

**An Action Plan For Caithness and North  
Sutherland  
2007 - 2010**

**Snapshot 1  
December 2007**

## Introduction

When “A Strategy for Caithness and North Sutherland” was published in November 2006 it was the result of a wide-ranging public consultation exercise carried out by the Socio-economic Strategy group convened by Caithness & Sutherland Enterprise.

The strategy identified four main aims, supported by a number of more specific objectives. It made clear, however, that the delivery of these aims and objectives was the responsibility of a range of Governmental and non-Governmental organisations.

In the months since the publication of the strategy document, the four main aims have been developed into a more detailed set of priorities and actions which will help deliver the strong, diverse Caithness and North Sutherland economy we all want to see.

The priorities and actions have been informed by work commissioned by HIE Caithness and Sutherland and undertaken by CogentSI, which involved analysis of the local economy and demographics and in depth discussions with key stakeholders on priorities for the future. An analysis of the Caithness and North Sutherland business portfolio using the Boston Matrix also identified key development opportunities and confirmed that the opportunities highlighted within the strategy document were worthy of pursuit.

The Plan has also taken into account the wide ranging discussions centred on the Caithness Conference in September 2007.

## Delivery Structure

One immediate action identified in the strategy document was for resource to be allocated to the management of the strategy and implementation of the action plan.

Early in 2007 the four key public sector organisations with particular responsibility for maintaining and developing healthy and successful communities and economies in the area, Highlands and Islands Enterprise (HIE), The Highland Council (THC), The Nuclear Decommissioning Authority (NDA) and the Scottish Government joined forces to form the Caithness Regeneration Partnership with the specific remit of implementing the post Dounreay regeneration.

There are four key elements to the partnership structure – an advisory/stakeholders group, an executive board, a senior officers group, and dedicated staff resources.

The Executive Board, a small group of senior executives from the four partner organisations, will oversee delivery of the strategy and action plan, meeting on a quarterly basis. The Executive Board will be accountable for delivery of the strategy and action plan.

The Senior Officers Group, a team from within the key organisations will ensure that work is implemented. They have the responsibility to commit resources on behalf of their organisations and be accountable for the implementation of agreed actions and projects within specific timescales. This team will reflect the core membership of the Executive Board and will also involve other key partners – such as UKAEA and the North Highland College as required.

The Advisory/Stakeholder Group – a group representing a wide variety of local interests, will act as a ‘parliament’, meeting bi-annually, receiving quarterly reports on progress and offering feedback on behalf of local, regional and national interests.

Delivery is key to the successful future of the area and the partners recognise the need for additional dedicated staff resource to assist with the delivery of the strategy. As a result the partners have agreed to strengthen local resources to ensure that the necessary expertise is available.

## The Action Plan

This action plan sets out potential projects and activities for the following three years. The HIE Network has made a commitment of £12m towards the programme and this will be supplemented by other partners such as the Nuclear De-commissioning Authority (NDA), the Highland Council (THC) and the private sector.

The 50 actions are linked to 5 overarching priorities:

1. Investing in our Infrastructure and Services
2. Developing our Business and Industry Assets
3. Developing Our People
4. Developing Dounreay Assets
5. Developing New Opportunities through Inward Investment

These actions, together with the organisations who will implement their delivery, are set out in the following pages.

This action plan is a working document. It will be published and updated regularly to show progress being made, and amended as new opportunities are identified and circumstances change.

Some of the broader actions will require further detailed planning and development work once the initial actions are implemented. It is therefore likely that the lead partners for each of these actions will develop more detailed subject-specific action plans.

## Priority 1: Investing in Our Infrastructure and Services

The ability of the area to generate new economic activity will be influenced by the availability of physical infrastructure and services. Among these are the provision of business space, transport and telecoms improvements, and recreational facilities which will make the area attractive to those who live and work here and those we would seek to attract into the area. The following activities are highlighted under the action plan:

| No  | Project  | Outline  | Key Partners                                       | £  | Milestone Dates   |
|-----|--|--|--|--|---|
| 1.1 | Proposed Centre for Energy and Environment                         | A new build property for a shared facility to drive forward environmental and energy development for the 21 <sup>st</sup> Century                              | HIE Network  | £5-8m estimate                                 | Detailed feasibility worked up Feb 08   |
| 1.2 | Food Processing Units – Wick Industrial Estate and other locations | To build on successes such as the Mey Selections brand and add value to high quality local produce   | HIE Network  | Unknown at this stage.<br>Estimate £1-2m       | Demand study underway<br>Jan/Feb 08   |
| 1.3 | New Business Infrastructure in East Sutherland                     | New environmentally-friendly office development to attract inward investment to East Sutherland<br>Develop new industrial site to meet identified local demand | HIE Network  | Approx £2m office<br><br>£1-2m industrial site | Office available March 09<br><br>Sept 08  |
| 1.4 | Transport Links – Rail   | Assess line and infrastructure improvements on the North Highland line and implement where feasible  | HRP/Network Rail/ Transport Scotland/ HITRANS/ THC | Unknown at this stage                          | Publication of Strategic Transport Projects Review by Transport Scotland summer 08 – to inform next steps |
| 1.5 | Transport Links – Road   | Implement improvements to the A9 south   | As 1.4   | As 1.4   | As 1.4  |
| 1.6 | Transport Links – Air  | Develop infrastructure and services at Wick Airport  | HIAL   | £ nil until further plans developed            | Halcrow study on Air Discount Scheme in Caithness due Jan 08. To inform future action.                    |
| 1.7 | Transport links – Sea  | Develop services and infrastructure at Scrabster and Wick including marina developments  | Harbour Authorities                                | unknown at this stage, likely multi-million    | Both Harbour Authorities developing detailed plans. Ongoing thro' 08/09                                   |

| No   | Project  | Outline   | Key Partners  | £                        | Milestone Dates  |
|------|--|---|---|--------------------------|--|
| 1.8  | Broadband Telecoms   | Upgrade remaining exchanges   | HIE<br>Network/BT   | £215k                    | Keiss, John O'Groats,<br>Dunbeath, Forss, upgraded<br>to full ADSL March 08                    |
| 1.9  | Main towns Initiative  | Economic initiatives to help re-vitalise<br>Wick and Thurso including<br>environmental enhancements and a<br>retail initiative to inform future<br>development directions | THC<br>HIE C&S  | Unknown at<br>this stage | Finalise retail study Jan 08.<br>Agree actions with partners<br>March 08                       |
| 1.10 | Recreational<br>Infrastructure   | Undertake research into community<br>facilities for the North eg indoor<br>sports facility and implement  | THC/NDA   | Unknown at<br>this stage | Consultant's report on<br>facilities being considered<br>by Caithness Members of<br>THC Jan 08 |
| 1.11 | Maintain and develop<br>health and social care<br>facilities to meet the<br>needs of an ageing<br>population | Develop projections of future needs<br>and match to existing provision.<br>Identify business opportunities arising  | NHS Highland<br>THC<br>Community<br>Health<br>Partnership | Unknown at<br>this stage | To be advised  |
| 1.12 | Maintain and enhance<br>range of public<br>services delivered<br>locally                                     | Public agencies to develop a list of<br>activities which currently are or<br>potentially could be delivered from<br>Caithness and identify new business<br>opportunities  | THC<br>NHS Highland<br>HIE C&S                            | £ nil at this<br>stage   | Identify opportunities by<br>June 08   |

## Priority 2: Developing Our Business and Industry Assets

The existing business and industry base provides a number of opportunities for future development. These include existing infrastructure assets and key sectors such as food and drink. The Arts, culture and archaeology forms the basis for tourism potential, whilst assets such as the Caithness General Hospital may provide opportunities to develop new specialisms in remote health care delivery. The UHI will be an important asset over the coming years through the development of existing centres such as the ERI and DERC.

