

Programme Manager Update
December 2015

This update incorporates reports from a range of partners involved in delivering elements of the *Caithness & north Sutherland High-level Programme*. 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. The major projects being taken forward through the Programme (and reported against in this paper) are:

Project Title	Project Owner	Project support
Skills 1 – NH College	Donald MacBeath, NHC	Debbie Gray, NHC
Skills 2 - Talent attraction	Roy Kirk, HIE	Karen Gunn, HIE
Skills 3 – Developing the Young Workforce	Trudy Morris, CCoC	Marcus Mennie, CCoC
Business & Industrial Land	Roy Kirk, HIE	TBC, HIE
Inward Investment	Roy Kirk, HIE	June Love, HIE
NDA Nuclear Archive	Simon Tucker, NDA	Anna MacConnell, NDA
Cavendish Nuclear Project Programme	Simon Middlemas, CN	Shona Kirk, CN
Dounreay Business Development	Ken Nicol, DSRL	June Love, DSRL
Scrabster Harbour	Sandy Mackie, SHT	Claire Conway, HIE
Superfast Broadband	Roy Kirk, HIE	Stuart Robertson, HIE
Roads 1 – A9 Trunk (Berriedale)	Andy Anderson, TS	
Roads 2 – Non-trunk (B876)	Stuart Black, THC	Ian McGillivray, THC
Wick Harbour	Willie Watt, WHA	Hilary Budge, HIE
Wick John O'Groats Airport	Mark Stuart, HIAL	Claire Conway, HIE
Thurso Community Sports Hub	Phil Cartwright	Shona Kirk
Balance of Jobs	Eann Sinclair	Shoshana Mitchell, CNSRP
Dounreay Decommissioning Programme	Ken Nicol, DSRL	Marie Mackay, DSRL

Reporting system:

The Title Box for each major project will be coloured **Green, Amber or Red**. This will indicate the status of the project's delivery.

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

General update: Sep-Dec 2015

Jobs created/ retained (as at 16 Dec 2015)

Sector	3 year Target		Current projections		
	Low	Hi	New	Ret	Total
Energy	138	197	84	32	116
Business Services	62	80	0	0	0
Tourism	12	22	10	0	10
Food & Drink	15	25	44	0	44
Other Sectors	22	45	29.5	0	29.5
Local market	110	110	46.5	2	48.5
Totals	359	479	214	34	248

Energy/ Business Services:

MeyGen project has made good progress over the Summer period, with onshore construction at Ness of Quoy well underway and directional drilling successfully completed and cables laid to the site where the initial Phase of four turbines will be deployed in Summer 2016. MeyGen owner Atlantis Resources Ltd has now agreed deals with both Siemens Ltd and Scottish Power Renewables that will enable it to take over the seabed leases for tidal development at Brough Ness and Ness of Duncansby respectively.

HIE and Cavendish Nuclear continue to work with Wick Harbour Authority to attract onshore economic from the potential Offshore Wind development in the Moray Firth. Beatrice Offshore Windfarm Ltd will reach a crucial decision point in 2016 as lead partner Scottish & Southern Energy (SSE) makes its Final Investment Decision in January/ February. UK Government has announced a further round of CfD offers for offshore wind projects by the end of 2016, which may encourage Moray Offshore Renewables Ltd.

Other:

Thurso's Cinema reopened in late November under the ownership of Merlin Cinemas. The new operation will continue to feature all those elements (cinema, satellite events, bar/ restaurant) available through the previous operation, and it is likely that the Cinema will employ a similar number of people. Attendances since the reopening have been very encouraging.

