

Focus North Programme Update

DSG Socioeconomic subgroup

7th October 2024

General

Since the last meeting various priorities have been progressed, and one major milestone is the successful inscription of the Flow Country as a UNESCO World Heritage site in July.

Early discussions are being held on Focus North conference for 2025 and any feedback on location, format or content would be welcomed.

One of the key issues continues to be resourcing to progress the multiple opportunities in the region and included in each area of activity is an update on progress that's being made to bolster capacity.

Skills and Talent

Industry Forum

Following the establishment of the Industry Forum the main area of focus has been to develop a skills/talent/people strand. The first action is to produce a detailed skills map quantifying likely jobs/skills required across developments and indicative dates when these jobs will be required. At the meeting on 6th September there was strong consensus that a best estimate model be created with caveats and assumptions clearly stated. MD at Dounreay is tasked with compiling a first pass with 'standardised' descriptions of skill types to allow aggregation across different projects and industries. This schedule of need and time scales will underpin needs and actions needed.

Resourcing of next steps

Dounreay as lead partner on this strand of activity are providing additional internal resource to support the skills and personnel group.

Innovation opportunities

Multiple stakeholders continue to support the concept of a regional Innovation initiative such as an Innovation centre or Science Park. Varying concepts have been/are being examined including buildings and a virtual network. This concept has been explored extensively over the last years, with several unsuccessful attempts at attracting funding for various concepts. Support from the University of Chester to examine other models taking the 'quadruple helix' approach resulted in researcher (Melissa Spears) presenting initial investigations to the Delivery group in July. She proposed next steps as a workshop-driven development. An attempt to attract funding was submitted to UKRI with UHI as lead partner but was unsuccessful. Chester University has however committed further research to help support the project.

Resourcing of next steps

To bring this project to the next stage requires a dedicated resource and it has been proposed for Dounreay to part fund a UHI post to lead the project to undertake the outline program of activities below: -

- Create a partner steering group.
- Develop a Programme to bring this concept to an outline business plan.

- Explore other opportunities in nuclear and other innovations areas – e.g. University of Strathclyde’s ANRC Showcase event towards the end of October.
- Identify partner resources required to support the process. For the success of this programme, it will require additional partner resources (mainly officer time) to be dedicated to that support.

Skills development

Regardless of the outcome of the Innovation and Science Park discussions, several strands of skills initiatives for the region continue to progress.

- **Net Zero Nation** – First cohort of 15 organisations commenced the first programme on the 9th July. This group includes a good mix across multiple sectors:- Ardgay Game, Ashley Ann , Caithness Eng Services , JGC, Mackays Hotel, North Point Distillery, Berkshire Eng, Orbex, Wick Harbour, Wick Development Trust, PPP Wick, John O G Mill, Thurso Development Trust, GMG Engineering, Timespan.
 - **Discussions on a possible follow-on cohort are underway**
- **Privately subsidised apprenticeships** – Initial funding from Dounreay, with additional funds from to West of Orkney windfarm to allow for enhanced support package for employers. **All of these funds are now committed.**
- **Talent attraction initiative** – Recruit North Highlands brand re-appraised and ‘Live North’ identified as a brand to align with the Focus North and Venture North (destination management organisation) brands.
- **Peatland restoration training** (‘For Peat’s Sake’) – Multiple local parties successfully undertook training in September at Forsinard with 7 local crofters seeking opportunities.
 - **A second cohort is being run in November - funded directly by NatureScot**
- **Further developments being pursued are: -**
 - **Powering Futures - [Powering Futures](#)** - 30 week Higher equivalent programme for to 5/6th Year students to raise awareness of sustainability and renewable energy opportunities whilst bolstering employability and confidence.
 - **We have agreed to pursue this with individual schools through the DYW team and UHI Thurso campus.**
 - **Skills Transition Academy** – The X-Academy model provides 2 years’ employment for trainees who then participate in tailored training and industry placements before moving into permanent energy jobs. Following initial discussions this continues to be of interest but has not yet progressed further.

Resourcing of next steps

Finalise contracting of additional resources/future plan.