| No  | Project                    | Outline  | Key Partners  | £                     | Milestone Dates  |
|-----|----------------------------|--|---|-----------------------|--|
| 2.1 | T3UK                       | Continue to develop the T3UK facility as a centre of excellence for de-commissioning.<br><br>Assist with diversification into Oil and Gas                      | NHC/UHI, HIE Network, NDA<br>Private sector                             | £200k                 | Jan 08 initial meeting on Engineering Facilities.<br><br>Start marketing capacity to sector through Inward Investment marketing plan |
| 2.2 | Food and Drink             | Continue to develop the Food & Drink sector including the Mey Selections brand to increase the range of products and their impact                              | North Highland Products<br>HIE Network                                  | £250k                 | Food & Drink Marketing Action Plan<br>Jan 08   |
| 2.3 | John O'Groats              | Develop a major visitor attraction for this flagship site in Caithness. Formalise and further develop the Lands End to John O Groats Links                     | HIE Network<br>Private sector   | Unknown at this stage | Develop Options appraisal<br>Jan/Feb 08  |
| 2.4 | Archaeology                | Develop tourism opportunities around this theme, also linking to Orkney  | HIE Network<br>Visit Scotland<br>Caithness<br>Archaeology<br>Trust, THC | £400k                 | Castletown Analysis Centre March 08.<br>Broch Centre start Spring 08.<br>Future Development Plan Feb 08                              |
| 2.5 | The Arts                   | Continue to develop the cultural assets of the area including building on strengths such as Lybster and developing the legacy of 2007 Year of Highland Culture | THC, HIE Network<br>Northlands<br>Creative Glass<br>Caithness Arts      | Unknown at this stage | To be advised  |
| 2.6 | Caithness General Hospital | Explore the options for developing research and training opportunities through links with the Centre for Health Science  | NHS Highland<br>HIE Network<br>UHI                                      | £100k                 | Pilot project for Care of Elderly<br>March 08  |

| No   | Project                                       | Outline  | Key Partners  | £                               | Milestone Dates   |
|------|---|--|---|---------------------------------|---|
| 2.7  | Develop the UHI through ERI and DERC          | Continue the growth and impact of ERI and DERC including the creation of new research opportunities  | NHC/UHI/HIE Network   | £500k                           | Provide additional research opportunities thro' Marine PhD programme. Sept 08   |
| 2.8  | Develop the tourism assets of the North       | Promote the North to visitors through coordinated development and marketing focused on activity based tourism, culture, the cruise market and including links to Food and Drink.<br>Appoint dedicated manager to focus on development opportunities  | North Highland Tourism Operators, Mey Selections, VisitScotland Harbour Authorities CASVAG, THC HIE Network | £150k<br><br>£450k<br><br>£300k | Appoint dedicated manager June 08<br><br>Implement Marketing Plan Jan 08<br><br>Establish North Highland Connections Ltd Feb 08 |
| 2.9  | Developing businesses of scale                | Enhanced support for potential high growth companies through bespoke support packages  | HIE Network, SDI  | Unknown at this stage           | Core business for HIE C&S   |
| 2.10 | Development of Renewable Energy Opportunities | Enhance opportunities for renewable energy developments and build on existing strengths eg Wick CHP, Pentland Firth collaboration with EMEC.<br>Develop a Marine Energy Project with a dedicated project manager to develop infrastructure and supply chain necessary to deploy and support devices in the Pentland Firth and elsewhere. | HIE Network/EMEC /NDA   | £250k                           | Appoint Marine Project Manager start Jan 2008   |
| 2.11 | Internationalisation of existing businesses   | Work with key companies to encourage them to develop new export markets  | HIE Network/SDI<br>Key local and regional businesses  | £150k                           | Series of workshops and learning journeys thro'08<br><br>Links closely with Action 5.10.  |

### Priority 3: Developing Our People

The skills and abilities of the workforce are vital in driving business competitiveness across the north. Those leaving Dounreay are highly skilled in areas where there are national skills shortages such as technical and engineering skills. The young people of the area are a key asset and their engagement in the future of the area's economy will be crucial through initiatives in schools and after tertiary education.

