

From: [Lisa Russell](#)
To: [LDP](#)
Subject: Representation to Aberdeen Local Development Plan Proposed Plan Email 1 of 3
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[Aberdeen Harbour Board Representation to ALDP 280820.pdf](#)

Dear Local Plan Team,

Please find attached a representation submitted on behalf of Aberdeen Harbour Board. Due to the size of files, I will send in three separate emails.

Email 1 – Representation Text

Email 2 – Aberdeen Masterplan which forms part of the representation

Email 3 – other supporting maps

I would be grateful if you could confirm receipt.

Kind Regards,

Lisa

(My working days are Monday, Tuesday and Wednesday. Emails on Thursday and Friday are monitored daily. If the matter is urgent please call the office on [REDACTED])

Lisa Russell
[REDACTED]

Turley
[REDACTED]

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**Representation to Aberdeen Local
Development Plan 2020**
On behalf of Aberdeen Harbour Board

August 2020

Turley

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Lisa Russell



Client

Aberdeen Harbour Board

Our reference

ABEE3002

August 2020

1. Introduction

- 1.1 This report sets out representations made on behalf of Aberdeen Harbour Board ('AHB') in response to the consultation on the Aberdeen Local Development Plan 2020 Proposed Plan ('ALDP').
- 1.2 Aberdeen Harbour Board welcome the opportunity to provide comments, particularly as an update to the previous allocation and development of National Development 13 'Aberdeen Harbour - Nigg Bay' now known as South Harbour, as allocated in NPF3 and the Aberdeen Local Development Plan 2017 as Opportunity Site 62, and to inform the preparation of ALDP through the research and masterplan prepared on their behalf.
- 1.3 The representations are supported by Figures 1, 2 and 3 in **Appendix 1** which show the existing allocations contained within ALDP 2017 (Figure 1), the ALDP 2020 Proposed Allocations (Figure 2) and AHB's proposed site allocations (Figure 3). It should be noted that all representations made in this report are supported by the AHB Masterplan 2020 which is provided as **Appendix 2** to this report.
- 1.4 This report is set out in accordance with the layout of the Council's online survey for this consultation, therefore it sets out each representation in terms of:
 - The relevant site;
 - The relevant paragraph/policy/allocation of the ACLDP;
 - Comments regarding the proposed allocation/wording; and
 - Changes which are considered to be required.
- 1.5 These representations follows our earlier meeting with Aberdeen City Council dated 17 December 2019 and with Richard Sweetnam dated 11 November 2019 where we advised you of the body of work commissioned by AHB to inform emerging national and local planning policy.
- 1.6 Aberdeen Harbour is Europe's premier marine support centre for the oil and energy industry and the main commercial port serving North East Scotland, a critical connection and trading port to Europe and the rest of the world. The Aberdeen Harbour Masterplan 2020 provides an ambitious and transformational vision outlining how AHB plan to diversify their existing business and lead Scotland's energy transition from oil and gas over the next 30 years to 2050 and beyond, to help deliver Scottish Government's target of Net Zero Carbon by 2045. It sets out the timeframe and required land and access requirements necessary to deliver this significant economic opportunity for the Aberdeen region and for Scotland. It builds upon the investment of AHB at South Harbour and recognises the significant opportunity to continue to diversify and expand Aberdeen Harbour's core business services, which include oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage. It also creates the opportunity to include an energy transition zone of national importance, which supports port-centric

manufacturing and distribution; renewables; offshore technology; decommissioning and energy transition.

- 1.7 The masterplan is underpinned by a detailed economic assessment which demonstrates the need for investment and development at South Harbour to protect, retain and enhance the economic offer of Aberdeen to the region and Scotland. It clearly demonstrates that there is a policy consensus around the energy transition objective for Aberdeen: to stop a major haemorrhaging of high value jobs from the city; and to ensure a resilient economic future for the city. It considers that the strategy and vision to deliver energy transition, as outlined within the masterplan should be a 'win/win/win', ensuring economic resilience for the city, a long-term future for the Port/Special Economic Zone driving up volumes through the port and its long-term growth, resulting in major contributions to net zero and Green Port ambitions.
- 1.8 Critically, the masterplan demonstrates why Aberdeen is a better investment proposition for Government than competing energy ports, due to agglomeration benefits (due to the high density of existing firms and supply chains).
- 1.9 It concludes that to deliver the masterplan vision, there is a need for the planning system to secure the allocation and delivery of sufficient sites with direct port access and developable land, at scale, close to the port for industrial use. To secure its delivery there is a need for policy alignment between NPF4, the emerging Regional Spatial Strategy and ALDP.
- 1.10 The masterplan confirms that in order to prevent economic decline and realise the economic opportunity presented by the harbours, there is a need to allocate and/or safeguard adequate land to enable AHB to compete to have the area allocated as special economic zone or potentially as a Freeport. The masterplan also supports the allocation of Aberdeen Harbour as a candidate National Development. AHB has responded to the Scottish Government's Call for Sites for the emerging NPF4 proposing the masterplan and proposed allocations be allocated as a national development.
- 1.11 The work on the masterplan and property strategy has now been completed and has been agreed by Aberdeen Harbour Board in February 2020 to inform the ALDP Proposed Plan consultation. It endorses the current allocations made in the ALDP to support the growth of the Harbours, however as it looks beyond 2032 (the period considered by the ALDP) to seek to identify the land and infrastructure requirements to prevent an economic decline and realise instead, an economic opportunity for the region and Scotland. It seeks to guide the direction of development for both North and South Harbours to 2050 and accordingly, addresses a longer term requirement for a larger area to be allocated and further sites safeguarded in the ALDP, as detailed in the individual representations contained within this report.
- 1.12 Since the preparation of the masterplan, the Covid-19 global crisis has brought into sharp focus the need for energy transition to sustain the Aberdeen City and Shire economy. Whilst the masterplan recognises a mid-to-long term transition from oil and gas, the recent destabilising of this sector highlights the reliance of Aberdeen's economy on oil and gas and the imperative to promote and secure transition and embrace a more resilient and diversified future for the economy on a much shorter timeframe. This is particularly important if the agglomeration benefits identified by the

masterplan are to be realised before experienced personnel and skills are lost to Aberdeen. The allocation of Aberdeen Harbour, comprising North and South Harbours as a National Development will provide a critical catalyst to support the necessary consolidation and transition of the harbour to help address issues raised by this emerging crisis and help Aberdeen to consider how best to secure economic recovery.

- 1.13 The following sections provide individual representations to the relevant paragraphs, allocations and supporting maps and evidence.
- 1.14 As well as the individual representations, it is considered that the AHB Masterplan 2020 (Appendix 2) should be included as one the Proposed Plans associated documents alongside the Nigg Development Framework and the Energy Transition Zone Feasibility Assessment.

2. Sustainable Vision for Aberdeen

- 2.1 The introduction to the ALDP contains a vision statement about the aspirations for a sustainable future. Table 2.1 below provides our representations on the Vision Statements as they relate to Aberdeen Harbour and the Energy Transition Zone.

Table 2.1 Sustainable Vision Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>1.2.1 Aberdeen is a global city, an ambitious city, a city with a long history of being unafraid to change or reinvent itself. In economic terms a city that has gone through many periods of growth and retraction and moved its economic focus to embrace opportunity when it arose. In social terms a city with a strong sense of community, yet a global city made up of many 10 different and distinct communities. And all of this in the environment of a compact coastal city, surrounded and intersected by greenspace and rivers. A city with an extensive network of open space, core paths and a growing active travel network. A city with a magnificent coastline facing out to the North Sea, and it is from the North Sea that it has gained its recent global status.</p> <p>1.2.2 Recognised internationally as a global leader in the oil and gas industry, the influence of this, and its supporting industries, have been considerable over the past four decades. Helping to raise living standards in the city and contributing to income levels above the national average, it has also resulted in strong rates of employment and provided opportunities across a range of supporting sectors.</p> <p>1.2.3 Aberdeen has become a premier centre for business and education with two world class universities. Innovation has been driven forward by these universities working with industry, and partnerships have been forged across sectors to support this. Aberdeen City Council has been an intrinsic partner in this process. Working with partners including those within the European Union, Aberdeen has developed the largest hydrogen bus fleet in Europe and an extensive range of supporting infrastructure.</p> <p>1.2.4 This innovation, in conjunction with the energy sector's existing expertise, is helping many traditional oil and gas companies move away from fossil fuels to new technologies which are low, or zero carbon. Aberdeen is well placed to capitalise on this energy</p>

transition and has already seen significant investment in the sector. In this plan we have identified our first Energy Transition Zone a land use zoning and supporting policy specifically aimed at supporting the delivery of low and zero carbon technologies, placing Aberdeen at the forefront of this emerging industry. The Energy Transition Zone has been placed adjacent to Aberdeen's South Harbour Extension and the rail line to maximise the development opportunities".

Comments

The statement "Aberdeen is well placed to capitalise on this energy transition and has already seen significant investment in the sector" is correct, however it doesn't reflect the current reliance on more traditional oil and gas jobs and the economic need for energy transition to support the economy between now and 2050 as it transitions from oil and gas to greener energy sources. The AHB Masterplan 2020 (**Appendix 2**) provides a detailed economic assessment which identifies that Aberdeen Harbour is a regionally and nationally important infrastructure asset and a key economic driver and catalyst for growth. It is one of Scotland's key international gateways and a crucial link to the world post-Brexit.

The economic assessment undertaken as part of the masterplan confirms that energy in the Aberdeen City region (including oil and gas and renewables) accounts for 52% of the national employment in energy. This underscores the dominance of the energy sector but also highlights the degree of vulnerability within the economy as a whole to fluctuation in oil and gas employment.

The energy sector contributed £13 billion of GVA to the Aberdeen City Region economy in 2017 and represents almost 72% of the total Scottish GVA generated by the energy sector. This demonstrates the high spatial concentration of, and specialisation in, energy employment present in Aberdeen City Region and the disproportionately high GVA contribution. However, this dominance of energy employment highlights the importance of the diversification of this economy and in particular transitioning into new forms of energy usage.

This transition process is underway and the Harbour can act as a catalyst for the Regional economy to ensure its long-term resilience.

The investment in expansion at South Harbour offers a once in a generation opportunity to establish a port-

centric cluster of high value jobs and create an new Energy Transition Zone to reduce the dependency on oil and gas, and diversify the economy, whilst utilising and retaining the region's high value skills. This transition will help to position the City Region towards decarbonisation through offshore renewables, new forms of energy & storage, new technology and innovation, establishing Aberdeen as Europe's Energy City.

Expansion of the port will bring about a step-change in the value of trade to the Region across a range of sectors making a significant contribution to the regional and national economy post-Brexit.

There is a need for the economic risks and opportunities to be recognised within these paragraphs, to explain the need for, and importance of the continued growth of South Harbour and the allocation of the Energy Transition Zone in the interest of the wider economy.

Changes required

Amend paragraph 1.2.2 to state "Recognised internationally as a global leader in the oil and gas industry, the influence of this, and its supporting industries, have been considerable over the past four decades. Helping to raise living standards in the city and contributing to average income levels well above the national average, it has also resulted in strong rates of employment and provided opportunities across a range of supporting sectors. However, energy in the Aberdeen City region (including oil and gas and renewables) accounts for 52% of the national employment in energy. This underscores the dominance of the energy sector but also highlights the degree of vulnerability within the economy as a whole to fluctuation in oil and gas employment.

The energy sector contributed £13 billion of GVA to the Aberdeen City Region economy in 2017 and represents almost 72% of the total Scottish GVA generated by the energy sector. This demonstrates the high spatial concentration of, and specialisation in, energy employment present in Aberdeen City Region and the disproportionately high GVA contribution. However, this dominance of energy employment highlights the importance of the diversification of this economy and in particular transitioning into new forms of energy usage".

Paragraph 1.2.4 should be amended to state: "This innovation, in conjunction with the energy sector's

existing expertise, is helping many traditional oil and gas companies move away from fossil fuels to new technologies which are low, or zero carbon. This transition process is underway and the Harbour can act as a catalyst for the Regional economy to ensure its long-term resilience”.

Add the following additional paragraphs: “The recent expansion at South Harbour offers a once in a generation opportunity to establish a port-centric cluster of high value jobs and create an new Energy Transition Zone to reduce the dependency on oil and gas, and diversify the economy, whilst utilising and retaining the region’s high value skills. This transition will help to position the City Region towards decarbonisation through offshore renewables, new forms of energy & storage, new technology and innovation, establishing Aberdeen as Europe’s Energy City”.

Expansion of the port will bring about a step-change in the value of trade to the Region across a range of sectors making a significant contribution to the regional and national economy post-Brexit.

This opportunity means that Aberdeen is well placed to capitalise on this energy transition and has already seen significant investment in the sector. In order to protect the regional economy and realise the economic potential, within this plan we have identified our first Energy Transition Zone, a land use zoning and supporting policy specifically aimed at supporting the delivery of low and zero carbon technologies, placing Aberdeen at the forefront of this emerging industry. The Energy Transition Zone has been placed adjacent to Aberdeen’s South Harbour Extension and the rail line to maximise the development opportunities”.

3. How to use this plan

3.1 The ALDP contains a chapter entitled “how to use this plan”, confirming the planning hierarchy in terms of National, Regional and Local policy documents and confirming how it will be progressed in advance of the emerging NPF4. Table 3.1 provides a representation with regard to the planning hierarchy.

Table 3.1 Planning Hierarchy Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>2.1 In 2019 the Planning (Scotland) Act came into force. This has introduced many changes which will come into force in line with a timetable being produced by the Scottish Government. While this Plan cannot reflect all these changes, until such time as they have come into force, it has introduced those appropriate at this time.</p> <p>National Planning Framework for Scotland</p> <p>2.2 The National Planning Framework (NPF3) is currently under review and its replacement (NPF4) will set out Scotland’s vision for the future as well as introducing national policies on various topics. The current National Planning Framework (NPF3) reflected Aberdeen’s position as Scotland’s third largest city and significant economic engine, and together with the rest of the North East, the important role it plays in Scotland’s success. Its key vision for Scotland’s spatial development was to create:</p> <ul style="list-style-type: none"> • a successful, sustainable place; • a low carbon place; • a natural, resilient place; and • a connected place. <p>2.3 NPF3 did this by identifying a number of important infrastructure projects across the North East, and in Aberdeen specifically. Many of these, such as rail improvements from Aberdeen to Inverness and the Central Belt, Aberdeen South Harbour Extension, the AWPR, Improvements to Aberdeen Airport and the Dualling of the A96, are either now completed, or well under way. These projects were deemed essential to Aberdeen’s continued success and were reflected in Aberdeen’s City Region Deal. Planning authorities must take NPF3 into account when preparing local development plans and it is a material consideration in determining planning applications. This will remain the position until it is replaced by NPF4.</p>

	<p>2.4 Until the new NPF4 is in place the Aberdeen Local Development Plan will continue to work to the existing NPF3 and the Strategic Development Plan. However once adopted the new NPF4 will represent a material consideration in determining future planning applications.</p>
<p>Comments</p>	<p>The recognition of Aberdeen South Harbour expansion as a project deemed essential to Aberdeen’s continued success and reflected in Aberdeen’s City Region Deal is welcomed and supported.</p> <p>With regard to the emerging NPF4, it is recognised that the progression of the ALDP is required in advance of its publication, however where candidate national developments are identified in the NPF4 consultation (anticipated in September 2020), this should be recognised by the ALDP.</p> <p>The sentence advising that once adopted the new NPF4 will represent a material consideration in determining future planning applications, does not accurately reflect that the NPF4 will not simply be a material consideration, but will form part of the development plan and that future planning applications will need to be in accordance with NPF4 unless material considerations indicate otherwise.</p>
<p>Changes required</p>	<p>Once the NPF4 consultation (anticipated in autumn 2021) identifies candidate national developments, where the ALDP has not yet been adopted, the ALDP shall add a paragraph 2.5 which states, the following national development(s) have been identified in the emerging NPF4 for Aberdeen as they are considered as being potentially essential to Aberdeen and Scotland’s regional and national success. [Include a list of any identified National Developments]. Once adopted NPF4 will identify the nationally important allocations and planning applications must accord with NPF4 and ALDP unless material considerations indicate otherwise.</p>

4. Aberdeen City and Shire Strategic Development Plan

Table 4.1 Aberdeen City and Shire Strategic Development Plan

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>2.5 The Strategic Development Plan (SDP) represents the regional spatial plan for the City Region. It reflects the National Planning Framework and sets out the strategy for the growth of the North East. The main aims of the Strategic Development Plan are to:</p> <ul style="list-style-type: none"> • provide a strong framework for investment decisions which will help to • grow and diversify the regional economy in a sustainable manner; • promote the need to use resources more efficiently and effectively whilst • protecting our assets; and, • take on the urgent challenges of climate change. <p>2.6 The Strategic Development Plan promotes four strategic growth areas which will be the focus for development. These strategic growth areas are Aberdeen City and the three transport corridors between Huntly and Aberdeen, Aberdeen and Laurencekirk and Aberdeen to Peterhead. These growth corridors, through NPF3, have seen significant investment, such as the AWPR, rail improvements and the Aberdeen South Harbour Extension and it is expected that through NPF4 the importance of Aberdeen’s success in national terms will continue to be reflected.</p>
Comments	Support the recognition of Aberdeen South Harbour Extension as a significant investment to the growth corridor and endorse the potential of NPF4 to support Aberdeen’s success in national terms.
Changes required	No change

5. Growing Aberdeen

Table 5.1 Growing Aberdeen Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>3.20 The following expansion areas were identified in the previous Local Development Plan and have been carried over into this one.</p> <p>3.26 South of the River Dee, Loirston is identified to accommodate a new community. The other major development in this area is the Aberdeen South Harbour. The Plan also identifies two areas close to Aberdeen Harbour South specifically as an Energy Transition Zone. Further details of this can be seen in Policy B5.</p>
Comments	<p>Identification of Aberdeen South Harbour and Energy Transition Zone as a major development area is supported.</p> <p>In accordance with other representation made about the need for additional land to be allocated/safeguarded, as contained in AHBs representations to Policies B4, B5, NE1 and the Proposals Map, there may be a requirement to reflect any amendments within paragraph 3.26</p>
Changes required	<p>Amend “The Plan also identified two areas close to Aberdeen Harbour South” to “The Plan also identifies land adjacent to Aberdeen South Harbour for a new Energy Transition Zone and safeguards additional land with potential to support the future growth requirements of Aberdeen South Harbour”.</p>

6. Policy B4 Aberdeen Harbour

Table 6.1 Policy B4 Aberdeen Harbour Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>12.11 Aberdeen Harbour plays a critical role in the economy of Aberdeen and Scotland as a whole. It is a gateway for trade linking with over 40 countries, and an important point of access for the offshore energy industry. It is also a major ferry port, providing links with Orkney and Shetland.</p> <p>12.12 The existing Aberdeen Harbour area is subject to a Development Framework which explores how a greater mix of uses at the harbour can be delivered, without impacting on the operation of the port. It also examines options for creating better linkages between the harbour, the city centre and to the main bus and railway stations.</p> <p>12.13 The harbour is facing significant pressures for expansion that cannot currently be met within the existing site. Work has commenced on a new Aberdeen South Harbour at Bay of Nigg, which has been identified as a national development. This site is identified in the Local Development Plan as an Opportunity Site for a new harbour development and land to support the new harbour’s ongoing operations. In addition, there is now the potential to encourage low-carbon energy development and alternative fuels production, assembly and distribution in association with the harbour. Access to the Aberdeen South harbour will be facilitated by improved external links funded through the City Region Deal.</p> <p>12.14 A Development Framework has been prepared for the harbour at Bay of Nigg and its surrounding area. This considers how to maximise the opportunities presented by investment in the new harbour, in terms of economic development, regeneration and environmental improvements. It also addresses the co-ordination of essential infrastructure and identifies opportunities for strategic improvements to the road and rail network as well as improved connections for active and sustainable transport modes between the new harbour and the city. Complementary masterplans will then be prepared to provide further detail.</p>

Within the areas zoned for Aberdeen Harbour on the Proposals Map, there will be a presumption in favour of harbour infrastructure and ancillary uses, which are required for the effective and efficient operation of the harbour and which have a functional requirement to be located there. This may include administrative offices, warehousing and storage (including fuel storage), distribution facilities and car/HGV parking. Other harbour-related uses will be treated on their merits.

Residential and mixed use development within the area surrounding the harbour must take account of the character of the area and avoid undue conflict with adjacent harbour-related land uses. New development must not impinge upon the viability or operational efficiency of the harbour, or of existing businesses within the harbour zoned area. Mitigation measures may be required in order to permit uses which could otherwise give rise to such conflict.

Comments

The AHB Masterplan (**Appendix 2**) forms part of this representation.

The recognition of Aberdeen Harbour as a key gateway for trade, linking with over 40 countries, and an important point of access for the offshore energy industry, and major ferry port, providing links with Orkney and Shetland is welcomed and supported.

The recognition that both north and south harbours are included by the policy is also welcomed and supported.

Whilst the policy justification in 12.4 recognises there is a need to maximise the opportunities presented by investment in the new South harbour, in terms of economic development, regeneration and environmental improvements and associated strategic improvements to the road and rail network, this is not adequately reflected in the policy.

The justification in paragraph 12.4 also confirms that complementary masterplans will then be prepared to provide further detail. The AHB Masterplan 2020 (**Appendix 2**) has already been prepared to inform the future growth of the harbours. It provides an updated position to the Nigg Development Framework with detailed technical, planning, design, real estate and economic input to inform the land and access requirements to realise the policy aspiration to maximise the opportunities presented by the investment at South Harbour, and to recognise its regional and national importance to the economy. The policy should recognise that the masterplan for

Aberdeen North and South harbour has been prepared allowing for future public consultation and that once agreed, that it will inform future planning applications.

Whilst Aberdeen Harbour remains highly successful, AHB recognised significant future changes to the industries on which the harbour depends. Accordingly, it set in motion ambitious plans to diversify and improve its portfolio and infrastructure to avoid any potential of a managed decline.

The need for the development of South Harbour was identified as the solution and promoted by Aberdeen Harbour and, recognised as being critical to the economies of Aberdeen City and Shire and to Scotland, allocated as a national development and included as an Opportunity site in the ALDP 2017.

South Harbour represents a significant investment by Aberdeen Harbour to secure its future through the retention of existing and transitioning business, and through diversification to attract new future industries and opportunities. However, at its inception there was a future need to provide further evidence to identify and inform the allocation of land and access requirements to support its growth.

Aberdeen Harbour continues to perform a pivotal role in the wider economy of Aberdeen and Scotland. The AHB Masterplan 2020 (**Appendix 2**) presents the economic opportunity and vision for the future of the port. It confirms the need to secure planning policy alignment across the Aberdeen Local Development Plan, Regional Spatial Strategy and National Planning Framework 4 (NPF4) to ensure that sufficient land and infrastructure are safeguarded to secure this transformational opportunity.

It recognises the role of the port, not only for existing businesses within the oil and gas and port-centric manufacturing sectors, but in retaining and supporting the future of Aberdeen's economy through energy transition and tourism.

It provides a critical, evidence based, long-term strategy, recognising the economic imperative to secure the necessary changes at Aberdeen Harbour to realise the economic opportunities at a regional and national level and reflects the need to maximise the investment at South Harbour.

The masterplan confirms that Aberdeen has a unique economic climate, with an existing critical mass of activity and skills that can be diversified.

It advises “The economic opportunity around energy transition is immense and the benefits significant. The redeployment of skills, expertise and technology from the oil and gas sector into renewables would, over time, help retain high value businesses, jobs and skills in the region. Creating a critical mass of activity and technology around energy transition in one location offers the potential to maximise the impact as the cluster attracts investment, skills, and technology and becomes the natural home for associated activities such as centres of excellence and specialist research. This would have the dual effect of reinforcing Aberdeen’s profile as Europe’s Energy City whilst retaining its high GVA contribution”.

This represents a once in a generation opportunity. Aberdeen’s competitor ports do not have this critical mass of high value jobs and skilled labour in their hinterlands. Therefore investment in the Aberdeen cluster as an Energy Transition Zone, Free Port or Special Economic Zone demonstrate a stronger economic case with genuine agglomeration effects and wider economic benefits. Whereas, the evidence presented in the masterplan demonstrates that there is a risk that the ‘do nothing’ approach would lead to the haemorrhaging of high value jobs in the Aberdeen Region, a significant reduction in GVA contribution to the Scottish economy and a failure to reach Scottish Government zero carbon aspirations. The economic impacts of COVID19 may exacerbate this position.

The wider manufacturing, tourism and decommissioning sectors are also supported by the ongoing investment in and potential to grow the South Harbour. With regard to the Cruise Sector, the new capacity at South Harbour enables much larger vessels to visit Aberdeen, some of which can carry up to 3,500 passengers. Furthermore, the new expanded Aberdeen Harbour can offer a total turnaround system for cruise ships providing:

- Deep water quays of sufficient length to bring vessels alongside;
 - Fuelling;
 - Waste water recycling;
 - Stevedore services;
 - Embarkation and debarkation procedures;
 - Baggage handling and portering;
 - Security services;
-

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- Hospitality staffing and assistance;
 - Ground transportation; and
 - Pre-cruise, post-cruise programs.

