

# Caithness & North Sutherland Regeneration Partnership Update Oct-Dec 2009

- NDA announces design team for the National Nuclear Archive project, and projected completion date of 2013.
- Caithness engineering companies working with Chamber of Commerce and HIE on “capability document” to demonstrate the area’s suitability for markets such as marine energy, decommissioning, oil & gas.
- Work starts on the new Centre for Energy & the Environment complex at North Highland College.
- First Minister Alex Salmond opens the College’s new Burghfield Hospitality Training Hotel in Dornoch.
- HIE produces a draft “Route Map” for Marine Energy in the Pentland Firth, outlining timescales, industry requirements and potential economic impact.
- Upgrades to the electricity grid line between Dounreay-Beauly, Beauly-Kintore and Beauly-Denny are announced, bringing increased transmission capacity for marine energy projects.
- Two new HIE posts are created to focus on issues affecting Caithness & north Sutherland: Head of Infrastructure (Claire Conway) and Head of Tourism (Rachel Skene).

---

## High Priority Actions

### Scrabster Harbour

SHT continues to discuss its plans with funders and potential users of harbour. Full business plan will be submitted to funders in January 2010.

### Wick Harbour

Along with Scrabster Harbour Trust and Orkney Harbours WHA took part in a Chamber of Commerce event looking at joint working opportunities between the three ports. WHA has plans to play an important role in marine energy, and is undertaking some feasibility work to progress this.

### Pentland Firth Marine Energy (PFME)

HIE has been working on a draft “Route Map” for the project. This is based on the format of the Scottish Government’s national plan for marine energy, and develops the actions needed to secure the industry’s future. For the first time an estimate of the economic impact to the area will be included. An initial outline was discussed by the Partnership’s Executive Board in December, and a revised first draft will be published in January.

John Thurso MP convened a meeting with Crown Estate staff, chaired by Secretary of State for Scotland Jim Murphy MP, to discuss the ongoing timetable for announcing the successful bidders for seabed leases in the Pentland Firth. Caithness Chamber of Commerce representatives also met with Crown estate staff to discuss the situation. It has been generally agreed that The Crown Estate has a vital role to

play in opening communication between marine energy companies and both potential supply chain companies and development agencies. Crown Estate has offered to facilitate communications between Chamber of Commerce members and marine energy companies.

A key barrier to the success of the PFME project was originally felt to be the lack of transmission capacity on the electricity grid line from Caithness southwards. However, successive announcements indicate that this issue is now being addressed. The latest announcement was of an upgrade to the line from Beaully to Denny, following announcements on upgrades to Dounreay - Beaully (expected by end of 2012), and from Beaully to Kintore (around 2014).

### **Engineering**

A group of local companies have formed an alliance to market their services for large-scale engineering and civil engineering projects both locally and throughout the UK. The companies are Arch Henderson, GA Barnie, Gow's of Lybster, JGC, MM Miller, NES and Nuvia. The group's website is now live at [www.caithnessengineering.com](http://www.caithnessengineering.com)

Caithness Chamber of Commerce and HIE has also been working with some of these companies to produce a "capability" brochure, demonstrating the area's capabilities to serve key markets such as marine renewables, oil & gas, decommissioning.

Initial enabling work has started on North Highland College's Engineering Skills Centre, which will offer a range of training opportunities from apprentice to degree level. The centre is expected to be completed in 2011.

### **John O' Groats**

Following the launch of the Masterplan HIE staff have been discussing interest with several potential developers. Plans for a first phase of work at John O' Groats are being developed.

### **Inward Investment**

Discussions continue with a number of marine energy companies. Several very good leads were picked up at the 3rd International Tidal Energy Summit in London during November, and the Inward Investment Manager is now working up specific "pitches" to individual companies.

This year's Caithness Conference considered the content of a "Caithness Vision" and made a number of recommendations. With funding from the NDA we have engaged local design company Studiograff to help produce a design template for material associated with this Vision. A draft of this should be available by January, with a final version published in February 2010.

### **Food & Drink**

Mey Selections Chairman Danny Miller was able to report to his AGM that the company had returned to profitable trading following a period of restructuring its business model. The company remains positive about the future, and members at the AGM heard presentations from senior Sainsbury's representatives about the value they saw in their ongoing relationship with the brand.

Three Caithness and two north Sutherland companies are participating in a pilot business growth programme for Food & Drink companies. HIE is working with Food

& Drink Scotland to deliver the programme, which focuses on enabling better access to markets for food & drink producers.

### **Transport**

Discussions continue to agree a funding package to allow feasibility work to go ahead for potential works around Berriedale Braes. Highland Council, NDA and HITRANS have been involved in the discussions.

