

Programme Manager Update – November 2020

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

Programme theme	Development Area	Project	Status
Energy	Offshore Wind	Beatrice Offshore Windfarm Limited (BOWL)	
		Moray East Windfarm Limited	
		Moray West Windfarm Limited	
		Future site developments – Scotwind leasing round 2020	
	Oil & Gas	Scrabster Harbour St Ola Pier Redevelopment	CV19*
	Tidal	Simec Atlantis Tidal Stream Array	
Space	Space Hub Sutherland	Space Hub Sutherland Build and operate	CV19*
	Space related activity	Space Cluster Strategy Development	
Business services	Nuclear Support and Engineering Support Services	Nuclear services and engineering Centre	
		Vulcan Engineering Centre	
	General Business Services	Local providers expanding and recruiting	
Tourism	North Coast 500	Impact assessment report/ Market health.	CV19*
	Strategy development	CNSRP Tourism Strategy development	CV19*
Inward Investment	Develop approach	Seek to establish resources and approach to accelerate II	Cv19*
Enabling activities	Skills Investment Plan	Progress actions identified in Skills Investment Plan	
	Low/Zero C Engineering centre	Establish a research and training centre for Zero C Technologies	CV19*
	Connectivity – Air transport	Establish a Public Service Obligation for routes at WJoG	CV19*
	Connectivity - Digital centre/support	Explore and develop a stronger digital offer locally	
	Research development	Develop a programme of research collaborating with local and national partners	

CNSRP Support Hub	Development of CNSRP Support Hub	Develop a regional CNSRP Sustainable support Hub	
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*CV-19 – these activities have been identified as directly affected/delayed by CV19 restrictions

Reporting system:

The Title Box for each major project will be coloured **Green, Amber or Red**. This indicates project delivery status.

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.

Jobs created/ retained (as at March 2020) Note: – figures beyond March disrupted by Covid 19 Pandemic.

Project	3 year Target		Current projections		
	Low	Hi	New	Ret	Total
BOWL Offshore Wind	45	145	50	0	50
Tidal	0	10			
SpaceHub Sutherland	0	40	3	0	3
Space Industry	0	40			
Oil & Gas	15	25	9	0	9
Nuclear services	60	120			
Business Services	15	100	51	0	51
North Coast 500	30	100			
Other Sectors	30	60	234	10	244
Local market	75	90	13	0	13
Totals	270	670	360	10	370

General update: Apr 2020 – November 2020

- The Covid-19 Pandemic continues to affect all aspects of life, with most organisations affected to varying degrees. The CNSRP programme is taking into account the short-term changes and will continue to be adapted to re-prioritise activities in support of the recovery effort when this phase is fully entered. Projects delayed as a result of Covid-19 have been identified in the summary.
- The jobs totals shown above do not consider any changes during the Covid period. It is still unclear the long-term effect on employment in the region. The CNSRP Support hub is being established and will be part of the region’s response to the Socio-Economic shock posed by the pandemic.
- Space Hub Sutherland project continues to develop. Planning permission was granted in July and Scottish Government confirmed that this would not be called in. An application to the Scottish Land Court was submitted in August. A Judicial review of the planning process is being sought by a local landowner. The results of this process and timescale are awaited.
- Moray West was unsuccessful in their bid for a CfD in Sept ’19 round but remain committed to developing the project for future CfD bids. A Memorandum of Understanding between CNSRP and MW to seek development opportunities has been signed.
- Scotwind leasing round has commenced offering the opportunity to potentially develop Inward Investment opportunities to establish Operations and Maintenance bases in the region with interested developers. There are 4 potential sites around the immediate C& NS coasts and a further 3-5 that could potentially be serviced from within the region. The winning bidders will be known during 2021, allowing more detailed discussions.

Major Theme : Energy Offshore Wind (45-145 jobs by 2020)		Progress Last Update: 11 th Nov 2020		
Lead Partner: CNSRP Team		Lead contact: Peter Faccenda		
Project	Project - Scope of Work (50 Jobs created)	Progress	Barriers and opportunities	Actions
BOWL Offshore Wind	The geographic proximity of Caithness and North Sutherland to current and potential offshore wind projects in surrounding coastal waters offers significant economic opportunities in and around the harbours and for local supply chain companies, as well as offering potential for new business to start up in or relocate to the local area.	<ul style="list-style-type: none"> • Significant efforts by Wick Harbour have attracted the offshore wind company Beatrice Offshore Wind Ltd (BOWL) to establish themselves at the harbour • Offshore construction 100% complete; station fully operational 	<ul style="list-style-type: none"> • Project fully operational so supply chain established. • NH College being accredited to Global Wind Standard to allow training of staff for offshore wind operations. 	<ul style="list-style-type: none"> • Work with SSE/ BOWL/ O4B Contractor /Deepwind/ offshore wind sector deal to support supply chain development.

