

DSG Socio-economic sub group meeting - 15th April 2010Update from CNSRP

This update incorporates reports from a range of partners involved in delivering elements of the *Caithness & north Sutherland Action Plan*. It is hoped that by condensing multiple reports into one paper the information will be disseminated more efficiently amongst the various groups such as the CNSRP Advisory Board, Executive Board and the Dounreay Stakeholders' Group.

Key Issues and highlights:

- The competition for the next PBO for Dounreay has begun with a two-part Industry day. At both events the key importance of socio-economic issues was stressed to the audience of potential participating companies/ consortiums.
- The Crown Estate announced the results of its Round One leasing competition in Wick, Orkney and Edinburgh with simultaneous events on 16th March. HIE has published the first version of its Pentland Firth Marine Energy Road Map, following feedback from the Partnership-hosted workshop held at T3UK during February (<http://www.pentlandfirtheenergy.co.uk/road-map.htm>)
- The first phase of the John O'Groats Masterplan was given a significant boost following the announcement by Heritage GB and Natural Retreats of plans to develop the John O'Groats

- In support of its inward investment marketing plan HIE is currently working on a study of companies with high energy usage requirements.
- Invicta Newpark has announced ambitious plans to raise finance for Biomass plants to be based in Caithness.
- Of the individual activities currently “live” in the Caithness & North Sutherland Action Plan there are 86 coded green (meaning progress according to schedule), 55 coded amber (meaning delivery delayed but still progressing) and 9 coded red (meaning delivery significantly delayed or action at risk of non-delivery).
- The Partnership has been working on updated projections for the number of new jobs we expect to be created between now and 2020. Currently we estimate that some 1,927 new jobs could be created in the area. A graph showing this projection is at Appendix 1.

Progress with High Priority activities

Scrabster Harbour

Scrabster Harbour Trust is now at an advanced stage of discussion with key funders regarding its redevelopment project. NDA is putting final approval paper to DECC.

Wick Harbour

WHA has received funding support from the NDA to undertake investigation work on opportunities for the Harbour in renewable energy.

Pentland Firth Marine Energy Project

The announcement of the successful bidders for seabed leases in the Pentland Firth and Orkney Waters zone was held on 16th March. Crown Estate Chief Executive Roger Bright led an event in Wick attended by just under 100 people including several marine developers. A parallel event happened in Orkney, and a press briefing with First Minister Alex Salmond was held in Edinburgh. Caithness Chamber of Commerce ran a business breakfast on the morning of the event.

Although most of the sites in this first round appeared to be around Orkney it still remains clear that our major opportunity is in capturing the contract work for individual devices. This work is currently going on. Caithness Chamber of Commerce, HIE and several local supply chain companies met in late March to view an outline procurement schedule from one of the device developers, giving an important insight into their likely requirements. From this it has been generally agreed that Caithness companies currently have the capability to tender for most demonstration and pre-commercial work. We will be working closely with all the device developers to ensure local companies are given the opportunity to bid for work.

Meanwhile CNSRP submitted its response to the Treasury Select Committee's inquiry into the Crown estate in Scotland. In it Chairman Sir Anthony Cleaver praised the organisation for its pioneering role in the Pentland Firth project, and for establishing a locally-based wave and tidal energy post. However, he pointed to frustration with the way the Pentland Firth and Orkney Waters leasing round had developed, and drew contrasts with the more transparent way in which the current NDA competition for the Dounreay PBO was being conducted. A copy of the Partnership's submission is available to view at www.cnsrp.org.uk/downloads

Work continues on the Centre for Energy & the Environment at North Highland College. The work is currently on schedule, and the building is expected to be in use by early 2011.

Engineering

Seven local companies have joined forces to market their capabilities and attract larger-scale engineering business. The companies (Arch Henderson, GA Barnie, Gow's Lybster, JGC Ltd, MM Miller, NES Engineering, Nuvia) have created a central web presence at www.caithnessengineering.com.

Caithness Chamber of Commerce and HIE worked on a capability document for engineering in the area, which was published in time for Part 1 of the Dounreay competition's Industry Day in Wick. Individual case studies are now being prepared for use with this brochure.

North Highland College staff are progressing the development of the Engineering Skills Centre at the College. Enabling work around the College grounds has now started for the considerable amount of building work required for this project.

NDA supported this year's Caithness Science Festival, which had its largest ever programme and audiences.

John O'Groats Tourism

HIE staff are now working to take forward developments following the successful launch of the Masterplan for John O'Groats in September 2009. This has now resulted in a significant announcement of private sector interest from Heritage GB (the current owners of the land around the former hotel) and Natural Retreats (a specialist in short-break holidays). The two companies estimate that the £6.5M scheme could be operational for the 2012 visitor season.