Aberdeen Harbour is unique in that it is located close to Aberdeen University which offers the world's first and only Masters degree in decommissioning oil rigs, platforms and offshore structures (MSc Decommissioning) and the National Decommissioning Centre in Newburgh, Aberdeenshire (a global technology R&D hub and partnership between the University of Aberdeen and Oil and Gas Technology Centre). Enhanced facilities at South Harbour would form a strong cluster and supply chain alongside world class research and R&D facilities to position Aberdeen as a highly competitive location for decommissioning activities.

The following are the areas in which South Harbour can act as a catalyst for the economy:

- Increase of port traffic, revenues and income for Aberdeen City and Shire;
- Investment in renewables, green tech, clean tech and associated technology innovations to support the circular economy;
- Exploration into energy transition alongside decommissioning projects;
- Growth in port-centric cluster of manufacturing & distribution;
- Further expansion of South Harbour on land to the south and west to retain and support business and accommodate future diversification;
- Immediate fulfilment of renewable innovations, technology and manufacturing creating a competitive advantage; and
- Expansion of revenue from sustainable tourism with the capacity for larger cruise ships at South Harbour.

Specifically, with regards to clean energy, South Harbour presents the following opportunities:

- Encourage low-carbon energy development and alternative fuels production;
 - Encourage local industry growth through energy-centric assembly and distribution;
 - Create an "Energy Transition Zone" aimed at supporting the delivery of low and zero carbon technologies; and
-

-
- Placing Aberdeen at the forefront of this emerging industry and a key beneficiary of the clean energy generation facilitating a circular economy.

An economic impact assessment also formed part of the masterplan and the calculations, figures and assumptions are contained within that document. This identifies the potential economic benefits of the development of North and South Harbours during construction and operational lifetime. A caveat which should be added, is that the assessment work was undertaken prior to covid-19 crisis and whilst there is perhaps more of an imperative to deliver work at South Harbour, the time to deliver work at North Harbour may be affected and see it delivered over a longer time period than previously predicted.

It is estimated that the level of construction investment required to deliver these development proposals will amount to circa £1.56 billion, supporting circa 12,500 person-years of employment. As an illustration, it follows that the construction of the entire Harbour Masterplan would support an average of 420 gross full-time equivalent (FTE) construction jobs per annum, were it to be built out over a 30-year period.

This level of construction activity would also make a significant contribution to economic productivity at a local and national level. Applying workplace-based estimates of productivity per FTE construction sector employee in Aberdeen City (sourced from Experian), it is estimated that this scale of employment could make a gross direct productivity contribution of almost £31 million GVA annually.

This therefore indicates that its construction could make a total contribution of £920 million GVA to the Scottish economy over a 30-year construction and delivery period.

Once occupied, the employment floorspace at the North and South Harbours will have the capacity to accommodate significant levels of economic activity, supporting employment in a range of industries and making a substantial productivity contribution to the Scottish economy.

Estimates of average employee occupation densities for the types of uses and quantum of floorspace as envisaged by the Harbour Masterplan Document indicate that, once the North and South Harbours are both fully occupied, a gross total of 22,600 direct FTE jobs could be accommodated on-site.

Based on the relevant GVA per employee figures it is estimated that this scale of employment is could support a gross annual contribution of £2.91 billion GVA to the Scottish economy. This illustrates the potential scale of the opportunity, which would be transformational once fully delivered and operational.

The policy should confirm that it is linked to Policy BE5 Energy Transition Zone, which is required to reinforce and grow the existing and future business opportunities at South Harbour. It should also recognise that to ensure that the economic opportunity as identified by the AHB masterplan is realised for Aberdeen and Scotland, that there is a need to ensure the allocation of appropriate land and access to support its growth.

The policy and justification paragraphs need to confirm that the proposed expansion of South Harbour and allocation of the ETZ builds upon the investment of AHB at South Harbour and recognises the significant opportunity to continue to diversify and expand Aberdeen Harbour's core business services, which include oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage, whilst also creating the opportunity to include an energy transition zone of national importance, which supports port-centric manufacturing and distribution; renewables; offshore technology; decommissioning and energy transition.

It should confirm there is a need to allocate land surrounding South Harbour to support growth and energy transition, and the safeguarding of additional land for further technical assessment and future release where it is demonstrated to be appropriate and necessary, to fully realise the potential for a Freeport or Special Economic Zone.

The proposed additional allocation and areas for safeguarding is supported by Appendix 1 Figure 3, developed through the masterplan process. This seeks to maximise the transformational potential of current infrastructure investment at South Harbour by unlocking additional growth through short-term allocations and long-term safeguarding of adjoining land.

There is a requirement in the policy and justification paragraphs to recognise that in first realising the development of South Harbour, then this provides the ability to consider longer-term aspirations to redevelop the North Harbour to secure improved transformative placemaking and a sustainable location to improve the

City Centre offer, creating a new City Centre waterfront destination, an operating harbour for work, art, music, food, culture, technology, energy and living, a place of quality and distinction within Aberdeen Energy City. This would help realise long-term aims of Aberdeen City Council to connect the city centre to the waterfront. Its sustainable location, close to public transport hubs, means that development at North Harbour has the potential to provide a central, sustainable location to live, work and visit.

There are also a number innovations identified by the masterplan, which could be explored in a move towards a cleaner, greener harbour. These innovations include the exploration of moving vehicular trips away from Market Street and investigating shore-power and alternative fuel infrastructure shore-side, to attract low emissions hybrid and electric vessels (as marine fleet transition to zero-carbon) and which could enable vessels to switch off diesel auxiliary engines whilst docked improving air quality. This could deliver a competitive advantage over other ports as demand for services change. The incorporation of renewable technology such as solar, battery storage, hydrogen, wind, heat pumps alongside the potential for district heating networks will be explored to help achieve a sustainable future for Aberdeen Harbour.

However, it should be noted that these significant benefits cannot be realised unless the development identified by the masterplan is realised at South Harbour, which will act as an enabling catalyst.

Changes required

The wording of the policy justification paragraphs and policy should be as follows:

12.11 Aberdeen Harbour currently plays a critical role in the economy of Aberdeen and Scotland as a whole. It is a gateway for trade linking with over 40 countries, and an important point of access for the offshore energy industry. It is also a major ferry port, providing links with Orkney and Shetland.

12.12 The existing Aberdeen Harbour area is subject to a Development Framework which explores how a greater mix of uses at the harbour can be delivered, without impacting on the operation of the port. It also examines options for creating better linkages between the harbour, the city centre and to the main bus and railway stations.

12.13 The harbour is facing significant pressures for expansion that cannot currently be met within the

existing site. Work is nearing completion on a new Aberdeen South Harbour at Bay of Nigg, which has been identified as a national development. This site is identified in the Local Development Plan as an Opportunity Site for a new harbour development and land to support the new harbour's ongoing operations. In addition, there is now the potential to review the role of both harbours to secure an energy transition from oil and gas, to encourage low-carbon energy development and alternative fuels production, assembly and distribution in association with the harbour. This policy is linked to additional allocations and safeguarded areas identified in Policy BE5 Energy Transition Zone. Access to the Aberdeen South harbour will be facilitated by improved external links funded through the City Region Deal. The proposed expansion of South Harbour and allocation of the ETZ builds upon the investment of AHB at South Harbour and recognises the significant opportunity to continue to diversify and expand Aberdeen Harbour's core business services, which include oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage, whilst also creating the opportunity to include an energy transition zone of national importance, which supports port-centric manufacturing and distribution; renewables; offshore technology; decommissioning and energy transition. There is a need to allocate land surrounding South Harbour to support growth and energy transition, and the safeguarding of additional land for further technical assessment and future release where it is demonstrated to be appropriate and necessary, to fully realise the potential for a Freeport or Special Economic Zone.

12.14 A Development Framework has been prepared for the harbour at Bay of Nigg and its surrounding area. This considers how to maximise the opportunities presented by investment in the new harbour, in terms of economic development, regeneration and environmental improvements. It also addresses the co-ordination of essential infrastructure and identifies opportunities for strategic improvements to the road and rail network as well as improved connections for active and sustainable transport modes between the new harbour and the city. Complementary masterplans will then be prepared to provide further detail. Aberdeen Harbour Board have prepared a Masterplan in 2020 to assess and promote the potential to

maximise the development opportunities from this significant investment, to update the economic position to understand the economic risks and opportunities and inform the required land and safeguarding allocations and the development of policy at a local, regional and national level.

Add the following new policy justification paragraphs:

12.15 Whilst Aberdeen Harbour remains highly successful, Aberdeen Harbour Board have recognised significant future changes to the industries on which the harbour depends. Accordingly, it set in motion ambitious plans to diversify and improve its portfolio and infrastructure to avoid any potential of a managed decline. The need for the development of South Harbour was identified as the solution and promoted by Aberdeen Harbour and, recognised as being critical to the economies of Aberdeen City and Shire and to Scotland, allocated as a national development and included as an Opportunity site in the ALDP 2017 and is now carried forward into this plan.

12.16 South Harbour represents a significant investment by Aberdeen Harbour to secure its future through the retention of existing and transitioning business and through diversification to attract new future industries and opportunities.

12.17 Aberdeen Harbour continues to perform a pivotal role in the wider economy of Aberdeen and Scotland. Its role is not only supporting existing businesses within the oil and gas and port-centric manufacturing sectors, but in retaining and supporting the future of Aberdeen's economy through energy transition and tourism.

12.18 Aberdeen has a unique economic climate, with an existing critical mass of activity and skills that can be diversified. The economic opportunity around energy transition is immense and the benefits significant. The redeployment of skills, expertise and technology from the oil and gas sector into renewables would, over time, help retain high value businesses, jobs and skills in the region. Creating a critical mass of activity and technology around energy transition in one location offers the potential to maximise the impact as the cluster attracts investment, skills, and technology and becomes the natural home for associated activities such as centres of excellence and specialist research. This would have the dual effect of reinforcing Aberdeen's profile as Europe's Energy City whilst retaining its high GVA contribution. It represents a once in a generation

opportunity. Aberdeen's competitor ports do not have this critical mass of high value jobs and skilled labour in their hinterlands. Therefore investment in the Aberdeen cluster as an Energy Transition Zone, Free Port or Special Economic Zone demonstrate a stronger economic case with genuine agglomeration effects and wider economic benefits.

12.19 The wider manufacturing, tourism and decommissioning sectors are also supported by the ongoing investment in and potential to grow the South Harbour. With regard to the Cruise Sector, the new capacity at South Harbour enables much larger vessels to visit Aberdeen, some of which can carry up to 3,500 passengers. Furthermore, the new expanded Aberdeen Harbour can offer a total turnaround system for cruise ships providing:

- Deep water quays of sufficient length to bring vessels alongside;
- Fuelling;
- Waste water recycling;
- Stevedore services;
- Embarkation and debarkation procedures;
- Baggage handling and portering;
- Security services;
- Hospitality staffing and assistance;
- Ground transportation; and
- Pre-cruise, post-cruise programs.

12.20 Aberdeen Harbour is unique in that it is located close to Aberdeen University which offers the world's first and only Masters degree in decommissioning oil rigs, platforms and offshore structures (MSc Decommissioning) and the National Decommissioning Centre in Newburgh, Aberdeenshire (a global technology R&D hub and partnership between the University of Aberdeen and Oil and Gas Technology Centre). Enhanced facilities at South Harbour would form a strong cluster and supply chain alongside world class research and R&D facilities to position Aberdeen as a highly competitive location for decommissioning activities. The following are the areas in which South Harbour can act as a catalyst for the economy:

- Increase of port traffic, revenues and income for Aberdeen City and Shire;
-

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- Investment in renewables, green tech, clean tech and associated technology innovations to support the circular economy;
 - Exploration into energy transition alongside decommissioning projects;
 - Growth in port-centric cluster of manufacturing & distribution;
 - Further expansion of South Harbour on land to the south and west to retain and support business and accommodate future diversification;
 - Immediate fulfilment of renewable innovations, technology and manufacturing creating a competitive advantage; and
 - Expansion of revenue from sustainable tourism with the capacity for larger cruise ships at South Harbour.
- Specifically, with regards to clean energy, South Harbour presents the following opportunities:
- Encourage low-carbon energy development and alternative fuels production;
 - Encourage local industry growth through energy-centric assembly and distribution;
 - Create an “Energy Transition Zone” aimed at supporting the delivery of low and zero carbon technologies; and
 - Placing Aberdeen at the forefront of this emerging industry and a key beneficiary of the clean energy generation facilitating a circular economy.

12.21 If the development at South Harbour can be realised first, then this provides the ability to consider longer-term aspirations to redevelop the North Harbour to secure improved transformative placemaking and a sustainable location to improve the City Centre offer, creating a new City Centre waterfront destination, an operating harbour for work, art, music, food, culture, technology, energy and living, a place of quality and distinction within Aberdeen Energy City. This would help realise long-term aims of Aberdeen City Council to connect the city centre to the waterfront. Its sustainable location, close to public transport hubs, means that development at North Harbour has the potential to provide a central, sustainable location to live, work and visit.

12.22 There are also a number innovations which could be explored in a move towards a cleaner, greener harbour. These innovations include the future exploration of moving vehicular trips away from Market Street and investigating shore-power and alternative fuel infrastructure shore-side, to attract low emissions hybrid and electric vessels (as marine fleet transition to zero-carbon) and which could enable vessels to switch off diesel auxiliary engines whilst docked improving air quality. This could deliver a competitive advantage over other ports as demand for services change. The incorporation of renewable technology such as solar, battery storage, hydrogen, wind, heat pumps alongside the potential for district heating networks will be explored to help achieve a sustainable future for Aberdeen Harbour.

12.23 However, it should be noted that these significant benefits at North Harbour cannot be realised unless the development is realised at South Harbour, which will act as an enabling catalyst.

Policy B4 – Aberdeen Harbours

Within the areas zoned for Aberdeen Harbour on the Proposals Map, there will be a presumption in favour of harbour infrastructure and ancillary uses, which are required for the effective and efficient operation of the harbour and which have a functional requirement to be located there. This may include administrative offices, warehousing and storage (including fuel storage), distribution facilities and car/HGV parking as well as support for energy transition and port-centric manufacturing and logistics. This policy will also apply to land identified through Policy BE5. Development at Aberdeen South Harbour will be confirmed through complementary masterplans. Other harbour-related uses will be treated on their merits.

Additional Harbour allocations and safeguarded sites for additional energy transition and port-centric manufacturing and logistics to support a potential Freeport/Special Economic Zone bid will be confirmed through Policy BE5 Energy Transition Zone and Opportunity sites 56, 61, 62 and 64.

On Aberdeen Harbour Safeguarded Sites, green belt policy (NE1) and green space network policy (NE2) will continue to apply unless there is an overriding economic requirement to develop these sites in support of South Harbour and this is confirmed through an agreed masterplan. Any subsequent planning applications

would need to be accompanied by an Environmental Impact Assessment to allow assessment of potential significant environmental impacts.

Development of North Harbour to secure improved transformative placemaking to improve the City Centre offer, creating a new City Centre waterfront destination, and operating harbour for work, art, music, food, culture, technology, energy and living and improved connections to the city centre and beach will be supported within the boundary defined on the Proposals Map, provided proposals accord with an approved masterplan.

Residential and mixed use development within the area surrounding the harbour must take account of the character of the area and avoid undue conflict with adjacent harbour-related land uses. New development must not impinge upon the viability or operational efficiency of the harbour, or of existing businesses within the harbour zoned area. Mitigation measures may be required in order to permit uses which could otherwise give rise to such conflict.

Amendments to the Proposals maps are required, as also detailed in **Table 13.1**.

The AHB Masterplan 2020 (**Appendix 2**) should be included as one of the Proposed Plans associated documents alongside the Nigg Development Framework and the Energy Transition Zone Feasibility Assessment.

7. Policy B5 Energy Transition Zone

Table 7.1 B5 Energy Transition Zone Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>12.16 Energy transition is the necessary transformation from linear systems of high carbon energy production and consumption (e.g. fossil fuels) towards smart managed systems of low / zero carbon and renewable energy (e.g. wind, biomass, solar, tidal, etc.). Energy transition is part of society’s overall pathway towards a carbon neutral future, driven by issues of energy security, market volatility and the globally agreed, urgent need to tackle climate change, including limiting global temperature rises to below 1.5oC.</p> <p>12.17 The Climate Change (Emissions Reductions Targets) (Scotland) Act 2019 sets a target date for net-zero emissions of Scotland’s greenhouse gases by 2045 and supports a transition to low / zero-carbon investment and infrastructure. Aberdeen is ideally placed geographically to capitalise on energy transition opportunities. It also has the skills and workforce to support diversification of the energy sector. Ensuring best use of these regional assets will help to safeguard the City region’s economic future. The construction of Aberdeen South Harbour creates the opportunity to accommodate location specific renewable energy transition developments that capitalise on offshore developments.</p> <p>Policy B5 Energy Transition Zones</p> <p>Within the areas identified as Energy Transition Zone on the Proposals Map, there will be a presumption in favour of the development, production, assembly, storage and/or distribution of infrastructure required to support renewable energy related industries; this includes offshore wind, tidal, hydrogen and solar. Infrastructural/transport improvements directly related to the wider Energy Transition Zone will be permitted where they have a functional requirement to be located there. Development proposals will be required to include suitable open space and landscape enhancements for the wellbeing of people and wildlife.</p>
Comments	<p>The recognition of the role of Aberdeen South Harbour in securing energy transition and the allocation of an energy transition zone is fully endorsed by AHB. Indeed, Appendix 2 AHB Masterplan 2020 which forms</p>

part of this representation has undertaken a detailed economic appraisal which confirms the need to ensure the best use of regional assets to safeguard the regional and national economy. It provides a detailed assessment of the risk of not embracing the economic opportunity at South Harbour and the critical requirements of land and access to realise this opportunity.

The masterplan advises that Aberdeen has a unique economic climate, with an existing critical mass of activity and skills that can be diversified.

It advises “The economic opportunity around energy transition is immense and the benefits significant. The redeployment of skills, expertise and technology from the oil and gas sector into renewables would, over time, help retain high value businesses, jobs and skills in the region. Creating a critical mass of activity and technology around energy transition in one location offers the potential to maximise the impact as the cluster attracts investment, skills, and technology and becomes the natural home for associated activities such as centres of excellence and specialist research. This would have the dual effect of reinforcing Aberdeen’s profile as Europe’s Energy City whilst retaining its high GVA contribution”.

This represents a once in a generation opportunity. Aberdeen’s competitor ports do not have this critical mass of high value jobs and skilled labour in their hinterlands. Therefore investment in the Aberdeen cluster as an Energy Transition Zone, Free Port or Special Economic Zone demonstrate a stronger economic case with genuine agglomeration effects and wider economic benefits. Whereas, the evidence presented in the masterplan demonstrates that there is a risk that the ‘do nothing’ approach would lead to the haemorrhaging of high value jobs in the Aberdeen Region, a significant reduction in GVA contribution to the Scottish economy and a failure to reach Scottish Government zero carbon aspirations. The economic impacts of COVID19 may exacerbate this position.

The masterplan also identifies that as well as energy transition the existing and proposed business opportunities presented by South Harbour need to be recognised. Accordingly, there is a need to recognise the requirement for associated port-centric manufacturing and logistics within the policy.

The policy limits the technologies to offshore wind, tidal, hydrogen and solar, however there is a need to

link the policy to BE4 Aberdeen Harbour and as recognise that it is required to support the existing business at the harbour as well as other emerging renewable technologies.

It needs to confirm that the proposed expansion of South Harbour and allocation of the ETZ builds upon the investment of AHB at South Harbour and recognises the significant opportunity to continue to diversify and expand Aberdeen Harbour's core business services, which include oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage. It also creates the opportunity to include an energy transition zone of national importance, which supports port-centric manufacturing and distribution; renewables; offshore technology; decommissioning and energy transition.

The need to include decommissioning of oil and gas infrastructure is necessary to secure the transition from oil and gas to renewable energy technologies.

As well as the allocations identified, the AHB Masterplan 2020 identifies further land required to achieve the aspirations of this policy. **Appendix 1** Figure 3 identifies the land requirements for allocation and identifies further land to be safeguarded to allow its potential to support the growth of South Harbour to be assessed from a technical and environmental perspective.

The land surrounding South Harbour is limited and is of critical importance, therefore the policy requirement, to include open space and landscaping on the ETZ limits the economic opportunity. The supporting document appraising the potential development sites prepared by Barton Wilmore on behalf of the Council demonstrates that suitable developable land surrounding Aberdeen South Harbour is a limited and precious resource to support Aberdeen's economic future. **Appendix 2** AHB Masterplan 2020 also provides evidence of the land take requirement to support the economic vision for Aberdeen Harbour South. It is considered that open space improvements and landscaping requirements should be realised within the wider area to maximise the limited available land to support Aberdeen South Harbour.

The allocation of the ETZ shown on the Proposals Map does not appear to take account of the proposed STAG routes.

Changes required

The proposed allocations should be retained, but the boundaries increased to accord with the AHB Masterplan 2020 (**Appendix 2**) and **Appendix 1** Figure 3 to reflect the required land necessary to support the economic opportunity identified.

Additional areas for future growth should be safeguarded in accordance with the AHB Masterplan 2020 (**Appendix 2**) and **Appendix 1** Figure 3 to protect the potential contribution this land could make to the growth of South Harbour and the ETZ to realise the economic opportunity.

Amendments to the Proposals maps are required, as also detailed in **Table 13.1**.

The requirement for the allocated sites to provide open space and landscaping within an area of critical economic importance and which is limited in terms of location and size should be removed and open space improvements and landscaping identified within the wider area to be confirmed through masterplanning.

The allocation OP 56 should accord with the proposed transport route identified as an option in the STAG assessment.

Policy B5 wording should be amended to: “Within the areas identified as Energy Transition Zone on the Proposals Map, there will be a presumption in favour of the development, production, assembly, storage and/or distribution of infrastructure required to build upon the nationally important infrastructure investment at South Harbour to enable a significant economic opportunity to continue to diversify and expand the core business services at the harbour, which include oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage. It also creates the opportunity to include an energy transition zone of national importance, which supports port-centric manufacturing and distribution; offshore technology; decommissioning, energy transition and renewable energy; this includes offshore wind, tidal, hydrogen and solar and other emerging renewable technologies. Infrastructural/transport improvements directly related to the wider Energy Transition Zone will be permitted where they have a functional requirement to be located there”.

8. Policy NE1 Green Belt and Policy NE2 Green and Blue Infrastructure: Green Space Network

Table 8.1 Policies NE1 and NE2 Representations

Site	Aberdeen Harbour
Allocations/Paragraphs	<p data-bbox="671 521 938 560">Policy NE1 Green Belt</p> <p data-bbox="671 566 1337 712">Development in areas defined as Green Belt on the Proposals Map will not be supported. Exceptions to this general presumption will only be supported where the proposal:</p> <ul style="list-style-type: none"> <li data-bbox="671 719 1236 797">a) is directly associated with and required for agriculture, woodland or forestry; or <li data-bbox="671 804 1337 882">b) is for leisure or recreational uses compatible with an agricultural or natural setting; or <li data-bbox="671 889 1198 967">c) is for the extraction of minerals or quarry restoration; or <li data-bbox="671 974 1337 1193">d) is associated with existing activities in the Green Belt and is within the boundary of that activity, is small-scale, does not significantly increase the intensity of the activity and the proposed built construction is subordinate to what already exists (including extensions to existing dwellings); or <li data-bbox="671 1200 1337 1420">e) is directly associated with essential infrastructure such as telecommunications, electricity grid connections, transport proposals identified in the Plan or roads planned through masterplanning of sites, if they cannot be accommodated anywhere other than the Green Belt; or <li data-bbox="671 1426 1289 1543">f) is related to the generation of renewable energy (wind turbine, solar farm, or hydro scheme) and/or heat; or <li data-bbox="671 1550 1337 1769">g) is for a dwelling house to replace a dwelling house. This will be on a 'one for one' basis for development of a similar scale within the same footprint or existing curtilage of the site. This may be applicable to vacant properties in poor condition. All applications will be considered on a case by case basis; or <li data-bbox="671 1776 1337 1928">h) is for the appropriate change of use of a building with a historic or architectural interest that makes a worthwhile contribution to the landscape character of the Green Belt; or <li data-bbox="671 1935 1337 2049">i) is for a conversion/ rehabilitation scheme of a historic building. If extending, the original building will remain visually dominant to the new extension, the

design and siting of the extension will be sympathetic in terms of massing, detailing and materials, and it will relate well to the original building.

Policy NE2: Green & Blue Infrastructure Green Space Network

Development proposals will seek to protect, support and enhance the Green Space Network (identified on the Proposals Map). This broadly encompasses the wildlife, biodiversity, ecosystem services & functions, access, recreation, landscape and townscape value of the Green Space Network. Development that does not achieve this will not be supported.

Coherence of the Green Space Network should also be maintained when considering any development and infrastructure proposals. Where infrastructure projects or certain developments necessitate crossing the Green Space Network, they should maintain and enhance the coherence and quality of the network. In doing so, appropriate provision should be made for access across roads for wildlife and outdoor recreation. Masterplans will determine the location, extent and configuration of the Green Space Network within the area, and its connectivity with the wider network.