Major Theme : Energy Offshore Wind (20-40 jobs by 2022)		Progress Last Update: 11 th Nov 2020		
Lead Partner: CNSRP Team		Lead contact: Peter Faccenda		
Project	Project - Scope of Work	Progress	Barriers and opportunities	Actions
Moray East Offshore Wind	Same rationale as for BOWL. Efforts are being undertaken to attract Moray Offshore Renewables Ltd (MORL). Fraserburgh identified as Moray East O&M base, but some activity also being based at WHA for developmental activities due to proximity.	<ul style="list-style-type: none"> Some survey vessel/ construction and potential O&M activity attracted to Wick Harbour 	<ul style="list-style-type: none"> Fraserburgh identified as Moray East O&M base. Next leasing round could identify further projects. NHC Global Wind Standard training of staff for offshore activities 	<ul style="list-style-type: none"> Work with SSE/ BOWL supply chain/ O4B Contractor /Deepwind/ Scottish Offshore Wind Supply Chain Database to support supply chain

Major Theme : Energy Offshore Wind (45-145 jobs by 2020)		Progress Last Update: 11 th Nov 2020		
Lead Partner: CNSRP Team		Lead contact: Peter Faccenda		
Project	Project - Scope of Work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Moray West Offshore Wind	The geographic proximity of Wick Harbour to the Moray West site offers significant economic opportunities in a similar vein to BOWL.	<ul style="list-style-type: none"> Discussions with Moray West developer. CfD agreement not achieved in Sept '19 Round, but developer continues to work to develop site. MOU Being prepared 	<ul style="list-style-type: none"> Next CfD round 2021 O&M Strategy still to be identified, so opportunity still being pursued. NH College Global Wind Standard training. Developer interested in skills development and transition from DSRL 	<ul style="list-style-type: none"> Liaise with UHI/NHC & DSRL to ensure co-ordinated approach. Memorandum of Understanding (MOU) CNSRP/MW signed between CNSRP and MW

Major Theme : Energy Offshore Wind (50-200 jobs by 2030)		Progress Last Update: 11 th Nov 2020		
Lead Partner: CNSRP Team		Lead contact: Peter Faccenda		
Project	Project - Scope of Work	Progress	Barriers and opportunities	Actions
Future wind farm developments	The geographic proximity of Caithness and particularly Wick and Scrabster Harbours to the North and East potential offshore wind projects offers significant economic opportunities in a similar manner as has developed around the BOWL project at Wick. Jobs total is an estimate based on 1 to 3 projects being based locally	<ul style="list-style-type: none"> • Discussions are underway with several potential developers interested bidding for the next round of site leases via Scotwind leasing round • Scotwind leasing round will close for applications 31st March 2021, further information will be published 15 Jan 21 	<ul style="list-style-type: none"> • NH College Global Wind training for offshore wind operations. • Leases need to be taken up; Projects developed – uncertain timescales and O&M strategies 	<ul style="list-style-type: none"> • Co-ordinate approaches with UHI/NHC/ /WHA/SHA/DSRL and others to offer a cohesive regional offer to attract developers and O&M activity

Major Theme : Energy Tidal Power (10 jobs by 2025)		Progress Last Update: 11 th Nov 2020		
Lead Partner: HIE Energy team		Lead contact: Norma Hogan		
Project	Project - Scope of Work	Progress	Barriers and opportunities	Actions

