

**CAITHNESS & NORTH SUTHERLAND REGENERATION PARTNERSHIP  
(CNSRP) – EXECUTIVE BOARD**

**MINUTES OF MEETING HELD 17<sup>th</sup> JUNE 2008 AT NORTH HIGHLAND  
COLLEGE, THURSO**

**Present:** Sir Anthony Cleaver (Chair)  
Alistair Dodds, THC  
Randall Bargelt, NDA  
Roy Kirk, HIE for Sandy Cumming

**In Attendance:** David Rhind, NDA  
Eann Sinclair, CNSRP  
Ian Hargrave, THC  
Stuart Black, THC  
Eilidh Gunn, CNSRP (minutes)

**Apologies:** Sandy Cumming (HIE), Greg Allan (Scottish Government)

**1. Welcome and Introductions**

The chair welcomed everyone to the meeting and invited everyone to introduce themselves. Stuart Black, THC's Director of Planning and Development, had been invited to attend due to the significance of the project.

**2. Presentation on the Pentland Firth Tidal Energy Project**

Louise Smith, Project Manager, Pentland Firth Tidal Energy Project had been invited to present to the board.

Louise referred to a previously circulated paper and also produced a timeline handout. She outlined the Scottish Government renewable energy targets, the Saltire Prize, the current status of the marine energy industry and the diverse range of transferable skills currently employed in the nuclear sector. She stated the importance of acting now in order to lead the field and provide a welcoming environment for inward investors with the right assistance at the right time as well as the importance of working together for the local economy. She outlined works to be undertaken such as an environmental impact assessment for the whole of the Pentland Firth and working with the Crown Estate (CE) while they produce their model for sea bed leases.

The chair opened the floor to questions:

Q – The Pentland Firth has various high, medium and low energy areas. Is there a way the devices can be proven in a low energy area before being placed in more aggressive areas?

R – A 'zoning' exercise will need to be undertaken. However the areas available to developers will depend largely on the sea bed leasing model produced by CE.

Q – The planned Environmental Impact Assessment must be seen as critical?

R – Developers are pursuing their own areas of interest and will undertake their own studies relating the impact of their own devices. They will also undertake a study for their lease area once this information is available. However one study for the whole of the Pentland Firth that encompasses all foreseeable aspects such as wildlife, shipping and fishing will need to be undertaken. It may take up to two years to carry out environmental monitoring that would be acceptable to regulatory bodies.

Q – What can we do to assist CE with sea bed leases? Can we have sight of the model prior to a public announcement? Can we influence it to ensure it is for the benefit of the industry?

R – We have had, and will continue, close discussions with CE. THC are currently in discussion with the CE in relation to the speed of decisions on various issues which can also include sea bed leases. Sir Anthony offered to meet with CE for discussions, also suggested a paper to CE from this meeting. It was noted that CE sit on the board of the Pentland Firth Tidal Energy Project and this subject will be brought up at the next board meeting, perhaps inviting CE to produce a draft model for a future meeting. **ACTION Stuart Black and Ian Hargrave** to lead on this discussion.

Q – The issue of the grid connection was raised.

R – Louise and Duncan have had meetings with Scottish & Southern, as have many developers. Planned work on the Beaulay-Denny line may be ready by 2012/13, subject to Public Enquiry. If this work is to go ahead then an upgrade to the Dounreay-Beaulay line will be carried out at the same time. However this increase would only meet existing demand. A subsea interconnector down the East coast of the UK is being studied by CE - however this is estimated at £2.4 billion. The grid issue is being discussed at the highest political levels, but we should ensure we are involved in any subsea cable talks. Sir John Parker is chair of National Grid and Sir Anthony could arrange to meet with him if necessary.

Q – The question of a budget to pay for zoning studies, grid studies and the environmental impact assessment was raised.

R – It was requested that Louise produce a schedule of detailed costs for the next 2-3 years. Louise will circulate this in advance of the next meeting **ACTION Louise Smith**. It was agreed that some ‘risk money’ will need to be put forward to ensure the area does not lose out on this opportunity.

Q – There may be various sources of funding such as European regional Development Funding which has a focus on R&D.

R – Louise to produce a list of possible funding sources. **ACTION Louise Smith**

Q – It was noted that a developer had already set up in the area.

R – Tocardo, a Dutch company have plans to establish an array of 10-15 devices in the Pentland Firth, create a small fabrication company and create 10

new jobs. The Company is, however, reluctant to bring forward its investment without a seabed lease.

The Chairman closed the discussion, thanking Louise for her time and concluding that there are three main issues to be addressed: the model for seabed leases; grid connection strategy; environmental impact study.

### **3. Minute of Executive board Meeting held on 20<sup>th</sup> March 2008**

The minutes of the meeting of 20<sup>th</sup> March 2008 were approved.

### **4. Matters Arising**

Feb 2008 Report on Berriedale Braes – not to be pursued at Council level at the moment as the strategic transport announcement is due early autumn.

**ACTION** carried forward – THC to feed back to board.

### **5. Advisory Board**

The advisory board held its first meeting earlier today. They discussed the role and remit of the advisory board and who else might be invited to join, whilst still keeping the numbers below 20. John Thurso was unable to attend but had put forward a note with his comments.

A need for clearer communication was noted. For example people being unaware of the number of completed actions from within the main Action Plan. It was agreed that the press will be invited to the next Advisory Board meeting. **ACTION Eann Sinclair**. A communications strategy needs to be developed. **ACTION Eann Sinclair** to draft.

The Advisory Board also discussed the lack of a local person on the CNSRP Executive Board. This had previously been discussed by the Executive Board and it was agreed that the Advisory Board remained the most effective channel for political and community advice. It was noted however, that the staff employed on the CNSRP are local to Caithness, as are those on the Senior Officers' Group.

