REPORT TO:	East Lothian Council
MEETING DATE:	23 February 2021
BY:	Executive Director for Place
SUBJECT:	Cockenzie Former Power Station Site Update / National Planning Framework 4: Position Statement and Associated Response

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1 PURPOSE

1.1 To update Council on the high level optioneering study into the creation of a cruise/port-related facility at Cockenzie previously reported in May 2020; to advise on the ongoing engagement with Scottish Government; to advise on the associated position of Prestonpans Community Council, and on a further community idea proposed for the Cockenzie site; and additionally, to seek approval of a response to the Scottish Government's recently published National Planning Framework 4: Positon Statement.

2 RECOMMENDATIONS

2.1 To consider the information contained within the AECOM forecast update report dated January 2021, as set out at Appendix 1.

2.2 To note the ongoing engagement with Scottish Government officials following the request to meet with the Minister for Local Government, Housing and Planning, and senior civil servants, as agreed by Council in May 2020.

2.3 To note the suggestion from Prestonpans Community Council to form a Steering Group/Development Company to promote and deliver development at the Cockenzie site, and to agree this as premature at this stage in the context of the Scottish Minster's processes for preparing National Planning Framework 4.

2.4 To note the submission of a community led 360 degree vision for part of the former power station footprint of the site, as set out at Appendix 2.

2.5 To approve a response to the National Planning Framework 4 Positon Statement, a draft of which is included at Appendix 3.

3 BACKGROUND

3.1 Council determined in February 2019 to have a high level Optioneering Study into the creation of a Cruise/Port-related facility at Cockenzie; this was completed and reported to Council in May 2020. In consideration of the report, the Council agreed to write to the Minister for Local Government, Housing and Planning to seek a meeting to provide clarity regarding the potential for development of cruise and port-related infrastructure at Cockenzie. Group Leaders collectively wrote to the Minister following the Council decision.

3.2 The Minister responded and advised that whilst he was unable to meet he promoted in response that key members of the National Planning Framework 4 team would be happy to meet with the Council.

3.3 Council officers met with Scottish Government Planning, Architecture & Design (PAD) on the 19 August 2020. At that meeting PAD officers set out where they were that in terms of the Development Plan process; assimilating inputs that they had received as part of their consultation process. As part of the discussion we specifically focused in on the potential for port and cruise and reflected on the optioneering study that we had shared in advance of the meeting. We weren't able to determine from this session alone whether Cockenzie will feature in respect of any national strategy or plans for port/cruise and if it were to, to what extent. In general the meeting was positive and Council officers left the meeting hopeful that our NPF4 candidate proposal would be influential in shaping an updated policy position. It is important to note that our candidate NPF4 proposal is of course much wider than Cockenzie alone and focuses on the opportunities of co-ordinated action in respect of the proposed new settlement and the ClimatEvolution Zone.

3.4 Council officers met again with Scottish Government Planning and Architecture Division (PAD) colleagues, including the Chief Planner, on 8 February 2021. Further update was provided in relation to the timeline for NPF4 with a draft National Plan intended to be laid before parliament in autumn 2021. The plan will remain within parliamentary process for scrutiny for up to 120 days before being approved following, any agreed amendments, in spring/summer 2022. Scottish Government colleagues flagged upcoming engagement regionally in respect of Regional Spatial Strategies and that they continue to consider all candidate National Development submissions submitted to them and could not express a view on the merits of any of them at this stage. The current National Planning Framework 3 and Scottish Planning Policy remains in place until NPF4 is adopted by Ministers.

3.5 Council officers provided update on ongoing work around the new settlement, the ClimatEvoultion Zone and Cockenzie. The conversation was again collegiate and positive. Following progress made and in relation to Cockenzie specifically we agreed to engage again around the assets of national interest and the consideration now of defining site boundaries in that context, acknowledging that this is something that NPF3 does not do.

3.6 While continuing engagement with Scottish Government, Council officials also asked AECOM to undertake some further work on the previous optioneering study, primarily to inform and better understand the impact that the current pandemic may have had on the viability of a cruise/port-related facility at Cockenzie.

3.7 The update report provides a revised assessment, revisiting the market review, basic financial model and calculation of economic benefit reflecting the current state of the cruise market, the effects of the pandemic, likely impact on future investment and timescale for recovery of the industry. Consultation was undertaken with cruise operators and their port agents, Forth Ports, and with other ports that receive cruise vessels. The AECOM report is enclosed as Appendix 1, the principle points of which are:

a) Central to the resumption of cruising is the frequent testing of passengers and crew, vessels operating at less than full capacity to allow social distancing on board and keeping passengers in groups or bubbles when ashore.

b) It is estimated that 4-5% of the global cruise fleet will be scrapped or put to other use. Orders for new vessels have been deferred by at least 1 year.

c) Operators were intending to resume operations in April 2021 at reduced capacity and cruising mainly in one country. This will have been impacted on by the current situation and any resumption will rely heavily on vaccination being successful and widespread.

d) Demand remains strong but the recovery period is likely to feature smaller cruise ships, regional cruising, downward pressure on port tariffs and reduced spending ashore.

e) It is assumed cruise activity will return to 2019 levels in 2023.

f) Taking 2024 as the base year it will be a further 3 years before revenue (estimated surplus) levels catch up to and return to the base level.

g) It will be 6 years before the assumed economic benefit returns to base level.

h) The growth in cruise calls and total number of passengers cruising in the Forth is expected to recover but is deferred by the effects of the pandemic. Similarly the total revenue generated would lag behind the original assessment extending pay back on investment projections.

In conclusion the AECOM report considered the impact of the pandemic and the case for Cockenzie, premised to some extent on the summary of consultation findings outlined in page 20, *appendix b,* of the report:

Impacts of the Pandemic;

The pandemic severely impacted the cruise industry in 2020. It is expected to recover strongly once effective means of suppressing coronavirus are found but it remains uncertain how long that will take. Using a reasonably conservative interpretation of stakeholder views of when the industry will be restored to 2019 levels of operation and growth, this assessment has found the viability of Cockenzie cruise facility is likely to be lower, albeit not to a significant degree.

The direct financial impact is relatively minor, extending the payback period by approximately one year. The impact on economic benefit is similarly marginal. These results are of course highly variable due to the uncertainty of how soon the effects of coronavirus can be adequately supressed. However, the fundamentals that made the cruise industry viable and a strong growth industry have not changed, and demand for cruising remains strong, albeit temporarily suspended due to the pandemic.

Detailed design of a Cockenzie cruise facility will need to include spaces for testing passengers, isolating positive cases, and facilitate the hospitalisation or repatriation of passengers who test positive.

The Case for Cockenzie:

For most ports cruise traffic is a marginal business. Dedicated cruise facilities in the UK have only come about where a large cruise operator is willing to make a commitment in terms of utilisation, e.g. Southampton Cruise Terminal developed by ABP.

Port operators review the case for investing in facilities to either grow or at least maintain their level of cruise traffic periodically but the pandemic has made that a very low priority. However, once the recovery has taken place there is nothing to suggest the dynamics of investing in cruise facilities would be any different to prior to the pandemic.

The cruise operators contacted were asked if they would ever consider investing in cruise terminals generally, possibly through a consortium of non-competing cruise lines (serving different market segments) but this is not something they perceive as worthwhile. From the cruise operator's point of view there are hundreds of ports they call at each year so investing in any one port is not worthwhile, and they are primarily concerned with earning profit from their investment in cruise vessels.

In the case of Cockenzie the existence of Leith, Rosyth, Newhaven and South Queensferry present a dilemma: the existing facilities serve the needs of a large portion of the cruise sector and while the level of service and quality of the passenger experience could be higher in a purpose built facility at Cockenzie, that is a marginal improvement for those cruise operators. Meanwhile the other portion of the cruise *sector that would benefit (operators of larger vessels) don't call at Edinburgh at the moment so perhaps don't appreciate the benefit a new facility at Cockenzie could bring.*

The case for Cockenzie could be greater if:

• *One of the existing cruise facilities could no longer be used, and/or*

• *Another type of marine traffic found a use for a facility at Cockenzie, ideally during the winter months*

3.8 Prestonpans Community Council have contacted the Council seeking update on progress since the publication of the AECOM report, and in recent communication have stated their desire to see the creation of a steering group or Development Company to "build on what has already been established in the council AECOM report, the positive feedback from Scottish Government and more importantly take the initiative forward to a stage that the Council could hit the ground running once NPF4 is published".

3.9 It is true that we have had positive engagements with Scottish Government civil servants in relation to our wider candidate national development proposal; however, as expected, civil servants did not indicate what policy position Scottish Ministers may take in respect of the future of this area, including support or otherwise for any particular uses at the Cockenzie site. Scottish Ministers would likely wish to consider the future of the site in light of their ambitions and opportunities across all of Scotland. Whether the candidate proposal including the Cockenzie site has merit as a National Development site, therefore, and for what uses, will firstly need to be considered by Scottish Ministers in a national context.

3.10 The Council's position currently remains that it wishes to continue engagement with Scottish Government until the publication of NPF4 and in parallel consider the wider opportunities that will arise for the site, assuming there is more flexibility in the planning designation of the site flowing from NPF4. The engagement of AECOM in 2019 was to produce a high-level report on the feasibility of a cruise/port-related facility at Cockenzie to inform that process. However, it was recognised at the time that there would be considerable expense involved in undertaking any further site investigation works to inform the process further.