CNSRP Programme Manager update

Major Project		Scope of Work	Progress
Last period	This period		

Major Project		Scope of Work	Progress	
Last period	This period		This period	Next period
		<p>private and public sectors.</p> <ul style="list-style-type: none"> • Work with Talent Scotland (www.talentscotland.com) to maximise the use of this programme in the North. • Work with public sector partners to implement the Highlands and Islands Regional Skills Investment Plan, to maximise the benefits in Caithness and North Sutherland. This will focus on the workstream, “people attraction”. • Work with the private sector (recruitment companies) to develop their knowledge of the opportunities in the area and to build links with the local companies to understand the cost effectiveness of using a private sector solution. • To assess previous recruitment events and if appropriate to hold a recruitment fair outside of the Highlands and Islands. 		
Skills 3 – Developing the Young Workforce	Skills 3 – Developing the Young Workforce	<p>To develop a Jobs pipeline for Young People, which will have various entry points allowing access based on the individuals needs and employment aspirations. The pipeline will have various activity and support pathways, which will empower the Young person and their parents to make informed choices which will lead to employment in the community.</p> <ul style="list-style-type: none"> • Improve employment awareness and readiness to work in our young people as they plan transitions throughout and from the senior phase of education. • Increase the numbers of young people achieving a positive destination from School or College • Increase the numbers of young people who are economically active in the 16 – 24 age group • Enable business development and growth in local areas b 	<ul style="list-style-type: none"> • Caithness launch 23rd Sept, Sutherland Launch 24th Nov. • Audit of Careers Engagement/ Work Placement schemes underway. Results in Dec. • liYP annual accolade programme - workshops commencing w/c 23rd Nov. 	<ul style="list-style-type: none"> • Planning for Feb & Mar 2016 Jobs Fairs (Caithness and Sutherland) • Development of MOU’s between industry & Education • Development of a teacher placement scheme in industry. • Development of a Non-STEM Ambassadors programme • Additional Events to

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		<p>y giving employers the confidence to invest in young people</p>		<p>promote the potential to grow the number of Apprenticeships in other “Employability Areas”</p>
Business & Industrial Land	Business & Industrial Land	<ul style="list-style-type: none"> To develop and implement the provision of business and industrial space in Caithness to support growth in key sectors. Identify business case for provision of business and industrial space (particularly around Thurso) Carry out Site(s) Options Appraisal Agree costed development plan for site(s) Implement 	<ul style="list-style-type: none"> Options Appraisal underway. Report due Dec 15. Feasibility on preferred site(s) dependent on outcome of Options Appraisal. 	<ul style="list-style-type: none"> Assessment of options identified in Options Appraisal
Inward Investment	Inward Investment	<p>HIE will pro-actively seek to attract companies, in the energy and business services sectors, to relocate part of their existing business to the area. This will be carried out in a number of ways drawing on others within HIE, Scottish Enterprise and Scottish Development International to assist in this approach.</p> <p>Marketing of the area, raising awareness of the skills and supply chain capability that already exists will form a part of this scope as well as regular business meetings.</p> <p>This includes all HIE Inward Investment opportunities where there is no potential direct commercial arrangement with an existing local business.</p>	<ul style="list-style-type: none"> Two company visits this period In discussions with four companies Further two companies in early discussions. Two potential projects being actively discussed. Oil & Gas “cost comparison” work currently out to tender. Caithness accommodation assessment out to tender. Report expected Mar 16 	<ul style="list-style-type: none"> Three proposition documents progressed.
NDA Nuclear Archive	NDA Nuclear Archive	<p>To build a public archive repository and to manage and conserve archived records from across the NDA estate. As well as housing records from across the UK’s civil nuclear</p>	<ul style="list-style-type: none"> On-site works commenced in Wick, with 4 local sub-contractors (G&A Barnie, John 	<ul style="list-style-type: none"> Construction of entranceway

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		<p>sites the building will provide a permanent location for the Caithness (North Highland) archive. The NDA Nuclear Archive will provide, where appropriate, public access to records from across the UK and the Caithness archives. The facility will be managed by a commercial partner on behalf of the NDA and agreements put in place to provide a service to the Highland Council in respect of the Caithness (North Highland) Archive.</p>	<p>Gunn & Sons, GMR Henderson Ltd, Steven Blackwood Fencing Ltd)</p> <ul style="list-style-type: none"> • Contractor trainees/ apprentices engaged. • Commercial partner appointed, and local office space confirmed. • Discussions commenced between commercial partner and HIE on wider economic opportunities 	<ul style="list-style-type: none"> • Structural steelwork installation • Commercial partner meetings with stakeholders
Cavendish Nuclear Project Programme	Cavendish Nuclear Project Programme	<p>Investigate the formation of future new business in Caithness to meet the future requirements of Cavendish Nuclear, support wider Babcock interests or support to other likeminded and aligned sustainable inward investment or growth opportunities. Initial concepts are:</p> <p>Project T Project M Project K Project E</p> <p>Note: Including office facilities for all projects, including Dounreay off-site office requirements.</p> <p>Working with the wider Babcock companies, investigate opportunities and encourage investment in the following market sectors locally:</p> <p>Project N Project E</p> <p>Investigate the opportunities thoroughly so that it they can be progressed further, shelved or handed to another party for development</p>	<ul style="list-style-type: none"> • Work has progressed on production of a detailed and underpinned business plan to allow the right decisions to be taken on the commercial viability of moving into the implementation phases. 	<ul style="list-style-type: none"> • New MD of Cavendish Nuclear and MD of DSRL appointed. Both are being briefed and will need to agree project viability.