Urban Green Space

We will protect, support and enhance the city's Urban Green Space (parks, playing fields, sports pitches, woods, food-growing spaces, or all other areas including smaller spaces not identified on the Proposals Map such as amenity space or garden ground). Development proposals that do not achieve this will not be supported. Exceptions may be made when an equivalent and equally convenient and accessible area for public space is provided by the applicant for Urban Green Space purposes, for example through the replacement of school buildings, within the locality of the site. In all cases, development will only be acceptable if it meets criteria set out in the Aberdeen Planning Guidance: Open Space and Green Infrastructure.

Comments

South Harbour has been a significant investment made by AHB which currently supports and has the potential to grow the Aberdeen and National Economy and deliver energy transition. Since its allocation in Aberdeen Local Development Plan 2017 and NPF3 it has been recognised that there is a need to confirm a planned approach to its growth and development, initially through a Development Framework and

through a Masterplan. The AHB Masterplan 2020 **(Appendix 2)** confirms the economic imperative to identify adequate suitable land of scale surrounding South Harbour to protect and enhance the regional and national economy. However, there is a limited land resource surrounding the harbour which may be required to support its growth.

Within the context of this economic imperative to secure growth and energy transition around South Harbour, any development at Aberdeen Harbour would be subject to subsequent planning applications supported by detailed assessments across a range of subjects, where necessary comprising Environmental Impact Assessment (EIA) as per the previous development at South Harbour. This assessment process would inform the design of the final proposal and would inform the decision making process regarding any significant environmental effects that might impact on the character of the area.

The masterplan identifies part of the land surrounding the existing South Harbour as being allocated as green belt, green space, local landscape designations, open and amenity space and golf course. However, there is a balance which needs to be struck between protecting local green space and the needs of the wider economy. On the basis of the recent Covid-19 crisis an even greater weight may need to be attached to the economic imperative to support, retain and grow the local economy.

Should specialised oil and gas jobs and cluster of energy companies be lost to Aberdeen, then so would the associated agglomeration benefits of building upon a highly specialised and skilled workforce, hence the priority to bring forward the aims of the masterplan to secure the energy transition when it is still possible to capitalise on the unique benefits of the existing Aberdeen economy.

The AHB Masterplan 2020 (Appendix 2) and Appendix 1 Figure 3 Proposed Allocations, identifies the land-take required in the immediate term through allocation, and also identifies further areas which should be safeguarded for further assessment as to their suitability to support the masterplan vision, including areas which are currently allocated as greenbelt or local amenity space.

The mechanism of safeguarding land is established and examples include:

1) Aberdeenshire Council LDP 2017, Policy Peterhead R2 reserved land:

Aberdeenshire Council reserved an area for a wide range of uses to support Peterhead Harbour: “For development related to Peterhead Power Station, Carbon Capture and Storage, a possible landfall for a potential international North Sea interconnector, onshore connections to support offshore renewable energy, and major energy developments as set out in National Planning Framework 3”.

2) City of Edinburgh Council LDP 2016, Policy Emp 5:

“Land at Norton Park...is safeguarded for the future relocation of the RHC and its development as Scotland’s National Showground. Within this area, green belt policy will apply (policy Env 10). Proposals which would prejudice the future development of the Norton Park site for showground purposes will not be permitted.

This policy guides proposals for the further development and enhancement of the Royal Highland Centre on land to the north of the A8. The policy also safeguards the site for the long term expansion of Edinburgh Airport, and in turn safeguards land at Norton Park to the south of the A8 for the long term relocation of the RHC, in accordance with National Planning Framework 3. Further planning guidance on the long term expansion of Edinburgh Airport is set out within the Edinburgh Airport Master plan. The Norton Park site will remain in the green belt until required for the relocation of the RHC”.

3) Moray Council LDP 2015, Policy T4 Safeguarding Bus, Rail and Harbour Facilities:

“The Council will promote the improvement of bus, rail and harbour services and facilities within Moray.

Diversification of commercial harbours for freight and as operations and maintenance base for offshore renewables will be encouraged. Harbours are identified in settlement statements along with the uses that will be supported.

Justification...appropriate to safeguard existing harbours from development that may compromise their viability”.

Policy NE2 Green & Blue Infrastructure Green Space Network advises that proposals must “seek to protect, support and enhance the Green Space Network” and provides a presumption against development which does not meet this requirement without exceptions. The importance of maintaining a green space network

is accepted, however there may be exceptions such as protecting the economic opportunity at sites such as South Harbour, which are limited in terms of surrounding land available and therefore may need to develop on land allocated as the green space network to secure and protect the economic contribution they make at a regional and national level. There is a need for the policy to confirm the circumstances where exceptions to the policy requirement is appropriate.

With regard to Urban Green Spaces as contained in Policy NE2 there is a presumption against the loss of urban spaces with limited exceptions. The value of these spaces is not denied, however there are other exceptions which are not identified by the policy. It states that “Exceptions may be made when an equivalent and equally convenient and accessible area for public space is provided by the applicant for Urban Green Space purposes...in the locality”. There is a need to recognise that to deliver the expansion of South Harbour, there may be a need to consider the development of urban green space, and because of the limited land available to deliver this development it may not be possible to provide alternative space within the locality. However, the development of South Harbour would have an overriding economic justification and accordingly, the wording needs to be expanded to consider other exceptions.

Changes required

Policy NE1: We consider that an additional exception should be included “j) the land is identified on the proposals map as safeguarded land and it has been demonstrated that it is likely to be required in support of the growth of South Harbour to provide energy transition and port-centric manufacturing and logistics. Policy NE1 will continue to apply until it has been demonstrated that it is necessary to support the growth of South Harbour.

Policy NE2 Green & Blue Infrastructure Green Space Network: Amend wording to state “Development proposals will seek to protect, support and enhance the Green Space Network (identified on the Proposals Map). This broadly encompasses the wildlife, biodiversity, ecosystem services & functions, access, recreation, landscape and townscape value of the Green Space Network. Development that does not achieve this will not be supported except in exceptional circumstances where it is demonstrated that there are no alternative sites for the development and there is an overriding economic imperative of regional or national

importance. Such exceptions will be considered on the individual merit of the proposed development.”

Policy NE2 Urban Green Spaces: the text should be amended to state “Exceptions may be made when an equivalent and equally convenient and accessible area for public space is provided by the applicant for Urban Green Space purposes...in the locality, or where there is an overriding economic imperative of regional or national importance which will be considered on the individual merit of the proposed development.”

9. Policy NE4 Our Water Environment

Table 9.1 NE4 Our Water Environment Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>Policy NE4 Our Water Environment</p> <p>Coastal Development</p> <p>Development will not be supported in undeveloped coastal areas (shown on the Proposals Map). Exceptions to this general presumption will be: considered where the proposal:</p> <ol style="list-style-type: none"> 1. Is dependent on that coastal location given the purpose and operation of the development; and 2. There is no other suitable site, including brownfield land; and 3. It respects the character and value of the landscape, the natural and historic environment, and the recreational value of the surrounding area; or 4. There is an overriding environmental benefit from the proposal. <p>The exceptions listed above, where considered acceptable in principle must also meet all of the following criteria:</p> <ol style="list-style-type: none"> 1. The development must not be located in an area at risk of coastal erosion or flooding; 2. A Topographical Survey (in agreement with SEPA) must accompany applications for development; 3. Public access to and along the coast must be protected and promoted wherever possible; and 4. Where marine noise modelling is deemed necessary by the Council or key agencies, it must be demonstrated that adverse impacts on bottlenose dolphins, Atlantic salmon, and any other protected species will be avoided.
Comments	<p>The South Harbour is a critical economic driver for Aberdeen and Scotland and is located within the Coastal area. The policy outlines a presumption against development, albeit it recognises that there are exceptions where development will be accepted. In principle this approach is supported. However, we consider that an additional exception should be included relating to South Harbour to ensure that the policy does not prevent the realisation of the economic opportunity presented in Appendix 2 AHB Masterplan 2020 which forms part of this representation. The</p>

other requirements set out within the policy will ensure that in including an additional exception, there is still a requirement to demonstrate its need and location and which will protect the surrounding landscape and environment.

Changes required

An additional exception should be included “or 5) the development is of economic importance required in support of the planned expansion of South Harbour and the Energy Transition Zone.

10. Policy T1 Land for Transport

Table 10.1 Land For Transport Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>Policy T1 Land for Transport</p> <p>Land has been safeguarded for the transport projects listed below and these are highlighted on the Proposals Map. Only development related to the following projects will be accepted in these areas:</p> <ul style="list-style-type: none"> • Improved rail services; • Dyce Railway Station expansion; • Aberdeen South Harbour and associated infrastructure; • Berryden Corridor improvements; and • South College Street improvements.
Comments	<p>Policy T1 safeguards land for the listed transport projects, and recognises Aberdeen South Harbour and associated infrastructure, which is supported.</p> <p>The AHB Masterplan 2020 (Appendix 2) confirms that in order to support the masterplan vision there are two key requirements, sufficient suitable land and access. A STAG appraisal is already underway to provide additional infrastructure to connect the existing South Harbour, but the vision will require additional connectivity and this is set out, in detail, within the masterplan.</p> <p>The land shown on the Proposals maps does not accord with the current STAG appraisal for South Harbour and should show the current options which need to be safeguarded to protect its future delivery.</p> <p>Moreover, the proposed further expansion of South Harbour and Energy Transition Zone may require additional infrastructure over that currently being assessed in the STAG appraisal which should be identified.</p>
Changes required	<p>The bullet point Aberdeen South Harbour and associated infrastructure should be amended to state: “Aberdeen South Harbour and its future expansion including the Energy Transition Zone and associated infrastructure”.</p> <p>Change required to proposals map to include STAG options to protect the land from other development which may prevent its delivery.</p>

11. Opportunity Sites 56, 61 and 62

Table 11.1 Opportunity Sites 56, 61 and 62 Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	<p>OP56: St Fitticks Park (18.2ha) Energy Transition Zone, Green Space Network. This site, along with OP61, will support renewable energy transition related industries in association with Aberdeen South Harbour. Any development at this site must have a functional association with the South Harbour which precludes it being located elsewhere, such as the size of the infrastructure preventing transport from other locations or requiring 'roll on / roll off' level access to the South Harbour. Appropriate environmental assessments will be required, including a Habitats Regulations Appraisal to accompany development proposals in order to avoid adverse effects on the qualifying interests of a range of Natura sites. A Flood Risk Assessment is also required. Other issues which need to be addressed include water quality, recreational access, habitat connectivity, compensatory planting and landscape buffering with residential areas. Joint Masterplan needed for OP56, OP61 and OP62.</p> <p>OP61: Doonies (16.3ha) Energy Transition Zone, Green Space Network. Energy Transition Zone. This area along with OP56 will support renewable energy transition related industries in association with Aberdeen South Harbour. Appropriate environmental assessments will be required, including a Habitats Regulations Appraisal to accompany development proposals in order to avoid adverse effects on the qualifying interests of a range of Natura sites. Other issues which need to be addressed include landscape impact of development, recreational access and habitat connectivity. Joint Masterplan needed for OP56, OP61 and OP62.</p> <p>OP62: Bay of Nigg (55ha) Aberdeen Harbour, Energy Transition Zone, Green Space Network. Aberdeen Harbour expansion. Bay of Nigg Development Framework approved. Requires Flood Risk Assessment and full Transport Assessment. Appropriate environmental assessments will be required including a Habitats Regulations Appraisal to accompany development proposals in order to avoid adverse effects on the qualifying interests of a range of Natura sites. Other issues to be addressed include re-</p>

	<p>instatement of the coastal path and recreational access. Joint Masterplan needed for OP56, OP61 and OP62.</p>
Comments	<p>Allocation of additional land to support the growth of Aberdeen Harbour, as indicated in Policies B4 and B5 are supported.</p> <p>Additional land should be allocated and safeguarded in accordance with the justification set out in response to Policy B4, B5, NE1 and NE2 to accord with the Proposed Plan of Appendix 1 Figure 3 as developed through the AHB Masterplan 2020 (Appendix 2) to realise economic opportunity.</p>
Changes required	<p>Additional land should be allocated and safeguarded in accordance with the justification set out in response to Policy B4, B5, NE1 and NE2 to accord with the Proposed Plan of Appendix 1 Figure 3 as developed through the AHB Masterplan 2020 (Appendix 2) to realise economic opportunity.</p>

12. Opportunity Site 64 Ness Landfill Solar Wind

Table 12.1 Opportunity Site 64 Ness Landfill Solar Farm Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	Opportunity Site 64 Ness Landfill Solar Farm
Comments	<p>The Ness Landfill represents a potential future development opportunity which could help support the growth of South Harbour. It is located in an area where available land to support the South Harbour is limited and constrained. It is therefore critical to ensure that its potential for supporting South Harbour growth is not lost to alternative development.</p> <p>The AHB Masterplan 2020 provides further evidence of the land required to support the economic opportunity at South Harbour and demonstrates its potential for further investigation to establish its suitability for development.</p>
Changes required	The opportunity should be amended to advise that only where the site is proven to be not required to support the expansion of South Harbour, should alternative uses, such as a solar farm be considered.

13. Proposals Map Citywide

Table 13.1 Proposals Map Citywide Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	Proposals Map - Citywide
Comments	<p>a) At South Harbour, the allocations Opp 56, 61 and 62 are supported, but should be increased to align with the map provided in Appendix 1 Figure 3 and in accordance with the AHB Masterplan 2020 (Appendix 2), as justified in Tables 6.1 and 7.1</p> <p>b) An additional area should be identified as safeguarded land to align with the map provided in Appendix 1 Figure 3 and in accordance with the AHB Masterplan 2020 (Appendix 2), as justified in Tables 6.1 and 7.1</p> <p>c) The current options being considered by the STAG appraisal in support of South Harbour are not identified on the Proposals Map and need to be included to protect the land from inappropriate development which could prevent its delivery both in terms of existing and future development requirements at South Harbour, including the energy transition zone.</p>
Changes required	<p>a) and b) Amend the proposals map to include larger allocations and propose safeguarded sites for further investigation and technical assessment in support of the economic opportunity at South Harbour, in accordance with map provided in Appendix 1 Figure 3 and in accordance with the AHB Masterplan 2020 Appendix 2, as justified in Tables 6.1 and 7.1</p> <p>c) Include the STAG options to transport routes required to support road infrastructure to South Harbour.</p>

14. Constraints Map

Table 14.1 Constraints Map Representation

Site	Aberdeen Harbour
Allocations/Paragraphs	Constraints Map
Comments	<p>a) The constraints map only identifies the North Harbour boundary and given its development, should also include the boundary of the new South Harbour.</p> <p>b) The constraints map shows the area to the north of South Harbour which has a man-made golf course, listed buildings and an area previously used for temporary construction compounds as undeveloped coast.</p>
Changes required	<p>a) The yellow boundary showing Aberdeen Harbour should include both north and south harbours.</p> <p>b) The area to the north of South Harbour should be re-allocated as developed coast.</p>

Appendix 1: Supporting Figures

Figure 1: Aberdeen Local Development Plan 2017 allocations.

Figure 2: Aberdeen Local Development Plan Proposed Plan 2020 allocations.

Figure 3: AHB Proposed Allocations and Safeguarding Proposals Map

Appendix 2: AHB Masterplan 2020

Turley Office



From: [Lisa Russell](#)
To: [LDP](#)
Subject: Aberdeen Harbour Board Representation Email 2 of 3
Date: 31 August 2020 21:35:35
Attachments: [32e5bd76-cadc-4899-92fa-a67c731c2696.png](#)
[05.05.20_Aberdeen_Harbour_Masterplan_2020_Submission.pdf](#)

Dear Local Plan Team,

Further to my previous email (1 of 3) please find attached the Aberdeen Harbour Masterplan which forms part of the submission.

I would be grateful if you could please confirm receipt.

Kind Regards,

Lisa

(My working days are Monday, Tuesday and Wednesday. Emails on Thursday and Friday are monitored daily. If the matter is urgent please call the office on 0 [REDACTED])

Lisa Russell
[REDACTED]

Turley
[REDACTED]

All Turley teams are now [remote working](#) wherever possible in line with Government guidance.

Our co-owners are contactable in the usual ways and we suggest using mobile numbers in the first instance. We are doing all we can to maintain client service during this challenging time.

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ABERDEEN HARBOUR

MASTERPLAN 2020

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01

INTRODUCTION

Executive Summary

Vision

Purpose

Energy Transition





Aerial Map

EXECUTIVE SUMMARY

Aberdeen Harbour is Europe's premier marine support centre for the energy industry and the main commercial port serving North East Scotland. The harbour was founded in 1136, and with a near-900 year history, is the oldest existing business in the UK.

This document sets out our vision for the future of Aberdeen Harbour. It is an ambitious and transformational vision which articulates how we will **continue to diversify our business and lead Scotland's energy transition** from oil and gas over the next 30 years to 2050 and beyond.

There is an economic and **environmental imperative** in Scotland to diversify from North Sea oil and gas to meet the Scottish Government's target of Net Zero Carbon by 2045. This shift to **diversify our economy and reduce Scotland's environmental footprint** will require significant commitment, investment and collaboration between the public and private sectors and Aberdeen Harbour has a pivotal role to play.

The recent investment and expansion at South Harbour provides a significant opportunity to continue to diversify and expand Aberdeen Harbour's core business services (oil and gas operations, servicing renewables, cruise and ferry facilities and servicing, cargo activities, property rental and storage). This investment facilitates the introduction of further port-centric manufacturing and distribution; renewables; offshore technology; decommissioning and energy transition; creating an energy transition zone of national importance.



VISION

Recognise the new port of Aberdeen, including North and South Harbour as nationally important infrastructure and a key economic driver and catalyst for growth

Maximise the transformational potential of current infrastructure investment at South Harbour by unlocking additional growth through short-term allocations and long-term safeguarding of adjoining land

Capitalise on the immediate fulfilment and delivery capacity at South Harbour to accommodate Aberdeen Harbour's existing mixed portfolio of business and securing an energy transition zone

Lead in the transition to renewables and clean energy and support Aberdeen's ambition to become a globally recognised Energy City

Embrace new opportunities and technologies to remain competitive and build a sustainable future for our stakeholders

Create a new City Centre waterfront destination, an operating harbour for work, art, music, food, culture, technology, energy and living, a place of quality and distinction within Aberdeen Energy City

Retain strengths in the existing mixed portfolio of business, including the nationally important oil and gas industry and significant international trading links, whilst contributing to resilience and diversification of the local, regional and national economies.

LOCAL SOLUTION FOR A GLOBAL CHALLENGE



MASTERPLAN CONCEPT AND VISION



PURPOSE

The preparation of this document reflects the bold and forward-thinking approach Aberdeen Harbour has previously promoted to remain competitive and secure its future. Whilst Aberdeen Harbour remains highly successful, it recognised significant future changes to the industries on which the harbour depends. Accordingly, it set in motion ambitious plans to diversify and improve its portfolio and infrastructure to avoid any potential of a managed decline.

The need for the development of South Harbour was identified as the solution and promoted by Aberdeen Harbour and, recognised as being critical to the economies of Aberdeen City and Shire and to Scotland, allocated as a national development.

South Harbour represents a significant investment by Aberdeen Harbour to secure its future through the retention of existing and transitioning business and through diversification to attract new future industries and opportunities. However, at its inception there was a future need to provide further evidence to identify and inform the allocation of land and access requirements to support its growth.

Aberdeen Harbour continues to perform a pivotal role in the wider economy of Aberdeen and Scotland. This document presents the economic opportunity, masterplan and vision for the future of the port. It confirms the need to secure total planning policy alignment across the Aberdeen Local Development Plan, Regional Spatial Strategy and National Planning Framework 4 (NPF4) to ensure that sufficient land and infrastructure are safeguarded to secure this transformational opportunity.

It recognises the role of the port, not only for existing businesses within the oil and gas and port-centric manufacturing sectors, but in retaining and supporting the future of Aberdeen's economy through energy transition, decommissioning and tourism.

It provides a critical, evidence-based, long-term strategy, recognising the economic imperative to secure the necessary changes at Aberdeen Harbour to realise the economic opportunities at a regional and national level and reflects the need to maximise the investment at South Harbour.

It is critical that the wider business community works collaboratively with Aberdeen Harbour Board to secure the sustainable economic future of Aberdeen as an Energy City.



“ As we tackle the dual challenges of a climate emergency and the desire to create an inclusive growth economy, we urgently need to re-think what infrastructure we use and how we use it.

This is not just a challenge for government, although political vision and determination is going to be essential. Crucially it is a call to all of us who plan, build, invest in, own, operate, regulate and, as importantly, use the infrastructure of Scotland. ”

-Infrastructure Commission: A Blueprint for Scotland (Jan 2020)

ENERGY TRANSITION

THE CATALYST AT NIGG BAY



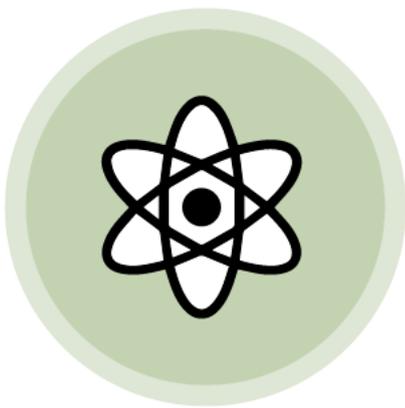
The recent expansion of the port at South Harbour provides a significant opportunity for the:

- **Increase** of port traffic, revenues and income for Aberdeen City and Shire
- **Investment** in renewables, green tech, clean tech and associated technology innovations to support the **circular economy**
- Exploration into **energy transition** alongside decommissioning projects
- Growth in **port-centric** cluster of manufacturing & distribution
- Further **expansion** of South Harbour on highly competitive land to the south and west to retain and support business and accommodate future diversification
- **Immediate fulfilment** of renewable innovations, technology and manufacturing creating a competitive advantage
- Expansion of revenue from **sustainable tourism** with the capacity for larger cruise ships at South Harbour.

MULTI NATIONAL REACH

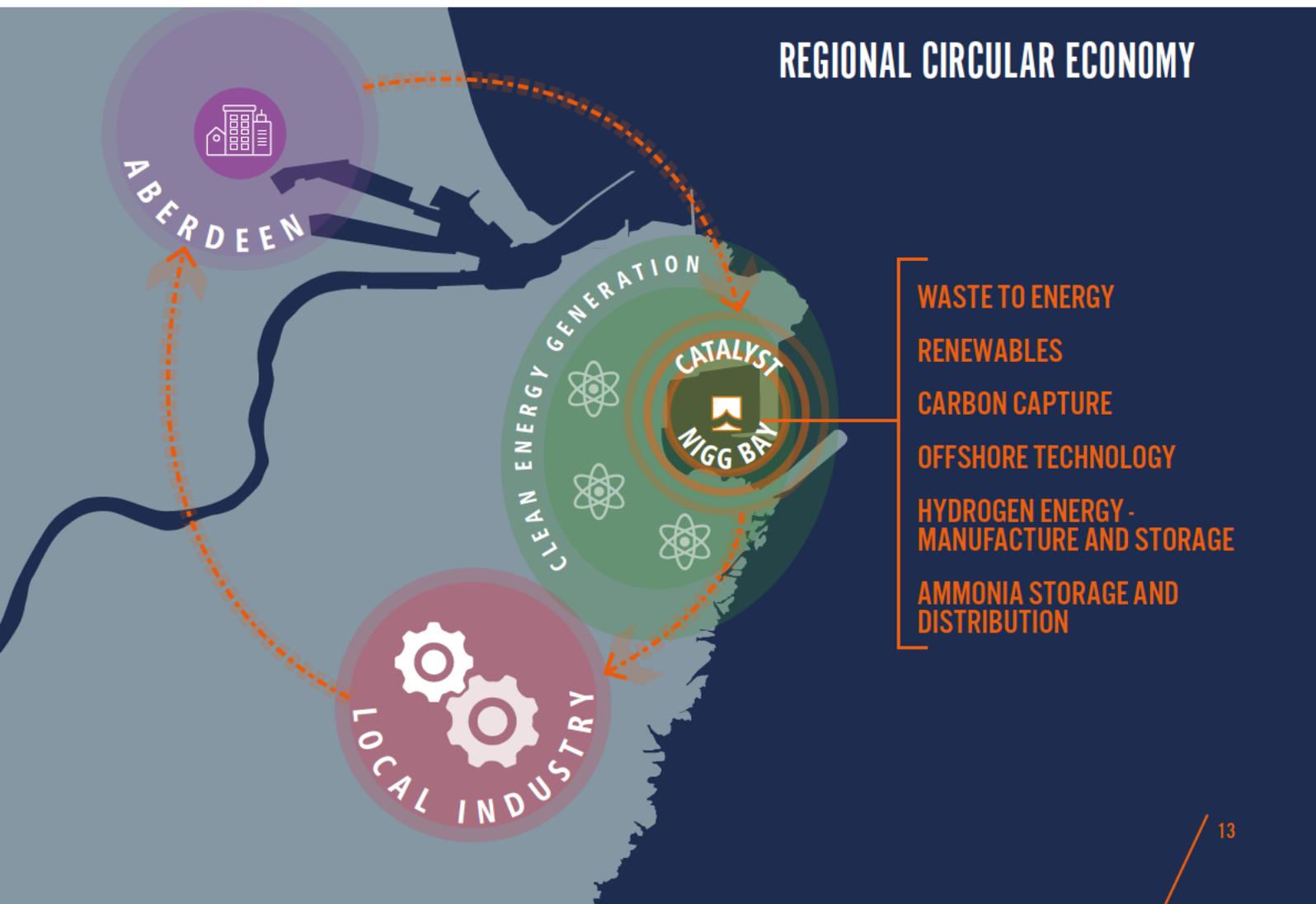


CLEAN ENERGY FOR ABERDEENSHIRE



With the platform of South Harbour acting as a catalyst, there is now the potential to:

- Encourage **low-carbon energy** development and alternative fuels production
- Encourage **local industry** growth through energy-centric assembly and distribution
- Create an “**Energy Transition Zone**” aimed at supporting the delivery of low and zero carbon technologies
- Placing Aberdeen at the forefront of this emerging industry and a key beneficiary of the clean energy generation facilitating a **circular economy**.