3.11 At this stage, the suggestion to form a steering group/development company in advance of the outcome of National Planning Framework 4 to co-ordinate promotion and delivery of development at the Cockenzie site could result in an abortive use of scarce resources, raise potentially unrealistic or undeliverable expectations from a number of key stakeholder groups, and is therefore not recommended.

3.12 Nonetheless, there continues to be significant interest in the Cockenzie site as a whole, not least the area around the existing Scottish Power substation which offers a National Grid connection opportunity to electricity generators or energy storage companies which meet the requirements of the existing NPF3 planning designation, but also in the former station footprint to the north of Edinburgh Road and the former coal yard to the south.

3.13 The Council continues to engage with many of these interests, whether they are currently policy compliant or not. The conversations are commercially sensitive and generally are subject to confidentiality or non-disclosure agreements. An update report on these interests is included on the agenda for consideration in private session. It is worthy of note that policy-compliant interests, so far energy related and generally not promoting substantial employment, are not being offered land where the Council sees optimum wider economic benefit and jobs if NPF4 allows it, i.e. the former station site and the former coal yard site.

3.14 A community group recently put forward an idea for the former station footprint, the creation of a 360 Centre, the draft vision statement for which is included within this report as Appendix 2. While recognising this idea is at a very early stage, the promoters put this forward as an initiative that could be taken forward by the community, East Lothian Council, Scottish Government, the private sector, academic organisations and others in a partnership approach; the aim is to see the creation of a facility that looks back to the heritage of the area, but also forward thus embracing the world of today and the future. This is promoted as a facility that could attract thousands of visitors annually and provide 200 jobs in the initial stages. The promoters recognise that the financial viability of such a scheme must be determined at an early stage, and have sought a contribution from the Council toward an initial feasibility study. A meeting with the community group and Council officers is scheduled.

3.15 Clearly linking all of the above is the development process for NPF4. The latest step in this is the publication of the 'NPF4 Positon Statement' on 26 November 2020. Responses to the Position Statement were requested by 19 February 2021. However, given that there was insufficient time to prepare a response for the December 2020 meeting of the Council, and the deadline falls before this meeting of the Council, a short extension to the 24 February has been agreed with the Scottish Government's Planning and Architecture Division. This will enable the Council to take a view on a response, a draft of which is suggested at Appendix 3 of this report.

3.16 The NPF4 Positon Statement draws on suggestions from the earlier 'NPF4 Call for Ideas' engagement (which the Council responded to in April 2021). It puts forward the high level direction of travel for NPF4 themes: planning for 'Net-Zero Emissions', 'Resilient Communities', 'A Well-being Economy' and 'Better, Greener Places'. Importantly, there is considerable resonance between the emerging NPF4 themes and those of the Council's candidate National Development proposal, as expressed within its earlier response to the 'NPF4 Call for Ideas', and as described and illustrated its consultation draft ClimatEvolution Vision and Action Plan, approved for consultation in May 2020 under COVID-19 Emergency Recess arrangements.

3.17 The NPF4 Position Statement does not express a preference for candidate National Development areas at this stage, but notes that some of those suggestions align with one or more of the emerging NPF4 themes. A decision on the Finalised ClimatEvolution Vision and Action Plan, which is being developed in consultation with technical stakeholders, communities and the public, is targeted for April 2020. Following any decision on the ClimatEvolution Vision the Council may choose to share it with Scottish Government at that point.

3.18 In the timescales and circumstances before the Council now, it would seem prudent to offer a high level response to the NPF4 Position Statement at this stage, pointing out how our National Development proposal aligns, in broad terms, with the emerging NPF4 themes. Additionally, as was the case with the earlier 'Call for Ideas' response on NPF4, a joint response with landowners at Blindwells to the Position Statement would underscore our ongoing collaboration and is therefore also recommended. Those landowners have agreed to endorse the draft response suggested in Appendix 3.

3.19 Council officers have met with the chairs of the Community Council's within the Preston Seton and Gosford Ward along with the Chair of the Area Partnership and discussed community engagement with them moving forward. Whilst COVID-19 has impacted substantially here, it is important that regular engagement with community leaders is in place. The Cockenzie Community Forum has not met since COVID-19 and we need to consider whether it is now the right engagement forum given the much wider nature of proposals. The cross-party group of Elected Members and officers will also oversee the development of a communications plan to engage much more broadly given the significance of the proposals to East Lothian as a whole and indeed to the wider region. The plan will be developed to take us through the publication of NPF4 and beyond.

4 POLICY IMPLICATIONS

4.1 As National Planning Framework 4 (NPF4) will form part of the Development Plan there will be significant policy implications from its content. Continuing engagement with Scottish Government around the development of the NPF4 project proposal may have direct policy implications for the future of the Cockenzie site, including any cruise/port-related component, as well as potentially the same in respect of the wider area.

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report at this stage does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial - No further costs at this stage. Ongoing planned work is contained within approved Capital and Revenue budgets.

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 Members Library Report 55/20, 26/05/20. Cockenzie Power Station Site: High level Optioneering Study into the creation of a Cruise/Port-related Facility (here).

7.2 Report to East Lothian Council by Depute Chief Executive (Partnerships and Community Services) February 2020 - Development Planning: National Planning Framework 4/Regional Spatial Strategies and Local Development Plan (here)

7.3 Member's Library Report 50/20 26/05/20. Full Response to National Planning Framework 4 Consultation (here)

7.4 Member's Library Report 57/20, 26/05/20. Draft ClimatEvolution Vision & Action Programme for Consultation (here) – COVID_19 Emergency Recess Report

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DATE	12 February 2021

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Appendix 1

Cockenzie Cruise Berth

Forecast Update January 2021

East Lothian Council

Project number: 60618205
CCB-ACM-XX-XX-RP-MT-00001

22 January 2021

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East Lothian Council

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1. Introduction

1.1 Previous Work

In January 2020 AECOM delivered a high-level optioneering study on the viability of converting the former Cockenzie Power Station jetty and power station site into a facility for cruise vessels. That study included an assessment of the market for such a facility, a basic financial model to estimate payback period, and a calculation of economic benefit from the scheme. That study found the payback period for such a project would be at least 15 years for the initial capital cost without taking account of finance costs or the time value of money. All of this work was undertaken prior to the Coronavirus pandemic which has had a significant impact on the cruise sector. AECOM have been asked to revisit the market review, basic financial model and calculation of economic benefit and provide an update on these aspects of the assessment.

In the original assessment five design scenarios (A to E) were developed. All design scenarios except C could have their capital costs recovered within 25 years[1]. These results are very sensitive to assumptions regarding the:

- Extent and cost of dredging, and;
- Operating surplus that a port operator can achieve, which in turn is sensitive to the tariff the cruise market can bear for calling in the Firth of Forth, and the operating costs incurred by the port operator.

The economic benefit of additional passenger and crew spending amounted to approximately £5.9 m in year 1 rising year on year to reach £27.8 m by year 25 for scenarios that allow turnarounds at Cockenzie. This does not include the economic benefit from vessel operations.

Design scenario B appeared to be the most attractive from the point of view of both payback period and economic benefit.

Table 1-1 Results of the Original Assessment (January 2020) for Design Scenarios A to E

Design Scenario	Options Included	Tidal Restrictions?	Transit or Turnaround Calls	Allows Berth Sharing?	Cost (£ m)	Payback Period (years)	Economic Payback Over 25 years (£m) versus Do Nothing
A	Berth design '1C'	Yes	Transit only	No	£44.30	20	£219
B	**Berth design '1C' + continuous quay deck and basic onshore facilities**	**Yes**	**Transit and Turnaround**	**Yes**	**£56.30**	**15**	**£532**
C	Berth design '1E'	No	Transit only	No	£68.50	>25	£221
D	Berth design '1E' + continuous quay deck and basic onshore facilities	No	Transit and Turnaround	Yes	£80.50	19	£533
E	Berth option '2' + continuous quay	No	Transit and Turnaround	Yes	£80.70	19	£533

[1] this excludes consideration of other fixed costs that will be incurred in operating the facility

deck and basic
onshore facilities

1.2 This Update

This update was created to provide a revised assessment revisiting the market review, basic financial model and calculation of economic benefit for Cockenzie cruise facility and report on these aspects reflecting:

- The current state of the cruise market,
- The effects of the pandemic,
- Likely impact on future investment, and
- Timescale for recovery of the industry.

The viability of the project has been re-calculated based on these findings. Information on the recovery of the cruise industry was sourced from:

- Consultation calls with cruise operators and their port agents
- Consultation calls with Forth ports, and
- Consultation calls with other ports that receive cruise vessels

Note this update was prepared and stakeholders consulted between October and December 2020, prior to the introduction of Tier 4 in much of England and the closure of many international borders to passengers from the UK that commenced on the 20th December 2020.

Figure 1.1 Location of Existing Cruise Facilities in the Firth of Forth and Aerial View of Former Power Station Site at Cockenzie (inset)

2. Commentary

2.1 Changes in the Cruise Industry

2.1.1 Prior to the Pandemic

The Firth of Forth has a healthy cruise business with around 100 calls per annum from a wide variety of operators. Some of those operators bring repeat business to the region, and that includes turnaround calls (15% of total) as well as transit calls. There are two locations where cruise vessels can berth (Leith and Rosyth) although size limitations apply, and two anchorages that can be used for larger vessels.