<p>Simec Atlantis (SA) Tidal Stream development</p>	<p>Atlantis Resources Ltd (ARL) have developed the world's first commercial tidal power station in the Pentland Firth. The MeyGen site has an aim to provide ~400MW of generation capacity. Potential to develop the neighbouring Ness of Duncansby and Brough Ness sites with the potential for a further 100MW each.</p>	<ul style="list-style-type: none"> • Initial technology development complete and could be scaled • Commercial direct 'private wire' opportunities being explored; Data centre being explored by SA; feasibility study part funded by SE close to completion 	<ul style="list-style-type: none"> • O&M opportunities over lifetime of ~25 years. • Identify a power user for 'private wire' supply opportunity. Data centre being explored • CfD not awarded • Political support lacking 	<ul style="list-style-type: none"> • Create a proposition to attract high power use companies to C&NS? • Work with local companies/Inward Investors on identified opportunities.
<p>Major Theme : Energy Oil and Gas (15-25 jobs by 2020)</p>		<p>Progress Last Update: 11th Nov 2020</p>		
<p>Lead Partner: HIE Team</p>		<p>Lead contact: Julie McGee</p>		
<p>Project</p>	<p>Project - Scope of Work (15-25 Jobs by 2020)</p>	<p>Progress</p>	<p>Barriers and opportunities</p>	<p>Actions</p>
<p>Scrabster Harbour</p>	<p>Redevelopment of St Ola Pier. To establish a higher level of Oil and Gas Support activity based at the Port. (A Service base); To further develop the Tourism offering – supporting larger Cruise vessels alongside; To support potential developments for storing/assembling/transshipping Onshore and or Offshore Wind farm developments; To support potential developments for storing/assembling/transshipping items for Space Hub Sutherland</p>	<ul style="list-style-type: none"> • Funding approved by NDA(£5.0M) and HIE(£3.0M) to allow pier redevelopment to complete by mid-2021 	<ul style="list-style-type: none"> • Planning, reconstruction works, dredging all need to be completed • Attraction of Oil and Gas service operators • Attraction of additional cruise ships • Development of additional cruise offerings 	<ul style="list-style-type: none"> • Discuss benefits realisation process and measurement with SHPA • Establish Inward Investment support approach
<p>Major Theme : Space SpaceHub Sutherland (15-40 jobs by 2022)</p>		<p>Progress Last Update: 11th Nov 2020</p>		
<p>Lead Partner: HIE Space Hub Sutherland Team</p>		<p>Lead contact: Roy Kirk</p>		

Project	Project - Scope of Work (15-25 Jobs by 2020)	Progress	Barriers and opportunities	Actions
SpaceHub Sutherland	<p>The project will deliver, coordinate, manage, facilitate as appropriate all supporting activities around three outcomes:-</p> <ul style="list-style-type: none"> • Project management, funding, procurement of commercial LSO. • Communications and stakeholder management • Tourism development 	<ul style="list-style-type: none"> • Funding approved UKSA Agency (£2.5M) /HIE(£9.5M) • Lease option signed • Planning approved at Northern Ctte 24th June 2020; • Land court application submitted 	<ul style="list-style-type: none"> • Achieve planning consent • Achieve air-space control plan from CAA. • Procurement of a Launch Site Operator • Site construction • Tourism offering • Inward investment for Supply chain and others 	<ul style="list-style-type: none"> • Liaise with Space Hub Sutherland team • Pursue Inward Investment opportunities
Space related activities	Space cluster development	<ul style="list-style-type: none"> • Bid to UKSA for grant funding unsuccessful • Agreement to explore a partnership approach 10Nov. 	<ul style="list-style-type: none"> • Resources to undertake research and establish Inward Investment offer and activity 	<ul style="list-style-type: none"> • Develop strategy. Outline approach to be submitted.
<p>Major Theme : Business Services Nuclear Services (95-300 jobs by 2030)</p>		<p>Progress Last Update: 11th Nov 2020</p>		
Lead Partner: Cavendish Dounreay Partnership		Lead contact: Simon Middlemas		
Project	Project - Scope of Work (15-200 Jobs by 2025)	Progress	Barriers and opportunities	Actions
Nuclear support and Engineering support services	To maximise the utilisation of existing and future skills generated in Caithness to attract companies offering business services into the area. The decision to replace the PBO with a directly NDA-owned and managed structure requires a re-visit of this legacy approach.	<ul style="list-style-type: none"> • Approach to be reviewed • Included in Nuclear partners' socioeconomic programme 	<ul style="list-style-type: none"> • Redeployment and Reskilling can be used to support local company growth or attract inward investment into the area. 	<ul style="list-style-type: none"> • Re-appraise approach • Work with Dounreay site to incorporate in transition plans.

