HIGHLAND COUNCIL

CAITHNESS AND SUTHERLAND LOCAL DEVELOPMENT PLAN

MONITORING STATEMENT

October 2014 (v2.2)

(incorporating subsequent corrections to Section 13 to accurately reflect Section 12.3)

CAITHNESS AND SUTHERLAND LOCAL DEVELOPMENT PLAN

MONITORING STATEMENT

1 INTRODUCTION

The Highland Council is preparing a Caithness and Sutherland Local Development Plan (*CaSPlan, or the Plan, for short*) as the new, locally detailed land use plan to guide development. It is expected that the Plan will be adopted in 2016 and the vision will extend until 2035. We will be required to review the Plan at least every 5 years. The Plan will replace the Caithness Local Plan (2002) and the Sutherland Local Plan (2010), both as amended by the Highland-wide Local Development Plan adopted on 5th April 2012. It will operate alongside the Highland-wide Local Development Plan and various Supplementary Guidance documents.

This monitoring statement provides part of the analysis of the performance of the current development plan and, where appropriate, the immediate predecessor development plan and it conforms to Planning Circular 6/2013: Development Planning. It does not attempt to cover every single aspect of the Plan as a wide range of additional reports, plans and strategies are available. It uses the best available, consistent, long term information covering the currency of these Plans and concentrates on the most important outcomes of the previous Local Plans such as population, housing and the economy. It should be noted that whilst this monitoring statement is being published alongside the CaSPlan Main Issues Report (MIR), the information in it has been gathered over a period of time to inform recent preparation of the MIR and, as such, the information may not be the most up-to-date available as at the publication date of October 2014.

Although the Monitoring Statement primarily sets out the evidence base for the MIR, the Appendix includes a brief analysis of the Preferred Sites identified in the CaSPlan MIR.

If you have any queries on this document please contact Cameron Thomas, Research Officer, on 01463 702507 cameron.thomas@highland.gov.uk

2 LINKS TO OTHER DOCUMENTS

The preferred vision and strategy for the Plan is based on the identification of four outcomes. These outcomes are based directly on the priorities which the Council and community planning partners have agreed with the Scottish Government through the Single Outcome Agreement (SOA) 3. Highland's Single Outcome Agreement identifies areas for improvement and aims to deliver better outcomes for the people of the Highlands and Scotland through specific commitments made by the Council, its community planning partners and the Scottish Government. The table below broadly sets the four overarching outcomes (and the four MIR topics) in the context of the Scottish Government's Planning Vision and the themes of SOA3. It should be noted that the four outcomes have been arrived at following their development and refinement in discussion with a number of partner organisations representing the Caithness and Sutherland area.

<table>
<tr><td>Scottish Government Planning Vision</td><td colspan="8">We live in a Scotland with a growing, low carbon economy with progressively narrowing disparities in well-being and opportunity. It is growth that can be achieved whilst reducing emissions and which respects the quality of environment, place and life which makes our country so special. It is growth which increases solidarity – reducing inequalities between our regions. We live in sustainable, well-designed places and homes which meet our needs. We enjoy excellent transport and digital connections, internally and with the rest of the world.</td></tr>
<tr><td>Highland Community Planning Partner's SOA3</td><td>Economic recovery and growth</td><td>Employment</td><td>Early years</td><td>Safer and stronger communities</td><td>Health inequalities</td><td>Physical activity</td><td>Outcomes for older people</td><td>Environment</td></tr>
<tr><td>CaSPlan Vision</td><td colspan="2">A strong and diverse economy characterised by a renowned centre for renewable energy, world class engineering, traditional land and sea based industries and a tourist industry that combines culture, history and adventure</td><td colspan="2">A network of successful, sustainable and socially inclusive communities where people want to live, which provide the most convenient access to services, education, training and employment and are the primary locations for inward investment.</td><td colspan="2">Enhanced communications, utilities and transport infrastructure that support communities and economic growth, with development anchored to existing or planned provision.</td><td colspan="2">High quality places where the natural, built and cultural heritage is celebrated and valued assets are safeguarded.</td></tr>
<tr><td>MIR Topics</td><td colspan="2">Employment</td><td colspan="2">Growing Communities</td><td colspan="2">Connectivity and Transport</td><td colspan="2">Environment and Heritage</td></tr>
</table>

A number of other documents and information sources are available to support the Development Plan process. The Monitoring Statement for the Highland-wide Local Development Plan looks at the performance of the 2001 Highland Structure Plan and is available at:

HwLDP Monitoring Statement

The Highland Housing Need and Demand Assessment August 2009 gives the current and future requirement for the ten housing market areas in Highland and is the basis for the analysis which follows:

Housing Need and Demand Assessment

The Strategic Environmental Assessment Scoping Report for the CaSPlan contains baseline information and maps and is available at:

SEA Scoping Report

and we have now published the Environmental Report available at:

www.highland.gov.uk/casplan

The Wick and Thurso Charrettes provided opportunity for those communities to identify and explore issues of importance to them, prepare visionary masterplans for the towns and begin working on an outline vision for the wider area. The Executive Summary of the charrettes report is included in the Appendix to this Monitoring Statement and the full Charrettes Report is available at:

Wick and Thurso Charrettes

A Call for Sites and Ideas exercise was undertaken to feed into CaSPlan; the suggestions received are available at:

www.highland.gov.uk/casplan

A Call for Sites and other work undertaken as part of the North Highland Onshore Vision (growth strategy for the marine renewables sector) also feeds into CaSPlan; information is available at:

North Highland Onshore Vision

Other key documents include:

a) Highland's Housing Land Audit 2010:

Housing land Audit

b) Profiles of our 22 Wards:

Ward Profiles

c) Unemployment and Benefits information

d) 2013 based School Roll Forecasts for Highland

e) Various Highland Facts and Figures, including Briefing Notes on a range of topics, including those available at:

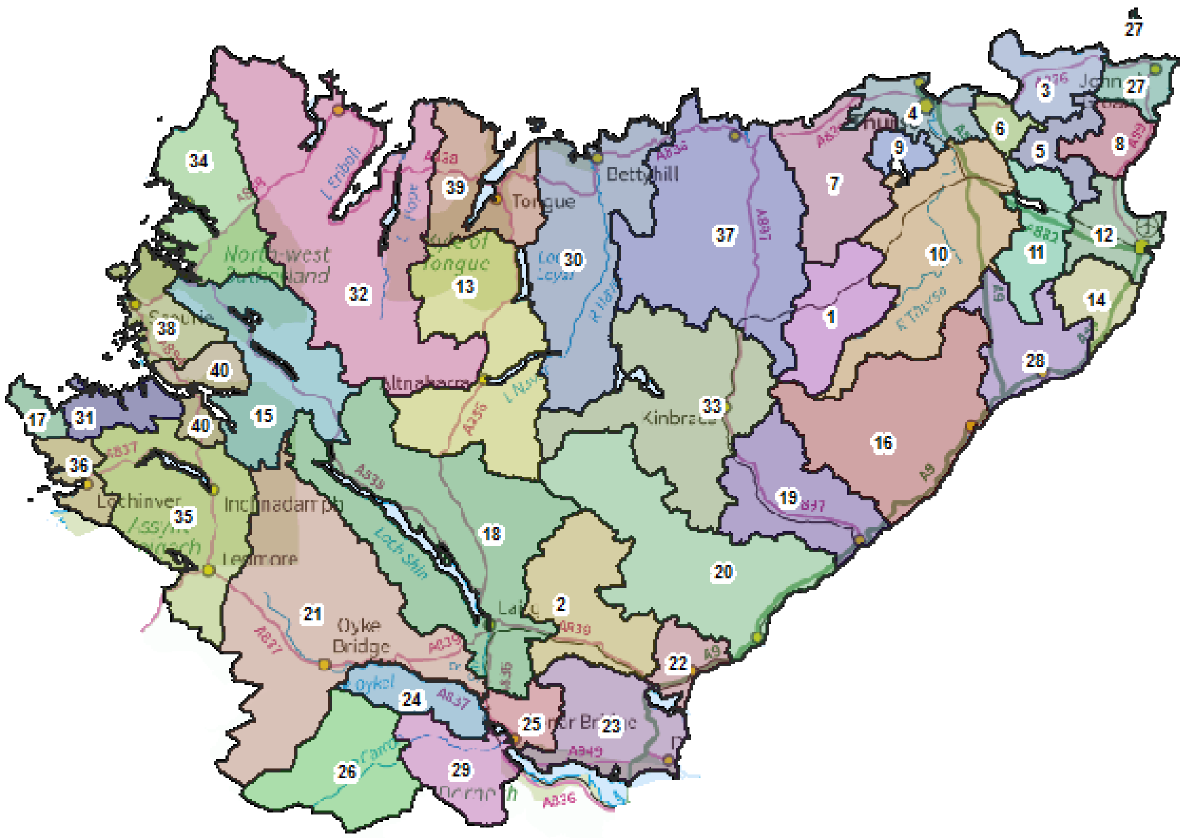
Highland Facts and Figures

3 OVERVIEW OF THE CAITHNESS AND SUTHERLAND PLAN AREA

Around 40,000 people – 17% of the Highland population – live in the Plan area, which covers 7,876 sq kms (10% of the land area of Scotland). Taken overall the population density is 5.1 people per sq km – which compares with averages of 8.7 for Highland and 67.4 for Scotland – but Sutherland is the most sparsely populated area of Scotland with only 2.2 people per sq km. The table below shows that Thurso and Wick are the only sizeable towns in the Plan area. A smaller settlement such as Tongue has not been identified in our HwLDP as a service centre, but can play an important part in delivering services in a sparsely populated rural community despite having a population of less than 100 people.

Settlements in the Plan Area		
Settlement	**HwLDP Settlement Status**	**Population**
Thurso	Sub-regional Centre	7,340
Wick	Sub-regional Centre	6,770
Golspie	Sub-regional Centre	1,410
Dornoch	Sub-regional Centre	1,310
Brora	Sub-regional Centre	1,210
Halkirk	-	940
Castletown	-	860
Helmsdale	Sub-regional Centre	503

Lairg	Local Centre	486
Bonar Bridge	-	457
Lochinver	-	353
Kinlochbervie	Local Centre	182
Durness	Local Centre	139
Bettyhill	Local Centre	129
Tongue	-	91
Melvich	-	66
Population source: National Records of Scotland mid 2010 Population Estimates for Settlements, and Highland Council Settlement Development Area Populations 2011.		



1	Altnabreac	9	Lieurary	17	Stoer	25	Bonar Bridge	33	Kinbrace
2	Rogart	10	Halkirk	18	Lairg	26	Croick	34	Kinlochbervie
3	Dunnet	11	Watten	19	Helmsdale	27	John O'Groats	35	Lochassynt
4	Thurso	12	Wick	20	Brora	28	Lybster	36	Lochinver
5	Bowermadden	13	Altnaharra	21	Rosehall	29	Ardgay	37	Melvich
6	Castletown	14	Thrumster	22	Golspie	30	Bettyhill/Farr	38	Scourie
7	Reay	15	Achfary	23	Dornoch	31	Drumbeg	39	Tongue
8	Keiss	16	Dunbeath	24	Culrain	32	Durness	40	Unapool

Settlement Zones

1:750,000

10 5 0 10 Kilometers

1 cm = 7,500 metres

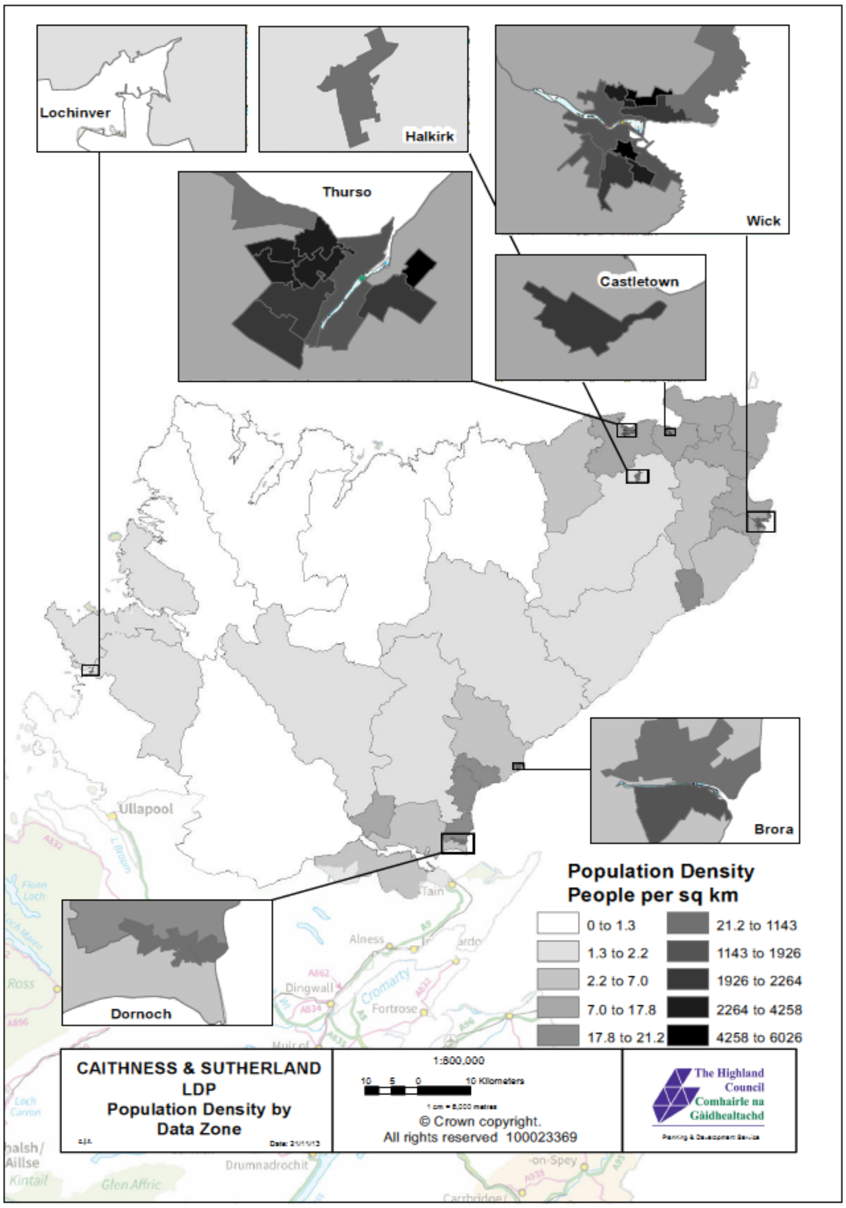
The Highland Council
Comhairle na Gàidhealtachd

Planning & Development Service

4 POPULATION

4.1 Current Population

The map below shows the population density, by datazone, across the Plan area. It shows that parts of the area are very sparsely populated with as few as one person per square kilometre. Throughout most of Sutherland, the population is concentrated in areas of flat land in valley bottoms and along the coastal strip, with the majority of the area virtually uninhabited whereas the rural population of Caithness is more evenly distributed.



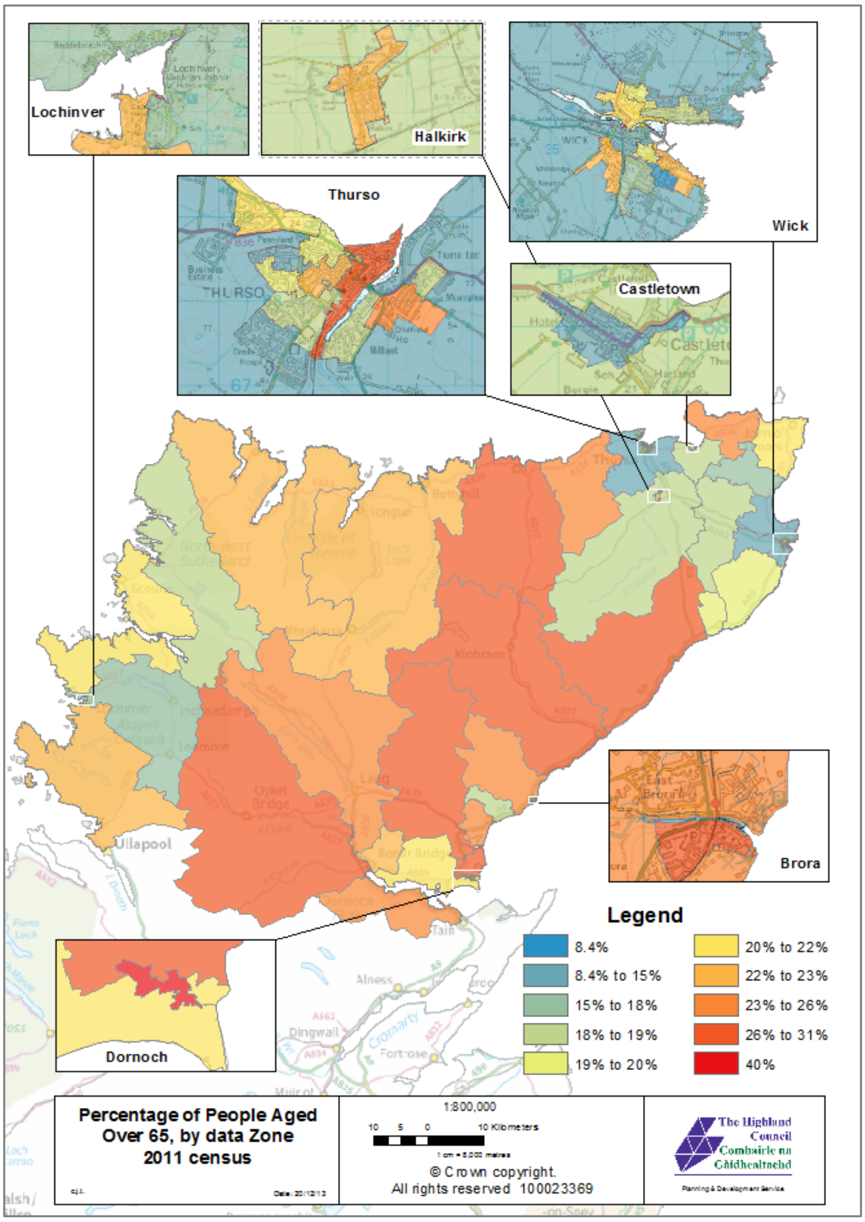
4.2 The Age Profile of the Current Population

Highland has a population which is “older” than that of Scotland overall with a lower percentage of people aged under 45 and a correspondingly higher percentage aged 45 and above. Sutherland is often quoted as being one of the most unbalanced populations in Scotland, but Caithness has a younger age profile. The net result is that the Plan area has a population which is older than that of both Highland and Scotland overall as shown in the table below.

CaSPlan AREA TOTAL POPULATION BY AGE GROUP, 2011 Census as a percent of the total population				
	CaS	**CaS**	***Highland***	***Scotland***
	Number	**Percent**	***Percent***	***Percent***
0 to 15	6,667	16.5	17.8	17.3
16 to 44	12,453	30.9	33.7	38.4
45 to 64	12,571	31.2	30.0	27.5
65 to 74	4,832	12.0	10.3	9.1
75+	3,807	9.4	8.3	7.7
All Ages	40,330	100.0	100.0	100.0
Source: Highland Council based on National Records of Scotland, 2011 Census				

These average figures mask local variation and this is shown in the table and map below. The table shows that East Sutherland and Edderton Ward has the lowest percentage of children and the highest percentage of retired people, and that Wick has the highest percentage of children and lowest percentage of retired people. The relatively low percentage of people aged 75 plus in Wick is influenced by low life expectancy, particularly in the deprived areas. The map shows that the percentage of retired people varies from around 10% in parts of Caithness to 40% in Dornoch West.