2.1.2 Impact of the Pandemic

As the pandemic emerged in early 2020 activities thought to enable to spread of the virus were progressively curtailed. Travel and tourism were particularly impacted and cruising largely halted around March/April 2020. Cruises for the remainder of 2020 were cancelled and cruise vessels laid up. Throughout Summer 2020 no cruises took place but as the rate of coronavirus infection declined proposals for resuming cruise operations were being made by cruise operators, ports, and trade associations. In October the UK Chamber of Shipping published a ‘Framework for UK Cruise Operations during COVID-19’ to aid operators re-starting cruise operations, albeit in a limited way. Central to the resumption of cruising is the frequent testing of passengers and crew, operating at less than full capacity to allow social distancing on board, and keeping passengers in groups or ‘bubbles’ when ashore.

A number of cruise vessels were withdrawn and scrapped; however, these were generally vessels that were due for replacement in the near future. It is estimated 4-5% of the global cruise vessel fleet were scrapped or put to other uses. New build vessels currently under construction have experienced very slight delays of a few months but operators still intend to bring them into service. Orders for new vessels have been deferred for at least one year but would be re-activated once a recovery is more evident.

Some operators resumed cruising on a very limited scale in November 2020 but in general most are aiming to resume operations in April 2021: the start of the 2021 cruise season. As well as operating at reduced capacity cruises in 2021 will generally feature more limited itineraries cruising mainly in one country, perhaps visiting only one other country to more easily manage the risks of encountering local lock downs or the need to repatriate passengers unexpectedly. Some operators are aiming to increase the complexity of their cruises and the capacity they operate at gradually throughout the year with the aim of commencing the 2022 cruise season in April 2022 with operations close to pre-pandemic cruising. These aims rely heavily on vaccination being successful and relatively widespread, or other measures to supress the pandemic being successful.

2.1.3 Recovery Period

Discussion with cruise operators, their service providers and ports reveal there remains strong demand for cruising. Cruise operators contacted had no difficulty selling places on the cruises they are offering in 2021 and into 2022, and while discounting has occurred for the beginning of the 2021 season, they report income per passenger-night for their later 2021 bookings equal to that achieved in 2019. This reflects the high degree of repeat custom cruise operators are able to attract, and low sensitivity to economic cycles for the majority of their passengers who typically have stable income streams such as pensions.

The general consensus among consultees is the cruise sector will recover strongly but when this will occur is highly dependent on managing the risks of coronavirus through successful vaccination programmes or other measures. Operator’s believe that once passengers feel comfortable with the residual risk of cruising now that coronavirus is present (and always will be), they will return to cruising. Estimates of how long it will take the cruise industry to return to 2019 levels of activity and resume its pre-pandemic growth trajectory vary from 2 to 5 years.

The recovery period is likely to feature the following differences compared to pre-pandemic cruising:

- Smaller cruise ships will account for a greater proportion of cruising because they are more attractive to passengers and easier to manage in relation to coronavirus concerns

- Regional cruising with simpler itineraries will feature more heavily

- While there may be downward pressure on port tariffs from cruise operators due to the reduced capacity they are operating at, this is not expected to be significant or long lasting

- Passenger spending ashore will be somewhat reduced because passengers need to remain in 'bubbles' when ashore, reducing the potential for visiting retailers, restaurants etc.

3. Implications for Cockenzie

3.1 Input Variables

3.1.1 Impact of the Pandemic

The original assessment of Cockenzie cruise facility considered the following variables which influence viability:

- Demand Projection
  - Annual growth assumptions for number of cruise calls per year
  - Increase in average length of cruise vessels
  - Increase in the average number of passengers per metre of cruise vessel
  - Change in proportion of turnaround calls
- Revenue Projection
  - Estimated surplus:
    - Per vessel metre for transit calls
    - Per vessel metre for turnaround calls
    - Per passenger for transit calls
    - Per passenger for turnaround calls
    - Per item of baggage for turnaround calls
- Economic Benefit
  - Assumed economic impact of passenger and crew spending:
    - Direct Spend for transit calls
    - Direct Spend for turnaround calls
    - Total value added (direct spend + indirect + induced) for transit calls
    - Total value added (direct spend + indirect + induced) for turnaround calls

There is no scientific way these values can be adjusted in anticipation of the recovery of the cruise industry following the pandemic. Instead changes have been assumed that reflect the consensus of opinion obtained from stakeholders as follows:

Table 3-1 Changes to Input Variables to Reflect Pandemic Impacts

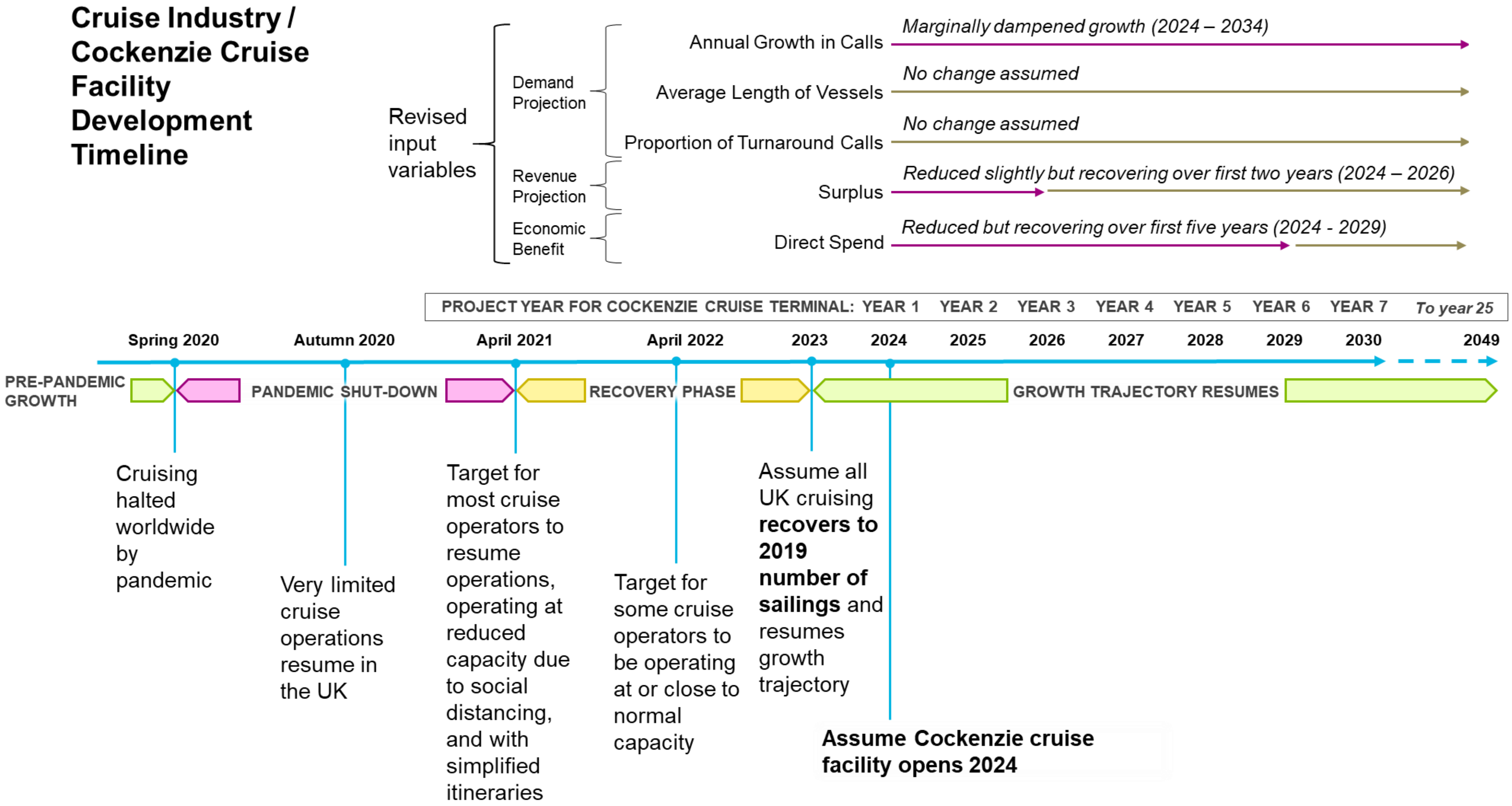
Variable	Change for Revised Assessment
DEMAND PROJECTION	
Annual growth assumptions for number of cruise calls per year	Cruise activity assumed to return to 2019 levels in 2023. Growth rebased to commence in 2024, dampened in the short term compared with the original assessment. See Table 3-2.
Increase in average length of cruise vessels	No change assumed because fleet replacement would appear to be largely unaffected by the pandemic and by 2023 the effects of vessel scrapping and delays to the building of new vessels experienced in 2020, and the preference for operating smaller vessels on simpler itineraries is assumed to have ended
Increase in the average number of passengers per metre of cruise vessel	Unchanged as this is driven by the assumption on the average length of cruise vessels
Change in proportion of turnaround calls	No change assumed as there was no evidence this has been affected
REVENUE PROJECTION (estimated surplus)	
Per vessel metre for transit calls	A reduction of 10% in 2024, 5% in 2025 and no change from 2026 onwards. See Table 3-3.
Per vessel metre for turnaround calls	
Per passenger for transit calls	
Per passenger for turnaround calls	
Per item of baggage for turnaround calls	
ECONOMIC BENEFIT (assumed economic impact of passenger and crew spending)	
Direct Spend for transit calls	A reduction of 25% for 2024, diminishing by 5% over a five year period so that by year 6% there is no longer a reduction. See Table 3-4.
Direct Spend for turnaround calls	
Total value added (direct spend + indirect + induced) for transit calls	Reduced in proportion to direct spend because the total value added is driven by direct spend and a multiplier, the multiplier is assumed to remain constant as there is no evidence it will change.
Total value added (direct spend + indirect + induced) for turnaround calls	

The variables that are being changed affect the overall level of cruise activity and spending in the Firth of Forth. Because there is no change to the proportion of turnaround calls this revised assessment will not change the relative viability of any of the design scenarios.

