



Programme Update

April 2012

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:

- DSG and CNSRP welcomed Scottish Government Energy, Enterprise & Tourism Minister Fergus Ewing to Caithness in March for a programme of visits and discussions on current issues.
- The NDA has agreed a top up of £350,000 to the North Highland Regeneration Fund to keep the Fund in capital while loan repayments continue.
- Land near Scrabster Harbour has been designated by Scottish Government as an Enterprise Area.
- Work has begun on a railfreight terminal at Georgemas.
- Caithness Chamber of Commerce's "innovation Challenge" has been launched by Rob Gibson MSP.

Caithness & North Sutherland Action Plan 2011-14

The key priorities identified for 2011-14 are to:

- Work with existing area businesses in the energy and business services sectors to help them diversify and grow their businesses.
- Encourage new business starts in the energy and business services sectors
- Deliver a targeted programme of inward investment activity focused on energy and business services-related opportunities.
- Support the delivery of key enabling infrastructure such as ports and harbours, road, rail and air transport, skills transition and digital connectivity.

Key to “traffic light” reporting system:

Each text entry will have a colour-coded box beneath it. This will indicate the approximate percentage of the activity that has been completed to date, and will indicate the responsible owner for the activity. The box will be colour-coded as follows:

	Activity is on schedule to be delivered.
	Activity has been delayed, or is taking longer to complete than originally expected.
	Activity has not happened, or is in danger of not happening.

Progress with High Priority activities

Energy - Existing Company growth:

Account-managed Company growth	HIE
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Account-managed business Energy Hunt was presented with DNV certification during Fergus Ewing MSP's recent visit to Caithness.

Non-account managed company growth/ new business starts	BG & NHRF
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The NDA has agreed a top up of £350,000 to the North Highland Regeneration Fund to keep the Fund in capital while loan repayments continue. The Managing Agent contract, currently held by Newpark Management Ltd, is being re-tendered and 4 organisations have expressed an interest in tendering.

Energy – Inward Investment:

Inward Investment campaign	HIE & SDI
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HIE commissioned Caithness Chamber of Commerce to undertake additional research into opportunities in the environmental monitoring sector. This has now been completed, and key targets for contact are being agreed.

HIE and Dounreay Stakeholder Group representatives met with staff from Scottish Development International to discuss ongoing efforts to attract investors to the area.

HIE is also in discussions with another potential inward investor in the renewables sector.

Inward Investment - radiopharmaceuticals	DSRL
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DSRL commissioned an independent study into potential for developing a radio-pharmaceuticals operation in the area. A draft report has been received by DSRL.

Business Services - Existing Company growth:

Account-managed Company growth	HIE
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HIE continues to work with 3 companies in the business services sector.

Non account-managed company growth/ new business starts	BG & NHRF
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Business Services - Inward Investment

Inward Investment	HIE & SDI
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HIE is currently in discussions with a potential inward investor in the business services sector.

The procurement process for the development of HIE's next-generation ("superfast") broadband project continues, with BT Scotland now the preferred bidder. The signing of contracts for this major programme of work is expected by July 2012. HIE's project leader met with Caithness Chamber representatives in March to give a further update on progress.

Skills Transition	CCoC
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The Make the Right Connections programme has made good progress. In year one 70 training applications were approved, with a further 59 so far in year two, and a number of advisory/ guidance courses have been run under the "Recre8t Yourself" sub-programme. Activity for years 2 and 3 of the programme will be heavily dependent upon discussions with the new PBO at Dounreay regarding plans for DSRL staff over the period. The Chamber's Project Co-ordinator for the MTRC programme held a surgery at DSRL's on-site information office and reported a healthy interest from DSRL and supply chain staff.

STEM	HIE
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The HIE/ DSRL funded programme to encourage take-up of STEM subjects in local high schools continues to make progress through coordinator Stuart Tait, based in Wick High School.

Skills Development Scotland held an event on labour market information relating to the Energy sector, at which key support staff and industry representatives focused on skills requirements and support mechanisms.

Competitive Place

Caithness Ambassadors	HIE
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HIE Area team continues with its "Caithness Ambassadors" programme. This brings together groupings of senior business people from across the UK with Caithness connections. Referrals (possible opportunities for inward investment) are now being passed on by Ambassadors, and are being followed up by HIE.