Age Profile of Wards in the Plan Area						
Ward	**0 to 15**	**16 to 44**	**45 to 64**	**65 to 74**	**75+**	**All people (100%)**
East Sutherland & Edderton	15.4	26.8	31.5	14.1	12.2	7,916
Landward Caithness	17.2	30.8	32.4	12.1	7.6	11,770
North, West and Central Sutherland	15.0	25.9	35.6	13.3	10.1	5,928
Thurso	16.4	34.6	28.2	10.8	10.0	7,762
Wick	18.2	35.7	28.3	9.5	8.3	6,954
CaSPlan Area	**16.5**	**30.9**	**31.2**	**12.0**	**9.4**	**40,330**
Highland	*17.8*	*33.7*	*30.0*	*10.3*	*8.3*	*232,132*
Scotland	*17.3*	*38.4*	*27.5*	*9.1*	*7.7*	*5,295,403*
Source: Highland Council based on National Records of Scotland, 2011 Census						

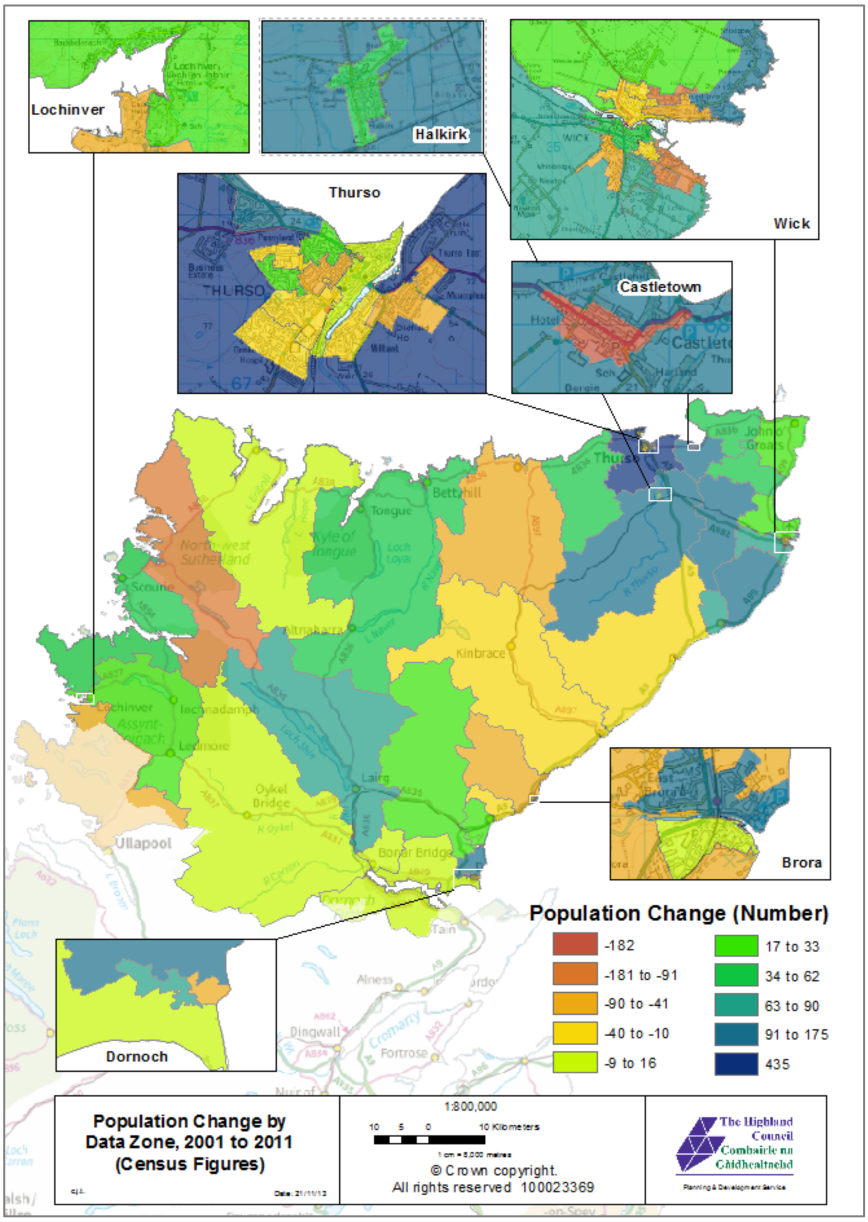


4.3 Population Change

In the decade between the 2001 and 2011 Censuses, the population of the Plan area grew by 1,312 people, an increase of 3.4% which compares with increases of 11.1% and 4.6% for Highland and Scotland respectively. Almost all of the population increase was in Landward Caithness which saw an increase in all age groups, with the exception of a marginal fall in the 16 to 44 age group. All other wards saw a broadly similar pattern with significant population reduction in the under 44 age groups, and an increase in the older age groups.

Ward	0 to 15	16 to 44	45 to 64	65 to 74	75+	All people	All people %
East Sutherland & Edderton	-109	-179	225	167	183	287	**3.8**
Landward Caithness	41	-81	719	392	182	1,253	**11.9**
North, West and Central Sutherland	-165	-271	336	134	57	91	**1.6**
Thurso	-237	-350	236	50	231	-70	**-0.9**
Wick	-271	-279	266	-16	51	-249	**-3.5**
CaSPlan Area	**-741**	**-1,160**	**1,782**	**727**	**704**	**1,312**	**3.4**
Highland	*509*	*1,610*	*12,843*	*4,406*	*3,844*	*23,212*	**11.1**
Scotland	*-54,043*	*-11,296*	*213,389*	*35,150*	*48,003*	*231,203*	**4.6**
Source: Highland Council based on National Records of Scotland, 2001 & 2011 Censuses							

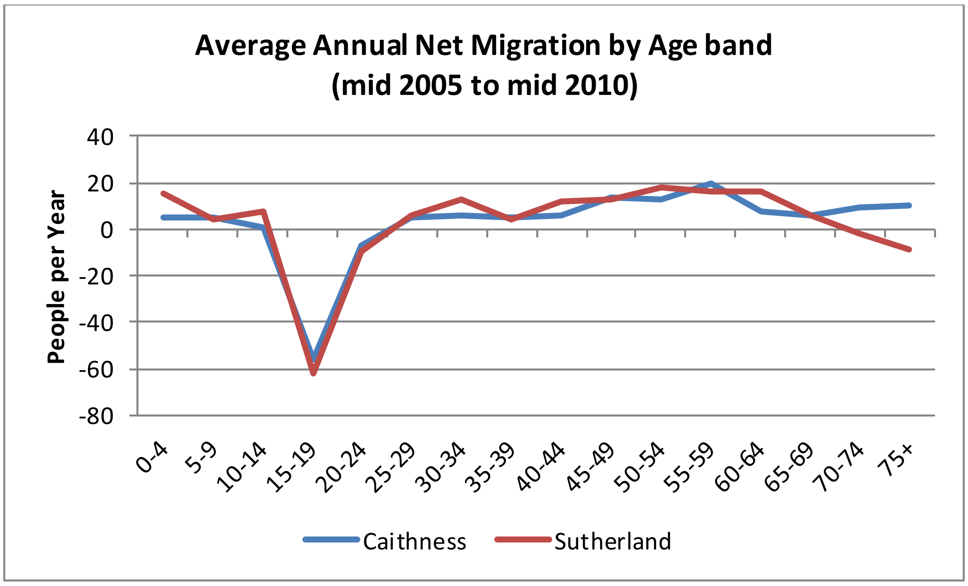
The map below gives a local picture of population change, by datazone. It shows that the area experiencing the fastest rate of population growth was the rural area immediately around Thurso, and to a lesser extent the area extending from here to the south east towards Wick, with significant decline in Castletown and Kinlochbervie (the latter is discussed in the section on employment, below). In general the population of Thurso and Wick fell in all areas except those that saw reasonable numbers of new houses built during the decade (Scrabster and Broadhaven respectively).



4.4 Migration to and from the Plan Area

During each year between 2001 and 2011 the number of deaths exceeded the number of births, with an average deficit of 120 per year over the period, albeit that the birth rate rose from 2007 onwards in line with national trends and the deficit was lower towards the end of the decade. Given that the overall population profile is ageing, and the number of mothers of child bearing area is falling, the deficit can only increase, and the population of the Plan area will fall unless people are attracted to move into the area.

During the five year period from mid 2005 to mid 2010 the number of people moving into the Plan area exceeded the number of people moving out, with Caithness gaining an average of 50 per year and Sutherland gaining 48 per year. The chart below shows the age profile of the net migrants. In common with the rest of Highland the Plan area loses young people in the 15 to 19 age group and gains in the other age groups, particularly 45 to 65 year olds. Historically, Caithness has seen a larger net gain in younger working age groups (25 to 44) but outward migration has increased in this group in recent years with inward migration staying relatively constant.



Source: National Records of Scotland

5 HOUSING - BACKGROUND

5.1 Housing Market Areas (HMAs)

Highland's Housing Need and Demand Assessment shows that there are two Housing Market Areas in the Plan area: Caithness and Sutherland. Within Caithness, the road distance between the two main towns of Thurso and Wick is only 20 miles, travel to work data from the 2001 Census shows that the major employer at Dounreay draws workers from across the area, and the rural population from Dunbeath northwards to Wick and Thurso then west to Melvich has an even spatial distribution, all suggesting that Caithness operates as a robust single market area. Sutherland is made up of a number of remote rural communities and the distances between them, difficult travelling conditions in bad weather and lack of public transport mean that the area is made up of a number of self-contained smaller sub markets and we need to make sure that the local housing requirement can be met locally.

5.2 Housing Stock

In September 2013 there were 20,904 houses in the Plan area and the table below gives a breakdown by Ward based on the most recent information available. It shows that in Thurso and Wick around a third of the housing is affordable stock (either Council or Housing Association) but the percentage of affordable housing is lower than the Highland average in the rural Wards. Private renting is less common than in Highland overall. Landward Caithness has the highest percentage of vacant stock in

Highland, and the high percentage of second / holiday home in North, West and Central Sutherland contribute to a pressured local housing market.

A more detailed table giving the stock within each settlement is available as Table 1 in the Appendix.

Housing Stock in the Plan Area, by Ward								
		Percent of Total Stock						
Ward	All Properties (1)	2nd or Holiday Homes (1)	Vacant (1)	Affordable - Housing Association (2)	Affordable - Council (3)	Private Rented (4)	HMO - No of Properties (4)	HMO - No of Licenced Occupants (4)
East Sutherland and Edderton	4,220	6.7	3.4	3.2	12.5	6.7	5	47
Landward Caithness	5,832	2.9	7.2	0.2	9.9	5.8	0	0
North, West and Central Sutherland	3,547	13.4	4.5	1.7	11.2	6.0	1	8
Thurso	3,815	0.6	2.4	15.2	15.4	6.1	1	35
Wick	3,490	1.2	4.4	6.5	27.3	4.8	0	0
CaSPlan Area	**20,904**	**4.8**	**4.6**	**4.8**	**14.6**	**5.9**	**7**	**157**
Highland	***111,653***	***4.1***	***2.9***	***6.0***	***12.2***	***8.1***	***248***	***2045***
Source: (1) Council Tax records September 2013 (2) Highland Council April 2012 (3) Highland Council Records Dec 2013 (4) Highland Council licensing records, 2011 Census day snapshot								

6 PLANNING PRESSURE

The table below gives a simple measure of planning activity affecting domestic homes and looks at the number of applications of all types – from (eg) simple new porches to major extensions and new houses – during the ten years from 2003 to 2012. It shows that activity fell during the second half of the decade, probably as a result of the economic downturn, and that there was significantly more activity Landward Caithness and North West & Central Sutherland.

Planning Applications in the Plan Area by Ward 2003 to 2012				
Ward	2003 to 2007	2008 to 2012	10 Year Total	Index (Applications per House)
East Sutherland And Edderton	1,063	725	1,788	0.42
Landward Caithness	2,000	1,731	3,731	0.64
North West And Central Sutherland	1,296	981	2,277	0.64
Thurso	511	272	783	0.21
Wick	498	364	862	0.25
CaSPlan area	5,368	4,073	9,441	0.45
Source: Highland Council records				

7 NEW HOUSE COMPLETIONS 2000 to 2012

7.1 New House Completions

The table below shows that 2,050 new homes were built in the Plan area between 2000 and 2012, an average of 158 per year. There were 230 completions in the peak year of 230, more than double the number in the lowest years of 2000 and 2012 (96 and 103 respectively).

Number of New Homes Built in the Plan Area by Ward, 2000 to 2012						
	East Sutherland and Edderton	**Landward Caithness**	**North, West and Central Sutherland**	**Thurso**	**Wick**	**CaSPlan area**
2000	12	30	23	21	10	**96**
2001	16	41	21	34	5	**117**
2002	18	34	32	41	19	**144**
2003	16	40	21	24	20	**121**
2004	18	41	27	41	26	**153**
2005	39	57	20	31	15	**162**
2006	25	68	42	27	43	**205**
2007	30	80	27	55	38	**230**
2008	65	62	31	31	29	**218**
2009	48	73	30	31	5	**187**
2010	44	56	26	31	21	**178**
2011	19	55	19	8	35	**136**
2012	13	54	16	16	4	**103**
All Years	**363**	**691**	**335**	**391**	**270**	**2,050**
% Increase in Stock	**9.4**	**13.4**	**10.4**	**11.4**	**8.4**	**10.9**
Source: Highland Council Records						

Table 2 in the Appendix gives a detailed analysis on the location of new house completions by settlement zone, and a summary for the plan area is given in the table below. It shows that, out of 2,111 completions from 2000 to Sept 2013, 36% were on allocated sites within Settlement Development Areas (SDAs) with a further 1.1% on allocated sites outwith SDAs, leaving 63% of all completions that were effectively windfall (ie on sites not allocated in Local Plans). The majority of completions in Thurso and Wick were on allocated sites (74% and 62% respectively) but the position in other settlements was variable with no particular trends with the size or location of settlement.

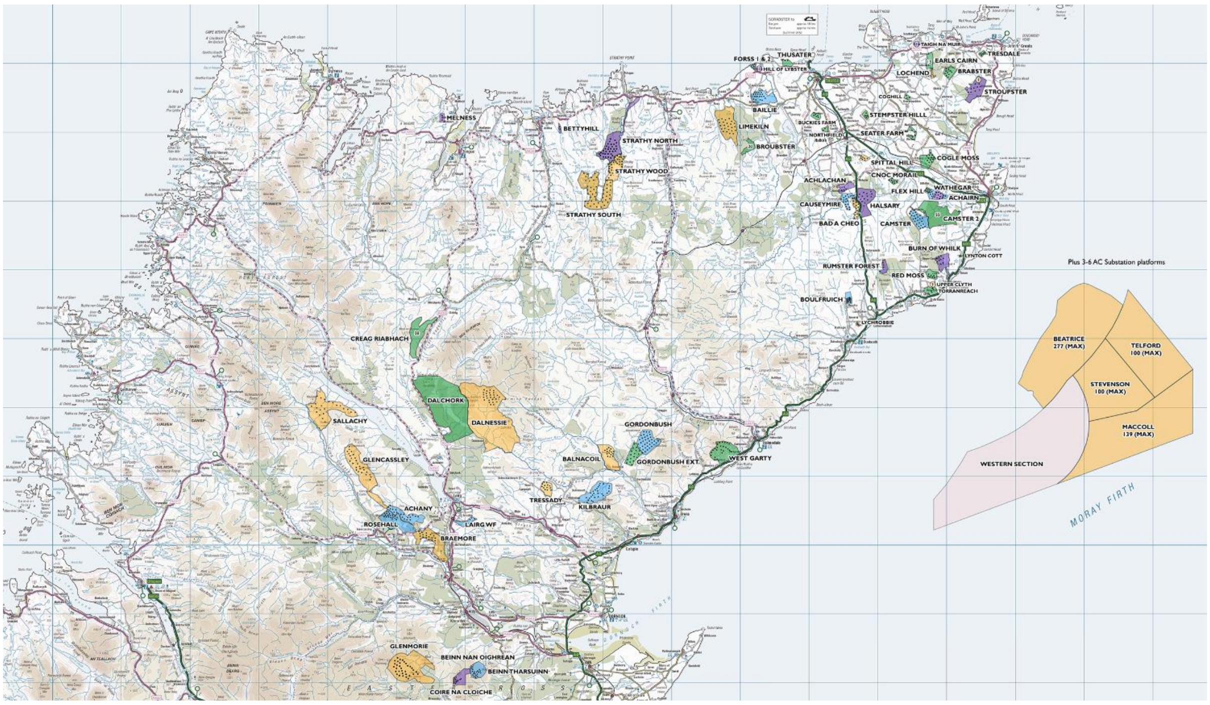
Planning Status of New Homes Built in the Plan Area 2000 to 2012					
	All Completions	Completions on an Allocated Local Plan Site and Within a Settlement Development Area	Completions Within a Settlement Development Area but not on a Local Plan Site	Completions on a Local Plan Site but not Within a Settlement Development Area	Completions not on an Allocated Local Plan Site and Outwith a Settlement Development Area
Number of Completions	2,111	754	563	24	770
Percentage of All Completions	100	35.7	26.7	1.1	36.5
Source: Highland Council records					

8 RENEWABLE ENERGY - WINDFARMS

Table 3 in the Appendix gives details of strategic windfarm schemes (for single or multiple turbines) where the proposed turbine overall height exceeds 70 meters. This is summarized below and shows that we have 17 operational schemes[1] with a further 12 approved and 15 in the planning process under consideration[2]. The map shows that the schemes are mainly in the north and east, close to the existing electricity supply grid.

Status	Number of Schemes	Number of Turbines	Total Capacity (MW)
Operational	17	221	436
Approved	10	88	187
Approved - under construction	2	21	55
In planning	7	46	110
In planning S36	8	221	701
Planning refused	1	13	33
Scoping opinion requested	21	238	641

[1] Extensions considered under a separate planning application are classed as a separate scheme.
[2] "in planning" are schemes being determined by the Council, "In planning S 36" are being determined by Scottish Ministers.



9 HOUSE SALES

9.1 Affordability

The Scottish Government's Centre for Housing Market Analysis supplies the Council with an annual data pack containing:

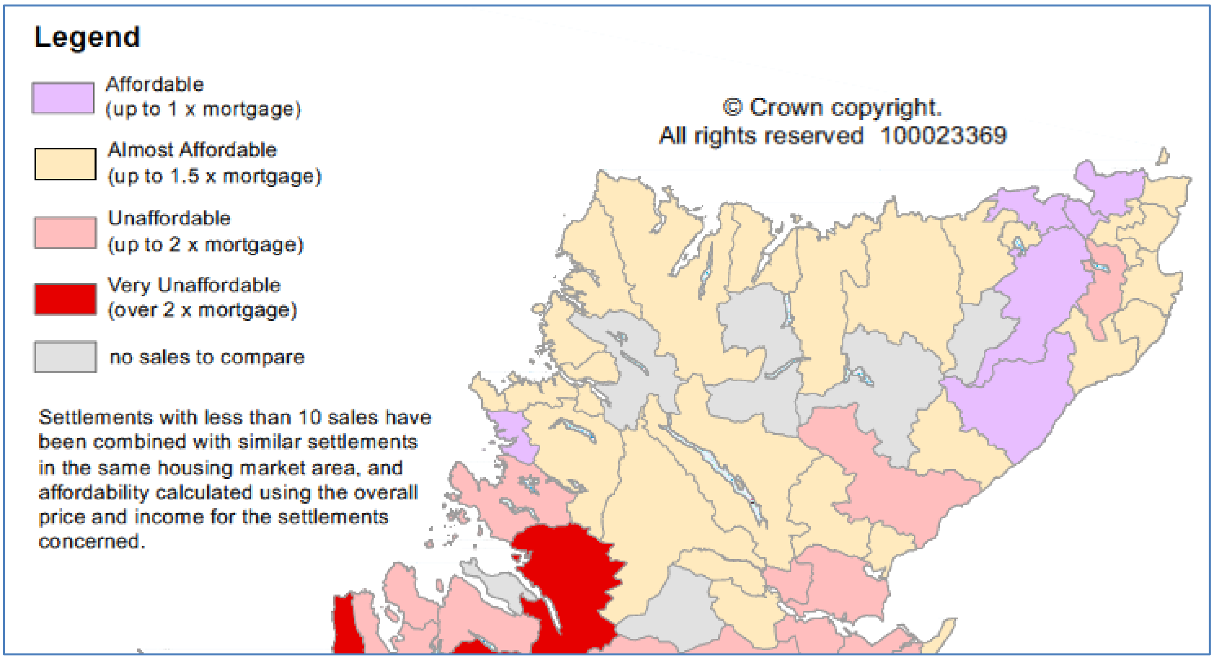
- Information on each house sale in Highland giving the type of sale, location of the house, the origin of the buyer and the sale price (from the Registers of Scotland *LandVals* data); and
- Information on household incomes, by *intermediate zone*[3], from the Paycheck dataset marketed by CACI. (More information on income is given later).