The original assessment assumed both for simplicity and to be conservative, that year 1 of the project lifespan applies growth rates or other changes to 2019 values for the number of calls, number of passengers, passenger spend and so on. Applying the same logic, it is assumed that the facility will open in 2024 in the revised assessment, therefore year 1 builds on the number of calls and so on in 2023 – the year cruise activity is assumed to return to 2019 levels.

A summary of how these variables reflect the impact of the pandemic and development of the cruise facility is presented in Figure 3.1

Figure 3.1 Summary of Events Impacting the Cruise Industry in the UK



3.1.2 Number of Cruise Calls in the Firth of Forth

The growth rate is assumed to be lower in first three years reflecting a slow recovery (3% versus 8%), then accelerating to 6% as latent demand is realised as confidence in cruising and coronavirus management increases. After ten years long term growth rates are unchanged.

Table 3-2 Revised Annual Growth Rate Assumptions

Growth Rates	Growth Rates per annum ORIGINAL	Growth Rates per annum REVISED
Years 1 to 3 (2024 – 2026)	8%	3%
Years 4 to 10 (2027 – 2033)	5%	6%
Years 11 to end (2034 – 2049)	2%	2%

3.1.3 Revenue

Reduced by 10% in year 1, by 5% in year 2, but unchanged there after reflecting limited, short term downward pressure on port tariffs from cruise operators. The effect is limited because in most cases cruise operators have only a small degree of influence on port tariffs as they are seldom the sole users of berths at UK ports (noting exceptions such as dedicated cruise facilities like Southampton).

Table 3-3 Revised Surplus Assumptions

Surplus Type		Transit ORIGINAL	Turnaround ORIGINAL		Transit REVISED	Turnaround REVISED
Per m of vessel	Applied to all years	£28.00	£28.00	Year 1 (2024) 90% of original	£25.20	£25.20
Per passenger		£7.00	£7.00		£6.30	£6.30
Baggage (per passenger)		n/a	£3.15		n/a	£2.84
			Per m of vessel	Year 2 (2025) 95% of original	£26.60	£26.60
			Per passenger		£6.65	£6.65
			Baggage (per passenger)		n/a	£2.99
			Per m of vessel	Year 3 on wards (2026 – 2049) 100% of original	£28.00	£28.00
			Per passenger		£7.00	£7.00
			Baggage (per passenger)		n/a	£3.15

3.1.4 Economic Benefit

Reduced by 25% in Year 1 but diminishing over five years so there is no reduction by year 6. This reflects the impact of shore excursions operating as bubbles, reducing the opportunity for spending by passengers. Also, to a limited extent some shore side spending may not occur where businesses no longer exist due to the economic effects of the pandemic e.g. cafes and shops that were heavily dependent on tourist spending going out of business. Over the course of five years the need for bubbles is expected to decrease, and a general economic recovery may increase the number of tourist-oriented business passengers may spend money at.

Table 3-4 Revised Economic Benefit Assumptions

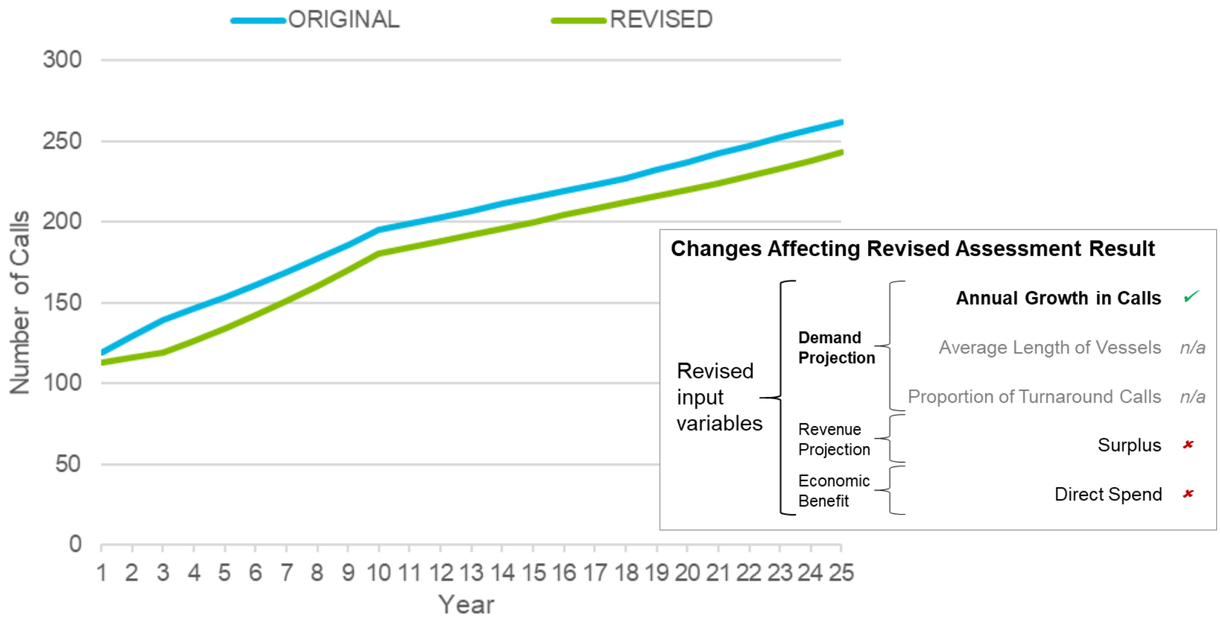
Economic benefit per passenger		Transit ORIGINAL	Turnaround ORIGINAL		Transit REVISED	Turnaround REVISED
Direct spend	Applied to all years	£51.00	£88.00	Year 1 (2024) 75% of original	£38.25	£66.00
Total value added (direct spend + indirect + induced)		£106.00	£175.00		79.50	131.25
		Direct spend		Year 2 (2025) 80% of original	£40.80	70.40
		Total value added (direct spend + indirect + induced)			84.80	140.00
		Direct spend		Year 3 (2026) 85% of original	£43.35	£74.80
		Total value added (direct spend + indirect + induced)			90.10	148.75
		Direct spend		Year 4 (2027) 90% of original	£45.90	£79.20
		Total value added (direct spend + indirect + induced)			95.40	157.50
		Direct spend		Year 5 (2028) 95% of original	£48.45	£83.60
		Total value added (direct spend + indirect + induced)			100.70	166.25
		Direct spend		Year 6 onwards (2029 - 2049) 100% of original	51.00	88.00
		Total value added (direct spend + indirect + induced)			106.00	175.00

3.2 Outputs

This section compares the outputs of the revised assessment with the original assessment completed in January 2020. The comparison reveals the change to viability caused by the pandemic. The comparisons are both based on year 1 of the project which were 2020 in the original assessment and 2024 in the revised assessment. Note both assessments assume the same capital cost, therefore inflation in building costs has not been considered, but neither has inflation been applied to revenues or economic benefit therefore the results are comparable as they are both based on nominal costs and income.

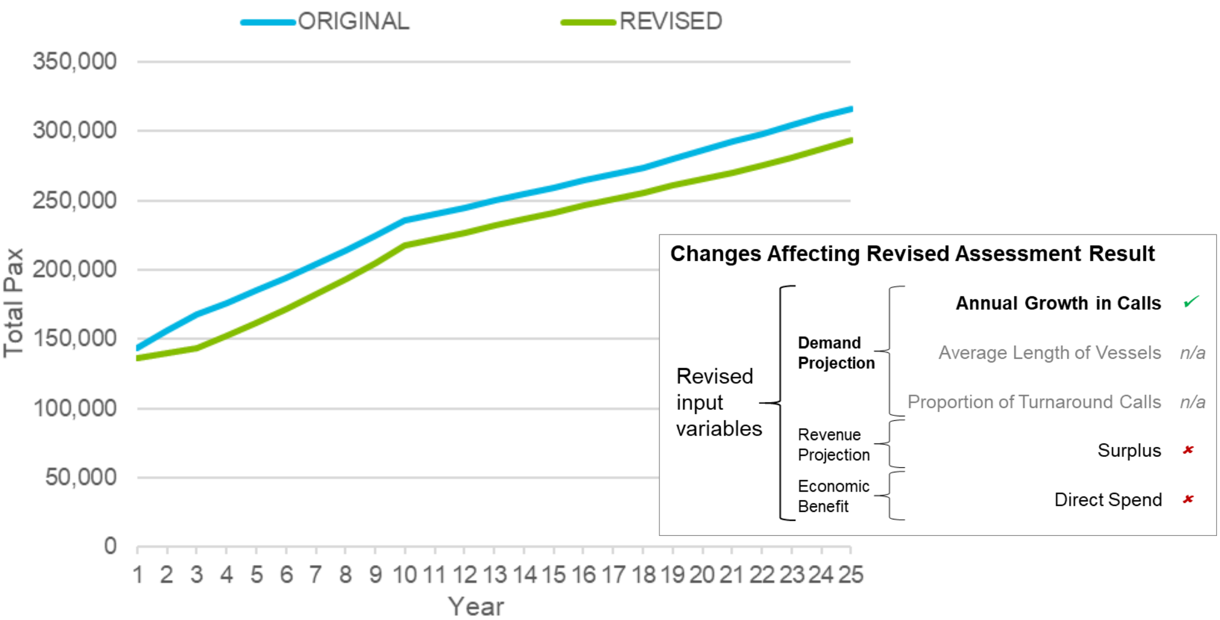
Based on the foregoing assumptions the growth in cruise calls to the Forth of Firth is expected to recover but will be deferred by the effects of the pandemic.