02

ECONOMIC CONTEXT

Analysis and Opportunity

Economic Opportunity



“A once in a generation opportunity”



ANALYSIS AND OPPORTUNITY

INTRODUCTION - ABERDEEN HARBOUR A WORLD CLASS PORT FOR EUROPE'S ENERGY CITY

IMPORTANCE TO THE ECONOMY

Aberdeen Harbour is a Trust Port, and is one of Scotland's and the UK's most active ports. It has an annual turnover of over £35 million (2018), of which around half is derived from supporting oil and gas operations within the UK Continental Shelf (UKCS). Other key sources of income include general cargo activities, property rentals and storage. The port of Aberdeen handles over 9,200 vessel arrivals annually and over four million tonnes of cargo for a wide range of industries. The port also handles a wide range of bulk, forest products, grains and mineral cargoes. In addition to cargo there were just over 151,000 ferry passengers carried on services to/from Aberdeen, and these are on the services to the Northern Isles.

The harbour is hugely important to the Regional and National economy. It has 94 direct employees and generates a further 12,000 indirect jobs and contributes Gross Value Added (GVA) of £1.5bn to the Scottish economy. It is an asset of National Significance, fundamental to the world class oil and gas cluster in Aberdeen and in supporting the offshore and onshore renewables sectors.

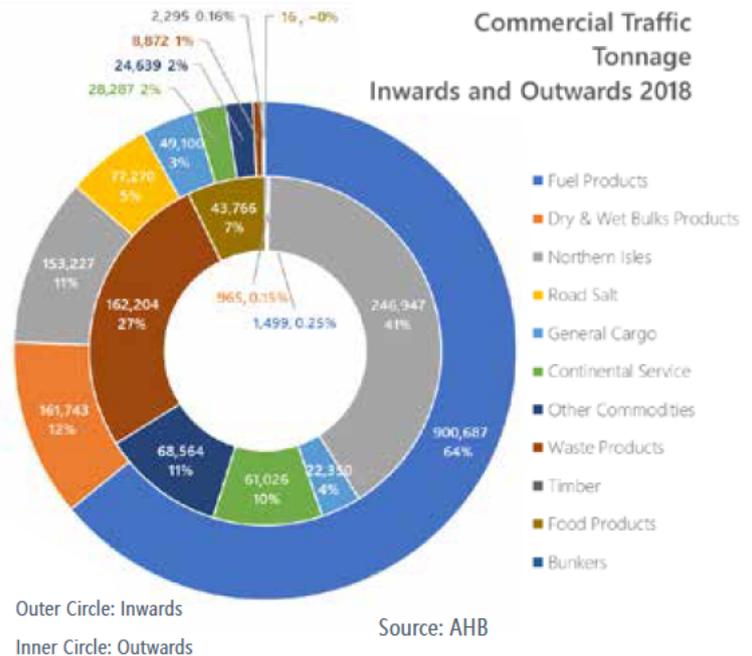
IMPORTANCE TO THE FUTURE RESILIENCE OF THE ECONOMY

Over the next 30 years the port of Aberdeen will be central to transitioning to a net zero carbon future and in achieving a resilient and diversified City Region economy retaining the large proportion of high value high skilled jobs associated with oil and gas.

The recent expansion of the port at South Harbour provides a significant opportunity not only to increase port traffic, revenues and income but also to expand key sectors including: port-centric manufacturing & distribution (including trans-shipment), renewables, offshore technology, decommissioning and energy. The creation of a port-centric cluster at South Harbour should be the focal point for a city wide Energy Transition strategy and this is developed further in the Economic Vision.

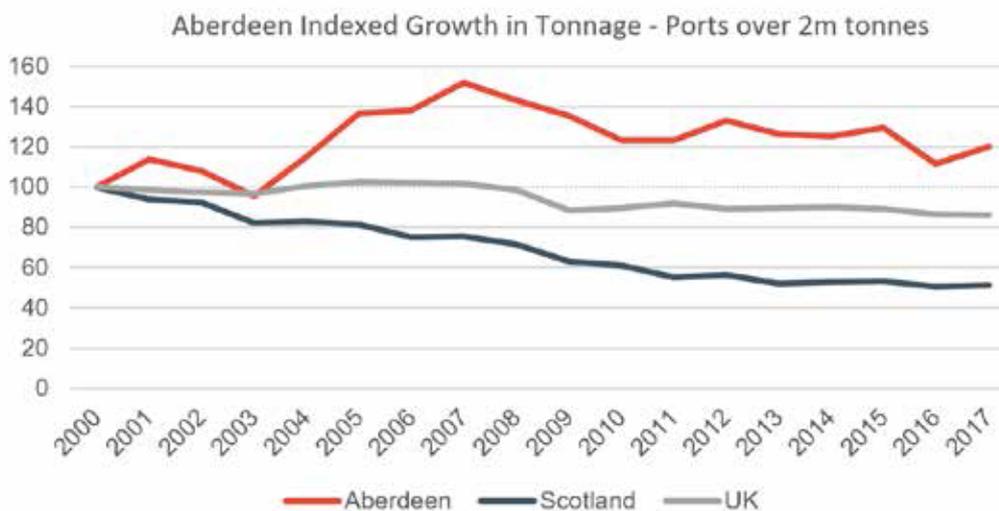
PORT ACTIVITIES

The chart below shows the composition of commercial traffic by tonnage in 2018 for Aberdeen port. It highlights the dominance of fuel products in the outer circle (64% of total inward commercial traffic). The largest component of outward traffic is the services to the Northern Isles. Commercial traffic is only one component of port activity and in 2018 was the largest in terms of both tonnage and revenue with a total of just over 2m tonnes (inwards & outwards) in 2018. Unitised traffic comprising passenger, livestock, motor vehicles and fishing accounts for a further 380,000 tonnes and oil rig supplies account for a significant proportion of traffic at 1.9m tonnes (inward & outward in 2019).



The chart on the right shows the trends over the last 4 years in commercial traffic tonnage and revenue (both inwards and outwards). It is clear that fluctuation in tonnage is relatively small over the 4 years and there has been steady growth in revenue over the same period.

Source: AHB



Data on cargo tonnage on ports over 2m tonnes from DfT shows that over the last 20 years growth in cargo tonnage at port of Aberdeen has outstripped both the Scottish and UK port averages.

Source: Dft

SUMMARY OF PORT INFORMATION REVIEW

The data in the previous section is a snapshot of the total information analysed on the activities and performance of Aberdeen Harbour. **It shows a highly active and successful trading port serving a range of industries and with important roles in ferry passenger services. The data shows the crucial function Aberdeen Harbour has in supporting Aberdeen’s oil and gas industry.**

The port and especially the new South Harbour will however also be crucial in diversifying the City Region economy and serving new growing markets including decommissioning at scale and offshore renewables – particularly wind as our reliance on oil and gas declines over the next 20 years. The new South Harbour has an important role to play in achieving national net zero carbon policy objectives and anchoring a cluster of new businesses and technologies around energy transition in the City Region. These issues are explored further in the Economic Vision.

A CONSISTENTLY STRONG ECONOMY BUT WITH CHALLENGES AROUND DIVERSIFICATION AND FUTURE RESILIENCE

The economies of Aberdeen and Aberdeenshire have consistently performed at a high level when compared to the Scottish and the UK economies and make a very strong contribution towards Scottish GVA, accounting for 13.5% of GVA in 2017 despite having only 9.1% of the population.

The relatively strong productivity is underpinned by an employment structure that is higher value than the Scottish and UK averages with very high rates of professional, scientific and technical jobs particularly at the Aberdeen City level and high levels of manufacturing and advanced manufacturing employment at the Aberdeenshire level.

City Region population and employment forecasts show moderate growth over the next 20 years but growth in the working age population is forecast to slow down markedly and represents a potential constraint on diversification and economic growth.

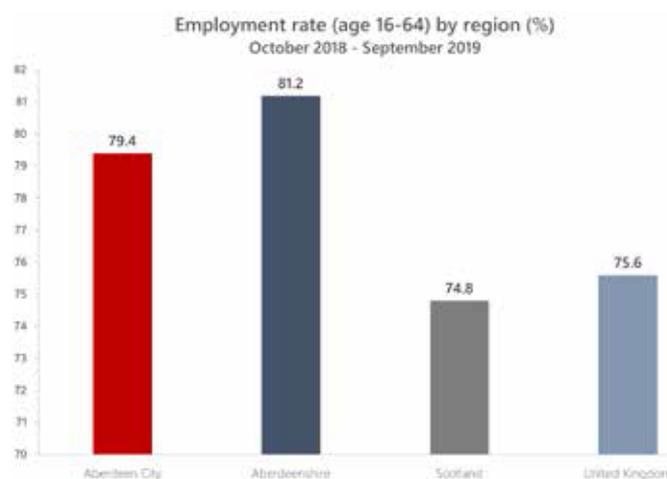
The data across a broad range of metrics show that the regional economy declined after a drop in the oil price in 2014 which directly impacted on GVA because jobs in the oil and gas sector have extremely high rates of productivity. The data also shows that a down-turn in the oil and gas sector will have impacts across other sectors of the economy impacting on productivity, employment and earnings. This event was highlighted as significant in the recent Aberdeen Economic Policy Panel Report 2019.

The 2014 oil price decline caused a significant downturn in the region's oil and gas sector and the wider economy. In 2017, economic growth returned to the North East after three years of decline. Real GVA in the region rose in 2017 by 0.7%, after a fall of 7.6% between 2014 and 2016.

The data set out below shows some of the key characteristics of the Aberdeen and Aberdeenshire economies which we draw upon when considering the economic Vision and Strategy that underpins Aberdeen Harbour Masterplan.

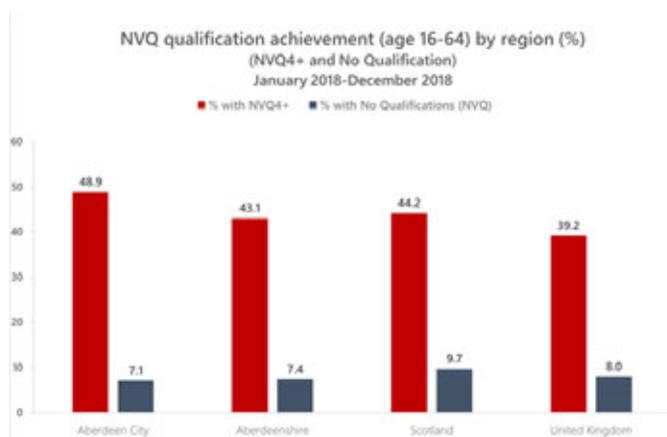
EMPLOYMENT AND LABOUR FORCE

Total employment in the City Region is now 259,000 having declined from the peak of 267,000 in 2015. The employment rate shown below has been consistently higher than the Scottish or UK rate but again this is sensitive to decline in the oil and gas sector which then has secondary impacts on other employment sectors in the economy.



ONS 2020

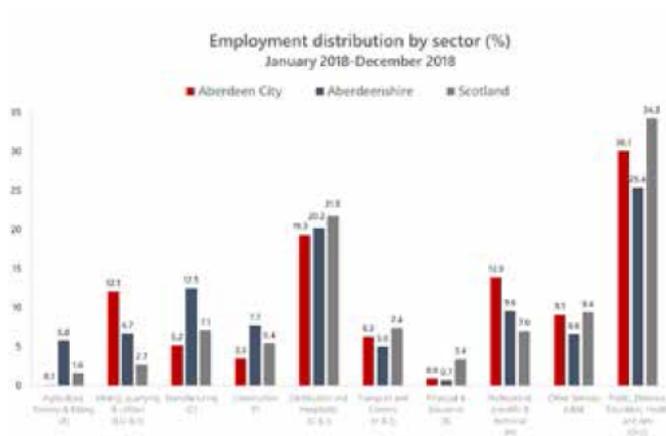
The high productivity of the Aberdeen and Aberdeenshire economies is reflected in the skills of the labour force which has a higher proportion of people with degree level qualification or above (NVQ4) than the UK average – Aberdeen City being particularly high at 49%. Similarly, the proportion of those in the labour force with no qualifications is lower than Scottish and UK averages.



ONS 2020

HIGH SPECIALISATION IN PROFESSIONAL, SCIENTIFIC & TECHNICAL EMPLOYMENT

This type of high skill economy reflects the high concentration of professional, scientific and technical skills jobs in the economy which is particularly concentrated at the Aberdeen City level which, as measured using location quotients, is almost twice as concentrated as at the Scottish level. With strong year on year growth from 2012 to 2018. At the Aberdeenshire level manufacturing performs strongly (bucking the national trend) with employment 1.6 times more specialized than at the national level. The employment distribution chart below again highlights a relatively strong share of employment in professional, scientific and technical for both Aberdeen and Aberdeenshire.



BRES 2020

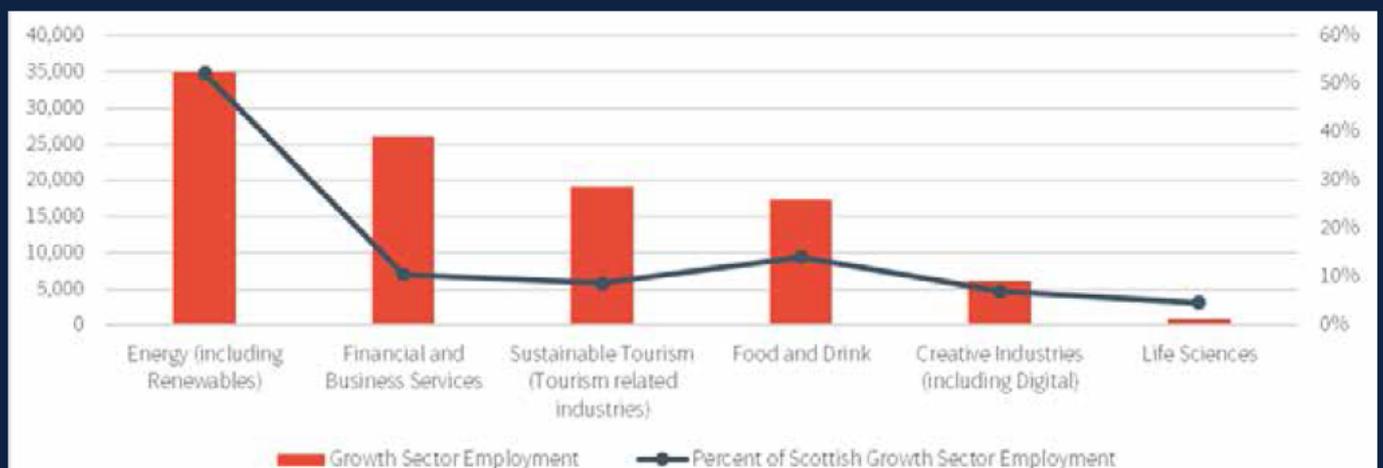
ABERDEEN CITY REGION'S PRIORITY GROWTH SECTORS DOMINATED BY ENERGY

The degree of dominance of energy employment and GVA is shown below. Energy (including oil and gas and renewables) accounts for 36,000 jobs in the Aberdeen City Region in 2018 (down 1,000 on 2017) but this is a significant proportion (52%) of the national employment in energy. This underscores the dominance of the energy sector but also highlights the degree of vulnerability within the economy as a whole to fluctuation in oil and gas employment.

The energy sector contributed £13 billion of GVA to the Aberdeen City Region economy in 2017 (the last year for which the GVA data is available) which represents exceptionally high levels of GVA per job of over £300,000 which is extremely high compared to any other sector in the economy. The £13 billion contribution from Aberdeen City Region represents almost 72% of the total Scottish GVA generated by the energy sector. This demonstrates the high spatial concentration of, and specialisation in, energy employment present in Aberdeen City Region and the disproportionately high GVA contribution.

The dominance of energy employment discussed above highlights the importance of diversification of the Aberdeen and Shire economies and in particular the transitioning of the existing oil and gas cluster and supply chain into new forms of energy usage. This transition is a process which is already underway and its importance understood. The new South Harbour will have a key role in energy transition and this is set out in the next section.

GROWTH SECTOR EMPLOYMENT AND NATIONAL SHARE (%), ABERDEEN CITY REGION, 2018



Source: Hatch Refresh of Aberdeen Economic Policy Panel 2nd Annual Report November 2019

ABERDEEN HARBOUR, CREATING EUROPE'S ENERGY CITY

Aberdeen Harbour will play a catalytic role in transforming the Regional economy and ensuring its long-term resilience. The recent expansion at South Harbour offers a once in a generation opportunity to establish a port-centric cluster of high value jobs and create an new Energy Transition Zone to reduce the dependency on oil and gas, and diversify the economy utilising and retaining the region's high value skills.

By taking a lead role in the effort towards achieving net zero carbon by 2045 Aberdeen Harbour will help to position the City Region at the forefront of the journey towards decarbonization through offshore renewables, new forms of energy & storage, new technology and innovation, establishing Aberdeen as Europe's Energy City.

Expansion of the port will bring about a step-change in the value of trade to the Region across a range of sectors making a significant contribution to the regional and national economy post BREXIT.





“ I believe we can create a different future built on offshore wind; hydrogen production; carbon capture usage and storage; and oil and gas.

We can't afford to look at these components of our future energy mix in isolation; it's crucial we take an integrated approach, applying our significant capabilities and innovative technologies to reduce carbon emissions. ”

Sir Ian Wood

THE ECONOMIC OPPORTUNITY

Over the next 30 years Aberdeen Harbour will be pivotal in transitioning to a zero carbon future and in achieving a resilient City Region economy retaining the large proportion of high-value high-skilled jobs associated with oil and gas.

The recent expansion of the port at South Harbour provides a significant opportunity not only to increase port traffic, revenues and income of existing business, but also to expand key sectors at scale including: carbon efficient oil and gas production, offshore wind energy, port-centric manufacturing & distribution, offshore technology, decommissioning, new forms of energy, energy storage and waste to energy.

The port expansion at South Harbour should be the focal point for a city-wide energy transition strategy and the creation of a new port-centric cluster. These components are covered in more detail below.

OIL AND GAS RETENTION AND EXPANSION OF EXISTING CLUSTER AND SUPPLY CHAIN

The preceding analysis has highlighted the fundamental role the oil and gas sector has on both the business of the port and the economy of the City Region. Understanding the future role of oil and gas on the National and City Region economies therefore should help guide the masterplanning process.

In the first instance, Aberdeen has a world class oil and gas sector and supply chain. There is however a strong consensus, within the economy as a whole, that whilst the City Region economy has begun that transition there remains a future need to transition from oil and gas over the long-term, in order to strengthen long-term resilience and to reduce the risk of losing high value jobs. Clearly transition is not achievable over an immediate or short-term timeframe and there is a consensus amongst the key oil and gas majors and industry commentators (Oil and gas UK, Vision 35, Capital Economics, FT Oil and gas Investment Forum etc.) that oil and gas will be required over the medium-term for a significant proportion of our energy demand. Vision 2035 sets out a plan for a sustainable oil and gas industry that contributes to a 'net zero future' by:

- Meeting as much of our country's demand as possible from domestic sources; and
- Driving the low carbon economy using skills, expertise and capabilities in the oil and gas sector to develop and drive the technology and infrastructure from energy integration and renewables through to hydrogen and carbon capture utilisation & storage (CCUS).

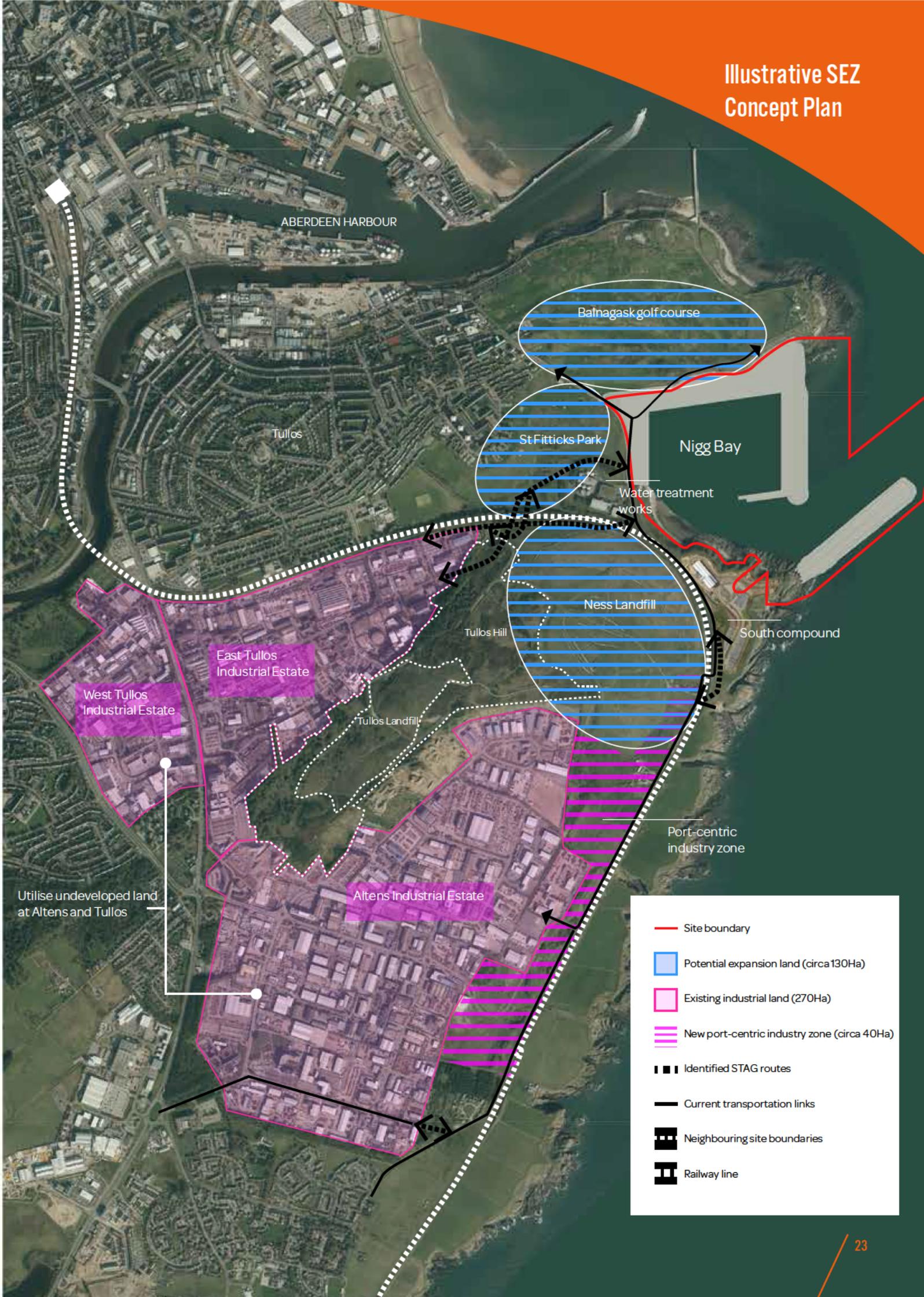
The Vision 2035 document sets out an aspiration of adding a new generation of productive life to the basin and this requires successfully managing production decline to ensure longer term production from the UKCS and at least one million barrels of oil equivalent per day (boepd) is expected in 2035.

In developing the Masterplan it is assumed that most of the existing oil and gas infrastructure will remain active on the North Harbour until 2035 and this is reflected in the phasing and direction of the plan. It is also proposed that Aberdeen Harbour will play a leading role in a city-wide energy transition strategy in which the port and in particular the new South Harbour is a catalytic asset with the capacity and infrastructure to facilitate immediate fulfilment and delivery of renewable industry.

¹<https://www.energyvision2035.com/about-vision-2035>

²Energy Transition Evolution or Revolution CMS 2020- research by Capital Economics

Illustrative SEZ Concept Plan



ABERDEEN HARBOUR

Tulloch

Balnagask golf course

St Fitticks Park

Nigg Bay

Water treatment works

Ness Landfill

South compound

East Tulloch Industrial Estate

Tulloch Hill

West Tulloch Industrial Estate

Tulloch Landfill

Port-centric industry zone

Altens Industrial Estate

Utilise undeveloped land at Altens and Tulloch

- Site boundary
- Potential expansion land (circa 130Ha)
- Existing industrial land (270Ha)
- New port-centric industry zone (circa 40Ha)
- Identified STAG routes
- Current transportation links
- Neighbouring site boundaries
- Railway line

FREEPORT AND ENERGY TRANSITION ZONE

New legislation commits Scotland to becoming a net zero carbon society by 2045 (five years before the rest of the UK) in line with the advice from the Government's independent expert advisors, the UK Committee on Climate Change. In effect, there is both an economic and policy imperative for energy transition over the long term for Aberdeen City Region and the port.

