

Programme Manager Update – October 2021

This update incorporates reports from a range of partners involved in delivering elements of the Caithness & North Sutherland High-level Programme.

Programme theme	Development Area	Project	Status
Energy	Offshore Wind	Offshore O&M site developments	Yellow
	Oil & Gas	Scrabster Harbour St Ola Pier Redevelopment	Green
	Tidal	Simec Atlantis Tidal Stream Array	Red
	Hydrogen/Power Storage	In Development – See pipeline	Green
Space	Space Hub Sutherland	Space Hub Sutherland Build and operate	Green
		Develop Space Cluster Strategy	Green
Business services	Nuclear Design and Support Services	Dounreay Engineering Centre	Yellow
		Vulcan Engineering Centre	Red
	General Business Services	Local providers expanding and recruiting	Green
Tourism	North Coast 500	HIE and DSEB funding to Venture North as Destination Management Organisation (DMO) now approved for tourism recovery plan development.	Yellow
Enabling activities	Skills Development and Investment Plan	Refresh skills plan after results of Skills Audit	Green
	Connectivity Wick Airport	Establish a Public Service Obligation for routes at WJoG	Green
	Research activities - Talent attraction development and retention	Establishment of a research facility to support nuclear and energy related activities	Yellow
		Establish a research and training centre for Zero C Technologies	Red
	CNSRP Support Hub	Development of CNSRP Support Hub to Increase project development and Inward Investment (II) activities and sustainability approach.	Green
	Infrastructure – Wick Harbour	Installation of High Water Protection Gate to increase safe berthing capacity	Red
	Infrastructure - Building requirements	Potentially develop shared accommodation/development space	Yellow
	Infrastructure - Naver Bridge	Replacement of Naver Bridge	Green
Infrastructure -Development space in West Caithness (Thurso)	Facilities for business attraction and development in West Caithness	Red	

*CV-19 – these activities have been identified as directly affected/delayed by CV19 restrictions, longer term activities or those where no direct effect has been identified are not seen to be affected, although longer term effects may yet arise.

Each activity is coloured Green, Amber or Red , to indicate the status of the project's delivery.	Green	Activity is ahead / on schedule
	Amber	Activity is behind schedule
	Red	Activity has not happened or is in danger of not happening.

Jobs created/ retained (as at March 2020) Significant disruption/ furlough and business interruptions make reporting on jobs created difficult currently.

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	20	3	0	3
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: October 2021.

- The jobs totals shown above do not reflect any changes during the Covid period. Since March 2020 the effects of furlough and market disruption make it difficult to report on employment numbers - it is as still unclear the long-term effect on employment in the region.
- The CNSRP Support hub has been successful in its first phase and as application for support for an extension is being prepared.
- Crown Estate Scotland has received bids for all the Scotwind leasing round sites and evaluation is underway. The results of this competition will be known in early 2022.

Major Theme: - Energy - Offshore Wind		Progress - Last Update: October 2021		
Lead Partner: CNSRP Team		Lead contact: CNSRP Hub Team		
Project	Project scope of work 50 -200 Jobs by 2030	Progress	Barriers and opportunities	Actions
Current and 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, both existing and those bidding for the next round of site leases via Scotwind leasing round. • Bids received by Crown Estate Scotland for Scotwind leasing sites – evaluation underway. 	<ul style="list-style-type: none"> • NH College Global Wind training for offshore wind operations. • Winning bidders for leases not known until early 2022 	<ul style="list-style-type: none"> • Caithness and North Sutherland Offshore Wind Cluster being set up to develop a regional collaboration to maximise the positive local impacts from the developments expected around the Caithness and North Sutherland coasts.

Major Theme: - Energy - Tidal Power		Progress - Last Update: October 2021		
Lead Partner: CNSRP Hub Team		Lead contact: CNSRP Hub Team		
Project	Project scope of work (10 jobs by 2025)	Progress	Barriers and opportunities	Actions
Simec Atlantis (SA) Tidal Stream development	Atlantis Resources Ltd (ARL) have developed the world’s first commercial tidal power station in the Pentland Firth. Potential to provide ~400MW of initial generation capacity and expand further at Duncansby and Brough Ness sites.	<ul style="list-style-type: none"> • Technology ready to scale • Direct ‘private wire’ being explored; Data centre being explored • Revised CfD by UK Gov may give best opportunity. 	<ul style="list-style-type: none"> • O&M opportunities over lifetime of ~25 years. • Commercial model to raise funding to progress 	<ul style="list-style-type: none"> • Await outcome of CfD and if successful work with MeyGen to maximise benefits to area