Space Industry Opportunities

HIE leading on space cluster development activities. A benefit realisation document has been prepared by a third party for HIE. There have been discussions around the job numbers predicted in the immediate surroundings of the spaceport. A key next step is to finalise the benefit realisation action plan and ensure visibility of progress on this to local stakeholders.

Resourcing of next steps

The benefit realisation plan will provide a framework to identify priority actions and resourcing will be examined as these become clear.

Peatlands restoration

The Flow Country UNESCO World Heritage site bid was successful with inscription confirmed on the 26th July 2024. The event was celebrated by a visit by HRH King Charles III to Forsinard (31st July) where he met the Flow Country bid team and unveiled a plaque in honour of the inscription.

PF continues to support Flow Country Partnership SCIO development. £240k from FIRNS (successor scheme to IRNS) & the National Lottery Heritage fund, has allowed the recruitment of a **peatland restoration officer & a project officer** and two restoration schemes are now underway. Armadale farm restoration commenced 26th August and Achentoul estates commenced 30th September. A pilot common grazings for a third restoration has now been identified.

Total restoration cost for these two projects (over two years) is c£600k and both preferred bidders are local contractors - one who is expanding into peatland restoration for the first time. The two projects will ultimately save more than 2,240 t of CO₂ emissions and generate c2,200 Carbon credits for sale per annum. Together these amount to c1,000 Ha of restoration of an estimated 180,000Ha degraded peatlands.

Both initial restorations have bridging financing place, with both Social Investment Scotland and Highland Opportunities Investments Limited supporting a project.

Restoration requires up front development resourcing and finance, with fully validated carbon credits only available for sale five years after restoration is completed. This is a nascent market, with future values of carbon credits not well established. Now that the UNESCO World Heritage site is inscribed there is a need to manage this with a team, with an incumbent World Heritage site officer hosted within Highland Council. The Flow Country Partnership SCIO was established to provide a coordinated approach between restoration and WHS management.

Resourcing of next steps

To move this initiative beyond the two pilot projects requires significant further support, both financial and organisational. The World Heritage site officer post is being hosted by Highland Council, and partners are discussing support towards these costs. As yet unsupported are the other organisational costs (mainly existing staff costs) from 1st April 2025, the financial support necessary to undertake future restoration projects, and management resource. **PF has been supporting in a General Management capacity as a side of desk activity, but to make the progress necessary this requires additional capacity.**

A first step in raising finance is an ESG ask which has been prepared and circulated in a soft launch to selected recipients. Other investment discussions are gathering pace as well. Finally, several potential grant opportunities have arisen and are being pursued. **HIE will be providing some support in developing these in the medium term.**

Focus North support for regional projects.

The dedicated working group has been established with Transport Scotland re: the Wick-Aberdeen PSO continues to develop a long-term plan for the Airport demonstrating its sustainable plan not only for the route but for the airport.

Disappointing reliability performance in June and July has been addressed through Highland Council and the operator with actions agreed to significantly improve this.

Resourcing of next steps

Highland Council are leading with a dedicated officer with key activities being discussions with HiTrans and SATE (The Sustainable Air Test Environment project)

Activities that are currently on hold, as no resources are currently available to progress them, include:-

- Digital economy initiative - data centre inward investor sought, but so far unsuccessfully.
- The transport initiative where progress now awaits partners' collaborations once contractual periods have progressed.

Availability of external contracted resource could allow further progress to be made.

Focus North structure

Following discussions between Advisory Board and the Board and considering feedback from the Advisory Board meeting on 9th August, it is not proposed to change the scope of Advisory Board activity. It was felt this arrangement was becoming too complicated, particularly in view of the developing nature of the Industry Forum. Output from industry group discussions will be included in the development of Focus North priorities.

Promotion and awareness-raising.

Website development and social media output continues to raise awareness of activities and successes.

Resourcing of next steps

- **Identify how to support continued promotional activity to expand in-house capacity.**
- **Decide on conference activity over the next 12 months.** The Advisory Board community-oriented event in the autumn is under review as resources to progress another event are limited and the goals, scope and format of this event are as yet not finalised.

Support for activities such as events could be enhanced by the addition of subcontract capacity.

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