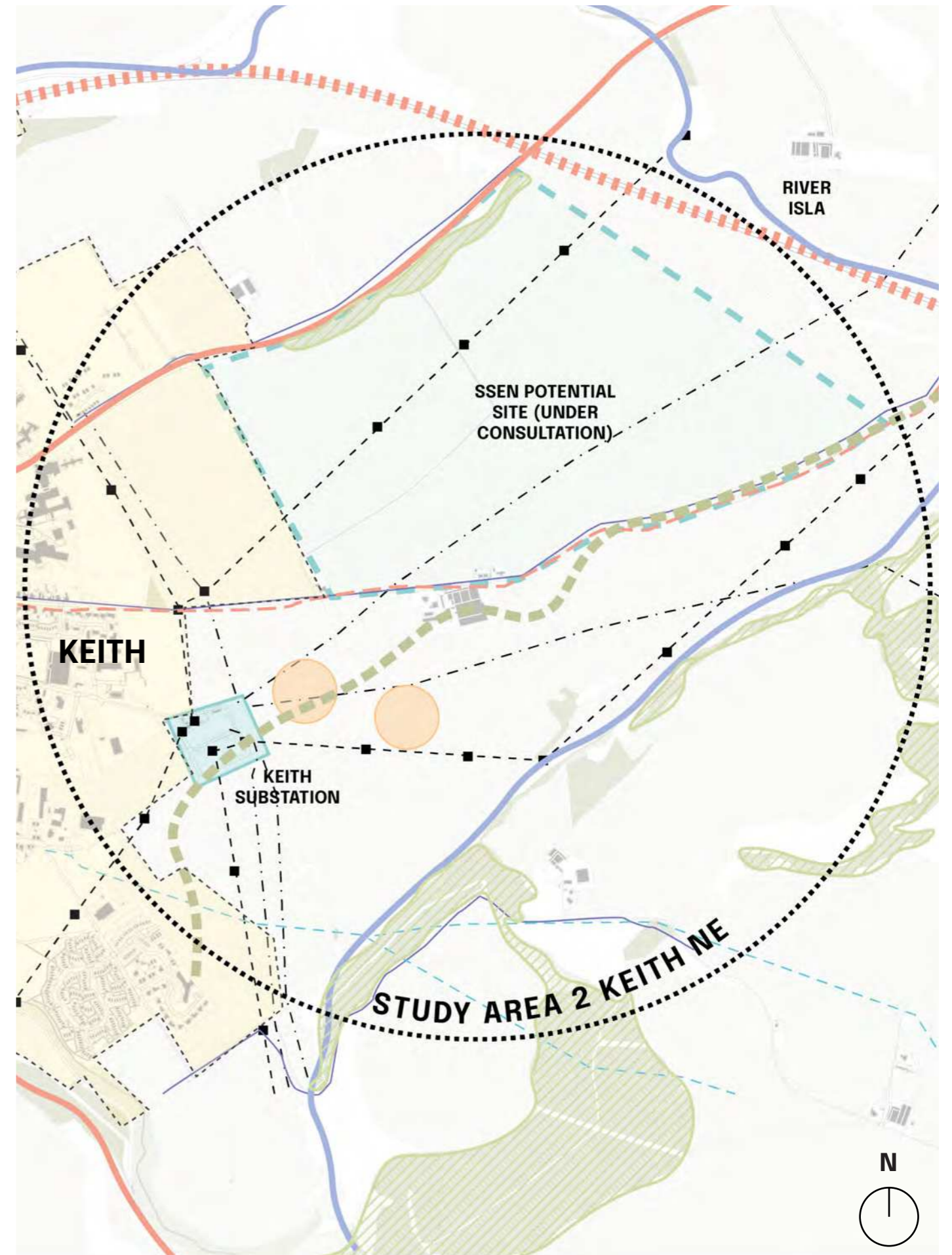


Figure 30 - Keith NE Constraints Mapping

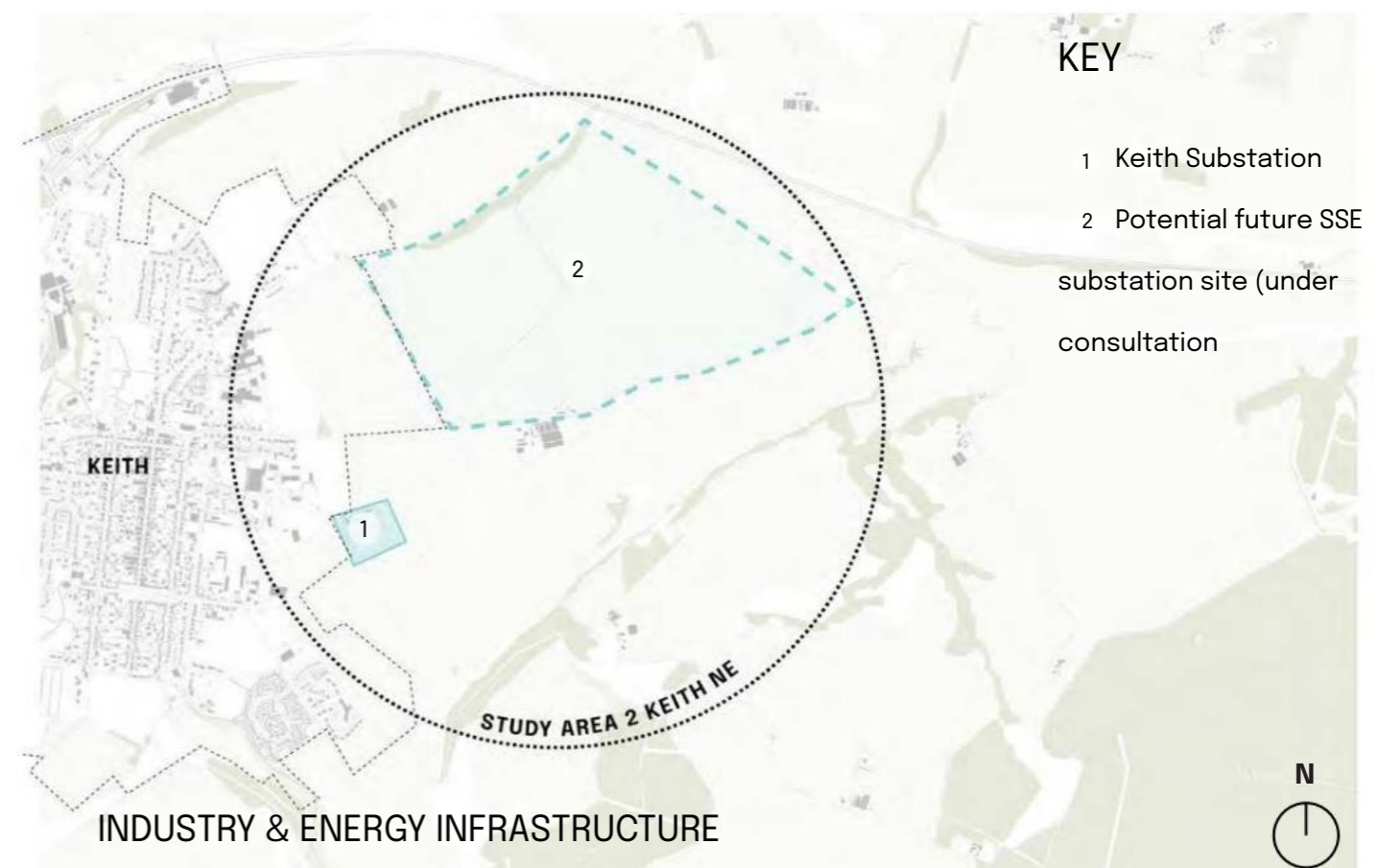
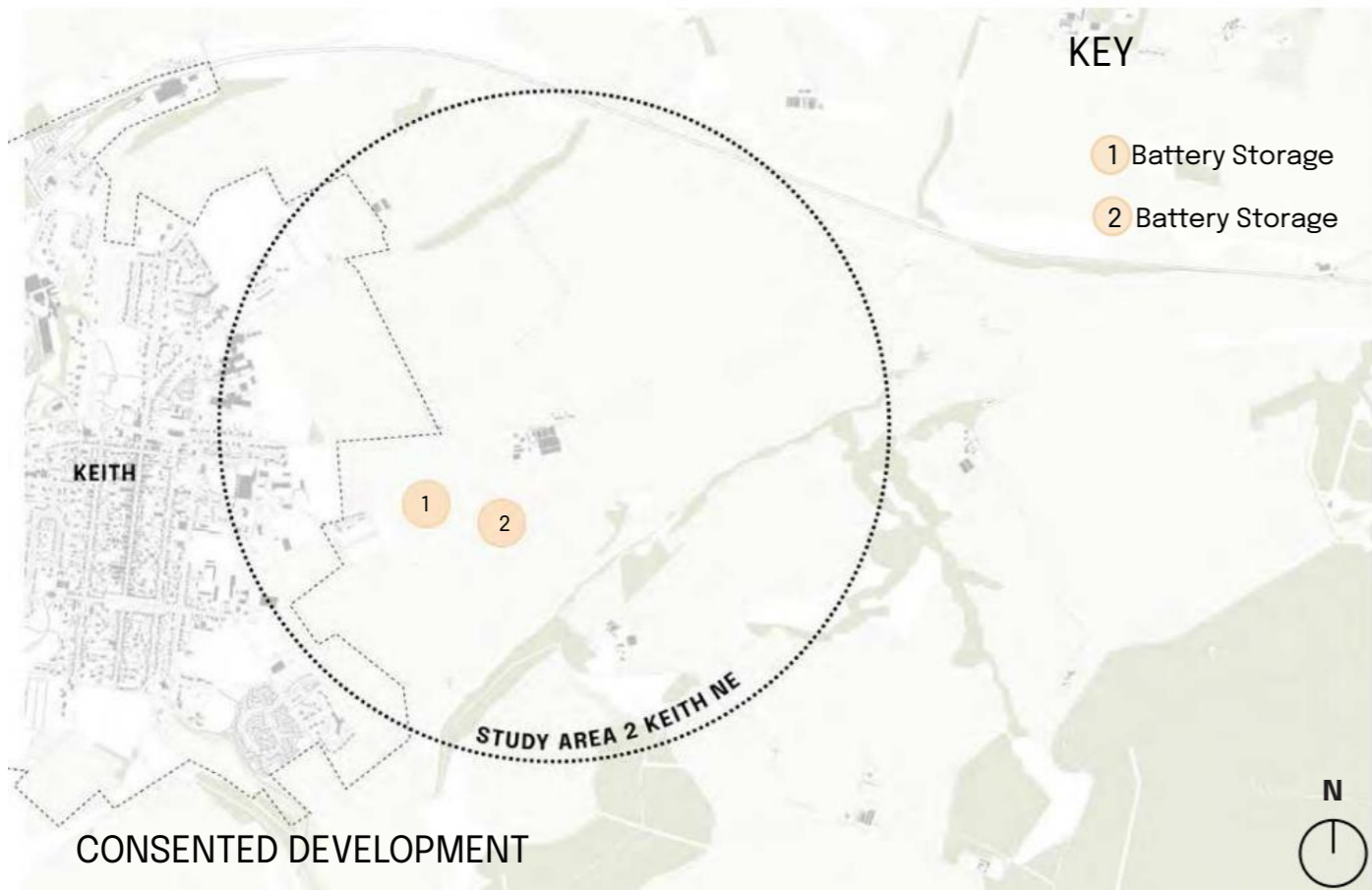
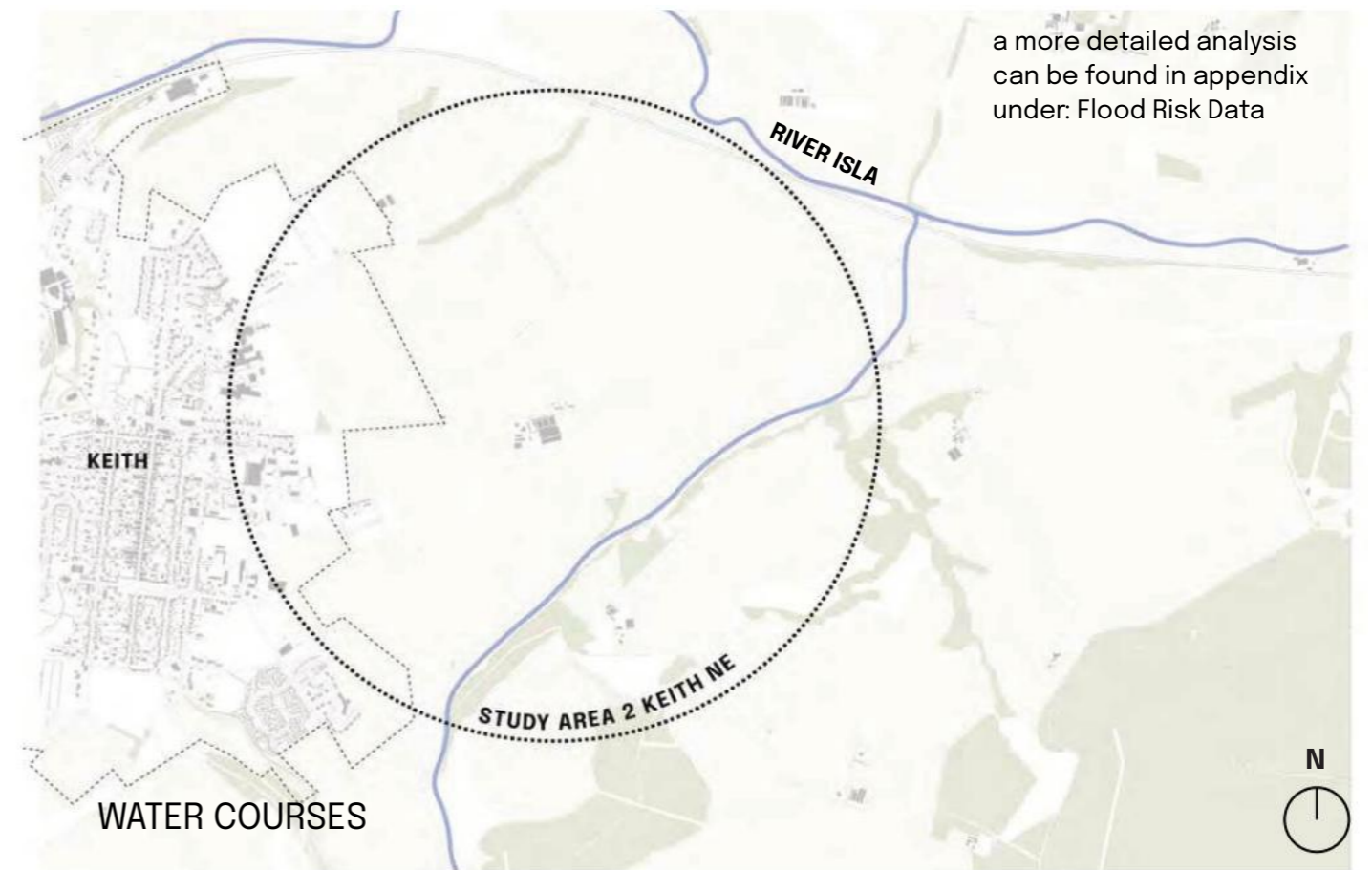
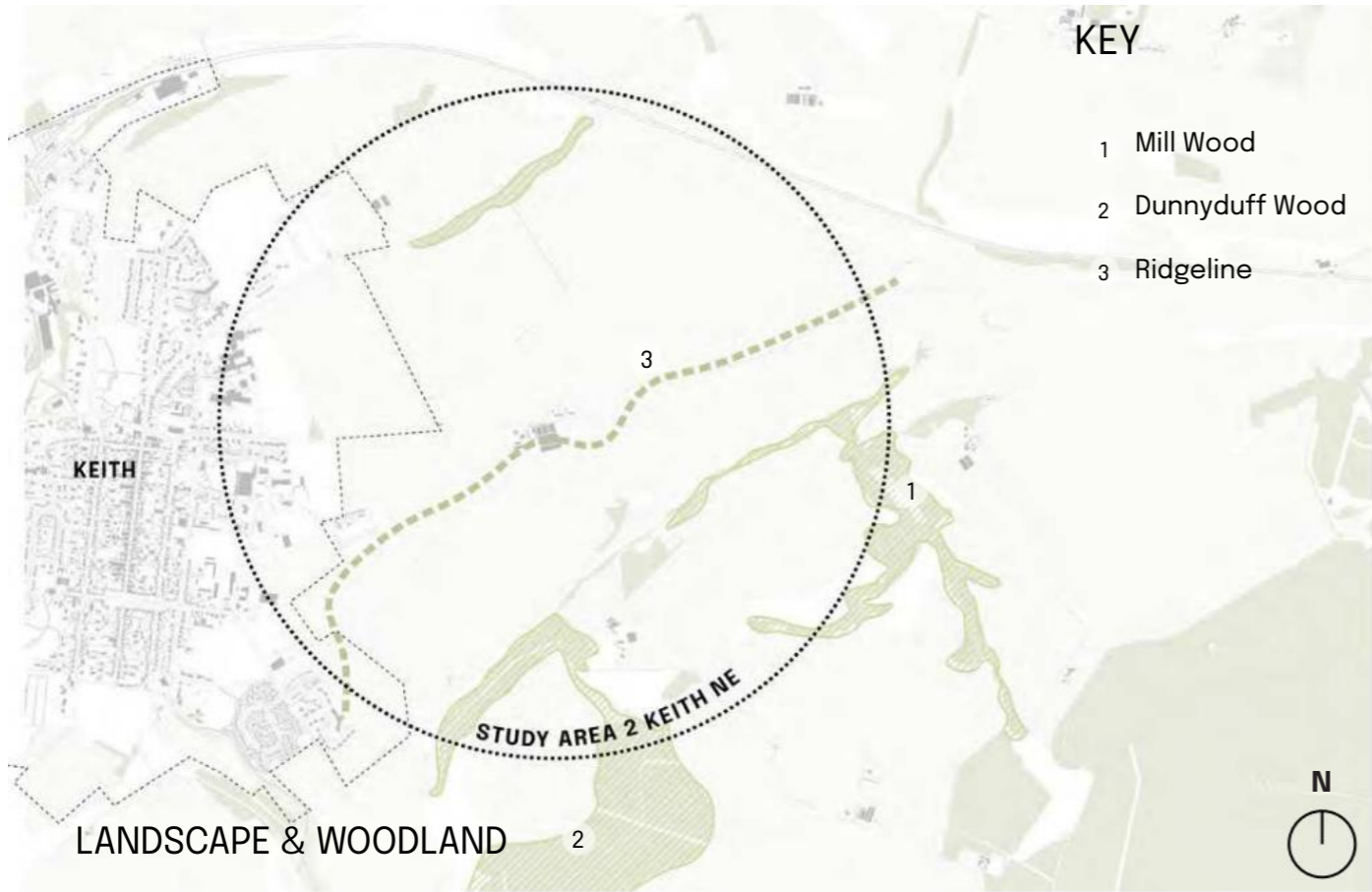


