



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean



BUCKIE HARBOUR MASTERPLAN

final report

nick wright planning
january 2015

Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean
Horizon Scotland
The Enterprise Park Forres
Moray
IV36 2AB

The Moray Council
Council Offices
High Street
Elgin
Moray
IV30 1BX



buckie harbour masterplan

final report
january 2015

nick wright planning
wmud
brian burns associates
yellow book
Ryden

foreword

Buckie Harbour was built over 100 years ago to serve the fishing industry, growing over the years to include a significant cargo industry as well. The decline of the fishing industry over the last 20 years in the UK has had an impact on the port, like many others.

Offshore wind has been identified as a major opportunity that could act as a catalyst to the wider revitalisation of the harbour and surrounding area. Project partners The Moray Council and Highlands and Islands Enterprise have identified, as a strategic priority, the potential to attract business to serve the developers of the world's third largest offshore windfarm.

As part of the BOWL/MORL fields which are situated in the Moray Firth, 326 wind turbines have been approved. If all 326 approved turbines are installed this could create 4,600 jobs at the peak of

construction, and 580 during the operations phase. Such activity would also have a wider indirect impact in the region by stimulating supply chain and support activities.

Buckie has the potential to be a significant part of this activity. The Moray Council and Highlands and Islands Enterprise have commissioned this masterplan to examine how best to develop the Moray Council owned harbour to take advantage of this significant opportunity, while at the same time allowing the existing businesses which are based at the harbour to continue to grow.

Delivery of this masterplan has the potential to reposition Buckie as an active harbour, integral to the development of one of the fastest growing new industries of the 21st century.



Councillor John Cowe
Chair of Economic
Development and
Infrastructure Services
Committee
The Moray Council



David Oxley
Area Manager (Moray)
Highlands and Islands
Enterprise



buckie harbour masterplan

final report
january 2015

contents

1	introduction	1
2	context	3
3	masterplan principles	13
4	masterplan proposals and options	15
5	conclusion and next steps	25
	appendix 1: property market report (Ryden)	27
	appendix 2: data for O&M options	35

1 introduction

Buckie Harbour basin 3



This masterplan has been prepared for Highlands and Islands Enterprise (HIE) and The Moray Council by a consultant team led by Nick Wright Planning.¹

THE BRIEF

The brief called for the production of an outline masterplan for Buckie Harbour and nearby industrial sites. The specific objectives were to:

- enable existing businesses to grow and develop, and for property/ landowners to fulfil their aspirations
- make provision for inward investment, especially for operations and maintenance (O&M) linked to planned offshore windfarms in the Moray Firth
- inform future investment in port infrastructure.

The brief specified that the masterplan should be predicated on Buckie Harbour continuing to operate as a working commercial port, and that the completed report should assist with demonstrating the potential of the harbour area to investors.

¹ Consultant team: Nick Wright Planning (lead), WMUD, Brian Burns Associates, Ryden, yellow book.

WORK PROGRAMME

The key stages of the masterplanning work programme took place between September and December 2014:

- Stage 1: research, consultations, fieldwork and synthesis
- Stage 2: first workshop and agreement of masterplan principles
- Stage 3: visit to Lowestoft Harbour and offshore windfarm O&M base
- Stage 4: development of masterplan and spatial options, including a second workshop

In those discussions, care needs to be taken in portraying the short-medium term options for offshore wind Operations and Maintenance (O&M), shown on pages 18 - 23. The purpose of those options is as a tool to allow comparison of the benefits and disbenefits of different ways of developing the harbour; the inclusion of any option does not mean that it is recommended or preferred. Different options will have greater or lesser impacts on existing businesses, which is why care should be taken in how the content of this document is disseminated.

MASTERPLAN CONTENT

The masterplan contained in this report contains short-medium term options for the development of the harbour, together with longer term proposals for future expansion. It is accompanied by a property market report prepared by Ryden, a member of the consultant team (see appendix).

The purpose of this document is to inform discussions with local businesses and future investors.

2 context

Buckie Harbour - location and context



Buckie has a population of just over 8,000 people. Inverness and Aberdeen (and their airports) can each be reached by road in around one hour, and Edinburgh and Glasgow in around 3 hours.

BUCKIE HARBOUR TODAY

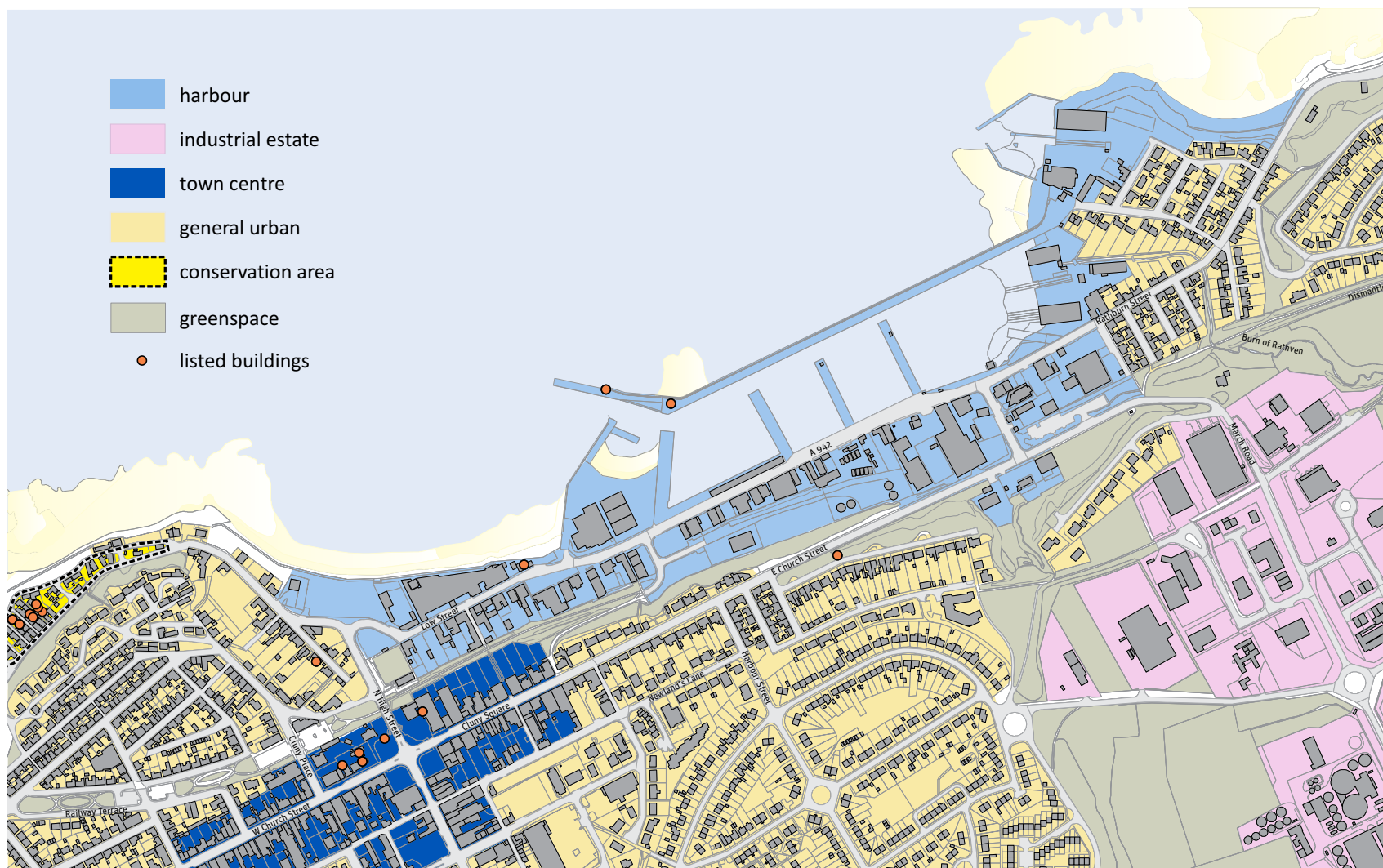
Buckie Harbour has developed incrementally over many decades. It has 4 basins, each measuring between 0.7 and 1.5 hectares, and a total of over 1,100 metres of usable quay. The maximum length of vessel that can be accommodated is approximately 86 metres, the maximum beam is 15 metres and maximum draught is 4.5 metres. The tidal range is 4.8 metres. The harbour is sheltered and rarely closed in bad weather. Existing facilities include a harbour office open 24 hours a day throughout the year, public weighbridge, stevedoring and cargo storage, RNLI lifeboat, and fuel, water and power supplies.

Buckie Harbour is a commercial working harbour based around cargo (e.g. salt, grain, timber, metal fabrications and oils), shipbuilding and repair, and fishing; the exact composition of trade and tonnage fluctuates over time. In addition, there are a number of indigenous

Buckie Harbour principal ownerships



Buckie Harbour land use



General views of Buckie Harbour



General views of Buckie Harbour



businesses based around the harbour (see next column) and a substantial supply of property.

The harbour authority, The Moray Council, is keen to support greater commercial activity at the harbour in line with their shared ambition with Highlands and Islands Enterprise that it should play an even greater regional economic role in the future.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

The initial stages of the work programme comprised desk research, fieldwork and consultations to establish baseline information about the harbour, its use and future ambitions. The consultation element was designed to capture:

- plans and aspirations of existing businesses ²
- opportunities for Operations and Maintenance (O&M) related to planned offshore wind generation
- longer term aspirations to create a deep water port.

In summary, the current **strengths** of the harbour area

include a core group of key businesses, all locally owned: Associated Seafoods, Cluny Fish, Forsyths, Macduff Shipyards, Northern Oils and Regency Oils. Each of these firms has a stake in the future of Buckie Harbour; some of them have made major investments and others have plans to do so. In aggregate, these businesses have invested more than around £15m in buildings and other infrastructure around the harbour over the last 15-20 years. All are confident about future business prospects at Buckie.