Major Theme: - Energy - Oil and Gas		Progress - Last Update: October 2021		
Lead Partner: HIE Team		Lead contact: HIE Regional Development Manager		
Project	Project scope of work (15-25 Jobs by 2020)	Progress	Barriers and opportunities	Actions
Scrabster Harbour	Redevelopment of St Ola Pier. To attract Oil and Gas Support activity. (A Service base); To further develop the Tourism offering – supporting larger Cruise vessels; To support potential for Onshore/Offshore Wind, Space Hub Sutherland developments and others.	<ul style="list-style-type: none"> • Funding approved by NDA(£5.0M) /HIE(£3.0M) • Construction works to complete by early October 2021. 	<ul style="list-style-type: none"> • Attraction of Oil and Gas; and Offshore wind O&M service operators. • Additional cruise ships • Additional cruise tour offerings locally 	<ul style="list-style-type: none"> • Engage with SHA on benefits realisation process

Major Theme: - Space - SpaceHub Sutherland		Progress - Last Update: October 2021		
Lead Partner: HIE Space Hub Sutherland Team		Lead contact: Roy Kirk		
Project	Project scope of work (40 Jobs by 2025)	Progress	Barriers and opportunities	Actions
SpaceHub Sutherland	Deliver, coordinate, manage, facilitate as needed to:- <ul style="list-style-type: none"> • Build launch facility including project management and securing funding. • Procure a commercial LSO. • Engage with stakeholders, provide communications including Tourism planning and liaison 	<ul style="list-style-type: none"> • Ground investigations complete • Land Court ruled in favour of Space Hub Sutherland. Judicial Review ruled in favour of Highland Council. MCE Shooting lease being resolved • Space Cluster Strategy published 29th Sept. 	<ul style="list-style-type: none"> • Procurement of a Launch Site Operator • Funding package • Tourism offering • Local supply chain opportunities 	<ul style="list-style-type: none"> • Space Cluster Development work to be undertaken based on recommendations from Strategy document. • Local Space Leadership Group to be formed imminently

Major Theme: - Business Services - Nuclear		Progress - Last Update: October 2021		
Lead Partner: DSRL		Lead contact: DSRL Socioeconomic Manager		
Project	Project scope of work (Unknown jobs by 2030)	Progress	Barriers and opportunities	Actions
Engineering Hub	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.	Outline case approved by DSRL Executive.	<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"> Development requirements started. Clarification requested on treasury guidance for property projects over £100k may affect timing.

Major Theme: - Business Services - Nuclear Services		Progress - Last Update: October 2021		
Lead Partner: HIE		Lead contact: HIE Strategic Accounts Manager		
Project	Project scope of work (80-100 Jobs by 2030)	Progress	Barriers and opportunities	Actions
Vulcan legacy Operational Support Hub	To maximise the opportunities presented by the skills locally to develop nuclear services market national and international; Ongoing support for legacy national assets; Decommissioning in other locations; New Build	<ul style="list-style-type: none"> Meeting held in August with Rolls-Royce representatives for both the site and other business areas. 	<ul style="list-style-type: none"> Vulcan decommissioning plans being developed. (Delayed) Plans for operational support hub 	<ul style="list-style-type: none"> Report for CNSRP due in November.

Major Theme: - Business Services - Other Services		Progress - Last Update: October 2021		
Lead Partner: HIE Area Team		Lead contact: HIE Area Manager		
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/ Equiniti Developments; Seek Inward Investment Opportunities to attract further operators. Seek approaches to support homeworkers.	<ul style="list-style-type: none"> Sykes has established a presence in the region Equiniti has undergone a small-scale expansion 	<ul style="list-style-type: none"> Identify opportunities for inward investment Digital support to expand homeworking opportunities 	<ul style="list-style-type: none"> Market analysis Provision analysis Develop co-ordinated offering

Major Theme: Tourism - NC500		Progress - Last Update: October 2021		
Lead Partner: HIE Area Team		Lead contact: HIE Area Manager		
Project	Project scope of work (30-100 Jobs by 2020)	Progress	Barriers and opportunities	Actions
Tourism & NC500	The success of the North Coast 500 offers several opportunities to the local area. This project looks at supporting employment generating opportunities in Caithness and North Sutherland created by an increased footfall and profile that the NC500 and pandemic has enables.	<ul style="list-style-type: none"> • Venture North have produced first draft of tourism recovery plan development. 	<ul style="list-style-type: none"> • Jobs created may be seasonal or less skilled • Diversified sector • Staff recruitment and retention. 	<ul style="list-style-type: none"> • Draft recovery plan been circulated to wider stakeholders and waiting comments • CNSRP supporting specific individual opportunities.

