

Programme Manager Update
June 2016

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
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	June Love, DSRL	TBC
Scrabster Harbour	Sandy Mackie, SHT	TBC
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	TBC
Thurso Community Sports Hub	Phil Cartwright, TCSH	Shona Kirk, CN
Balance of Jobs	Eann Sinclair	Iona Gunn, CNSRP
Dounreay Decommissioning Programme	June Love, 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: Apr-Jun 2016

Jobs created/ retained (a

Sector					
	138	197	60	34	94
	62	80	3	0	3
	12	22	24	0	24

Key highlights:

- The Beatrice Offshore Windfarm development reached financial close in late May, with Wick harbour confirmed as the project’s Operations & Maintenance hub. This £2.6 billion project is thought to be the largest private investment in Scotland, and will bring a significant number of skilled long-term jobs to Caithness. Also announced is a key contract for the engineering, procurement, construction and installation (EPCI) associated with the project. This c.£900M contract has gone to Seaway Heavy Lifting and Subsea 7. A further contract for construction monitoring has been awarded to Sgurr Energy.
- Recruitment has begun for jobs associated with the NDA Archive complex in Wick. The construction of the building is also progressing well, and the project remains on course for receiving its initial archive material in late 2016.

Major Project		Scope of Work	Progress	
Last period	This period		This period	Next period
Skills 1	Skills 1	<p>[Project Scope being revised at present] Establish a relationship with a business partner(s) to support commercial development of the NHC offerings</p> <p>Establish a Business Development Unit (BDU) at NHC to support a programme of activities including employer engagement</p> <p>Establish Foundation, Community and Advanced Apprenticeships</p> <p>Develop the curriculum and courses to meet the further and higher education and business demands</p> <p>Establish a pool of associate lecturers from industry to support a range of curriculum areas</p> <p>Research activities</p> <p>NHC resources – understand and meet the course demands of the future</p> <p>Campus & Facilities - Upgrade the Thurso campus to provide modern facilities.</p> <p>Re-establish a presence in Wick to meet future offshore</p>	<ul style="list-style-type: none"> • BDU proposal submitted to the NH foundation for funding support. Expected outcome September 2017. • Re-established relationship with Nigg Skills Academy. New contract for engineering training with NHS. • The campus development is on track and the business case is almost complete. By late summer 16 we will be in a position to seek funding for the development. 	<ul style="list-style-type: none"> • Campus project – EIA progress, stakeholder events and funding submissions. • A revised project scope and plan has been established which is more focused as following a review with CNSRP it was agreed a lot of the previous deliverables were part of our core business.

		requirements. Utilisation of community facilities to deliver courses		
Skills 2 – Talent Attraction	Skills 2 – Talent Attraction	<p>To develop and implement the plan to attract talented people to Caithness and North Sutherland. This will include:</p> <ul style="list-style-type: none"> • Carry out a needs assessment of the private and public sector requirements for skilled labour for the near term and medium term. This will include the private and public sectors. • 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 (RSIP), 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. 	<ul style="list-style-type: none"> • Needs Assessment undertaken by Caithness Chamber of Commerce. Final report received May 2016. 	<ul style="list-style-type: none"> • Agree recommended actions from Needs Assessment. • Work with partners to maximise Talent Attraction element of RSIP in Caithness/ N Sutherland.
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 	<ul style="list-style-type: none"> • Employer Engagement Audit process. Caithness data collection completed. • Employer Work Placement pack published for Caithness. Employer engagement event held jointly with Thurso High School May 2016. • Development of Business Ambassador programme 	<ul style="list-style-type: none"> • Employer engagement activities with other schools. • Work on DYW promotional video for students, parents, teachers, employers. • Develop local database of Work Placement

		<p>e destination from School or College</p> <ul style="list-style-type: none"> • Increase the numbers of young people who are economically active in the 16 – 24 age group • Enable business development and growth in local areas by giving employers the confidence to invest in young people 	<p>commenced.</p>	<p>employers.</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 complete. • Feasibility work on two sites agreed. 	<ul style="list-style-type: none"> • Feasibility work completed on two preferred site(s)
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"> • Visits to the area continue with 4 company visits during the period (energy, space, and business services sectors). 3 individual proposition documents were prepared for companies. • Work is ongoing to finalise the UKVL feasibility study which is due to report in the summer. • Early discussions with HIE Energy Team to develop local response to MeyGen phase 2 requirements with a view to developing an operations and maintenance solution (see also Scrabster Harbour project) • Atlantic Frontier Hub: A positive meeting with 	<ul style="list-style-type: none"> • UKVL Feasibility Study. • Further work with companies in receipt of proposition documents. • Atlantic Frontier Hub meeting with KPMG and SHT.