Major Theme : Business Services Nuclear Services (95-220 jobs by 2021)		Progress Last Update: 11 th Nov 2020		
Lead Partner: HIE		Lead contact: Roy Kirk		
Project	Project - Scope of Work (80-100 Jobs by 2020)	Progress	Barriers and opportunities	Actions
Vulcan Legacy Operational Support Hub	To maximise the opportunities presented by the skills and/or current major nuclear companies in the local area to focus on a national and international nuclear services market, particularly: Ongoing support for legacy national assets; Decommissioning in other locations; New Build	<ul style="list-style-type: none"> • Previous discussions with RR identified commitment to developing a deployable resource centre locally post decommissioning 	<ul style="list-style-type: none"> • Vulcan decommissioning plans being developed. • Plans for operational support hub unformed • HIE Leading on discussions with operational management 	<ul style="list-style-type: none"> • Liaise with RR/MOD/ NDA to ensure local supply chain maximised • Discussions ongoing with site operator to identify next steps
Major Theme : Business Services Nuclear Services (75-220 jobs by 2020)		Progress Last Update: 11 th Nov 2020		
Lead Partner: HIE Area Team		Lead contact: Eann Sinclair		
Project	Project - Scope of Work (50-200 Jobs by 2020)	Progress	Barriers and opportunities	Actions
General Business Services	Work with service providers such as Sykes Homeworking project/ Equinity Developments; Seek Inward Investment Opportunities to attract further operators	<ul style="list-style-type: none"> • Sykes has established a presence in the region • Equinity has moved to Thurso Business Park and undergone a small-scale expansion 	<ul style="list-style-type: none"> • Monitor progress with existing Developments • Identify facilities to provide more Inward Investment opportunities 	<ul style="list-style-type: none"> • Market analysis, followed by matching of business requirements with available skills
Major Theme : Tourism & NC500		Progress Last Update: 11 th Nov 2020		

Lead Partner: HIE Area Team		Lead contact: Eann Sinclair		
Project	Project - Scope of Work (30-100 Jobs by 2020)	Progress	Barriers and opportunities	Actions
Tourism and NC500	The success of the North Coast 500 offers a number of opportunities to the local area. A multi-agency working group has been established to consider issues & opportunities. This project looks at supporting employment generating opportunities in Caithness and North Sutherland created by the increased footfall and profile that the NC500 has brought.	<ul style="list-style-type: none"> • NC500 priorities being undertaken by HIE through the NC500 Working Group. • Review of impacts published by NHI in Sept '19 identifies significant benefits already realised. Estimating 178 additional jobs across Highland but not in CNSRP reporting - difficult to attribute by sub area. 	<ul style="list-style-type: none"> • Jobs created may be seasonal or less skilled • Covid-19 has changes outlook fundamentally • 	<ul style="list-style-type: none"> • CNSRP Partners agreed to review and support individual projects on own merits

Major Theme : Enabling activities Skills		Progress Last Update: 11 th Nov 2020		
Lead Partner: SDS (SDP); NHC(Low C Engineering Centre)		Lead contact: SDS Derek Cairns; NHC Giles Huby		
Project	Project - Scope of Work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Skills Development Plan	<p>Establish a Strategy and Action Plan, developing a set of activities that will strengthen skills to meet area needs, in line with site transition plan.</p> <p>Re-visit skills audit on-site, to update competency analysis. This baseline will allow planning for on-site and offsite transitional skills development.</p>	<ul style="list-style-type: none"> • Agreement to undertake a skills audit on-site at DSRL to build on Skills Investment report produced by Caithness Chamber/SDS. • Working group established to look at skills opportunities 	<ul style="list-style-type: none"> • Agree how to progress actions from SIP. • Co-ordinate needs for on-site development with wider area needs and opportunities. • Shared Apprenticeship Hub considering results/needs identified, particularly post COVID. 	<ul style="list-style-type: none"> • Agree scope of skills audit with partners/DSRL • Create skills transition plan on site. • Seek to understand transitional skills needs and opportunities.

