

Programme Manager Update – October 2022

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
Space	Space Hub Sutherland	Space Hub Sutherland Build and operate	Green
		Develop Space Cluster Strategy	Green
Energy	Offshore Wind	Offshore O&M site developments	Green
	Renewable Energy – Alternative Fuels	Hydrogen - Gordonbush + others in In Development – See pipeline	Green
Tourism	North Coast 500/General tourism	Support to Venture North as Destination Management Organisation (DMO)	Green
	Strathnaver Museum redevelopment	Funding support to allow museum redevelopment to commence	Green
Enabling activities	Skills Development and Investment Plan (including population challenges)	Develop a programme of activity to attract, retain, and develop the skilled personnel needed to capitalise on the areas' opportunities	Green
	Connectivity Wick Airport	Develop opportunities supporting Public Service Obligation at WJoG	Green
	Research activities - Talent attraction development and retention	Establishment of a research approach to support nuclear & new energy industries	Yellow
		Establish a training and research centre for Low C Technologies	Green
	CNSRP Support Hub	Development of CNSRP Support Hub to Increase project development and Inward Investment (II) activities and sustainability approach.	Green
	Infrastructure – Scrabster Harbour	Support opportunities arising from redevelopment of St Ola Pier	Green
	Infrastructure – Wick Harbour	Harbour Entrance Protection Works to increase safe berthing capacity	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	
Business services	General Business Services	Local providers expanding and recruiting; remote working opportunities	Yellow
Business services	Nuclear Design and Support Services	Dounreay Engineering Centre	Red
		Vulcan Engineering Centre	Red
Energy	Tidal	Simec Atlantis Tidal Stream Array	Green

Research	Inward Investment /Incubation opportunities	Develop and attract businesses seeking to benefit from research and development opportunities in the area, relevant to local Academic expertise.	
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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 October 2022)

Sector	3 Year Target		2022/23	2023/24	2024/25	Comments
	(low)	(high)				
Space	30	100				
Offshore Wind	20	80				
Tourism / Hospitality	30	120	5			
Other Sectors e.g. Hydrogen/Digital	10	125	8			
Oil & Gas	15	20				
Business & Nuclear Services	10	100				
Business Services	15	50				
Local Market	75	90	31			
Tidal	0	10				
Totals	205	695	44			

General update: October 2022

- The jobs totals shown above do not reflect any changes during the Covid period. Base is assumed as end March 2022.

Major Theme: - Space - SpaceHub Sutherland		Progress - Last Update: October 22		
Lead Partner: HIE Space Hub Sutherland Team		Lead contact: Roy Kirk		
Project	Project scope of work (30 -100 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 and Judicial Review successfully completed. • MCE Shooting lease agreed 	<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"> • SpaceHub likely to be passed to LSO for completion. • HIE board agreed final business case. Scottish Government approval expected. • Discussions with NDA for financial support continuing.
Space cluster development	Develop a space cluster strategy and implementation plan to maximise opportunities arising in support of Space Hub Sutherland	<ul style="list-style-type: none"> • Strategy (published September 2021). • Leadership, industry, and stakeholder groups established 	<ul style="list-style-type: none"> • Up to 740 Jobs & £56M GVA across region • Localising opportunities 	<ul style="list-style-type: none"> • Local Space Leadership Group Meeting now well established, although some changes in membership due to local elections • Industry group and Stakeholder groups operating routinely.

Major Theme: - Energy - Offshore Wind		Progress - Last Update: October 22		
Lead Partner: CNSRP Team		Lead contact: CNSRP Team		
Project	Project scope of work (20 -80 Jobs by 2025)	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	<ul style="list-style-type: none"> • Discussions are underway with several potential developers. • All 17 Leases offered now signed (13Apr) 	<ul style="list-style-type: none"> • NH College Global Wind Organisation training courses available from 2022. In 2022/23 will have Multi-Disciplinary MA; and 	<ul style="list-style-type: none"> • C&NS Offshore Wind Cluster developing a regional collaboration to maximise the positive local impacts from the developments around the C&NS

	BOWL project at Wick. Jobs total is an estimate based on 1 to 3 project operations bases being based locally.		Wind Energy SVQ2 & NC6 available.	coasts. First draft out for comment.
	Pentland Offshore Wind Farm seeking to develop 100 megawatts of floating offshore wind capacity to develop and prove technology.	<ul style="list-style-type: none"> • Initial public consultations during May 	<ul style="list-style-type: none"> • Technology development • Potential power availability for local usage 	<ul style="list-style-type: none"> • Work with developer on skills and local opportunities.

Major Theme: – Energy		Progress - Last Update: October 22		
Lead Partner: CNSRP team/Commercial developer		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"> • Project - Gordonbush potentially 2,000t per annum Hydrogen + Battery 20 MWH storage 	<ul style="list-style-type: none"> • CNSRP team compiled shortlist of initial options • Area Hydrogen Demand Study through ERI assisted with selection of project • Supported developer with funding application under SBRI Low Carbon Hydrogen Supply 2 Competition. • Supporting further demand evidence gathering to support 	Barriers <ul style="list-style-type: none"> • Hydrogen Business model still new Opportunities <ul style="list-style-type: none"> • Local decarbonisation plans • Significant local excess energy production • Hydrogen offtake can help decarbonise area and develop local opportunities 	<ul style="list-style-type: none"> • Working with SSE as Lead partner • Identifying end users/customers • Supporting project development by seeking Hydrogen usage opportunities. • Letter of support given for further development funding bid.