			Scrabster Harbour Trust took place in May to discuss outcomes of KPGM study – next stage is a meeting with KPMG with SHT in attendance.	
NDA Nuclear Archive	NDA Nuclear Archive	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 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.	<ul style="list-style-type: none"> On-site works progressing in Wick, with 4 local sub-contractors (G&A Barnie, John Gunn & Sons, GMR Henderson Ltd, Steven Blackwood Fencing Ltd) Contractor trainees/ apprentices engaged. Commercial partner appointed, and local office space confirmed. Discussions commenced between commercial partner and HIE on wider economic opportunities Commercial partner team began staff recruitment process with event in Wick in May 16. 	<ul style="list-style-type: none"> Commercial partner staff recruitment.
Cavendish Nuclear Project Programme	Cavendish Nuclear Project Programme	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: Project T Project M Project K Project E Note: Including office facilities for all projects, including	<ul style="list-style-type: none"> Pre-implementation activities - programme continues to evolve as further detail is produced and internal discussions held. This has altered the timescales, something that does not cause concern at this early stage of planning. 	<ul style="list-style-type: none"> Positive review held with Cavendish Nuclear MD and DSRL MD who will need to agree project viability prior to any decision being taken to implement. The PBO, DSRL Board, NDA and Regulators will also need to

Dounreay off-site office requirements.

Working with the wider Babcock companies, investigate opportunities and encourage investment in the following market sectors locally:

Project N

Project E

Investigate the opportunities thoroughly so that they can be progressed further, shelved or handed to another party for development

Prepare a programme for the implementation and transition plans.

Identify barriers to success for action eg. State aid, local issues.

4. Specific activities:

Confirm, or not, the initial concepts are viable and sustainable and underpin assumptions.

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.

Training requirements and availability of courses in the short, medium and long term.

Quantify the potential number of jobs to be created locally and timescales for such jobs.

Identify the infrastructure and asset requirements.

Consider and identify areas of potential support – funding, support in kind, expertise etc from appropriate bodies including HIE, NDA, PBO Parents, Dounreay.

Identify partners and potential business model that would underpin the opportunity.

agree some or all proposals prior to any decision to proceed.

- At the appropriate time (Implementation phase), much of the activities can be communicated to the wider Dounreay workforce and stakeholders. However, this can only take place after agreement in principle with

		<p>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 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>have taken advantage of project.</p> <ul style="list-style-type: none"> • A number of workshops have also been held. • Evidence of people securing funding from other sources due to advice being provided. • A total of 11 companies are known to be trading with the potential to employ 17 individuals. 	<p>to advertise service for others.</p>
<p>Scrabster harbour</p>	<p>Scrabster harbour</p>	<p>Business/ Industrial Park – Development of the 32 Acre Enterprise Area at Scrabster Mains St. Ola Pier – Re-development of the St Ola Pier to create modern deep-water harbour infrastructure Land Reclamation – works to create laydown / industrial space to the south of the harbour Further phases of work would build on the earlier phases of development (but not currently scoped)</p>	<ul style="list-style-type: none"> • Dialogue has continued with HIE regarding development options for the Business/ Industrial park. The project will be subject to an external peer review with a view to recommendations on the next steps being made to the HJIE Leadership team. Purchase of the land required for improved access was concluded in March 2016. A servitude right 	<ul style="list-style-type: none"> • Review of activity for 2016-17 • Time lapse “activity” videos to be uploaded to YouTube • Continued social media content (Twitter etc)