Major Theme: - Enabling activities - Skills		Progress - Last Update: October 2021		
Lead Partner: DSRL		Lead contact: DSRL Socioeconomic Manager		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Skills Development plan	<p>On -site skills audit to update competency analysis. This baseline will allow planning for on-site and offsite transitional skills development.</p> <p>Using this as baseline establish a Strategy and Action Plan.</p>	<ul style="list-style-type: none"> • Procurement process for full skills audit complete and kick off meeting with chosen contractor held on 14th Sept. 	<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. 	<ul style="list-style-type: none"> • Audit underway and will report in Mar 2022 • Understand transitional skills needs and opportunities to develop opportunities.
Other Skills Actions Shared Apprenticeship Hub	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. This approach can overcome the 'Critical Mass' and shorter contracts issue that prevents businesses being able to support an apprentice on their own, so encourage a higher number of Apprenticeship starts.	<ul style="list-style-type: none"> • Approved for progression by CNSRP Exec Board • Socio-Economic Oversight board for Decommissioning framework contracts progressing idea • Needs lead organisation and resource to progress. • Covid19 has stalled discussions 	<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. • COVID 19 	<ul style="list-style-type: none"> • Develop a business model, including the organisational structure based on the investigations above. • Identify lead organisation and resource to progress.

Major Theme: - Enabling activities - Research		Progress - Last Update: October 2021		
Lead Partner: NHC/UHI		Lead contact: ETEC Director		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Nuclear/Decommissioning Research activities	Develop research facilities and capability in support of Nuclear Decommissioning programme Seek other wider opportunities	<ul style="list-style-type: none"> • Case for Scottish CinDE provided and discussions taken place with DSRL and NDA. This proposal can't be a single source item – estimated costs are £115k for 5 years – therefore would need to go out to competition. 	<ul style="list-style-type: none"> • Provide facilities to meet local and wider needs 	<ul style="list-style-type: none"> • Was going to be considered under NDA Scottish Strategy - need to determine how this will now be taken forward. • Good opportunity for NHC to partner with other universities
Low C Engineering Centre	Establish a centre for research and training to support the development of Battery Storage/ Low C technology.	<ul style="list-style-type: none"> • BN Bid unsuccessful Jan '20 • Revised approach being developed 	<ul style="list-style-type: none"> • Facilities, funding • Business plan 	<ul style="list-style-type: none"> • Develop proposal

Major Theme: - Enabling activities - Connectivity		Progress - Last Update: October 2021		
Lead Partner: Caithness Chamber of Commerce		Lead contact: CCoC Chief Executive		
Project	Project scope of work (Up to 36 Jobs)	Progress	Barriers and opportunities	Actions
Airport PSO	To achieve Air services connections that meet the economic development needs of the region.	<ul style="list-style-type: none"> Scottish Government is committed to providing up to £1 million annually to Highland Council in 2021-22 and 2022-23 to support air services from Wick with a further £1 million in each of 2023-24 and 2024-25 subject to growth in passengers in years 1 and 2. 	<ul style="list-style-type: none"> SG Budget restrictions No current operators Financial and organisational support from CNSRP Partners Covid-19 lockdown 	<ul style="list-style-type: none"> PSO sub group meetings continue Highland Council published tender for PSO Scheduled Flight Services on 7 Oct, with return date 25 Nov. The tender is split into two lots. Lot 1 A scheduled air passenger service between WJOG and Edinburgh Airport and Lot 2 A scheduled air passenger service between WJOG and Aberdeen Airport. NDA funding still being explored. Political representations continue.

