



Programme Manager Update

Apr-Jun 2013

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:

- During 2012/13 over 34 local companies/ business starts projected the creation or retention of 127.5 full-time equivalent jobs (67.5 in the energy or business services sectors).
- NorSea Group, a Norwegian-based oil & gas services company, has signed an agreement with Scrabster Harbour Trust, and a further agreement with Hugh Simpson (Contractor) Ltd. Both in support of its plans to create a major oil & gas service base at Scrabster.
- Ashley Ann has announced 20 new jobs over the next 18 months in its manufacturing business.
- HIE has procured BT to deliver the £146M roll out of Next Generation Broadband across the Highlands and Islands.
- The CNSRP partners' priority projects for the coming period are the development of the business/ industrial park at Scrabster Harbour, the attraction of offshore wind operations base to Wick Harbour and an inward investment in the marine energy sector.

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. This will indicate the status of the project’s delivery, 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 and Business Services - existing company growth

Support growth aspirations for companies

HIE

The launch event for the Sony Digital Cinema in Thurso took place in April. Cinema owner Rob Arthur plans a network of such cinemas across rural Scotland, with its administrative hub in Caithness. Thurso Cinema is already administering for a London cinema chain from its Thurso base.

Support non-account managed company growth

NHRF/BG

Business Gateway reports continued strong interest and enquiries from both business start-up and existing businesses. Several companies have been taken on to become account-managed by HIE.

Energy and Business Services - inward investment

HIE/SDI

Discussions currently taking place on potential investment plans with a renewables company and an oil & gas company – both seeking to establish a facility in Caithness. These discussions are progressing well.

Norwegian oil & gas services company NorSea Group has signed a partnership agreement with Scrabster Harbour Trust to develop a major oil & gas supply base at Scrabster. In announcing the decision the Company said it also saw opportunities in the wider energy sector. Subsequently the company has signed a strategic working partnership with Caithness company Hugh Simpson (Contractors) Ltd to further support its development plans.

Biomass	Newpark
No new progress to report with the proposed facility at Geogemas.	
Wick Biomass project	Ignis Energy
Ignis Energy has successfully commissioned its new £2.5M boiler for the combined heat and power plant in Wick. It is directing its excess steam to the next door Pulteney Distillery.	
Enabling Activities	
Scrabster Harbour	SHT
Scrabster Harbour Phase 1 development now being completed. SHT is in discussions with HIE and Highland Council regarding detailed plans for the Business/ Industrial Park above the harbour – a CNSRP priority project.	
Wick Harbour development	WHA
WHA is in discussions with HIE and NDA regarding financial support for its plans to develop the harbour's capacity to become an offshore wind operations & maintenance base – a CNSRP priority project. Funding support for the first phase, a heavy-lift facility on the commercial quay, has now been approved from NDA and HIE.	
Invest Caithness	CCoC
Caithness Chamber coordinated the attendance of a number of companies at the All Energy Exhibition and Conference in May.	
Supply Chain Diversification	CCoC
Caithness Chamber has supported several events for supply chain companies: with Scottish & Southern Energy and National Grid. Highland Council and Miller Construction ran a "meet the buyer" event for local companies interested in bidding for work on the Wick schools projects.	
Marine Energy Park	HIE
The Pentland Firth & Orkney Waters Marine Energy Park has signed a Memorandum of Understanding with SW England Marine Energy Park. The two parks ran a joint event at this year's All-Energy Conference in Aberdeen.	
Marine Energy "Onshore Vision" action plan	THC
Business & Industrial Land Audit is now complete, and a "call for sites" has been carried out. Highland Council carried out "charrette" planning processes in both Thurso and Wick during February 2013.	
Superfast broadband to key parts of C&NS	HIE
HIE announced the successful procurement of the contract to roll out delivery of next generation broadband. BT will deliver the £146 Million contract. Digital engagement programme for businesses and communities has been launched through HIE and Business Gateway.	
Electricity Grid enhancements	SSE
Progress continues on route plans and overhead works between Dounreay and Mybster. New proposals for HVDC switching station focusing on Sinclair Bay are being consulted upon. SSE has announced Partnership Agreement with UHI to enhance skills locally. National Grid's Director for Network Transmission visited the area in May.	
Skills Development	
Engineering Technology & Energy Centre	NHC-UHI
ETEC Stakeholder Forum met in March to ensure the ETEC facilities are being used to maximum effect, and to highlight opportunities for future development. One energy services company shown facilities during April, with potential for training usage.	