Major Theme: Tourism - NC500/General		Progress - Last Update: October 22		
Lead Partner: HIE Area Team		Lead contact: HIE Area Manager		
Project	Project scope of work (30-120 Jobs by 2025)	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 receding pandemic is enabling.	<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 well paid • Diversified sector • Staff recruitment and retention. 	<ul style="list-style-type: none"> • Tourism Destination Recovery Strategy now published. • CNSRP supporting specific individual opportunities.
Strathnaver museum redevelopment	Refurbishment and redevelopment of Strathnaver museum – offering a further iconic tourism destination along the NC500 route.	<ul style="list-style-type: none"> • Funding approved • Refurbishment underway 	<ul style="list-style-type: none"> • Increased footfall • More diverse tourism offering • Full time museum staff posts 	<ul style="list-style-type: none"> • Seek opportunities to promote progress and tourism offering

Major Theme: - Business Services - Other Services		Progress - Last Update: October 22		
Lead Partner: HIE Area Team		Lead contact: HIE Area Manager		
Project	Project scope of work (15-50 Jobs by 2025)	Progress	Barriers and opportunities	Actions
General Business Services	<ul style="list-style-type: none"> • Work with service providers such as Sykes Homeworking project/ Equiniti Developments. • Seek Inward Investment Opportunities to attract further operators. • Seek approaches to support remote working and homeworking opportunities. 	<ul style="list-style-type: none"> • Sykes has established a presence in the region • Equiniti has undergone a small-scale expansion • Evidence showing increase in remoter working 	<ul style="list-style-type: none"> • Identify opportunities for inward investment • Digital support to expand remote and homeworking opportunities 	<ul style="list-style-type: none"> • Market analysis • Provision analysis • Develop co-ordinated offering

Major Theme: - Enabling activities - Skills		Progress - Last Update: October 22		
Lead Partner: DSRL		Lead contact: DSRL Socioeconomic Manager		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Skills Development plan	It has been recognised that significant challenges in attraction, recruitment, retention and development of skilled staff is increasingly an urgent issue to be dealt with and is vital to the	<ul style="list-style-type: none"> • Full skills audit complete, results being processed. 	<ul style="list-style-type: none"> • Agree how to progress proposal. 	<ul style="list-style-type: none"> • Chamber of commerce to lead.

(Recognising population challenges)	region's ability to attract and develop the significant opportunities currently available.	<ul style="list-style-type: none"> • A proposal for a regional coordinated approach has been developed and circulated for discussion. [Apprenticeship approaches would be included in this activity (i.e. incorporating any suggested approach to shared apprentices below)] 	<ul style="list-style-type: none"> • Cooperation between all interested parties to identify needs and agree actions. 	<ul style="list-style-type: none"> • Gain consensus from relevant organisations • Undertake information gathering • Develop action plans and implement these
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 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. • Possible cross over with land based apprents. via 'ring' employment model

Major Theme: - Enabling activities - Research		Progress - Last Update: October 22		
Lead Partner: NHC/UHI		Lead contact: ETEC Director		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Nuclear/Decommissioning and other 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 – 	<ul style="list-style-type: none"> • Provide facilities to meet local and wider needs 	<ul style="list-style-type: none"> • NDA to discuss further exploration re Scottish academic proposal.

		estimated costs are £115k for 5 years – therefore would need to go out to competition.		<ul style="list-style-type: none"> • Good opportunity for NHC to partner with other universities
Renewable Energy Academy proposal	Establish a centre for research and training to support the development of EV, Battery Storage/ Low C technology.	<ul style="list-style-type: none"> • Revised proposal drafted • Full business approach being developed 	<ul style="list-style-type: none"> • Facilities, funding • Business plan 	<ul style="list-style-type: none"> • Develop proposal
Incubation opportunities – seeking to attract Environmental;/ Natural capital/Remote sensing/Space related businesses to work with local academia -ERI UHI	Provide facilities to commercial business to attract them to co-locate with local research facilities.	<ul style="list-style-type: none"> • Draft prospectus created • Discussions underway with one potential business 	<ul style="list-style-type: none"> • Facilities, funding • Identifying needs of potential businesses 	<ul style="list-style-type: none"> • Promote opportunity • Seek potential businesses to approach.

Major Theme: - Enabling activities - Connectivity		Progress - Last Update: October 22		
Lead Partner: Caithness Chamber of Commerce		Lead contact: CCoC Chief Executive		
Project	Project scope of work (Up to 24 Jobs by 2025)	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"> • Flights to Aberdeen commenced 11th April 2022 with Scottish Government providing up to £1 million and Highland council £300k pa for 3 yrs subject to growth in passengers. • Project manager funded by THC and NDA commenced 4th July. 	<ul style="list-style-type: none"> • Organisational support from CNSRP Partners • Reduction in Covid-19 restrictions • Tourism increasing; Offshore wind and Space developments 	<ul style="list-style-type: none"> • PSO subgroup meetings continue to seek to maximise opportunities • PSO contract manager recruited to support PSO contract, develop and support traffic growth and liaise with partners to maximise opportunities, collaborative approach developing.

