

## **Highland Economic Forum**

**2.00 p.m. Tuesday 22 November 2011**

**Maclean Room, Eden Court, Inverness**

### **Present:**

Cllr Ian Ross, Highland Council – Chairman  
Stuart Black, Highland Council  
Trudy Morris, Caithness Chamber of Commerce  
Angela Wilson, Energy North  
Ian Carse, Skills Development Scotland  
Stephen Boyd, STUC  
Steve Westbrook, Economist  
David Fraser, Fusion  
Dennis Malone, HIPP  
Toria Fraser, Scottish Government  
David Stewart, Highland Employer Coalition  
Marie Mackintosh, Highland Opportunity Ltd  
Brian Weaver, HISEZ  
Carron McDiarmid, Highland Council  
Pauline Dingwall, Institute of Directors  
Martin Wright, UHI  
Martin Johnson, HIE  
Stewart Nicol, Inverness Chamber of Commerce  
David Richardson, Federation of Small Businesses  
Susan Johnston, JobCentre Plus  
Chris Bremner, Cairngorms National Park Authority  
Neil Robertson, North Highland Regeneration Fund  
Garry Sutherland, Board of Management, Inverness College  
John Spencer, Inverness College  
Kenny Macinnes, Highland Council  
Elaine Ball, Highland Council

### **Apologies:**

Cllr Helen Carmichael, Highland Council  
Charlotte Wright, Highlands & Islands Enterprise  
Joe Moore, SNH  
Scott Armstrong, VisitScotland  
Ishbel Crawford, LANTRA  
Lesley Cranna, SNH  
Dave Duthie, HITRANS  
Maria Peter, Highland Council

#### **1. Note of Meeting held on 17 May 2011**

Agreed as an accurate record.

#### **2. Matters Arising**

It was agreed that all actions arising from the note of the last meeting were addressed in today's agenda.

### **3. Presentation on Labour Market Information by Ian Carse, Skills Development Scotland**

Cllr Ian Ross welcomed Ian Carse, Skills Development Scotland (SDS), to the meeting.

Ian Carse advised that SDS had now signed a Service Delivery Agreement with Highland Council and the strategic aims of this were economic development, education and employability. He further advised that the target of modern apprenticeships in Scotland in 2011 was 25,000. It was also proposed to look at shared apprenticeships and the Colleges in Highland are interested in this approach. Ian Carse said he was keen to receive the views of Forum members on employer recruitment incentives that were available.

Ian Carse also asked Forum members to advise SDS as soon as they heard of any potential redundancies as this would ensure that the PACE initiative could be put in place. He further advised that SDS wished to build on what are the Highland's key industries with input from Forum members. He also circulated a handout which set out the links to the following SDS online information:

<http://www.skillsdevelopmentscotland.co.uk/knowledge/research-online.aspx>

<http://skillsdevelopmentscotland.co.uk/knowledge/sectoral-lmi-reports/government-economic-strategy-key-sectors-reports.aspx>

<http://www.skillsdevelopmentscotland.co.uk/our-services/services-for-employers.aspx>

<http://myworldofwork.skillsdevelopmentscotland.co.uk/section/choose-a-career>

Following general discussion the following points were highlighted:

- It is critical to have effective co-ordination between organisations to ensure there is no duplication.
- It is essential to involve the private sector in any joint scheme that is created.
- A more shared approach is essential particularly in relation to apprenticeships.
- A meeting had been arranged to discuss training requirements for the Nigg Energy Park.

### **4. Public Sector Employment Study and Working Group Updates**

Cllr Ian Ross thanked Steve Westbrook for attending the meeting.

#### Public Sector Employment Study

Steve Westbrook advised that the Public Sector Employment Study report had been finalised and circulated to Forum members. The main impacts from the report highlighted that:

- Public sector dependent employment 47% of the region's FTEs
- 2009/10 to 2014/15 Expected reductions:
  - 5,091 FTEs (-11.4%)
  - 5.3% in Highland's FTE employment
  - £200m in pay (-17.1%)
- Higher impact on female employees

- Reduced job opportunities for young people

#### Working Group Updates

Steve Westbrook advised that a meeting of each Group had taken place and set out the role of the Working Groups as follows:

- Planning and implementing initiatives through project teams
- Adding value to existing initiatives and programmes
- Sharing of information between organisations
- Identifying key issues and opportunities.

Steve Westbrook advised that a member of each Working Group would now update the Forum on the initial priorities identified by their Group.