Other strengths include the adaptability of the harbour area, with development land close to the water and in the immediate vicinity. There appears to be sufficient capacity (in terms of port infrastructure and available land for development) to meet most of the known needs and aspirations of landowners and occupiers, even accounting for the ambitions of some individual businesses to consolidate or expand their presence.

The identified **weaknesses** of the area include the limited capacity of the port for larger vessels to access in terms of their length, beam and draught. The layout of wharfs and positioning of buildings such as the former fishmarket mean that the operational areas for handling cargo and other port-related activities

are constrained. The fishmarket building occupies a key dockside site and is effectively redundant. The industrial area south of Commercial Road has developed in an ad hoc way, and there are a number of under-used or vacant buildings which contribute to a general air of neglect and low amenity. The harbour is undoubtedly an interesting and distinctive place, but it is an under-used asset. The core businesses are surrounded by vacant and derelict land, with a mix of landowners and underutilised commercial property. Although there are some strong businesses with good prospects, other parts of the harbour have an air of neglect and lack vitality.

The harbour offers a number of **opportunities**, including developments planned or proposed by a number of existing businesses/landowners. These include proposals by Macduff Shipyards for the partial reopening of the former Buckie Shipyard (including creation of a new dockside between the existing concrete slipway and the main winched slip), Forsyths to consolidate and invest in their manufacturing and export operations, and proposals by Northern Oils for a lubrication/blending facility on the site of the former Jones Shipyard. In addition, the Council proposes to erect a building containing six business units on land accessed from Commercial Road to the west of Regency

² Based on one-to-one consultations with Associated Seafoods, Cluny Fish, Forsyths, John Duncan Roofing, Macduff Shipyards, Moray Chamber of Commerce, Northern Oils, Regency Oils, Travis Perkins, stevedore and windcat operator; plus discussions with Scottish Government Offshore Wind Policy Unit.

Oils' storage tanks; it also has plans to significantly expand Buckie's March Road Industrial Estate with a number of new serviced plots approximately 1km south-east of the harbour. This additional commercial land supply could provide an important adjunct to the commercial uses at the harbour.

The Moray Council's aspiration to attract offshore wind O&M (operations and maintenance) work forms the backdrop to this study, and provides a major potential opportunity in terms of economic activity. There are currently four offshore wind farms proposed to be developed in the Outer Moray Firth: one by Beatrice Offshore Wind Limited (BOWL) and three by Moray Offshore Renewables Limited (MORL). Each proposed wind farm would generate approximately 500-600mw. Buckie Harbour lies between 25 and 35 miles from BOWL and MORL and is one of three candidate harbours, alongside Wick and Fraserburgh, for the provision of port-based O&M once the proposed wind farms are operational. The greatest opportunity appears to relate to MORL, which is closer to Buckie, and any other longer term proposals that may emerge. This will be explored in more detail later in this section.

Other ideas mooted in the course of the study include

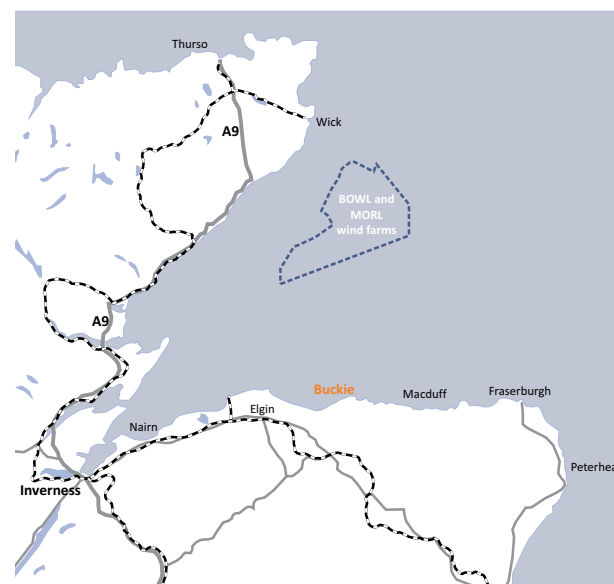
land acquisitions and possible investment to increase the capacity of the port, such as Northern Oils' aspiration to create a deep water port which would extend beyond and encircle the existing harbour. This would be capable of accommodating large cargo/supply vessels and cruise liners.

A number of **threats** to the future of the harbour were also identified. These include the possibility that the offshore wind farms proposed in the Moray Firth (BOWL

and MORL) might be abandoned or subject to delay, and the risk that the windfarm developers/contractors may choose not to locate O&M operations at Buckie. There is also the risk that uncertainty about the future of the port, or a lack of funds for investment, could encourage existing businesses to relocate elsewhere.

The table overleaf contains a SWOT analysis of the harbour prepared with the client group.

location of the proposed BOWL and MORL wind farms



POTENTIAL FOR OFFSHORE WIND OPERATIONS AND MAINTENANCE

A confidential feasibility study prepared for HIE by BVG in 2013 established Buckie Harbour's potential to accommodate offshore wind O&M. It also contained indicative requirements for O&M facilities. To prepare a realistic masterplan, an essential element of the current study was to scope O&M requirements in more detail. Ideally this would have been undertaken jointly with the O&M contractors for BOWL and MORL. The reality is that it has been impossible to set up those discussions for the simple reason that neither project is sufficiently well advanced (see overleaf for an explanation of the current uncertainties around the projects). However, delaying preparation of the masterplan pending those discussions was not felt to be a viable alternative as Buckie Harbour is effectively in a competitive situation, and needs to demonstrate to MORL and BOWL that it can fulfil their requirements.

Through the course of the masterplanning process, the consultant team has therefore scoped the likely requirements for O&M facilities through a combination of research and a site visit to an existing offshore wind

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Council ownership and Compulsory Purchase Order. Appetite for change from public sector and local businesses. Core group of key locally owned businesses. Location in relation to offshore wind farms and Aberdeen 'oil capital'. Roads infrastructure. Harbour largely separated from town. All-weather harbour. Access to skilled and relatively low wage workforce. Availability of vacant buildings and sites. 	<ul style="list-style-type: none"> Vessel size constraints. Limited quayside operational/laydown areas. Client base has shrunk, due partly to increasing size of vessels and constrained harbour. Backlog of harbour maintenance. Redundant buildings (e.g. fishmarket) and shipyards need investment. Operational harbour staff turnover. Ad hoc developments south of Commercial Road, variety of ownerships. Lack of Business Plan. Inertia.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Oil and gas business. Rationalise port area and increase capacity. Growth of cargo traffic. Deep water port for cargo, oil, cruise ships. Revive shipbuilding and repair. Centre of excellence for maritime engineering and energy skills, linked with Further and Higher Education training infrastructure. Masterplan as a tool to lever external funding. Good strategic location (North East Scotland). 	<ul style="list-style-type: none"> BOWL and/or MORL wind farms abandoned or delayed. Competition from other ports. Skills shortages of key workers. Conflicting plans and aspirations. Conflicting priorities with Moray Council. Lack of action leading to continued decline. Lack of funds for infrastructure investment. Existing firms relocate to expand. Analysis paralysis.

O&M facility at Lowestoft.³ This has meant that we have been able to plan the O&M components of the masterplan with a fair degree of confidence in the O&M contractors' likely harbour requirements. These include:

- Secure quayside compound
- Building with office, training and storage space
- External storage
- Parking
- Dedicated safe berthing for between 10 and 20 windcats
- Fuel & water supplies
- Helipad & hangar
- Windcat maintenance facilities
- Strategic location that is accessible by air/road and by a skilled labour market

Buckie has a strong case to make for being selected as the port base for O&M activity particularly in relation to the proposed MORL wind farm which is around 29 nautical miles to its centre, less than Fraserburgh or Invergordon for example.

³ Lowestoft is the O&M base for the 500mw Greater Gabbard offshore wind farm, 50% owned by SSE Renewables (who are also a member of the development consortium for BOWL). Greater Gabbard has similarities to the BOWL/MORL wind farms in terms of scale and distance from shore.

There are a number of uncertainties around O&M operations, which stem from three sequential questions:

1. Will Moray Offshore Renewables Ltd (MORL) proceed with its proposed wind farms in the Moray Firth? At the time of writing, there remains a significant risk that the project may not proceed: MORL's application for 'Contract for Difference' for their initial 600mw (approximate) windfarm was under consideration by the UK government's Department for Energy and Climate Change. This is a competitive process which decides which of the competing projects will secure essential fiscal support. If MORL's application is successful, the project must still secure other consents such as planning.
2. Will the chosen O&M contractor opt for a port-based or offshore O&M solution? This is an area where technology is constantly evolving. Currently, BOWL and MORL are on the cusp of whether port-based or offshore (e.g. mothership or rig-based) solutions are most cost-effective. BOWL's developers have appointed a preferred O&M contractor who appears to favour a port-based solution. Until the developers of MORL's initial wind farm phase