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		<p>Prepare a programme for the implementation and transition plans.</p> <p>Identify barriers to success for action eg. State aid, local issues.</p> <p>4. Specific activities:</p> <p>Confirm, or not, the initial concepts are viable and sustainable and underpin assumptions.</p> <p>Identify where additional resources will originate, ie. Existing fully skilled staff, partially skilled staff suitable for up-skilling, external resources that could be attracted into the area, graduate trainees and apprentices.</p> <p>Training requirements and availability of courses in the short, medium and long term.</p> <p>Quantify the potential number of jobs to be created locally and timescales for such jobs.</p> <p>Identify the infrastructure and asset requirements.</p> <p>Consider and identify areas of potential support – funding, support in kind, expertise etc from appropriate bodies including HIE, NDA, PBO Parents, Dounreay.</p> <p>Identify partners and potential business model that would underpin the opportunity.</p>		
Dounreay Business Development	Dounreay Business Development	<p>DSRL Business Development relates to activities for the creation of sustainable businesses based upon the skills of individuals and /or products & services from within the Dounreay site. This may take a variety of forms such as a new business start-up or spin out. There are a number of fundamental challenges which need to be understood and addressed to ensure that any business is sustainable post Dounreay. Individuals are (or may in the future) establishing their own business utilising their skills or interests and may require advice and mentoring to enable them to establish a sustainable business or develop business skills. In order to</p>	<ul style="list-style-type: none"> Committed to continue the support to start-up businesses by individuals employed at Dounreay. Interventions to date - Initial Guidance 46 (Original target: 50); Advice/Consultancy 25 (Original target 30); Mentoring 1 (Original target 6). 4 Workshops delivered: Good 	<ul style="list-style-type: none"> Progress DSRL position for potential for MBO Following an internal review, Pilot Project is extended. New targets to be agreed

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		<p>deliver this DSRL will work with organisation such as Business Gateway; Caithness Chamber of Commerce and Highlands & Islands Enterprise; maintain an awareness of different established or emerging markets which may offer opportunities for individuals (or groups of individuals) to establish / develop a businesses DSRL will look for opportunities which as a result of the decommissioning programme could support the economic development of the area. This could include relocating selected Dounreay staff into new office accommodation in the Thurso area or encouraging contractors to establish a permanent presence in the area.</p> <p>The above has to be balanced with the requirement to deliver the decommissioning programme, therefore the timing of this activity is crucial.</p>	<p>positive feedback</p>	
Scrabster harbour	Scrabster harbour	<p>Business/ Industrial Park – Development of the 32 Acre Enterprise Area at Scrabster Mains</p> <p>St. Ola Pier – Re-development of the St Ola Pier to create modern deep-water harbour infrastructure</p> <p>Land Reclamation – works to create laydown / industrial space to the south of the harbour</p> <p>Further phases of work would build on the earlier phases of development (but not currently scoped)</p>	<ul style="list-style-type: none"> • A paper on options for development has been prepared and discussed with HIE. HIE wish to consider the site as part of a study to assess a range of potential development sites in the wider West Thurso area. Taking potential demand into account, the likelihood is that initial development will be very limited in scale. Any development of the site will be contingent on a new access route to the site being constructed. 	<ul style="list-style-type: none"> • Further options appraisal work is needed to compare the cost and benefits of repair vs redevelopment options for the St Ola pier. • The outcome of the UK Government’s Comprehensive Spending Review is awaited. •

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			<ul style="list-style-type: none"> Scrabster and the local economy continue to benefit from the Jubilee Quay development. Port revenues are at a similar level to the first six months of 2014-15, which proved to be a record year. Press release issued on half year trading Paid advertising space taken in Oil & Gas UK'S Wireline Magazine; Subsea UK News; Executive Magazine. Also regular Twitter, LinkedIn and Facebook posts. Weekly updates now available on website at http://www.scrabster.co.uk/news/ 	
Superfast Broadband	Superfast Broadband	<ul style="list-style-type: none"> Improve connectivity through implementation of improved fixed broadband. Target is to maximise coverage at superfast speeds (>24Mbps download) Provide the following capability for business by end 2016: <ul style="list-style-type: none"> Access to affordable fixed fibre based broadband Installation of additional Points of Presence (PoPs) to increase availability/affordability of Ethernet services Provide the following capability for home working by end 2016: 	<ul style="list-style-type: none"> Cabinets now live in Wick, Thurso, Halkirk, Castletown, Thrumster, Bettyhill. C. 10,000 homes/ businesses now able to order Superfast Broadband services 	<ul style="list-style-type: none"> Network build/ rollout in Bettyhill, Melvich, Reay, Watten, Keiss, Dunbeath, Helmsdale. Network surveys in John O'Groats area.