Major Theme: - Enabling activities – General Support		Progress - Last Update: October 22		
Lead Partner: CNSRP Team		Lead contact: CNSRP Programme Manager		
Project	Project scope of work (Unknown Jobs)	Progress	Barriers and opportunities	Actions
CNSRP Review and programme development	<p>To support greater pace of project and opportunity development. The agreed review of CNSRP activity is well underway. please see separate update paper.</p> <p>Business development manager left post in August, agreement to recruit replacement, recruitment to commence imminently.</p> <p>Further resourcing to be reviewed after CNSRP review.</p>	<ul style="list-style-type: none"> • Undertaking BD /II activity. • Comms approach underway • New CNSRP Independent Chair (Simon Middlemas) appointed 7th July. • Review process commenced – initial workshop 14 July 22, • Executive board agreed both Strategic Operational Policy and 	<ul style="list-style-type: none"> • Extension for funding agreed to 2025. 	<ul style="list-style-type: none"> • Continue to develop BD /II and project development/funding opportunities • Follow up workshops underway. • Wider consultation underway and feedback sought. Please direct feedback to Peter Faccenda.

Major Theme: - Enabling activities – Infrastructure		Progress - Last Update: October 22		
Lead Partner: Various		Lead contact: CNSRP Programme Manager		
Project	Project scope of work (Unknown jobs)	Progress	Barriers and opportunities	Actions
Scrabster Harbour	<p>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.</p>	<ul style="list-style-type: none"> • Funding approved by NDA(£5.0M) /HIE(£3.0M) • Construction works complete. 	<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

Wick Harbour	Harbour Entrance Protection Works	<ul style="list-style-type: none"> • Revised Business Case being developed • Wave modelling encouraging • Potential funders in ongoing discussions 	<ul style="list-style-type: none"> • New scheme less complex and hence lower expected capital requirement • Scotwind developer requirements not finalised 	<ul style="list-style-type: none"> • Revised scope of scheme and business case being produced.
Naver Bridge replacement (Highland Council lead)	Replacement of ageing Naver Bridge to facilitate Space Hub 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"> • 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: - Business Services - Nuclear		Progress - Last Update: October 22		
Lead Partner: DSRL		Lead contact: DSRL Socioeconomic Manager		
Project	Project scope of work (10 -100* jobs by 2025) (*Including Vulcan)	Progress	Barriers and opportunities	Actions
Legacy 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. • Funding process now clarified, working through governance requirements. New Timeline to be identified once governance route is understood.

Major Theme: - Business Services - Nuclear Services		Progress - Last Update: October 22		
Lead Partner: HIE		Lead contact: HIE Strategic Accounts Manager		

Project	Project scope of work (10-100* Jobs by 2025) (*Including Nuclear/DSRL)	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 	Meeting this month / early next month with RR as to see how to progress these future opportunities.

Major Theme: - Energy - Tidal Power		Progress - Last Update: October 22		
Lead Partner: CNSRP Team		Lead contact: CNSRP Team		
Project	Project scope of work (0-10 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 CfD successful for an additional 28MW generation for 2026/2027 delivery. 	<ul style="list-style-type: none"> O&M opportunities over lifetime of ~25 years. Expansion of array possible via CfD support. 	<ul style="list-style-type: none"> Successful CfD bid allows consideration of next steps. Work with MeyGen to maximise benefits to area

Major Theme: – New project opportunities		Progress - Last Update: October 22		
Lead Partner: CNSRP Team		Lead contact: CNSRP Team		
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 	<ul style="list-style-type: none"> CNSRP hub compiled shortlist of initial options Area Hydrogen Demand Study through ERI now complete 	Barriers <ul style="list-style-type: none"> Hydrogen Business Models still new Opportunities <ul style="list-style-type: none"> Numerous projects 	<ul style="list-style-type: none"> Supporting SSE as initial developer Identifying end users/customers

	<p>and maintenance of Hydrogen production, storage, and transportation Equipment</p>	<ul style="list-style-type: none"> • Area study for the use of Hydrogen in Transportation now complete. • Supporting further demand evidence gathering to support developments 	<ul style="list-style-type: none"> • Local Rail and HIAL decarbonisation • DSRL decarbonisation and supply chain impact • Significant local excess energy production from onshore wind 	<ul style="list-style-type: none"> • Producing project proposals and funding applications • Exploring DSRL opportunities
<p>Digital Economy</p>	<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. • Exploring data centre and data receiving options (satellite ground stations) 	<p>Opportunities</p> <ul style="list-style-type: none"> • Support homeworking and attraction of home workers. • Co-ordination of existing approaches • Real-time access to space data to attract II. 	<ul style="list-style-type: none"> • Initial ideas being gathered to identify a way forward.