Figure 31 (Above) - Keith NE Constraints - Landscape & Woodland  
 Figure 32 (Below) - Keith NE Constraints - Consented Development  
 p 64

Figure 33 (Above) - Keith NE Constraints - Water Courses  
 Figure 34 (Below) - Keith NE Constraints - Industry & Energy Infrastructure  
 Page 364

## Utilities Implications

The following desktop utilities study of the Keith NE area outlines the existing underground and overground utilities present. Most of the existing utilities indicated within the study area are a significant constraint to any prospective development as most of those identified on the record plans are part of main distribution networks that are likely serving a much larger area.






- Existing electrical distribution substation complex to the south west of study area with overhead electricity cables and pylons radiating out from this heading in all directions.
- Extra high voltage cables running to the east of the study area
- Trunk water mains running across the southern part of the study area
- Telecoms cables, typically along the existing road infrastructure

Minimum clearance distances to existing utilities vary and will be dictated by each of the individual utility providers. It could typically be somewhere between 6 and 12m, dependant on the specific details of the infrastructure and the provider.

Note: This list of utilities is not extensive and upon further review there may be several more constraints that may arise.

**A detailed map with additional utilities can be found in the Appendix under: Existing Utilities**

### KEY

-  Electricity Substation
-  Extra High Voltage Cables (SSEN)
-  Overhead Electricity Cables & Pylons (SSEN)
-  Telecom Cables (BT Openreach)
-  Water Supply Network (Scottish Water)

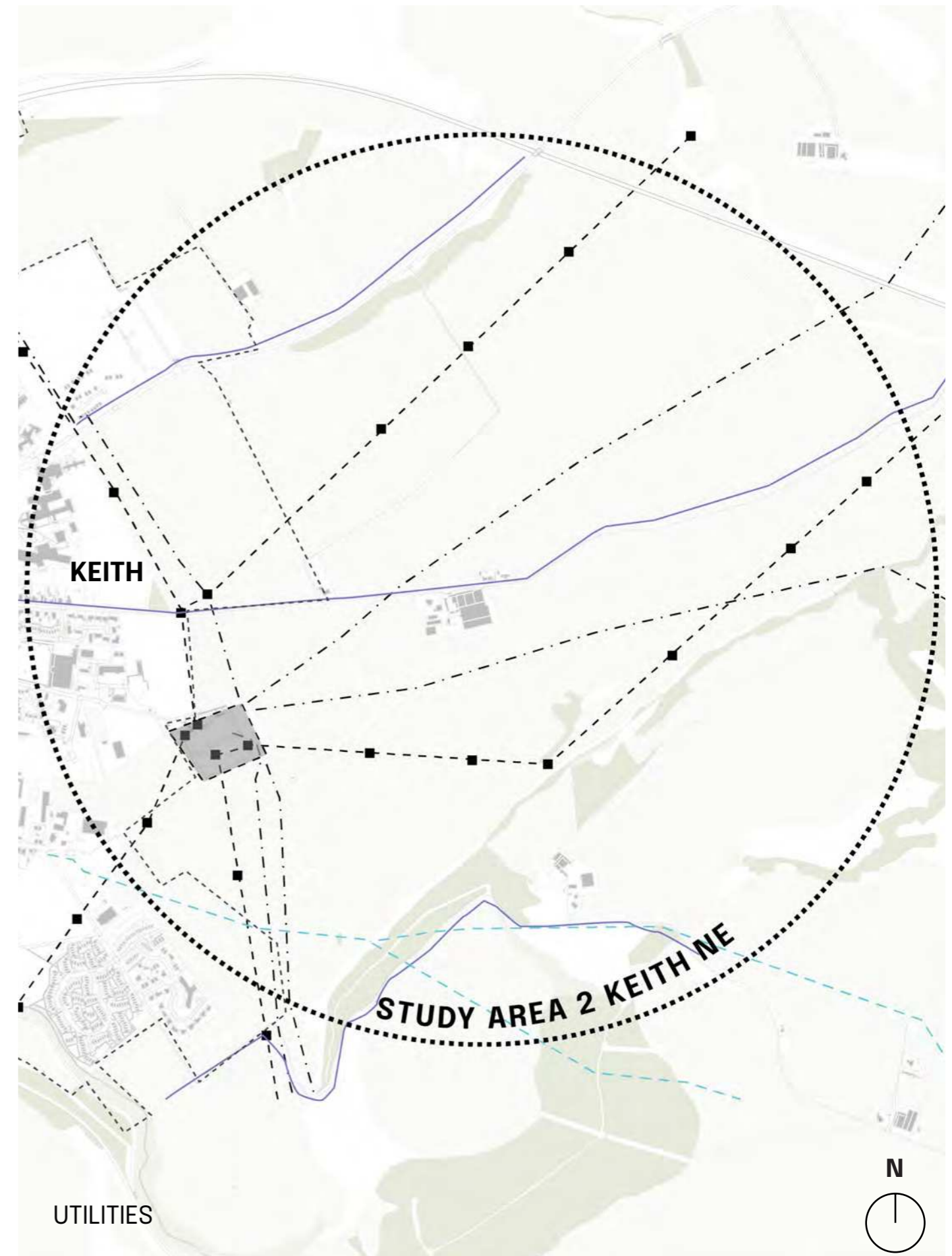


Figure 35 - Keith NE Constraints Mapping - Utilities

## Transport Implications Summary - Keith NE & Blackhillock

- The study areas are proximate to major road, bus and rail corridors between Inverness and Aberdeen, however, improvements to each of these is required to improve the quality of transport routes.
- There is a network of public access paths throughout both study areas which are a mix of traffic free and on-road routes. Development within the study areas will need to be cognisant of these routes and mitigate potential impacts on routes, during construction and operation.
- Bus stops along the A96 vary in quality and services are limited to the Stagecoach Bluebird Route 10, although it is noted this has reasonable services across the week and across each day.
- There are no bus routes running through the Keith NE Study Area, and the study area is not accessible via public transport.
- The A96 is constrained by its single carriageway design. Although the speed limit is 60mph, for HGVs (comprising roughly 8% of vehicle traffic along the A96 south of Keith) the speed limit is 40mph. In addition, where the A96 routes through local settlements (including Keith), the speed limit drops to 30mph. Consequently, journey times along the A96 are particularly unreliable and platooning of vehicles is common.
- Its single carriageway design also means diversions due to incidents on the road (e.g. road accidents, poor weather, flooding, etc.) are often significant and disruptive.
- Proposed development will need to demonstrate no worsening impacts on road traffic and road safety, during construction and operation.
- The condition and characteristics of rural roads within the study area (e.g. narrow single lane roads, low bridges, overhead transmission lines, existing built form, poor road conditions, no through routes, lack of pedestrian infrastructure) highlights the potential need for improvements and upgrades to deliver development associated with the Energy Framework (e.g. road widening, improved access points and junctions, road safety improvements).
- Road safety is a significant concern within Keith and along the A96 outside of Keith. The rate of accidents involving casualties that were KSI within Keith between 2015 and 2019 was 4.8 times higher than the national average. South of Keith, along the A96, it was 1.3 times the national average.
- Proposed development that generates significant traffic, particularly HGVs, will need to demonstrate no worsening impact on road safety, or sufficient mitigation measures.
- As the currently alignment of the A96 routes through Keith, increased traffic on the A96 particularly HGVs, also has the potential to impact upon noise and air pollution, which would need to be addressed as part of any development proposal.
- A96 corridor improvements may include bypassing of Keith. At this stage, potential routes are unknown, but have the potential to route through either of the study areas. Outcomes of the ongoing A96 Corridor Review should be monitored to understand potential bypass routes.
- Additionally corridor improvements will likely see dualling of the A96, an assumption that should be incorporated into the Energy Framework.
- The A96 Corridor Review is also considering the potential for the A96 to function as an 'Electric Highway', providing alternative refuelling infrastructure and facilities along the corridor. The Energy Framework has potential to integrate into Electric Highway proposals, particularly in terms of the potential hydrogen refuelling station.
- Work is ongoing to improve the Aberdeen to Inverness rail corridor, including improved freight capacity and decarbonisation of Scotland's rail network, which may be relevant to potential uses within the Energy Framework.

### KEY

- Train line
- A95
- - - Rural track roads
- Bus stops
- Train stop

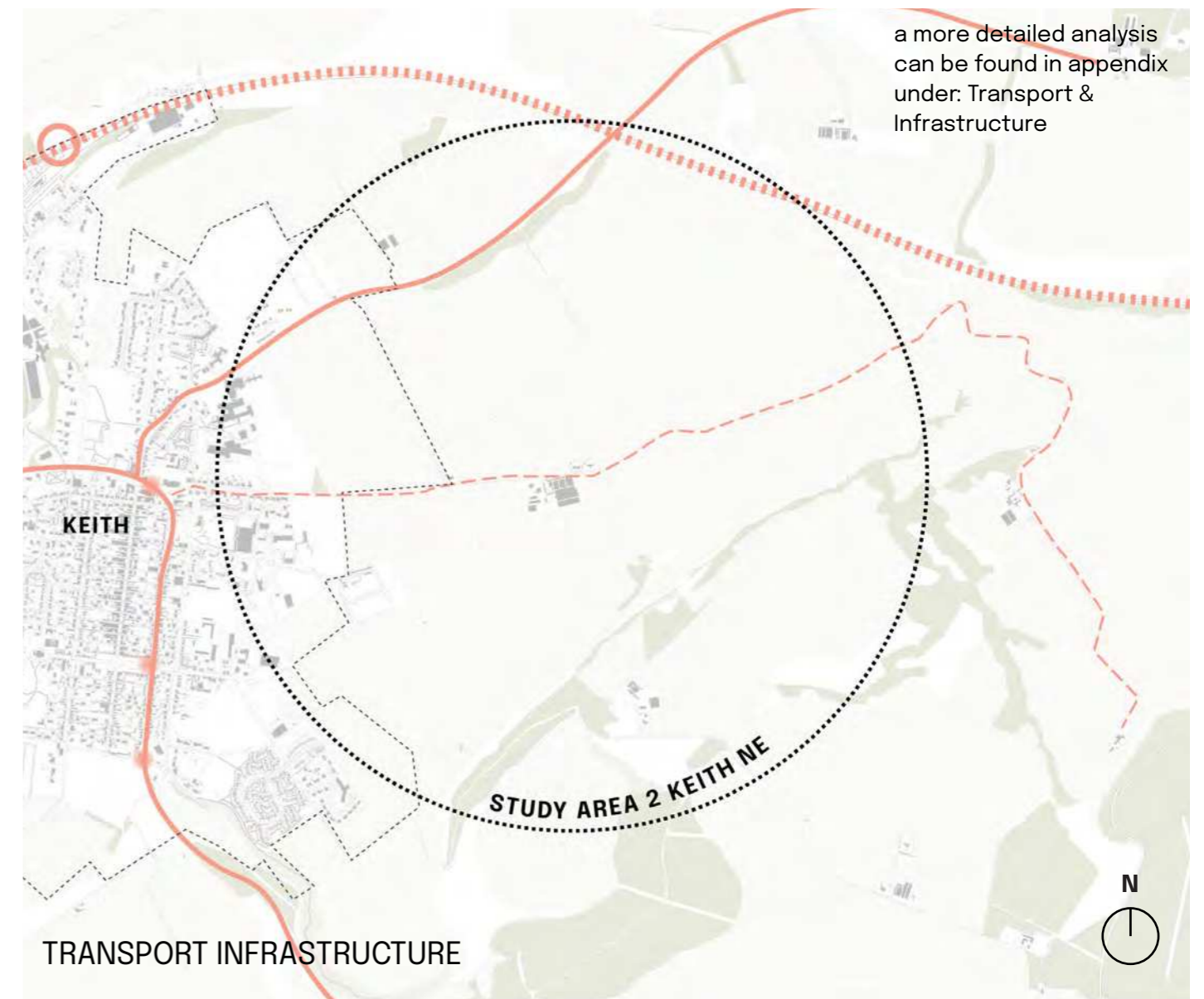


Figure 36 - Keith NE Constraints Mapping - Transport Infrastructure

## 5.3 Ownership

A desktop analysis of the land ownership situation in the Keith NE study area was undertaken to identify whether there were any gaps and what sort of properties existed in the area.

There are approximately 9 land owners in Keith NE. Due to the amount of agricultural land present in the area, there exists a large number of gaps in registered title deeds on the Scottish land registry. These could probably be found in the sasine register or at the National Records of Scotland.