Centre for Energy & the Environment	NHC-UHI
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ERI and CfEE staff are pursuing a number of European collaboration projects.

Make The Right Connections	CCoC
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Good progress being made with the Programme, which was audited during March by Scottish Government. Chamber also carrying out a skills audit with supply chain companies.

Caithness Chamber also successfully led and managed the “Jobs and How To Get Them” event at the ETEC building in late February, with around 30 business and organisations offering advice and support to over 320 attendees. Follow up suggests several attendees have been offered employment through the event.

Schools STEM Programme	THC
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Final project steering group meeting held on 7th June. Highland Council and SDS developing Bridges to Employment programme in local High Schools, based on successful model developed in association with Lifescan Scotland.

Innovation Challenge	CCoC
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Competition winner Rachel Skene was announced by John Swinney MSP at Caithness Chamber of Commerce Annual Dinner in September 2012.

Young Chamber programme	CCoC
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Discussions on how best to engage with young people on entrepreneurship continue.

Transport – Roads	
A9 Road safety study – Berriedale	THC/TS

Transport Scotland has appointed a designer for the Berriedale scheme, and initial meeting has taken place. Caithness Chamber has taken on the activities of the Caithness Transport Forum and Bus Users’ Group, both of which met on 7th June.

Caithness "internal" transport infrastructure study	THC/HITRANS
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Study now complete and recommendations being considered by Council TECS team. Elements of this incorporated into Charrette planning.

Transport – Rail	
Caithness freight railhead	DSRL/DRS

DRS Ltd continues to work on potential commercial traffic opportunities and related line issues.

Transport – air	
Support Enhanced infrastructure in & around Wick Airport	HIAL

Impact of oil & gas traffic to Chevron North Sea sites has boosted flight and passenger numbers. Discussions taking place on further opportunities to position Wick JOG as a strategic airport for energy traffic. HIAL and CNSRP to work on detailed project plans.

Progress with other priority activities

Tourism - existing company growth	
Support growth aspirations for companies in Tourism sector	HIE

Natural Retreats self-catering lodges development at John O’Groats has received encouraging visitor business. The development of the self-catering complex around the former hotel building (called “The Inn at John O’Groats”) is due to open in August. HIE has recently awarded JOG 2 Ltd a grant of £30,000 in support of its plan to create an electronic start/ finishing system at John O’ Groats for the significant numbers undertaking the Land’s End – John O’ Groats journey.

The North Highland Initiative has attracted £22,000 in funding from VisitScotland. This will support the development of its “My Wild North” brand, which has already attracted wide

interest in its efforts to have visitors to the area record their impressions of the north through a variety of media. NHI is also, with support from DSRL, exploring tourism opportunities around “dark skies” viewing.

Support non-account managed company growth	NHRF/BG
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A group of companies working together under the HIE-funded contract with the Centre for Design Innovation as “Venture North” are considering a number of activities to enhance the tourism offering in the area.

F&D - existing company growth	
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Support growth aspirations for companies in F&D sector	HIE
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Several companies from the north exhibited at the Royal Highland Show in Edinburgh in late June, with all companies reporting strong interest in their products. NHI’s Kitchen Theatre was very popular.

Reid’s of Caithness has won new export business in Canada, Russia and Japan. These new deals, which may require further staff recruitment at the company’s base in Thurso, add to existing export orders from Germany and China.

Support non-account managed company growth	NHRF/BG
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No new business start-ups in the food & drink sector.

Other Sectors - existing company growth	
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Support account-managed company growth	
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Ashley Ann is to create 20 new jobs at its Caithness manufacturing base, in response to increased orders from across the UK. The company has received grant support of £120,000 from HIE for new equipment.

Support non-account managed company growth	NHRF/BG
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22 new business start-ups in “tourism/ F&D/ other local market” sectors in 2012/13.

Other sectors - Enabling activities	
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John O Groats development	
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See Tourism – existing company growth, above.

National Nuclear Archive	
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NDA confirmed in December its commitment to building the National Nuclear Archive in Wick. The project, which will also ensure a long term home for the Highland Council’s North Highland Archive, will be operated for the NDA by a specialist partner. NDA plans to appoint a suitable commercial partner during 2013, and to have the facility operational by 2016.

Town Centre development programme	
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The programme came to an end in December 2012, although activity continues, with further retail training, and the two town websites (Thurso – Energy Town and Wick – Heritage Town) still live. A group of Thurso businesses in particular are planning future activities, with an “Independents’ Day” being held in Thurso in July.