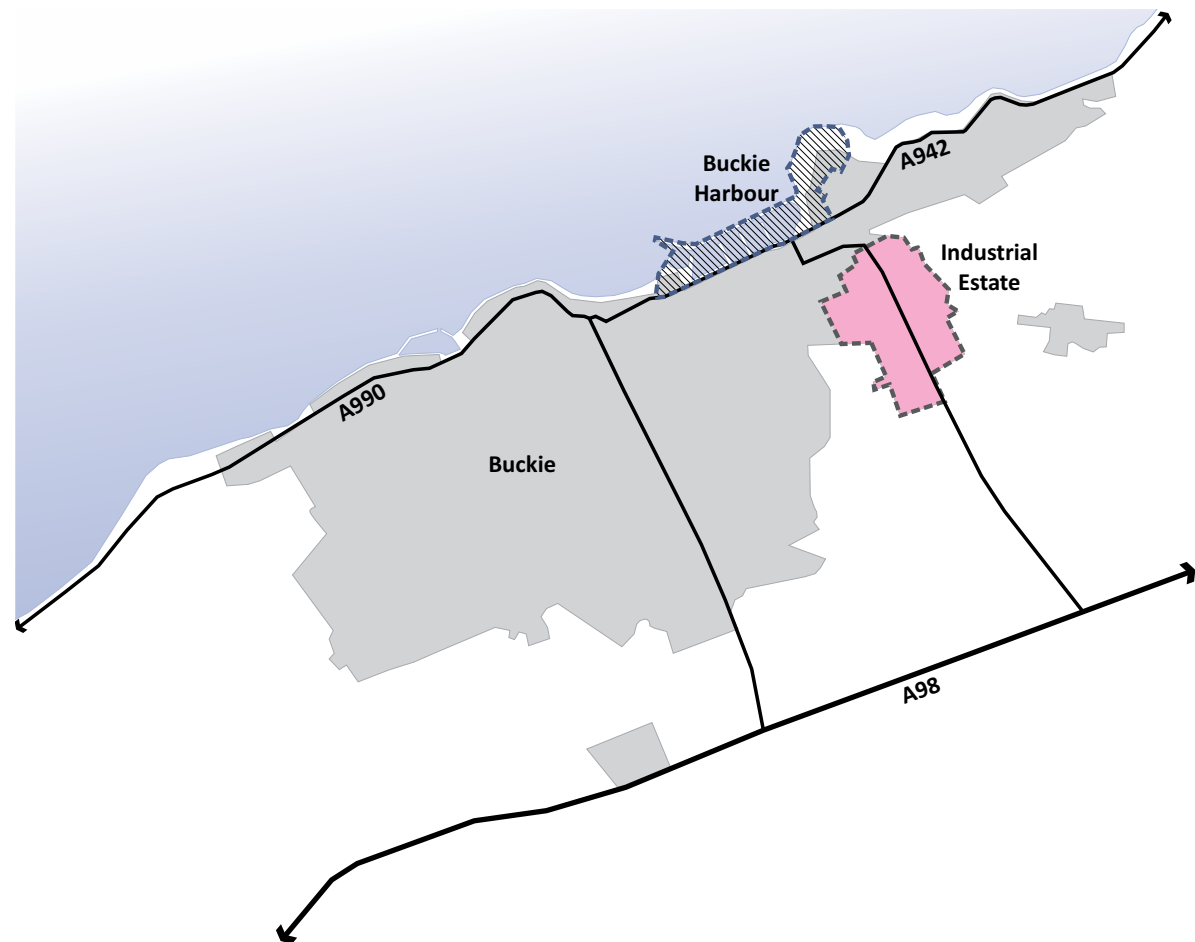
select an O&M contractor, which is unlikely to be before the Contract for Difference application is determined, we simply don't know what their preferred solution will be. Buckie Harbour can comfortably accommodate a port-based solution based on current technology (as this masterplan will demonstrate), but it is not large enough to act as a mothership base for an offshore solution without construction of a new outer harbour. This is an aspiration of this masterplan, but remains some years away from delivery.

3. Assuming a port-based O&M facility is the contractor's preferred option, will Buckie be in competition with other ports? The answer is almost certainly yes. Wick Harbour Authority has secured a Memorandum of Understanding with BOWL to provide O&M facilities. Wick and Fraserburgh are likely to be competitors for MORL's O&M.

These uncertainties mean that the masterplan needs to be adaptable. It would be ill-advised to adopt a plan that was predicated exclusively on a successful outcome for efforts to attract an offshore renewables O&M base, simply because of the attendant risks and uncertainties.

The masterplan must therefore satisfy two equal priorities – helping to capture offshore wind O&M investment by demonstrating the harbour’s suitability, whilst also supporting and encouraging existing key harbour-based businesses to stay and invest. And the masterplan must achieve this whilst also recognising the possibility that O&M investment may not proceed.

Buckie Harbour and Buckie Industrial Estate in context



3 masterplan principles

Buckie Harbour basin 4



This indicative masterplan sits within a number of guiding principles that have been agreed with the client group. These set the parameters for future changes to the masterplan so that it can respond to changing circumstances.

These principles have been designed to contribute to delivery of the Moray Economic Strategy (2012) and the Moray Local Development Plan (Proposed Plan, 2014).

SIX GUIDING PRINCIPLES

1. Focus on port-related activity

The use of land and buildings in the port and along Commercial Road should be predominantly for commercial, port-related purposes. Non-core activity should be relocated (e.g. to March Road Industrial Estate) if additional land is required for port-related development.

Compulsory Purchase Orders may be considered as a last resort to support the overall objective of retention and creation of high quality jobs.

Fishing is likely to remain present in the harbour, although its importance has declined over the decades.

2. Guide investment and change for next 10 years

The masterplan should focus on ensuring that the capacity of the harbour and adjacent land should be sufficient to accommodate anticipated commercial investment over the next 5-10 years.

3. Make the most of the existing harbour

The harbour should be promoted as being 'open for business' and keen to attract new commercial port-related investment.

Whilst the masterplan should acknowledge and allow for the long term aspiration of a major port expansion to accommodate larger oil supply vessels and cruise ships, the main focus should be on enabling better use to be made of the existing harbour basins by vessels up to the current maximum permitted size.

4. Create integrated operational area

Business users require space. If the harbour is to attract more companies, it needs to offer them room.

To enable this, the harbour should be considered as an integrated operational area (see plan on page 13). Its main focus will remain the quaysides and Commercial Road. South of Commercial Road, land extending to the former railway line and coastal slope should be considered primarily as harbour-related land for related commercial use. March Road Industrial Estate is a satellite location offering extensive areas of serviced land for users who require additional space not available immediately at the harbour.

Commercial Road is anticipated to remain as a public thoroughfare. If a compelling reason arises to close the road – for example to enable significant commercial investment which would otherwise be lost to Buckie – traffic diversions via East Church Street should be considered.

5. Existing key businesses and potential offshore O&M share joint priority

Supporting existing key firms and attracting potential offshore O&M investment are equally important priorities. One should not prejudice the other. The retention and creation of high quality jobs is the overall objective.

6. Improve 'place quality' of harbour

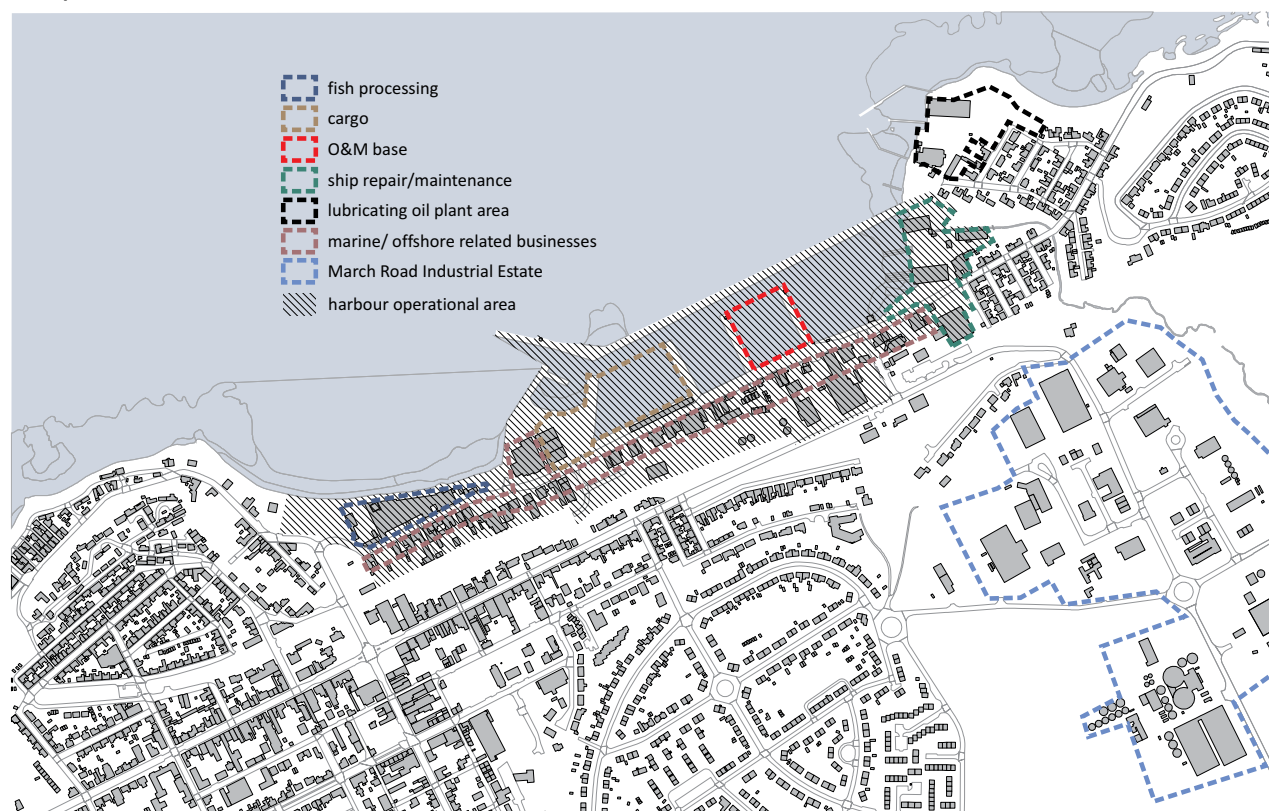
Although a working port, improving the quality of the harbour as a place is an important part of attracting business investment.

It is important for the harbour to be a distinctive place for residents and visitors to observe and experience marine activity, to safeguard the amenity of existing residents particularly near to the eastern (Gordonsburgh) end of the harbour, and to improve the interface between the harbour and the town above.

Bringing the Buckie Ship Yard and Buckie Drifter sites back into active use is a particular priority.

4 masterplan proposals and options

zonal plan



This section describes the outline masterplan including a number of options for configuring the offshore wind O&M component.