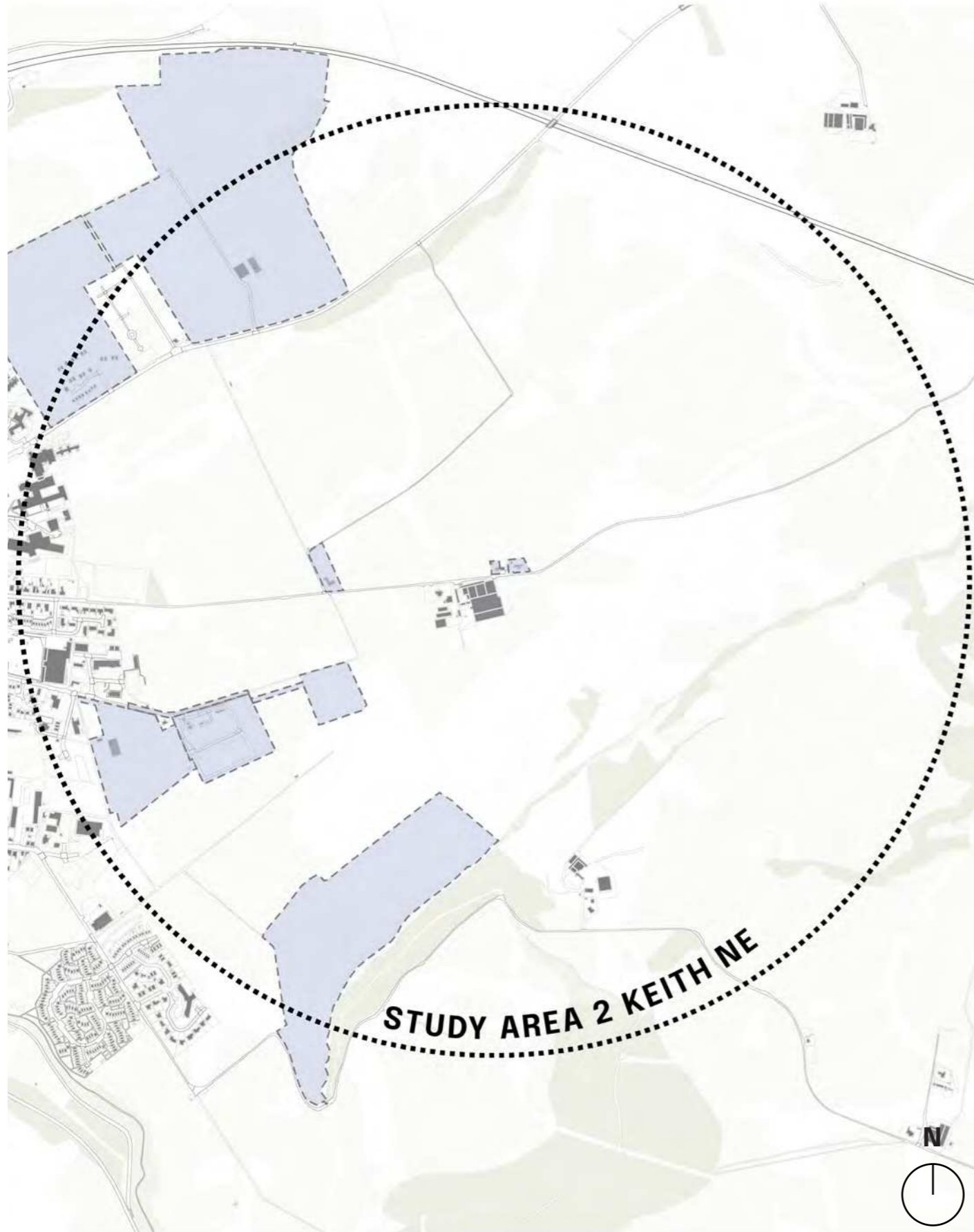


Figure 37 Map indicating ownership boundaries.  
Information extracted from the Registers of Scotland website.  
p 70

# 5.4 Planning Applications

The following developments are either under construction (at the time of writing this report) or are in the process of obtaining planning consent or other relevant permissions in the Keith NE study area.

The large area to the east of the study area is one of the sites being considered by SSEN to develop a new substation as part of their 'Route to 2030' network.

**Description:** Installation of an energy storage facility including battery enclosures power conversion units transformer substations grid connection infrastructure vehicular access and associated works.

**Planning Reference:** 22/00715/APP  
**Date Decision:** 27.10.2022  
**Status:** Permitted  
**Built Status:** Not built

**Description:** Proposed battery energy storage system and associated Infrastructure.

**Planning Reference:** 22/01488/APP  
**Date Decision:** 15.03.2023  
**Status:** Permitted  
**Built Status:** Not built

**Description:** Erect coopeage including office staff facilities storage yard and associated works.

**Planning Reference:** 23/00314/APP  
**Status:** Awaiting Decision

**Description:** Potential site being looked at by SSEN for a new substation.

**Status:** Under Consultation

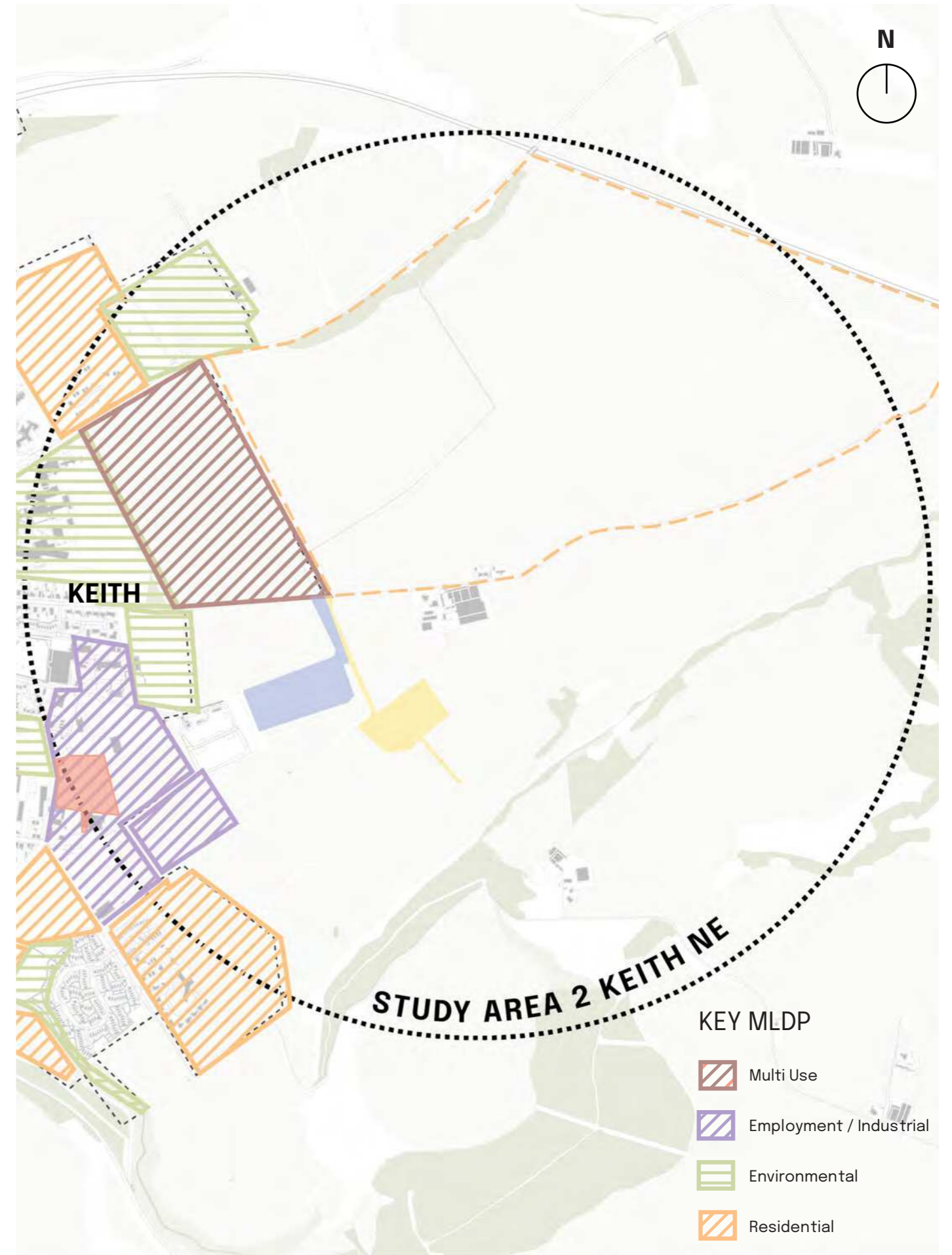


Figure 38 - Keith NE Planning Applications with Land Use Designations from MLDP

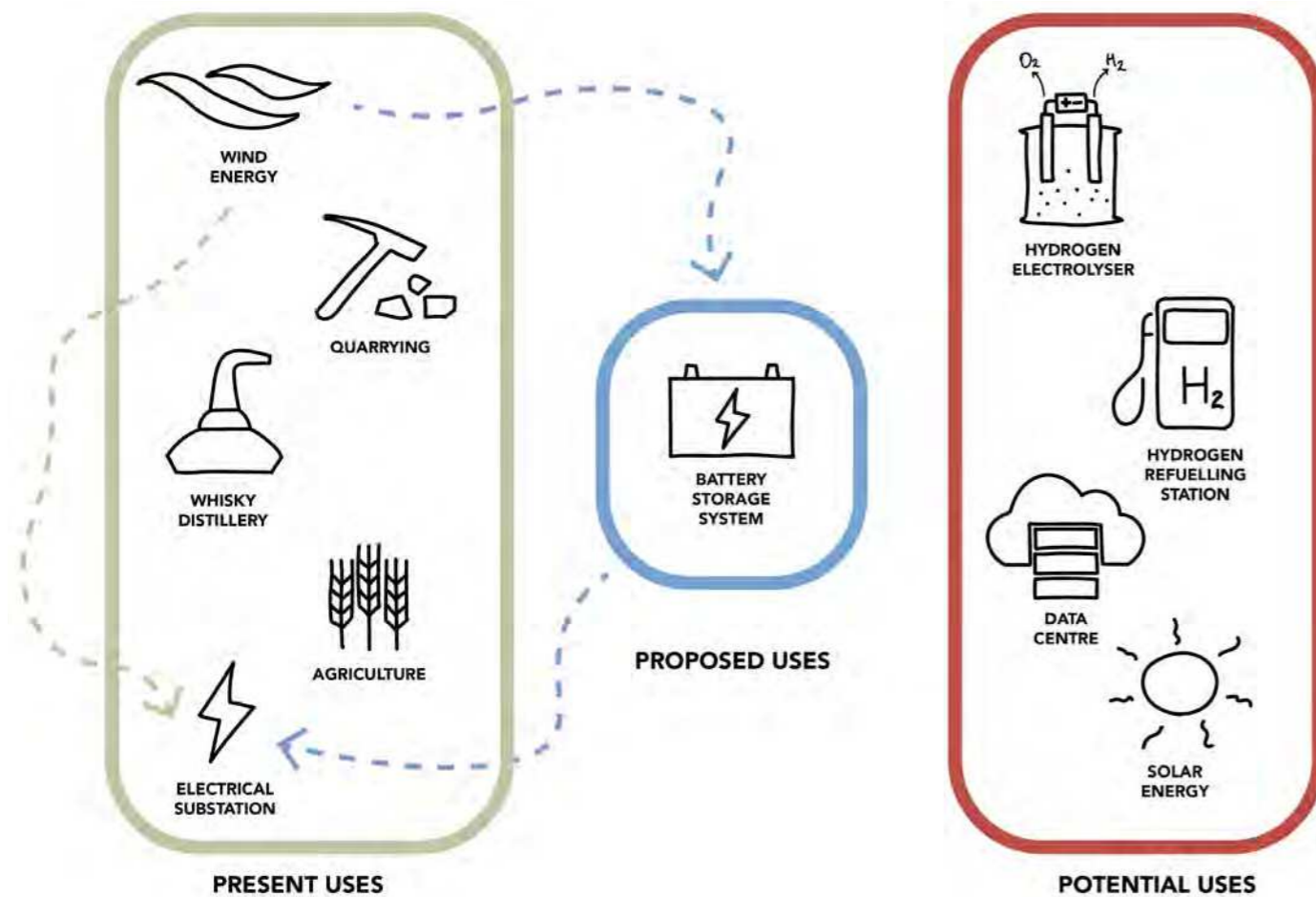


## 06 Keith - A Green Industry Hub ?

The following section describes the existing, proposed and potential industrial and energy uses in both areas and explores the potential of the synergies between these uses to create a sustainable energy framework.



## 6.1 Industry In Keith



The areas of Blackhillock and Keith NE, as outlined previously, are industrial areas focusing mainly on energy, electricity distribution and agriculture.

The multiple distilleries located in and around Keith are also taken in to account in this study along with the quarrying site adjacent to Blackhillock.

Battery storage systems are required to store excess green energy produced before it is transmitted to the national grid. In fact there are currently plans for a battery storage system to be developed to the south of the Blackhillock substation and to the East of Keith substation as discussed in previous sections of this framework.

With the view of developing Keith into a hub for green energy production a number of additional uses have been identified, which in contrast to battery storage facilities could create more jobs in the area.

- **Hydrogen Electrolyser and Refuelling Stations**
- **Data Centres**
- **Solar Energy**

The following pages describe these uses in more detail and discuss the suitability and requirements for successful implementation. Proposals will require to comply with the Development Plan and associated guidance, which includes consideration of landscape and visual impacts and cumulative build-up.

Figure 39 Present, Proposed and Potential Industrial Uses in Blackhillock

## 6.1 Present Uses



Edintore Windfarm, Blackhillock



Strathisla Distillery, Keith



Farmland nearby Keith



Beatrice Offshore Windfarm Substation



Blackhillock and Cairdshill Quarries

Images of Present Uses near Keith - Distilleries, Windfarms, Quarries, Substations and Agriculture

## 6.1.1 Battery Storage

The land around the Blackhillock and Keith sub station is currently being purchased or permission sought with the view of developing battery storage sites. Although ideally placed next to a sub station it is important to have a holistic plan to where these are located in order to provide the necessary screening and allow for additional connection corridors to the sub stations.

Battery storage systems are devices that enable energy from renewables, like solar and wind to be stored and then released when required. Storage helps balance electricity generation and demand and helps relieve some of the demand on the national electricity grid.

There is currently one application being processed for the development of a battery storage unit farm to the south of Blackhillock sub station. (Refer to Section 4.4).

### KEY REQUIREMENTS:

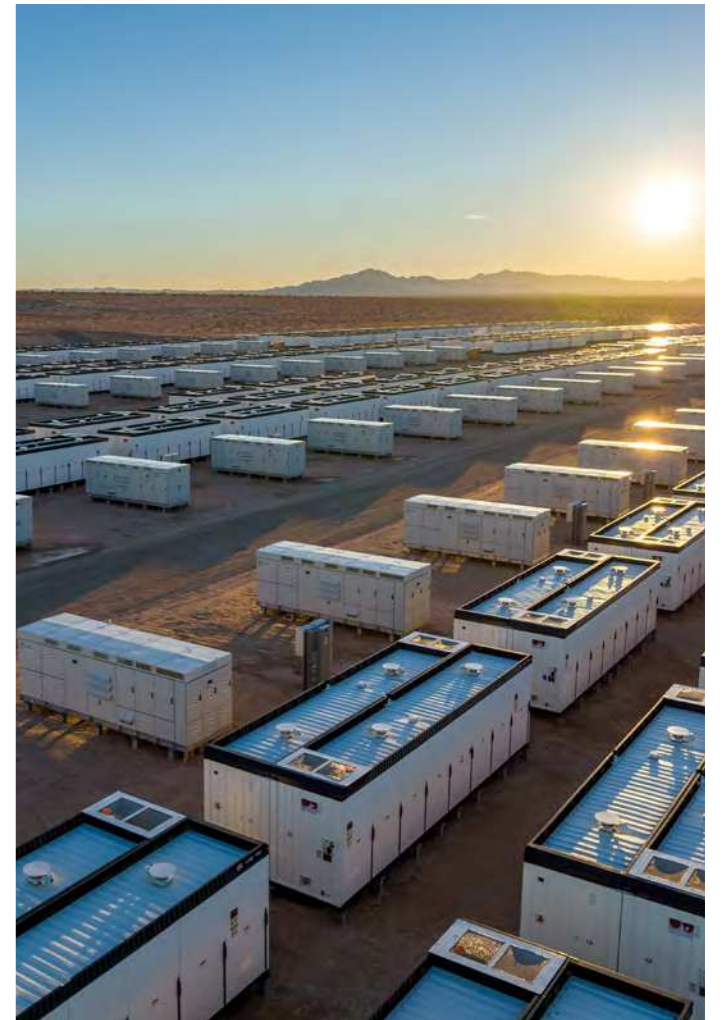
- Screening
- Security fencing
- Land erosion control
- Permanent stormwater measure
- Integration with electrical infrastructure.