Enterprise Areas/ Marine Energy Park	SG/ John Thurso MP
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Regional representatives from the Pentland Firth & Orkney Waters Leadership Forum received a very positive reception from DECC's Marine Energy Programme Board to the proposal for Marine Energy Park status for the Pentland Firth area. An announcement on this is expected by summer this year. In the meantime a prospectus for the proposed park will be drafted.

Scottish Government has announced that a site above Scrabster harbour has become one in a series of Enterprise Areas across Scotland. Energy Minister Fergus Ewing was shown the site during his visit to Caithness in March.

Transport - Road

THC/ HITRANS

Discussion continues between Highland Council, Caithness Transport Forum, HITRANS, Transport Scotland and NDA regarding part-funding for the next stage of investigation work at the A9 Trunk Road at Berriedale Braes.

HITRANS and the Highland Council commissioned a study into the “internal” transport infrastructure of the area, in relation to the onshore work to support the energy industry in particular. AECOM consultants, based in Aberdeen, has now presented a final report, which can be accessed at <http://www.cnsrp.org.uk/downloads/>

Transport - Air

HIAL

Passenger numbers at Wick continue to show positive signs, despite the wider economic climate. HIAL’s airport landing lights programme has been completed, and runway upgrades have taken place. The airport’s café has reopened under a new franchise arrangement, and HIAL is currently finalising a deal for car hire at the airport, which would allow point-to-point hires. CNSRP Programme Manager, Caithness Chamber CEO and HIE’s Head of Infrastructure for Caithness & North Sutherland met with HIAL in March to discuss future plans for Wick.

Transport – Rail

HITRANS/ DSRL

Direct Rail Services (DRS) have begun work on the railfreight terminal at Georgemas which will be used to transport spent fuels from Dounreay to Sellafield. DRS has also indicated its wider interest in commercial railfreight opportunities in the north.

Monitoring/ Assessing/ Communicating progress

Socio-economic impact of Dounreay decommissioning	CNSRP
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HIE and DSRL jointly funded a study to assess the updated socio-economic impact of Dounreay decommissioning. This drew on data from the 2006 baseline study, as well as 2011 staff/ contractor surveys and a supply chain company survey, offering a picture of how the area's economy has changed in the last five years, and how interventions by public sector partners might have impacted this. The Programme Manager will provide an update at the April meeting of the DSG socio-economic subgroup.

Information displays	DSRL
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The Information Room on-site at Dounreay is being well used by DSRL staff and contractors. It features a number of posters outlining progress with the programme of diversifying the economy away from dependence on Dounreay work. The room also holds copies of key documents relating to the activities being carried out by partners. It is open to all DSRL and supply chain staff, and will be updated on a regular basis to reflect the changing nature of the programme. DSRL also runs a programme of surgeries from relevant external bodies, using the room to communicate with the workforce (see Make The Right Connections above).

Copies of the posters are also now on display in Traill House in Thurso, and a programme of other sites in the area is currently being finalised.

Progress with other activities

Food & Drink – Existing Company growth	HIE
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HIE continues to work with 4 companies in the food & drink sector.

Non account-managed company growth/ new business starts	Business Gateway/ NHRF
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One new start-up business was supported in the food & drink sector, creating a potential 4 new jobs.

Tourism – Existing Company Growth	JOGH/ HIE
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Work on Phase 1 of the John O'Groats Masterplan continues with construction of the self-catering chalets progressing well. The developers still expect completion in summer 2012. Tourism Minister Fergus Ewing visited the site in March to see progress. The developers are also in discussions with

Highland Council regarding lease of the areas of ground around the hotel site that are currently in Council ownership.

HIE continues working with 4 other account-managed tourism companies, one of which has this year progressed from Business Gateway support into account-management with HIE.

Tourism/ Food & Drink/ other sectors – Enabling Activities

Ambitious for Tourism	HIE
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The delivery of the “Ambitious for Tourism – Caithness and North Sutherland” programme has been put out to tender, and the results of this exercise are expected during April.

Town Centre development	CCoC
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Caithness Chamber of Commerce’s Town Centre Development project has issued 2,800 “Spend It Here” loyalty cards since the scheme’s launch in December. Informal feedback from users and retailers has been positive. The scheme is aimed at encouraging greater spend in local shops. A survey of consumers is underway.

National Nuclear Archive	NDA
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The NDA has completed its review of the scale of records across the NDA estate and concluded there is a need for a physical archive and has re-affirmed its commitment to the development of an archive to be built in Wick. The next stage is to develop a business case to support delivery.