Income date for intermediate zones can be converted to the equivalent for other more meaningful geographic areas through the use of computer based mapping, albeit with some loss of accuracy, and compared with typical house prices to produce a measure of affordability.

The map below shows gives an indication of the affordability new and second hand houses sold on the open market, based on sales during 2009 and 2010. It measures affordability using the recognized technique of calculating the ratio between the lower quartile house price and the median household income in the area, and assuming that a responsible lender would offer a mortgage of 2.9 times the household income. On this basis, most of the Plan are would be classed as either affordable or nearly affordable, with unaffordable housing confined to Watten, Brora, Dornoch and Bonar Bridge. However, the measure was devised before the onset of the 2008 credit crunch, and subsequent tightening of mortgage availability means

[3] Standard geographical areas containing between 2,500 and 6,000 people.

that most lenders now require a deposit of at least 25% of the sale price on a conventional mortgage package. Within the Plan area this would require a deposit of around £20,000 and this extra burden means that all areas are less affordable than indicated here.



The table below gives the number of open market sales during 2010 and 2011, and the average sale price, in each ward. It shows that there were 651 open market sales of second hand houses during the period, but only 33 sales of new houses[4]. The average second hand and new price were each well below the Highland average.

Open Market House Sales in the Plan Area, 2010+2011				
Ward	**2nd Hand Average Price £**	**Number of Second Hand Sales**	**New Build Average Price £**	**New Build Sales**
East Sutherland and Edderton	£159,542	120	£129,416	12
Landward Caithness	£121,063	163	£122,000	4
North, West and Central Sutherland	£140,537	98	£145,000	1
Thurso	£95,543	149	£114,465	14
Wick	£100,810	121	£110,500	2
CaSPlan Area	£121,482	651	£121,500	33
Highland	£170,819	4,272	£185,377	508

9.2 The Origin of House Buyers

The section above on migration can be complemented at a slightly more local level by information on the origin of house buyers. Given that incomes in Highland are lower than both the Scotland and UK averages, migrants from elsewhere often bring high levels of equity from the sales of previous houses which gives them greater

[4] This is a surprisingly low number and might be due to mis-coding in the sales records

purchasing power than existing residents, contributing to a stressed market. The table below shows the origin of all buyers during the calendar years 2007 to 2011, and is given in greater detail by settlement zone in Table 4 in the Appendix:

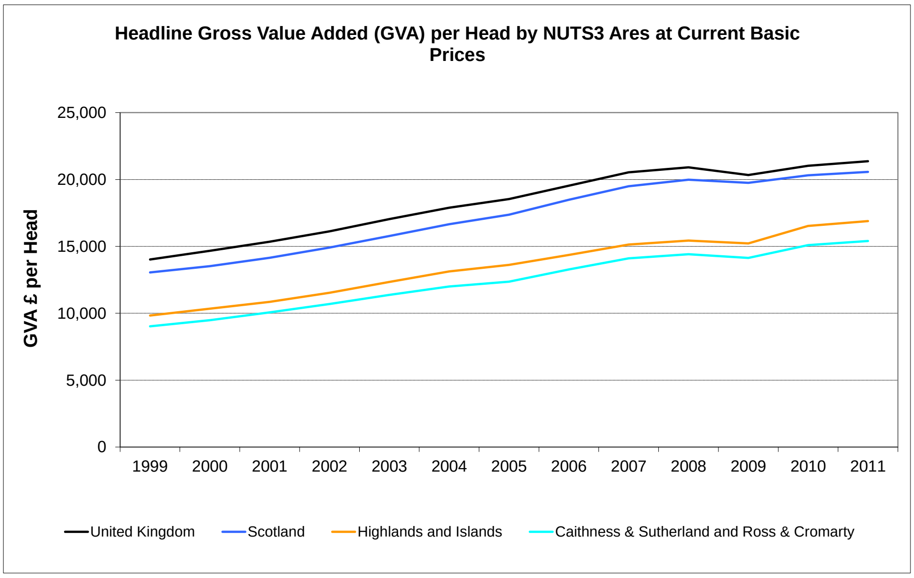
- 42% of houses in **East Sutherland and Edderton** were sold to buyers from Sutherland: 62% were sold to buyers from within Highland and 29% to buyers from the rest of Scotland and the UK.
- 54% of houses in **Landward Caithness** were sold to buyers from Caithness; 64% were sold to buyers from within Highland and 30% to buyers from the rest of Scotland and the UK.
- In common with much of the west coast and Skye, **North West and Central Sutherland** is popular with buyers from outwith Highland (47% of sales) and only 23% to buyers from within Sutherland, 42% to buyers from within Highland.
- **Thurso** and **Wick** are the most contained local markets in Highland with 80% and 86% respectively to buyers from within Caithness: 88% in each case to buyers from within Highland.

Origin of House Buyers 2007 to 2011					
	Ward of House Bought				
Origin of House Buyer	**East Sutherland And Edderton**	**Landward Caithness**	**North West And Central Sutherland**	**Thurso**	**Wick**
Rest of Scotland	13.1	13.3	21.0	6.4	5.4
Rest of UK	16.1	17.1	26.3	3.4	3.3
Overseas	1.3	0.4	1.3	0.0	0.5
Badenoch and Strathspey	0.0	0.4	2.2	0.6	0.0
Caithness	0.5	53.6	3.2	80.3	85.9
East Ross	8.0	0.9	4.1	0.6	0.5
Inverness	5.1	2.1	3.8	1.2	1.3
Lochaber	0.5	0.5	0.3	0.2	0.0
Mid Ross	2.7	1.2	1.6	0.4	0.3
Nairn	1.6	0.4	1.0	0.0	0.3
West Ross	0.3	0.4	2.9	0.4	0.0
Skye and Lochalsh	0.8	0.5	0.0	0.0	0.0
Sutherland	42.1	3.7	22.5	4.2	0.3
Highland Total	**61.7**	**63.7**	**41.6**	**87.9**	**88.4**
Unknown	7.8	5.5	9.8	2.2	2.3
All Sales (100%)	**373**	**562**	**315**	**497**	**389**
Source: Registers of Scotland and University of West of Scotland LVIU					

10 THE ECONOMY OF THE PLAN AREA

The economy of Highland has traditionally been based on primary industries such as agriculture; fishing and forestry; seasonal tourism; and the public sector. It has generally not had a strong wealth-generating manufacturing sector, nor has it seen the strong growth in the service sector over the last two decades which has characterised growth in the UK and Scotland in particular through financial services. As a result our economy does not perform as well as the Scotland economy, measured in traditional terms such as GDP per head.

The smallest local scale for which economic performance is published is NUTS3[5] areas, and can be measured as GVA[6] per head. The Plan area is part of the Caithness, Sutherland and Ross & Cromarty NUTS3 area and probably contributes around half of the total output of the NUTS3 area. The chart below shows that GVA per head is typically around three quarters of the average for Scotland, and around 10% lower than the average for the Highlands and Islands.



10.1 Employment

The current profile of jobs in the Plan Area is given in the table below together with a Highland and Scotland comparison. In order to make use of recently published results from the 2011 Census, these are residence based figures: that is, they relate to the employment of people living in the area rather than the jobs in the area[7]. The latter figures may be higher given the number of specialists employed at Dounreay, often on a short term basis.

[5] Standard geographic areas used for European statistics “Nomenclature of Units for Terrestrial Statistics”.
[6] Gross Value Added: the difference between the value of goods and services produced and the cost of raw materials and other inputs which are used up in production.
[7] Workplace based figures are expected to be among the later releases of Census results.

Jobs in the Plan Area by 2007 Standard Industrial Classification (broad groups)								
Industry	**East Sutherland And Edderton**	**Landward Caithness**	**North, West And Central Sutherland**	**Thurso**	**Wick**	**CaSPlan Area**	***Highland***	***Scotland***
A Agriculture, forestry and fishing	6.1	10.4	11.6	1.8	2.7	**6.6**	*4.3*	*2.0*
B Mining and quarrying	1.1	1.6	1.1	1.8	2.2	**1.6**	*1.2*	*1.4*
C Manufacturing	4.5	6.4	4.0	6.2	6.1	**5.6**	*5.7*	*7.7*
D Electricity, gas, steam and air conditioning supply	0.5	1.3	0.9	2.2	1.2	**1.3**	*0.8*	*0.8*
E Water supply, sewerage, waste management and remediation activities	1.7	4.0	1.2	6.3	3.9	**3.6**	*1.3*	*0.8*
F Construction	13.0	9.8	11.9	7.4	10.5	**10.3**	*9.8*	*8.0*
G Wholesale and retail trade, repair of motor vehicles and motorcycles	12.1	11.7	9.5	13.4	17.6	**12.9**	*14.9*	*15.0*
H Transport and storage	3.4	4.3	5.1	4.1	4.9	**4.3**	*5.0*	*5.0*
I Accommodation and food service activities	10.1	5.5	10.5	7.1	5.8	**7.5**	*9.1*	*6.3*
J Information and communication	1.8	2.3	1.9	4.0	1.9	**2.4**	*2.4*	*2.7*
K Financial and insurance activities	1.1	1.1	0.9	1.2	1.1	**1.1**	*1.3*	*4.5*
L Real estate activities	2.0	1.1	2.7	0.6	0.5	**1.3**	*1.3*	*1.2*
M Professional, scientific and technical activities	4.1	6.7	3.3	7.7	4.6	**5.5**	*4.5*	*5.2*
N Administrative and support service activities	3.7	3.3	3.5	4.6	3.9	**3.8**	*4.0*	*4.3*
O Public administration and defence, compulsory social security	5.5	7.8	5.4	9.3	6.7	**7.2**	*6.6*	*7.0*
P Education	7.7	7.0	8.8	8.0	6.7	**7.6**	*7.6*	*8.4*
Q Human health and social work activities	15.3	12.6	12.5	10.4	16.7	**13.4**	*15.2*	*15.0*
R, S, T, U Other	6.4	3.2	5.1	3.6	3.0	**4.1**	*4.9*	*4.9*
All people aged 16 to 74 in employment (100%)	3,337	5,207	2,899	3,961	3,516	**18,920**	*115,270*	*2,516,895*
Source: 2011 Census								

Dounreay is the dominant single employment site in the Plan area and a detailed analysis of the workforce, and an assessment of the impact of decommissioning, is given in a report[8] by Caithness and North Sutherland Regeneration Partnership. This shows that 2,470 people were employed at Dounreay in both 2005 and 2006, falling to 1,846 in 2010. The same report notes in its conclusion that:

[8] 2012 Socio-economic Impacts of Dounreay Decommissioning http://www.cnsrp.org.uk/wp-content/plugins/download-monitor/download.php?id=77

25. The results of the Dounreay Dependency Survey generally supports the view that companies in Caithness (that have undertaken work in the past/presently on Dounreay related projects) are now, compared to 2006, less dependent on Dounreay and more dependent on other markets including new markets that have diversified into over the past few years. The new markets tend to be associated with renewable energy.
26. Overall, the evidence supports the view that the local economy has to some degree reduced its dependency on Dounreay, diversified into new activities and is generally more confident about the future post-Dounreay. It is also the case that CNSRP has played a role in achieving these outcomes.

Discontinuities in the Annual Business Inquiry (ABI) and Business Register and Employment Survey (BRES), used to monitor the number of jobs, mean that it is difficult to give a reliable picture of changes through time without the 2011 Census workplace results. Using snapshots of ABI for 2003 and BRES for 2011 gives reasonably consistent information, and the table below shows that the number of jobs in the Plan area fell by 9% during the eight year period: a time when the number of jobs in Highland rose by 6%. Taking the figures for Landward Caithness and Thurso together (this effectively assumes that some large changes shown in the table below are due in part to an issue with recording the location of employment), the most significant reduction of 1,000 jobs has been in this area and may well be the result of Dounreay decommissioning.

Number of Jobs in the Plan Area, 2003 and 2011

	2003	2011	Change 2003 to 2011 (Number)	Change 2003 to 2011 (Percent)
East Sutherland and Edderton	2,700	2,800	100	1.9
Landward Caithness	2,600	4,700	2,200	84.3
North, West and Central Sutherland	1,600	1,500	-100	-5.4
Thurso	5,700	2,500	-3,200	-56.6
Wick	3,300	3,000	-300	-8.9
CaSPlan Area	**15,900**	**14,500**	**-1,400**	**-8.7**
Highland	94,600	99,900	5,300	5.6
Scotland	2,307,000	2,349,800	42,800	1.9

Source: Annual Business Inquiry 2003 and Business Register and Employment Survey 2011

The potential impact of Dounreay decommissioning is well documented but some smaller settlements also have a high dependency on single employers. The announcement in August 2014 of the potential closure of SERCO – with the loss of 21 jobs – follows similar closures at the Falls of Shin visitor centre and the GREAN recycling centre. At the time of preparing this statement the impact is still being evaluated but it adds the pressure on the A9 corridor through east Sutherland and Caithness, which has an elderly population and a high level of rural deprivation.

Results from the 2011 Census show that the percentage of full time jobs in the Plan area is lower than the average for both Highland and Scotland (71%, compared with 72% and 75% respectively). Part time working is usually regarded as a feature of rural areas but in the Plan area, Wick has the highest percentage of part time jobs, slightly higher than East Sutherland and Edderton (31.3% and 31.1% respectively). The percentage of people who are self employed in the Plan area is similar to the Highland average but the figure varies from 6% in Wick to 17% in North, West and Central Sutherland.

Full Time and Part Time Working in the Plan Area			
Ward	**% of Employees Who are Part-time**	**% of Employees who are Full-time**	**% of People Aged 16 to 74 Who are Self-employed**
East Sutherland And Edderton	31.1	68.9	12.5
Landward Caithness	28.2	71.8	13.5
North, West And Central Sutherland	29.3	70.7	16.5
Thurso	26.0	74.0	6.2
Wick	31.3	68.7	7.1
CaSPlan Area	**29.0**	**71.0**	**11.1**
Highland	27.7	72.3	11.0
Scotland	25.2	74.8	7.5
Source: 2011 Census			

Population figures from the 2001 and 2011 Censuses discussed earlier show that the population of the Kinlochbervie area has declined significantly. The economy of the area is linked to the fishing industry which experienced significant growth with construction of the port in the 1970s and a growth in activity through the 1980s but has declined since. The figures below for 2012 and 1997 show that although the tonnage landed at Kinlochbervie has declined since 1997 it's value in real terms (using RPI) has increased slightly. The number of people employed directly in the fishing industry in Kinlochbervie has declined slightly from 46 in 1997 to 40 in 2012. The population of neighbouring Lochinver has proved more stable despite a significant drop in the number of people employed, from 50 to 23 over the same period.

Fish Landings and Value, Kinlochbervie and Lochinver Fisheries Districts, 1997 and 2012		
	Total Landings (tonnes)	**Value (£'000)**
2012		
Kinlochbervie	8,388	£13,932
Lochinver	16,504	£31,940
1997		
Kinlochbervie	14,172	£14,681 (£10,117 at 2012 prices)
Lochinver	16,696	£21,969 (£14,952 at 2012 prices)
Source: Scottish Government Scottish Sea Fisheries Statistics Series		

Numbers of People Employed Directly in Fishing, Kinlochbervie and Lochinver Fisheries Districts, 1997 and 2012				
	Regular (Full Time)	**Irregular (Part Time)**	**Crofter**	**Total**
2012				
Kinlochbervie	39	0	1	40
Lochinver	19	2	2	23
1997				
Kinlochbervie	34	12	0	46
Lochinver	37	0	13	50
Source: Scottish Government Scottish Sea Fisheries Statistics Series				

10.2 Income

Highland's economic performance and jobs profile is reflected in wages which are lower than the UK and Scotland averages. The Annual Survey of Hours and Earnings (ASHE) shows that in 2012 the average annual wage for all jobs (full and part time) in the UK was £25,496 and in Scotland £24,450 (95.9% of UK), These compare with earnings in Highland of £21,674 (85.0% of UK and 88.6% of Scotland).

One estimate of local incomes available to us is from the CACI Paycheck figures for household income supplied to us by the Scottish Government for house affordability studies and used above. They show that in 2011 the average annual household income in the Plan area was £32.2k, lower than both the Highland average of £33.0k and the Scotland average of £34.6k. There is considerable variation within the Plan area with high incomes in Landward Caithness, and to a lesser extent at Thurso, reflecting the specialist skilled work at Dounreay but well below the Highland average in Wick and East Sutherland and Edderton.

Household Income in the Plan Area		
Ward	**% H-H Earning Less than £10k per Year**	**Average Annual Household Income**
North, West and Central Sutherland	19.1	£29,698
Thurso	17.1	£32,644
Wick	21.4	£28,487
Landward Caithness	13.8	£35,091
East Sutherland and Edderton	20.7	£28,815
CaSPlan Area	**18.1**	**£31,247**
Highland	16.3	£33,039
Scotland	16.5	£34,569
Source: Scottish Government / CACI Paycheck		

10.3 Deprivation

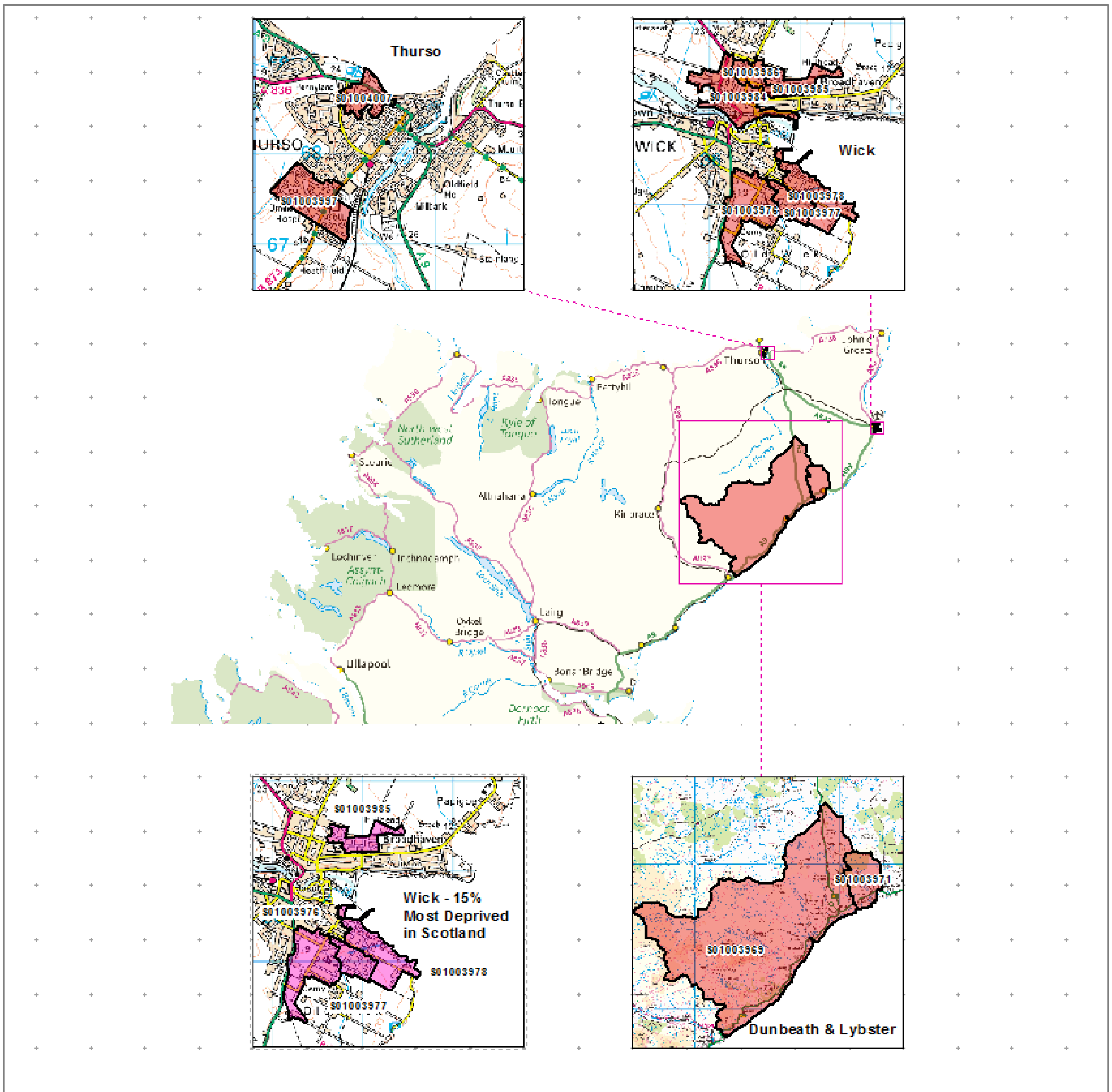
Unemployment, benefit uptake and deprivation are reported in detail on the Highland Council website for Highland overall, individual wards and data zones.