APPROXIMATE SIZE: 2-3 acres.

**STRENGTHS & OPPORTUNITIES:** Potential for other uses around the development. Blackhillock would be an appropriate location for this type of development given the levels of green energy produced here.

**CONSTRAINTS & THREATS:** Does not provide employment opportunity. Can be a blight on the landscape if not located in appropriate locations. The increasing number of planning applications for battery storage requires a planned approach to be taken to avoid further piecemeal development that can detrimentally impact on the landscape and character of Keith and its surrounding area.

Examples of battery storage systems  
Sourced from WikiCommons and Rawpixel



## 6.1.2 Data Centres

A data centre is a physical facility which houses computer systems and associated components such as telecommunications and storage systems. This is used by organizations and company to store their critical applications and data. They are important to meet ever increasing demand for internet access.

**KEY NEEDS:** Require significant infrastructure to support the centre's hardware and software. These included power subsystems, uninterruptible power supplies, ventilation, cooling systems, fire suppression, backup generators and connections to external networks.

Proximity to power distribution centre. Blackhillock deals with much higher voltage. More appropriate to be close to Keith power station.

**APPROXIMATE SIZE:** can vary from a very small area to around 16 acres.

**STRENGTHS & OPPORTUNITIES:** The heat generated by running a data centre could be fed back into the heat network - can be used to heat Keith. Ideally located next to power distribution centres.

**CONSTRAINTS & THREATS:** Require a significant amount of power to operate and keep cool. Expensive to operate due to cooling costs.

**NOTES:** Scottish Futures Trust have identified 12 possible sites in Scotland for possible data centres. This study has been developed to help "establish Scotland as an attractive location for green datacentres and to accelerate inward investment from the datacentre sector"

Data Center Equinix Am3/Am4, Amsterdam  
Bentham Crouwel Architects  
Photo by Jannes Linders



## 6.1.3 Hydrogen Electrolyser

"Our vision is for Scotland to become a leading Hydrogen Nation in the production of reliable, competitive, sustainable hydrogen and secure Scotland's future as a centre for international excellence as we establish the innovation skills and supply chain that will underpin our energy transition. Scotland's unique selling points, are its natural resources, infrastructure and skilled energy workforce which enable us to become the producer of lowest cost hydrogen in Europe by 2045"

- Scottish Government, Hydrogen Policy Statement.

Green hydrogen is being considered as the primary industrial energy use and could be used to decarbonise heavy goods vehicles, trains and industrial uses.

**KEY REQUIREMENTS:**

- 170,000L/day of water.
- Proximity to sub station

**APPROXIMATE SIZE:** 10,000sqm.

**STRENGTHS & OPPORTUNITIES:** Proximity to large sub station make location ideal for this kind of facility and would generate employment in the area.

**CONSTRAINTS & THREATS:** Large area required which may need to be heavily screened and located strategically. Requires a large amount of water to function.

**NOTES:** Mott Macdonald together with UHI and HIE are currently conducting a Hydrogen Strategy and have identified Blackhillock as a potential site for an electrolyser and refuelling station.

Examples of Hydrogen Electrolysers



## 6.1.4 Hydrogen Refuelling Station

Currently in Scotland there are two publicly accessible refuelling sites in Aberdeen, Kittybrewster and Tullos, serving cars, buses and vans. There is one more larger refuelling station in Orkney for buses and a small refuelling station is planned in Glasgow.

A simple hydrogen refuelling station consists of hydrogen storage tanks, hydrogen gas compressors, a pre-cooling system, and a hydrogen dispenser, which dispenses hydrogen to pressures of 350 or 700 bars depending on the type of vehicle. A typical hydrogen car will be refuelled in three minutes and a bus in seven minutes.

### KEY REQUIREMENTS:

- Proximity to road
- Proximity to hydrogen electrolyser ideal but not necessary (will reduce transportation costs.)
- Will require a larger area adjacent to the fuelling station for the storage of hydrogen.

APPROXIMATE SIZE: 20sqm

**STRENGTHS & OPPORTUNITIES:** Could be used to refuel vehicles used in the Blackhillock area (industry related, including farming vehicles and equipment). Can be used to power distilleries in the vicinity of Keith.

**CONSTRAINTS & THREATS:** A refuelling station on the A96 in close proximity to Keith may increase the level of traffic passing through the town.



Examples of hydrogen refuelling stations.  
Sourced from WikiCommons

## 6.1.5 Solar Energy

As part of the Draft Energy and Just Transition the Scottish Government has also provided a solar vision whereby the importance of using solar energy combined with other renewables as a source to decarbonise the energy system in Scotland is recognised and will be supported.

A solar farm is a large scale ground mounted solar installation, using photovoltaic panels to harvest energy from the sun.

### KEY REQUIREMENTS:

- on a commercial scale large amounts of land.
- Sunny conditions, suitable for the East coast of Scotland.
- Battery storage to store energy generated.

APPROXIMATE SIZE: around 32,000sqm for 1MW

**STRENGTHS & OPPORTUNITIES:** Solar farms could serve as a dual function and may be installed on roof tops as well as on land.

**CONSTRAINTS & THREATS:** Large area required for solar farms. Grid constraints means priority for energy being used close to production would be beneficial instead of being fed into the national grid. Potential to have significant landscape and visual impacts.

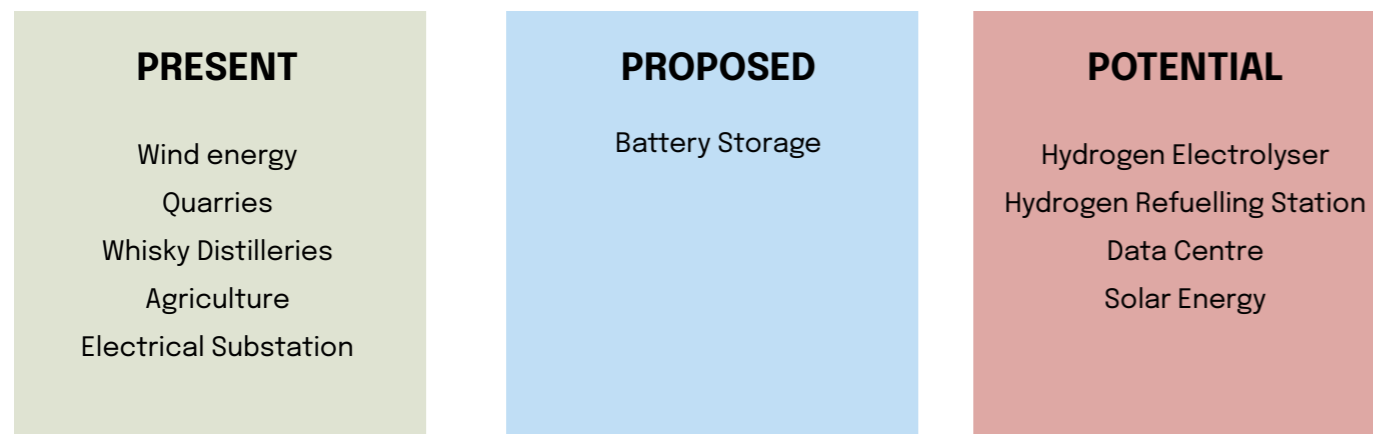


Examples of Solar Farms  
Sourced from Unsplash

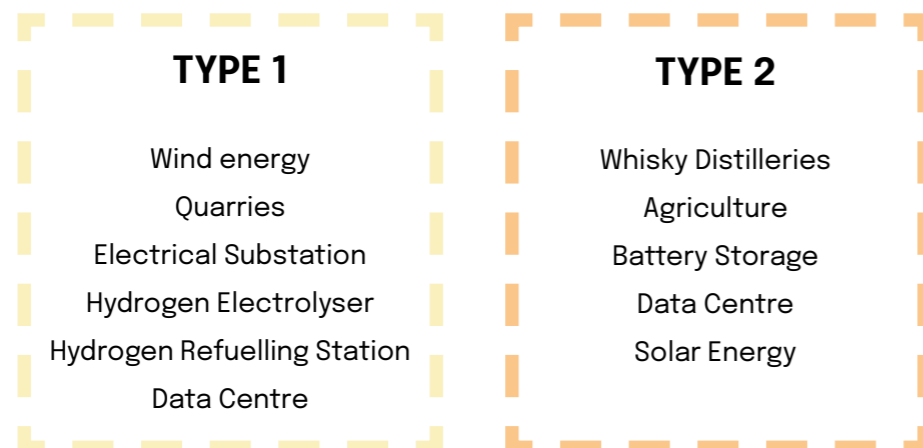
## 6.2 Development & Energy Framework

In order to build a sustainable energy framework for the area of Keith, there are potential overlaps between these uses. The following will describe these synergies and outline how these uses can benefit each other and also the existing community of Keith.

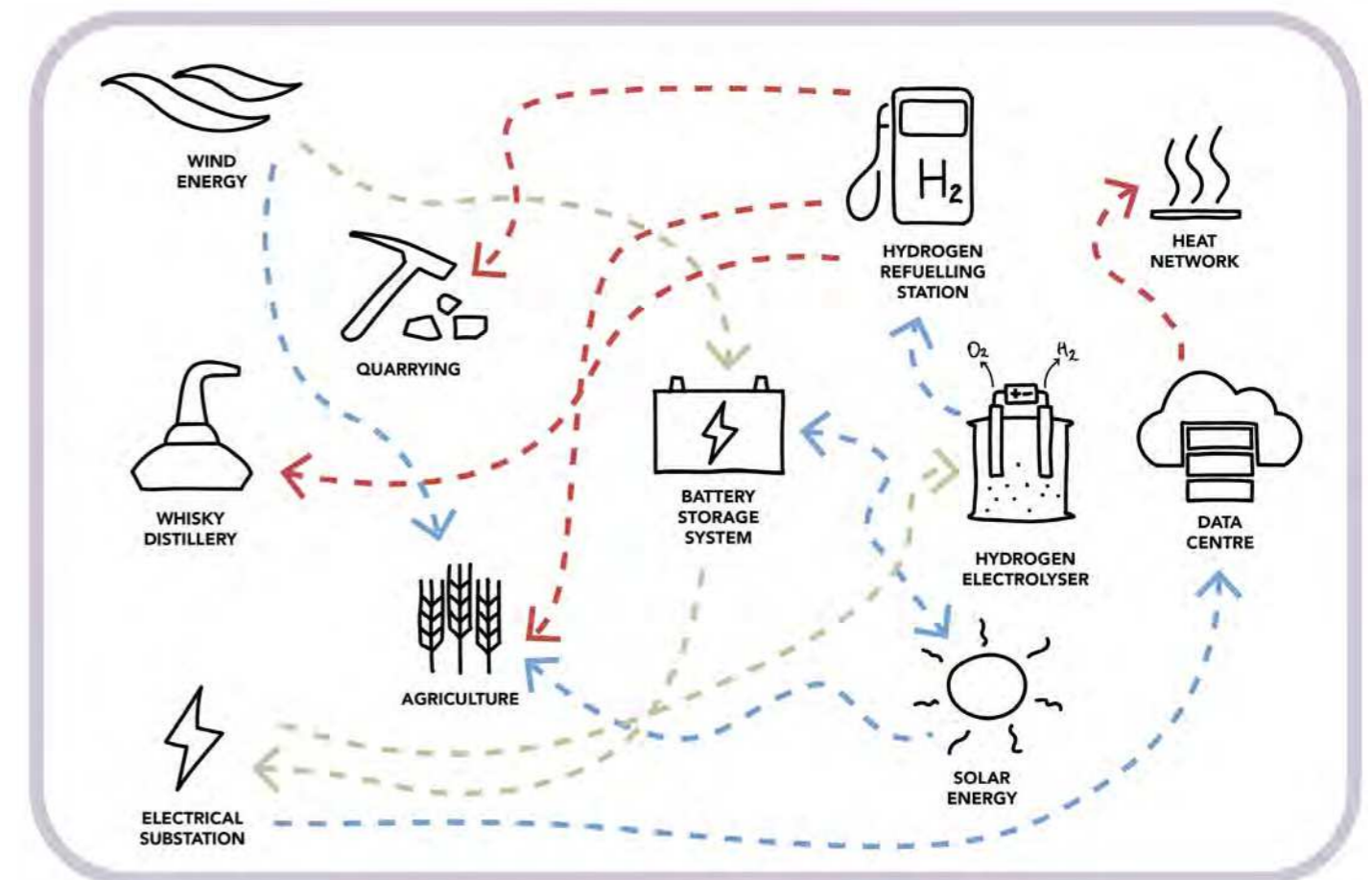
As discussed in Chapter 5.1 there are a range of present, proposed and potential uses that could be guided to appropriate locations within the study areas.



These uses have been categorised into developments considered as Type 1 (large scale industrial development) and Type 2 (industrial development at a more modest scale). Location of any development of Type 1 and Type 2 are provided in the next chapter on page 103.

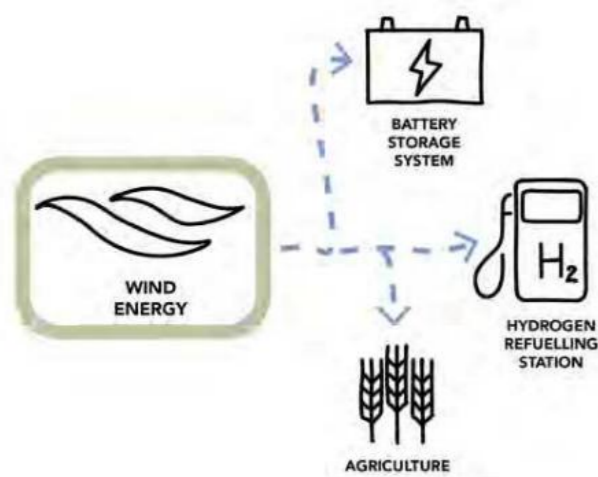


The diagram below seeks to indicate how the present, proposed and potential energy and infrastructure might support and synergise each other and provide opportunities locally.



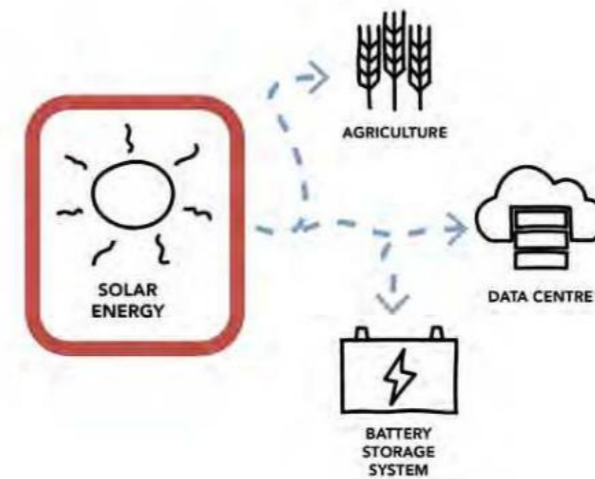
The following pages outlines a number of scenarios how these uses may support each other.

The following are a number of possible scenarios how the aforementioned uses could benefit each other and the community of Keith. These are not exhaustive and additional research will have to be done on conducted on their viability in the area.