### **IT Connectivity**

The Scottish Government and BT announced the upgrading of exchanges to increase digital capacity. In our area these were: Durness, Gillock, Lyth, Tongue, Berriedale, Kinbrace, Westerdale. This is good news for businesses and home users served by those exchanges, and was a key priority in the *Caithness & north Sutherland Action Plan*.

The small group of local representatives convened by the Partnership to look at "IT connectivity" has worked well. Following early discussions, two representatives made contact with the FARICE company who own the data cable connecting Iceland and the Faroe Islands to the UK. This cable comes ashore at Dunnet Bay, and a discussion has now begun regarding the feasibility of accessing this data cable to establish a "point of presence" in Caithness. HIE is now commissioning a study into connectivity issues in the area.

### **Access to finance:**

The November public meeting of the North Highland Regeneration Fund heard that the Fund has so far assisted 26 companies with loans, and has had discussions with a total of 63 companies. Loans approved by NHRF are projected to secure 140 jobs, with a further 118 expected to be created.

Recent approvals from the LEADER European funding programme indicate that over £433,000 had been committed in Caithness, to projects with a total expected value of £1.15M.

## **Progress with medium and lower priority actions**

### **Tourism:**

North Highland Tourism's Marketing Manager has been working on two press trips into the area: at Forss House Hotel/ Pultney Distillery (the Liverpool Echo and Daily Post), and at Castletown Hotel (Escape and Explore). Follow-up emails are going out in January to contacts made through the joint NHT/Mey Selections promotion via Sainsbury's, and a January postcard offer will also go out through the Sunday Times. Also working with Scrabster Harbour Trust on cruise ship materials. The NHT website is also being updated to include information on the Royal National Mod in Thurso in October.

Rachel Skene, HIE's Head of Tourism, is developing her thinking around events-based tourism, with a view to maximising the economic impact from events such as the Mod and the O'Neill Highland Open. She has begun drawing the key players such as the Chamber of Commerce, North Highland Tourism, Highland Council and Visitscotland together to work on a more coherent local product.

The National Mod in Caithness this October has now attracted funding from NDA (£60,000), HIE (£50,000) and LEADER (£40,000). The funding awarded by NDA and LEADER has been provided to the local organising committee to add value to An Commun's national festival and to ensure a lasting economic legacy.

Other recent funding awards from the LEADER programme to local tourism-related projects include Caithness Archaeological Trust (£43,266); Dunbeath Preservation Trust (£13,198); North Highland College (£43,118 to support the Johnson Collection digitisation).

Development of tourism industry training has taken another big step forward with the official opening of the Burgh Field Training and Hospitality Hotel in Dornoch. This new campus of North Highland College allows the development of the College's BA in Tourism, as well as its History qualification, and for the first time provides a workplace training environment in the former Burghfield Hotel.

**Main Towns Initiative:**

Caithness Chamber of Commerce and Caithness Partnership are working together with local businesses to take forward town centre marketing proposals. European funding may be possible through LEADER, with possible match funding from Highland Council.

**National Nuclear Archive:**

DSRL's Project Manager Stewart Henderson is progressing with the programme for the Archive facility in Wick. The design team has now been appointed. The work programme for the project is scheduled for completion in 2013, and has the potential to create over 30 new jobs.

**Arts:**

Recent LEADER funding awards have included grants to the National Theatre of Scotland's production of "Transform"; to Wick RBLs Pipe Band and to Lyth Arts Society.

**DSRL:**

Meetings have taken place with a number of Companies outside of Caithness to understand their business plans within the energy sectors (nuclear industry and renewable). By working with these companies, opportunities for potential workforce transition were discussed and this will be an ongoing dialogue over the coming months.

A meeting has been arranged for early January 2010 with Skills Development Scotland and EU Skills to look at ways of recognising the training of a nuclear workforce to transition into the renewable field – SCQF Mapping Project.

Support continues to be provided to the Programme Manager to develop the CNSRP Programme and Project Execution Programme.

Work continues to look at the future of the DSRL Chemical Laboratories and the Training Department.

Dounreay Stakeholder Group (DSG) is working with DSRL, NDA and CNSRP on the local half of the NDA's Industry Day to launch the competition for the Parent Body Organisation for Dounreay. The Caithness day will take place on 5th February and will present a collective vision for the area on the opportunities for the future. The DSG requested an event in Caithness to underline the importance of socio economics in the area to the bidders. The programme for the event has now been finalised and is posted on the NDA's website.

Eann Sinclair

11 January 2010