The **zonal plan** (left) shows the proposed harbour masterplan area in conceptual terms, consisting of a number of operational zones together with additional industrial land at March Road Industrial Estate to the south-east.

The **harbour masterplan** itself (pages 16-17) shows how the harbour and adjoining land can be configured to accommodate indigenous business growth and potential offshore wind O&M investment. Six more detailed options for the **O&M component** follow on pages 18-23.

Finally, longer term '**bigger ambitions**' are described on page 24.

the harbour today, from the north-west



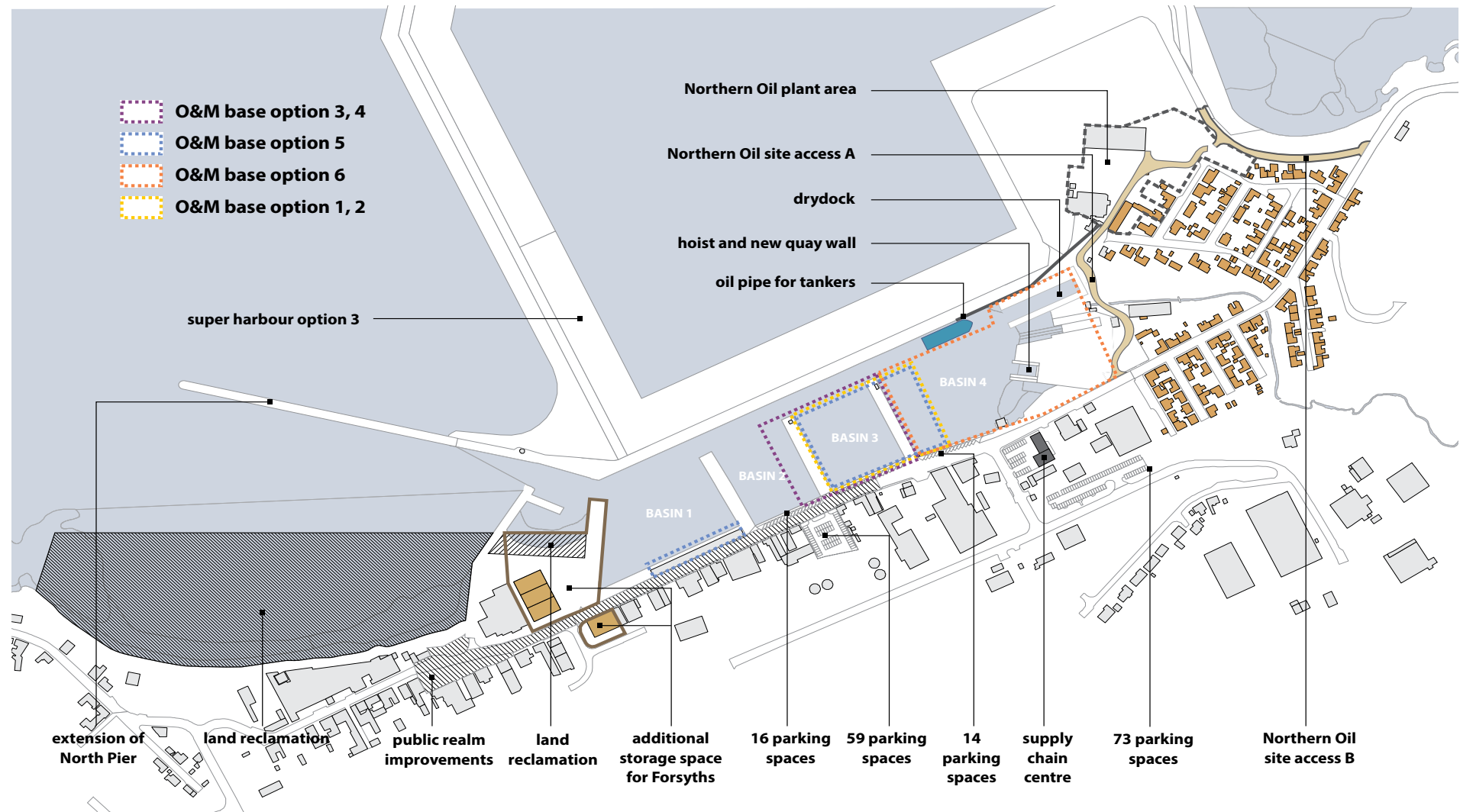
HARBOUR MASTERPLAN

To make best use of the harbour as a whole, the preferred configuration for maximising both the potential of existing key businesses and offshore wind O&M is shown in the plan opposite (page 17).

The masterplan contains the following proposals:

1. Dedicated facilities for offshore wind O&M.
2. Oil blending plant & access road.
3. New fuel bunkering & supply.
4. New quay wall & 200 tonne hoist at former Buckie Ship Yard.
5. Dry dock (optional).
6. Relocate cargo storage sheds.
7. Extend cargo handling area at pier 1. NB: reducing the extent of the spending beach needs further testing and design work.
8. Extension of breakwater to improve harbour access and reduce requirement for spending beach.
9. Consolidation of Forsyth's operations.

harbour masterplan



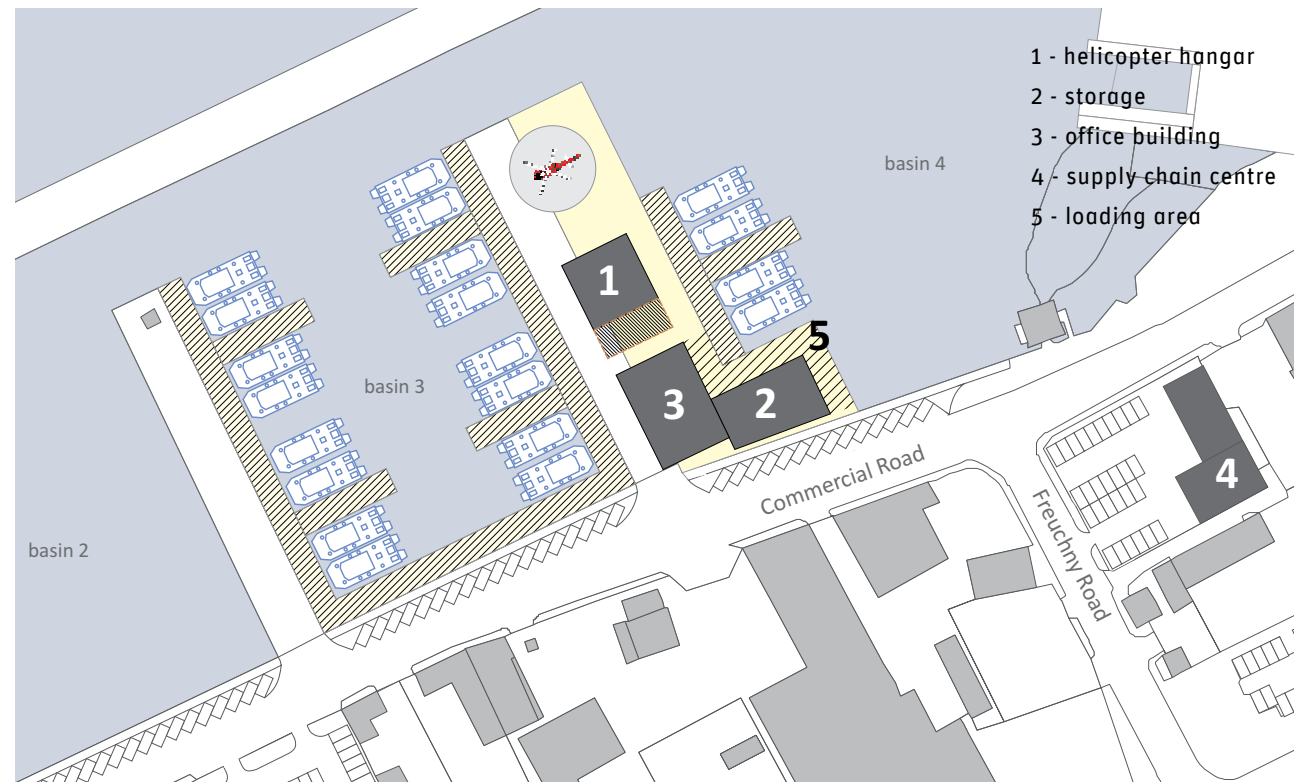
OPTIONS FOR ACCOMMODATING POTENTIAL OFFSHORE WIND O&M

Six options for O&M are shown on pages 18-23 to demonstrate that O&M can be incorporated in the harbour in a number of formats. Each option contains:

- Secure quayside compound
- Building with offices, storage & training space – and new harbourmaster's office
- Dedicated parking along Commercial Road and on site of Harbourmaster's Office
- External storage/loading areas
- Berthing for 10 to 20 windcats, plus fuel & water supplies
- Helipad & hangar
- Supply chain centre (see page 24)

All options are realistic and workable, but each has different benefits (see Appendix 2). Options 1-3 (pages 18-20) provide the best fit with O&M contractor's likely requirements. The purpose of the options is to enable discussion on the most appropriate way forward. The preferred option may ultimately combine elements from different options in response to the contractor's particular requirements.

All options require some infill of existing basins; the Crown Estate own part of the harbour sea bed and any proposals would require to be discussed with them.