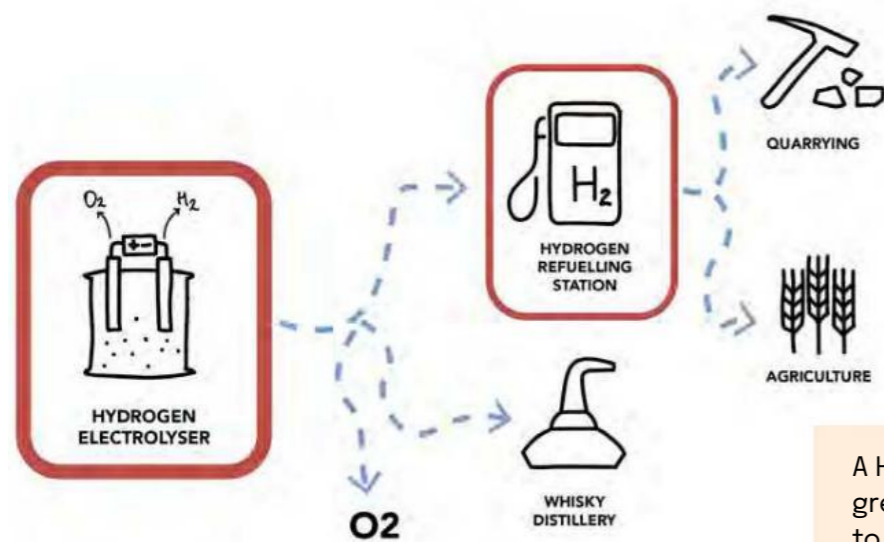


Wind Energy is a prevalent use in both study areas. The Edintore windfarm to the south of Blackhillock may have the potential to expand, whilst the Beatrice station harnesses the energy produced offshore. There are multiple ways that this energy produced locally could be harnessed by the community, reducing the need for excessive battery storage facilities.

For example: feeding the energy to the nearby agriculture fields or using the energy to directly power a hydrogen refuelling station.



Similarly to wind, solar energy could be harnessed directly by nearby uses or used in combination with other uses. For example: raised solar panels may be used as shading for grazing animals.



A Hydrogen electrolyser that produces green hydrogen has the potential to power the heavy goods vehicles used in the nearby sites, such as the quarrying sites or agricultural vehicles. There is also the potential for hydrogen to become the main power source for the distilleries in the nearby areas.



There have been several studies which have shown the heat output from Data Centres could be harnessed and fed directly into the heating systems of nearby facilities.

# 07 A DEVELOPMENT STRATEGY FOR GREEN INFRASTRUCTURE IN THE KEITH AREA

This chapter brings together the various aspects for the Strategic development of Blackhillock and Keith NE. These are outlined in 5 key themes as follows:

- Landscape & Habitat,
- Access & Movement,
- Utilities & Information & Development,
- Use & Socio-Economic Impact and
- Boundary Conditions



## Introduction

Given the national context to transition to net zero and produce more energy from renewable sources and the important role Keith will play, we need to manage the development of green energy and infrastructure in a planned fashion to avoid it detrimentally impacting on the landscape and character of the town and amenity of residents. There is a potential for Keith to become a green energy hub and bring in a number of benefits to the residents such as employment opportunities etc.

The following pages lay out a strategic framework in the form of 5 diagrams, for the two study areas discussed in the study, Blackhillock and Keith NE. The diagrams outline the various constraints and opportunities related to:

- **Landscape & Habitat,**
- **Access & Movement,**
- **Utilities & Information & Development,**
- **Use & Socio-Economic Impact and**
- **Boundary Conditions**

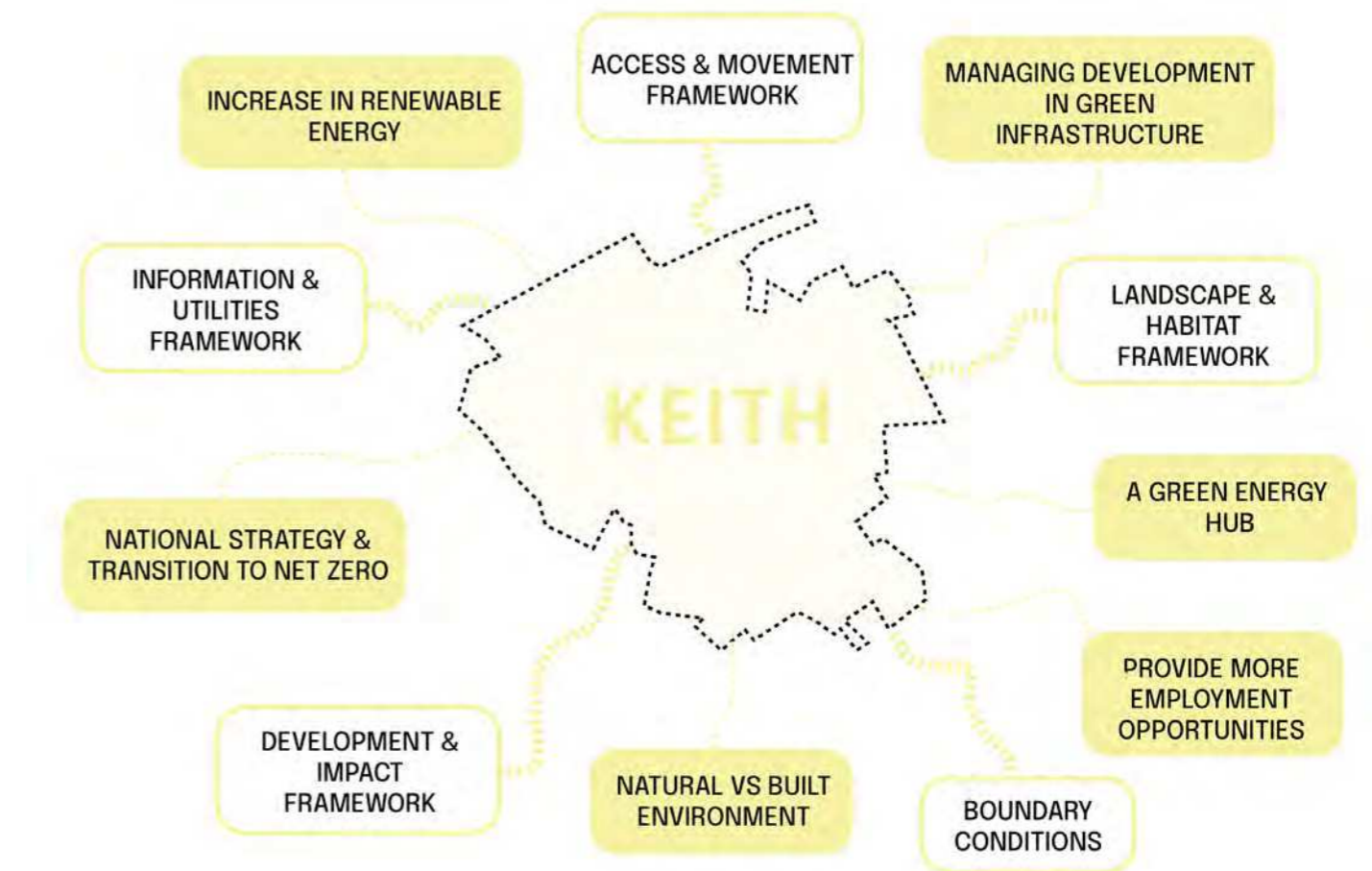


Figure 41 - Keith in the National Context and Outline Strategic Frameworks

# 7.1 Landscape & Habitat

- The landscape character of both study areas is primarily rolling farmland and woodland, punctuated at intervals by road and energy infrastructure.
- Any proposed development must take cognisance of the landscape character and be sensitively sited and designed to minimise its visual impact. Any proposed landscape mitigation must enhance the local biodiversity.
- Any new development at Blackhillock must be located to the south of the ridgeline identified. At Keith North-east any new development should generally keep to the north of the ridge line or avoid new infrastructure seen on the horizon in views from the settlement.
- Any new planting & woodland must connect with existing habitat networks & using native planting local to the area. (Refer to Appendix, Landscape Sensitivity Study).
- There are 2 key water courses in the locale with no identified flood risk.

## KEY

- Key Ridgeline
- Existing Watercourses
- Existing Woodland
- Proposed Woodland
- Proposed Hedgerows

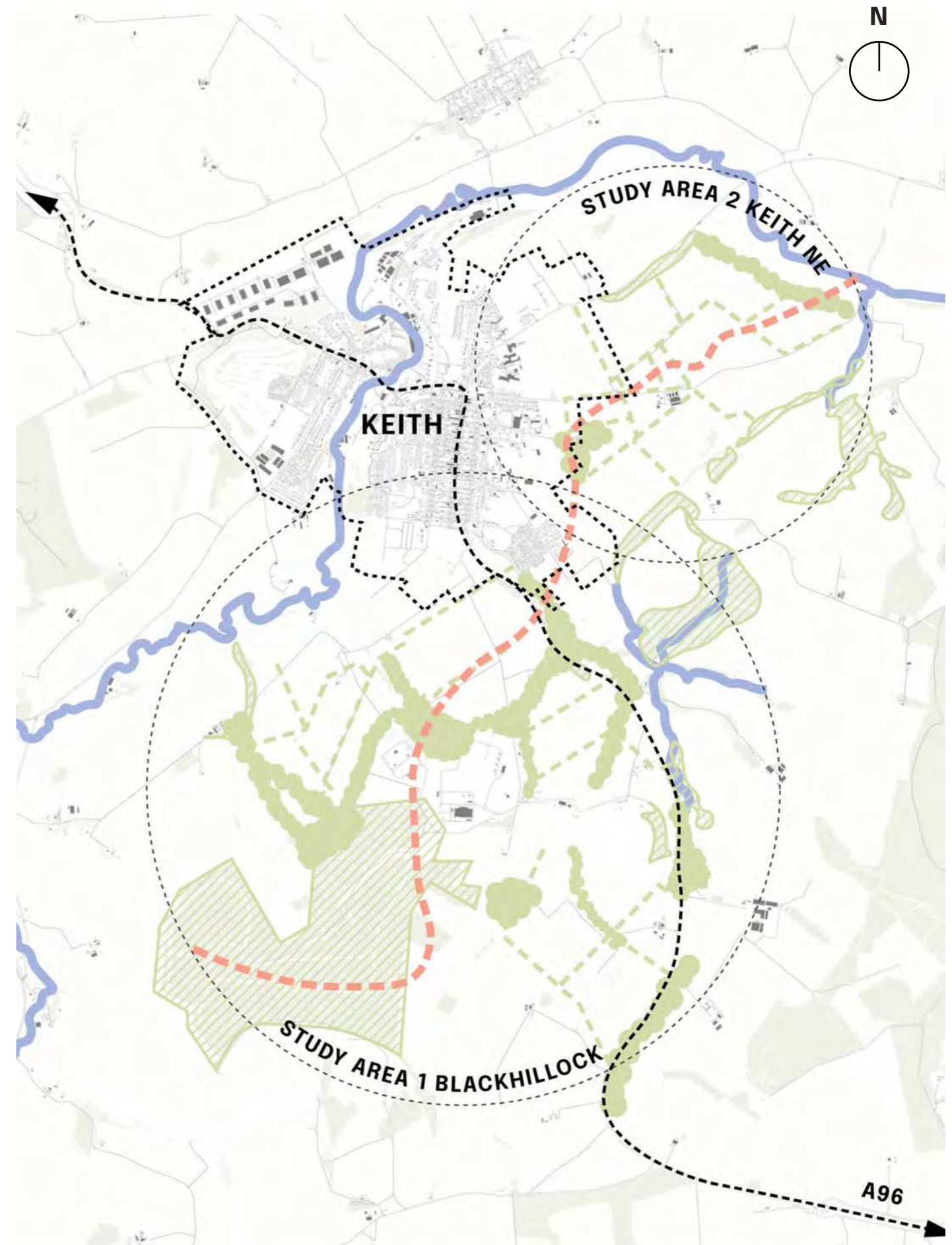










Figure 42 - Landscape & Habitat

## 7.2 Access & Movement

- Major regional road network in and around Keith and the study areas, providing access to development sites and opportunities.
- Train station in Keith to the north - not readily accessible on foot to the south and south east of the study area. Heritage rail route and station from town centre to Dufftown.
- Network of core paths in and around the town, serving the immediate periphery and providing access between the settlement and the surrounding countryside.
- Outside of the main road network, the nature and character of roads in the study areas are tracks and rural access points.
- There are a number of services and access points in and out of study areas from A96 and A95. Any new development would need to assess impact and upgrading of existing roads and access points. (Refer to appendix Transport & Infrastructure).
- Given the rural nature of the area it should be recognised that vehicle access whether that be cars or larger vehicles, they will have a role to play thus mitigating measures will be necessary to maximise sustainable integration with the existing transport network while managing vehicle impacts.
- A96 corridor improvements will need to be considered in any potential development. (Refer to appendix, Transport & Infrastructure).

### KEY

- |                                                                                    |                  |                                                                                     |                           |
|------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------|---------------------------|
|  | Train Station    |  | Petrol Station            |
|  | Railway          |  | A96                       |
|  | Heritage Railway |  | A95                       |
|  | Core paths       |  | Junction into Study Areas |

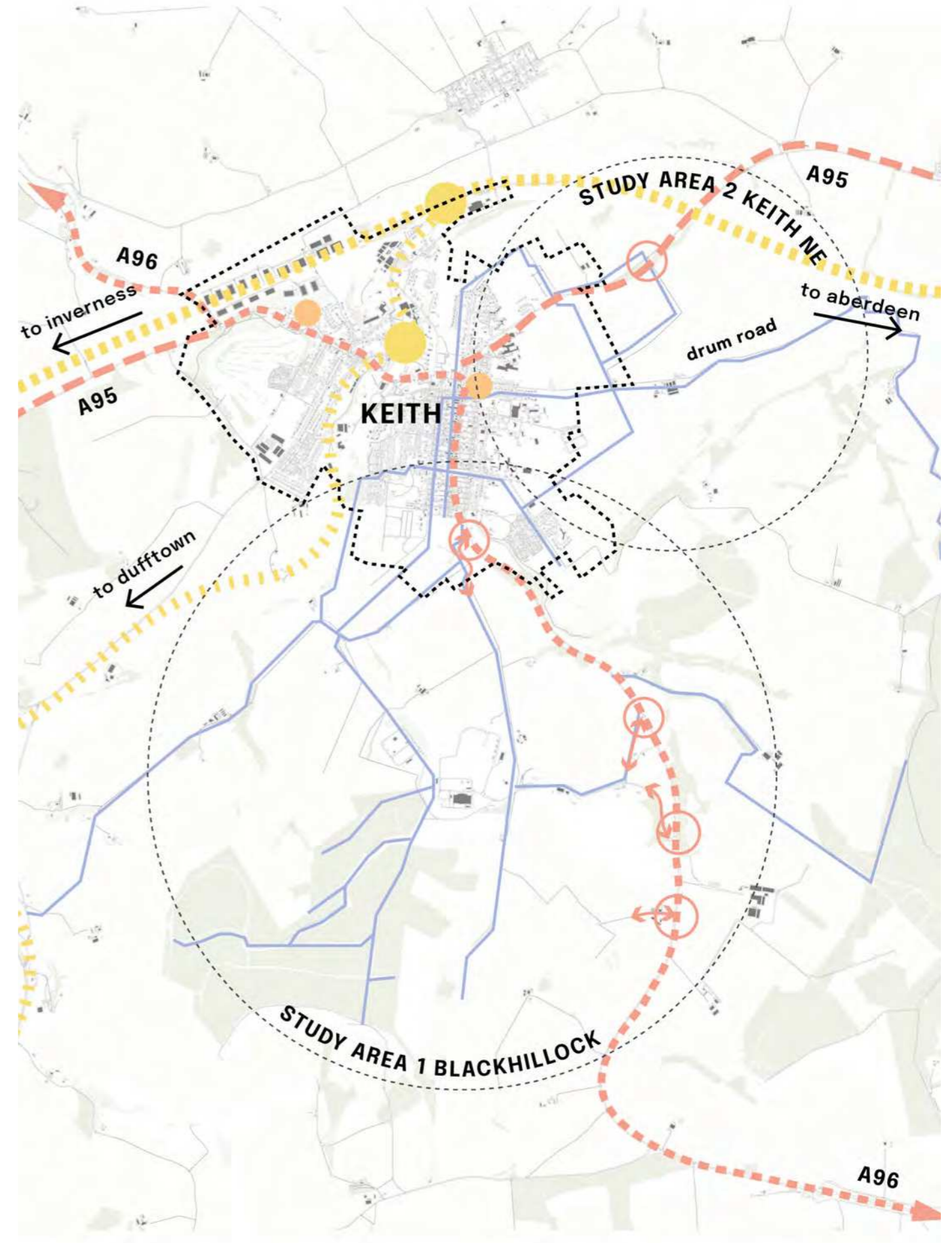


Figure 43 - Access & Movement

## 7.3 Information & Utilities

- The study areas have a number of significant utility and energy infrastructure that includes energy production and overground and underground utilities.
- These remain fixed in position for short and medium term. (SSEN have indicated that protected corridors have been identified - awaiting information,)
- SSEN are looking at site (E) as one of their future expansion sites for their 'Route to 2030' improvements.
- Windfarm to south of Keith (C) with recently proposed new mast and plans for future expansion which is still subject to a s36 application.
- Any new development for energy infrastructure (as identified in Chapter 6) should take consideration of the findings of the Landscape Sensitivity Studies for Blackhillock and Keith North-East (Refer to Appendix, Landscape Sensitivity Assessment).