Major Theme: - Enabling activities – General Support		Progress - Last Update: October 2021		
Lead Partner: CNSRP Team		Lead contact: CNSRP Programme Manager		
Project	Project scope of work (Unknown Jobs)	Progress	Barriers and opportunities	Actions
CNSRP Hub development	To support greater pace of project and opportunity development. Business development manager and a Project manager are in post and a contracted communications resource is being sought	<ul style="list-style-type: none"> Undertaking BD /II activity. Lead on STEP application. Comms approach underway 	Extension for funding sought via NDA	<ul style="list-style-type: none"> Continue to develop BD /II opportunities
Sustainability ROSE Project	The development of a regional Sustainability approach to help to transform the economy to meet challenges of a changing climate.	<ul style="list-style-type: none"> Small Budget approved as part of CNSRP Hub to develop strategic tool and Progress slower than anticipated. 	<ul style="list-style-type: none"> Buy-in from partners Getting initial activities underway Sustainable development assessment tool 	<ul style="list-style-type: none"> Continue to progress phase 1 BEST tool and prioritisation tool.

Major Theme: - Enabling activities – Infrastructure		Progress - Last Update: October 2021		
Lead Partner: Various		Lead contact: CNSRP Programme Manager		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Wick Harbour	Procurement and installation of a High Water Protection Gate (HWPG) on the Outer Harbour to double safe berthing capacity.	<ul style="list-style-type: none"> Revised Business Case submitted to funders 16 Jan. Potential funders to commence due diligence 	<ul style="list-style-type: none"> Increase in capital costs 	<ul style="list-style-type: none"> HIE continuing with due diligence. Application submitted to UK Government Levelling Up Fund.
Naver Bridge replacement (Highland Council lead)	Replacement of ageing Naver Bridge to facilitate Sutherland Developments and NC500 route	<ul style="list-style-type: none"> HC awarded design contract in March to Fairhurst ; Construction2023; Completion 2024 	<ul style="list-style-type: none"> Technical issues as yet unidentified Identified in HC capital programme 	<ul style="list-style-type: none"> Monitor and report on progress
Development space in West Caithness (HIE Lead)	Identify facilities (land and accommodation) to enable attraction of Inward Investors/ expansion in support of numerous project opportunities.	<ul style="list-style-type: none"> Review as previous opportunities in West Caithness undevelopable 	<ul style="list-style-type: none"> Identification of possible options Funding 	<ul style="list-style-type: none"> Develop options Planning application submitted in May 2021 for small business units at Wick Business Park.

Major Theme: – New project opportunities		Progress - Last Update: October 2021		
Lead Partner: CNSRP Hub		Lead contact: CNSRP Hub BD Manager		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Hydrogen Economy	<ul style="list-style-type: none"> • Creation of demonstration integrated Hydrogen infrastructure for industrial power and transport. Target the use of area renewable power assets • Attract inward investment to address supply chain gaps in design, manufacture and maintenance of Hydrogen production, storage and transportation Equipment 	<ul style="list-style-type: none"> • CNSRP hub compiled shortlist of initial options • Applied for Georgemas Feasibility Study through UK Community Renewal Fund – still awaiting notification of outcome. • Area Hydrogen Demand Study through ERI now complete • Supported developer with funding application under SBRI Low Carbon Hydrogen Supply 2 Competition. 	<p>Barriers</p> <ul style="list-style-type: none"> • Hydrogen Business Models unclear • Numerous projects <p>Opportunities</p> <ul style="list-style-type: none"> • Partner decarbonisation ambitions • Local Rail and HIAL decarbonisation ambitions • Significant local excess energy production 	<ul style="list-style-type: none"> • Identifying Lead partners • Identifying end users/customers • Producing project proposals and funding applications
Digital Economy	<ul style="list-style-type: none"> • Encouraging businesses to use online business models – this would likely increase road transportation locally. • Encourage tech/creative businesses to base locally and work remotely. 	<ul style="list-style-type: none"> • Established relationship with Opportunity North East (ONE) Digital to share intervention ideas. 	<ul style="list-style-type: none"> • Support homeworking and inward attraction of home workers 	<ul style="list-style-type: none"> • Initial ideas being gathered ahead of draft paper being written.
STEP Fusion Reactor	<ul style="list-style-type: none"> • Nomination of site at Dounreay for STEP Fusion Reactor 	<ul style="list-style-type: none"> • Have responded to additional questions which will be used to inform next shortlisting stage which will be early summer / late autumn. Also hosted site visit for 3 UKAEA staff on 9 July. Landowners' questionnaire completed. 	<ul style="list-style-type: none"> • Scottish Government Energy policy does not currently include fusion. 	<ul style="list-style-type: none"> • Advised our nomination was unsuccessful as other sites identified as more suitable.