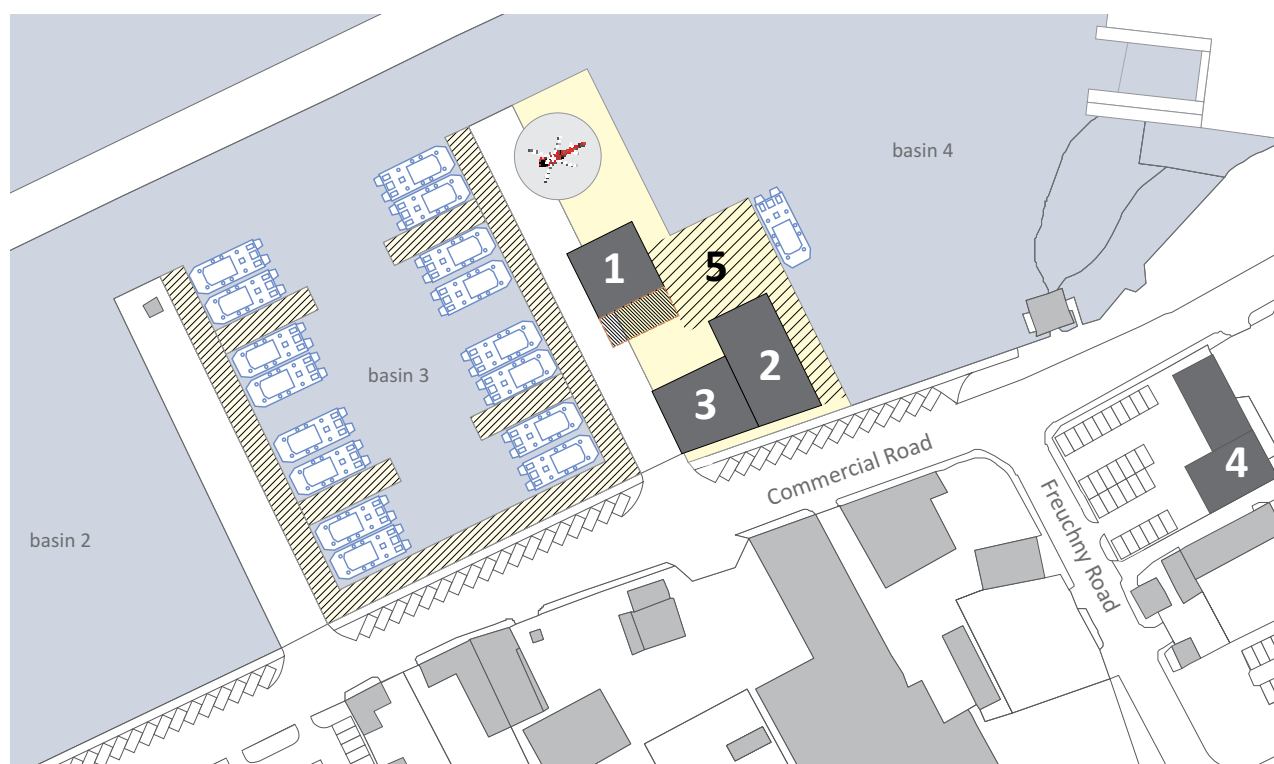


Option 1

secure compound with berthing for at least 20 windcats in basin 3 and 4, infill in basin 4 (see Appendix 2 for details)

Option 2

**secure compound with berthing for at least 16 windcats
in basin 3, loading in basin 4, infill in basin 4 (see
Appendix 2 for details)**

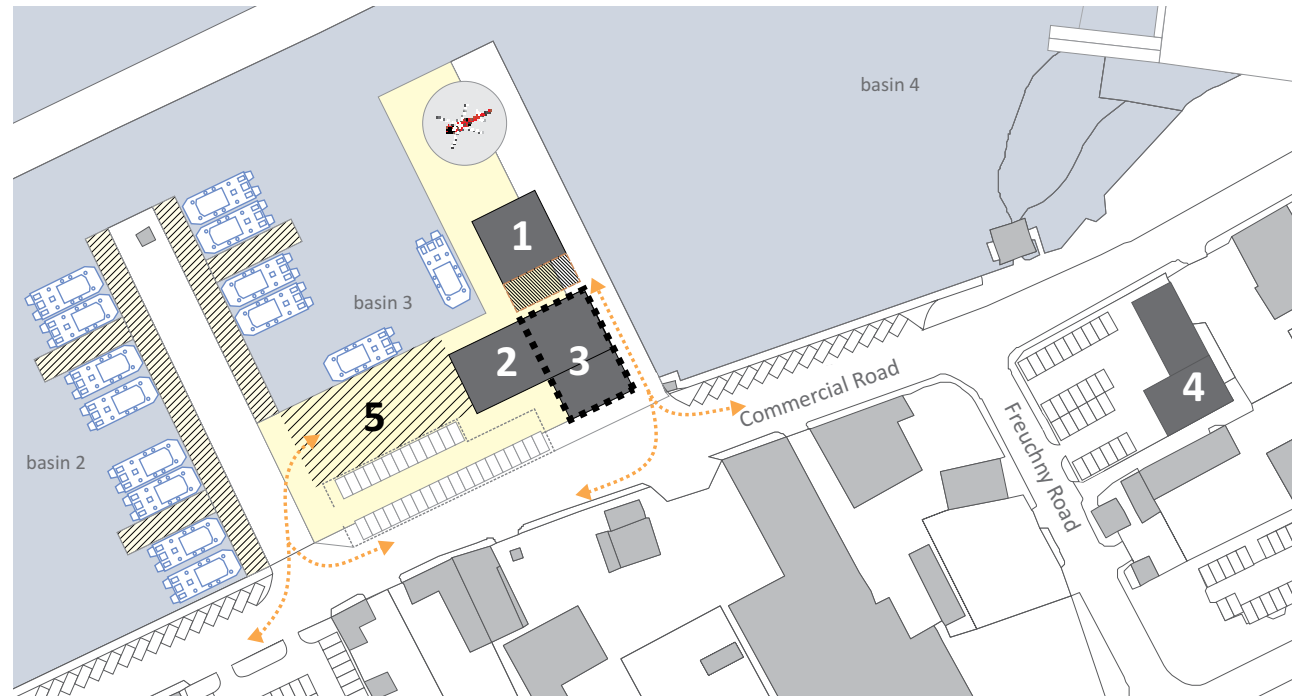


- 1 - helicopter hangar
- 2 - storage
- 3 - office building
- 4 - supply chain centre
- 5 - loading area

Option 3

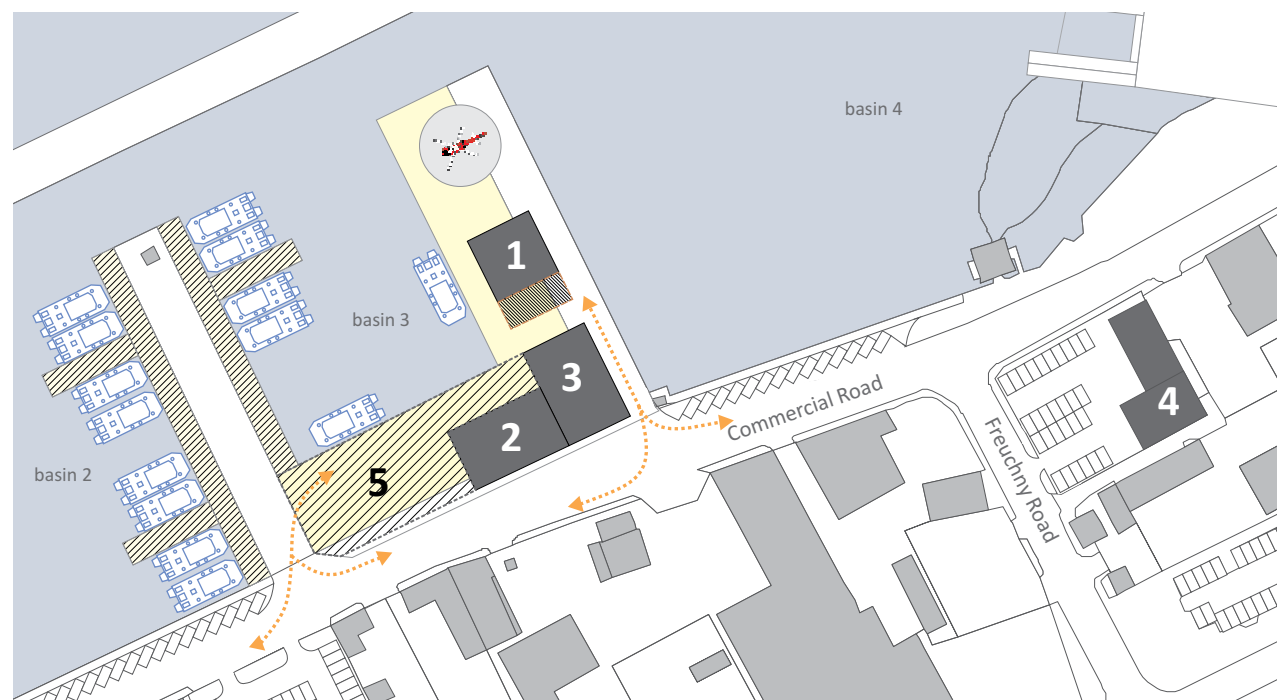
Secure compound with partial infill of basin 3, providing 12 windcat berths and some parking within secure compound (see Appendix 2 for details)

- 1 - helicopter hangar
- 2 - storage
- 3 - office building
- 4 - supply chain centre
- 5 - loading area



Option 4

Secure compound with partial infill of basin 3, providing at least 12 windcat berths (see Appendix 2 for details)