### KEY

- |                                                                                                                              |                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
|  High pressure gas main                    |  Blackhillock Substation                   |
|  Overhead Electricity Cables & Pylons      |  Keith Substation                          |
|  Extra high voltage cables                 |  Edintore Windfarm                         |
|  Beatrice offshore windfarm infrastructure |  Potential new mast for windfarm expansion |
|  Telecom Cables                            |  Potential Future SSEN Substation          |
|  Water Supply Network                      |                                                                                                                               |

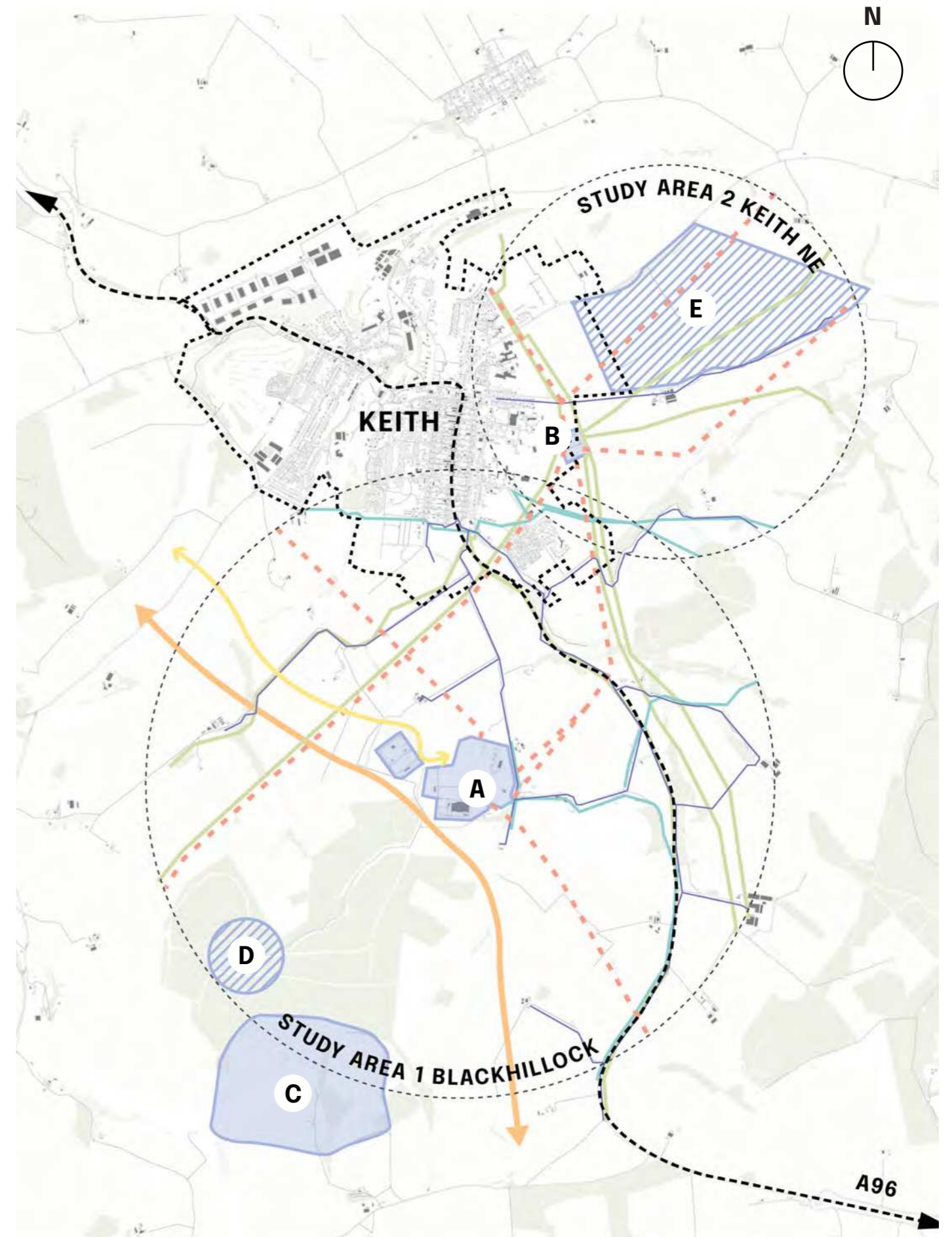






Figure 44 - Information & Utilities

# 7.4 Development Framework

- Land within the town's settlement boundary is to be safeguarded for employment uses as per the allocations within the LDP. Development outwith the settlement boundary (i.e. within the countryside) to be guided to the appropriate locations within this Framework to ensure that the need for renewable energy is balanced with safeguarding the landscape, natural environment and the setting of the town.
- Any new development must support Keith and its residents and the local economy, existing businesses & employment/skills development as outlined in the Community Wealth Building Strategy and Guidance by Moray Council. This guidance supports the delivery of NPF4 Policy 25 which relates to Productive Places (Community Wealth Building) policy 11 Energy which seeks to maximise net economic benefits and LDP policy DP9 Renewable Energy. Any proposed development is to identify how it supports the local economy including socio-economic benefits.
- Any new development is to be limited to the identified sites shown in the diagram opposite and within the study area as derived from the sensitivity study (Refer to Appendix, Landscape Sensitivity Assessment). Only Type 1 and Type 2 development will be considered. (Refer to 4.1 for more information)
- Any new uses & development areas must identify local opportunities for supporting the landscape and enhancing biodiversity (Refer to 7.1 Landscape & Habitat for identified opportunities and priorities.)

## KEY

-  Type 1 Development - Large scale industrial development
-  Type 2 Development - Modest scale industrial development
-  Type 1 + 2 Development
-  Potential Hydrogen Refuelling

## Moray Local Development Plan Designations

-  Multi Use
-  Housing
-  Employment
-  Environmental

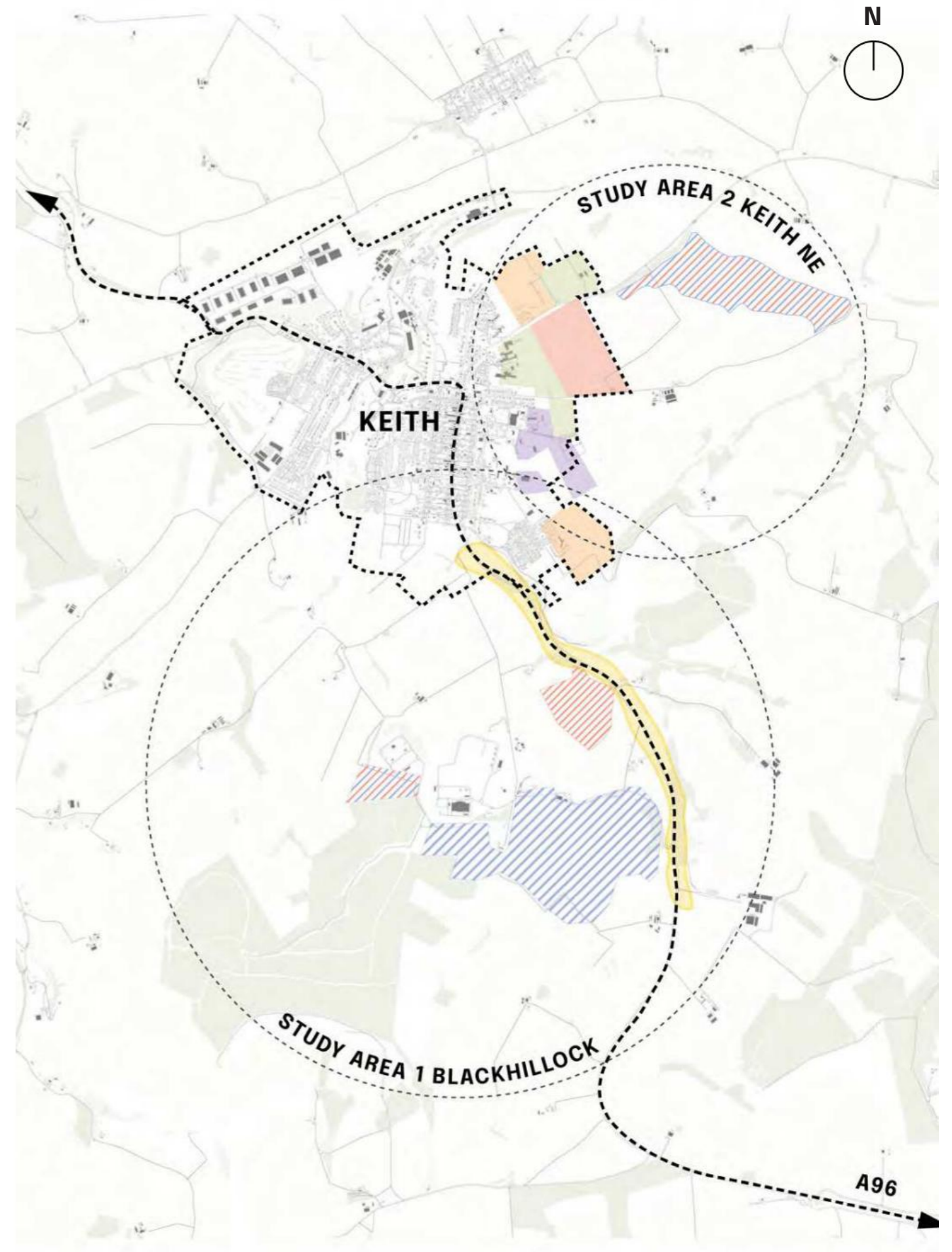


Figure 45 - Development Framework






## 7.5 Boundary Conditions

The intention of the areas identified in Figure 45 previously, is to guide any development to less sensitive areas.

All development proposals will require to be assessed based on site-specific analysis. A number of boundary conditions have been identified which correlate to the landscape or existing conditions present in the surrounding area.

- ① South of quarry- Potential development area to the south of Blackhillock Substation and Quarry where the landform provides some screening from areas to the south and east including the A96. Existing woodland and field boundary vegetation could be enhanced to screen existing and proposed development.
- ② South of Beatrice HVDC - Potential development area to the south of Beatrice HVDC Converter Station / west of Blackhillock Substation. Proposed development would be associated with existing industrial development and existing woodland across Cairds Hill could be extended to screen existing and proposed development.
- ③ South of A96 - Potential development area on lower slopes between Blackhillock Substation and the A96 to reduce the potential for development to be seen on the skyline in views from the A96, and to provide separation with nearby residential properties. Existing woodland and field boundary vegetation could be enhanced to screen existing and proposed development.
- ④ Boundary to the north is defined by a watercourse/ area of lower lying marshy ground, which wouldn't be suitable for development.
- ⑤ Southern boundary following a contour. This should help keep any development tucked in behind woodland to the west and keep things on lower ground and out of any views from Keith.

### KEY

-  Edge of contour line where land is falling away
-  Edge of existing woodland
-  Edge of existing commitment
-  Edge of primary road infrastructure
-  Low level marshland close to watercourse

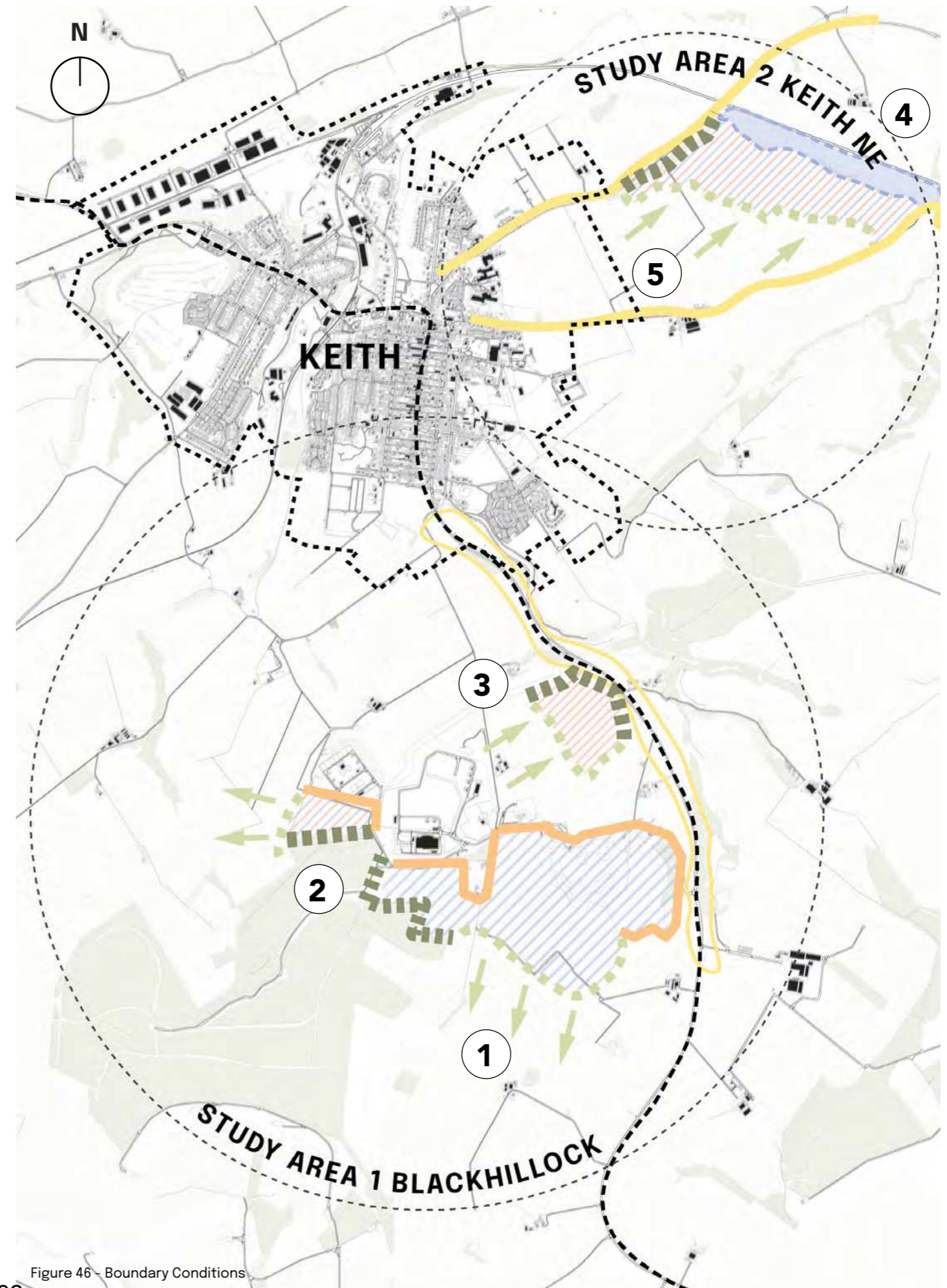








Figure 46 - Boundary Conditions

# 7.6 Strategy for Green Infrastructure

The diagram overleaf brings together the various key aspects for the strategic development of Blackhillock and Keith NE identified in the previous framework diagrams, mainly landscape proposals (Section 7.1) and guideline for development areas for Type 1 and Type 2 (Section 7.4)

### KEY

-  Type 1 Development - Large scale industrial development
-  Type 2 Development - Modest scale industrial development
-  Type 1 + 2 Development
-  Potential Hydrogen Refuelling
-  Key Ridgeline
-  Proposed Woodland
-  Proposed Hedgerows