#### Manufacturing and Energy

Stuart Black advised that Highland Council are working closely with HIE and SDS on the energy training facility for Nigg and also looking at the wider needs of the sector as a whole. He advised that the initial priorities identified by this Working Group were:

- Infrastructural development and commercial activity at key renewables sites and supply chain development
- Skills training for renewables related work
- Assess space requirements at Beechwood to support renewables related engineering
- Community ownership of renewables
- Consider regional trade visit programme through SCDI
- Promote export advice and assistance services to SMEs

#### Construction and Infrastructure

Geoff Robson advised that as Steve Westbrook was working in a co-ordinating role in all Working Groups this would ensure that there is no overlap of activity. He advised that the initial priorities identified by this Group were:

- Regional economic development through procurement – scope for Highland Council and HIE to be models of best practice
- Tendering mechanisms not to disadvantage Highland businesses (especially SMEs)
- Facilitate partnerships in tendering for large contracts
- Database for future tendering opportunities
- Lobby Scottish Government on priorities for 10 year infrastructure plan

David Fraser asked if it would be possible to look into the possibility of compensating owners of buildings in poor repair to encourage them to carry out repairs and possibly use apprentices to undertake this work. Cllr Ian Ross agreed that the Construction and Infrastructure Working Group should look into this and submit a paper to Forum members.

## ICT

Chris Bremner advised that the initial priorities of the Working Group were:

- Identify key needs and opportunities for the Highlands and Islands Superfast Broadband Strategy
- Encourage superfast broadband take up in Nairn as a pilot
- Trial broadband provision models in local areas
- Draw up a programme to encourage SMEs to maximise the potential from ICT technologies (including training)
- Identify a private sector digital champion
- Promote the availability of broadband as a benefit of living and operating a business in the Highlands

## Research Institutes

Stuart Black advised that the initial priorities identified were:

- Support the UHI to develop existing and new specialisms
- Scope potential role of Beechwood and pump-prime activity prior to the completion of premises
- Explore potential new Centre of Excellence/Mini Technology Innovation Centres
- Identify potential partnerships with Universities and Institutes based outwith the region
- Identify new funding sources for potential future research programmes, including international sources

John Spencer advised that there would be space in the new campus buildings to support businesses.

## Tourism

Stewart Nicol advised that the initial priorities of this Group were:

- Promote participation in activities by visitors through co-ordination and collaborations between operators
- Promote collaborations across the region to attract additional visitors, building on the work of the Destination Management Organisations
- Maximise usage of the new air services from Amsterdam and the south of England by incoming tourists
- Maximise the spending impact of cruise ship visitors
- Draw up a training programme that will attract young people and others into hospitality as a career and secure funding to deliver

David Richardson asked if this Working Group could take an overview of talking to DMOs and tourism groups in remote areas and Cllr Ian Ross asked him to raise this at the Tourism Conference being held on 23 November.

### Inward Investment and Outsourcing

David Stewart outlined the initial priorities of this Group as follows:

- Investigate mechanisms for promoting homeworking, including those with high level skills and qualifications, and aged 50+
- Consider a skills audit for outsourcing work
- Encourage Highland enterprises to provide outsourced business services to wider markets – individually or collaboratively
- Create a page on the Cairngorms National Park website highlighting the attraction of living and working in the areas
- Scope a website to promote Highland as a place in which to live, move back to (if completing higher education), operate a business from, or visit

Following general discussion it was agreed that outsourcing should be seen as a priority and give opportunities for the expansion of existing businesses.

### Enterprise Development

Kenny Macinnes and Steve Westbrook jointly reported back on the initial priorities of this Group together with input from Marie Mackintosh. The priorities were:

- Encourage public sector staff to consider self employment and enable them to explore opportunities while employed
- Identify SMEs with growth potential and encourage business development and collaborations
- Support the development of CREATE at Inverness College UHI as an entrepreneurship and innovation support resource
- Promote the establishment of a social enterprise network within Highland
- Explore a role for Fusion in instigating and supporting collaborations
- Offer of the P2 Partners website as a mechanism for promoting collaborations

Following general discussion Cllr Ian Ross advised that Kenny Macinnes and Steve Westbrook should distil out the key actions to Forum members which should include specific points of work, clarity on any issues and areas where more information is required. He further advised that it would be helpful if a summary of actions, particularly in relation to those which required to be taken forward, could be circulated to Forum members in the near future. Cllr Ian Ross said that he wished to report back to the Community Planning Partnership to enable members of that group to see the direction of work being carried out by the Forum.