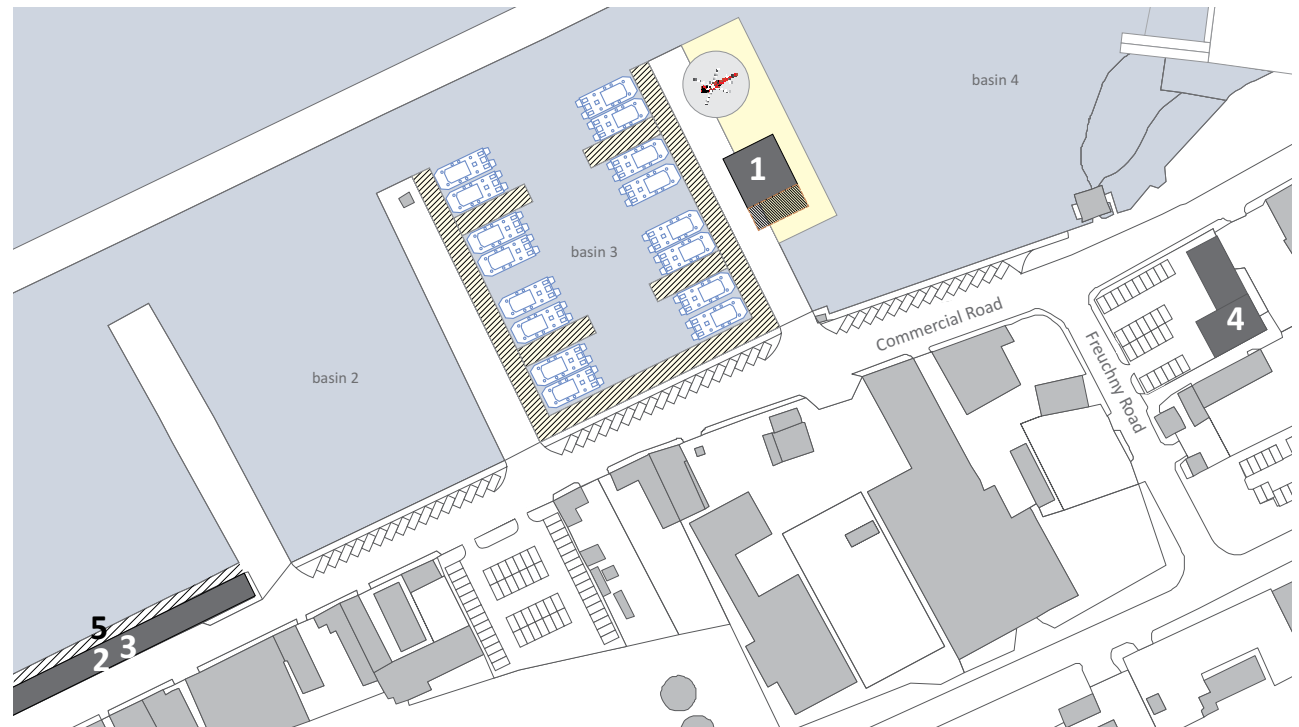


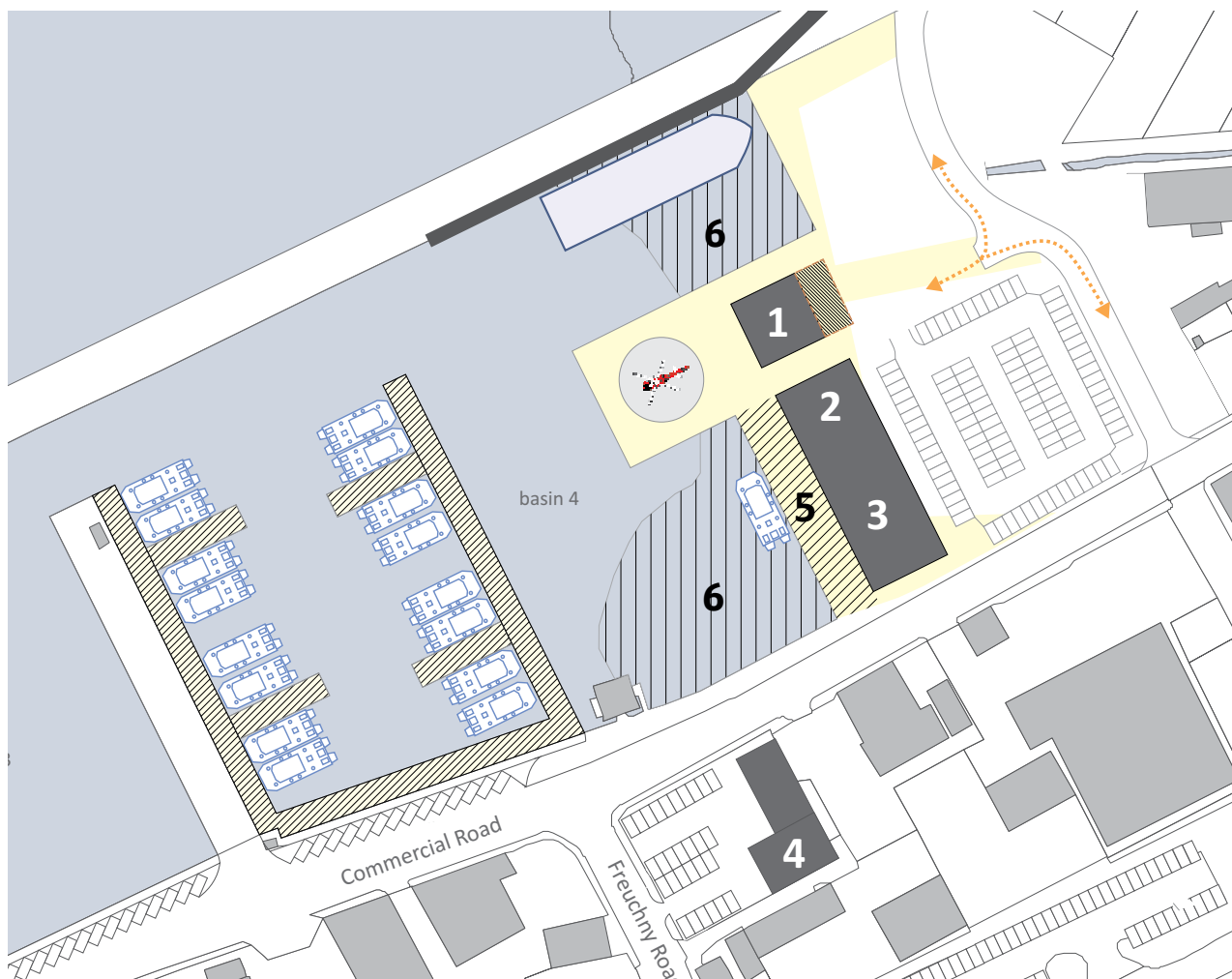
- 1 - helicopter hangar
- 2 - storage
- 3 - office building
- 4 - supply chain centre
- 5 - loading area

Option 5

Split-site or 'distributed' secure compounds to minimise amount of basin infill, with facilities building in re-purposed former Fish Market. Berthing for at least 16 windcats in basin 3, no berthing in basin 4. (see Appendix 2 for details)

- 1 - helicopter hangar
- 2 - storage
- 3 - office building
- 4 - supply chain centre
- 5 - loading area





Option 6

Locate secure compound in basin 4 with berthing for at least 16 windcats, development of office building and storage on current ship repair site, excavation of slipways and new harbour walls. The configuration shown enables access to the proposed oil blending plant on the former Jones Shipyard. (see Appendix 2 for details)

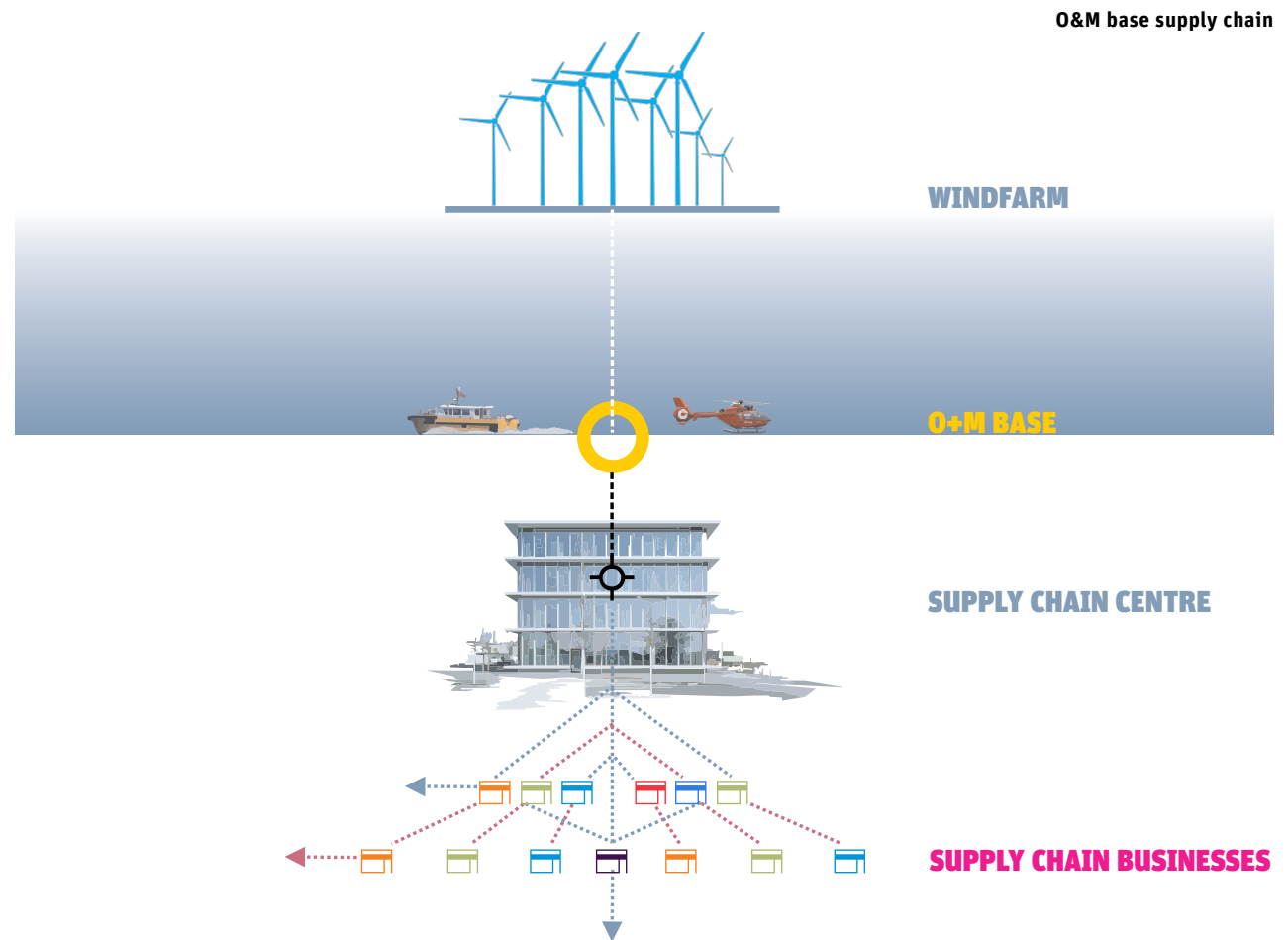
Option 6 is less preferred for three reasons:

- it introduces helicopter activity within a few metres of residential property
- it would prejudice this area of the former Buckie Ship Yard returning to use for ship building and repair
- it may prejudice development of the oil blending plant at the former Jones Shipyard by its impact on access to that site

- 1 - helicopter hangar
- 2 - storage
- 3 - office building
- 4 - supply chain centre
- 5 - loading area
- 6 - area to be excavated

MASTERPLAN COMPONENTS: BIGGER AMBITIONS

1. Supply chain business centre (15-20,000 square feet). This would provide serviced accommodation and/or training facilities for growth firms related to the offshore energy industry. It is proposed on the site of former Buckie Drifter, a key site in the heart of the harbour area, as indicated on the O&M options plan (pages 18 - 23). While this site is ideally located to support this facility, an alternative location in Buckie (such as March Road Industrial Estate) may also be suitable.
2. Expanded harbour for larger vessels and cruise ships. This is a long term aspiration would require construction of a new access along the shore to the east, and would enable additional investment in oil supply and transfer facilities.
3. Potential land reclamation west of harbour entrance. This offers an opportunity to create additional commercial land, and could be developed as part of the long term harbour expansion project.
4. Placemaking improvements. These are designed to improve the nature of the harbour for business, residents and visitors and to provide better connections between the harbour and the town centre.



5 conclusion and next steps

Buckie Harbour pier 1



The stated objectives of this indicative masterplan are to:

- enable existing businesses to grow and develop, and property/ landowners to fulfil their aspirations
- make provision for inward investment, especially for operations and maintenance (O&M) linked to planned offshore windfarms in the Moray Firth
- inform future investment in port infrastructure.

The masterplan demonstrates that investment by existing businesses and potential O&M can both be accommodated within the harbour.

The next steps will be to:

- agree a final version of the masterplan and accompanying investment plan
- discuss the masterplan with existing key businesses and O&M contractors
- move to project implementation

A number of more detailed actions also need to be taken forward, including:

- Further testing and design work on extension to pier 1 cargo area at top of spending beach.
- Survey, assessment and design work on proposed infilling and new quay walls in basins 3 and 4.

- Survey, assessment and design work on the proposed breakwater extension and its impact on wave action.
- Survey, assessment and design work on the proposed helicopter landing pad and hangar.
- Detailed site-specific masterplanning within the harbour area in collaboration with private sector partners (indigenous businesses and offshore wind investors), including infrastructure and placemaking investment within the wider harbour area.

Finally, there are a number of supporting actions which should be progressed to maximise the potential of the harbour, including:

- Develop the concept of the supply chain business centre into a viable proposal.
- Identify hotel site in or near Buckie for itinerant workers, and proactive approaches to potential operators
- Investigate funding packages for preparation of development sites at the harbour.
- Progress expansion of March Road Industrial Estate.

appendix 1 - property market report

Buckie Harbour Master's Office



1.0 INTRODUCTION

- 1.1 This paper summarises Ryden's property market research to support the creation of a masterplan for the development of Buckie Harbour. It is informed by market analysis, local experience including agency and valuation work, discussions with the consultant team and participation in the client workshop on 8 October 2014.
- 1.2 The report is intended to inform the masterplan process through providing a sound basis for land use options which reflect market realities. The masterplan will be a high-level strategic document which identifies the opportunities to promote sustainable economic growth in Buckie Harbour. It will confirm market opportunities and guide investment at the Harbour. The Harbour itself is an important employment location supported by complementary locations such as Buckie Town Centre and the March Industrial Estate.
- 1.3 Existing land use and economic activity at Buckie Harbour are reviewed in detail in the main section of this report. The broad context is

that the harbour has suffered some recent business closures but also retains a number of important companies and has economic potential in port-related, general industrial and offshore wind energy sectors. The Buckie Harbour Feasibility Study (BVG Associates, 2013) identified that an operations and maintenance (O&M) base for offshore wind energy could be located at Buckie Harbour (the MORL/BOWL wind farms lie close to Buckie).

2.0 PROPERTY MARKET

- 2.1. The Scottish economy grew by 1.6% in 2013. This would have been higher but for events at the Grangemouth refinery, which had a measurable impact upon national output. Growth accelerated to reach 1.0% for Quarter 1 of 2014, and 0.9% for Quarter 2 of 2014. On an annual basis comparing Q2 2013 and Q2 2014, output rose by 2.6%.
- 2.2. Fraser of Allander Institute's forecasts anticipate 2.7% economic growth in 2014, 2.2% in 2015 and 2.1% in 2016. This stable outlook is

underpinning a property market recovery which should gradually filter out from prime city locations to the wider market.

- 2.3. Strong demand for employment property has emerged on the back of economic recovery. This is driven not only by growth but also by modernisation as occupiers deal with obsolete buildings. Development patterns are uneven as funding markets avoid risk by concentrating upon prime city centres. New development in locations such as Moray is driven by occupiers and the public sector rather than the commercial development industry.

3.0 BUCKIE

- 3.1. Buckie has a resident population of 9,077 and is one of the main settlements in the Moray Council area. Located on the Moray Firth coast, the town is situated between the cities of Inverness and Aberdeen via the A98 trunk road.
- 3.2. In 2011, the percentage of Buckie residents of working age that were economically active

was 70.2%, which is lower than the Moray rate (71.5%) but above the Scottish average (69%).

- 3.3. The commercial property market in Buckie is small and focused on a few locations including the harbour, March Road Industrial Estate and the town centre. Table 1 details these locations. The locations exhibit a range of business types and some vacancy.
- 3.4. In addition to the potential regeneration of the harbour area which is the subject of the masterplan report, Buckie has a range of other site development and redevelopment opportunities. These may be relevant to Harbour regeneration as alternative sites to promote investment by non port-related activities. The locations are assembled from planning sources and summarised in Table 2.
- 3.5. Recent commercial property transactions show there is some activity in the commercial and industrial property market in Buckie for premises in the range of around 100 – 600 sq.m., although only one or two deals have been recorded each year (Table 3).

Table 1: Buckie Employment Locations

Location	Details
The harbour	<p>Workshops and quayside facilities lie alongside the harbour. Occupiers include Forsyths, Associated Seafoods, Regency Oils, Northern Oils, Macduff Shipyard, Cluny Fish and other businesses and organisations. A broad range of economic activities are undertaken in the harbour area, not all of which are directly related to the harbour itself. The area is currently promoted as a location for an O&M base to support the offshore wind industry, and there is potential for the area to be redeveloped and regenerated.</p> <p>A cluster of workshops, stores and offices are located along Commercial Road in the Harbour area with the majority of occupiers related to harbour activities, e.g. Harbourmaster's Office, United Fishselling, Forsyths and Denholm Fishselling. There are a few vacancies here.</p>
March Road Industrial Estate	<p>The estate lies to the east of Buckie Town Centre.</p> <ul style="list-style-type: none"> • March Road (NW), March Lane : comprises 9 industrial buildings built in the 1980s ranging from 75 sq.m. to over 1,000 sq.m. The majority of premises are owned by The Moray Council, however some properties are owner-occupied, eg. Spey Fish and Grants Refrigeration. There are no vacant buildings for sale or lease. • March Road (NW), March Road West : Four industrial buildings, 3 are owner occupied. Range from 618 – 1,607 sq.m. Occupiers include Planwell Roofing Services and FAL Scottish Propeller Services. The Moray Council is marketing a 3,950 sq.m. Greenfield development site suitable for open storage or light industrial/commercial development, to let at £6,100 pa. Graham & Sibbald are marketing a 595 sq.m. detached workshop, to let at £21,000 pa. • March Road (SE): Two large owner occupied factory buildings. Lossie Seafoods 1,475 sq.m. and Speyside Enterprises 978 sq.m. There are no vacant buildings for sale or lease. • March Road East totals c. 2,388 sq.m. (SAA) and comprises the owner occupied Stagecoach Bluebird bus depot (incorporating Babs Dial a Bus office), Moray Council depot and a grain store. In addition there are 11 industrial units and a large warehouse owned by Moray Council and fully let to tenants including Moray Recycling Action Group, Thistle Removals and Simpsons Buckie. • Old Station Yard, Commercial Road: Planning permission was granted to Moray Council in April 2014 for the alteration and refurbishment of the former net store into two industrial units and four stores. • The Douglas Centre, Marchmont Crescent: A series of offices within a traditional industrial building owned by Springfield Properties. The offices have been refurbished and offer a mix of open plan and cellular suites. Four suites currently available 2 x 17 sq.m., 8 sq.m. and 128 sq.m.
Town centre offices	<p>Located above shops and in shops with office frontages on Cluny Square, East Church Street and West Church Street. Occupiers comprise solicitors, accountants, banks, and The Moray Council with a few vacant buildings for sale or lease.</p>

Table 2: Development Opportunities in Buckie

Site	Description
Employment Sites	
The Maltings	Reserved for expansion but has not been required. Compatibility with the Maltings and new housing to the west would require to be considered.
High Street Business Park	Allocated for high quality business park. Local Development Plan (Proposed Plan, 2014) states that retail use may be acceptable subject to compliance with Policy R2 in respect of sequential test and town centre impact.
Opportunity Sites	
Blairdaff Street	Site of former W&J Cruickshank soft drink manufacturer. New uses should be compatible with residential area.
Barron Street	Once contamination issues have been resolved this site would be suitable for class 4 business or residential uses.
Bank Street	Site of the former Thomsons Boatyard.
Former Jones Shipyard	Building, plant and equipment sold to Macduff Shipyards Ltd along with separate lease of adjoining launching ramp.
Former Grampian Country Pork factory	Buildings have been cleared. 'Established use' rights would allow continued industrial/business use, but residential development would be the preferred option.
Former Millbank Garage site	Town centre site with planning permission for 20 houses and 3 shops. In line with Policy R1 ground floor properties must remain Class 1, 2 or 3 uses.