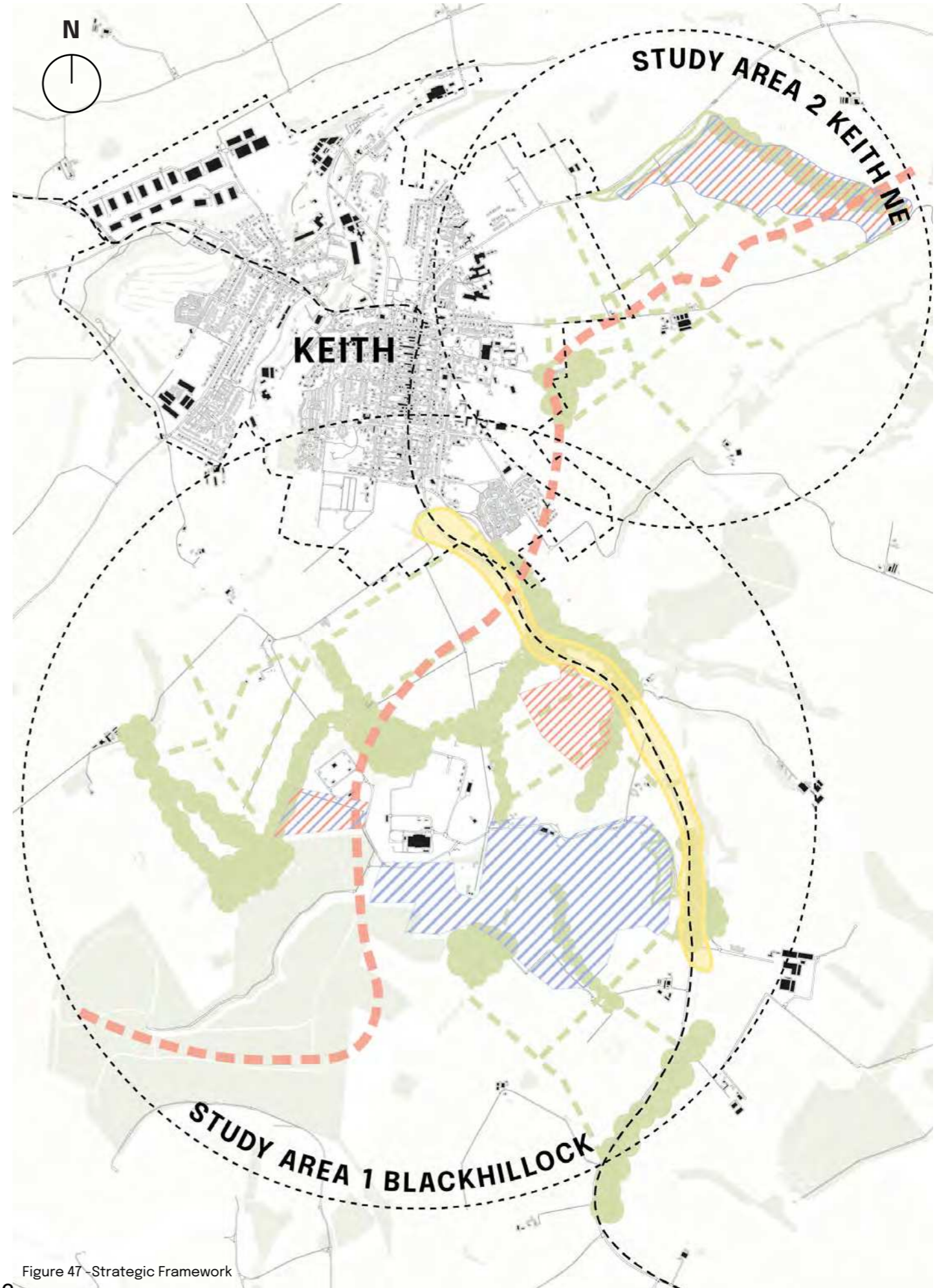


Figure 47 - Strategic Framework

## 08 Next Steps & Contacts

The draft Framework is the subject of an 8 week public consultation that runs from 21 August to 13 October 2023.

Please submit comments to Moray Council at [localdevelopmentplan@moray.gov.uk](mailto:localdevelopmentplan@moray.gov.uk) or by post to  
Moray Council,  
Economic Growth and Development,  
Strategic Planning and Development Team,  
Council Headquarters,  
Rm 215, High Street, Elgin, IV30 1BX.

For any queries or further information please contact the Moray Council on: [localdevelopmentplan@moray.gov.uk](mailto:localdevelopmentplan@moray.gov.uk)



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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: PLACEMAKING - QUALITY AUDIT UPDATE**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report asks the Committee to approve the updated Quality Audit (QA) to align with the National Planning Framework 4 (NPF4) policy 14 Design, Quality and Place.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- (i) approve the updated Quality Audit (QA) to support the delivery of high quality successful places;**
- (ii) agree the updated QA will be a material consideration in the determination of planning applications; and**
- (iii) note that the QA will form part of the committee reports on planning applications reported to this Committee.**

**3. BACKGROUND**

- 3.1 The National Planning Framework 4 (NPF4) recognises the multiple benefits that high quality development brings for health and well-being, climate change, biodiversity and nature, resilience and the economy. Policy 14 Design, Quality and Place sets out that Local Development Plans (LDPs) should provide clear expectations for design, quality and place and that a design-led approach should be taken to creating successful places. NPF4 sets out that the 6 qualities of a successful place are: healthy, pleasant, connected, distinctive, sustainable and adaptable, and that developments that are consistent with these qualities will be supported. NPF4 along with the

Moray Local Development Plan 2020 (MLDP) now forms the 'development plan' for Moray.

- 3.2 Since 2015 the Quality Audit (QA) process has supported the delivery of the placemaking policy in the Moray Local Plan 2015 (MLP) and more recently Primary Policy 1 (PP1) Placemaking and other relevant policies of the Moray Local Development Plan 2020 (MLDP). The QA has been a successful tool in improving the quality of development in Moray. In recognition, the QA was the subject of a Scottish Award for Quality in Planning (SAQP) in 2018 and has been replicated by a number of planning authorities throughout Scotland.
- 3.3 The QA provides a consistent and multi-disciplinary approach to the assessment of design quality of development proposals. The current QA is based on the categories within PP1 which encompass the 6 qualities of a successful place as set out in NPF4. The QA is presented in a table format with proposals scoring red or green for each category. The information conveyed to applicants is set out clearly and concisely in bullet points in the table and an accompanying plan that illustrates the key issues visually. This forms the basis of discussions with applicants. The aforementioned revised QA format was agreed at a meeting of this Committee in March 2022 (para. ? of the Minute refers) to streamline the process based on operational experience and provide further clarity to applicants on design issues and improvements necessary to comply with the relevant policies and guidance of the MLDP.

#### **4. UPDATED QA PROPOSAL**

- 4.1 Given that NPF4 now forms part of the Moray 'development plan' the QA has been reformatted to align with the 6 qualities of a successful place. The updated QA categories are set out in **Appendix 1**. The QA table will continue to be supported by an annotated plan setting out the key issues visually.
- 4.2 The updated QA combines the requirements of NPF4 policy 14 and MLDP PP1 Placemaking as well as other relevant policies of the development plan into one tool. The QA update primarily focuses on re-categorising the QA criteria to align with the 6 qualities of a successful place rather than be a fundamental review as PP1 Placemaking mainly accords with NPF4. The QA update streamlines the assessment of the design quality of development proposals against the relevant development plan policies clearly and consistently via one collective process, and provides further clarity of the interpretation of the 6 qualities of a successful place set out in NPF4 in a Moray context.

#### **5. SUMMARY OF IMPLICATIONS**

**(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The QA supports the implementation of NPF4 Policy 14 Design, Quality and Place and the MLDP 2020 PP1 Placemaking and other relevant policies, to deliver high quality development and in doing so supports healthy living, climate change resilience, biodiversity, and the provision of affordable housing which are all priorities for the Council.

- (b) Policy and Legal**  
NPF4 and the MLDP is the statutory development plan for Moray. The QA brings a consistent approach to the assessment of the design quality of development proposals to comply with NPF4 Policy 14 and MLDP PP1 and other relevant policies.
- (c) Financial implications**  
None.
- (d) Risk Implications**  
The QA provides a clear, consistent and multi-disciplinary approach to implementation of NPF4 and a primary policy of the MLDP 2020. There is a risk that without the QA the quality of places would be eroded and associated benefits for health and well-being, climate change, nature and biodiversity lost.
- (e) Staffing Implications**  
Work on the updates to the QA has been undertaken as part of the workload of the Strategic Planning and Development team.
- (f) Property**  
None.
- (g) Equalities/Socio Economic Impact**  
None.
- (h) Climate Change and Biodiversity Impacts**  
The NPF4, specifically policy 1 (Tackling the climate and nature crises) gives significant weight to the global climate and nature crises in the determination of planning applications. NPF4 Policy 2 (Climate mitigation and adaption) states that all proposals should be designed to minimise emissions over their lifecycle and development is to be sited and designed to adapt to current and future risk from climate change. Similarly, policy 3 (Biodiversity) requires development to contribute to the enhancement of biodiversity. Whilst policy 15 (Local Living and 20 minute neighbourhoods) supports the principle of Local Living. The QA seeks to ensure the intent of these policies are delivered through a clear and consistent approach to the assessment of planning applications.
- (i) Consultations**  
Consultation has taken place with the Depute Chief Executive Economy, Environment and Finance, the Head of Economic Growth and Development, the Head of Housing and Property, the Legal Services Manager, the Senior Engineer Transport Development, the Principal Climate Change Officer, the Equal Opportunities Officer, the Development Management and Building Standards Manager, the Chief Financial Officer and the Democratic Services Manager and their comments incorporated into the report.

## **6. CONCLUSION**

- 6.1 The QA has provided a consistent and multi-disciplinary approach to the assessment of the design quality of development proposals since 2015. Given that NPF4 now forms part of the Moray 'development plan', the QA has been updated to align with the 6 qualities of a successful place. This provides an updated tool to assess the design quality of development proposals and convey the policy intentions of NPF4 and the MLDP to delivery high quality development on the ground.**

Author of Report: Eily Webster, Principal Planning Officer, Strategic Planning and Development

Background Papers:  
Ref:

## Quality Audit (QA) Assessment

An annotated plan will accompany the QA to help illustrate key points.

### Masterplan and Development Brief Compliance

- If applicable, does the proposal comply with the design principles set out in the Masterplan/Development Brief?

### Healthy: Supporting the prioritisation of women's safety and improving physical and mental health

*Creating well designed high quality development brings multiple benefits for health and well-being, climate change, biodiversity and nature, resilience, and the economy. The principles of creating these types of developments are embedded throughout the Six Qualities of Successful Places in National Planning Framework 4 (NPF4). Proposals will only be deemed to comply with the criteria of this Key Quality (see below) if it has been determined that it complies with all of the other 5 qualities of a successful place.*

*Failure to comply with any one of the Five Qualities of Successful Places will result in Healthy scoring "Red".*

- **Lifelong well-being** – ensuring spaces, routes, and buildings feels safe and welcoming that improve residents mental health and well-being taking into account suicide risk.
- **Healthy and active lifestyles** – creation of walkable neighbourhoods, food growing opportunities and access to nature and greenspace.
- **Accessibility and inclusion** – be inclusive for everyone regardless of gender, sexual orientation, age, ability, and culture
- **Social connectivity** – create a sense of belonging and identity within the community by creating well designed developments
- **Environmentally positive places** – improve air quality, reactivate derelict and brownfield land, remove known hazards, and good use of green and blue infrastructure.

### Pleasant: Supporting attractive natural and built spaces ensuring civic spaces, streets, public realm are lively and inclusive to promote social interactions.

#### *Fostering Positive Social Interactions*

##### *Open Space*

- Is there a clearly defined hierarchy of open space within the development? Does it provide for a range of uses and users?
- Does the development provide well integrated usable multi-functional open space?
- Have accessible and inclusive seating areas been provided within streets, paths and open spaces? If so, is the location type and number adequate?

- Is public and private space clearly defined?

#### *Play Equipment*

- If a play area is required have details of the equipment been provided and located in an appropriate and safe location?
- Have ParentAble/Moray Disability Forum been consulted? Does the play equipment, seating and surfacing meet accessible standards in line with PPG Guidance?

#### *Attractive Streets & Parking*

- To create a quality public realm and welcoming streets has a minimum of 50% car parking provided to the side or rear and behind the building line on each individual street?
- Does parking still visually dominate the street even if 50% has been achieved (i.e. where quantitative requirement is achieved through communal parking for flats)? Can this be mitigated by improved boundary treatments such as hedging, or not?
- Are communal and visitor spaces broken up at an interval of 4 spaces? If yes, are they broken up with semi mature trees and planting ensuring adequate mitigation?
- Have secure and covered cycle parking and storage, car sharing spaces and EV charge points been provided?

#### *Protection*

- The proposal must take into account environmental factors such as passive solar gain, mitigating noise, air, light pollution, as well as ensuring climate resilience, including flood prevention and mitigation against rising flood levels. To comply with this category the proposal must comply with the “Sustainable” Key Quality.

#### *Connecting with Nature*

- Has a detailed landscape plan providing details of numbers, species, heights, and girths of all planting been provided?
- Is the level of proposed landscaping adequate to create an attractive and welcoming development and if applicable does the landscaping clearly help to differentiate character areas sufficiently? i.e. small strips with limited plant coverage is inadequate.
- Have details of proposed boundary treatments been provided?
- Do landscape areas provide all year round variation with food growing and pollination opportunities? Has sensory planting (e.g. colour, smell) been provided?
- Has semi mature tree planting (girth 18 -20 cm) and shrubs been provided along all routes?
- If applicable, have space for allotments or other food growing opportunities been provided?
- If applicable, have connections and linkages been provided to nature to the surrounding area (ie woodland, meadows, ponds) outwith the site?



**Connected: Supporting well connected networks that make moving around easy and reduce car dependency**

*In addition to the QA Transportation Services will provide a separate detailed consultation response which the proposal must comply with.*

**Active Travel and Convenient Connections**

- Does the development prioritise pedestrians, cyclists and wheeling?
- Have adequate active travel connections been provided within and to the surrounding area?
- Have shared transport hubs (also known as mobility hubs) been provided that bring together public, shared and active travel modes? For example are bus stops, bike storage/hire and space for shared car ownership/on-street car club vehicles been co-located to allow simple modal shifts?

**Connectivity**

- Are dead-end streets/cul-de-sacs limited (i.e. where topography dictates), short (limited to max 10 units) and provide walking and cycling connections/routes to the surrounding area?
- Have all natural desire lines been connected within the development and to existing neighbourhoods?

**Pedestrian Experience**

- Have streets been designed to reduce vehicle speeds through shorter streets, varied building lines, etc.?
- Have inclusive design and surfaces been provided?
- Has assisted technology (e.g. acoustic signals at traffic lights) been provided, where applicable?

**Distinctive: Supporting attention to detail of local architectural styles and natural landscapes to be interpreted into designs to reinforce identity**

**Site Context (Natural Landscapes)**

- Does the development respond to the relevant elements of the natural landscape such as topography (i.e. avoids cut and fill) and planted features, and the natural and historic environment?
- Have existing trees and other vegetation (eg hedging) been retained and incorporated into the layout? If it is proposed to remove trees, has satisfactory justification been provided to evidence that it is technically unfeasible to retain these and compensatory planting provided?

**Scale, Built Form, and Legibility**

- Has a distinctive urban form been created through a mix of densities, building heights, massing, and building lines? For example, are densities, heights and massing greater along main thoroughfares and places where people may congregate such as local neighbourhood centres and open spaces.
- Has a clear and legible street hierarchy been provided through street width, street building design, materials, and hard and soft landscaping?
- Does the development incorporate key buildings that reinforce the character and identity along key frontages and locations within the development? For example, variations in architectural styles, accent features, detailing, finishes, colours, materials boundary treatments. It must be demonstrated how the key building is clearly differentiated from others within the development or character area where it sits.
- Does the building orientation and layout maximise visual connections with the surrounding area?
- Does the development include a mix of tenures (private and affordable), building types (detached, semi-detached, terraced, bungalows and flats) and sizes (number of rooms)?
- Are the tenures well-integrated within the development? For example, are private and affordable units opposite each other in the same street.
- Are the affordable requirements of NPF4 policy 16 and MLDP policy DP2 met? Has the housing mix identified by the Housing Manager been provided?
- Are affordable and accessible units located in appropriate locations in the development so they are close to open space, active travel routes and local amenities?