| No  | Project  | Outline  | Key Partners                                     | £                                   | Milestone Dates   |
|-----|--|--|--|-------------------------------------|---|
| 3.1 | Graduate Placements                                  | Promote and enhance the existing graduate placement scheme to encourage young people to take up local opportunities            | HIE Network, NDA                                 | £300k                               | Annual Graduate Placement Programme   |
| 3.2 | Employment brokerage service                         | Establish a new brokerage for the North linking skills with opportunities within the area and beyond eg offshore opportunities | HIE Network, Job Centre Plus, NDA Private Sector | £ nil at this stage                 | Investigate existing provision in private sector by March 08  |
| 3.3 | Company skills programmes/Management development     | Encourage existing businesses to improve workforce and managerial skills   | HIE Network/private sector                       | £ included in HIE C&S annual budget | Core business for HIE C&S   |
| 3.4 | Hospitality Assured                                  | Enhance provision of HA for tourism businesses   | HIE Network                                      | £100k                               | Customer satisfaction pilot 08  |
| 3.5 | Skills development through NHC/UHI                   | Encourage development of new skills programmes by the College/UHI eg Renewables  | NHC  | £200k                               | New 1 yr MSc. in Renewables, thro' research, accredited by Aberdeen Uni. 1 <sup>st</sup> graduates Dec 07.<br>Graduate placement programme for Renewables.<br>Planning to extend both into 08 |
| 3.6 | Young people and entrepreneurship                    | Enhance work with schools and PSYBT to encourage business start-ups among young people   | THC/HIE Network/Skills Development Scotland      | Unknown at this stage               | To be advised   |
| 3.7 | Increasing the opportunities from demographic change | Enhance opportunities for learning and skills to meet the needs of and among older people.                                     | THC/HIE Network/NDA                              | Unknown at this stage               | To be advised   |

| No   | Project  | Outline  | Key Partners                     | £     | Milestone Dates               |
|------|--|--|----------------------------------|-------|-------------------------------|
| 3.8  | Business Networks  | Encourage the development of collaborative bodies in the North eg Caithness Contractors Group, Fusion and Chambers of Commerce. Provision of part time officer | Private sector/Business groups   | £60k  | Explore options Jun 08        |
| 3.9  | Develop and Attract Appropriate Skills                     | Audit existing skills and promote skills development to meet future needs.<br>Attract new highly skilled individuals to the area                               | HIE Network, THC Talent Scotland | £200k | Undertake Skills Audit Jun 08 |
| 3.10 | Promotion of Science and Technology                        | Work with schools to increase impact of Caithness Science festival   | THC/HIE Network                  | £20k  | Annual festival               |
| 3.11 | Facilitate the development of a more dynamic labour market | Work with adults in work and out of work to develop career planning skills   | HIE Network                      | £80k  | Plan-It Programme at UKAEA    |

## Priority 4: Developing Dounreay assets

The expertise and motivation of the Dounreay workforce provides the basis for a strong economic future. Measures to encourage business start-ups and to develop local companies involved as contractors on the Dounreay site to internationalise will form part of this theme. In addition contractors will be encouraged to collaborate and win new opportunities world wide. Global contractors with a presence on site will also be encouraged to look for opportunities to bring other aspects of their operations to this area.

| No  | Project   | Outline  | Key Partners  | £   | Milestone Dates   |
|-----|---|--|---|---|---|
| 4.1 | Advice and information for new and existing businesses      | Assistance to companies in the Dounreay supply chain to help diversify their business base   | HIE Network<br>NDA<br>SMAS                          | £ included in HIE C&S annual budget                                 | Core business for HIE C&S   |
| 4.2 | Nuclear Decommissioning Authority support                   | Enhanced support activity from the NDA eg<br>Nuclear Archive establishment,<br><br>North Highland Regeneration Fund<br><br>National Nuclear Skills Academy | NDA/NHC   | £ unknown at this stage<br><br>£1.5m<br><br>£ unknown at this stage | To be advised<br><br>Additional loan funding agreed Dec 07<br><br>To be advised |
| 4.3 | Promote start-up of companies by Dounreay employees         | Business advice, information and finance   | HIE Network   | £ included in HIE C&S annual budget                                 | Core business for HIE C&S   |
| 4.4 | Exploit and internationalise existing expertise at Dounreay | Promote DSRL and associated supply chain as world leaders in decommissioning to the rest of the world  | DSRL<br>Caithness Contractors<br>HIE Network<br>NDA | £ nil at this stage   | Research into market opportunity completed March 08                             |
| 4.5 | Consolidate existing contractor base in Caithness           | Engage with national and international contractors to identify opportunities which could be delivered from a Caithness base                                | Private Sector<br>HIE C&S                           | £ included in HIE C&S annual budget                                 | Core business for HIE C&S   |
| 4.6 | Maximise future use of site infrastructure                  | Through site end state process ensure that appropriate infrastructure is retained for future use   | DSRL<br>NDA   | Unknown at this stage   | Site End State Consultation completed. Being integrated into Life-Time Plan 08  |