Figure 3.2. Comparison of Number of Cruise Calls in the Firth of Forth under the 'Do Nothing' Scenario



Because the growth in cruise vessel length is assumed to be unchanged by the pandemic, the total number of passengers cruising in the Firth of Forth is expected to follow the same trend as the number of vessel calls.

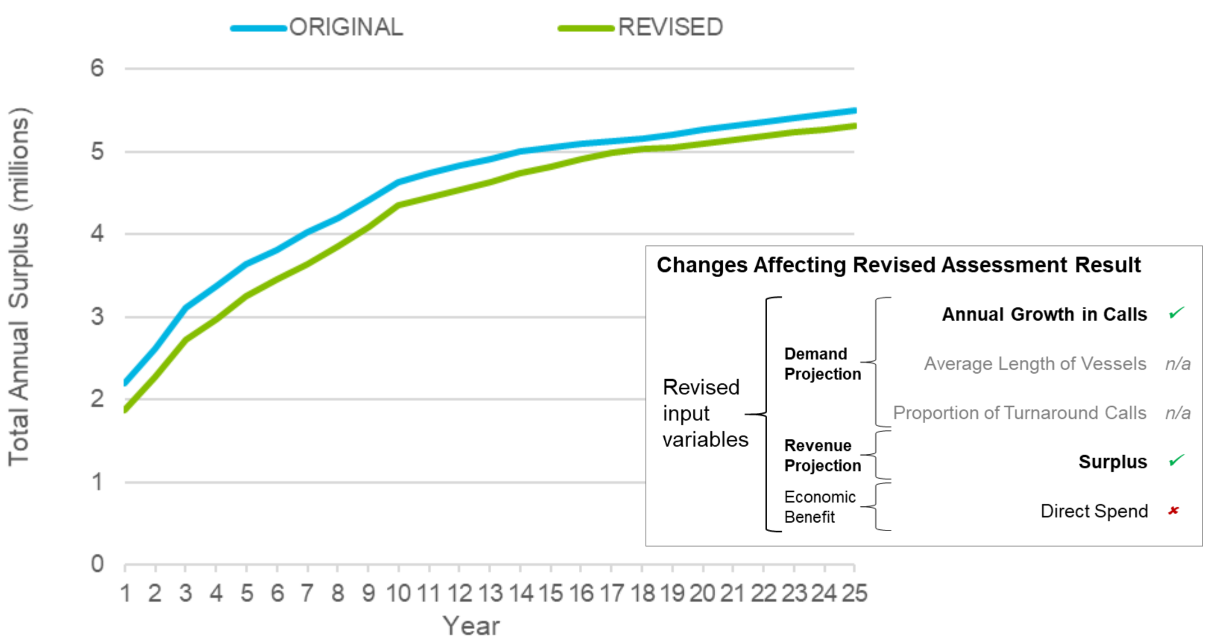
Figure 3.3. Comparison of Number of Cruise Passengers in the Firth of Forth under the 'Do Nothing' Scenario



For comparison of revenue and economic benefit the most promising design scenario (scenario B) has been used.

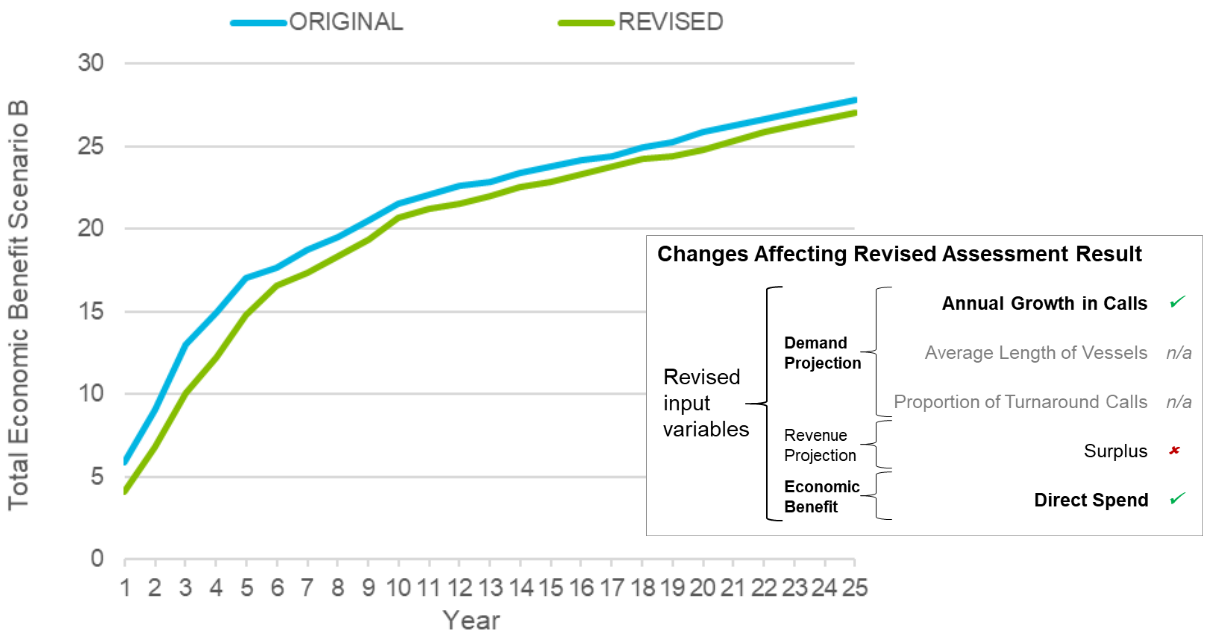
The total revenue generated for Scenario B lags behind that of the original assessment, extending the payback period marginally (by one year).

Figure 3.4. Surplus Generated by Calls at Cockenzie under Scenario B (Millions of Pounds)



The economic benefit for Scenario B versus Do Nothing lags behind that of the original by a small margin.

Figure 3.5. Comparison of Economic Benefit of Scenario B Compared to Do Nothing Scenario (Millions of Pounds)



3.3 Implications for Developing Cockenzie as a Cruise Facility

Due to the slower initial growth in number of cruise calls, and the slight reduction in revenue during the first two years, the payback period for all design scenarios is extended marginally by one year in all cases.

Table 3-5 Updated Payback Period of Different Design Scenarios

Design Scenario	Options Included	Transit or Turnaround Calls	Allows Berth Sharing?	Cost (£ m)	Payback Period (years) ORIGINAL	Payback Period (years) REVISED
A	1C	Transit only	No	£44.30	20	21
B	1C + continuous quay deck and basic onshore facilities	Transit and Turnaround	Yes	£56.30	15	16
C	1E	Transit only	No	£68.50	> 25 years	> 25 years
D	1E + continuous quay deck and basic onshore facilities	Transit and Turnaround	Yes	£80.50	19	20
E	2 + continuous quay deck and basic onshore facilities	Transit and Turnaround	Yes	£80.70	19	20

Similarly economic benefit, affected by the reduction in shore spending by passengers due to the need for them to remain in bubbles, is marginally reduced for all design scenarios.

Table 3-6 Updated Economic Benefit from Crew and Passenger Spending Arising from Cockenzie

Design Scenario	Years	Economic Benefit from Crew and Passenger Spending all of Firth of Forth Cruising (millions)		Economic Benefit from Cockenzie versus Do Nothing (millions)	
		ORIGINAL	REVISED	ORIGINAL	REVISED
A	1 - 25	£964	£887	£219	£217
B	1 - 25	£1,277	£1,173	£532	£502
C	1 - 25	£966	£889	£221	£218
D	1 - 25	£1,278	£1,177	£533	£506
E	1 - 25	£1,278	£1,177	£533	£506

4. Conclusions

4.1 Impacts of the Pandemic

The pandemic severely impacted the cruise industry in 2020. It is expected to recover strongly once effective means of supressing coronavirus are found but it remains uncertain how long that will take. Using a reasonably conservative interpretation of stakeholder views of when the industry will be restored to 2019 levels of operation and growth, this assessment has found the viability of Cockenzie cruise facility is likely to be lower, albeit not to a significant degree.

The direct financial impact is relatively minor, extending the payback period by approximately one year. The impact on economic benefit is similarly marginal. These results are of course highly variable due to the uncertainty of how soon the effects of coronavirus can be adequately supressed. However, the fundamentals that made the cruise industry viable and a strong growth industry have not changed, and demand for cruising remains strong, albeit temporarily suspended due to the pandemic.

Detailed design of Cockenzie cruise facility will need to include spaces for testing passengers, isolating positive cases, and facilitate the hospitalisation or repatriation of passengers who test positive.

4.2 The Case for Cockenzie

For most ports cruise traffic is a marginal business. Dedicated cruise facilities in the UK have only come about where a large cruise operator is willing to make a commitment in terms of utilisation, e.g. Southampton Cruise Terminal developed by ABP.