The Scottish Index of Multiple Deprivation 2012 (SIMD12) ranks all datazones in Scotland according to their level of multiple deprivation, based on seven domains[9], and provides a useful way of summarising unemployment and benefit dependency. Those datazones that are in the most deprived 15% in Scotland (national ranks 1 to 976) are recognised nationally as deprived and are candidates for regeneration funding. Four datazones in the Plan area are classed as multiply deprived according to SIMD12, as given in the table below.

Datazones in the Plan Area Which are Classed as Multiply Deprived According to SIMD12			
Ward	**Data Zone**	**Data Zone Name**	**SIMD 2012 Overall Rank in Scotland (1)**
Wick	S01003977	Wick Pultneytown South	**288**
Wick	S01003985	Wick Hillhead North	**404**
Wick	S01003976	Wick South	**578**
Wick	S01003978	Wick South Head	**918**
(1) Where rank 1 is the most deprived in Scotland, and rank 6,505 is the least deprived			
Source: Scottish Government; Scottish Index of Multiple Deprivation 2012			

These four nationally deprived datazones are shown in the bottom left inset box in the map below, which also shows those datazones that rank in the 15% most deprived in Highland. There are ten zones in this category: two in Thurso; six in Wick; and Dunbeath & Lybster.

[9] income, employment, health, education, housing, crime, geographic access to services



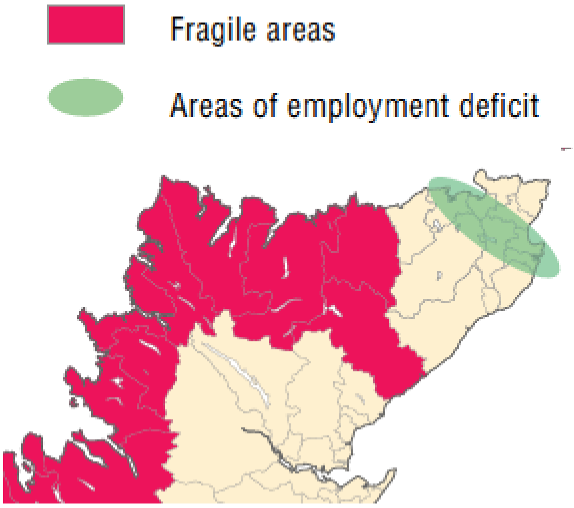
Scottish Index of Multiple Deprivation 2012
CAS Plan Area Datazones which are in the 15% Most Deprived in Highland

The Highland Council
Comhairle na Gàidhealtachd
Planning & Development Service

10.4 Fragile Areas

In addition to the deprived areas described above, Highlands and Islands Enterprise classes much of the north and west of Sutherland as fragile Areas – areas that may not be economically sustainable due to a combination of declining population, low population density, distance from services and low economic output – and Caithness as an area of employment deficit. Both attract targeted funding. The main vehicle for improving the economy of the area of employment deficit is the Caithness and North

Sutherland Regeneration Partnership[10], which aims to *maintain and if possible to increase the GDP of the Dounreay travel to work area by actively working to promote existing employment, encourage new employment and promote the area as an attractive location in which to live and work.*



Source: Highland and Islands Enterprise: Priority Areas, 2008

11 INFRASTRUCTURE AND SERVICES

11.1 Transport

The Caithness Internal Transport Connectivity Report[11] by AECOM for HITRANS and the Highland Council made the following conclusion and recommendations:

> *The key study findings are that the principal limitations to the movement of loads in Caithness are imposed by the physical layout of the roads and buildings in the town centre of Thurso, and to a lesser extent some route options in Wick. However, when the forecast future demands of the marine renewables sector are considered, it is found that these physical limitations would not place a constraint on the movement of components around the County.*
>
> *In order to secure maximum benefit for Caithness, and to minimise future adverse amenity impacts, the attention needs to be placed on:*
>
> - *Public and private sector working together to facilitate the development and expansion of the area's principal ports at Scrabster and Wick, recognising that this growth will be principally developer led and funded.*
> - *Allocation of industrial land in the forthcoming Development Plan in the immediate vicinity of the area's ports, and to the West of Thurso town centre.*
> - *Introduction of a Strategic Infrastructure Funding Process, that can help bring these potential sites to the market earlier than might be possible if they were entirely developer led and funded.*
> - *Ensuring that the external transport issues on the A9 are progressed, as well as seeking to improve the level of service offered by internal air connections to Caithness at Wick Airport, where led by customer demand.*

---

[10] Partners are Highlands and Islands Enterprise, The Highland Council, The Nuclear Decommissioning Authority, Skills Development Scotland, The Scottish Government, and Dounreay Site Restoration Ltd

[11] AECOM Caithness_Internal_Transport_Connectivity

11.2 Education

After two decades of declining birth numbers in throughout Highland, the number of births per year in Highland reached a low point in 2002 before beginning to increase again. Within the Plan area, births per year increased from 317 in 2002 to a peak of 404 in 2010 before falling slightly in 2011. This increase has been feeding through the education system with increasing rolls in nursery and primary schools, and is also about to result in an increase in secondary school rolls. However, it is set against a backdrop of generally ageing facilities designed to cater for the higher rolls experienced some time ago, with a result that the age, suitability and condition of our schools infrastructure is more of an issue than roll pressure.

At the meeting on 16th December 2010 the Highland Council agreed[12] to carry out a Highland-wide strategic review of our school estate aimed at giving our children the best possible education with an infrastructure that is sustainable and fit for purpose. This *Sustainable Schools Estate Review* is being delivered on a rolling basis across Highland. Within the Plan area, primary and secondary schools within Thurso have been reviewed and found to be generally suitable for current known needs. Within Wick, two new schools are being built to replace five current schools:

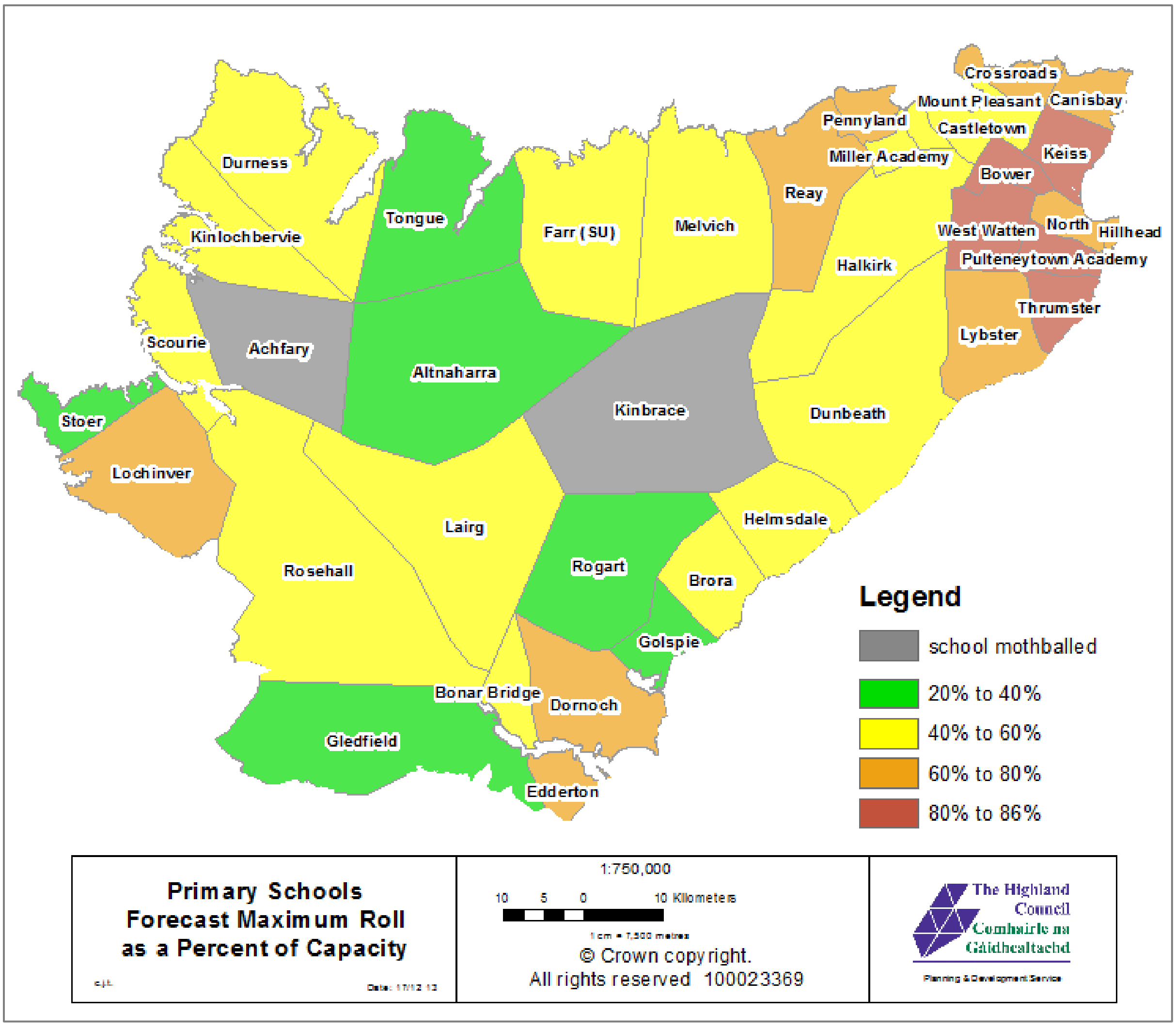
- South of the river, the Wick Campus incorporating a new 'South of the River' Primary School replacing Pulteneytown Academy and Wick South primaries, High School and East Caithness Community Facilities on the Wick High/Pulteneytown Primary School site. The target date for handover is February 2016 with the campus to open in April 2016.
- A new 'North of the River' Primary School to be built on the current North Primary School site, replacing North and Hillhead primaries. The target date is for the school to open in August 2015.

Future phases of the SSER will look at rural schools in the Plan area where condition, suitability and the match between roll and capacity will be key issues.

School roll forecasts are an important part of managing education provision and the school estate. Baseline school roll forecasts have been used as the basis for the discussion below. These are operational forecasts which aim to give the most likely future rolls as an aid to managing our schools and the school estate. They give rolls in each school which are consistent with the rate of population change that we expect to see, and the availability of land for new houses in the area.

Primary Schools. The map below shows how capacity of each primary school in the Plan area compares with the maximum roll forecast during the next 15 years, and is based on the current configuration in Wick. It shows that there are no anticipated roll pressures with the highest forecast occupancy of 86% (at the current Pulteneytown Academy primary) and four schools with an occupancy rate of greater than 80%, all in the Wick area. In some other schools the maximum roll is the current roll with a fall forecast for future years.

[12] http://www.highland.gov.uk/meetings/meeting/1220/highland_council


Crossroads
Mount Pleasant
Canisbay
Pennyland
Castletown
Keiss
Miller Academy
Bower
Durness
Reay
West Watten
North
Hillhead
Tongue
Kinlochbervie
Farr (SU)
Melvich
Pulteneytown Academy
Halkirk
Thrumster
Lybster
Scourie
Achfary
Altnaharra
Kinbrace
Dunbeath
Stoer
Lochinver
Helmsdale
Lairg
Rogart
Rosehall
Brora
Legend
school mothballed
20% to 40%
40% to 60%
60% to 80%
80% to 86%
Golspie
Bonar Bridge
Dornoch
Gledfield
Edderton
Primary Schools
Forecast Maximum Roll
as a Percent of Capacity
1:750,000
10 5 0 10 Kilometers
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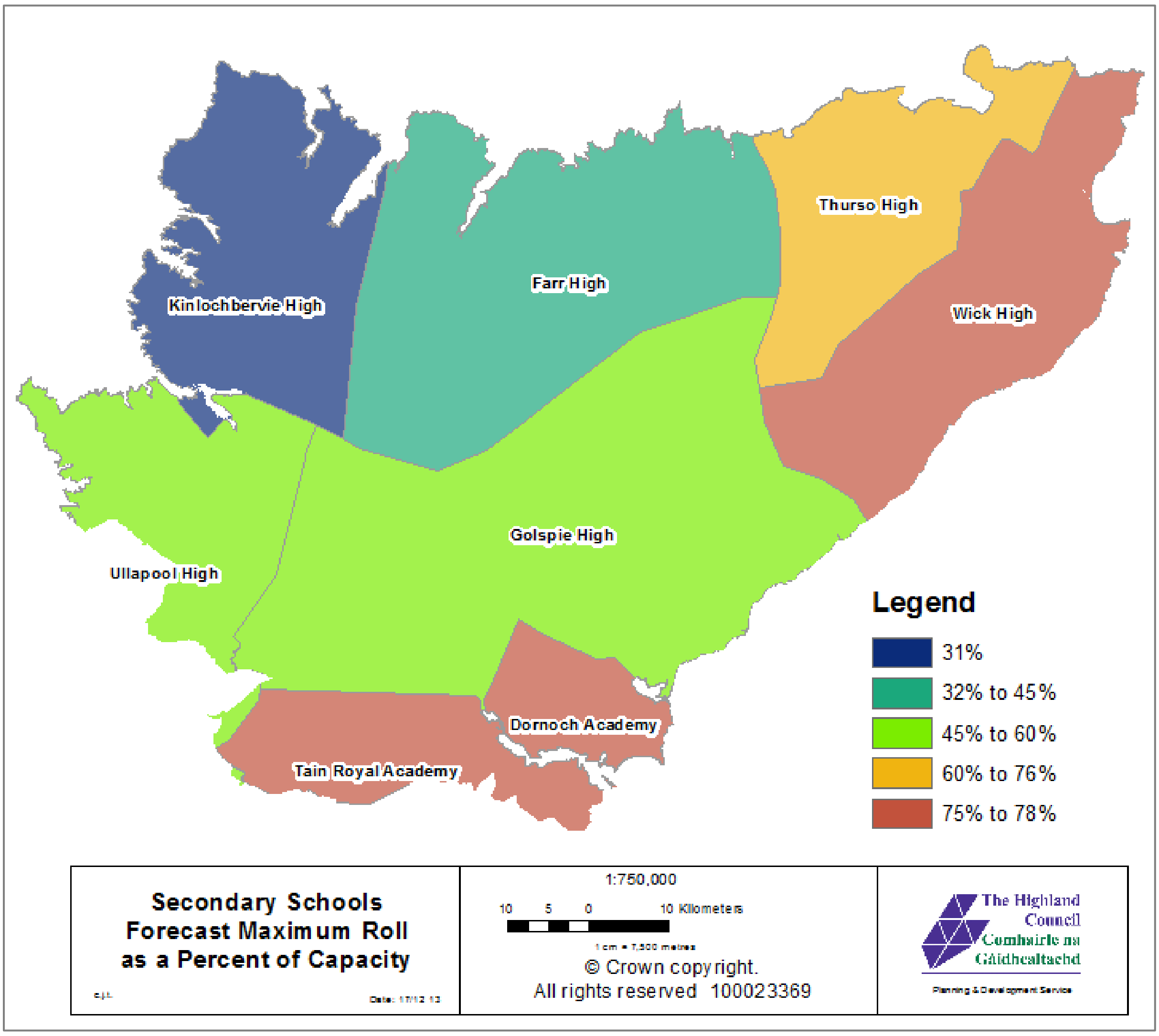
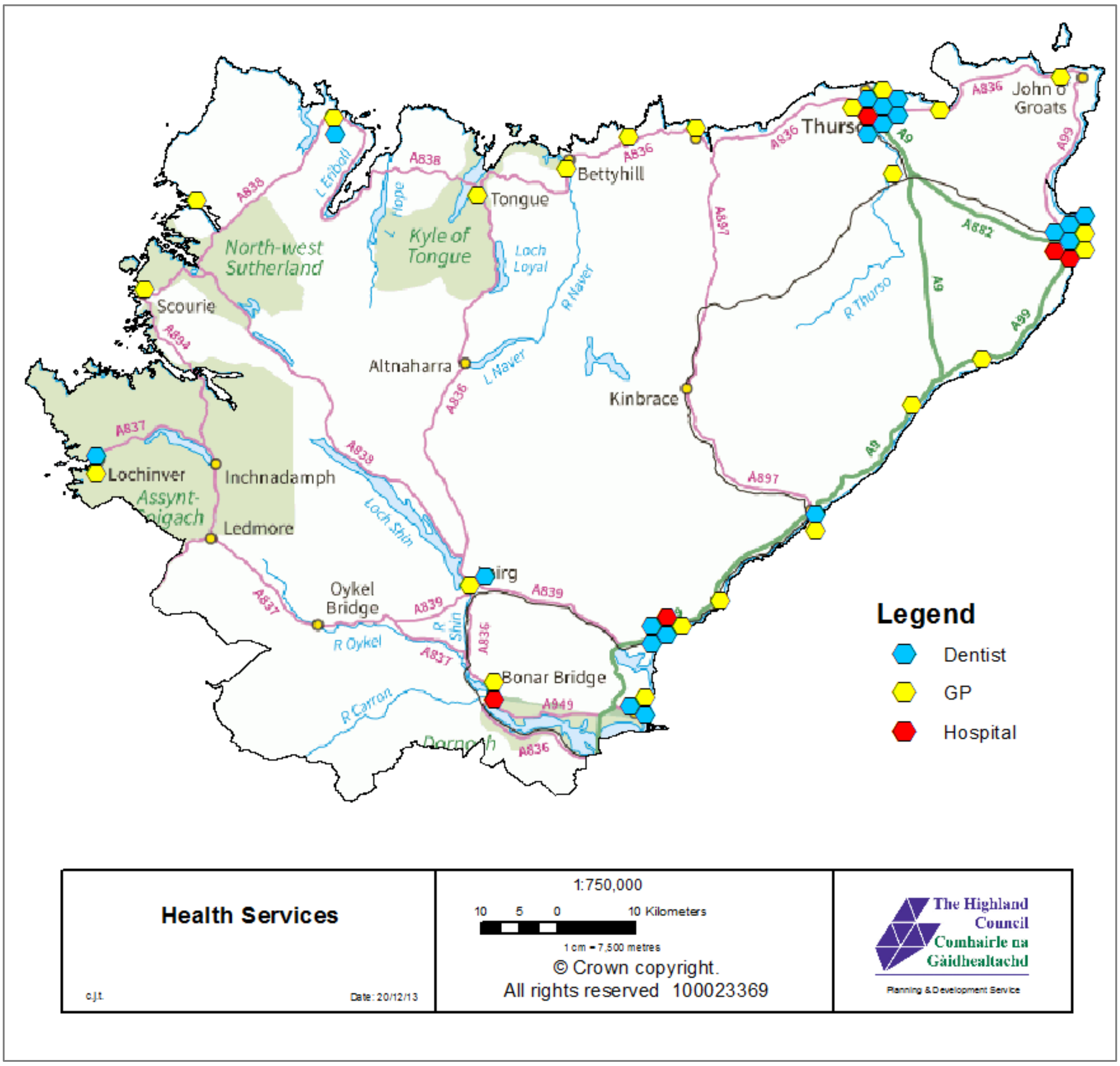
Planning & Development Service

Secondary Schools. The map below for secondary school shows a similar picture to that for primary schools, with no anticipated roll pressure and a maximum occupancy in any school of 78% in Wick High (based on the capacity of the current school).



