



Focus North Masterplan

Purpose of this document

This document outlines the background and opportunities in the northernmost part of mainland Scotland. It sets out the detailed goals agreed by partners for Focus North and the measurement process agreed to track progress against these. The goals are identified in the Focus North strategic operational policy, contained in the Focus North Organisational structural roles and responsibilities document.

Organisational Context

Focus North, the evolution of the Caithness and North Sutherland Regeneration Partnership, is an informal public-private partnership working to develop economic opportunities in the North of mainland Scotland. Partners Caithness Chamber of Commerce, The Dounreay Site, Highland Council, Highlands and Islands Enterprise, Nuclear Decommissioning Authority, Skills Development Scotland, the Scottish Government and UHI North Highland are working together to support the fair transition to a net carbon zero economy in this remote and rural area. Partners have committed to developing a fairer, resilient, more balanced economy, working to grow the working population and higher average household incomes. The partnership seeks to attract jobs in key new sectors, as well as sustaining employment in existing sectors. This will increase the number of private sector businesses operating and increase investment into the area.

Focus North's geographical area includes Caithness and North Sutherland but is generally not defined by an exact line on a map. It is deliberately flexible to accommodate the differing needs of multiple emerging inward investment opportunities that would benefit the North of Mainland Scotland.

Focus North's activities are conducted in close consultation with the Sutherland and Caithness Community Planning Partnerships so that opportunities are not omitted, but just as important, efforts are not duplicated.

About the area

Focus North concentrates on the northernmost part of mainland Scotland, which incorporates the northern section of the North Coast 500 iconic tourist route, so the region's natural beauty and attractiveness to tourists is well known.

Perhaps less well known is that the region is leading: -

The renewable energy revolution

- 12.5 times more electricity is already produced than used locally from renewable sources.
- Production and storage capacity: -
 - Pentland Offshore Wind Farm developing 100 MW floating offshore wind demonstration project 7.5 kilometres from the Caithness coast.
 - Recently agreed Scotwind sites surround the regions coasts supported by local harbours at Scrabster and Wick.
 - The MeyGen Tidal stream generation array in the Pentland Firth that has been producing power since 2014 is being expanded from 1.5 to 28MW
 - The region is home to two of the UK's leading battery research and production companies - AMTE and Denchi Power
 - Development of battery storage schemes to help balance power production and demand.
 - Hydrogen production of up to 2,000 tonnes per annum being proposed at Gordonbush from underutilised wind power.

- Hydrogen - hybrid aircraft are being trialled between Wick and Kirkwall in Orkney
- Hydrogen - hybrid trains are to be trialled between Wick and Thurso in 2024

The Space Industry

- The Mhoine peninsula is home to Sutherland Spaceport - a vertical satellite launch site opening in 2024
- A developing Space Cluster seeking to attract up to 740 jobs supporting the space industry to the wider region.

On the Natural Environment

- The Environmental Research institute, carrying out world class research into the natural environment, including research into the peatlands of the flow country - Europe's biggest blanket bog.
- The Flow Country, an internationally important carbon sink, is being proposed for adoption as a UNESCO World Heritage site during 2023.
- The Flow Country Green Finance Initiative - is seeking to attract ethical private investment in support of peatland restoration and long-term management of this vital ecosystem.

These activities will develop alongside the complex decommissioning programme at the Dounreay Nuclear site. The site continues to employ a large, highly skilled workforce and technically innovative supply chain to develop solutions to world leading decommissioning challenges.

Goals

Focus North concentrates on maximising local benefits from the significant opportunities above.

Our three-year regional goals are detailed below. *Economic Growth, People and Communities* and *Sustainability* should be seen as the 3 pillars that must be in balance for Focus North and the region to succeed.

- **Economic growth** - The area will undergo a Just Transition to a sustainable resilient, Low Carbon economy offering its increased working population Fair work and higher average household incomes than in 2022. Successful attraction of employment opportunities in key new, and sustaining existing, sectors will increase the number of private sector businesses operating and enable the regional economy to be more diversified and larger than it is now. Investment in the area will increase compared to 2022.
- **People and Communities** - The growing population will support a thriving, wellbeing economy where school rolls are rising, school leaver destinations are broadening, and apprenticeship uptake is higher than today and covering all of the professions that matter to our region. The workforce will benefit from Fair Work values, such as the Real Living Wage, have both higher levels, and a more diverse range of skills, supporting the transition to a Net Zero economy and the diverse opportunities in the region.
- **Sustainability** - The area will be a leader in the transformation to a low-carbon economy. Sustainable economic growth will be driven by projects underpinned by the principles of a Just Transition, the circular economy and leveraging renewable energy production and consumption. Communities will benefit by engaging and investing with the opportunities presented by the transition to net-zero, and partners will look to develop and strengthen local supply chains through supporting local procurement.
- **Partnership Effectiveness** - We will demonstrate progress against our goals. We will publish key targets, measure progress and report against these. We will regularly

check in with our stakeholders on how they see our progress and make the results of this public.

Target sectors

Focus North will deliver these goals by focussing on the major existing and emerging opportunities detailed below, concentrating on a rolling three-year window: -

Space – develop and sustain a north coast space cluster around the UK's first vertical launch spaceport on the Moine Peninsula in Sutherland – Sutherland Spaceport, attracting space industry companies to locate in the region.

Offshore Wind (fixed and floating) – work with Scotwind developers, and other demonstrator projects in proximity to the area. These will ultimately provide more than five gigawatts of renewable electricity from around these Northern coasts. The existing supply chain skills and onshore infrastructure potential will be further developed to create new, well-paid, and long-term employment opportunities.

Tidal generation – work with developers to maximise the potential for jobs in the build out and O&M phases as this technology emerges.

Hydrogen – work with onshore/ offshore wind developers and hydrogen industry companies to develop the emerging hydrogen economy as Green Hydrogen Production storage, transportation and usage is being developed and will provide a basis of Net Zero economy potentially employing hundreds of people.

Future transport – there are opportunities for economic benefit to the area from various sub-elements of the emerging Hydrogen Industry relating to transport with hydrogen/electric hybrid aircraft and trains being trialled in the region.

Natural Capital – with public, private, and third-sector partners to capitalise on the region's immense natural capital. The Flow Country, seeking to be recognised as a UNESCO world heritage site attracts international attention and the vital wide-scale peatland restoration can provide opportunities for sustainable employment and help deal with the climate emergency.

Sustainable tourism –work with the tourism representative bodies to sensitively maximise the economic potential from our region that is already well known for its natural beauty, rugged coastlines, and world class visitor attractions.

Risk mitigation

We undertake activities to mitigate the risks to the realisation of opportunities listed above, including addressing the lack of skills available to assist the present and future businesses and organisations.

Programme

The Focus North works towards these goals through a programme made-up of projects and supporting activities to maximise the benefits to the local population of the exciting opportunities the region. Partners coordinate their local activities and develop collaborative programmes of activity to meet these regional goals.

Targets and progress against these will be shown in Appendix 1 below as they are developed.

