

9 December 2020 Ref: DSG(2020)C054

Kate Forbes
Finance Minister
Scottish Government

## Please respond to:

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## Dear Ms Forbes

With reference to a response from your colleagues dated 24 September 2020 (your reference f20200083746).

As a collective group, we were somewhat disappointed and surprised by your response in respect to Scottish Government stepping back from the interaction of CNSRP as 'they had no levers to directly support the partnership' — we find this absolutely shocking from the point of view that Scottish Government should be representative of the whole of Scotland and we just cannot accept that Scottish Government does not have a role to play in an area where there will be massive reduction in employment as the Dounreay site moves forward to closure.

We appreciate that the country now needs to consider its economic recovery due to the impacts of Covid. The Caithness Chamber of Commerce, alongside a number of other key stakeholders, have also been considering our economic recovery and we are aware of the robust work the Chamber has carried out on the business case for a PSO for our airport. The airport will play a huge part in whether we can attract business to our area and again we re-iterate how shocking we find the fact that Scottish Government state that "you have no levers to pull'.

It also stands to reason that if Scottish Government played a deep and meaningful part in our partnership working you may find there are savings to made from the central pot given we have other organisations willing to support the right type of projects with funding. Again, we re-iterate Scottish Government have plenty of levers to pull but need to work in partnership with CNSRP to ensure you are pulling the right levers alongside the other partners involved.

Our agencies, in partnership alongside other key stakeholders, are working hard to look at priority projects that have the ability to impact positively on employment in the area and one would have thought that Scottish Government would take an active interest in this. The broad fact is that if we do not replace the 1000+ jobs of the Dounreay site the area is set to lose around £80m that goes into the economy associated with supply chain and wages etc — this should be something that Scottish Government is troubled by as without replacement jobs this will be yet another strain on the public purse at a time when Covid-19 continues to impact heavily on businesses.

In your response you mention the City region deal and while we note small benefits that have come to our area it appears support to Caithness & NS was around 1% of the total funding despite submitting a number of projects that had the potential to create jobs. While the Science Skills Academy was a welcome addition to the North Highland College, alongside support in Tongue and the Wifi, none of these provide much needed job replacements.

From an area point of view, we appear to fall into no category – we are not in the central belt nor do we benefit from what island status provides. We are a community doing our best to ensure there is a vibrant future and we cannot believe that Scottish Government do not have a role to play.

We would welcome, alongside CNSRP key partners, a meeting with you as the response to HIE budget cuts has not yet been answered in full and to explore ways in which the Scottish Government can get involved and start to 'pull some levers'.

Yours sincerely

Struan Mackie

Cllr Struan Mackie DSG chair

cc. Paul McKay, RED Enterprise Scotland
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Gail Ross, MSP
Jamie Stone, MP
H&I List MSPs
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