<http://www.hie.co.uk/john-ogroats-masterplan-2009.htm>

<http://www.johnogroat-journal.co.uk/news/fullstory.php/aid/7846/.html>

Inward Investment/ Business Growth

Fiona Macpherson has continued to engage with marine energy companies in the period leading up to the Crown Estate announcement, in order to ensure that any opportunities to attract new supply chain activities to this area are being identified and acted upon. This has further intensified in the weeks following the announcement. She has also commissioned a study into companies with high energy-usage requirements, in order to anticipate any opportunities arising from power generation before adequate grid capacity is available.

Effort also continues in the business services and tourism sectors - a study into the potential for a reduced-service hotel in Caithness has recently been completed - as well as plans for continuing research in other areas of the wider energy sector. HIE staff recently met with representatives from a company interested in introducing a home-working self-employed call centre model in the Caithness area. NDA is currently in discussion with an organisation wishing to set up a staffed office in Caithness.

Proposition materials are being produced for each of the target sectors identified in the Inward Investment Marketing Plan.

Fiona Macpherson left her post as Inward Investment Executive at the end of March. We will miss Fiona's enthusiasm and wish her well for the future. In the meantime CNSRP Programme Manager is discussing with HIE future arrangements to support the inward investment programme.

HIE has awarded ABSL Power Solutions Ltd a financial package of assistance of up to £87,100 to assist the company to commercialise their R&D products. HIE grant funding of £25,000 was also awarded to Ashley Ann Ltd to help the company develop a new brand.

Caithness Chamber of Commerce recently ran a HIE-sponsored event specifically for businesses that HIE account manages to enable them to network and discuss the importance of 'growth'. Raymond O'Hare, the recently-retired head of Microsoft in Scotland, was the keynote speaker.

Food & Drink

Three C&NS businesses are taking part in a pilot scheme to enhance capacities in marketing of food & drink products. They are Caithness beef & lamb, Caithness Biscuits and Mey Selections. The scheme is being offered to businesses by HIE.

Transport

The Highland Council has approved £10,000 and secured funding from partners HITRANS and DSRL to carry out feasibility studies for road safety work on the A9 Trunk road around Berriedale. This work is being undertaken with a view to having a fully-engineered and costed proposal available to be implemented when funding becomes available.

Programme Manager met HITRANS staff in late November to update on current and planned activities, as well as seeking strategic engagement with HITRANS over the coming months.

IT Connectivity

Scottish Government has announced its agreement with BT to upgrade 7 exchanges in our area. Some will receive full ADSL broadband for the first time, whilst others are being expanded to cope with additional demand for broadband.

The IT Connectivity working group we brought together in November last year has seen its efforts bearing fruit. HIE is now carrying out a study into the issue, and from that work we are already identifying additional opportunities both for existing businesses and potential inward investors with large data usage/ transmission requirements. The recommendations from the HIE study will be available in April.

Progress with medium and lower priority activities

Tourism: CNSRP's Programme Manager, HIE, Visitscotland, Highland Council and North Highland Tourism met in February to discuss a programme of action for the tourism industry in the north. The outputs of the discussion will be fed into the Partnership's overall regeneration programme. NHT, the Chamber and the Royal National Mod have organised an event for local businesses entitled "Making the Most of the Mod", to be held in Wick on 30th April.

Main Towns Initiative: Caithness Chamber of Commerce, CNSRP Programme Manager, the Caithness Partnership and Highland Council officials are working with business and community representatives to move forward with town centre plans. This workstream is closely connected to the tourism workstream.

Arts:

Young people & Entrepreneurship: Pulteneytown People's Project is in the final stages of securing funding for its ambitious community, training and enterprise centre in Wick. HIE and NDA funding applications are currently being assessed. Tenders for the work have now been received, and if the funding package is finalised in time work is hoped to start this summer.

National Nuclear Archive: Edinburgh firm Reiach and Hall has been commissioned for the design phase of the project.

Progress with DSRL socio-economic activities:

DSRL is working on its staff transition strategy and exploring external opportunities. The socio economic plan for 2010/11 is almost complete and will be published on the website when final. Support continues to the CNSRP with programme expertise in the development of the regeneration programme.

Funding from DSRL has been approved for enabling projects, which complement the CNSRP action plan. These are:

- Ormlie Community Association: A one-off payment of £5,000 to help recruit a job club co-ordinator.
- Latheron, Lybster and Clyth Community Development Committee: A one-off payment of £10,000 to fund a project manager to take forward a community enterprise project which will embrace the bigger tourism picture.
- Highland Council: payment of £10,000 to help fund feasibility work around Berriedale on the A9 Trunk Road.

Caithness apprentices were again successful at the national nuclear apprentice awards.

Appendix 1: DSRL Lifetime Plan/ Regeneration Jobs