The issue was raised of HMRC's plans to vacate the Wick tax office, potentially losing around 23 public sector jobs with an estimated annual wages bill of £0.5M in the local community. Sir Anthony offered to help take this forward. **ACTION Eann Sinclair** to brief Sir Anthony. With the planned Council office redevelopment in the centre of Wick it was suggested that co-location might be possible.

### **6. BT Homeshoring**

Fifteen quality jobs have now been created as part of the BT Homeshoring pilot offering significant savings to BT (5-10% operational savings while increasing wages). Thurso was chosen due to the quality of the BT operation on Thurso Business Park, and its low turnover of staff. If the pilot is successful BT may announce further development of the idea later in the year.

### **7. Update from Programme Manager – Action Plan snapshot 3**

Eann Sinclair has now been in post approx two months. He has altered the layout of the Action Plan by removing any actions completed and any actions considered to be core business for the partners.

He plans, with agreement from the board, to radically alter the layout for snapshot 4 by increasing the clarity of the actions, making them easier to prioritise. Each action will, where possible, have only one body responsible for its delivery, allowing better monitoring of progress.

The board were in agreement as long as any actions being moved or removed are justified and the document remains in line with the Government Economic Strategy.

**ACTION Eann Sinclair** to issue snapshot 3 to the public, and to circulate snapshot 4 in advance of the next board meeting.

## **8. Update from inward Investment Executive**

HIE is in the process of recruiting a new Inward Investment Executive. It is hoped to have someone in post by August. Activities are continuing in the meantime:

**Energy** – Companies are ambitious to obtain leases for the Pentland Firth. Currently five tidal companies and two wave companies have firm interest if we can solve the grid connection issues. One of the main attractions of locating in the area is said to be the level of group working they have witnessed, and we will ensure this continues to be the case.

**Engineering** – Working on an initiative to co-ordinate the promotion of the Caithness engineering sector. It is hoped this will happen through the revitalised Chamber of Commerce. HIE Thurso office has just secured approval for investing in a local engineering project with the potential to create up to 50 new jobs.

**Service sector** – Will continue to work with BT to ensure success of its Homeshoring pilot. HIE is also in discussions with another service client, with the possibility of creating 150 new jobs.

**Food & Drink** – Planning a Caithness & Sutherland ‘food fair’ for 2008, building on the success of last year’s event which was aimed at both general consumers and industry buyers. There are also plans to hold a similar event in London in 2009, aimed at UK & international markets.

It was explained that the rate of decommissioning job losses was now due to be steadier than previous projections of losing large numbers of people at one time. The NDA therefore needs to understand the nature and timing of inward job creation so that it can help match this to the timings of any site-based job losses.

## **9. Press and PR**

The importance of communication has already been noted.

Within a fortnight a newsletter for the Caithness and North Sutherland community should be issued. This is the first step for regular, clear engagement with stakeholders.

Online presence needs to be improved, to allow the public quicker access to information on the Partnership's activities, and to allow better interaction (via electronic feedback, for example).

It would be useful for Sir Anthony to receive any press reports. **ACTION Eilidh Gunn** to collate HIE press reports and liaise with June Love of NDA and Gordon Fyfe of THC to send to Sir Anthony.

It was also suggested that it is important to have Eann Sinclair and the Inward Investment Executive seen by the public as they have powerful messages to get out. Perhaps should consider doing a presentation at the local ward forums of the Highland Council.

## **10. Any other business**

**Caithness Conference** – the conference is to be more of an exhibition format rather than a lecture-style event. This will allow members of the public to come to one site and meet staff undertaking the key projects in a “marketplace” atmosphere. There will also be the opportunity to hear specific presentations on projects during the day. It will be a full day event, any board members attending are recommended to travel up the day before.

Three senior Scottish Government cabinet ministers are showing support by coming to Caithness – Richard Lochhead in July, Jim Mather in August and the First Minister, Alex Salmond in September.

A budget for the Programme Manager to work with needs to be looked at. **ACTION Eann Sinclair** to draw up costings for budget for all planned activities.

Sir Anthony's movements:

Meeting with Jim Mather 20<sup>th</sup> August.

Meeting with Prince Charles at Balmoral in August

Planning to see Lord MacLennan **ACTION Eann Sinclair** to brief Sir Anthony on arts.

Meeting Simon Middlemas, DSRL, 18<sup>th</sup> June

**Date of next meetings** – 30<sup>th</sup> Sep and 5<sup>th</sup> Dec.

## Summary of Actions

Action	Due Date	Responsible Person
Invite CE to discuss sea bed leasing	27 <sup>th</sup> June 08	Stuart Black Ian Hargrave
Prepare detailed Tidal Energy project costs	30 <sup>th</sup> Sep 08	Louise Smith
List of possible funding sources	30 <sup>th</sup> Sep 08	Louise Smith
Review Berriedale report along with strategic transport announcement	Next appropriate meeting.	Alistair Dodds Ian Hargrave
Invite press to next Advisory Board meeting	5 <sup>th</sup> Dec 08	Eann Sinclair
Develop communications strategy	30 <sup>th</sup> Sep 08	Eann Sinclair
Attempt to retain Wick tax office jobs	Asap	Eann Sinclair Sir Anthony Cleaver
Issue snapshot 3 action plan	Asap	Eann Sinclair
circulate snapshot 4 action plan	30 <sup>th</sup> Sep 08	Eann Sinclair
Send press reports to Sir Anthony	Ongoing	Eilidh Gunn
Brief Sir Anthony on arts issues for Lord Maclellan meeting	Asap	Eann Sinclair
Prepare detailed project costs	30 <sup>th</sup> Sep 08	Eann Sinclair