There is widespread acknowledgement within the oil and gas industry that transition into a broader 'energy industry' incorporating other forms of energy including renewables is critical. Oil and gas will however remain dominant for at least the next 10-15 years and as such is still accounting for the greatest share of capital investment.³ There is a growing consensus that there needs to be a major policy impetus to encourage greater investment in renewables, green tech, clean tech and other forms of energy and associated technology if net zero carbon targets have any realistic chance of being achieved. In developing the Aberdeen Harbour masterplan two potential policy instruments have been considered:

- **Designating Aberdeen Harbour as a free-port** which would help establish a port-centric cluster in Aberdeen encouraging investment in port-centric manufacturing, offshore technology, and distribution helping to diversify and develop port business whilst retaining high value jobs in the local economy and creating favourable conditions for a port-centric Cluster and Energy Transition Zone
- **A Special Economic Zone or Enterprise Zone to support and accelerate the impact of an Energy Transition Zone in Aberdeen** providing incentives to attract inward investment, and further capital and infrastructure investment and incentivise R&D in renewables and associated technologies, waste to energy, new forms of energy e.g. green hydrogen production, storage, hydrogen vehicles, ammonia production and storage, CCUS and carbon efficient oil and gas production.

An Energy Transition Zone or Park is a concept that has been discussed for years and promoted as a potential transformative project for the Aberdeen economy. In essence, it would be a designated industrial area close to the port and well connected by road and rail. As well as supporting the existing business portfolio of Aberdeen Harbour, it would serve as the focal point for energy transition and would accommodate new investment, specialist facilities and existing companies seeking to diversify from oil and gas. The idea of a Special Economic Zone and/or freeport is a means of accelerating or strengthening the Energy Transition Zone proposition.

It is not yet clear what format any freeport and associated designations will follow as there is currently a national consultation process ongoing. A significant policy intervention of this type would however help to galvanise energy transition aspirations and could underpin a new resilient future for Aberdeen Harbour.

³Energy Transition Evolution or Revolution CMS 2020- research by Capital Economics

COMPONENTS OF THE ENERGY TRANSITION ZONE

It is clear that the new South Harbour will play an enhanced role in providing support to major offshore wind projects and the new capacity will enable the port to marshal components for the pre-installation phase of Scottish territorial and round three projects. Sites close or contiguous to the port offering lay-down space will be particularly valuable to this sector and developable or existing industrial sites close to the South Harbour form a logical focal point for a range of related energy transition uses. Our analysis suggests that an Energy Transition Zone in Aberdeen would accommodate, but not be limited to, the following activities:

- Activities related to offshore and onshore wind energy
- Offshore technology and supply chain
- De-carbonised oil and gas production
- Carbon capture utilisation and storage
- Activities related to development, production and storage of new energy such as green hydrogen and green ammonia (using renewables as feedstock)
- Development of hydrogen vehicles
- Development of fuels for sustainable shipping – exploring the potential for hydrogen and ammonia as marine fuels
- Waste to energy and district heating.

Many transition processes such as CCUS and new sources of energy, such as hydrogen and ammonia require significant investment at scale to become established and viable as components of the energy mix or to become key marine bunker fuels. An Energy Transition Zone and/or supplementary policies such as Special Economic Zones offer the potential to invest in these emerging technologies at scale as part of an integrated approach.

ECONOMICS AND POLICY ARE ALIGNED AROUND ENERGY TRANSITION

Central Government has in recent times expressed a willingness to explore new policy measures around ports in the UK to create more economic certainty as the UK progresses BREXIT. In parallel there is an increasing focus on energy transition from both Government and the oil and gas sector as the implications of the status quo become apparent. Doing nothing would lead to the haemorrhaging of high value jobs in the City Region, a significant reduction in GVA contribution to the Scottish economy and a failure to reach Scottish Government zero carbon aspirations.

ABERDEEN HARBOUR AND THE CITY REGION ECONOMY ARE IN A NATURALLY ADVANTAGEOUS POSITION

The economic opportunity around energy transition is immense and the benefits significant. The redeployment of skills, expertise and technology from the oil and gas sector into renewables would, over time, help retain high value businesses, jobs and skills in the region. Creating a critical mass of activity and technology around energy transition in one location offers the potential to maximise the impact as the cluster attracts investment, skills, and technology and becomes the natural home for associated activities such as centres of excellence and specialist research. This would have the dual effect of reinforcing Aberdeen's profile as Europe's Energy City whilst retaining its high GVA contribution. Aberdeen Harbour has a key role to play in the City Region's energy transition aspirations as a world class asset – specifically the new capacity at South Harbour can play a key role in serving the offshore and onshore wind energy sector and in accommodating large scale project cargoes, wind turbine fabrication and maintenance and as the base for other offshore activities associated with carbon capture and storage.

THE EXISTING CLUSTER ENABLES A STRONG ECONOMIC CASE AND AGGLOMERATION BENEFITS

The Aberdeen City Region already has a high concentration of high value firms in the energy sector, there is a genuine cluster with suppliers, collaborators and specialist facilities achieving agglomeration benefits. Aberdeen's competitor ports do not have this critical mass of high value jobs and skilled labour in their hinterlands. For this reason investment in the Aberdeen cluster whether as part of an Energy Transition Zone, freeport or other policy or programme will be able to demonstrate a stronger economic case with genuine agglomeration effects and wider economic benefits.

DEVELOPING THE PORT-CENTRIC CLUSTER

In addition to the existing oil and gas cluster and infrastructure, the analysis for the Aberdeen and Aberdeenshire economy considered in the preparation of this masterplan⁴ shows strong specialisation and recent growth in manufacturing (including advanced manufacturing and food & drink production and processing), distribution and energy related employment.

Globally there has been a growth in manufacturing and the concepts of port-centric industry, manufacturing and logistics operations are well advanced, particularly in Europe, North America and the Middle East, driven by market demand for added value services in areas co-located to ports, increased supply chain reliability, demonstrable environmental benefits and lower operating costs. There is clearly an opportunity at Aberdeen Harbour to capture future growth by creating a competitive well connected location close to the port in order to:

- Support the retention and expansion of the existing oil and gas cluster, supply chain and decommissioning activities
- Enable the clustering of manufacturing in well-connected industrial sites adjacent to deep water quays
- Provide for the growth sectors of distribution and construction both forecast to grow to 2050⁵
- Anchor high value manufacturing in the region and buck the modest decline in the current economic forecasts.

As with the Energy Transition Zone the Port Centric Cluster would benefit from policy designations such as a special economic zone and/or free port. Our spatial analysis shows that the area to the immediate to the south and west of South Harbour is a highly competitive location for a cluster of port-centric uses and an Energy Transition Zone.

⁴Economic forecasts and location quotient analysis available in Appendix 1

⁵Economic forecasts and location quotient analysis available in Appendix 1

WATERFRONT INNOVATION AND MIXED-USE DISTRICT

The masterplan currently has North Harbour remaining as an active trading port over the long-term. There are however clearly opportunities for changes of use on the Northern Quays and in areas that interface with the city centre.

In these locations there is an exciting opportunity to create a new distinctive waterfront location in the city centre that will accommodate a range of uses including commercial, retail, high quality amenities including food & drink, hotels and culture. The economic forecasts to 2040 include strong growth in business and professional services, scientific and technical professional employment, hospitality and food & drink. The North Harbour would be a natural location for some of these new uses, including residential and university uses including student accommodation.

FURTHER GROWTH SECTORS ENABLED BY EXPANSION AT SOUTH HARBOUR

A TRANSFORMED CRUISE OFFER AT SOUTH HARBOUR

Following the development of the new South Harbour there is clearly an opportunity to develop and transform the cruise market for Aberdeen Harbour. Over the past 5 years there has been considerable increase in cruise activity through the existing facilities at North Harbour with over 3,387 cruise passengers passing through the port. The current cruise activity is at the smaller vessels segment of the market (with vessels carrying between 100-200 passengers). The new capacity at South Harbour enables much larger vessels to visit Aberdeen, some of which can carry up to 3,500 passengers. Furthermore, the new expanded Aberdeen Harbour can offer a total turnaround system for cruise ships providing:

- Deep water quays of sufficient length to bring vessels alongside
- Fuelling
- Waste water recycling
- Stevedore services
- Embarkation and debarkation procedures
- Baggage handling and portage
- Security services
- Hospitality staffing and assistance
- Ground transportation
- Pre-cruise, post-cruise programs

Globally the sector outlook is strong, no longer the domain of baby-boomers, the cruise market and 'sustainable tourism' now also attracts a younger demographic, including millennials which has dramatically expanded the range of products and services on offer. The last few years has seen dramatic capacity growth. New ships on order and delivered in 2019 represented an additional 42,488 berths into the industry (7.5% growth) surpassing 2018's record introduction of approximately 34,000. 2020 is expected to show further strong growth. Aberdeen and Shire is a relatively untapped cruise tourism area, with no over-capacity issues and a wealth of historic building, castles, golf courses and distilleries to visit, which are particularly attractive to American and European cruise passengers.

The cruise sector will inevitably face a drop in demand as a result of the COVID-19 pandemic and the extent of this decline will need to be examined. It is however, the expectation of the industry that over the long-term demand will return and the cruise sector will continue to expand

The combination of new port capacity (providing a long deep-water berth in a well connected location), strong sector trends, and the work of CruiseAberdeenshire to strengthen the City Region offer ready for increased cruise activity, will be critical in capturing a significantly increased share of the market.

INCREASED CAPACITY FOR DECOMMISSIONING

Decommissioning is another sector where new improved capacity and additional lay down space planned at South Harbour will enable Aberdeen Harbour to capture a bigger share of the potential market and accommodate larger decommissioning projects. In addition to the PSV services to support the physical decommissioning there will be an opportunity to undertake the deconstruction and recycling of modules due to increased capacity.

The cumulative forecast decommissioning expenditure until 2028 on the UKCS is £15.3 billion⁶. This is down on previous years partly driven by increased efficiency but also due to regulators and government, supporting the policy of Maximising Economic Recovery (MER). Despite this, the consensus amongst industry commentators, and Oil and Gas UK⁷ is that decommissioning will remain a core opportunity with a strong workload over the next 20 years, and a promising opportunity for Aberdeen and the supply chain in the City Region.

⁶Decommissioning Insight Oil and gas UK 2018

⁷Decommissioning Insight Oil and gas UK 2018

Aberdeen also has strong expertise and track record in decommissioning. Aberdeen University offers the world's first and only Masters degree in decommissioning oil rigs, platforms and offshore structures (MSc Decommissioning) and the National Decommissioning Centre (NDC), opened in January 2019 in Newburgh in Aberdeenshire, is a global technology R&D hub and partnership between the University of Aberdeen and Oil and Gas Technology Centre. The combination of enhanced facilities at South Harbour, a strong cluster and supply chain alongside world class research and R&D facilities, positions Aberdeen as a highly competitive location for decommissioning activities.

SUMMARY OF THE ECONOMIC OPPORTUNITY

- Aberdeen is a highly successful international trading port which is critical to the National and Regional economy. The recent expansion at South Harbour provides considerable opportunities across a range of sectors specifically offshore wind, decommissioning, large cruise vessels, large project cargoes and trans-shipment potential.
- The port is central to both the existing oil and gas cluster and to Aberdeen becoming a renewables hub and underpins Aberdeen's aspiration to become an Energy City based on Energy Transition, and to developing a high value port-centric manufacturing and distribution cluster.
- The Aberdeen economy is a major driver of Regional and National GVA – due, in part, to the high value oil and gas cluster and supply chain. These are extremely high GVA jobs.
- Aberdeen has a higher concentration and bigger critical mass of high value engineering, professional, scientific and energy related jobs than any other competitor energy port hinterland in Scotland. Given the inevitable move away from oil and gas (in the long-term) Aberdeen risks losing some of its high skilled employment base unless there is a strong policy response such as designating an Energy Transition Zone.
- **Creating an Energy Transition Zone at Aberdeen is a win/win/win.** It will support the city in harnessing the high value skills and offshore expertise and apply this to new forms of energy, renewables, energy storage, and CCUS. It will drive up volumes through the port as Aberdeen becomes established as Scotland's Transition Port and will help create a competitive port-centric manufacturing and distribution cluster.
- An Energy Transition Zone could be strengthened by a freeport and/or designating a Special Economic Zone to incentivise investment in clean Energy Transition sectors. Post BREXIT there is an opportunity to offer significant incentives to potential investors in renewables and energy transition – on a different level than the relatively ineffectual pre BREXIT Economic Zones. There is also an opportunity to drive up investment in R&D and retain/capture world class talent.
- Finally, if Aberdeen is able to assemble a competitive quantum of developable land adjacent to South Harbour (including sites contiguous to deep water quays) Aberdeen Harbour presents a better value proposition than other areas in Scotland to locate an Energy Transition Zone. The density and scale of the existing cluster offers significant agglomeration benefits not present elsewhere. This, combined with the new investment and capacity at South Harbour and the existing institutional and skills base, presents a compelling proposition of high economic impact and low displacement.

03

MASTERPLAN PROPOSITION

In this section we develop the concepts that form the Aberdeen Harbour proposition. We have drawn together a summary of the baseline analysis and identified the consolidated constraints and opportunities that will shape the spatial proposition.

We have also analysed European precedents in order to understand how to maximise the opportunity. As this is an ambitious and long term vision, we have designed a potential delivery timeline for interventions at both North and South harbour. Design principles and strategies are then formulated to provide the structure for a masterplan proposition.

Masterplan proposals are then illustrated to articulate how the propositions at North and South Harbour combine to form the economic, social and cultural heart of Aberdeen. Releasing the harbour's potential to provide a centre for innovation, allowing the city to be at the forefront of energy transition. Alongside providing a revitalised commercial, leisure and waterfront living destination.

This section is structured around the following sequence:

PLANNING AND TECHNICAL OVERVIEW

CONSOLIDATED CONSTRAINTS

CONSOLIDATED OPPORTUNITIES

PRECEDENT STUDIES

ABERDEEN HARBOUR TIMELINE

DESIGN STRATEGIES

MASTERPLAN AND CHARACTER AREAS

ECONOMIC BENEFITS

2050 VISION



Public space

Redesigned Entry Terminal

Markets and Spaus
Removal Spaus / bl

bl
bl

PLANNING OVERVIEW

National, regional and local policy must align to identify, allocate and safeguard the necessary land and access to deliver this nationally significant economic development and to contribute to Scotland's aspirations for a net zero carbon future. This section provides a summary of the current and emerging policy position. It outlines the critical policy changes required at a national, regional and local level, to maximise the potential economic opportunity at South Harbour and to secure the future development and regeneration of North Harbour.

Current planning policy recognises the regional and national economic significance and importance of the development of South Harbour. It gained specific support through allocation as a national development in National Planning Framework 3 (NPF3). It benefits from policy support in the extant and emerging Strategic Development Plans and allocations and policy support in Aberdeen Local Development Plan 2017 (ALDP 2017), and was secured via the approved planning application. A review of the relevant planning policy and regulations which informed the preparation of this masterplan is contained within Appendix 1 'Planning Context'.

The land and access required to secure the economic growth of the South Harbour, is not allocated or safeguarded within the current planning policy framework. The general requirement to build upon the investment and opportunity has, however, been a key thread through all extant and emerging planning policy documents. The Nigg Bay Development Framework (NBDF), adopted as ALDP 2017 Supplementary Guidance, identified it as an economic opportunity which needed to be maximised and required this masterplan to be produced to confirm the specific land and access requirements. Maximising the economic potential was also recognised in the Strategic Development Plan 2018, soon to be adopted, and in the emerging Local Development Plan. These policy documents prepared by Aberdeen City Council confirm that the ambitions of the NBDF will be realised by this masterplan.

The NBDF recognised that there have been significant changes in respect of markets, economic opportunity, global climate emergency and a new Scottish Planning System, in addition to recommendations by the Infrastructure Commission for investment and growth to be inclusive and contribute towards achieving net zero carbon targets. The masterplan has therefore built upon the NBDF. It is founded on updated and robust economic analysis to

confirm the need for economic diversification, accommodating energy transition and providing a spatial framework in order to secure the ambition to maximise the economic opportunity at South Harbour. All emerging planning policy documents including the Local Development Plan 2022, Regional Spatial Strategy and NPF4 must recognise the opportunity and allocate and safeguard the necessary land, access and infrastructure so that it may be delivered.

Realising the ambition at South Harbour offers the potential for significant consequential development across both harbours. The redevelopment and regeneration of North Harbour would address long term planning and placemaking aims of Aberdeen City Council and local community, as identified in the Aberdeen Harbour Development Framework. It would promote good placemaking for residents and visitors, with benefits for health, climate change and the circular economy. It would create a distinct new waterfront destination in the most sustainable location to diversify and support the health of the local economy and the wider Aberdeenshire and national economy.

PROPERTY MARKET OVERVIEW

There is no one sector that could act as an immediate catalyst to improve North Harbour, however this provides an opportunity to consider all the factors which are likely to confirm appropriate alternative uses as the economy recovers and evolves. To secure strong and viable market conditions for development at North Harbour there is a strong role for good design and placemaking to transform market perceptions, alongside long term commitment and stewardship from Aberdeen Harbour Board and Aberdeen City Council.

There is an opportunity to create a new market at North Harbour, pushing the boundaries of waterside living, to deliver a new and vibrant place within the heart of the city.

In looking to address the market issues both harbours present significant opportunities. The location of the North Harbour and its proximity to existing city centre transport hubs and infrastructure are key attributes. Whereas the South Harbour offers the potential to offer modern industrial accommodation satisfying changing occupier requirements.

As a single landowner capable of preparing and delivering a masterplan for substantial areas of city centre real estate, there is an opportunity to promote a sustainable and well located alternative and central location for office development.

The proposed transformation of North Harbour envisaged in the masterplan has sought to consider the likely demand and compatibility of existing and projected uses. North Harbour is well positioned to appeal to new industry occupiers that require a city centre presence. To help secure this, the transition of North Harbour can be phased to accommodate business needs, adding flexibility to respond to market demand and activity of different sectors, producing an integrated, mixed use location.

A full assessment of the current property and investment markets and the potential, indeed requirement, to create new markets is provided within Appendix 1.



TRANSPORT OVERVIEW

THE CONTEXT

The transport infrastructure is a key element in delivering transformational change for Aberdeen Harbour. We have therefore provided a strategic review of the existing transport context, including how the thinking behind this masterplan aligns with the current STAG options and also started to explore some radical ideas to support the level of ambition within the masterplan. We have also started to explore how a multi-modal transport strategy could support the sustainable aspirations across Aberdeen Harbour.

The design ideas are aligned with policy and would address existing transport constraints (It is recognised that there is a need for further detailed appraisal and assessment to support this masterplan). Studies that are underway by others (primarily the STAG Appraisal) which will lead to enhanced connections to the Aberdeen South Harbour, our high level strategy seeks to build on them.

The road options being considered in the STAG Appraisal will bring relief to the Coast Road and enhance connections from Altens and East Tullos to the South Harbour, improving accessibility in the area. Further detail on the STAG options and wider transport context is provided in Appendix 1.

Within the 30 year horizon of the vision, the masterplan indicates potential development around South Harbour at St Fittick's Park and Balnagask Golf Course. Road improvement Option A2 or A3 would complement the Masterplan particularly well by enhancing the accessibility of St Fittick's Park and creating direct connections to East Tullos and Craiginches Freight Rail Yard on Greenwell Road.

Aberdeen City Council also aim to improve external connections to the South Harbour by public transport. STAG Appraisal options include:

Option B1 – This option includes extending or enhancing existing bus services between Aberdeen City Centre and Aberdeen South Harbour.

Option B2 – This option includes providing a dedicated bus service between Aberdeen City Centre and Aberdeen South Harbour for cruise passengers.

THE OPPORTUNITY

The Aberdeen Harbour Masterplan would boost the prospect of enhancing bus services by creating development immediately around the South Harbour which will generate travel demand and increased potential for bus patronage, which is essential to sustain commercial bus services. The additional road links proposed by the masterplan also offer an opportunity to enhance bus services, including reduced journey times.

Aberdeen City Council also seek to improve Active Travel links to Aberdeen South Harbour. Option C1 includes enhancing links between Aberdeen South Harbour and the City Centre. Aberdeen Harbour Masterplan complements this aspiration. New road links connecting to the South Harbour will bring relief to existing roads such as Victoria Road, making them more attractive for Active Travel within residential areas.

This masterplan also includes ideas around changes to Market Street adjacent to North Harbour. Market Street currently experiences traffic congestion at peak times and is an Air Quality Management zone. The level of traffic on the road is a barrier to Active Travel and creates a severance effect between the existing harbour, Union Square and Aberdeen City Centre. Restricting the use of the street to buses, taxis and bicycles only would dramatically reduce the number of vehicles using the street, allowing public realm design which would integrate the harbour with neighbouring zones. This would encourage sustainable travel, contributing significantly to the City's net zero carbon target and support Powering Aberdeen, Aberdeen's Sustainable Energy Action Plan (SEAP). The reduction in vehicular traffic would also help to improve the environment, creating a greater sense of place and a destination for people to travel to and spend time in.

The proposal would challenge the reason why vehicles pass through Market Street. Traffic would generally need to reroute to the A93 South College Street, Wapping Street and Guild. There are recognised constraints on this corridor including railway bridges and traffic routing which would need to be considered, and traffic levels are also a consideration. The proposal would reduce the capacity that is available for vehicles, potentially forcing a positive change in travel habits.

There are destinations on Market Street that generate car movements, notably Union Square and Aberdeen Harbour. Restricting the type of vehicles that can use Market Street would require a strategy to allow cars to continue to reach these points.

Roads including Raik Road, Stell Road and Palmerston Road could be used to reach Union Square from North Esplanade West as an alternative to Market Street. Aberdeen Harbour could still be accessed via North Esplanade West and Victoria Bridge, leading to North Esplanade East.

This Masterplan presents an ambitious idea for Market Street which would give the street over to Public Transport and Active Travel routes in preference to car travel. It is in line with aspirations in Aberdeen City Council's Local Transport Strategy to reduce vehicle movements in and around the City Centre, which in turn will benefit the environment. It could be considered as a radical proposal, which is something the Local Transport Strategy calls for.

THE RESULTS

- Potential to reduce car travel in and around the city centre by reducing capacity for car travel and encouraging multi-modal travel alternatives
- Creating priority for buses, reducing journey times and making the services more attractive
- Improved environment, including Air Quality and amenity
- Reduced severance between the harbour, Union Square and Aberdeen City Centre
- Enhance appeal and safety for Active Travel uses
- Enhanced links between the existing harbour and the South Harbour through reduced traffic flow
- The potential to reduce rat-running traffic on Coast Road and Victoria Road.



ENVIRONMENTAL OVERVIEW

THE CONTEXT

There is a recognised need to address climate change following the Scottish Government's confirmation of a global climate emergency. The Scottish Government have recently revised the Scottish Business Pledge, and require encouragement to Scottish businesses to consider their impact on the environment.

In reviewing the Aberdeen Harbour baseline, the following key targets and policies need to be addressed by the Masterplan:

- 37.3% of Scotland's Green House Gases are due to Transport, which includes Shipping and Aviation, 16.3% of this was specifically due to shipping in 2016
- The Aberdeen Low Emission Zone is due to be published and adopted in 2020 and is proposed on adjoining land – it will limit road vehicles to the harbour and surrounding area
- The Scottish Government has introduced a ban on petrol and diesel vehicles by 2032
- The Scottish Government has also set out the target to meet Net zero greenhouse gas emissions by 2045
- The International Maritime Organisation has a target to reduce carbon emissions by 50% by 2050.

The overriding environmental objective of the masterplan is to secure the transition towards net zero carbon energy through the nationally important allocation of the Energy Transition Zone. From a placemaking perspective the long-term ambition at North Harbour is to consider how to facilitate better connectivity and integration with the City Centre.

THE OPPORTUNITY

There are a number of exciting innovations which could be explored in a move towards a cleaner, greener harbour.

Shore-power and alternative fuel infrastructure could attract low emissions hybrid and electric vessels as marine fleet transition to zero-carbon and enable vessels to switch off diesel auxiliary engines whilst berthed. This could deliver a competitive advantage over other ports as demands for services change, including the cruise market. Leading innovations and investment in carbon efficient oil and gas production could also support the transformation. Shore-power needs appropriate connection to the grid, but is subject to attracting necessary infrastructure funding.

Local energy generation needs to be explored in more detail following the release of our masterplan vision. Renewable technology such as solar, battery storage, hydrogen, wind, heat pumps alongside the potential for district heating networks will be explored to guarantee a sustainable future for Aberdeen Harbour.

THE RESULTS

Improved place-making will create value whilst attracting and retaining existing and new business and residents to Aberdeen Harbour.

A move to net zero-carbon will demonstrate Aberdeen Harbour's commitment to supporting the Aberdeen City Council and Scottish Government in addressing the climate emergency.