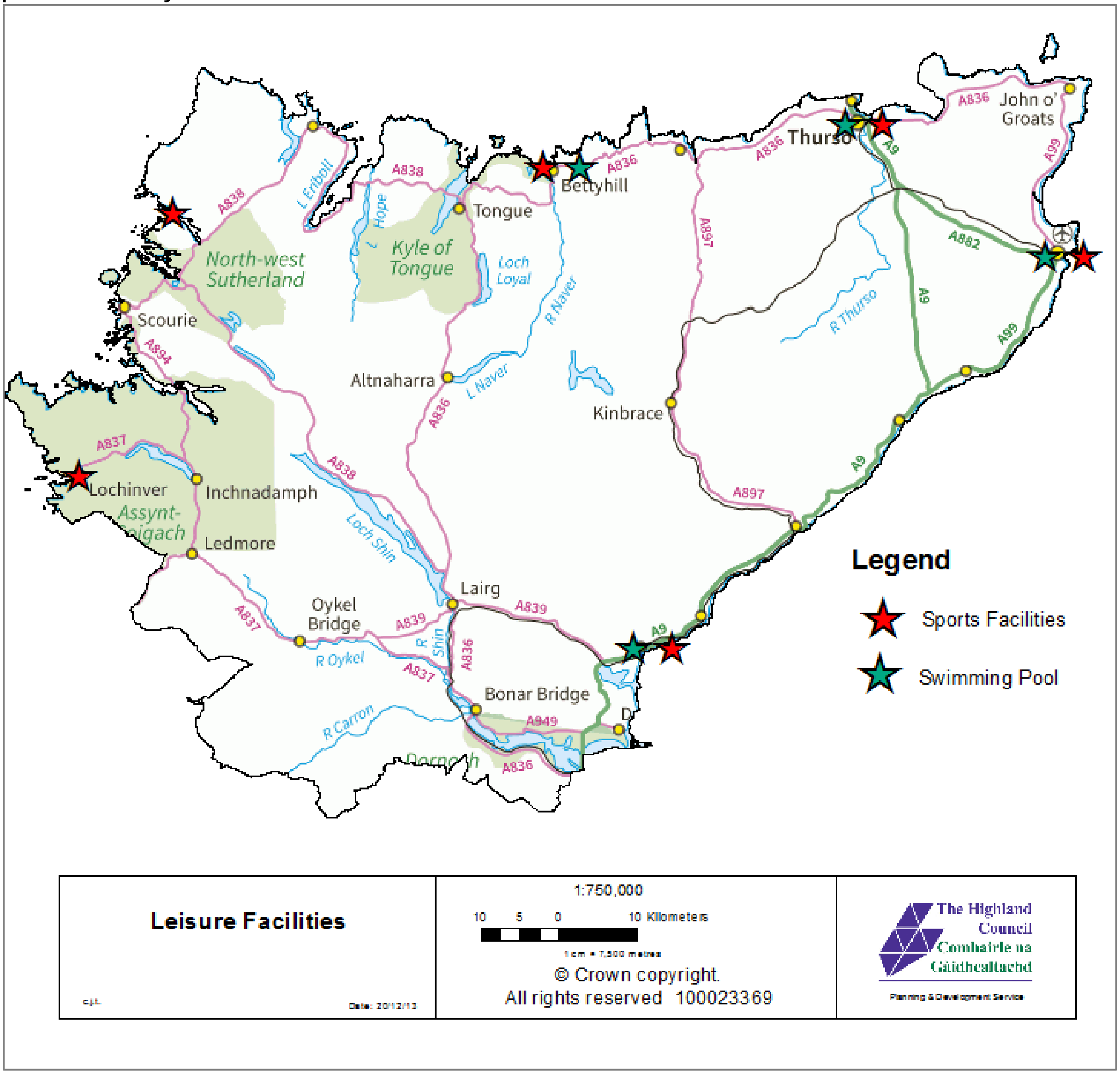
11.3 Health Facilities

The map below shows the locations of dentists, GPs and hospitals in the Plan area and confirms that Thurso and Wick provide the main services, with Dornoch and Golspie the main centres serving the south (where many of the more specialist services are provided outwith the Plan area). There are GPs in all of the main settlements but for many remote rural areas a trip to the dentist can involve a considerable journey.



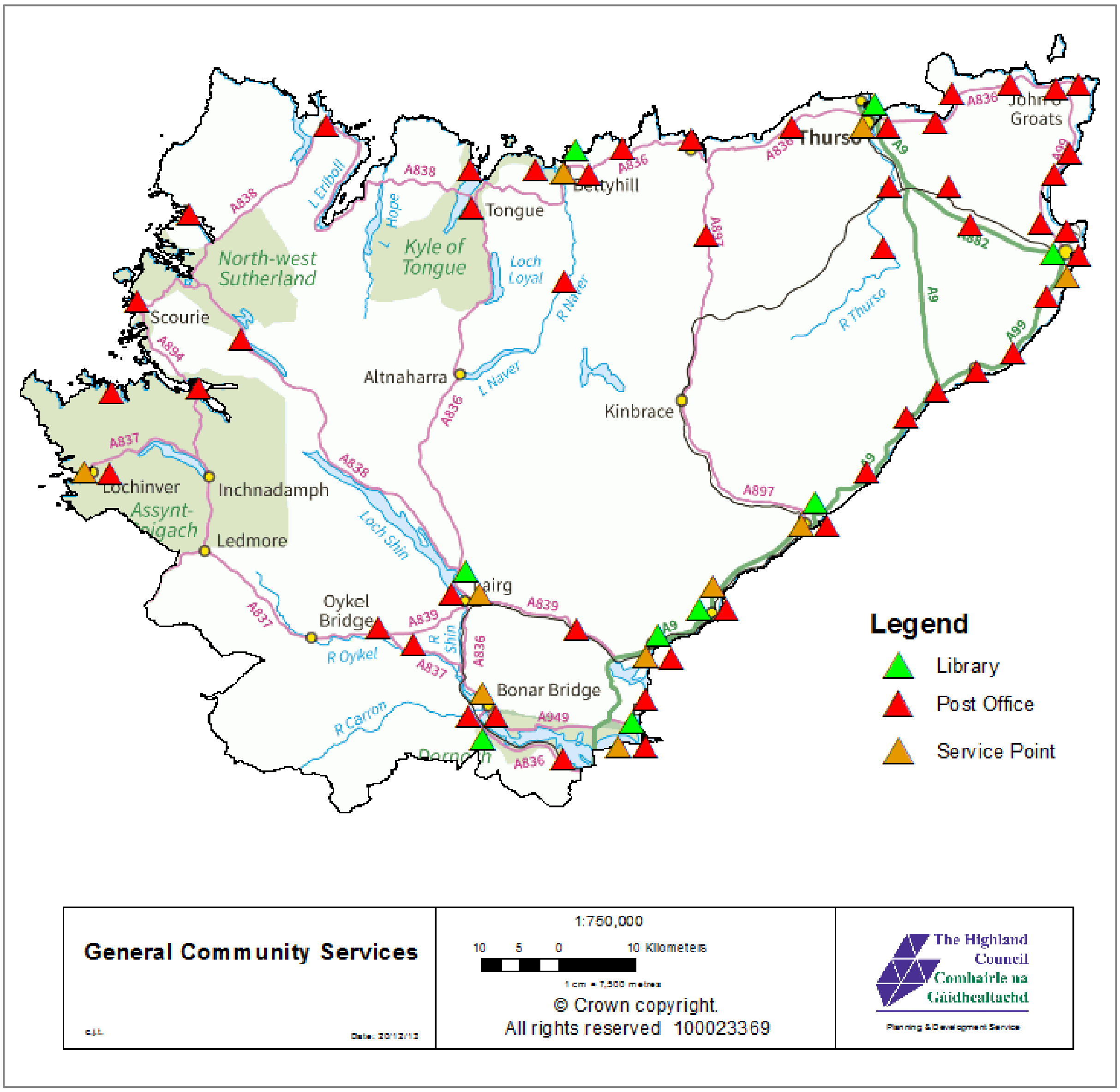
11.4 Leisure

The map below shows the locations of swimming pools and sports centres in the area. All of the secondary schools apart from Dornoch Academy are community schools which open their sports facilities for community use, and there are swimming pools in Bettyhill, Thurso and Wick.



11.5 Other Community Services

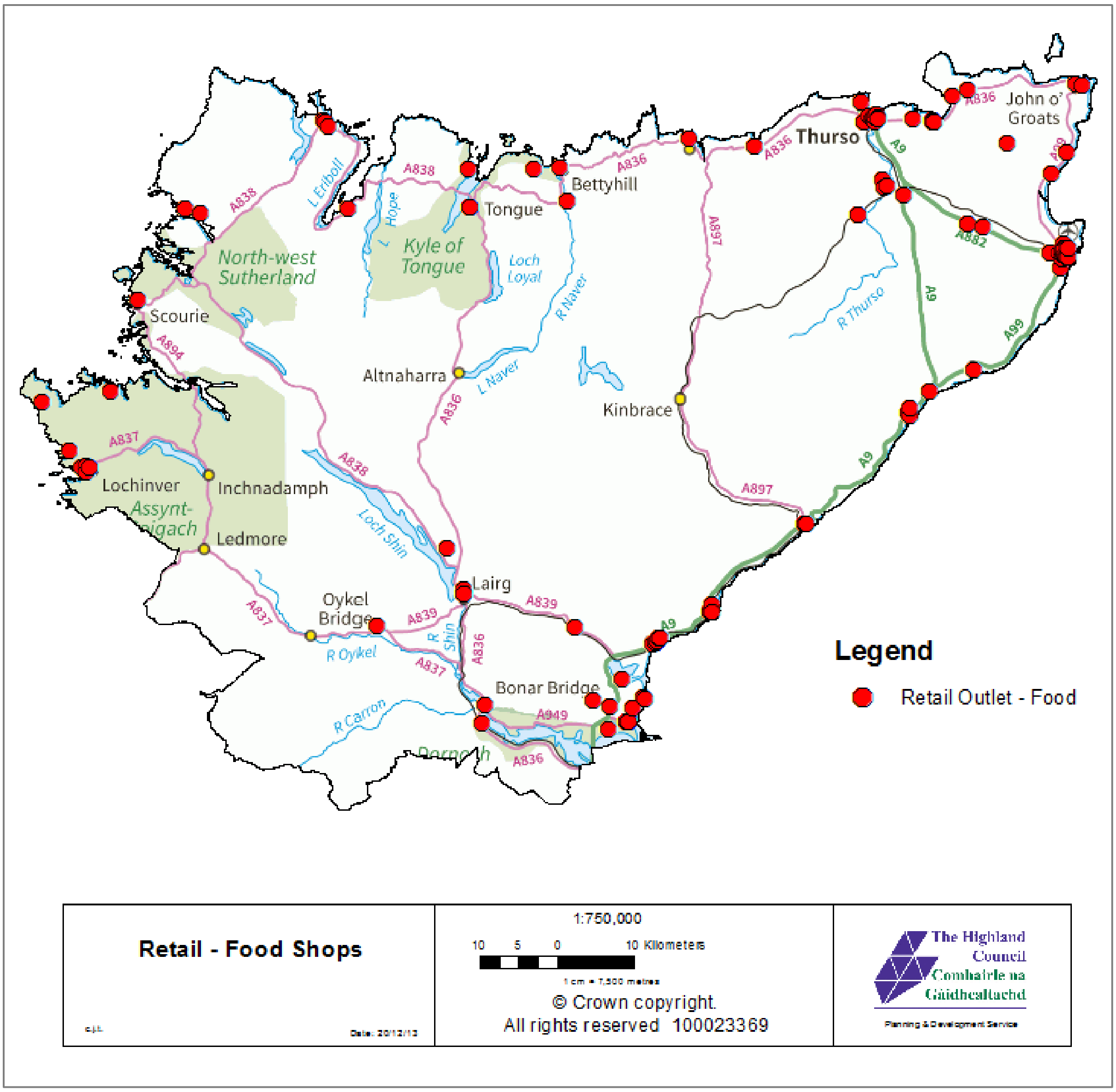
In the map below, general community services are libraries, post offices and Council Service Points. Community Halls and Centres are operated with differing degrees of formality by many organisations and we do not have single reliable source of information on them.



11.6 Retail – Food

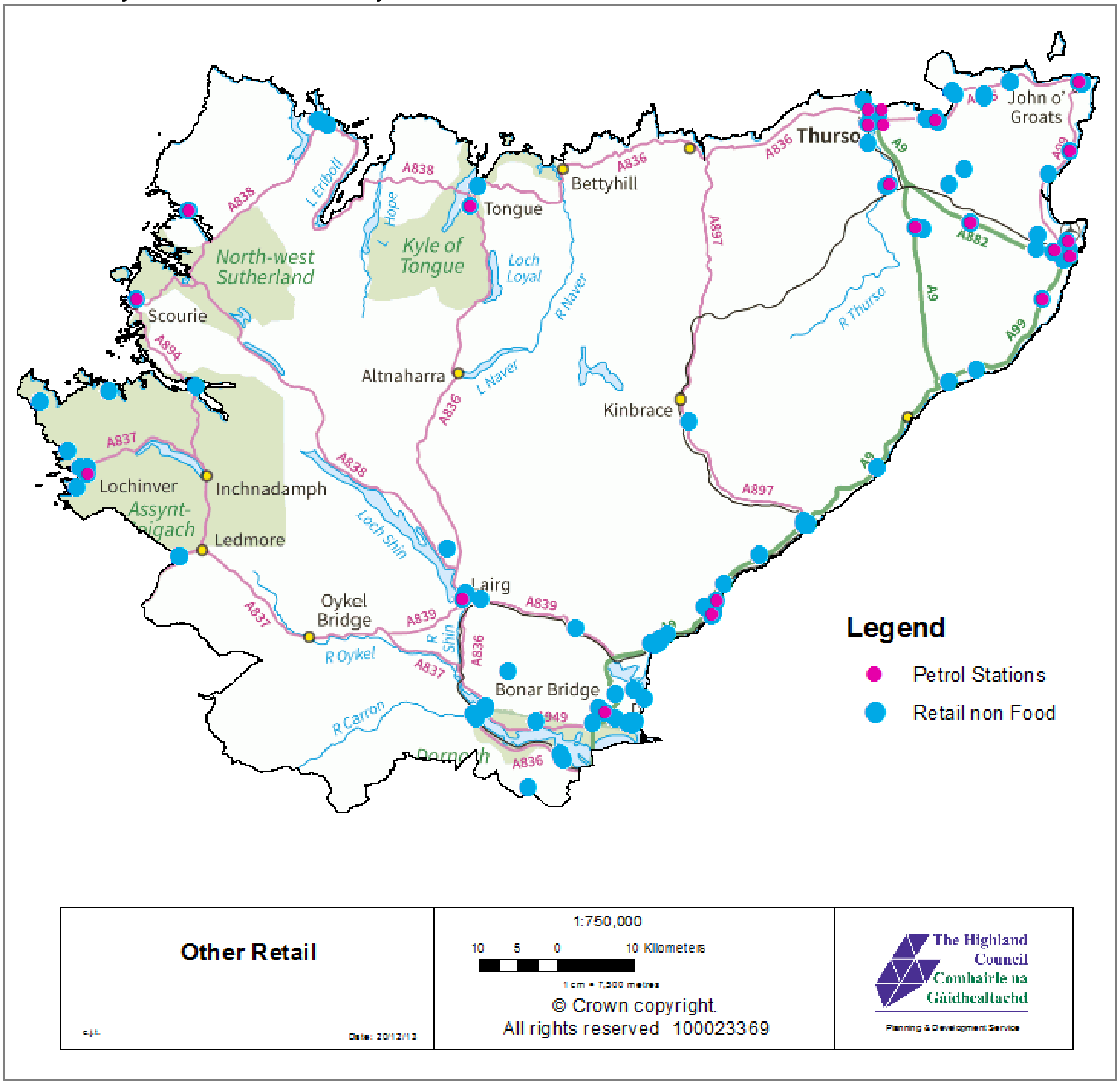
The information in the following two sections on retail outlets is taken from information held by the Council's Environmental Health and Trading Standards teams in October 2013. Council inspections are prioritised on a risk basis with the result that the information for food retail and petrol stations is up to date, but the currency is variable for non-food retail.

The map shows that all but the smallest settlements have a shop of some description selling food. Most of these are small independent shops, with larger supermarkets selling food on a national price tariff structure confined to larger towns such as Thurso, Wick, Brora, Golspie and Dornoch.



11.7 Non Food Retail and Petrol Stations

The map below showing non food retail outlets and petrol stations confirms that the availability of fuel outside major settlements is limited.



12 HOUSING NEED AND DEMAND ASSESSMENT

In order to assess the number of new houses that will be required in Highland over the next 10 years and beyond we have carried out a Housing Need and Demand Assessment (HNDA). Our HNDA follows Scottish Government guidance and has been assessed by them as "robust and credible", meaning that it gives a reliable guide to amount of housing land that we need to make available to help achieve Government's economic growth aspirations. Our HNDA is available at:

[Housing Need and Demand Assessment]

The full document is the HNDA that underpins the Caithness and Sutherland Local Plan and this remains the definitive document. Extracts for the Plan area are given below for the two separate housing market areas of Caithness and Sutherland.

12.1 Population Projections

The population projections are based on the 2006 series of projections, for the high migration scenario in which an average of 1,650 people move into Highland each year, similar to the rates of inward migration seen between 2001 and 2009. This equates to around 100 people per year moving into the Plan area, net zero to Caithness and net +87 per year to Sutherland. The table below shows that under this scenario the population is expected to fall by 1,536 (4%) between 2011 and 2031 with a slightly higher percentage fall in Caithness.

Projected Populations for Caithness and Sutherland Housing Market Areas				
Housing market Area	**2011**	**2016**	**2021**	**2031**
Caithness	24,932	24,775	24,490	23,565
Sutherland	13,624	13,645	13,633	13,455
CaSPlan Area	38,556	38,420	38,123	37,020
Source: Highland Council 2006 Series Population Projections, high migration scenario				

The tables below show that over the next two decades the relatively modest change in the total population is expected to be accompanied by a significant change in the age structure. The number of people in all of the under 65 age groups is expected to fall, with increases in the number of people of retirement age. In particular, the number of people aged over 85 – the age group with the most significant care needs – is expected to increase from 971 to 2,414 (149%).