			<p>allowing better drainage options has also been secured.</p> <ul style="list-style-type: none"> • Further engineering studies on the St. Ola pier are ongoing. • Tidal energy - requirements should emerge as MeyGen Phase 1a moves forward. The Trust continues to have constructive discussions with MeyGen / Atlantis • Growth in port activity continues at Scrabster. Port arrivals and vessel tonnage increased by 3% in 2015-16, with oil and gas tonnage increasing by 65%. The Trust will report records revenues in 2015-16 for the second consecutive year. 	
<p>Superfast Broadband</p>	<p>Superfast Broadband</p>	<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"> • Access to affordable fixed fibre based broadband 	<ul style="list-style-type: none"> • Cabinets now live in Wick, Thurso, Halkirk, Castletown, Lybster, Thrumster, Watten, Reay, Bettyhill, Helmsdale, Keiss, Dunbeath. • Work on local network at John O’ Groats has begun. • Points of Presence “live” in Wick and Thurso. • More than 10,000 homes/businesses in Caithness/ Sutherland now able to order Superfast Broadband services. 	<ul style="list-style-type: none"> • Network build/ rollout continues. • Work on local network at John O’ Groats.

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"> • A Public Local Inquiry (PLI) took place in early April this year to consider the evidence for the one remaining objection. The Reporter’s recommendation is awaited before further progressing the scheme. • If the outcome of the PLI is favourable then Transport Scotland will be in position to make the orders, allowing them to buy the land and to proceed with construction of the Scheme. 	<ul style="list-style-type: none"> • Awaiting Reporter’s recommendation.
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 Summer 16 • Capital budget allocated, but will be reviewed on completion of scheme design. 	<ul style="list-style-type: none"> • Review capital budget allocation.
Wick Harbour	Wick Harbour	<p>Phase 1 – creation of a High-Water Protection Gate</p> <p>Phase 2 – Creation of pontoons/ berthing; offices; parking; laydown space</p> <p>Phase 3 – Development of land at the south of the harbour (Shaltigoe development)</p> <p>Phase 4 – Development of land at the north of the harbour (Dunbar development)</p>	<ul style="list-style-type: none"> • The £2.6bn Beatrice Offshore Windfarm Ltd (BOWL) project has been given the green light for construction after reaching Financial Close on 23rd May 2016. Wick Harbour has been named as the O&M port. • MORL project set back by failure to get CfD. They now expect next call for CFD to be towards the end of 2016 with award being early 2017. 	<ul style="list-style-type: none"> • Engagement with SSE/ BOWL on O&M facilities construction.
Wick JOG	Wick JOG	Enhance the service offer at the airport:	<ul style="list-style-type: none"> • Satellite Approach procedures 	<ul style="list-style-type: none"> • car-parking -

Airport	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 	<p>due for publishing by 23 June 16. (Delayed due to third party resourcing issues in respect of the publishing process).</p> <ul style="list-style-type: none"> Hangar façade and Apron refurbishment now complete. 	<p>planning underway, design complete and contractor appointed</p>
Community Sports Hub	Community Sports Hub	<p>The hub has been established to provide a platform for all local sports clubs and appropriate partners to work together for the benefit of developing sport locally. One of the key issues identified to date is the lack of quality training and playing facilities and equipment for its members. This project will provide a project manager to the Hub to develop the appropriate facilities.</p> <p>Will work closely with proposed Thurso Harbour development to ensure projects are complementary to each other.</p>	<ul style="list-style-type: none"> Continued discussions with Sportscotland 	<ul style="list-style-type: none"> Outcome of Sportscotland discussions
Supporting Activities				
Balance of Jobs	Balance of Jobs	<p>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.</p>	<ul style="list-style-type: none"> DSRL and HIE have jointly funded a further study into the “Socio-economic Impacts of Dounreay Decommissioning”. Contractor EKOS now working on data gathering and site staff and stakeholder surveys. 	<ul style="list-style-type: none"> “Socio-economic Impacts of Dounreay Decommissioning” study reaches final report stage.

			<ul style="list-style-type: none"> The PM and S. Middlemas have begun a series of presentations on “future employment projections” to c. 100 site workers to date. 	
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"> Revisions to site programme of work to take account of prioritisation of fuels movements. 	<ul style="list-style-type: none"> Review of staffing profile information provided to CNSRP.