CONSOLIDATED CONSTRAINTS



The adjacent plan draws together the analysis from the detailed-context section (see Appendix 1). It is a composite plan which illustrates the various spatial constraints and land use across both North and South Harbour. The constraints include topography, heritage assets and existing transport infrastructure.

The characteristics of this existing context will need to be understood and sensitively addressed within any development proposition across Aberdeen Harbour. Further detailed constraints analysis would accompany future applications for specific sites.

The various sites which surround Nigg Bay are identified to the right. Their size, current use and the key characteristics are listed. This analysis has informed our approach to the masterplan proposition for North and South Harbour.

SURROUNDING SITES

BALNAGASK GOLF COURSE:

- 46 hectares
- Municipal golf course

ST FITTICKS PARK

- 25 hectares
- Community park

TULLOS HILL

- 58 hectares
- Key open space recreation site
- Significant archaeological assets
- Significant wildlife and biodiversity
- 30 hectares of woodland planting in 2012
- 15 hectare landfill, for 40 years until 2001
- No formal capping

SOUTH COMPOUND

- 12 hectares
- Temporary compound for the duration of the construction of Nigg Bay harbour

NESS LANDFILL

- 50 hectares
- Taken waste for 30 years until 2001
- SITA has a management contract from 2000-2025
- Capped and ring-fenced in 2013
- Unsuitable for tree planting

WALKER PARK

- 3 hectares
- Serves as the North Compound
- Formerly a recreational park
- Houses the visitors' centre

DOONIES FARM

- 11 hectares
- Farm used for breeding rare and endangered breeds of British Livestock

CONSOLIDATED OPPORTUNITIES



Following the constraints analysis we have undertaken an assessment of the potential spatial opportunities that have emerged through the economic, planning, market and context analysis.

The composite plan illustrates the potential for some of the following big moves:

- Potential strategic development land for both initial release and safeguarding around South Harbour
- New/improved transportation links
- Potential future uses at North Harbour
- Potential to facilitate new connections - City Centre to Aberdeen Beach
- Existing port industry which can be re-purposed and redeveloped.

The consolidation of these opportunities creates the blueprint for the spatial masterplan. In the next section of the Masterplan Document we explore this in more detail.

PRECEDENT STUDIES

To maximise the transformational potential of this opportunity we have researched some European precedents. Our case studies look at relevant precedents for both South and North Harbour.

These precedents have helped to inform and shape our thinking around key issues such as legacy, identity, accessibility, connectivity, energy transition and clean energy technology, helping us to re-imagine the future for a 21st century Energy City.



Stockholm

Tain

Dundee

Belfast

Hamburg

Eemshaven

Lowestoft

Rotterdam



SOUTH HARBOUR

PORT OF LOWESTOFT, SUFFOLK

RELEVANCE

- Investment in base for high value employment to support offshore windfarm
- The 'East of England Plan', published by the Government Office for the East of England, has set an ambitious target of 44% of the region's electricity to be produced from renewable sources by 2020
- Once East Anglia ONE offshore windfarm is completed, there will be c100 full-time jobs at the Port of Lowestoft, with thousands of supply chain operators and contractors using the site each year. This project will also allow ABP to continue to support the prosperity of the local community, affirming the Port of Lowestoft's place as East of England's Renewable Energy Hub.

NIGG ENERGY PARK, TAIN, SCOTLAND

RELEVANCE

- The Port of Nigg combines some of the largest construction and assembly shops in Europe
- Acts as a satellite dock for offshore construction projects as well as a maintenance station post-development
- Facility benefits from a dry dock and over 900 metres of deep-water quayside, providing clients with the ideal location to carry out major Capex projects, IRM works on mobile drilling rigs, mob/demob of sub-sea construction vessels
- Fast becoming the main hub to support the renewables industry, with storage, laydown and yard logistics support



NUON MAGNUM POWER PLANT, EEMSHAVEN, NETHERLANDS

RELEVANCE

- Magnum plant is located in the Eemshaven, in the province of Groningen. The Eemshaven is a very suitable location, with its modern seaport, availability of space and infrastructure, for renewables technology investment. There is sufficient cooling water capacity and a good connection to the existing high-voltage grid
- The Nuon Magnum plant was originally conceived as an integrated gasification combined-cycle (IGCC) plant. The plant design was based on the multi-fuel concept for generating power using a wide range of organic materials including coal, petroleum and biomass
- The plant currently operates on 100% natural gas and uses sea water for cooling
- The power plant has a production capacity of 1,311 MW, enough to provide electricity to two million households a day
- Further innovative exploration is currently underway, with an aspiration to run one of the units on hydrogen by 2023.



BELFAST HARBOUR, BELFAST, NORTHERN IRELAND

RELEVANCE

- The Harbour accommodated the D1 Offshore Wind Terminal which was the single largest investment in Belfast Harbour's history, the facility was the UK's first dedicated port facility for the offshore wind sector
- The offshore wind terminal at Belfast Harbour, handled a record 305,000 tonnes of wind farm components in 2017.

NORTH HARBOUR



STOCKHOLM ROYAL SEAPORT, STOCKHOLM, SWEDEN

RELEVANCE

- Transforming the industrial character of Stockholm, whilst maintaining an operational harbour - bulk/container/ferry
- Aspiration to become a model of sustainable urban development and Smart Port City
- Incorporation of emerging renewable energy with a large biofuelled CHP plant - 750GWh electricity per year
- Based on simple strategies:
- Vibrant city
- Accessibility and proximity
- Resource efficiency
- Climate responsibility
- Drive for economic sustainability
- Open the shoreline and connect to the City Centre.

DUNDEE WATERFRONT, DUNDEE, SCOTLAND

RELEVANCE

- Local precedent with a harbour that is within close proximity to the City of Dundee and train station
- Opportunity for stronger pedestrian connections to the city
- Retained industrial function alongside public realm redevelopment
- 30 year forward thinking project spread across 5 zones
- Landmark buildings such as new V & A museum.



HAFENCITY, HAMBURG, GERMANY

RELEVANCE

- Central urban location with an expansion of Hamburg City Centre on former harbour land. Creates a connection between the city, the operational harbour and the waterfront
- Still an operational port - consolidation of harbour uses and re-purposing of underused harbour land to adapt to the changing modern economy
- Aspiration to re-imagine Hamburg as a 21st Century maritime city
- Desire to create public access to the waterfront
- Simple principles to create a mix of uses, high quality waterside public realm, a sustainable new community and leisure and cultural destinations
- Clean energy powering the new communities - geothermal and solar thermal plants.



KOP VAN ZUID ROTTERDAM, NETHERLANDS

RELEVANCE

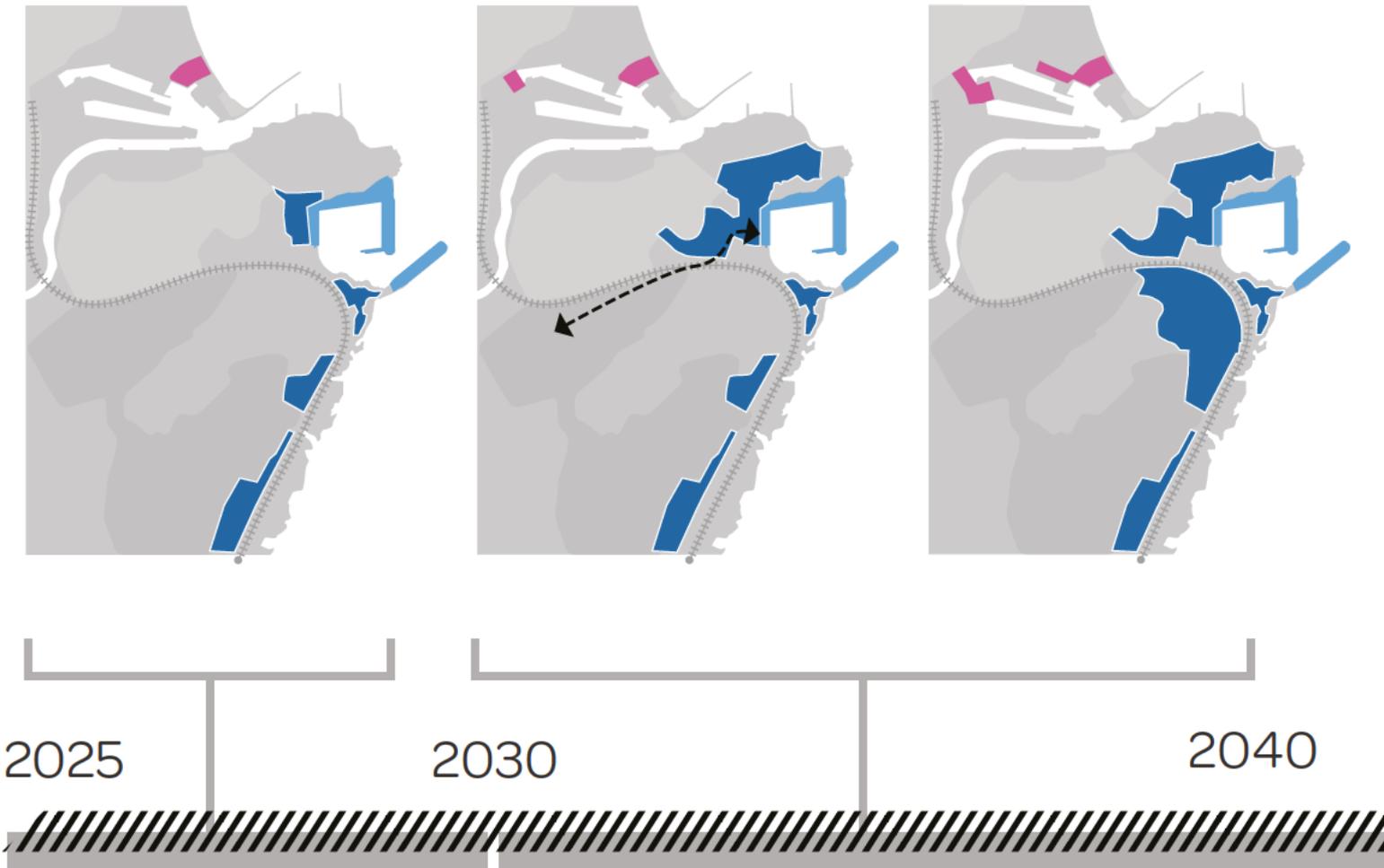
- Rotterdam, a world port city which in the last four decades has been faced with a changing economic context
- An active port seeking to consolidate it's operation
- The port still contributes c10% to the economy of the Netherlands
- Adapting to changing context - climate, energy, society
- Aspiration to become a CO2 neutral port and leader in energy transition
- High quality mixed use development with a vibrant waterfront - 5300 Homes and 400,000sm of office space
- Helped to change the industrial image of Rotterdam to existing population and outsiders - 'Manhattan on the Mass'
- Landmark buildings designed by leading architects
- Improved accessibility to the waterside and high quality public realm
- Exploration into energy transition - floating solar panels and offshore wind
- District heating system - captures residual heat from the port operations to heat the new developments.

ABERDEEN HARBOUR TIMELINE

Our vision for Aberdeen Harbour spans the next 3 decades and beyond and aligns with the national and UK net zero targets. In order to articulate the ambition to 2050 we have created an illustrative timeline. The timeline envisions three key stages of growth:

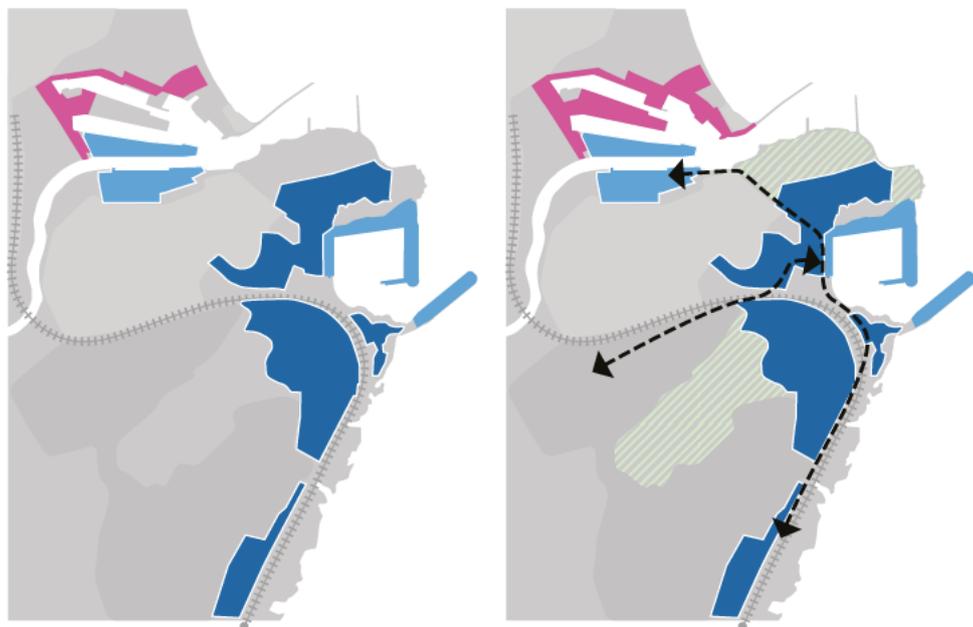
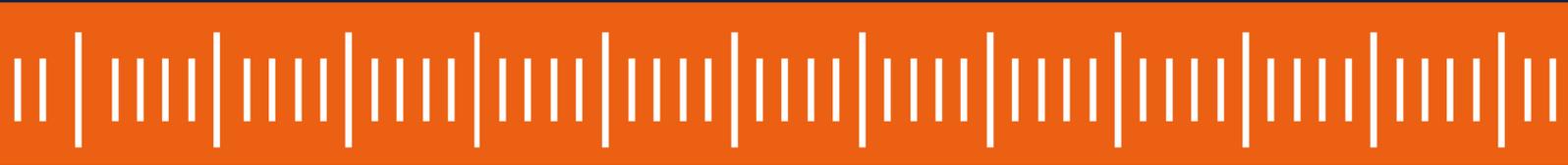
- Early Interventions
- Transition
- Transformation and Legacy

The three stages articulate the constituent parts of the strategy which combine to deliver transformational change.



PHASE ONE: EARLY INTERVENTIONS

PHASE TWO: TRANSITION



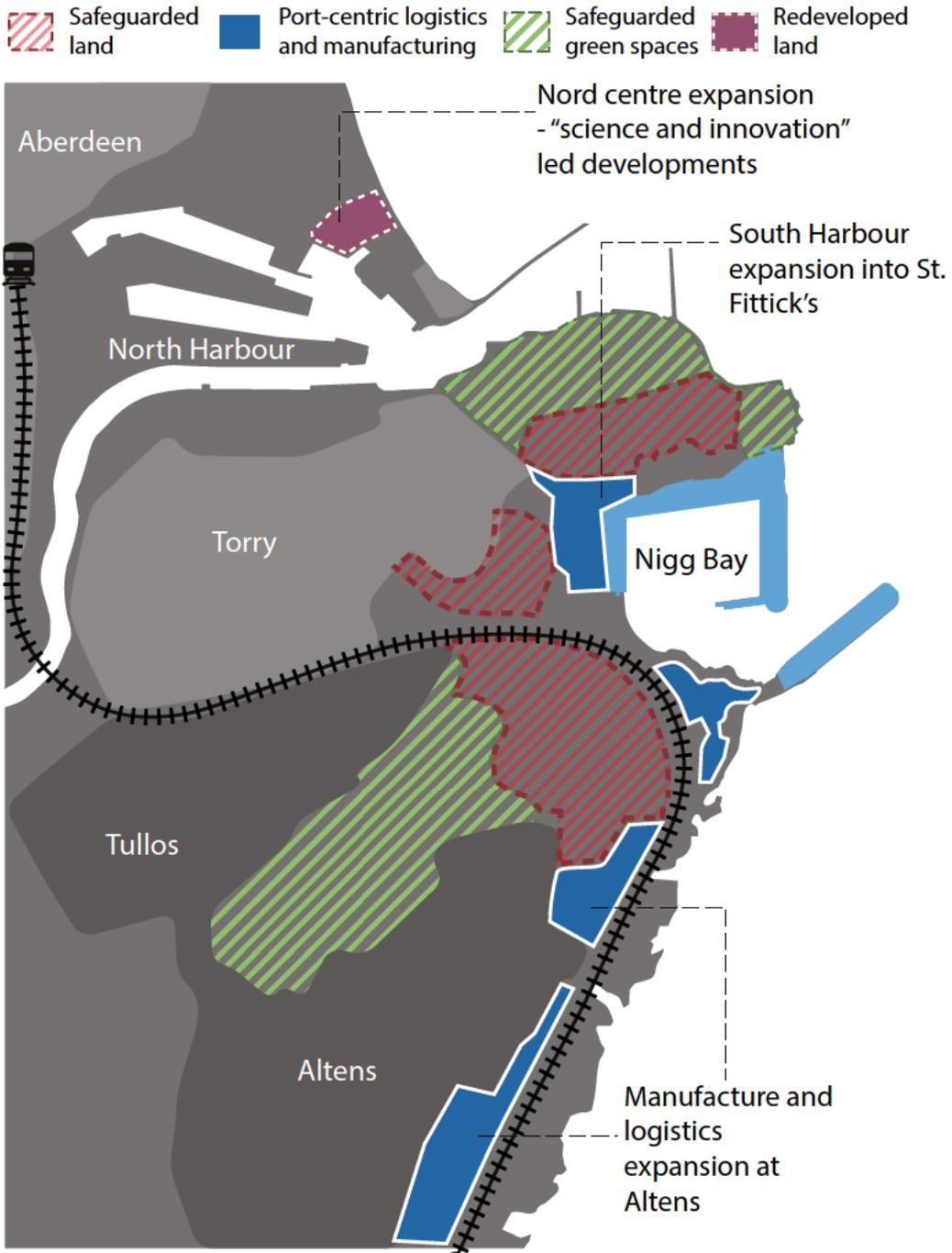
2040 2050



PHASE THREE: TRANSFORMATION AND LEGACY

PHASE ONE

2025-2030



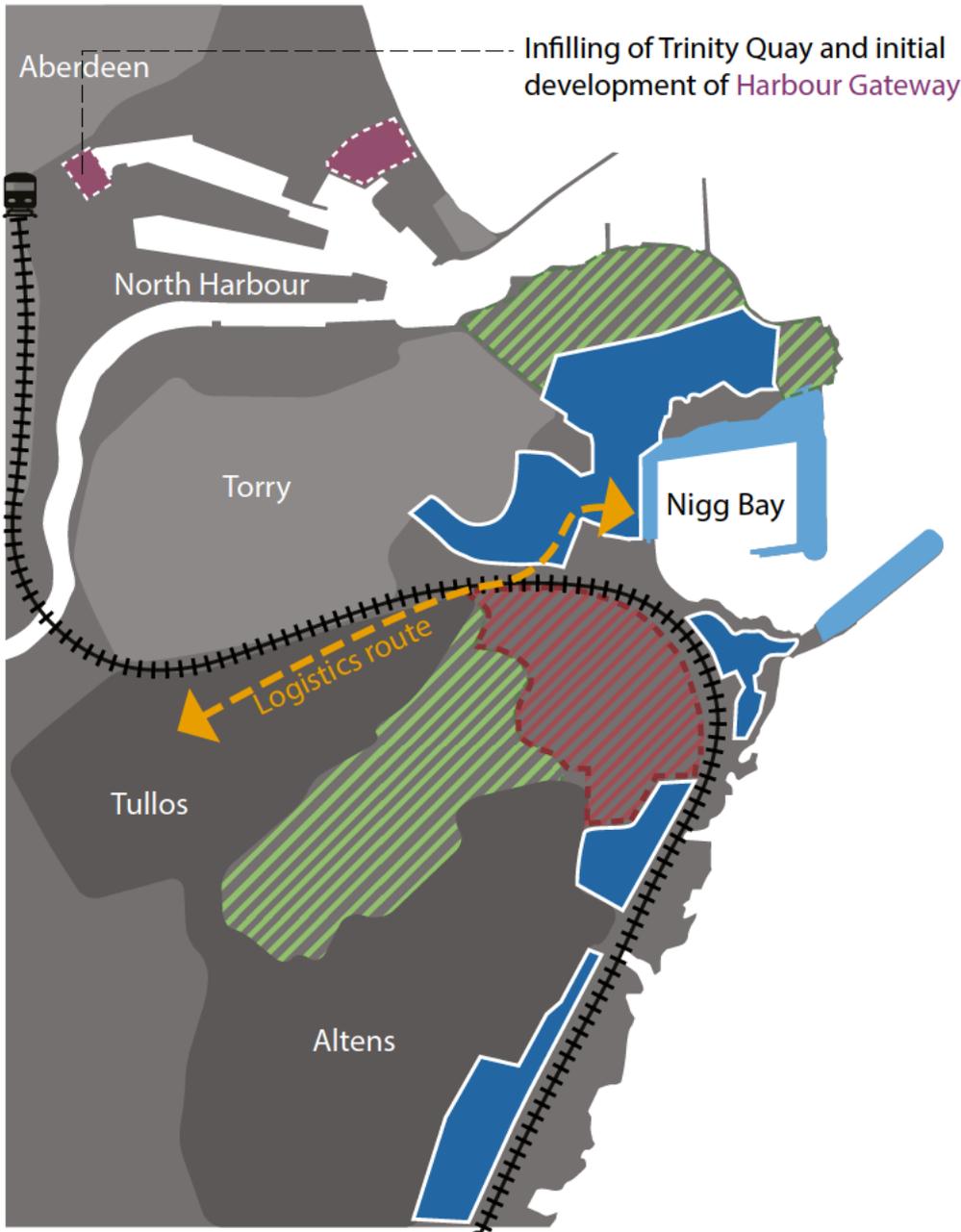
By 2025 the South Harbour at Nigg Bay will be completed and fully operational.

Phase one initiates with the allocation of land around South Harbour; land which is identified as initial release, safeguarded development and safeguarded green infrastructure.

EARLY INTERVENTIONS

2030-2035

 Safeguarded land  Port-centric logistics and manufacturing  Safeguarded green spaces  Redeveloped land



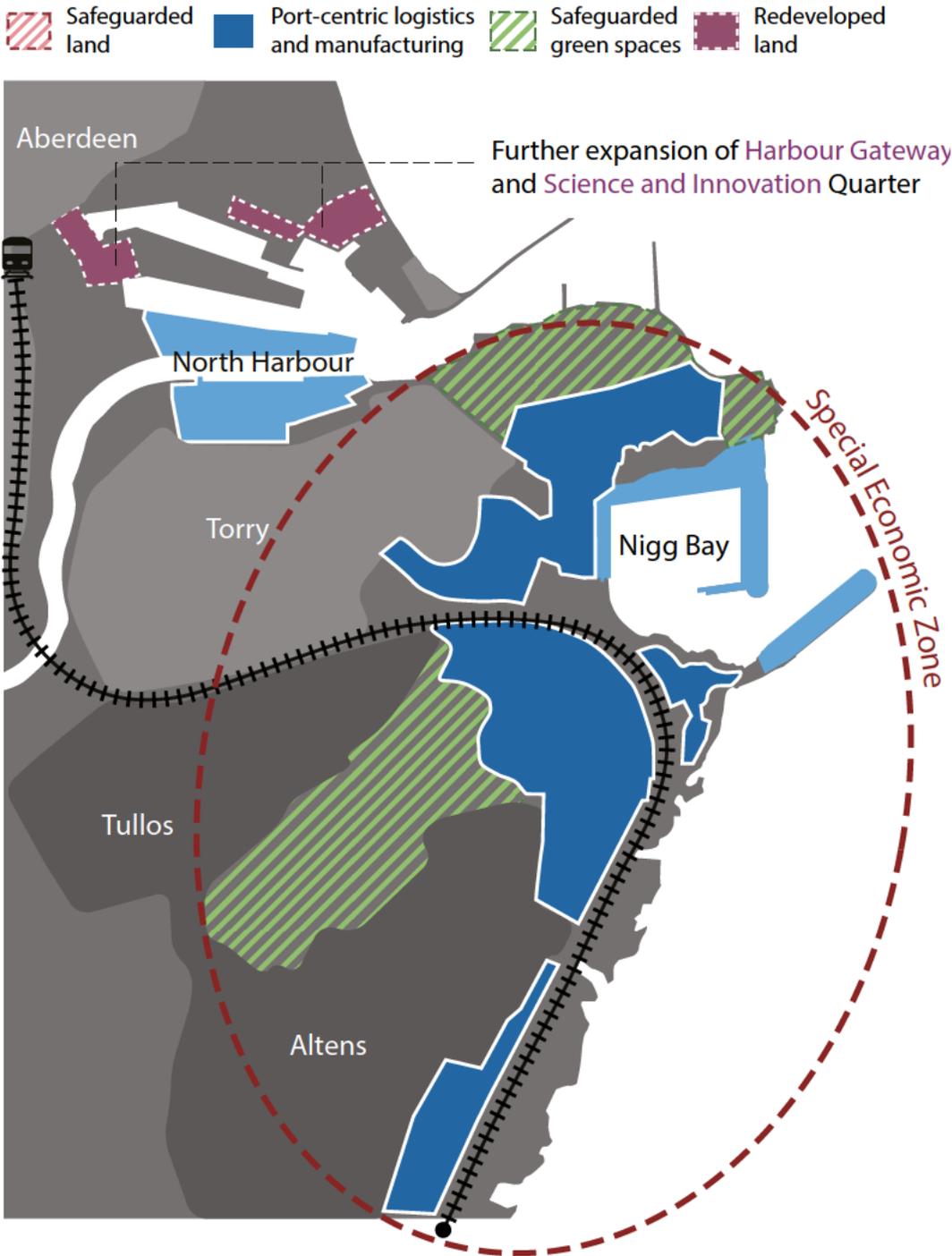
Port-centric development around South Harbour begins.