## Priority 5: Developing New Opportunities through inward investment

The attraction of new businesses to the area will form a significant part of the regeneration programme. In an increasingly competitive market the North will have to compete on the strength of its high quality labour force and environment. There are already exemplars which have been attracted to the area and lessons from these projects and elsewhere will form a major part of this theme. In addition expertise from around the world will be accessed to drive forward future opportunities.

| No  | Project                                       | Outline  | Key Partners                                | £                        | Milestone Dates  |
|-----|---|--|---|--------------------------|--|
| 5.1 | Appoint a new Inward Investment Executive     | A dedicated resource to assist in driving forward new investment in the area   | HIE Network                                 | £200k total over 3 years | Roy Kirk appointed Aug 07  |
| 5.2 | Develop an inward investment strategy         | Research and assess new opportunities for the area   | HIE Network<br>SDI                          | £ nil at this stage      | Inward Investment North Highland Marketing Plan completed Nov 07 |
| 5.3 | Promote Caithness as a place to live and work | Research key messages for branding the North to attract investment and people  | THC<br>HIE Network<br>NDA<br>SDI            | £ nil at this stage      | Included in Marketing Plan, action by March 08                   |
| 5.4 | Create an international advisory Board        | Use the Global Scot network to create a group of individuals with links to the area who can advise on strategy                         | HIE Network<br>GlobalScot<br>Network<br>SDI | £25k                     | Included in Marketing Plan, action by early 08                   |
| 5.5 | North Highland Branding                       | Explore links between Mey Selections, North Highland Tourism and Inward Investment branding for the area                               | HIE Network,<br>THC, private sector         | £ nil at this stage      | Links identified Mar 08  |
| 5.6 | Build on existing assets                      | Use existing exemplars and opportunities from existing supply chain to foster new employment eg public and private sector back offices | HIE Network,<br>SDI                         | £10k                     | Included in Marketing Plan, creation of case studies Jun 08      |

| No   | Project   | Outline   | Key Partners  | £                                   | Milestone Dates   |
|------|---|---|---|-------------------------------------|---|
| 5.7  | Lobby for public sector jobs dispersal                          | Work with local and national public sector dispersal opportunities  | The Highland Council<br>HIE Network<br>Scottish Government<br>Office of Government and Commerce | £ nil at this stage                 | Included in Marketing Plan, ongoing activity over 3 years                   |
| 5.8  | Aftercare for existing inward investors                         | Meet with HQs of current inward investment companies and develop future plans   | HIE Network   | £ included in HIE C&S annual budget | Core business for HIE C&S   |
| 5.9  | Media Campaign  | Raise the profile of the area for inward investment   | HIE Network<br>SDI  | £250k                               | Included in Marketing Plan, ongoing over 3 years                            |
| 5.10 | Undertake outward missions to internationalise local businesses | Assist local businesses to sell their products and expertise overseas   | HIE Network<br>SDI<br>Embassy Network   | £100k                               | Included in Marketing Plan, learning journeys, trade missions & exhibitions |
| 5.11 | Undertake learning journeys                                     | Encourage local partners to visit similar areas affected by industrial closures and assess inward investment activities | HIE Network<br>The Highland Council<br>NDA  | £25k                                | Included in marketing Plan, leadership learning journey 08                  |

## Glossary

|         |  |
|---------|--|
| BT      | British Telecom  |
| CASVAG  | Caithness & Sutherland Visitor Attraction Group            |
| DSRL    | Dounreay Site Restoration Ltd                              |
| EMEC    | European Marine Energy Centre                              |
| HIAL    | Highlands & Islands Airports Ltd                           |
| HIE     | Highlands & Islands Enterprise                             |
| HIE C&S | HIE Caithness & Sutherland                                 |
| HRP     | Highland Rail Partnership                                  |
| NDA     | Nuclear Decommissioning Authority                          |
| NHC     | North Highland College                                     |
| NHS     | National Health Service                                    |
| SDI     | Scottish Development International                         |
| SMAS    | Scottish Manufacturing Advisory Service                    |
| THC     | The Highland Council                                       |
| UHIMI   | University of the Highlands & Islands Millennium Institute |
| UKAEA   | United Kingdom Atomic Energy Authority                     |