Table 3: Recent Property Transactions

Address	Description	Transaction details
17 Cluny Square	Office 192 sq.m.	Sold in December 2013 for owner occupation. £65,000
Moray House, East Cathcart Street	Office 542 sq.m.	Purchased by Grampian Joint Police Board in October 2012 for £168,000
7-9 Commercial Road	Office 318 sq.m.	Sold in November 2011. The purchaser is undisclosed however Forsyth's Ltd now use this location for storage. Asking price £70,000
Port Long Road	Industrial 161 sq.m.	Ground floor industrial space. Leased in May 2013 by Moray Council at £1,450 pa
Former Ambulance Station, Baron Street	Industrial 141 sq.m.	Let to Mr Graham Sudding on a new lease at £7,000 pa (£50 per sq.m.) in April 2012. Appears to be trading as a delivery company.

4.0 BUCKIE HARBOUR

- | | | |
|--|---|--|
| <p>4.1 At recent sites visits the harbour area has been active and reasonably well occupied by notable companies. Ongoing business activity and proposals for new investments confirm the re-emergence of the harbour for employment uses. This follows pre-recession proposals which envisaged for example residential flats on the harbour headland.</p> | <p>Year Plan to 2023 (section 2.11). According to the 2013 Buckie Harbour feasibility study, the O&M requirement would be for a warehouse/ workshop/ office building of 2000 – 3000 sq.m. to service a 500MW offshore windfarm. Other landside requirements including berthing and hotel accommodation would increase the footprint to around 5000 sq.m. (0.5 hectares). Expanding this buildings and structures footprint to allow for access, parking and movement indicates that a full site of say 1 – 1.5 hectares may be required, perhaps phased subject to discussion with potential operators.</p> | <p>build and operate a 120 bedroom hotel. Hotel requirements from budget chains can in fact be as small as 20 bedrooms/ 600 sq.m., meaning that Buckie could be of interest, but what is more important is the sustainability of the hotel over a long payback period which is why the both energy operator commitment and wider market potential are important. The format of the new accommodation may alternatively reflect the growth in the serviced apartments sector, which is more directly targeted at temporary / contract workers than hotels. There are a number of active operators in this sector with requirement typically from 50 rooms upwards, mainly for cities, providing slightly larger rooms/studios for longer stays with supporting amenities such as catering, laundry, events and recreation spaces. The hotel site search could of course consider a larger market area around the core urban area and town centre.</p> |
| <p>4.2 The harbour has a range of employment opportunity sectors including maritime and energy uses and the emergence of offshore wind energy in the Moray Firth (specifically the proposed MORL/BOWL wind farms). Moray Economic Strategic programme updates during 2014 note a number of companies interested in expansion at the harbour, planned development of new industrial units at March Road and work underway to refurbish the Old Net Store to convert it to 6 new industrial units.</p> | <p>4.4 Delivery of a hotel would be required to support the O&M base and might additionally offer another accommodation opportunity in the town, at least when not fully occupied. Development of similar hotels on Shetland to support the energy sector has been led by the operators. The 100 bedroom Moorfield Hotel near Brae opened in 2013 and is leased 100% to Redefine BDL Limited for 1 year then 80% for a further 6 years. BP is currently seeking a partner to</p> | <p>4.5 Macduff Shipyards Ltd acquired areas of the Buckie Shipyard facility from the receiver in</p> |
| <p>4.3 The 2012 Moray Economic Strategic promotes consolidation of underused land for offshore wind energy activity, as does the Moray 10</p> | | |

	November 2013, three months after it fell into receivership. The acquisition concerned the lifeboat refit and service facility on the site adjacent to the main building and a lease of the launching ramp.		
4.6	Associated Seafoods Ltd (ASL) completed a major upgrade of its processing plant on Low Street, this included the provision of a new food manufacturing unit. The company has retained its premises at March Road Industrial Estate.	4.9	In terms of supply side potential to accommodate business expansion and new inbound investment, the Buckie Harbour Opportunities for Offshore Renewables brochure notes nine potential development plots - comprising land and/or buildings - around the Harbour and Commercial Road totalling 5.53 hectares. The plots are disparate ranging from 0.08 – 1.4 hectares.
4.7	Existing fabrication business Forsyths is understood to have consolidation requirements which are dependent upon the availability of suitable land, preferably for purchase rather than lease.	4.10	Buckie Harbour attracts a premium land value for employment uses. General industrial values in Buckie are in the range £120,000 to £200,000 per hectare while Harbour sites can attract up to £250,000 per hectare.
4.8	Northern Oils has proposals to develop a factory, warehousing, laboratory and tank farm to create a lube oil blending plant, including refurbishment of the former Jones Buckie shipyard. The company also has a long term aspiration to construct a ‘super-harbour’ at Buckie to accommodate larger oil supply vessels.	4.11	Rental values for industrial premises in Buckie tend to be in the range £43 - £54 per sq.m., dependent upon building size and specification. This range of rents applies to modern premises rather than obsolete older buildings or general storage. These industrial market rents in Buckie are not high enough to justify unsubsidised private sector development.
		4.12	The undernoted actions are intended to support the implementation of a Buckie Harbour masterplan with the potential and flexibility to incorporate both existing businesses including their expansion potential and the prospect of securing an offshore wind farm O&M base. Initial research and consultations suggest that this is potentially complex due to fragmentation of site opportunities and demand from both port and non port-related land uses, but should be achievable over the medium term. It is anticipated that funding will be sourced from a variety of public and privates sector sources. Recommended actions:
			4.12.1 Complete master plan as a prospectus to attract offshore wind energy O&M interest and demonstrate continuing potential to existing and future port-related occupiers.
			4.12.2 Investigate funding package to assemble/ clear/ service sites for these uses.

- 4.12.3 Through discussions with potential operators and recent case studies/ site visits, optimise footprint and market offer for O&M.
- 4.12.4 Using this information, identify core quayside land assembly package of approximately 0.5 ha including any required phasing for all O&M buildings, structures, facilities and ancillary land areas.
- 4.12.5 Identify decant land at March Road/ other to accommodate overspill non port-related and supply chain opportunities and develop plot phasing.
- 4.12.6 Investigate funding packages to support industrial developer and occupier investment for larger opportunities.
- 4.12.7 Conduct market research into potential hotel sites, optimum hotel size and potential to fund through energy operator lease commitment and/ or hotel operator.
- 4.12.8 Programme this activity around a critical path using offshore wind farm development plan and related operator requirements, as these emerge and without blocking investment by existing businesses.

Ryden LLP
November 2014

appendix 2 - data on O&M options

	parking spaces	loading area	storage shed	control/ office	storage area	"infill required"	excavation	pontoons	windcats	hangar	details
Lowestoft	126	11,000sqft/ 1,040 sqm	9,900sqft/ 920 sqm	6,400sqft/ 596 sqm	9,000 sqft/ 848 sqm						
O&M base option 1	107	3,720 sqft/ 345 sqm	3,760 sqft/ 348 sqm	4,750 sqft/ 440 sqm		26,200 sqft/ 2,430 sqm		1,325 ft/ 404 m	20	3,300 sqft/ 310 sqm	basin 3 for berthing without infill, infill west side of basin 4
O&M base option 2	107	8,640 sqft/ 800 sqm	4,870 sqft/ 450 sqm	7,300 sqft/ 680 sqm		32,900 sqft/ 3,070 sqm		1,102 ft/ 336 m	16	3,300 sqft/ 310 sqm	basin 3 for berthing without infill, infill west side of basin 4, no pontoons in basin 4
O&M base option 3	122	10,500 sqft/ 978 sqm	6,440 sqft/ 600 sqm	7,100 sqft/ 670 sqm		41,200 sqft/ 3,800 sqm		726 ft / 221.5 m	12-14	3,300 sqft/ 310 sqm	secure compound basin 3 with infill, additional berthing east side of basin 2
O&M base option 4	89	14,500 sqft/ 1,350 sqm	4,900 sqft/ 460 sqm	4,450 sqft/ 432 sqm		34,500 sqft/ 3,220 sqm		762 ft / 232.5 m	12-14	3,300 sqft/ 310 sqm	secure compound basin 3 with smaller infill and no parking, additional berthing east side of basin 2
O&M base option 5	107	3,670 sqft/ 377 sqm	8,800 sqft/ 830 sqm	8,800 sqft/ 830 sqm		14,600 sqft/ 1,365 sqm		1,102 ft/ 336 m	16	3,300 sqft/ 310 sqm	basin 3 for berthing without infill, helicopter on pier 4, other OM base elements distributed in area
O&M base option 6	106 (on site)	6,300 sqft/ 585 sqm	11,600 sqft/ 1077 sqm	11,600 sqft/ 1077 sqm		53,066 sqft/ 4,930 sqm	42,000 sqft/ 3,900 sqm	1,167 ft/ 355 m	16	3,300 sqft/ 310 sqm	OM base on east side of basin 4, no shipbuilding or dry dock there

all figures are approximate based on distances calculated
from Arcview GIS software



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean



nwp
nick wright planning
276 Main Road
Elderslie
Johnstone
Scotland
PA5 9EF