The areas suitable for development within this zone will have been confirmed through planning policy documents and planning applications, accompanied by Environmental Impact Assessment (where necessary).

In the North Harbour development begins at the Nord Centre, with science and innovation led projects working with higher education and research facilities. Alongside a new gateway intervention at Regent Quay/Market St junction.

PHASE TWO

2035-2040



Phase two of the project in the North Harbour introduces the creation of the "Harbour Gateway" where the harbour meets Union Square/Aberdeen station.

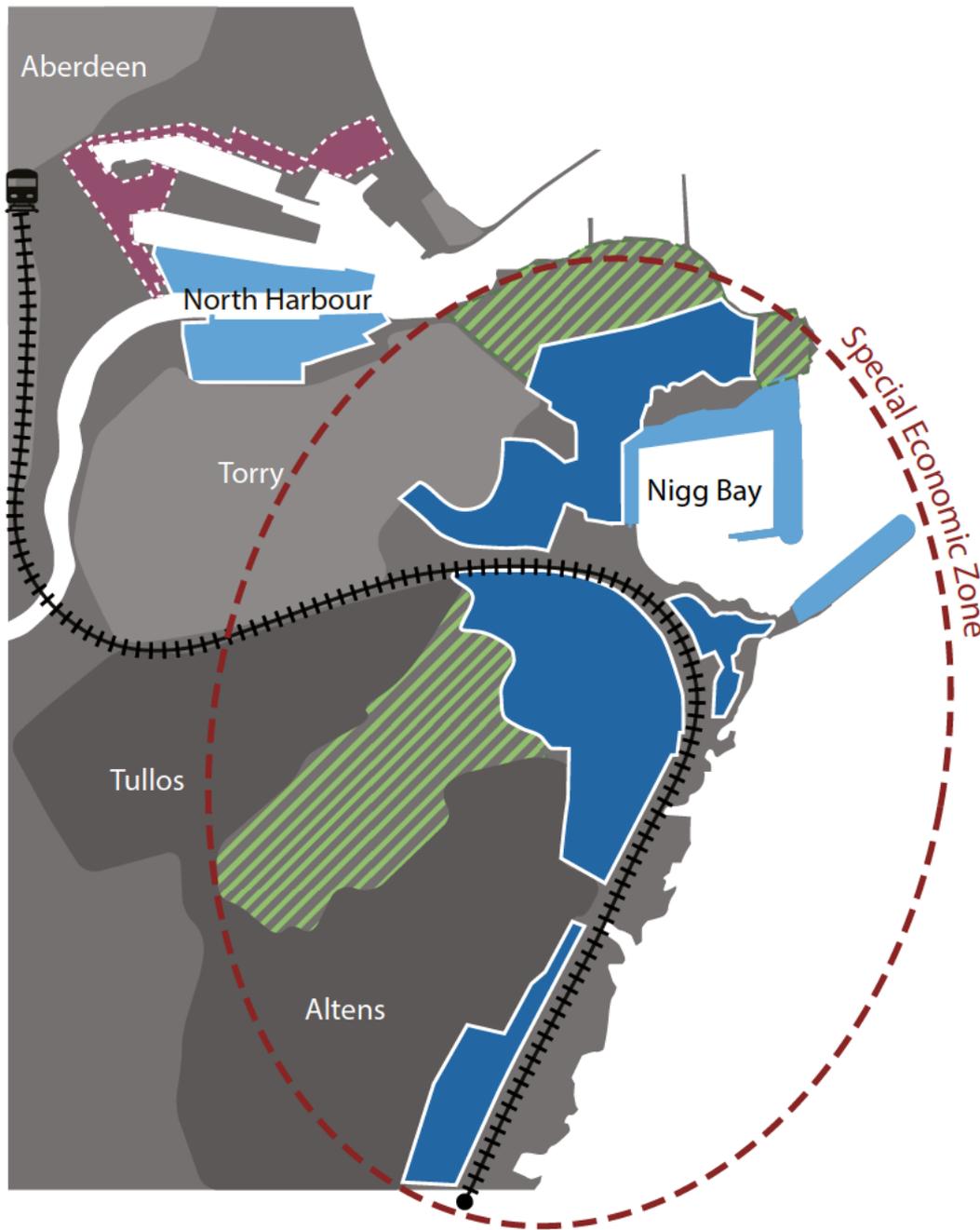
The final initial release opportunities around South Harbour are developed; and a port-centric manufacture and logistics hub is established along the western edge at Altens industrial estate.

The areas suitable for development within this zone will have been confirmed through planning policy documents and planning applications, accompanied by Environmental Impact Assessment (where necessary).

TRANSITIONS

2040-2045

■ Port-centric logistics and manufacturing ■ Safeguarded green spaces ■ Redeveloped land



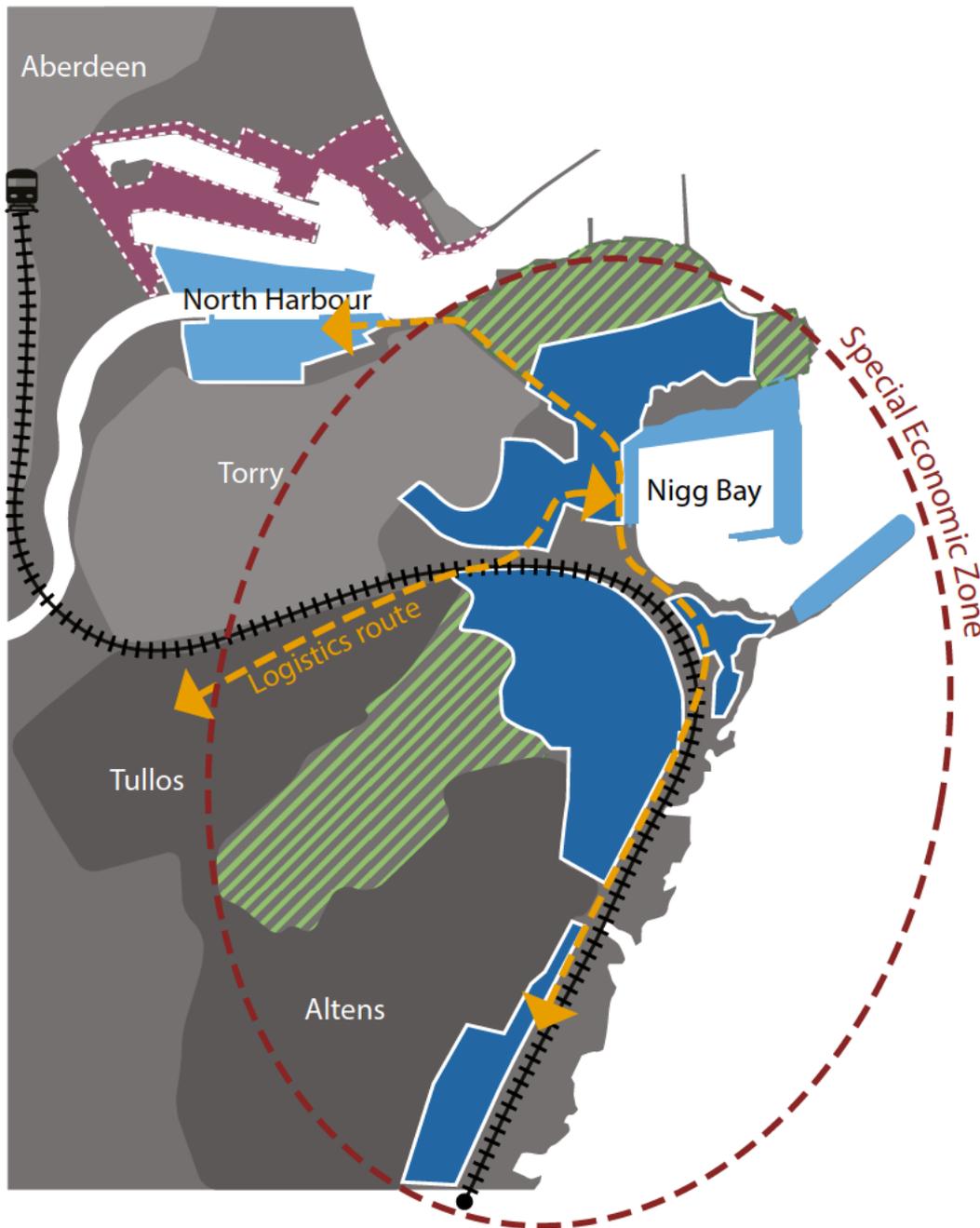
Northern expansion of the mixed use waterfront destination continues from the new cornerstone developments at 'Harbour Gateway' and 'Science and Innovation Quarter'.

A new consolidated clean tech trading port is established to the southern edge of North Harbour.

PHASE THREE

2045-2050

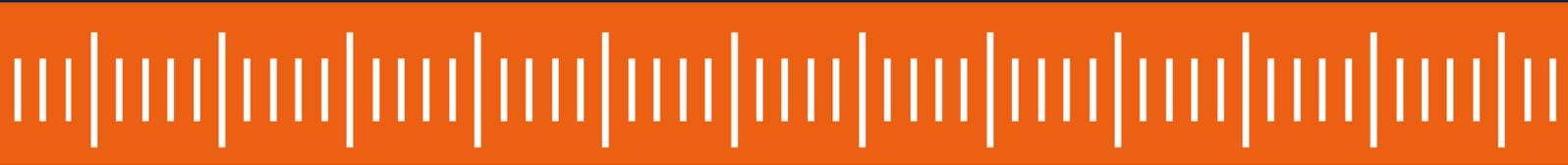
■ Port-centric logistics and manufacturing ■ Safeguarded green spaces ■ Redeveloped land



By the end of phase 3 the new development of North Harbour is complete and will include new housing, office, retail and leisure facilities; and opens up new connections to the city.

The identified land around South Harbour has been fully realised as has the Free Port/ Special Economic Zone and the new logistics routes are functioning to serve port-centric manufacturing.

TRANSFORMATION AND LEGACY



*'A successful sustainable place;
A low carbon place;
A natural resilient place; and
A connected place'*

NPF3

DESIGN STRATEGY

SOUTH HARBOUR

The stages of growth illustrated in the timeline form the structure of a design strategy for South Harbour. Over the next few pages we have clearly and simply illustrated the spatial steps to deliver the necessary contiguous land to realise the potential of South Harbour.

- Completion of Nigg Bay and Initial Land Release
- Establish Access
- Safeguarded Land Development
- Consolidated Vision



Contiguous land to support South Harbour



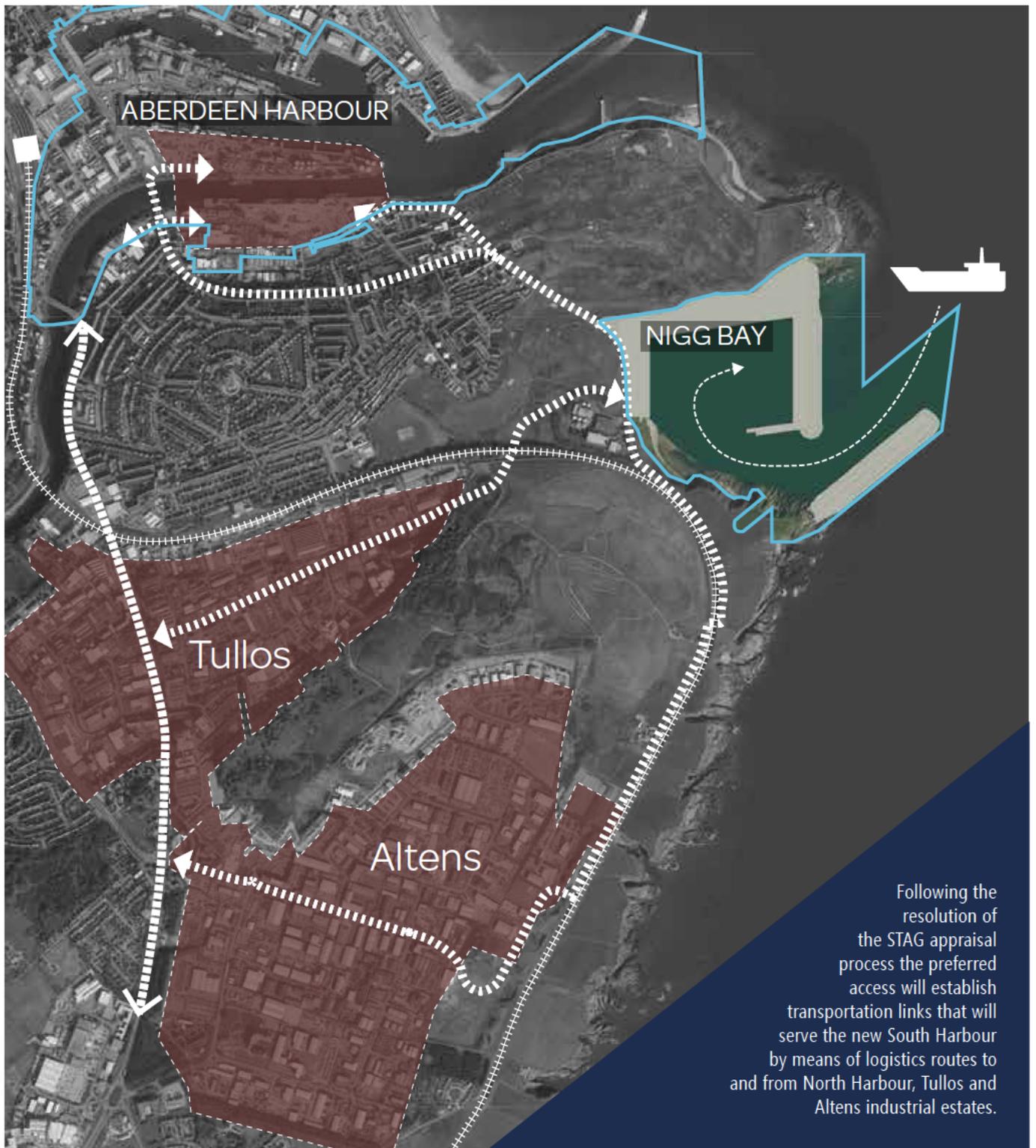
-  Initial release land
-  Safeguarded land

1. COMPLETION OF NIGG BAY AND INITIAL RELEASE LAND



Identify and develop land for initial release that is within good strategic access to South Harbour and will serve as port-centric manufacture and logistics.

2. ESTABLISH ACCESS

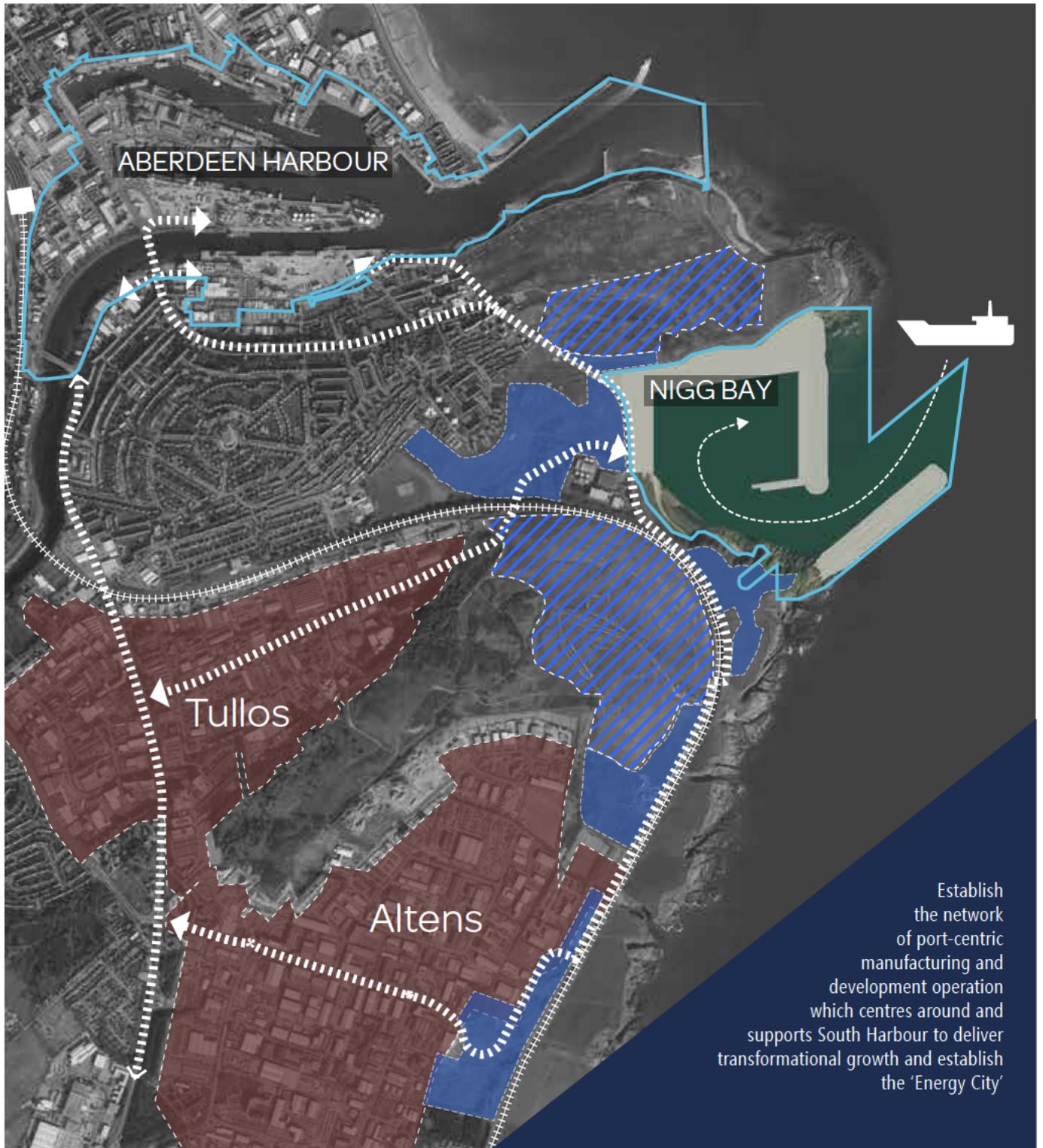


Following the resolution of the STAG appraisal process the preferred access will establish transportation links that will serve the new South Harbour by means of logistics routes to and from North Harbour, Tullos and Altens industrial estates.

3. SAFEGUARDED LAND DEVELOPMENT



4. CONSOLIDATED VISION



ECONOMIC BENEFITS SUMMARY NOTE

INTRODUCTION

Aberdeen Harbour makes a significant contribution to the city's – and indeed the national – economy, its activities supporting over 12,250 jobs and £1.55 billion GVA⁸ annually within Scotland⁹.

A 2015 economic impact assessment¹⁰ concluded that the completion of the harbour facilities developments currently underway at Nigg Bay will grow this contribution to the tune of an additional:

- 3,020 jobs within Scotland; and
- £383 million GVA¹¹ annually to the Scottish economy by 2035.

The Harbour Masterplan will continue the investment into the evolution of the Harbour and further enhance its contribution to the economy of Aberdeen, Aberdeenshire and Scotland.

This assessment provides an indication of the potential of the Masterplan's as-yet-unassessed land parcels to continue to grow this contribution, including estimates of their capacity to accommodate jobs and the productivity associated with those jobs. These impacts are presented on a gross direct basis and estimates are illustrative, reflecting the nature of the masterplan, its vision and the type of land uses that are proposed. The final scale of impacts will be determined by the pace at which development occurs and the extent to which the economic impacts associated with new uses offset the reduction in scale of existing uses in the North and South Harbour.

CONSTRUCTION PHASE IMPACTS

TOTAL MASTERPLAN AREA

Construction costs have been estimated¹² on the basis of the type and quantum of floorspace that support the Masterplan Document's vision for the North Harbour as a mixed-use waterfront development (comprising residential, office, R&D,

energy transition, retail and leisure uses), alongside standard assumptions of the proportion of developable industrial land on the South Harbour land parcels that are included within this assessment¹³.

It is estimated that the level of construction investment required to deliver these development proposals will amount to circa **£1.56 billion**. Based on UK Government figures as to the average annual turnover per employee for construction sector businesses in Scotland¹⁴, it is estimated that this scale of investment could support circa **12,500** person-years of employment. As an illustration, it follows that the construction of the entire Harbour Masterplan would support an average of **420** gross full-time equivalent (FTE) construction jobs per annum, were it to be built out over a 30-year period.

This level of construction activity would also make a significant contribution to economic productivity at a local and national level. Applying workplace-based estimates of productivity per FTE construction sector employee in Aberdeen City (sourced from Experian¹⁵), it is estimated that this scale of employment could make a gross direct productivity contribution of almost **£31 million** GVA annually. This therefore indicates that its construction could make a total contribution of **£920 million** GVA to the Scottish economy over a 30-year construction and delivery period.

NORTH HARBOUR

It is estimated that the construction cost associated with development of land at the North Harbour will comprise circa **£1.03 billion** of the total Harbour Masterplan construction cost stated above, this supporting circa **8,300** person-years of employment, using the above-outlined job-estimate methodology. Over a 30-year construction period, this would equate to an average of **275** gross FTE jobs.

The North Harbour's gross direct productivity contribution to the Scottish economy over a 30-year construction period would subsequently equate to **£610 million** GVA.

SOUTH HARBOUR

It is estimated that the construction cost of the land parcels included as part of this assessment of the South Harbour will comprise circa **£530 million** of the Harbour Masterplan total, this supporting circa **4,200** person-years of employment as per the above-outlined job-estimate methodology. It is acknowledged that

⁸ GVA (Gross Value Added) measures the value of output created (i.e. turnover) net of inputs used to produce a good or service (i.e. production of outputs). It therefore provides a key measure of economic productivity.

⁹ BIGGAR Economics (2015) Economic impact of Aberdeen Harbour Nigg Bay Development: Technical appendix to socio-economic and tourism report

¹⁰ Ibid.

¹¹ GVA (Gross Value Added) measures the value of output created (i.e. turnover) net of inputs used to produce a good or service (i.e. production of outputs). It therefore provides a key measure of economic productivity.

¹² Construction costs sourced from BCIS, rebased to Aberdeen City.

¹³ Assumed as 40% developable land, of which floorspace is occupied by an equal split of manufacturing and logistics uses.

¹⁴ Department for Business, Energy & Industrial Strategy (2019) Business Population Estimates 2019

¹⁵ Experian (2019) Local Market Forecasts Quarterly; annual average 2014-2018

there is potential for the land parcels around South Harbour to be fully delivered over a shorter 10-year construction period. If this were indeed to be the case, it follows that an average of **420** gross FTE jobs could be supported during its construction.

The South Harbour's gross direct productivity contribution to the Scottish economy over a 10-year construction period would subsequently equate to **£310 million** GVA.

OPERATIONAL PHASE IMPACTS

TOTAL MASTERPLAN AREA

Once occupied, the employment floorspace at the North and South Harbours will have the capacity to accommodate significant levels of economic activity¹⁶, supporting employment in a range of industries and making a substantial productivity contribution to the Scottish economy.

Estimates of average employee occupation densities¹⁷ for the types of uses and quantum of floorspace as envisaged by the Harbour Masterplan Document indicate that, once the North and South Harbours are both fully occupied, a gross total of **22,600** direct FTE jobs could be accommodated on-site.

Based on the relevant GVA per employee figures it is estimated that this scale of employment is could support a gross annual contribution of **£2.91 billion** GVA to the Scottish economy. This illustrates the potential scale of the opportunity, which would be transformational once fully delivered and operational.

NORTH HARBOUR

The Masterplan Document's vision for North Harbour has the capacity to accommodate **14,600** of the total jobs outlined above and a **£1.54 billion** annual GVA contribution.

SOUTH HARBOUR

The Masterplan Document's vision for South Harbour has the capacity to accommodate **8,000** of the total jobs outlined above and a **£1.37 billion** annual GVA contribution.

The South Harbour will accommodate employment in the highly productive renewables and energy transition sector¹⁸.

¹⁶ Please note that the following figures do not make adjustments for additionality factors. These factors include any existing economic activity (including jobs/businesses) that is relocated from elsewhere to be accommodated on land at the Harbour Masterplan (i.e. displacement effects), nor does it account for additional jobs/productivity created in Aberdeen or the wider Scottish economy through indirect / induced impacts such as those generated through supply chain expenditure onward expenditure of wages (i.e. multiplier effects).

¹⁷ HCA (2015) Employment Densities Guide 3rd Ed.

¹⁸ 'Utilities' is the sector defined by Experian as comprising 2-digit SIC Codes 35, 36, 37, 38 and 39, this including industries involved with the production, transmission and distribution of electricity.