Port operators review the case for investing in facilities to either grow or at least maintain their level of cruise traffic periodically but the pandemic has made that a very low priority. However, once the recovery has taken place there is nothing to suggest the dynamics of investing in cruise facilities would be any different to prior to the pandemic.

The cruise operators contacted were asked if they would ever consider investing in cruise terminals generally, possibly through a consortium of non-competing cruise lines (serving different market segments) but this is not something they perceive as worthwhile. From the cruise operator’s point of view there are hundreds of ports they call at each year so investing in any one port is not worthwhile, and they are primarily concerned with earning profit from their investment in cruise vessels.

In the case of Cockenzie the existence of Leith, Rosyth, Newhaven and South Queensferry present a dilemma: the existing facilities serve the needs of a large portion of the cruise sector and while the level of service and quality of the passenger experience could be higher in a purpose built facility at Cockenzie, that is a marginal improvement for those cruise operators. Meanwhile the other portion of the cruise sector that would benefit (operators of larger vessels) don’t call at Edinburgh at the moment so perhaps don’t appreciate the benefit a new facility at Cockenzie could bring.

The case for Cockenzie could be greater if:

- One of the existing cruise facilities could no longer be used, and/or
- Another type of marine traffic found a use for a facility at Cockenzie, ideally during the winter months.

Appendix A – Consultees

Ports

- Forth Ports
- Portsmouth International Port

Cruise operators

- Fred Olsen
- Viking

Other

- Intercruises (providers of port agency and shoreside services to cruise operators)

Appendix B – Summary of Consultation Findings

Recovery Period

- Stakeholders expect recovery to begin early to mid-2021 led by smaller ships operating on regional cruises at reduced capacity, increasing capacity as progress with vaccination/suppression of coronavirus improves with some operators hoping to reach full capacity by April 2022 for the 2022 cruise season.
- Most cruises will sail at 50% capacity to accommodate social distancing
- Cruise operators are still able to sell cruises
- Cruising has a loyal customer base and cruises can be marketed as a very safe holiday option because they effectively keep passengers in bubbles both onboard and when ashore
- Some cruise operator's target demographics are 'recession proof' because their income is not closely linked to GDP because they have stable pension incomes
- Some cruise operators are able to achieve the same income per passenger-night for their later 2021 bookings as they achieved in 2019 meaning they have not had to cut cruise fares for a prolonged period to entice passengers back to cruising, however the cruise operator's income remains lower while sailing at reduced capacity due to social distancing.
- Some cruise operators were bankrupt by the pandemic (most notably in the UK, CMV), the fate of individual cruise lines was heavily influenced by the amount of debt they needed to service
- Some people have left the cruise industry
- Scenic cruises may be a stronger proposition during the recovery period
- More sea days feature in cruise schedules during recovery
- Recovery period likely to see a very limited American market for cruising in Scotland, but the European market will be better especially German tourists
- Fly cruises are more difficult to operate at the moment because of the problem of what to do with someone who tests positive and then can't be flown home
- The UK is well positioned for foreign cruise operators to call as they can source so many passengers here
- UK cruise operators initial focus is on UK cruising plus visiting one other country, similarly for foreign lines e.g. German cruise operators will do Germany plus the UK

Impact on growth rates

- Expect it could take up to five years for the industry to recover to 2019 levels, although some operators expect to resume their growth trajectory as early as 2022 subject to vaccination and other virus suppression measures being successful.
- No view on growth rates thereafter, depends on length and severity of any pandemic-triggered recession, however much of the traditional cruise demographic are pensioners whose income is less sensitive to market shocks

Impact on Vessel Length Distribution Assumptions

- 4-5% of world's cruise fleet has been scrapped or sold on for other uses
- New vessels that were under construction are being used to replace scrapped or sold vessels
- Larger operators are deferring investment in new ships by at least one year
- Small vessels are likely to be more successful in the recovery period

Impact on Turnaround Calls Assumptions

- During the recovery period cruise itineraries are expected to be shorter which implies there may be more turnarounds, however turnarounds will take longer during the pandemic due to the need to sanitise the vessel. No change in the long term proportion of turnaround calls because the trend of shorter cruises may not last beyond the recovery period

Impact on Surplus Assumptions

- Cruise operators still want deep water access to Edinburgh, the city and region's attractiveness to cruise operators and their passengers has not diminished
- A facility like Cockenzie is difficult to justify purely for cruise calls as they are a marginal business and do not have contracts committing cruise operators to a minimum level of usage (noting exceptions such as Southampton), port operators review the feasibility of a dedicated facility periodically but the pandemic has made that option a very low priority.
- Ports expect downward pressure on port tariffs from cruise operators, however this will be limited because of the alternative uses berths can be put to where cruise is a marginal business, and to date this trend has not yet materialised in 2021 bookings

Impact on Economic Benefit Assumptions

- Cruise operators now have an increased focus on encouraging onboard spending by passengers
- Passengers staying in bubbles will reduce spending ashore as there is less opportunity for passengers to wander independently and make impulse purchases
- Passenger spend ashore is likely to be more concentrated e.g. at tourist attractions visited in a bubble, and less as shops and restaurants

Other

- Cruise terminals will need spaces to test passengers, isolate positive cases, and facilitate the hospitalisation or repatriation of passengers who test positive; this is likely to be an ongoing requirement for years to come.

The 360 Centre
Vision Statement

The right place
The right idea
The right time

Between the communities of Prestonpans, Cockenzie and Port Seton, beside the Greenhills, is a site which sits right on the edge of the Forth; a post-industrial area with an old pier stretching out into the sea and wonderful uninterrupted views towards Arthurs Seat and Edinburgh Castle and across to the Fife coastline. It sits within a beautiful green space, the John Muir Way running along the edge by the sea, and the community orchard across the road to the south.

For five years, since Cockenzie Power Station was demolished and the iconic chimneys came down, the search has been on to find the right use for this unique piece of land.

Following the decline of many local industries, and the loss of thousands of jobs across the area in the preceding decades, the demolition of Cockenzie Power Station in 2015 seemed to mark the end of an era. Today the empty site sits at the centre of the area with the hope that a new purpose can be found, a purpose that will unite communities, provide high quality jobs, improve educational outcomes, and meet local ambition.

The community are coming together around the concept of building a unique and ambitious centre within a rewilded area which can incorporate all of the most important aspects of the site and its heritage - the beauty of the marine and natural environment, the wealth of arts and culture across the area, a proud industrial heritage, and the desire to be at the cutting edge of the technology and practice that will help address the Climate and Ecological Emergency – a centre which has the environment, and our changing climate at its heart.

It's a 360°vision that could be accommodated on this site within a major new centre – the 360 Centre – that would have local, national, and international importance. Our centre would look **outwards** at the marine environment – a key indicator of climate change; **downwards** towards the industrial heritage of the mines which stretch out under the Forth but are now themselves being explored to provide much needed clean green geothermal energy; **upwards** to the sky – where the carbon we've released is warming the planet; **around** at the rich tradition of arts, culture, and innovation along our coast - the murals and tapestries, the artists and musicians who live in the communitiesas well as **back** to where we have come from – to the importance of the industrial heritage which has shaped both the communities and the land over the past hundreds of years and finally, **forwards** towards a vision of the future for the next generations to come.

Within the centre would be cutting edge immersive exhibitions, the use of digital and virtual reality seen to its full potential, explanations of the importance of renewable energy, sunset viewing platforms, domed digital planetariums, lecture theatres doubling as arts and music venues, arts and science combined with the sea on the doorstep making full use of the unique and glorious natural environment of the surrounding area. It would act as an interpretation centre for neighbouring renewable energy initiatives as well as a centre for education, skills training and support for industries across Scotland seeking to address the Climate Change agenda and become more carbon neutral.

The pier itself could form a part of the art installation and would be a real draw for visitors, with ferries and boats powered by green energy linking the site to the capital. This could also provide the opportunity to reinstate links with Fife and East Lothian's coastal towns and take visitors out on the Forth for wildlife and heritage cruises.

The green space between these communities is becoming increasingly important to people as housing developments continue apace across the area. The land around the 360 centre would be landscaped to become an integrated part of the whole concept and part of the attraction itself – with grasslands and water parks interspersed with walkways, highlighting the natural environment and providing local communities and visitors with a beautiful space in keeping with the aims and objectives of the 360 Centre.

There are a wide range of nesting birds on the site currently and developing the right habitats around the site would help to protect and increase these numbers. Native planting could also be undertaken, suitable for a coastal site, increasing the biodiversity as well as providing opportunities to develop areas for bird watching and marine watching facilities. The habitats around this area of coastline attract a huge number and range of species of birds and are a renowned birdwatchers paradise. The Forth attracts dolphins, porpoises and whales which have been seen in increasing numbers over the past few years, a further opportunity to attract visitors from all around the UK.

Climate Change

Nowhere in the UK or elsewhere has such a facility been created with the aim of providing an attraction with such an important educational message. On the site of a coal fired power station, powered with energy from the flooded East Lothian Coal Field, and looking directly out at the marine environment - the idea, the location and the time are absolutely right.

The opportunity to work with the Renewable Energy Industries providing an interpretation centre is one which would have considerable benefits to all involved. Many other companies are also looking at the potential to become carbon neutral and there will be many more in the coming years. This centre could provide the support and information on climate change right across industrial sectors.

Local Aspirations

Our local communities are proud of their industrial heritage and keen to see employment opportunities come to the area. But they also want to see the amenity of the area being maximised and the beauty of the green space and coastline preserved. This proposal provides an opportunity to build on all three of these aspirations.