Projected CaS Population by Age Band 2011 to 2031				
Age band	**2011**	**2016**	**2021**	**2031**
0-15	6,154	5,685	5,359	4,975
16-24	3,700	3,484	2,952	2,491
25-44	7,943	7,391	7,465	7,067
45-64	12,135	11,916	11,540	9,467
65-74	4,706	5,345	5,472	6,128
75-84	2,947	3,372	3,765	4,478
85+	971	1,227	1,570	2,414
All Ages	38,556	38,420	38,123	37,020
Source: Highland Council 2006 Series Population Projections, high migration scenario				

Projected Change in CaS Population by Age Band 2011 to 2031 as a percentage of the 2011 population			
	2011 to 2016	**2011 to 2021**	**2011 to 2031**
0-15	-7.6	-12.9	-19.2
16-24	-5.8	-20.2	-32.7
25-44	-6.9	-6.0	-11.0
45-64	-1.8	-4.9	-22.0
65-74	13.6	16.3	30.2
75-84	14.4	27.8	52.0
85+	26.4	61.7	148.6
All Ages	-0.4	-1.1	-4.0
Source: Highland Council 2006 Series Population Projections, high migration scenario			

12.2 Future Housing Requirement

Our 2009 HNDA covers the period from 2011 to 2031 and it has been "rebased" below to start in 2016, the anticipated date of adoption for the Plan. The HNDA does not cover the final five years of this period so the tables below assumes that the rate of change for 2026 to 2030 also apply to 2031 to 2035.

Despite the fall in the overall population, additional new houses will be required to meet the demand from a combination of the falling household size and, in Sutherland, eradicating the backlog of need for affordable housing. The table below shows that 558 houses will be required in the first five years of the Plan, and 194 during the second with 398 during the final ten years.

	New Housing Requirement by Housing Market Area (no additions for flexibility / market choice)			
Housing Market Area	**2016-2020**	**2021-2025**	**2026-30**	**2031-2035**
Caithness	226	55	55	55
Sutherland	331	139	139	139
CaSPlan Area	558	194	194	194
Source: Highland Council Housing Need and Demand Assessment 2009				

12.3 Future Housing Land Requirement

The table above refers to the number of new houses required, and to provide these we need to ensure that there is an adequate supply of housing land. In order to give developers choice and allow for uncertainties in the location of demand, a 25% flexibility allowance is added to the number of houses to give the housing land requirement in the table below.

	New Housing Land Requirement (housing requirement plus 25% for flexibility / market choice)			
Housing Market Area	**2016-2020**	**2021-2025**	**2026-30**	**2031-2035**
Caithness	283	69	69	69
Sutherland	414	174	174	174
CaSPlan Area	697	243	243	243
Source: Highland Council Housing Need and Demand Assessment 2009				

12.4 Projected Future Household Composition

The average household size has been decreasing for a number of years and is expected to continue to decline in the future as a result of two main factors: first the increasing divorce rate and number of single parent families, and second increased life expectancy which will increase the number of older single and two person families. These trends would generate a significant requirement for new housing even without the population growth which is expected. The table below shows that the number of 3+ person all adult and 2 adults plus children families is expected to decrease, with increases in all other types and the largest increase in one person male and female households (27% and 29% respectively).

This points to a possible requirement for smaller houses in the future, but the demand for larger houses may continue as people value generous living space and the opportunities this gives for (eg) having visitors to stay in our increasingly mobile society.

Estimated 2011 and Projected 2021 Households and Household Composition for the CaSPlan area

		2011	2021	2031	% Change 2011 to 2021	% Change 2011 to 2031
1 person	**male**	2,844	3,351	3,618	17.8	27.2
1 person	**female**	3,742	4,378	4,825	17.0	28.9
2 person	**2 adult**	6,432	7,149	7,275	11.1	13.1
2 person	**1 parent**	514	573	611	11.5	18.8
3+ person	**all adult**	1,250	966	698	-22.7	-44.1
3+ person	**1 parent**	421	461	500	9.5	18.7
3+ person	**2 adults + children**	2,889	2,203	1,806	-23.7	-37.5
	Total	18,093	19,082	19,333	5.5	6.9

Source: Highland Council 2006 based household projections, high migration scenario, using GROS headship rates

13 HOUSING LAND AUDIT

The Council's last formal published Land Audit was based on December 2010 information and we are now working towards another audit that we expect to publish later in 2014. We have collated information into a draft audit and the table below is based on that information. The table shows that we have remaining capacity on currently allocated sites in the Plan area to deliver 2,827 houses. In addition to this, analysis of previous house completions has shown that as significant proportion of completions within the Plan area tend to be on windfall sites – sites which were not allocated in previous Local Plans and where planning permission was granted on the basis of general policies. For the period January 2000 to March 2013 inclusive there was an average of 62 completions per year on windfall sites in Caithness and 40 in

Sutherland. Assuming that this rate continues through a 20 year period, the total capacity of sites in the Plan area is as shown in the table below.

HMA	Capacity of Current Allocated Sites (1)	Number of Windfall Completions per Year (2)	Total 20 Year Capacity [20*(2)+(1)]	20 Year Housing Land Requirement (see above)
Caithness	1,624	62	2,871	490
Sutherland	1,203	40	1,995	936
Total	2,827	102	4,866	1,426

The potential total of 4,866 units over the 20 year period compares with the total housing land requirement for 1,426 units described above. Even without the windfall allowance, current allocated sites in Caithness have triple the required capacity whilst in Sutherland the required capacity is also exceeded and for the plan area as a whole the current allocated sites have nearly double the required capacity.

14 BUSINESS AND INDUSTRIAL LAND AUDIT

The Council monitors business and industrial land allocated in local development plans, relevant planning applications, and on-site development but has not published a formal audit. The table below shows the sites that were available in late 2013. The existing sites in Caithness and North Sutherland were reviewed in detail when we prepared our North Highland Onshore Vision in 2012 and 2013 but the sites for the remainder of Sutherland have been collated through a desk based exercise.

Settlement Zone	Number of Business Sites Available for Development	Business Land Available for Development (HA)	Number of Industrial Sites Available for Development	Industrial Land Available for Development (HA)
Ardgay	2	2.4		
Bonar Bridge			1	0.2
Brora	2	1.2	1	3.1
Castletown	5 (1)	105.5	2	11.5
Dornoch	7 (2)	2.5		
Dunbeath	1	0.3		
Dunnett	1	0.2		
Durness	1	0.7		
Edderton	1	0.4		
Golspie	4 (3)	1.8		
Halkirk	1	0.2	2 (4)	1.5
Helmsdale	1	0.3	1	0.7
John O'Groats	3	0.5	1 (5)	1.2
Keiss	1	0.2		
Kinlochbervie			1	1.9
Lairg	2	4.9		
Lochinver			3	4.0
Lybster	4	1.6		
Melvich	1	0.1		
Reay	1	0.3		
Rogart	1	0.8		
Thurso	7	58.2	9	35.8
Tongue	2	0.9		
Watten	1	0.2		
Wick	4	16.7	6	213.5
Plan Area Total	**53**	**199.7**	**27**	**273.3**

Notes

(1) The significant area of land at Castletown shown in the table above includes 97 HA of land on one site south of Murkle Bay which is safeguarded as a large scale strategic business and industrial site, and is shown as business land in the table
(2) One site at Dornoch might be suitable for appropriate light industry
(3) One site at Golspie might be suitable for a technology based industry
(4) Includes one 1.2 HA site south of the Gills Bay Ferry Terminal allocated for uses associated with the ferry and port.
(5) In additional to this the area adjacent to the Georgemas railway junction has been identified for freight and transport related uses.

The significant area of land at Castletown shown in the table above includes 97 HA of land on one site south of Murkle Bay which is safeguarded as a large scale strategic business and industrial site: it is shown as business land in the table.

In addition to the sites shown above which are allocated in Local Development Plans, the Council receives applications for the development of sites that are not allocated. Since 2006 the Council has granted permission for 16 such sites in Caithness with an area of 7.2HA; and since 2008 for 10 sites in Sutherland with an area of 1.6 HA.

15 APPENDIX

15.1 Table 1 – Housing Stock by Settlement Zone

Name	All Properties	Second / Holiday Home	Vacant	Affordable - Highland Council	Affordable - Housing Association	Private Rented
Altnabreac	7	2	3	0	0	0
Bowermadden	173	4	20	12	0	7
Castletown	569	8	23	141	3	24
Dunbeath	303	21	39	26	1	29
Dunnet	490	21	32	13	2	37
Halkirk	902	23	51	80	1	77
John O'Groats	340	9	56	20	0	17
Keiss	324	17	14	56	1	10
Lieurary	77	0	5	4	0	6
Lybster	692	25	53	103	2	33
Reay	280	10	18	19	0	18
Thrumster	233	6	20	24	0	6
Thurso	4,430	36	131	608	578	259
Watten	343	4	30	51	1	26
Wick	4,091	54	184	963	228	190
Achfary	25	3	1	0	0	19
Altnaharra	24	8	1	2	0	3
Ardgay	277	16	8	40	0	8
Bettyhill/Farr	372	63	23	23	2	15
Bonar Bridge	370	14	16	82	0	23
Brora	1,017	62	40	180	25	69
Croick	14	3	0	0	0	6
Culrain	75	19	1	0	0	3
Dornoch	1,370	104	56	109	73	107
Drumbeg	83	22	4	8	0	6
Durness	213	31	9	16	8	17
Golspie	826	24	28	124	35	73
Helmsdale	468	35	27	80	0	14
Kinbrace	40	5	3	1	0	3
Kinlochbervie	252	42	13	24	7	12
Lairg	503	31	20	81	0	21
Lochassynt	64	13	3	0	0	7
Lochinver	365	47	13	27	26	14
Melvich	297	23	13	43	0	7
Rogart	258	26	12	25	0	3
Rosehall	163	24	13	16	2	11
Scourie	131	17	7	10	6	12
Stoer	116	39	4	2	4	0
Tongue	285	53	14	23	6	12
Unapool	43	16	0	2	0	11

15.2 Table 2 – Location of New House Completions, by Settlement Zone

Settlement Zone	All Completions	Completions on an Allocated Local Plan Site and Within a Settlement Development Area	Completions Within a Settlement Development Area but not on a Local Plan Site	Completions on a Local Plan Site but not Within a Settlement Development Area	Completions not on an Allocated Local Plan Site and Outwith a Settlement Development Area
Altnaharra	1	0	0	0	1
Ardgay	15	0	4	2	9
Bettyhill/Farr	28	6	9	0	13
Bonar Bridge	39	0	12	1	26
Bowermadden	25	0	0	2	23
Brora	87	23	36	0	28
Castletown	38	12	6	0	20
Croick	4	0	0	0	4
Culrain	17	0	2	0	15
Dornoch	203	62	55	7	79
Drumbeg	8	0	0	0	8
Dunbeath	12	0	7	0	5
Dunnet	72	3	44	0	25
Durness	17	0	11	0	6
Edderton	8	0	7	0	1
Golspie	48	20	22	0	6
Halkirk	146	67	12	1	66
Helmsdale	13	1	4	0	8
John O'Groats	68	2	36	0	30
Keiss	41	1	22	1	17
Kinbrace	1	0	0	0	1
Kinlochbervie	19	3	8	0	8
Lairg	39	2	10	0	27
Lieurary	10	0	2	0	8
Lochassynt	8	0	3	0	5
Lochinver	43	2	13	1	27
Lybster	96	14	40	1	41
Melvich	14	1	11	0	2
Reay	28	5	5	1	17
Rogart	18	0	1	0	17
Rosehall	25	0	4	1	20
Scourie	10	0	8	0	2
Stoer	24	0	0	1	23
Tain	2	0	0	0	2
Thrumster	33	0	26	0	7
Thurso	461	341	47	2	71
Tongue	35	1	21	0	13
Unapool	2	0	0	0	2
Watten	55	5	2	1	47
Wick	298	183	73	2	40
CaSPlan Area	**2,111**	**754**	**563**	**24**	**770**

15.3 Table 3 – Status of Windfarm Developments in the Plan Area

Name	Location	Developer	Number	Capacity (MW)	*Status*
Achairn	Wick, Caithness	J & R Innis	3	6	*Operational*
Achany	Lairg, SU	SSE Renewables	19	38	*Operational*
Baillie Hill	Thurso, Caithness	Baillie WF	21	53	*Operational*
Beinn Oighrean (Beinn Tharsuinn Ext) access only within Plan area	Dornoch Firth	RockbySea/Midfearn	2	5	*Operational*
Beinn Tharsuinn access only within Plan area	Dornoch Firth	Scottish Power	17	30	*Operational*
Buolfruich	Dunbeath, Caithness	Anthony Hall	15	13	*Operational*
Camster	Camster, Caithness	E.ON	25	50	*Operational*
Causeymire	Spittal, Caithness	RWE/npower	21	48	*Operational*
Flex Hill	Bilbster, Caithness	RWE	3	4	*Operational*
Forss 1	Thurso, Caithness	Fivestone	2	2	*Operational*
Forss 2	Thurso, Caithness	Fivestone & RES	4	5	*Operational*
Gordonbush	Strath Brora, SU	SSE Renewables	35	72	*Operational*
Kilbraur	Strath Brora, SU	RDC	19	48	*Operational*
Kilbraur Ext.	Strath Brora, SU	RDC	8	20	*Operational*
Lairg	Lairg, SU	ABO Wind	3	7	*Operational*
Rosehall	Rosehall, SU	E.ON	19	25	*Operational*
Wathegar	Bilbster, Caithness	D.Miller/Whirlwind	5	10	*Operational*
Achlacan	Spittal, Caithness	Whirlwind	5	10	*Approved*
Bettyhill	Bettyhill, SU	N.British Windpower	2	5	*Approved*
Coire na Cloiche (Beinn Tharsuinn Ext) access only within Plan area	Dornoch Firth	RockbySea	13	29.9	*Approved*
Halsary	Spittal, Caithness	Scottish Power	18	41.4	*Approved*
Hill of Lybster	Forss, Caithness	Whirlwind	1	0.8	*Approved*
Rumster Forest	Lybster, Caithness	Rumster CWEP	3	2.7	*Approved*
Strathy North	Strathy, SU	SSE Renewables	33	76	*Approved*
Taigh Na Muir	Dunnet	R.R.Mackay	1	0.5	*Approved*
Melness	Melness	Crofter's Estate Ltd	3	3	*Approved*
Wathegar II	Bilbster, Caithness	Whirlwind	9	18	*Approved*
Burn of Whilk	East Clyth, Caithness	RWE/npower	9	27	*Approved / u/c*
Stroupster	Auckengill, Caithness	BayWa r.e.	12	27.6	*Approved / u/c*
Balnacoil	Strath Brora, SU	Vento Ludens	17	42.5	*In planning*
Barrock/Lochend	Barrock, Caithness	Wind Harvest	4	9.2	*In planning*
Hill of Lychrobbie	Dunbeath, Caithness	Magnus Henderson	3	2.4	*In planning*
Spittal Hill	Spittal, Caithness	Spittal Hill WF Ltd.	7	21	*In planning*
Tressady	Rogart, SU	Wind Prospect	13	32.5	*In planning*
Upper Clyth	Lybster, Caithness	Wind Harvest	1	0.5	*In planning*
Hill of Stroupster	Auckengill, Caithness	BayWa r.e.	1	2.3	*In planning*
Dalnessie	Lairg, SU	SSE Renewables	27	81	*In planning S36*
Glencassley	Rosehall, SU	SSE Renewables	23	69	*In planning S36*
Glenmorie	Ardgay, SU	Glenmorie WF LLP	34	115.6	*In planning S36*
Limekiln	S.of Reay/Caithness	Infinergy	24	78	*In planning S36*
Sallachy	W. Loch Shin, SU	WKN Windkraft N	22	66	*In planning S36*
Strathy South	Strathy, SU	SSE Generation	47	159.8	*In planning S36*

Braemore	Bonar Bridge, SU	Wind Prospect	18	54	*In planning S36*
Strathy Wood	Strathy, SU	E.ON	26	78	*In planning S36*
Bad a Cheo	Mybster,Caithness	RWE/npow er	13	32.5	*Planning refused*
Brabster	Upper Gills/Caithness	Arcus	10	30	*Scoping*
Broubster	Shurrery, Caithness	Electro Green	20	50	*Scoping*
Buckies Farm	Nr Halkirk, Caithness	Green Cat	5	4.5	*Scoping*
Camster 2	Camster, Caithness	E.ON	>55	>160	*Scoping*
Cnoc Morail	Watten, Caithness	Wpd Scotland	8	18	*Scoping*
Cogle Moss	Bilbster, Caithness	Muirden Energy	12	27	*Scoping*
Dalchork	Dalnessie, SU	E.ON	?	<50	*Scoping*
Earl's Cairn	Barrock, Caithness	Eurow ind	13	39	*Scoping*
Flex Hill Ext.	Watten, Caithness	Environsol	3	6-9	*Scoping*
Gordonbush Ext.	Strath Brora, SU	SSE	>20	>60	*Scoping*
Lyndon Cottage	Ulbster, Caithness	Orkney Renew ables	2	1.8	*Scoping*
Northfield	Halkirk, Caithness	e-Gen	2	1.6	*Scoping*
Red Moss/MidClyth	Lybster, Caithness	Orkney Renew ables	7	16	*Scoping*
Seater Farm/Bow er	Bow er, Caithness	Ventus Land Ltd	4	12-20	*Scoping*
Stemster Hill	Durran, Caithness	Tellus Energy	4	9.2	*Scoping*
Thusater Farm	Scrabster, Caithness	e-Gen	3	6	*Scoping*
Toft of Tain/Coghill	Bow ermadden/C/nes	e-Gen	3	2.4	*Scoping*
Torranreach	Lybster, Caithness	Orkney Renew ables	4	3.6	*Scoping*
Tresdale Farm	Canisbay, Caithness	Orkney Renew ables	3	6.9	*Scoping*
West Garty	Helmsdale, SU	Muirden Energy	22	<50	*Scoping*
Creag Riabhach	Klibreck, SU	CRWF Ltd	38	87-114	*Scoping*

