## DIRECTORATE FOR AGRICULTURE AND RURAL ECONOMY (ARE)

**ARE: Rural Economy and Communities** 



DSG(2021)C004

Struan Mackie
Dawn.Clasper@dounreay.com

Our Reference: 202000128355

Your Reference: FOA of Kate Forbes Scottish Government Cabinet Secretary for Finance OFFICIAL

4 February 2021

Dear Struan Mackie,

Thank you for your letter on behalf of the Caithness & North Sutherland Regeneration Partnership (CNSRP) dated 9 December 2020 (Ref: DSG(2020)C054). I am responding on Ms Forbes behalf given my responsibilities for Rural Economy Policy. I'm sorry for the delay in replying.

Further to my colleague's letter of 24 September I appreciate your concern regarding Scottish Government (SG) representation at meetings of the CNSRP. SG recognise the importance of the partnership in bringing forward regeneration and inclusive economic growth in the area. It's important that we work together to realise the opportunities that exist for the region. The Cabinet Secretary for Rural Economy and Tourism, Mr Fergus Ewing, recently met with the Chair of the CNSRP – lan Ross – amongst others, where the issue of SG representation was discussed. It was clear from that discussion the additional value a SG representative could bring to the Partnership.

We are committed to providing support and you will be aware that Highlands and Islands Enterprise currently participates in the partnership. The agency contributes significantly to Scotland's economic development through their leadership, expertise and influence as well as combining their efforts and resources to deliver successful outcomes with their partners.

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The SG recognises the transport and infrastructure challenges faced by Scotland's rural areas and this was also discussed during the partnership's meeting with Mr Ewing. Following on from the meeting the Cabinet Secretary wrote to his Ministerial counterpart raising the specific issues in the region. The current financial situation is very challenging and until the Budget process for 2021-22 is complete we are unable to make any commitments for new expenditure as support for air services from Wick would form part of the Budget considerations. However, you should be aware that any intervention would require multiple funding partners to restore scheduled services at Wick. In addition, following on from the meeting, the Cabinet Secretary is writing to Ministerial colleagues to highlight some of the Partnership's work and help foster further discussions on these. This includes the subject of Wick air services which the Cabinet Secretary for Transport, Infrastructure and Connectivity is responsible for.

You also mentioned the Inverness & Highland City Region Deal (CRD), a 10 year commitment in which Scottish Government is a full partner contributing £135 million. The Deal is an investment programme delivering strategic projects to improve transport, innovation, digital connectivity, housing, skills, infrastructure and tourism across the region. The Highland Council, as accountable body for the Inverness & Highland CRD, was responsible for determining the projects put forward for investment and we are working with them to ensure the benefits of the investment are felt as widely as possible across the region.

I hope this clarifies the main points you have raised and in particular the our commitment to continue to support the efforts of the CNSRP.

Yours sincerely

Richard Hastings

**REC: Rural Economy Policy** 

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