A COLLABORATIVE APPROACH – THE IMPORTANCE OF PARTNERSHIPS

This initiative will only be possible with a forward-looking partnership approach. The community will work closely with local groups and organisations, community councils, the Local Area Partnership, East Lothian Council, Scottish Government, as well as academic partnerships, organisations with similar climate change agendas and private companies linked to the area including those who will be based on the site.

Young East Lothian

Climate change has far reaching consequences not least for the younger members of our communities. Using existing groups and creating a new group around the whole concept of the 360, the views and ideas of the younger generation are being sought and they will be very much involved in the proposals. They would take an active part in the research, development and delivery of this project. They are seen as key stakeholders. We feel it is vitally important that the youth of our area can see the legacy of the industrial heritage taken forward in such a positive way and to be able to link their own place and their own communities with positive action for the future.

A social media campaign using Instagram has been identified by local youngsters as the most effective way to engage the younger community with this proposal and it is intended to take this forward in the next few weeks as ideas for the development are being collected and taken forward.

East Lothian Council
East Lothian Council are also pursuing a forward thinking and ambitious plan to put this area at the heart of the Scottish Government's national climate change agenda with a ClimatEvolution proposal currently in place which links the production of geothermal energy to be used in new housing developments in the area as well as a green agenda for travel, waterways as well as cultural activities.

We would work closely with this proposal and consultation and help to push forward the aspects which crossover with the communities aims and objectives. Currently there are no plans indicated within the ClimatEvolution for the Power Station Site, but mention has been made to include a Climate Resilience Centre within the wider area. The idea of the 360 Centre clearly fits closely with these proposals and could be seen as the delivery vehicle for many. The location of the former Power Station Site is seen as key by the 360 Centre Group with the opportunity to work collaboratively with East Lothian Council and energy companies in and around the site.

Private Companies
Initial meetings have been held with Inch Cape Wind Farm Development who currently have planning permission to build a substation on the edge of the site – with permission currently to use around one quarter of the site with their focus on wind generated renewable energy. This fits well with the community's vision for the site. They are interested in collaborating particularly with regard to interpretation of the renewable energy sector.

Other companies have also expressed interest in the site, but as part of the renewable energy sector this would be completely compatible with the aims and objectives of the 360 Centre.

Social Enterprises and Local Businesses
We would also encourage and support the creation of social enterprises around the site which are in keeping with the underlying message of climate change. The creation of coastal defences as a business in its own right has already been suggested as well as training for rope access technicians working in the wind farm sector, and there are numerous other ideas which could be taken forward to increase the employment opportunities in the area.
The 360 Centre would have the potential to impact very positively on the regeneration of the surrounding businesses and encourage further investment in visitor accommodation, restaurants, cafes and local food and drink production. The beach front and car park at Prestonpans is another area which could benefit from investment and development and could be tied in with this initiative.

Academic Partnerships
Discussions have taken place with individuals from Scottish universities including Edinburgh Napier University and the University of the Highlands and Islands. While there are academic centres for research, and there are national and international collaborations around energy production and national marine and land parks – there is as yet no facility in existence for the general public to learn what Climate Change really means and to have the opportunity to learn about Climate Change – but to do so in a visionary, creative and educational way. This is an opportunity not just to display the implications of climate change – using both local, national and international examples – but to put forward mitigation measures which can be undertaken by individuals, communities and countries.

Tourism
Both existing and future tourist organisations and attractions will benefit substantially from this initiative. We have been in touch with local camp site Seton Sands to include them in the development of this proposal.

As well as a centre for the education, the centre will be part of a major art installation - a tourist attraction with a powerful message. We would anticipate creating a large inflow of visitors to the area, and based upon the numbers visiting similar facilities - the potential to attract around500,000 visitors per year.

A Network of Attractions
Linked to other current initiatives in the local area including heritage attractions such as Preston Tower and Prestongrange Heritage Park, the 1722 Waggonway and the John Muir Way, visitors would have the opportunity to visit a network of attractions. The 360 Centre would encourage longer stays in the immediate area, and opportunities for other local facilities such as these – and also cafes, public houses and shops to benefit. Established facilities and businesses across Preston Seton and Gosford would also gain from an influx of additional visitors coming specifically to the area and a green travel network could be developed to service the range of attractions on offer.

Economic Perspective
The local economy and the creation of jobs is vitally important to our area and is a major driver for the creation of the 360 Centre.

Haven Seton Sands Holiday Village is a long-established visitor facility and caravan park to the east of Cockenzie and Port Seton which employs around 150 staff members and attracts 20,000 visitors per year. They recently invested £2.7m in a waterpark on their site which opened in 2017. They would welcome an additional attraction in the area as would all other tourist facilities in the local communities.

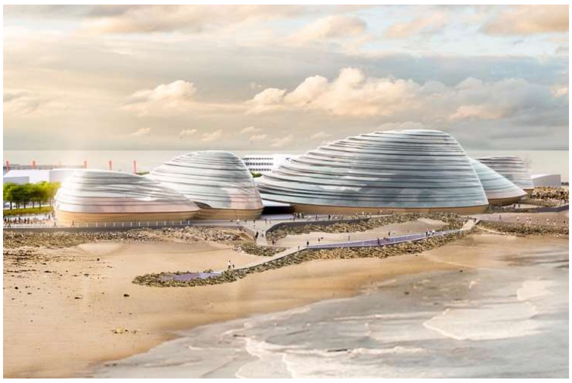
https://www.facebook.com/setonsands.holiday/photos/a.781688051995401/788239664673573

Public art has been shown to change public perceptions of places and draw in many thousands of visitors. Similar facilities which include both an art installation and visitor centre in Scotland include the Helix Centre near Falkirk with the iconic Kelpies which opened in 2014 and includes a visitor centre and café. This has been incredibly beneficial to the area providing an amazing visitor attraction and changing the whole identity of the location and the associated communities. This combination of art installation and education centre is something which the 360 Centre could do even more effectively using the Climate Change agenda which continues to grow in importance year on year.

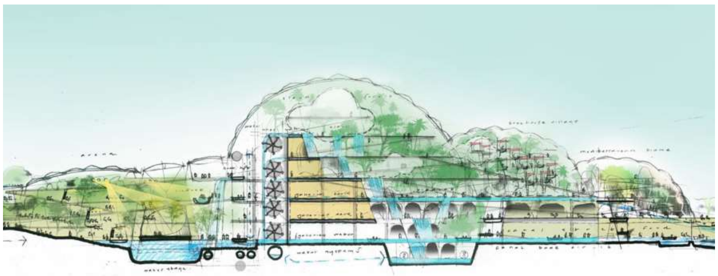
Another successful and inspirational concept is the Eden Centre in Cornwall, built on an old chalk mine, which opened in 2001 and now employs over 400 full-time staff, 200 seasonal staff and 150 volunteers. There is also an apprenticeship programme covering a variety of careers. Around 1million people visit the centre each year.

The Eden Centre hasgone global and is undertaking similar projects worldwide with innovative visitor attractions with relevance to the local areas. They recently put forward plans to site their first Scottish centre in Dundee which is at an early stage in development. While the creative vision of our project is similar to the Eden project, the aims, objectives and message of the 360 Centre is different in that it is very firmly rooted in the idea of renewable green energy and the climate change agenda, with a collaborative approach to both the development and implementation with the community at its heart.

Original Eden Project Cornwall 2001, built on a disused chalk mine



Plans for Eden North (2019) – in Morecambe



Plans for Eden Quingdao, China

Ref: https://www.architectsjournal.co.uk/news/grimshaw-starts-planning-for-carbon-neutral-eden-project-north

As well as providing jobs, with the inclusion of an art-installation such as the three large scale statues of women, the 360 Centre would provide an incredible visitor attraction for the area - attracting people from all over the UK and beyond. We would hope to be able to replicate the visitor numbers of the Eden Centre but our aim is for this centre to become not just a visitor attraction, but a major learning and cultural centre of national and international importance.

The 360 Centre would hope to create around 200 jobs in the first instance with the potential to create many more as the facility develops. A training programme would be an integral part of the build project as well as the running of the centre itself. The facility could provide additional training facilities for green energy companies – both the physical and structural aspects and the wider requirements of skills development within the green energy sector. This would lead to potential job opportunities both for the local communities but also once established, as a training facility for those from further afield.

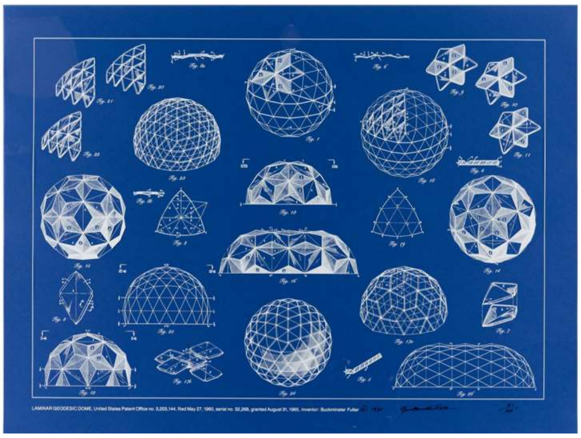
Whilst having an important function and purpose, the centre would also be built as part of a major public art installation. Statues already designed by local artist Andrew Crummy, could represent the women of our communities - the women miners from earlier years, the miner's wives, the fisherwives – but also have resonance globally as women of the world – as mother earth. They could take the iconic position once held by the Chimneys – either singly or as a pair. Or statues could sit within the site itself around a globe or dome shaped buildings.