15.4 Table 4 – Origins of House Buyers in the Plan, 2007 to 2010, by Settlement Zone

Settlement Zone	HMA	Rest of Scotland	Rest of UK	Overseas	Unknown	Badenoch and Strathspey	Caithness	East Ross	Inverness	Lochaber	Mid Ross	Nairn	Ross and Cromarty West	Skye and Lochalsh	Sutherland	Highland Total	All Sales in Settlement (100%)
Ardgay	Sutherland	23	5	0	18	0	0	5	14	0	0	0	5	0	32	**55**	**22**
Bettyhill/Farr	Sutherland	27	30	3	13	0	7	0	3	0	0	0	0	0	17	**27**	**30**
Bonar Bridge	Sutherland	3	19	3	3	3	3	10	0	0	6	0	0	0	48	**71**	**31**
Bowermadden	Caithness	25	20	0	5	0	45	0	0	0	5	0	0	0	0	**50**	**20**
Brora	Sutherland	16	16	1	10	0	1	4	5	1	1	2	0	1	44	**58**	**103**
Castletown	Caithness	14	10	0	2	0	69	2	0	0	0	0	2	0	0	**73**	**49**
Culrain	Sutherland	14	43	14	14	0	0	0	0	0	0	0	0	0	14	**14**	**7**
Dornoch	Sutherland	14	15	2	5	0	1	12	7	1	3	0	0	1	40	**64**	**148**
Drumbeg	Sutherland	43	29	0	0	0	0	0	0	0	0	14	14	0	0	**29**	**7**
Dunbeath	Caithness	8	36	0	12	0	24	0	12	0	0	0	4	0	4	**44**	**25**
Dunnet	Caithness	20	25	0	2	0	45	0	4	0	2	0	0	0	2	**53**	**51**
Durness	Sutherland	18	45	0	9	0	0	0	18	0	0	0	0	0	9	**27**	**11**
Edderton	Sutherland	10	30	5	10	0	0	10	5	0	10	0	0	0	20	**45**	**20**
Golspie	Sutherland	4	7	0	9	0	0	6	2	0	2	4	2	2	63	**80**	**54**
Halkirk	Caithness	15	10	0	4	0	65	0	3	0	0	0	0	1	3	**71**	**119**
Helmsdale	Sutherland	24	20	0	12	0	0	4	8	0	0	4	0	0	28	**44**	**25**
John O'Groats	Caithness	8	21	0	4	0	54	0	0	4	0	0	0	8	0	**67**	**24**
Keiss	Caithness	19	26	0	3	0	48	3	0	0	0	0	0	0	0	**52**	**31**
Kinbrace	Sutherland	0	0	0	0	0	0	0	0	0	0	100	0	0	0	**100**	**1**
Kinlochbervie	Sutherland	20	36	0	8	4	4	0	4	0	0	0	0	0	24	**36**	**25**
Lairg	Sutherland	15	31	2	6	4	0	15	0	0	4	2	4	0	17	**46**	**52**
Lieurary	Caithness	0	0	0	0	0	75	0	0	25	0	0	0	0	0	**100**	**4**
Lochassynt	Sutherland	33	22	0	0	0	0	0	11	0	0	0	33	0	0	**44**	**9**
Lochinver	Sutherland	17	11	0	14	3	0	3	6	0	0	0	3	0	43	**57**	**35**
Lybster	Caithness	16	22	0	13	0	36	2	5	0	3	0	0	0	3	**49**	**87**
Melvich	Sutherland	25	21	0	13	8	21	0	0	0	0	4	0	0	8	**42**	**24**
Reay	Caithness	10	13	0	7	0	40	0	0	0	0	3	0	0	27	**70**	**30**
Rogart	Sutherland	14	33	0	5	0	0	5	0	0	5	0	0	0	38	**48**	**21**
Rosehall	Sutherland	31	46	0	8	0	0	0	0	0	0	0	0	0	15	**15**	**13**
Scourie	Sutherland	0	50	0	0	0	17	0	0	0	0	0	17	0	17	**50**	**6**
Stoer	Sutherland	38	23	0	8	0	0	0	15	8	0	0	0	0	8	**31**	**13**
Thrumster	Caithness	19	13	6	6	0	56	0	0	0	0	0	0	0	0	**56**	**16**
Thurso	Caithness	7	4	0	2	1	79	1	1	0	1	0	0	0	4	**87**	**538**
Tongue	Sutherland	29	25	0	21	0	0	0	0	0	4	0	0	0	21	**25**	**24**
Unapool	Sutherland	33	50	0	0	0	0	0	0	0	0	0	0	0	17	**17**	**6**
Watten	Caithness	0	20	3	10	3	55	3	0	0	0	0	0	0	8	**68**	**40**
Wick	Caithness	5	4	0	2	0	85	0	1	0	0	0	0	0	0	**88**	**415**
	CaSPlan Area	**11**	**13**	**1**	**5**	**1**	**49**	**2**	**3**	**0**	**1**	**1**	**1**	**0**	**13**	**70**	**2,136**
	Caithness	**9**	**9**	**0**	**4**	**0**	**71**	**1**	**2**	**0**	**1**	**0**	**0**	**0**	**3**	**79**	**578**
	Sutherland	**17**	**21**	**1**	**9**	**1**	**2**	**6**	**5**	**0**	**2**	**1**	**1**	**0**	**33**	**52**	**1,558**

15.5 Analysis of Preferred Sites identified in the CaSPlan Main Issues Report

We estimate that the preferred sites identified in the CaSPlan Main Issues Report (MIR) are sufficient to accommodate around 2250 homes. In addition to this, CaSPlan would support some new homes in suitable locations on non-allocated (windfall) sites:

- within SDAs but not on the MIR preferred sites;
- within Growing Settlements;
- within the Countryside.

This total would be sufficient to meet requirements for the first ten years (2016 to 2026) and for an indicative longer term supply. This is considered to be a generous supply of housing land in accordance with Scottish Planning Policy.

In most cases the sites identified in the MIR as preferred sites are wholly or mainly unbuilt. There are some sites which already have planning permission on part or all of the site and in some cases some development has occurred. An example would be the Mountpleasant housing site at Thurso. It should be noted in particular that amongst the sites for which the preferred use is business or industrial, there are some sites which are already well-established business parks or industrial estates; the hectareage indicated in the table above is for the entire site as identified in the MIR and therefore includes existing business and industrial activities. An example would be Wick Business Park. In such cases clearly the potential for new business and industrial development is through taking up vacant plots, intensification of use or redevelopment and hence would be of significantly lower hectareage than the total area of the MIR preferred site. Noting these points, the analysis of sites preferred in the MIR is as follows:

Analysis of Preferred Sites			
Preferred site use	Number of sites	Across this number of settlements	Preferred sites total area by use (ha)
Housing	31	13	106
Business	12	7	228
Industry	13	8	100
Community	6	4	13
Mixed Use	43	12	280

Analysis of Preferred Mixed Use Sites	
Preferred Mixed Use sites component uses	**Number of preferred Mixed Use sites**
Housing	32
Business	34
Industry	6
Community	23
Other	15

The CaSPlan MIR therefore provides for a range of types and scales of development land requirement at a variety of locations across the plan area.

15.6 The Wick and Thurso Charrettes Report – Executive Summary

NEW VISIONS FOR THURSO & WICK
EXECUTIVE SUMMARY

MAY 2013

BACKGROUND

The Highland Council is working to enhance Thurso's and Wick's roles as main economic, cultural and service towns for the wider Caithness & North Sutherland area. The Thurso and Wick Charrettes were held to bring together local people to explore ideas and aspirations for the future and create a new vision for each town. The outcomes from both Charrettes will inform the Main Issues Report for the Caithness & Sutherland Local Development Plan (CaSPlan) and an Action Programme which will accompany it. This is the first time a Charrette process has been held at this early and formative stage in a Local Development Plan process in Scotland.

To facilitate the Charrette process, a team led by John Thompson & Partners (JTP) and Gillespies were appointed. This was part of the Scottish Government's supported Charrette Mainstreaming Programme, designed to promote innovative ways of involving local people in designing sustainable communities. We acknowledge and thank the community members who participated and those who helped deliver the Charrette processes.

WHAT IS A CHARRETTE?

A Charrette is an interactive design workshop where the public, local design professionals and project consultants work together to develop a vision for a place. A key benefit of this approach is that local residents are involved at an early stage in the design process, heightening awareness of sustainable development issues and informing subsequent decisions on the future of their community.

The Charrette events in Thurso and Wick provided a chance for local people to shape the future of their towns and aimed to reach consensus over preferred and alternative land use strategies to feed into the CaSPlan Main Issues Report.

"I think the main message was that yes, there is a lot of investment coming in the next few years but we need to make sure as a community that we keep making improvements for future generations to come. We have so much to offer up here, let's start shouting about it!"

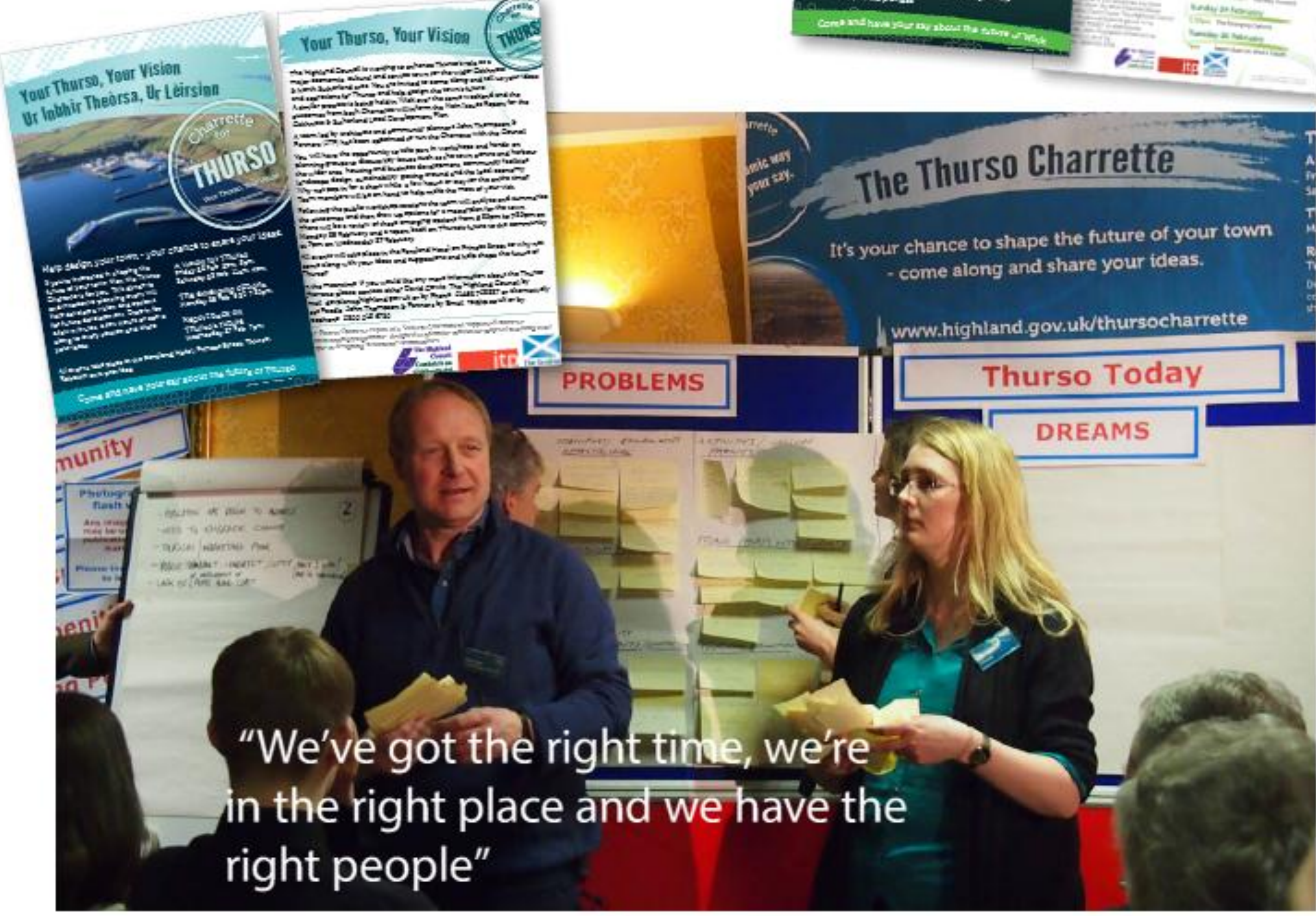
Councillor Gail Ross, Caithness Civic Leader

The Highland Council
Comhairle na Gàidhealtachd

GILLESPIES

jtp

PUBLIC WORKSHOP EVENT IN WICK



PUBLIC WORKSHOP EVENT IN THURSO

CHARRETTE PROCESS

THE LAUNCH

The Thurso Charrette was launched on 23 January 2013 and the Wick Charrette was launched on the 24 January 2013, both with an introduction by The Highland Council and with the Project Team in attendance.

Key stakeholders in the future of Thurso and Wick, were invited to join a briefing at the Launch events.

These activities served to publicise the events, as many of those who met with the team agreed to pass on information to colleagues, neighbours and friends.

PUBLICITY

The events were widely advertised in local newspapers and banners, posters and leaflets were also displayed at key locations within the towns.

Meetings were held with members of the local community and key stakeholders.

COMMUNITY ANIMATION

To ensure as wide as possible representation from the local community and key stakeholders at the Charrettes, a structured programme of engagement (community animation) was undertaken prior to the events.

THE CHARRETTES

The Thurso and Wick Charrettes were held over seven days between 20 to 26 February 2013.

Wick Charrette

Members of the Wick community were invited to a series of public workshops on 21 and 23 February 2013. Key issues raised included regeneration in the heart of the town on both sides of the river, investment in the harbour and promoting and investing in Wick as a cultural and heritage visitor destination as part of a wider Caithness offer.

Following the two public workshop days, the Charrette team, led by JTP, Gillespies and The Highland Council, analysed and summarised the outcomes and drew up an illustrated vision for the future, which was reported back to the community on Tuesday 26 February at the Assembly Rooms.

Thurso Charrette

Members of the Thurso community participated in the public workshops on 22 and 23 February 2013 to help develop a new vision for the town. Key issues discussed included the future vitality of the heart of town as a commercial centre, the regeneration and enhancement of the riverside and the western expansion of the town, including space for employment uses related to the growth of Scrabster Harbour. Participants also wanted to see new facilities and services to attract further visitors to Thurso including cultural, heritage and water sports activities.

Following the two public workshop days, the Charrette team and The Highland Council, analysed and summarised the outcomes and drew up an illustrated vision for the future, which was reported back to the community on Wednesday 27 February at the Pentland Hotel.

THE WAY FORWARD

By taking part in the Charrettes, people have helped to shape the future of their towns and the surrounding areas. Public reaction has been positive and the leader article in the John O'Groat Journal (1 March 2013) described project options being selected and refined via "a thoroughly democratic process" and went on, "We believe this gives a mandate for the projects to be taken forward within the new development plans for both towns."

The Highland Council was pleased with the positive response and input from both communities to the events. The outcome of the Charrettes highlight the community's aspirations for the future of Wick and Thurso and in response The Highland Council is considering the establishment of a local team or forum to progress the outcomes of the Charrettes alongside the Local Development Plan.

A NEW VISION FOR WICK
KEY THEMES

The outcomes from the public workshops during the Wick Charrette were analysed by the Charrette team and are summarised below.

1. SUPPORT FOR DEVELOPMENT AND REGENERATION

Wick is an attractive, historic harbour town set in the stunning lowland landscape of Caithness. However, with the decline of the old industries Wick has suffered with unemployment, population decline, a struggling town centre and deteriorating and empty buildings around the harbour. Participants were positive about development in Wick and were keen to focus on regenerating the town's heart and investing in the harbour to revitalise the local economy and strengthen the local community.

"People are positive about Wick and positive about themselves."

2. CONSERVE AND CELEBRATE LOCAL HERITAGE

Local people are proud of their cultural and built heritage, which includes the herring fishing History, Carnegie Library, Caithness flagstones, Thomas Telford's legacy and the Old Pulteney Distillery. The conservation and promotion of the history and heritage of the town and surrounding area could help create a positive image for the town and attract more visitors.

"This was a town of artisans and craftsmen and that was how the town was built up."

3. REGENERATION IN THE HEART OF TOWN

Participants felt that the regeneration of key sites on both sides of the river is vital to keep the heart of the town beating. With the forthcoming relocation of the swimming pool and the library to the new school campus to the south of the town, there is a need and an opportunity to enhance the "experience economy" in the heart of town. This would include sensitive regeneration of the built environment, mixed-uses including residential, creative industry and cultural uses, cafes and restaurants and an accessible, vibrant waterfront. The possibility of creating an urban regeneration trust to hold assets and drive the regeneration process should be considered.

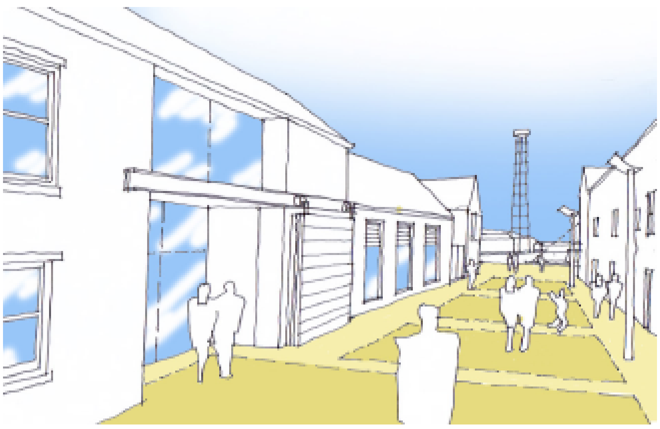
"There is a niche market for the right businesses with the right management."

4. DEVELOPMENT OF THE HARBOUR AND AIRPORT

Participants expressed the desire to attract new industries and create local jobs - the harbour and the airport are key to achieving this. People welcomed the idea of utilising the harbour and airport for the potential of off -shore renewable energy related opportunities.

"The harbour and the airport is the key to the future."

VIEW NORTH ALONG HARBOUR QUAY



VIEW TO HARBOUR ALONG TELFORD STREET

VIEW NORTH FROM WICK HARBOUR

VIEW TO VICTORIA PLACE FROM WICK HARBOUR BRIDGE

5. TRAINING AND JOB OPPORTUNITIES FOR YOUNG PEOPLE

Participants were concerned about future training and employment opportunities locally. The renewable energy industries coming into Wick could help to grow the currently declining population as well as retain and attract young people to the town. Establishing links and relationships between business, including the renewables sector, and local schools is important to ensure that the local workforce is equipped with the appropriate skills and training.

"We've got to get our school kids ready to take up the baton!"

6. TRANSPORT AND GETTING AROUND

Wick benefits from being served by buses, a railway station and an airport. However it was felt that improvements to service frequency and timing, especially at the beginning and end of the day, and lower prices would help meet local needs, attract investment and bring more visitors. Participants also wanted to see improvements to pedestrian paths within town including better accessibility for all and investment in continuous coastal paths and inland routes. Opportunities to use the railway for heritage rides between Wick and Thurso could be explored.

"We've got a harbour, an airport and a railway - how many towns can say that?"

7. A PLACE TO BE IN CAITHNESS

It was felt that despite the outstanding coastal beauty, richness of the local history, heritage and archaeology, the region of Caithness is undersold and under-promoted. Participants agreed that the growth and regeneration of the town should be linked with that of the wider area. Wick should work to articulate, coordinate and promote its many natural and cultural assets as part of an enhanced offer to visitors across Caithness.

"There are so many things in Caithness visitors leave without ever seeing!"

8. CONTINUING THE PARTICIPATORY PROCESS

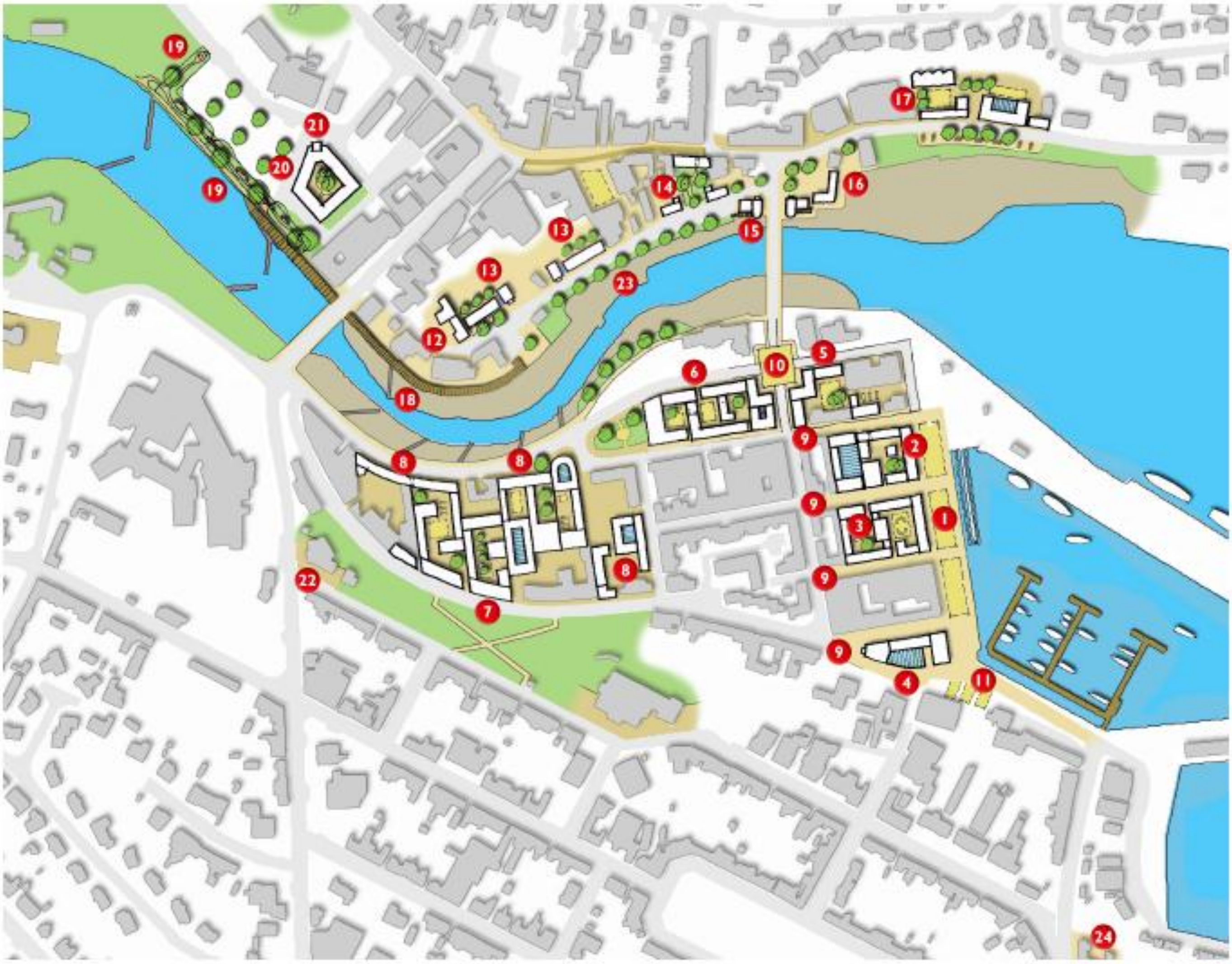
Participants were keen to continue their involvement in the development, regeneration and improvement of Wick. Issues to be considered carefully include preservation and new uses for historic buildings, sites for housing development, area tourism strategy, the involvement of young people and development of the harbour and local economy. In response to this it was suggested that a new or existing forum meet later in the spring with responsibility for discussing how the community and the Local Development Plan will progress the outcomes of the Charrette.

