

COMMITTEE:	East Lothian Council
MEETING DATE:	23 June 2026
BY:	Deputy Chief Executive – Resources and Economy
REPORT TITLE:	Update on the Proposed Data Centre at the Former Cockenzie Power Station Site
REPORT STATUS:	Public

1 PURPOSE OF REPORT

- 1.1 To update Council on the status of the proposed data centre development on part of the former Cockenzie Power Station Site.

2 RECOMMENDATIONS

Members are recommended:

- 2.1 To note the content of the report and the status of the proposed data centre development.

3 BACKGROUND

3.1 Heads of Terms/Joint Venture

Following a tender process in spring/summer 2025, Council approved Sustainable Development Capital LLP (SDCL) as the preferred bidder for a potential data centre development of the previous coal yard part of the former power station site. It was accepted by Council that the SDCL proposal presented a significant opportunity to deliver jobs, training and energy investment.

Since then, Council officers, with commercial and legal professional advice, have been involved in the ongoing negotiation of Heads of Terms to underpin the formation of a Joint Venture Agreement and structure with SDCL. The Council and SDCL agreed an exclusivity agreement to

facilitate initial site investigations and advance discussions on power availability.

As part of the ongoing discussions with SDCL, there will be a framework agreed to secure the community benefits that will be delivered as part of the development of a Data Centre.

The Council will lease the 70 acres site to the Joint Venture to enable the delivery of the data centre with no further capital contribution. The mechanism and amount of future capital or revenue return to the Council is yet to be finalised through the ongoing process and will also be subject to the valuation of the site.

The proposal would require planning permission, and no such application has been submitted. Subject to the necessary planning permission and other consents, it is anticipated that construction of the necessary power infrastructure to support data centre development could commence in summer/autumn 2029.

3.2 Community engagement

SDCL recognise the importance of community engagement and have sought early engagement with both Prestonpans and Cockenzie & Port Seton community councils through a meeting held on 13 April. It was recognised by SDCL that, whilst at a very early stage of the project, early engagement with community councils is a critical success factor in the delivery of the data centre. SDCL appreciate the requirement for ongoing dialogue and are content to attend regular meetings.

Agreement has since been reached with both community councils to hold quarterly meetings with them to discuss the proposed data centre and other developments within the former Power Station site. SDCL, other developers, and Local Councillors will also be invited.

3.3 SDCL Activity

In parallel with the ongoing legal negotiations, SDCL have commissioned a number of external advisors to commence pre site due diligence including site characteristics, legal, availability of power, geological, hydrological, access, etc.

3.4 Levelling Up Works and Link Road

The levelling up project, which involved removal of the bund material and concrete structures within the previous coal store, filling off the power station void on the north side of the Edinburgh Road and re-engineering of the land to the south of the new link road to provide 3 development platforms was completed in May 2026. The new link road, following the line of the previous Scottish Power access road through the southern part of the site has been completed and an official opening will be held. Formation of the development platforms and access via the new link road has provided a 70-acre development site which is under consideration for data centre development.

3.5 **Strategic Vision**

Council has a number of significant strategic developments currently underway, including the Edinburgh Innovation Hub, the Edinburgh Innovation Park and Blindwells. These strategic developments do not exist in isolation: rather, they present a holistic and synergistic opportunity to unlock further growth and development across East Lothian. Together, it is hoped that the developments will complement and enhance one another creating a catalyst for additional investment, jobs, skills pathways and broader economic benefits.

3.6 **Next Steps**

In accordance with the August 2025 report, Council will be presented with a further report in August 2026 detailing the final form agreed Heads of Terms between SDCL and the Council. The report will seek Council approval of the final form agreed Heads of Terms to enable the Joint Venture Agreement and structure to be progressed and finalised in draft form.

A subsequent report will then be presented to Council in due course seeking approval of the final form agreed Joint Venture Agreement and structure enabling the arrangement to be concluded and the next steps in the development to proceed. This will provide Council with the opportunity to secure the future return from this development, which in turn could help facilitate the development of the remainder of the former power station site.

Officers will continue to explore the wider opportunities for Cockenzie and it is the intention, in due course, to commission a report for Cockenzie that will set out a strategic vision for the wider site. A particular focus of this report will be to extract the co-dependencies and inter-relationship between the northern and southern part of this site to maximise a return.

4 **POLICY IMPLICATIONS**

4.1 Not applicable

5 **RESOURCE AND OTHER IMPLICATIONS**

5.1 Finance: None

5.2 Human Resources: None

5.3 Other (e.g. Legal/IT): None

5.4 Risk: None

6 INTEGRATED IMPACT ASSESSMENT

6.1 **Select the statement that is appropriate to your report by placing an 'X' in the relevant box.**

An Integrated Impact Assessment screening process has been undertaken and the subject of this report does not affect the wellbeing of the community or have a significant impact on: equality and human rights; tackling socio-economic disadvantages and poverty; climate change, the environment and sustainability; the Council's role as a corporate parent; or the storage/collection of personal data.

or

The subject of this report has been through the Integrated Impact Assessment process and impacts have been identified as follows:

Subject	Impacts identified (Yes, No or N/A)
Equality and human rights	No
Socio-economic disadvantage/poverty	yes
Climate change, the environment and sustainability	yes
Corporate parenting and care-experienced young people	No
Storage/collection of personal data	No
Other	No

The Integrated Impact Assessment relating to this report has been published and can be accessed via the Council's website:

https://www.eastlothian.gov.uk/info/210602/equality_and_diversity/12014/integrated_impact_assessments

7 APPENDICES

7.1 None

8 BACKGROUND PAPERS

8.1 Private Report to Council, 25 February 2025: Cockenzie Power Station Site Update

8.2 Private Report to Council, 26th August : Cockenzie Power Station Site Update

9 AUTHOR AND APPROVAL DETAILS

Report Author(s)

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Date	11 June 2026

Head of Service Approval

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Confirmation that IIA and other relevant checks (e.g. finance/legal) have been completed	Confirmed
Approval Date	15 June 2026