***Sense of Place (character areas where applicable)***

- Does the proposed development create a place with locally inspired or otherwise distinctive character?
- Has reference to the local context such as architectural styles been shown and justified in the Placemaking Statement?
- Are the proposed character areas located in appropriate and logical locations within the development?
- Are they clearly distinguishable from one another?
- Has variation been provided between and within the character areas? For example, variations in architectural styles, accent features, colours, materials, boundary treatments.
- Do buildings have public fronts and private backs and overlook streets and spaces?
- Are buildings designed to 'turn a corner' (i.e. dual frontages)?

***Cultural Context***

- Has public art been included in the development that reflects the local context (culture and history)? Is the public art acceptable? For example, standard benches and walls are unacceptable.
- If applicable, have street names with local context been provided?

**Sustainable: Supporting the efficient use of resources that will allow people to live, play, work and stay in their area, ensuring climate resilience and integrating nature positive biodiversity solutions**

***Climate Resilience and Nature Recovery***

- Has an acceptable biodiversity plan been provided (i.e. this must be site-specific)?
- Have a variety of green and blue spaces and networks been provided to support habitats and wildlife from the outset of the development? This must include measures that go beyond simply a landscape plan, i.e. hedgehog highways, amphibians kerbs, bat boxes, swift and bee bricks.
- If applicable does the development safeguard and or enhance wildlife corridors and prevent fragmentation of existing habitats?
- Has the development been designed for climate resilience (e.g. flood prevention and mitigation against rising flood levels, passive solar gain, street orientation/wind tunnels, building and landscaping materials, etc.)?

**Active Local Economy**

- To support the local economy proposals must comply with the Council's Community Wealth Building Planning Policy Guidance (if applicable).

***Transition to Net -Zero***

- If applicable, has evidence been provided to clearly show that the proposal complies with the Moray Council Carbon Guidance for Planning Applications? Proposals must comply with the Council's Climate Mitigation and Adaptation Planning Policy Guidance.

***Community & Local Living***

- Have inclusive and attractive streets, open spaces, and public realm been provided that allows children to play in safely?
- Have food growing plants and trees been included in the landscape plan (e.g. orchards, open spaces, etc.)?
- For larger sites if applicable, has space for food growing opportunities been provided? ie orchards, raised beds, allotments. This must also include delivery mechanisms and maintenance schedules.
- Have direct and safe routes been provided to existing local services and facilities where applicable?
- To support local living has it been demonstrated that appropriate facilities have been provided? Has evidence of 20 minute neighbourhood mapping been provided?

**Adaptable: Supporting commitment to investing in the long-term value of buildings, streets and spaces by allowing for flexibility so that they can meet the changing needs and accommodate different uses over time**

- Have flexible spaces been provided (e.g. ground floor space with increased room height capable of conversion to shops, etc.)?
- Does the development comply with MLDP Policy DP2 re accessible housing?
- Have open spaces been provided that are capable of being changed to other uses such as allotments, etc.?
- Have long-term management and maintenance plans been provided (e.g. open space, landscape, woodland management, etc.)?




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**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON  
15 AUGUST 2023**

**SUBJECT: DEVELOPER OBLIGATIONS UPDATE**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND  
FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report asks the Committee to note the update on developer obligations received and spent during the financial years of 2021/2022 and 2022/2023, provides an update on the Developer Obligations Supplementary Guidance (SG) review and seeks approval for the appointment of external consultants to carry out a review of the methodology used to calculate mitigations identified for Education infrastructure.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of strategic and local plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- (i) notes the content of the report and the update on Developer Obligations received and spent during the financial years 2021/2022 and 2022/2023 set out in Appendix 1;**
- (ii) notes the timeframe for the review of the SG; and**
- (iii) approves the appointment of external consultants to carry out a third party review of the education methodology when the revised developer obligations supplementary guidance has been drafted.**

**3. BACKGROUND**

- 3.1 The Council's current Supplementary Guidance (SG) on Developer Contributions was approved by the Moray Council Emergency Cabinet on 14 May 2020 (Para 6 of minute refers) and then by the Scottish Government, coming into effect on 30 September 2020.

- 3.2 Following the adoption of National Planning Framework 4 (NPF4) on 13 February 2023 which along with the Moray Local Development Plan (MLDP) 2020 now form the Development Plan for Moray a review of the Developer Obligations Supplementary Guidance is currently underway. The deadline for approval of Supplementary Guidance by the Scottish Government is 12 February 2025. The updated guidance will be subject to public consultation and approval by Committee prior to being submitted to Scottish Government for approval.
- 3.3 The Developer Obligations function was taken in house in 2016 which has resulted in significantly increased developer obligations being secured.
- 3.4 The Scottish Government Circular 3/2012: Planning Obligations and Good Neighbour Agreements sets out the following 5 tests that must be met in order to seek Developer Contributions to mitigate the impact of a development:
- Necessary to make the proposed development acceptable in planning terms;
  - Serve a planning purpose and, where it is possible to identify infrastructure provision requirements in advance, should relate to development plans;
  - Relate to the proposed development either as a direct consequence of the development or arising from the cumulative impact of development in the area;
  - Fairly and reasonably relate in scale and kind to the proposed development; and,
  - Be reasonable in all other respects.
- 3.5 Despite the SG being approved by Scottish Government, developers continue to challenge developer obligations in regard to infrastructure capacity, assumptions and mitigations through the appeal process and officers are sharing knowledge on appeal outcomes throughout the country with Council services and NHS Grampian to ensure the Council's SG is robust and defensible and supports timely delivery of development to support need and demand.

#### **4. UPDATE**

##### **Developer obligations received and secured**

- 4.1 Developer Obligations are secured prior to planning permission being granted either through an upfront payment or in a series of staged payments through Section 75 legal agreements which set out trigger points for payments.
- 4.2 During the 2021/2022 financial year, developer obligations totalling £348,708.93 were received in upfront payments from 31 approved planning applications. In 2022/2023 a total of £202,962.78 were received in upfront payments from 20 approved planning applications. A breakdown of the figures by contribution type for both financial years is given at Table 1 at APPENDIX 1.
- 4.3 During the 2021/2022 financial year £684,420.44 was received from previously approved Section 75 legal agreements and in 2022/2023 a total of

£215,403.49 was received. A breakdown of the figures by contribution type for both financial years is given at Table 2 at **APPENDIX 1**. The figures also include indexation and late payment fees where applicable.

- 4.4 During the 2021/2022 financial year a total of £2,024,104.85 was secured via Section 75 legal agreements. In 2022/2023 a total of £1,707,626.59 was secured. A breakdown of the figures by contribution type for both financial years is given at Table 3 at **APPENDIX 1**. These secured amounts will be received by the Council in the coming years as the triggers are reached.

#### **Affordable Housing**

- 4.5 Commuted sums towards affordable housing for developments of 1-3 units are required to meet housing needs in the local housing market area as set out in NPF4 policy 16(e) and in policy DP2 of the MLDP 2020. These contributions are not developer obligations, but the Strategic Planning and Development (SP&D) Team collects, holds and monitors the expenditure of these as well as developer obligations. A breakdown of the figures received and secured toward Affordable Housing is set out in Tables 1, 2 and 3 at **APPENDIX 1**.

#### **Developer obligations spend**

- 4.6 The SP&D Team works closely with other Council Services and NHS Grampian to ensure that developer obligations are being spent towards relevant projects within the agreed timescales. Developer obligations gathered from historic contribution types such as Sports and Recreation and Community Facilities and spent on projects within the last two financial years are set out in Table 4 at **APPENDIX 1**.

### **5. REVIEW OF DEVELOPER OBLIGATIONS SG**

- 5.1 The SG has been in place for 7 years and there is a commitment to review the Developer Obligations SG every 2 years. The reviews in 2018 and 2020 primarily took the form of updating figures in line with inflation and making minor amendments that are identified through the operation of the SG. Along with a number of other factors listed below it is considered that a wider review would be beneficial for the following reasons:

- The information required for the Evidence Report for next LDP. Reviewing existing capacities and identifying what future infrastructure is required to support growth and deliver the infrastructure first approach.
- Reconsideration of exemptions to align with NPF4 such as incentivising brownfield development.
- Review of Rates applied to mitigations to reflect inflation and consideration of re introducing a cap on Developer Obligations to ensure the viability and delivery of developments.
- Review of the types of infrastructure we seek Developer Obligations for such as serviced employment land as part of the masterplan areas.

- Renfrewshire Council recently published an external independent review report on Dargavel Primary School where the capacity requirement for the new school had been significantly under estimated for a number of reasons. Whilst Moray Council is in a better position having undertaken a detailed sensitivity analysis on the baseline school roll forecast information over the last 18 months to inform decisions on the Findrassie and Glassgreen primary schools and Elgin High School, a key finding from the report is that Local Authorities should have an independent sense check on their methodologies for Education Infrastructure to ensure that a robust approach is in place for calculating forecasts and contributions.
- As set out above developers continue to challenge the infrastructure capacity, assumptions and mitigations for developer obligations, particularly in regard to education through the appeal process. The proposed review will provide an opportunity to re-examine the data and methodology for calculating contributions towards education infrastructure. This will ensure that we are in a stronger position to respond to developer challenge.

5.2 SP&D work closely with other Services within the Council and NHS Grampian to review the methodology and a significant level of work has been undertaken by officers in this respect. However, there is now a requirement for external expertise to review our education methodology in light of best practice, recent challenges from developers and the Dargavel report.

5.3 Approval is sought for the appointment of external consultants with expertise in that area to carry out a review of the methodology used to calculate mitigations identified for Education infrastructure. This will ensure that a robust framework is in place to avoid future appeals which are time consuming and costly for both parties.

5.4 The timeline for the SG review is to present the draft SG to this committee in Q1 2024, public consultation in Q2 2024, final report to this committee in Q3 2024 and submission to the Scottish Government by the end of 2024.

## **6. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Developer obligations will assist in delivering the infrastructure necessary to support the Council's priorities, such as developing a sustainable economy, creating ambitious and confident young people and safer communities.

### **(b) Policy and Legal**

The Developer Obligations Supplementary Guidance forms part of the statutory Development Plan comprising MLDP2020 and NPF4.

### **(c) Financial implications**

The Council may need to provide for any adverse impact on existing infrastructure and facilities resulting from new development should



developer obligations not be sought or the level sought does not cover the costs following viability appraisals.

Mechanisms such as forward funding of infrastructure projects carry an inherent risk associated with the pace and scale of future development and the timescales over which obligations will be achieved.

The cost to appoint external Consultants is estimated at £10k to £15k. A third party review of the key assumptions and mitigations may reduce future appeals which are time consuming and costly for both parties and significantly delays house building. This will be funded through the existing Local Development Plan budget.

**(d) Risk Implications**

Co-ordination of infrastructure and cross service working are required in order to plan for the infrastructure that supports growth in line with the MLDP 2020 and NPF4 to ensure that Developer Obligations are sought towards the necessary infrastructure items and these projects are deliverable to support the residents of Moray.

If development is not planned for appropriately and supported by the necessary evidence provided by the relevant services, key agencies and community planning partners, then the Council cannot seek Developer Obligations to mitigate the impact of the development or apply the appropriate rate alongside use of good scenario modelling and information sensitivity analysis. If infrastructure is not well-planned and co-ordinated, the Council risks of not meeting the deadline for spending Developer Obligations and having to refund Developer Obligations to the developer with accrued interest. Therefore, the Council runs the risk of having to provide the infrastructure necessary to facilitate development at their own cost and a risk of appeal by developers. There is also a reputational risk to the Council should an appeal be granted in the developers favour.

If adequate resources and staffing are not provided, the Council runs the risk of collecting developer obligations, but not having sufficient staffing capacity to deliver projects which would result in a refund of collected funds.

**(e) Staffing Implications**

Work on Developer Obligations is carried out within the Strategic Planning and Development Team, supported by officers in Education, Transportation, Housing, Legal, Finance, Development Management, Estates, Lands & Parks, Scottish Water and NHS Grampian. Challenges from developers result in significant staff time to enable the Council to defend their position.

**(f) Property**

None.

**(g) Equalities/Socio Economic Impact**

The Equal Opportunities Officer had been consulted and advised that there are no equalities issues arising from this report.

**(h) Consultations**

Consultation has taken place with the Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Transportation Manager, the Senior Engineer (Transportation), the Development Management and Building Standards Manager, the Head of Education Resources and Communities, the Equal Opportunities Officer, the Open Spaces Manager, the Chief Financial Officer and the Democratic Services Manager have been consulted and comments received have been incorporated into the report.

**7. CONCLUSION**

**7.1 The report provides an update on the developer obligations service, including contributions received and spent within the financial years of 2021/2022 and 2022/2023.**

**7.2 The report asks the Committee to note the timeframe for the review of the SG and to approve the appointment of external consultants to carry out a review of the assumptions and mitigations used to calculate developer obligations for education infrastructure.**

Author of Report: Katrina Martin, Senior Infrastructure Growth/Obligations Officer

Background Papers:

Ref:

**Table 1.** Developer obligations **upfront** payments by contribution type received in the last two financial years

Financial Year	Consultations Received	Upfront Payments Received	Affordable Housing	Healthcare	Education	Sports and Recreation (Forres)	Transportation	Total Received
2021/2022	190	31	£258,337.30	£71,243.00	£10,717.60	£1,625.20	£6,785.83	<b>£348,708.93</b>
2022/2023	212	20	£152,937.50	£44,731.00	£0.00	£1,421.00	£3,873.28	<b>£202,962.78</b>

**Table 2.** Developer obligations payments received by contribution type from Section 75s for previously approved developments in the last two financial years.

Financial Year	Affordable Housing	Healthcare	Education	Sports and Recreation (Forres)	Transportation	Total Received
2021/2022	£32,140.10	£88,830.20	£554,488.71	£2,131.43	£6,830.00	<b>£684,420.44</b>
2022/2023	£71,820.35	£88,016.96	£50,362.88	£5,203.30	£0.00	<b>£215,403.49</b>

**Table 3.** Developer obligations payments by contribution type secured via Section 75s in the last two financial years. These secured amounts will be received by the Council in the coming years as the triggers are reached.

Financial Year	Consultations Received	Section 75 Agreed	Affordable Housing	Healthcare	Education	Sports and Recreation (Forres)	Transportation	Total Secured
2021/2022	190	7	£104,000.00	£1,071,563.59	£664,064.05	£82,119.39	£102,357.82	<b>£2,024,104.85</b>
2022/2023	212	8	£4,937.50	£950,682.00	£567,094.15	£8,729.00	£176,183.94	<b>£1,707,626.59</b>

**Table 4.** Developer Obligations spend by contribution type in the last two financial years.

<b>Financial Year</b>	<b>Contribution Type</b>	<b>Project</b>	<b>Total Spent</b>
2021/2022	Cemetery	Cemetery Provision	£200.00
	Sports and Recreation	Goal posts for Thornhill and Deanshaugh Pitches	£2,828.00
	Sports and Recreation	Speyside pitch equipment	£3,780.00
	Libraries	3D Printer and Spinners	£3,655.65
	Community Facilities	Elgin Town Hall	£10,340.00
	Environmental and Access	Corepath provision	£250.00
	Environmental and Access	Speyside Low Carbon Hub Project	£1,810.00
	Sports and Recreation	Milnes Fitness Room Suite Equipment	£14,702.00
	Community Facilities	Acoustic panels at Forres Town Hall	£1,945.00
	Community Facilities	Various Projects for community groups	£7,381.23
2022/2023	Libraries	Library Provision (Spinners)	£2,781.88
	Community Facilities	Various Projects for community groups	£16,113.89