"We need to unite our forces!"

A NEW VISION FOR WICK

ILLUSTRATIVE MASTERPLAN

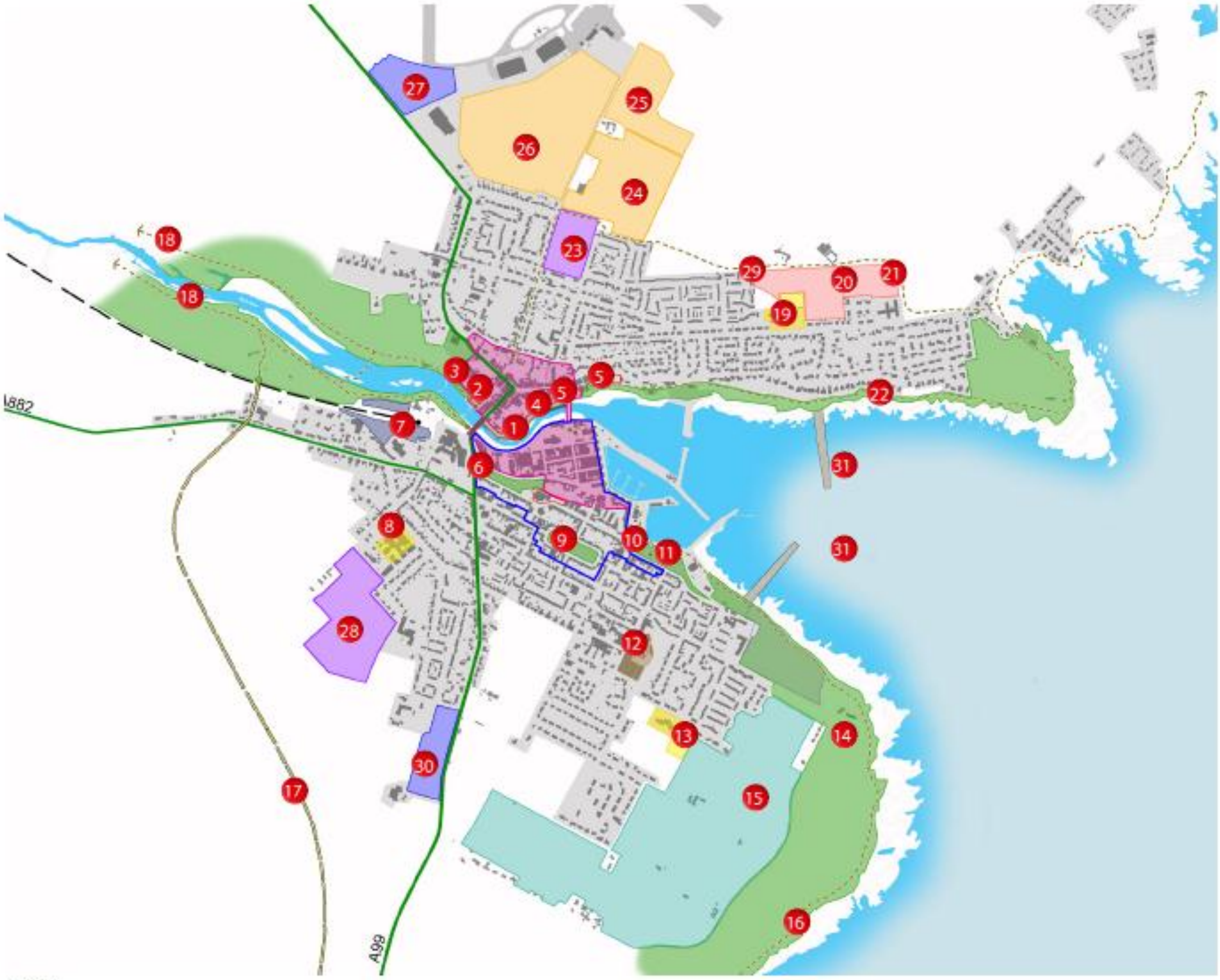
ILLUSTRATIVE INNER TOWN MASTERPLAN



KEY

1 Quayside festival and market space
2 Redevelopment for Wick Visual Arts Centre
3 Mixed use arts, crafts and leisure redevelopment
4 Office development for renewables companies
5 Mixed use river view development
6 Mixed use studio and workshop development
7 Residential redevelopment along Union Street
8 Residential live/work and workspace development
9 Eastern pedestrianisation of Lower Pulteneytown
10 New Pulteneytown arrival square formed
11 Existing caves redeveloped as retail kiosks
12 Redevelopment of old police station as a youth hostel
13 Retail/ leisure infill development overlooking river
14 Retail/ leisure gap site development connecting to High Street
15 Tollhouse restaurant/café/ bar with south facing terrace
16 Retail/ leisure infill development
17 Hotel/ tourist accommodation in historic conversion
18 Riverside walkway with link below Bridge Street
19 New landscaped bund along river edge to mitigate flooding
20 Retail redevelopment with housing/ offices above
21 Tourist information point
22 Carnegie Arts Centre with Johnson Collection
23 Environmental improvements to Victoria Place
24 Old Bakery refurbished for residential use

ILLUSTRATIVE WIDER TOWN MASTERPLAN



KEY

1 Regeneration of historic riverfront buildings
2 Potential redevelopment of riverfront supermarket site
3 Extension of green space into town for flood defence
4 Riverfront walkway
5 Riverfront gap site infill to improve river edge
6 Carnegies Library potentially redeveloped as Arts Centre
7 Railhead development sites for renewables industry
8 Retention of 1930's facade of school building; brownfield regeneration site for housing
9 Argyle Square environmental improvements
10 Bakery regeneration
11 Pavillion improvements
12 Pulteney Distillery
13 South Primary School regeneration site for housing
14 Amenity landscape preserved along coastline
15 South Wick future greenfield housing / renewables business expansion area
16 Improvements to and extension of coastal path
17 Cycle Path along old railway
18 Extend and improve paths to Loch Watten
19 Hillhead Primary School brownfield regeneration site for housing
20 Potential green belt housing allocation
21 Pap Broch archaeological park
22 Improvements to and extension of North Head coastal path
23 New Wick North Primary School
24 Wick Airport Business Park expansion site
25 Archive site
26 Regeneration of Wick Industrial Estate
27 Superstore site
28 New Wick Community Campus
29 New link path route return to town
30 Retail park
31 Proposed new breakwaters to expand harbour

A NEW VISION FOR THURSO

KEY THEMES

The outcomes from the public workshops during the Thurso Charrette were analysed by the Charrette team and are summarised below.

1. SUPPORT FOR GROWTH

Thurso is a beautiful, historic town with a stunning coastal setting and views to Orkney. However, the town is in transition - with the decommissioning of Dounreay the town must attract new investment, including the renewables sector, to secure future training and job opportunities. Providing land for the western expansion of the town will facilitate the growth of Scrabster Harbour and future investment in the town and send out the message that Thurso is open for business.

"We need to be ready for what's coming if we are to survive Dounreay's closure."

2. REINFORCE THE TOWN CENTRE

Participants expressed concern about the potential pressure for 'out of town' uses that could accompany the western expansion and it was felt that careful planning would be required to ensure that the town centre commercial and retail offer is not compromised. Local retailers are also competing with the growing internet market and action is needed to strengthen and enhance the town centre as an 'experience economy' for both locals and tourists to increase footfall and trade.

"It's a whole package we're selling but no one's going to do it for us! "

3. LOCAL ECONOMY

There is enthusiastic support for encouraging tourism and for new investments in training and employment in the town such as the North Highland College (UHI) and renewables. Participants want to see strong links between the education and employment sector to attract people to the area and ensure the town's young people are ready to take up new opportunities.

"We're in the right place and we have the right people."

4. LOCAL DISTINCTIVENESS & TOURISM

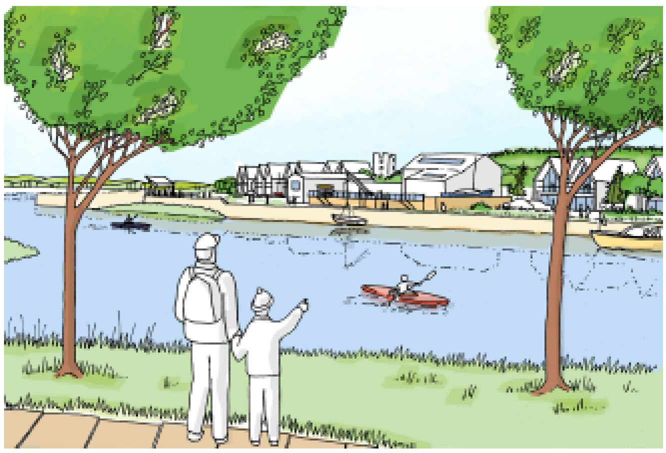
A traditional Norse port in the 12th Century, the town is steeped in history and culture. However, it was felt that this rich legacy, and Caithness generally, is under-sold to tourists and that the town should promote these historic and cultural assets through community led events, attractions and tours. Ideas to reopen St. Peter's Church should be explored along with the use of local crafts, skills, materials and produce.

"Caithness is the undiscovered bit of Scotland!"

5. TRANSPORT & MOVEMENT

Participants highlighted the cost and infrequency of buses and trains as well as the lack of parking at the railway station. There is also concern about HGV's passing through the town and the location of disabled parking spaces. To improve the vitality of the town centre, it was felt important to work to improve frequency of train and bus provision and improve the arrival experience and parking signage for visitors.

"It takes two hours by car to Inverness and over four by train!"



VIEW LOOKING EAST TO THE RESTORED RIVERSIDE

VIEW TO THE MILLBANK STUDIO WORKSHOPS

VIEW UP PRINCES STREET TO MART SITE

6. YOUNG PEOPLE

Young people expressed their desire for better play, sports and outdoor activities, particularly surfing. A key concern was the lack of informal 'hang out' space for 16-25 year olds to get together. Students from the High School highlighted the facilities young people would need in the future to encourage them to stay in the town, including employment, good shops and better housing.

"Establish more links that build relationships with young people and the renewables industry."

7. ARTS & CULTURE

Participants highlighted the number of artistic groups operating in the town and the potential community and tourism related offer that these groups could collectively bring. A cultural centre where artists could meet was seen as important to support a cultural renaissance of the town.

"Art and culture is not just an add on to tourism - it's a really powerful sector."

8. LANDSCAPE & ENVIRONMENT

The River Thurso is one of the town's greatest assets but some of the uses along its length, particularly to the east of the Ellan Bridge, detract from its amenity value. Over time. relocation of employment uses, and replacement by residential and mixed used regeneration, can enhance the river corridor. This would create more natural landscapes and habitats whilst providing amenity for local people and visitors with focused areas for leisure, recreation and culture.

"The river is special upstream and unloved downstream from the bridge."

9. QUALITY OF DESIGN

Participants expressed concern over the design quality of newer buildings and the neglect, sometimes to the point of demolition, of older buildings. There are opportunities for creative and place sensitive Nordic architectural approaches to new buildings and the enhanced use of local materials, particularly Caithness stone, in future building works.

"We are Norse Scotland."

10. ACTIVE COMMUNITY

Participants highlighted the number of active groups currently operating throughout the town but that the lack of a community hub or meeting space has affected the ability for these groups to co-exist and work together for the greater good of the town.

"We lost our central meeting point when the town hall was turned into Caithness Horizons."

11. CONTINUING PARTICIPATION

The principle of participation was grasped enthusiastically in the Charrette. Participants expressed an enthusiasm to continue their involvement in the town's regeneration and the emerging CaS Plan. Through the Charrette the idea of forming a new forum or team was developed, to build local capacity and enable active community participation for Thurso's people into the future. The group would have responsibility for discussing how the community and the Local Development Plan will progress the outcomes of the Charrette.

"'Team Thurso' could be an offshoot from the Community Council."

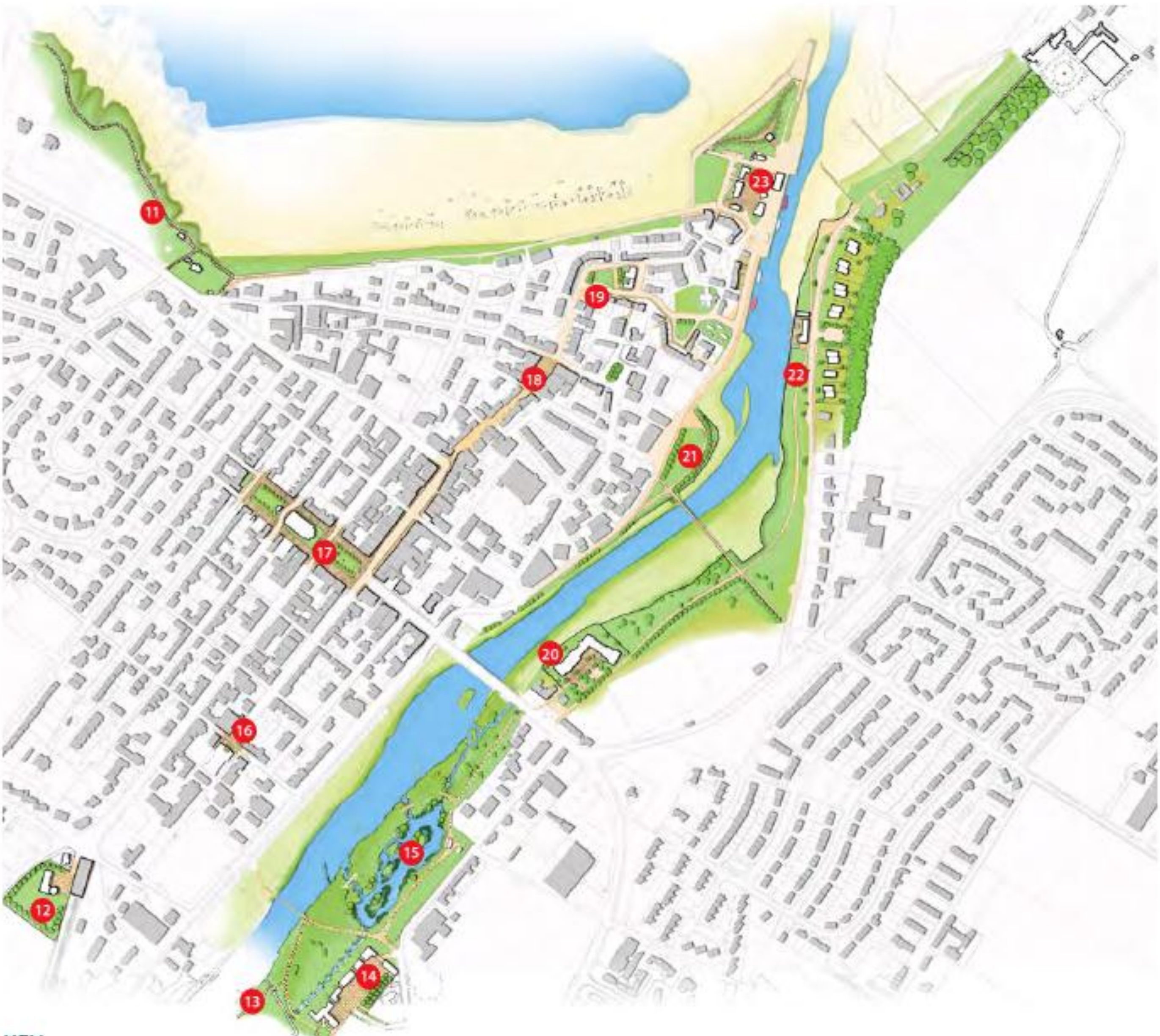
A NEW VISION FOR THURSO
ILLUSTRATIVE MASTERPLAN

ILLUSTRATIVE WIDER TOWN MASTERPLAN

KEY

1 Landscape structure of open margin and planting that extends to settlement edge.
2 Landscape treatment to burn for drainage and amenity for residential extension.
3 Potential residential and mixed use extension area.
4 Proposed Renewables set-down area.
5 Cordon secured for possible relief road route
6 Community Woodland.
7 Woodland edge on higher contour ground around town.
8 Thurso River regeneration and enhancement.
9 Town centre regeneration as vibrant destination.
10 Marine sports and related retail offer at promontory.

ILLUSTRATIVE TOWN CENTRE MASTERPLAN



KEY

11 Upgraded coastal path.
12 Mart site developed for office use at town side and mixed use behind.
13 A Thurso Way footpath to be extended from Mall Walk eventually to Loch More.
14 Millbank building group to be recreated as studio workshops with café retail.
15 The pond area transformed into ecological park fed by new rills from mill lade.
16 Public realm works at the Library frontage.
17 Public realm enhancements to transform Sir John's Square and environs.
18 Public realm enhancements extended to east and west of High Street.
19 Environmental improvements to prominent housing development around Shore St.
20 Commercial uses relocated and replaced with some residential and extended park.
21 River edge at end of pedestrian Ellan Bridge transformed into landscaped river edge.
22 Commercial uses relocated and replaced with some residential and riverside walk.
23 Promontory developed as marine sport retail village with new landform for viewing.

CAITHNESS VISION

At the Charrettes, Caithness was characterised as the lowlands beyond the highlands, a beautiful, low-lying and open county with long views, an heroic coastline and a wide range of environmental, heritage and cultural attractions many unknown beyond the county. The local economy is in transition - the decommissioning of Dounreay and decline in other related sectors such as administration, service and hospitality means that the area must develop effective strategies to attract investment and create employment. The new Local Development Plan will play an important role in this, as will the Caithness and North Sutherland Regeneration Partnership.

Charrette participants wanted to see the assets, skills and energies of Caithness brought together to make the most of the opportunities of the area for the future. There was also comment about the need for Caithness and Sutherland to work together. In both towns, it was evident that people believe that the communities should work together to welcome appropriate investment in the best locations. Although people are very attached to their own town, it is clear that Caithness as a whole weighs heavily in both their identity and loyalty.

Beyond the clear and present focus on economy, jobs and training, investment should focus on improving transport links, and enhancing the environmental and tourism offer. By working together the combined offer will be greater than the sum of the parts.

Caithness is a place apart and every bit as resilient and distinct as the island communities to the north. Inverness is a long way away and participants expressed a desire for the Caithness community to explore ways by which both decision-making and action can be brought to more local levels. Caithnessians want to express their pride in their area and culture and their optimism for its future, welcoming new investment whilst cherishing the local heritage.

Through the development of an integrated plan for Caithness the message will go out that Caithness is on the move and open for business - a great place to live, work, visit and invest.