ECONOMIC BENEFITS

An economic impact assessment has been conducted to illustrate the quantifiable potential economic impacts of the scheme, during both construction and its subsequent operational lifetime.

The assessment, conducted by Turley Economics, is informed by the 2014 HCA's Additionality¹ and Employment Density² guides and draws on published statistical data sources, such as Experian and the Office for National Statistics.

Economic impacts are presented as accruing to the North and South Harbour, both individually and in combination. The South Harbour has been further sub-divided in the accompanying infographic to outline the economic potential of each stage of its development, this including its initial release land and safeguarded land components.



FOCUS ON SOUTH HARBOUR⁶

CONSTRUCTION PHASE

An estimated **£566 million investment** in the construction of new employment floorspace at the South Harbour⁷ has the capacity to create an average of **450 new (FTE) construction jobs** over a ten-year build period, generating a total productivity boost of **£447 million GVA**.

The delivery of both the initial release land and the safeguarded land has the capacity to accommodate an estimated **8,600 jobs in modern industrial port-related sectors**, such as advanced manufacturing and renewable energy, generating a productivity boost to the Scottish economy of circa **£904 million GVA every year** of its operation.

NORTH AND SOUTH HARBOURS

CONSTRUCTION PHASE

Early estimates of construction costs, based on BCIS data and the proposed floorspaces by use, indicate that **£1.6 billion could be invested** in the comprehensive redevelopment of Aberdeen Harbour. This scale of investment has the capacity to create an average of **425 new full-time equivalent (FTE) construction jobs** over a 30-year build-out period³, generating a total productivity boost of **£1.26 billion in Gross Value Added (GVA)**⁴ to the Scottish economy.

OPERATIONAL PHASE

Once complete, the employment floorspace at the North and South Harbours has the capacity to accommodate an estimated **23,200 jobs in a range of modern, sustainable industrial sectors** (such as advanced manufacturing and renewable energy), office and R&D roles (both in the private sector and in partnership with universities) plus new jobs in the leisure industry⁵. It is estimated that this scale of employment could contribute a total **£2.64 billion GVA** to the Scottish economy every year of its operation.

FOCUS ON NORTH HARBOUR⁸

CONSTRUCTION PHASE

It is estimated that the construction of the North Harbour could lever investment of **£1.03 billion**, supporting an average of **275 new FTE jobs** over 30 years and generating **£816 million GVA**.

Once operational, it is estimated that the provision of employment floorspace and the mix of uses envisaged for the North Harbour could support **14,600 jobs**, these being in a range of office, R&D, modern industrial and leisure roles. It is estimated that this scale of employment provision could make a **£1.74 billion GVA** contributing to the Scottish economy every year.

¹HCA (2014) Additionality Guide 4th Ed.

²HCA (2015) Employment Density Guide 3rd Ed.

³Based on UK Government's Department for Business, Energy & Industrial Strategy's data regarding the average turnover per employee in the Scottish construction sector (Business Population Estimates 2019).

⁴Gross Value Added (GVA) measures the value of output created (i.e. turnover) net of inputs purchased, and is used to produce a good or service (i.e. production of the output). GVA therefore provides a key measure of economic productivity. All estimates of productivity based on Experian data regarding the average GVA per employee in the relevant employment sector.

⁵All job estimates based on the HCA's Employment Density Guide's recommendations of the occupation of the relevant uses of commercial floorspace.

⁶Note: Figures are not in addition to those presented under the 'North and South Harbours' header.

⁷Both initial release land and safeguarded land – see accompanying infographic for further breakdowns relating to these types of land.

⁸Note: Figures are not in addition to those presented under the 'North and South Harbours' header.

SUMMARY

The redevelopment of Aberdeen Harbour will generate economic impacts of a nationally significant scale. The delivery of the scheme will create a substantial number of employment opportunities in Aberdeen in key growth sectors, such as the modern industries of renewables and advanced manufacturing, which will be phased sustainably over the long term as Aberdeen Harbour continues to operate as a major port and evolve its business.

NORTH AND SOUTH HARBOURS

DELIVERY PHASE



CONSTRUCTION INVESTMENT

South Harbour

North Harbour

Combined

£530 million



£1.03 billion



£1.56 billion
total investment



EMPLOYMENT OPPORTUNITIES

4,200
'person-years' of full-time work



8,300
'person-years' of full-time work



12,500
'person-years' of full-time work

Equivalent to an average of 420 full-time equivalent (FTE) jobs for 30 years



PRODUCTIVITY BOOST

£310 million
GVA



£610 million
GVA



£920 million
GVA

Total GVA generated during construction

OPERATIONAL PHASE



EMPLOYMENT OPPORTUNITIES

South Harbour

8,000
on-site
jobs

In modern industrial sectors, such as advanced manufacturing and renewable energy

North Harbour

14,600
on-site
jobs

In a range of office, R&D, modern industrial and leisure roles

Combined

22,600
on-site
jobs

Across the Harbour's new employment floorspace



PRODUCTIVITY BOOST

£1.37 billion
GVA



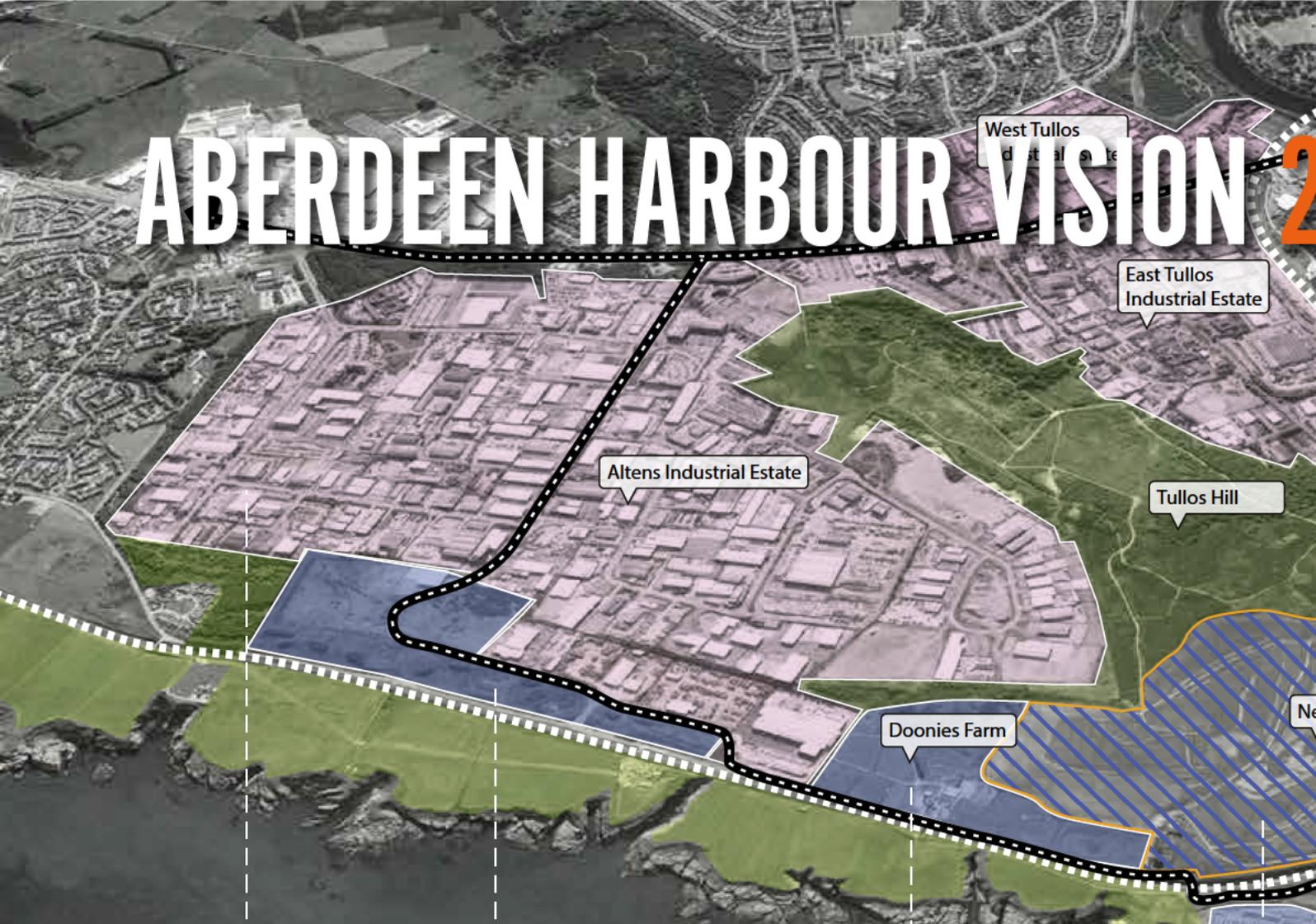
£1.54 billion
GVA



£2.91 billion
GVA

Generated annually by the Harbour

ABERDEEN HARBOUR VISION 2



Industrial Land

Altens and Tullos industrial estates will be revitalised through identified pockets of land; this new industry drive is a consequence of the new port operations at South Harbour

Initial Release Land

Land is identified for initial release and development that is within good strategic access to South Harbour and will serve as port-centric manufacture and logistics.

Safeguard Land

Land is identified for safeguarding that is within good strategic access to South Harbour and will serve as port-centric manufacture and logistics.



South Harbour

The creation of South Harbour will open major opportunities for the wider economy, with the ability to accommodate cruise vessels to the servicing of major offshore projects

North Harbour

The consolidation of activity at North Harbour will focus around pioneering clean technologies, playing its role in the circular economy that is more in keeping with a modern mixed use City Centre

Repurposed Land

The new development at Aberdeen Harbour will unlock a gateway to the city along with new movement corridors. This is complemented by new uses in retail, recreation and residential around premium land value

04

CONCLUSION & NEXT STEPS

This masterplan provides an aspirational vision which not only secures long-term resilient economic stability for the harbour, but also positively impacts the regional, national and UK economy. The successful delivery of this vision will form the catalyst to transform and diversify Aberdeen into global Energy City, leading the way towards a net zero carbon future.

This is the first step for our masterplan vision. To succeed we must work collaboratively with our stakeholders and Aberdeen City Council to achieve policy alignment. We will also work with the Regional Spatial Strategy team, the Scottish Government, the private sector, and importantly the local community, through further consultation and active engagement in the preparation of the new planning framework to cover Aberdeen Harbour.

This masterplan captures the economic opportunity. It will be submitted to achieve policy alignment to achieve the economic opportunity and necessary land allocations. There is a need to ensure policy alignment in the following documents to secure the opportunity:

- The Local Development Plan 2020 (Proposed Plan)
- The Regional Spatial Strategy
- NPF4

The potential scale and economic impact means that it is a development of national importance with a vision to build a positive and sustainable legacy for Aberdeen Harbour, the people of Aberdeen and the wider region.

This is a once in a generation opportunity which must be embraced to realise the masterplan vision



From: [Lisa Russell](#)
To: [LDP](#)
Subject: RE: Aberdeen Harbour Board Representation Email 3 of 3
Date: 31 August 2020 21:58:50
Attachments: [88e7b94d-0557-4e51-97d4-be0f90096d53.png](#)
[AHB Rep Appendix 1.docx](#)
[AHB ALDP Proposed Allocation Map.pdf](#)

Please find attached Appendix 1 for the representation document sent to you previously. This is email 3 of 3 and final email.

I would be grateful if you could please confirm receipt.

Kind Regards,

Lisa

(My working days are Monday, Tuesday and Wednesday. Emails on Thursday and Friday are monitored daily. If the matter is urgent please call the office on [REDACTED])

Lisa Russell
[REDACTED]

Turley
[REDACTED]

All Turley teams are now [remote working](#) wherever possible in line with Government guidance.

Our co-owners are contactable in the usual ways and we suggest using mobile numbers in the first instance. We are doing all we can to maintain client service during this challenging time.

[turley.co.uk](#)
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From: Lisa Russell
Sent: 31 August 2020 21:35
To: 'ldp@ aberdeencity.gov.uk'
Subject: Aberdeen Harbour Board Representation Email 2 of 3

Dear Local Plan Team,

Further to my previous email (1 of 3) please find attached the Aberdeen Harbour Masterplan which forms part of the submission.

I would be grateful if you could please confirm receipt.

Kind Regards,

Lisa

(My working days are Monday, Tuesday and Wednesday. Emails on Thursday and Friday are monitored daily. If the matter is urgent please call the office on [REDACTED])

Representation to Aberdeen Local Development Plan 2020

On behalf of Aberdeen Harbour Board

Appendix 1

August 2020

Contents

Executive Summary	Error! Bookmark not defined.
1. [Insert heading here]	Error! Bookmark not defined.
Appendix 1: [Insert appendix heading here]	

Lisa Russell

[Redacted]

Client

Aberdeen Harbour

[Redacted]

[Redacted]

Appendix 1: Supporting Figures

Figure 1: Aberdeen Local Development Plan 2017 allocations.

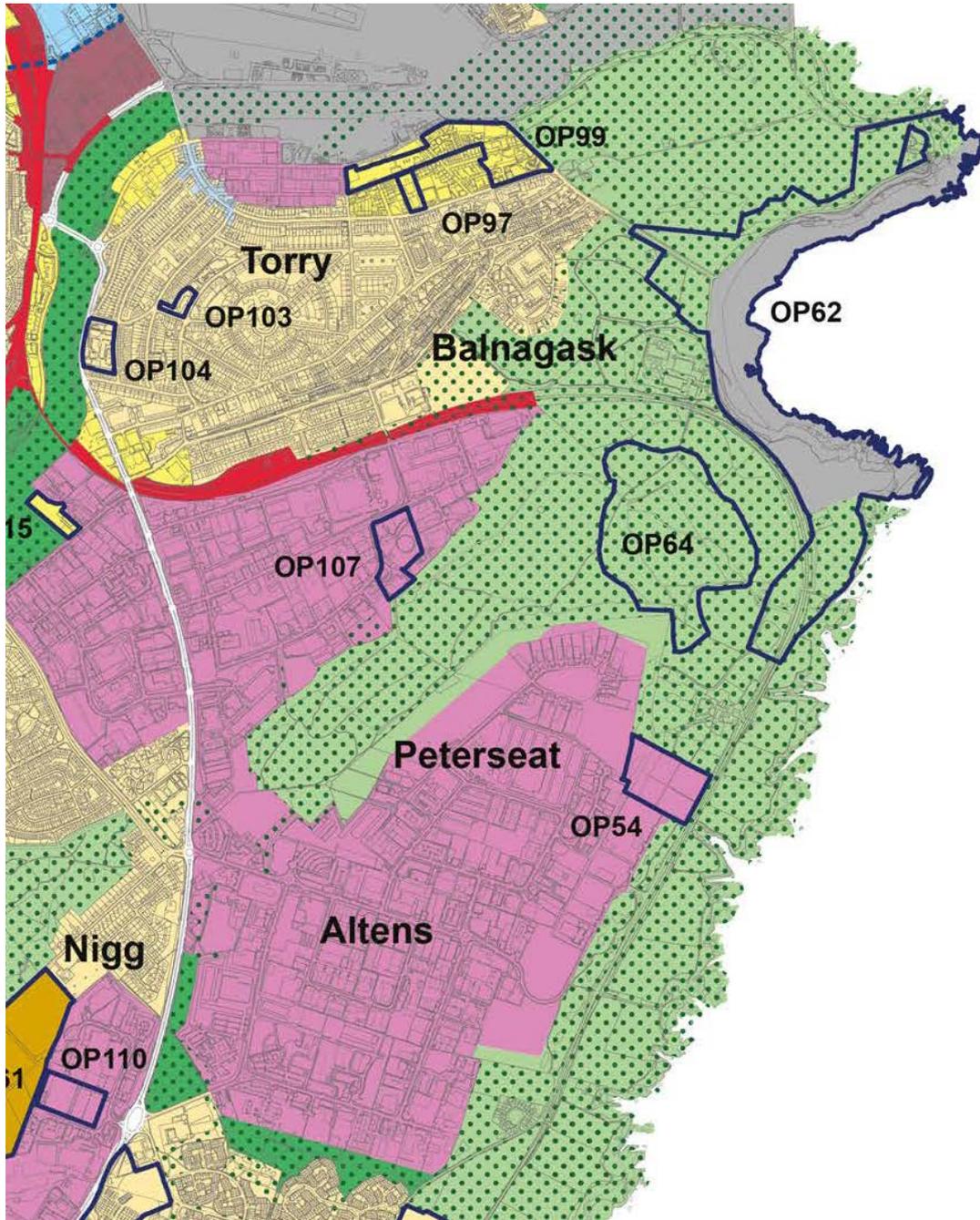


Figure 2: Aberdeen Local Development Plan Proposed Plan 2020 allocations.

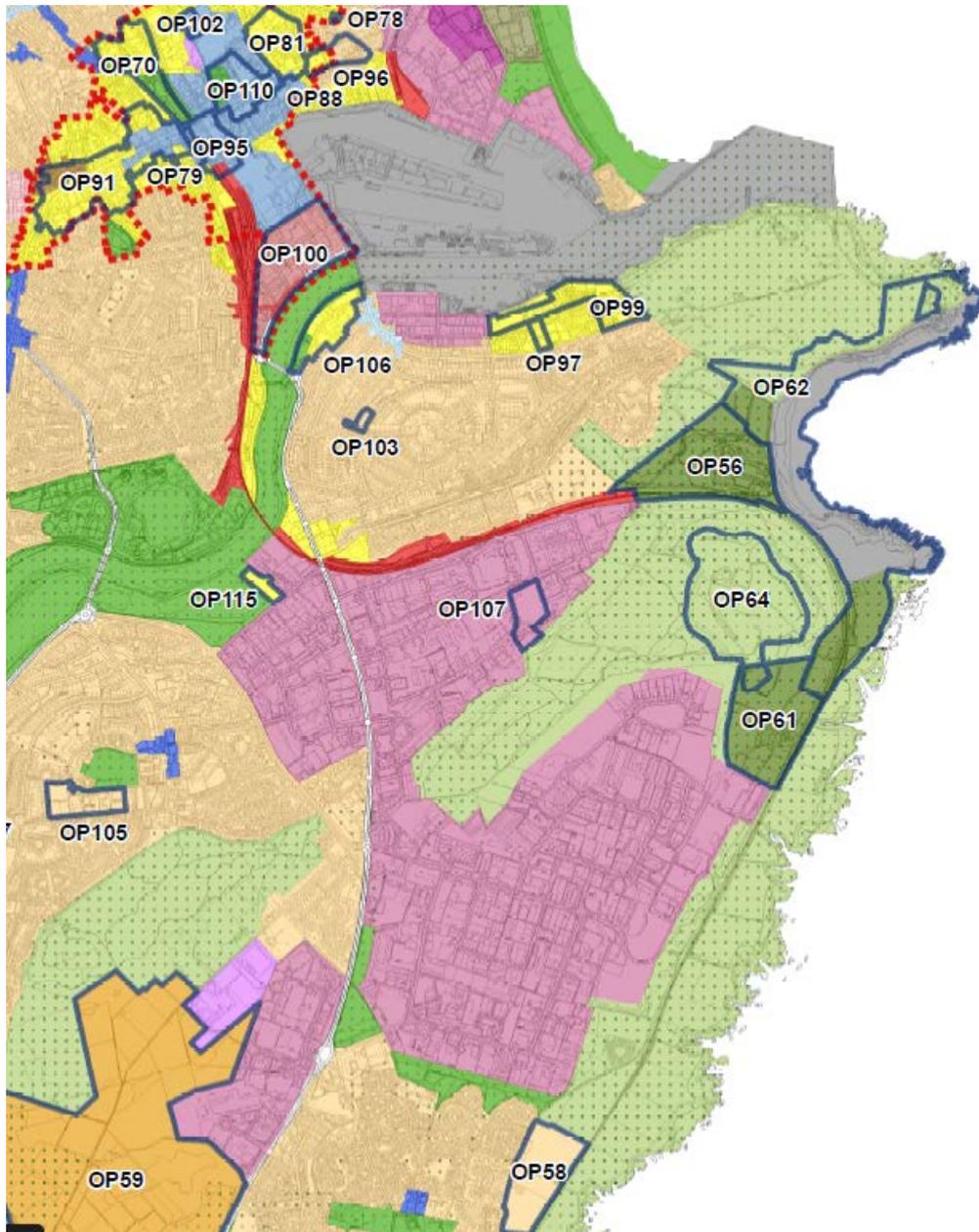
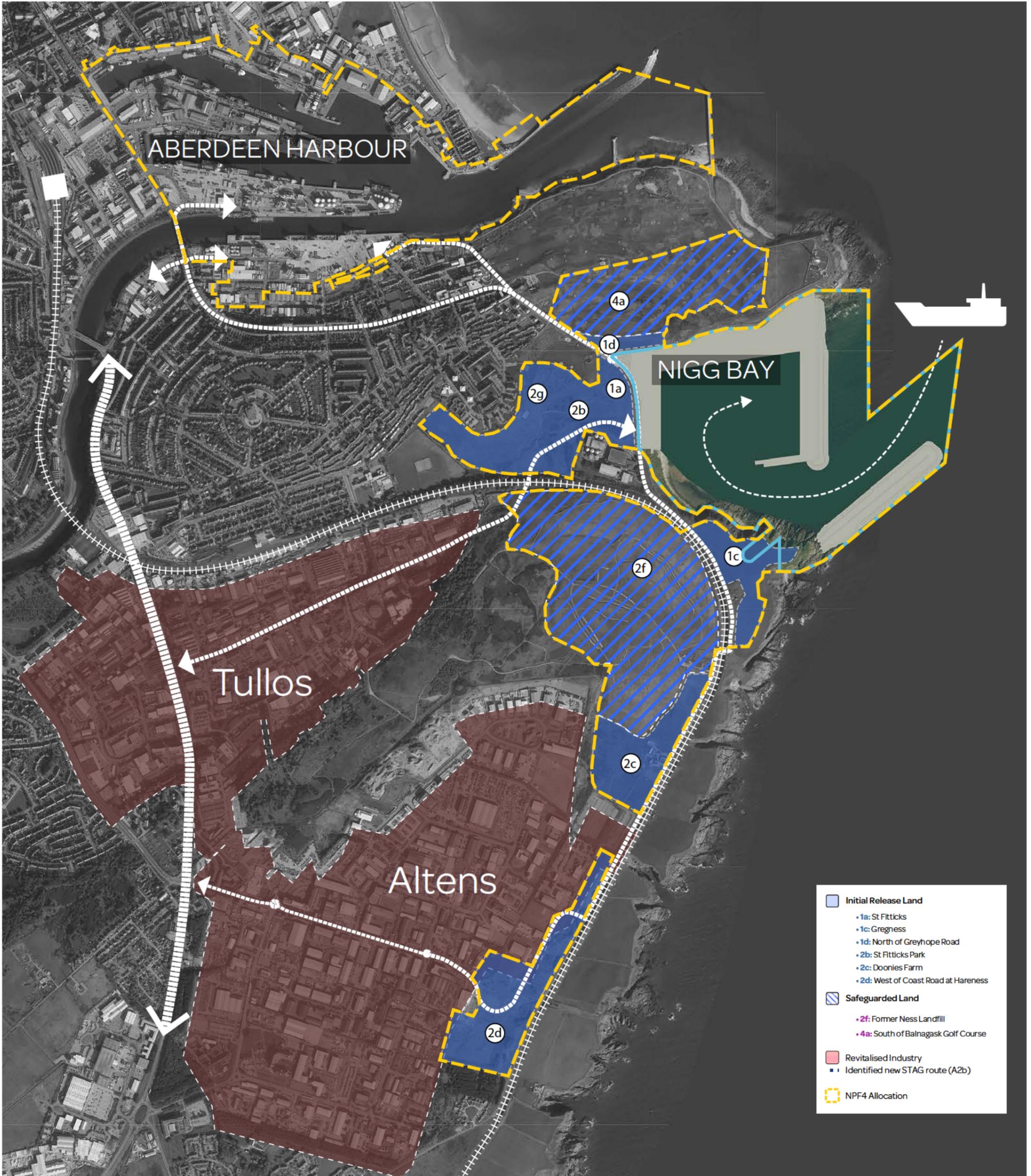


Figure 3: AHB Proposed Allocations and Safeguarding Proposals Map

Enclosed as separate PDF showing the Proposed Allocations and Safeguarding as proposed in representation as well as area submitted to NPF4 consultation for inclusion as a new National Development

Turley Office





Initial Release Land

- 1a: St Fitticks
- 1c: Greghess
- 1d: North of Greyhope Road
- 2b: St Fitticks Park
- 2c: Doonies Farm
- 2d: West of Coast Road at Hareness

Safeguarded Land

- 2f: Former Ness Landfill
- 4a: South of Balnagask Golf Course

Revitalised Industry

- Identified new STAG route (A2b)

NPF4 Allocation

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- Proposed Development Allocation
- Proposed Safeguarded Land

Client: AHB

Project: ABERDEEN HARBOUR MASTERPLAN

Name: PROPOSED NPF4 NATIONAL DEVELOPMENT ALLOCATION

PROJECT NO. ABEE3000
DRAWING NO. 12_01
REVISION 00

STATUS SUBMISSION
SCALE NTS @ A3
DATE MAY 2020

CHECKED BY ST