Stuart Black asked Forum members to advise Steve Westbrook direct if they wished to become involved in any of the Working Groups.

Cllr Ian Ross advised that he wished to ensure that all Forum members are aware of all actions and thanked Steve Westbrook for the work he had undertaken.

## **5. Cities Strategy and Role of Inverness**

Stuart Black advised the meeting that he had attended a number of meetings with officials and Leaders from Scotland's six cities and this group together with the Scottish Government and SCDI would shortly produce a vision for Scotland's success that set out a clear approach to the role that cities and their regions can play in driving forward sustainable economic growth for Scotland. He advised that Nicola Sturgeon was the Cities Minister and has been engaged with the six Scottish cities to understand their priorities and investigate what might best help them to maximise their potential.

Stuart Black advised that the Government hoped to publish the Six Cities strategy before Christmas. Cllr Ian Ross asked Stuart to ensure future meetings of the Forum were kept up to date on the strategy.

## **6. Business Gateway/HIE Account Management Update**

Kenny Macinnes advised the meeting that Business Gateway activity in the year to date was 143 start-up businesses supported. He further advised that Mary Porteous workshops had been provided for Inverness BID and that Caithness Chamber of Commerce is to run Supply Chain and Marketing to Diversity Workshops. He further advised that it was intended to develop a tourism workshop programme which will support DMOs with their members business development needs through a LEADER funded project.

Marie Mackintosh advised that the employment grant scheme and specialist advice start-up results are on track.

Kenny Macinnes advised Forum members that they may be approached for a telephone survey regarding service specification relating to Business Gateway.

Martin Johnson of HIE advised that the Government had refreshed the economic strategy in September. Main focus points were:

- Helping businesses to create jobs
- Helping businesses undertake research and development

Martin Johnson further advised that the key growth sectors are creative industries, energy, financial and business services, life sciences and sustainable tourism.

## **7. Single Outcome Agreement Update**

Cllr Ian Ross welcomed Carron McDiarmid, Head of Policy & Performance, Highland Council, to the meeting.

Carron McDiarmid advised the Forum that the Single Outcome Agreement had expired at the end of March 2011 and the opportunity was currently available to refresh the Agreement. She advised that she had ascertained through earlier discussions at today's Forum meeting of issues that had not previously been highlighted such as the higher impact on female employees, outsourcing work, enterprise development and SMEs and the contribution to the Six Cities initiative. She also stressed that this was an opportunity for the Forum to consider how more can be done with disadvantaged communities in the Highlands.

Following general discussion Cllr Ian Ross said it should be possible to incorporate the work of the Forum's Working Groups into the new Agreement.

In relation to disadvantaged communities, Stuart Black advised that he had visited Vertex in Dingwall and they were promoting remote working in the Seaboard villages to help disadvantaged communities. He also advised that the Caithness & North Sutherland Regeneration Partnership was looking at community benefits from renewables and how young unemployed people can take advantage of opportunities.

Cllr Ian Ross asked Stuart Black and Carron McDiarmid to work on a draft document to include the Forum's activities and circulate to Forum members in due course.

David Stewart advised that a report had been prepared on Vertex home working and that he will pass a copy to Carron McDiarmid.

Cllr Ian Ross asked that if Forum members had any more suggestions on this topic they should pass them to Kenny Macinnes for co-ordination.

## 8. Any Other Business

- David Richardson advised that the Federation of Small Businesses was launching a Real-Life Entrepreneur initiative in Inverness on Tuesday 29 November.

## 9. Date of Next Meeting

Following discussion it was agreed that the next meeting of the Forum would be held in March 2012 and Cllr Ian Ross advised that a date would be circulated in due course.

The meeting closed at 1555.

## Summary of Action Points

Action	Responsible person
Advise SDS of views on employer recruitment incentives	All
Investigate the possibility of compensating owners of buildings in poor repair to encourage them to carry out repairs and possibly use apprentices to undertake this work	Construction and Infrastructure Working Group
Distil key actions from Forum Working Groups	Kenny Macinnes/Steve Westbrook
Advise Steve Westbrook of interest in joining Working Groups	All
Update on Cities Strategy and role of Inverness	Stuart Black
Incorporate work of Forum Working Group into the Single Outcome Agreement	Stuart Black/Carron McDiarmid
Pass copy of Vertex home working report to Carron McDiarmid	David Stewart
Date of next meeting	Elaine Ball