<p>Low Carbon/Net zero Engineering centre</p>	<p>Establish a centre for research and training to support the development of Battery Storage/ Low C technology.</p>	<ul style="list-style-type: none"> • BN Bid unsuccessful Jan '20 • Revised approach being developed 	<ul style="list-style-type: none"> • Advancing Manufacturing Bid for Battery Storage technology centre of excellence 	<ul style="list-style-type: none"> • Revised plan being developed • Seek match funding from wider sources and present to CNSRP Partners.
<p>Shared Apprenticeship Hub</p>	<p>A single third-party organisation would employ Apprentices for the duration of their training, offering training support, pastoral care and continuity of employment. Apprentices are placed with individual employers to receive their work experience which can be for all or part of the period of training. This approach can overcome the 'Critical Mass' issue that prevents smaller businesses being able to support an apprentice on their own. It also has the potential to reduce the risk for Dounreay Decommissioning Framework companies whose contracts can be of limited and variable duration, so encourage a higher number of Apprenticeship starts from amongst this group.</p>	<ul style="list-style-type: none"> • Approved for progression by CNSRP Exec Board 7th Aug19 • Preliminary discussions have been held with stakeholders to explore the idea; • Socio-Economic Oversight board for Decommissioning framework contracts progressing idea • Needs lead organisation and resource to progress. 	<ul style="list-style-type: none"> • Developing a business model, which adds value and financial viability. • Meet SDS definition of apprenticeship • Identifying/Creating the organisation to employ the Apprentices. • Establishing a collaborative approach • Competition for best apprentices from the scheme. 	<ul style="list-style-type: none"> • Seek to develop a business model, including the organisational structure based on the investigations above. • Identify lead organisation and resource to progress.

<p>Major Theme : Enabling activities General Supporting activities</p>		<p>Progress Last Update: 11th Nov 2020</p>		
<p>Lead Partner: CNSRP Team; Caithness Chamber</p>		<p>Lead contact: Peter Faccenda CNSRP; Trudy Morris CCoC; Simon Middlemas ROSE; Eann Sinclair HIE; Giles Huby UHI</p>		
<p>Project</p>	<p>Project - Scope of Work (Up to 36 Direct Jobs)</p>	<p>Progress</p>	<p>Barriers and opportunities</p>	<p>Actions</p>

<p>Airport PSO</p>	<p>To achieve Air services connections that meet the economic development needs of the region.</p>	<ul style="list-style-type: none"> • Ongoing Discussions with Transport Scotland • Business case submitted Jan 20. No decision yet made – delayed by COVID-19 Pandemic. 	<ul style="list-style-type: none"> • SG Budget restrictions • Financial and organisational support from CNSRP Partners • Loganair withdrawal of Edinburgh Service; • Eastern not restarting Aberdeen service. • Covid-19 lockdown 	<ul style="list-style-type: none"> • DSEB approved support to fund consultants. • Business case submitted to TS, subsequent discussions stalled. • Awaiting SG decision
<p>Sustainability ROSE Project</p>	<p>The development of a regional Sustainability approach to help to transform the economy to meet challenges of a changing climate.</p>	<ul style="list-style-type: none"> • Small Budget approved as part of CNSRP Hub to develop strategic tool and approach • Meetings commenced and development of programme now ongoing 	<ul style="list-style-type: none"> • Buy-in from partners • Getting initial activities underway • Structure of organisation and expertise 	<ul style="list-style-type: none"> • Discussions with CCoC as host for Advice centre and pilot projects.
<p>Research development opportunities</p>	<p>The NDA and DSRL have a wide variety of research and technical development needs. Project formed to seek to attract and develop these opportunities locally, using local expertise and seeking collaborations to bring in additional resources.</p>	<ul style="list-style-type: none"> • Working group established 	<ul style="list-style-type: none"> • DSRL and NDA requirements offer near term opportunities 	<ul style="list-style-type: none"> • Explore needs, develop programme
<p>Digital economy</p>	<p>Identify and support a Digital support strategy to assist organisations to take advantage of digital economic opportunities</p>	<ul style="list-style-type: none"> • Project initiation 	<ul style="list-style-type: none"> • To support development of economic activity, jobs and educational opportunities in the Digital sphere 	<ul style="list-style-type: none"> • Initial review of need following results of HIE digital enhancement project and Business Gateway offer; Review local skills provision

<p>Programme development CNSRP Hub development</p>	<p>To support greater pace of project and opportunity development additional resources are being added through a CNSRP Sustainable development hub.</p>	<ul style="list-style-type: none"> • Funding agreed for 1st year at DSEB end • Implementation plan agreed • Recruitment of Business Development Manager and Project Manager underway, but slower than initially planned. 	<ul style="list-style-type: none"> • Projects and II/BD opportunities to be Developed to expand CNSRP Socio-economic programme. • Sustainable development • Sustainability assessment tool 	<ul style="list-style-type: none"> • Recruit staff • Develop programme of Business development /Inward Investment activity • Develop strategic sustainability tool • Develop sustainability plan • Develop Comms plan
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