One of the statues could act as a viewing platform with visitors being able to take a lift up to the top of the statue and look out across the Forth from her eyeline.

Ref. Jo Callie website

This image above was produced was by American architect Jo Callie who used the site as her final year project. Her idea was to be inspired by the need to transition post-industrial sites into the future - using the landscape and nature to create ecologically diverse site-specific area for people to enjoy as well as wild life to flourish. In this last image, the 360 could be contained in the mounds that wrap around the flooded footprint.

Alternatively the use of Buckminster Fuller's geodesic domes – strong but lightweight – would allow a building or several buildings to be built relatively easily and cheaply on the site – in an entirely environmentally friendly way. They could be built within or on top of the site – or even within a flooded area. One idea was to have a complete globe shape – to represent the earth itself. But these are all decisions which would be made by the wider community and by the constraints of cost and implementation.



Working with the ClimatEvolution proposal for East Lothian Council, we would ensure that all the aspects of the build would be undertaken with the environmental impact firmly at its heart. Indeed,the ClimatEvolution proposal provides this project with a clear route for delivery – as a community initiative in collaboration with East Lothian Council and other partners from the public and private sector. During the build itself, apprenticeships could be offered across a variety of trades.

The very real opportunity to use geothermal energy within this development would also make it more cost effective and more innovative as well as being completely tied in with the aims and objectives of the Centre itself. The opportunity to interpret the use of renewable energy both as part of this development and part of the Inch Cape Wind Farm development too could be an important aspect of the educational purpose of the centre itself.

In conclusion, what better place for a Climate Change Centre – the 360 Centre, than on an area which has been mined for almost 1000 years and the site of a coal fired Power Station and now sitting alongside a substation for renewable energy? What better way to redress the balance of our industrial past and to look forward – to look out over the ocean and provide a unique and creative way to show people what the future could hold as well as how important this place is and the importance of our place within the world itself.

Next Steps – Feasibility Study

A feasibility study would be required to ascertain if this project is viable and the potential costs involved.It would also be undertaken in conjunction with a wider community consultation process and consultation with other potential stakeholders.

Key aims and objectives:

- **Develop a centre of international importance within the field of Climate Change**
- **Create local jobs**

- **Raise the aspirations of the area**
- **Realise the strength of a community led proposal and development**
- **Create a destination – an inspirational and unique visitor attraction**
- **Create a clean and green area – and link to the East Lothian Council's ClimatEvolution proposals – using this theme to lead all development**
- **Retain natural assets and the amenity of this special coastal site**

The 360 Centre
Draft, November 2020

24th February 2021

John McNairney
Chief Planner Scottish Government
Victoria Quay
Edinburgh
EH6 6QQ

Dear John,

RE: RESPONSE TO NATIONAL PLANNING FRAMEWORK 4 POSITION STATEMENT

We write with regard to the National Planning Framework 4 Position Statement, and your call for responses on it. We would like to thank you for the short extension of time you provided to allow us to prepare this response.

Firstly, we welcome the on-going discussion around the themes and direction of travel set out within the Positon Statement, as well as the ambitious intentions for future national planning strategy and policy.

In April 2020, East Lothian Council, Hargreaves and Taylor Wimpey, together with the Key Agencies and a wide range of technical stakeholders, responded to the 'NPF4 Call for Ideas', promoting exciting proposals for a fresh National Development area in East Lothian. In that response we noted that we are all collaborating on a high level vision for a ClimatEvolution Zone, which includes Blindwells New Town, the redevelopment of the former Cockenzie Power Station site, and the delivery of a destination parkland between these strategic sites and the surrounding regenerating communities.

Since then, the Council has published and consulted on a consultation draft ClimatEvolution Vison & Action Plan, from 01st June 2020 to 16th October 2020. We extended the reach of that consultation to the furthest possible extent during the pandemic by carrying out a wide range of awareness raising, consultation and engagement activity using press, webinars, media and web-based videos. The draft Vision describes and illustrates an emerging ambition for the area and how its challenges can be converted into opportunities. It is now being finalised following this extensive consultation work. The web-link to the consultation materials, including web-video, is set out at the foot of this letter. Importantly, this draft Vison is intended to help inform plan-making, not decision taking, and provides a basis for on-going engagement on the future planning of the area.

The Council is also a partner in the Edinburgh and South East Scotland City Region Deal. It sets a strategic context for our proposals, particularly Blindwells New Town as one of seven regionally significant strategic sites that the Scottish Government has committed to help enable the delivery of through the Deal. We want to ensure that the redevelopment of the former Cockenzie power station site is linked to these wider ambitions, to co-ordinate comprehensive proposals for a nationally significant, sustainable and inclusive development opportunity. These ambitions have been expressed within the interim Regional Spatial Strategy and are being developed further through the emerging Regional Growth Framework, a regional economic strategy, and in due course through the development of other regional plans and strategies, including the Regional Spatial Strategy and Regional Transport Strategy.

In that context, and considering timescales and circumstances, this response is a joint one from East Lothian Council, Hargreaves and Taylor Wimpy; in due course we aim to share with you the Finalised ClimatEvolution Vison and Action Plan, which once adopted will be the product of wide consultation, collaboration and engagement on the future planning of the area with technical stakeholders, communities and the public. This Vision is only the start of the process, albeit an important initial step.

In the context of our comments above, this response on the NPF4 Position Statement is therefore kept to the high level observations below:

1. We note that there is significant alignment and resonance between the emerging NPF4 themes and those set out within East Lothian's proposed fresh National Development area. We see no reason to reiterate our full proposition here, since it is clear that we are all aiming to innovate through the planning system to deliver multiple benefits for people, places, the environment, climate and economy. Nonetheless, in terms of the Positon Statement, we note that our proposal for a fresh National Development Area contributes to the following ambitions:

    - **Net zero emissions** – though enabling on and off shore renewable energy projects, clean hydrogen production and distribution, energy innovation zones, heat networks, asset and estate modernisation and decarbonisation, and walking, wheeling and cycling infrastructure, as well as climate adaptation, mitigation and sequestration projects;
    - **Resilient communities** – through strategic and transformational regeneration initiatives, large scale mixed use development and strategic infrastructure projects, delivery of a new town, including a full range and choice of new housing and housing tenures, including affordable homes and specialist housing and other delivery models, strategic transportation and sustainable and active travel infrastructure, linked to STPR2 (Phase 1 & 2) as well as leisure, recreation, health and wellbeing facilities, and community, cultural and tourism projects and initiatives;

- **Wellbeing economy** – through increasing job density and enabling employment, business and industrial developments, energy parks, opportunities for sustainable / off-site construction and manufacturing, remote working / home working hubs, circular economy opportunities, and aquaculture, agriculture and horticultural opportunities, strategic infrastructure, including education, community and healthcare as well as skills development and training opportunities, sustainable transportation and public transport, a potential cruise port, and digital infrastructure;
- **Better, greener places** – place-based landscape and environmental improvement and transformation projects, including nature based solutions, green, blue and natural and ecological networks, making best use of water assets and re-neutralisation, re-meandering and creation of new watercourses and water bodies, delivery of a new regional town centre and better levels of local self-containment including through 20-minute neighbourhoods, and the redevelopment of vacant, derelict and previously developed land.

2. We are really pleased to see a strong focus on the ‘Place Principle’ and on the need for collective impact to maximise benefits though collaborative working and co-ordinated action and delivery. This is a key strategic aspect of our proposal, and what we are doing in the ClimatEvolution Zone. We are working strategically and on a regional basis, including Architecture & Design Scotland, the Key Agencies and others as well as engaging with communities and the public. In future, and taking a lead from the NPF4 process so as not to be premature, a key objective for the ClimatEvolution Zone will be to establish clearer governance structures for this significant and transformational area of change. Indeed, community representatives have promoted this to us as well as Key Agencies. We hope that, at the right time and in the right capacity and level, Scottish Government colleagues could participate in such governance structures and way of working, not least to champion some of the innovation opportunities in the area and at point 3 below.

3. We are very keen to collaborate with you on innovative regulatory and delivery mechanisms, including Masterplan Consent Areas and a new approach to developer contributions and the charging levy (including linked to the mitigation of cross boundary impacts). We are interested to explore mechanisms that could support up front delivery of infrastructure (and land remediation), both in terms of identifying requirements and delivering them upfront or early in the development programme to pump prime sites for long term low carbon investment, place-making and delivery, and to ensure the highest quality outcomes. We therefore see potential and very close synergies and innovation opportunities between these delivery mechanisms and our intentions for the development of our proposals, technical work, business cases, and opportunities for financial innovation, partnership and the co-ordinated delivery of the strategic projects within the ClimatEvolution Zone.

Overall, we feel that there is an exciting opportunity for alignment and joint working here. By working closely together on plan-making, place-making and decision-taking, as well as more widely, we could collaborate in an innovative exemplar for how to improve existing as well as deliver high quality new places.

To do this we want to follow the Place Principle to work together, enable strategic partnerships, and manage positive change, so we can deliver multiple benefits for people, places, the environment, climate and economy.

At the appropriate time we would therefore welcome further engagement with you on our National Development proposal as the National Planning Framework 4 processes progress.

For and behalf of

Link to ClimatEvolution consultation material:
ClimatEvolution SPG Consultation | Local Development Plan | East Lothian Council