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		<ul style="list-style-type: none"> Access to affordable fixed fibre based broadband 		
Roads 1	Roads 1	To deliver a realigned stretch of the A9 Trunk Road at the north side of Berriedale Braes, addressing the current issue with both the gradient and severity of the hairpin bend.	<ul style="list-style-type: none"> The draft Compulsory Purchase Order (CPO) and Trunk Road Order (TRO) were published. One submitted objection has not been withdrawn. Now proceeding to Public Local Inquiry and a reporter has been appointed. 	<ul style="list-style-type: none"> A pre-Inquiry meeting took place 2 December 15.
Roads 2	Roads 2	The project is the improvement of a 900m section of the B876 across Killimster Moss to bring the load capacity up to Scottish Government recommended strength standards.	<ul style="list-style-type: none"> Preferred scheme design not now expected until Jan-Mar 16 Capital budget allocated, but will be reviewed on completion of scheme design. 	<ul style="list-style-type: none"> Progress scheme design work
Wick Harbour	Wick Harbour	Phase 1 – creation of a High-Water Protection Gate Phase 2 – Creation of pontoons/ berthing; offices; parking; laydown space Phase 3 – Development of land at the south of the harbour (Shaltigoe development) Phase 4 – Development of land at the north of the harbour (Dunbar development)	<ul style="list-style-type: none"> All ancillary works to Commercial Quay now complete Solution to dredging for Commercial Quay agreed. Discussions ongoing regarding Marine Base for Beatrice project. SSE expected to reach 	<ul style="list-style-type: none"> Funding discussions on High Water Protection Gate SSE Final Investment Decision

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			Final Investment Decision stage in early 2016. <ul style="list-style-type: none"> Business plan for the High Water Protection Gate is being finalised to take to potential funders. 	
Wick JOG Airport	Wick JOG Airport	Enhance the service offer at the airport: <ul style="list-style-type: none"> Facilitate the provision of modern, fit for purpose hangars Improved safety in approach procedures Aim for equivalence of Cat 1 ILS decision heights Improved environmental performance on approaches Introduction of new fire appliances Improvement of “first impressions”, e.g. the removal/refurbishment of the old hangar adjacent to the terminal building Replace the apron and increase the available area for aircraft parking and manoeuvring (fixed wing and rotary) Increase the number of car parking spaces available Increase the frequency and number of routes 	<ul style="list-style-type: none"> Half of apron refurbishment now completed Satellite approach procedures – submitted to CAA, published procedures expected by Mar 16 Planning underway for airport car-parking 	<ul style="list-style-type: none"> Completion (weather-dependent) of apron refurbishment Continued planning for car-parking

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Last period	This period		This period	Next period
			Sportscotland Dec 2015. <ul style="list-style-type: none"> • Drainage survey and design currently being undertaken. 	being completed planning application will be submitted in early 2016. <ul style="list-style-type: none"> • Ensure continued positive feedback from those who are in a favour of the facility.
Supporting Activities				
Balance of Jobs	Balance of Jobs	To gather, collate and disseminate information to partners and stakeholders on the range of jobs being created and retained in the area economy of Caithness and North Sutherland. Also where possible to identify jobs lost to the area economy through any redundancies and business contractions/ closures and share this information with CNSRP partners.	<ul style="list-style-type: none"> • Executive Board meets on 24th Nov to review progress with programme. Advisory Board meets on 4th December. 	<ul style="list-style-type: none"> • 2016 meeting dates to be confirmed.
Dounreay Decommissioning Programme	Dounreay Decommissioning Programme	To provide information to CNSRP on the overall DSRL decommissioning programme in relation to site employment numbers up until the Interim End State date.	<ul style="list-style-type: none"> • From 1 April to 30 Sept, DSRL recruited 79 FTEs a net increase (after attrition) of 64 FTE. 	<ul style="list-style-type: none"> • Future reports to include information on DSRL recruitment