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## EUROPEAN FISHERIES FUND: Axis 4

### Local Fisheries Development Strategy Template

*To be completed by Lead Partner:*

<b>Lead Partner (Organisation name)</b>	Highland Council
<b>Fisheries area</b>	Highland
<b>Partnership name</b>	Highland Fisheries Local Action Group

*Official use only:*

<b>Strategy number (serial number/code)</b>	
<b>Received (date)</b>	
<b>Approved (date)</b>	

*Form to be filled in and returned by e-mail or post to:*

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## 1. Executive summary.

A summarised description of the FLAG area is provided at Section 2 of the Draft Local Fisheries Development Strategy. The summary sets out the areas characteristics including:

- Social-economic profile
- Population characteristics
- Employment
- Nature conservation designations
- Fisheries sector statistics

The Highland EFF Axis 4 Programme will complement the LEADER Programme

Community and stakeholder engagement is planned mainly via the FLAG and community presentations at various stages during the EFF Axis 4 Programme period. Publicity materials will also be prepared and distributed throughout the FLAG area.

A SWOT analysis identified the main issues of concern within the FLAG area and these are expressed via the measures proposed at Section 5 of the Strategy (appendix 1).

Section 6 of the Strategy identifies specific outputs and outcomes that can be anticipated via the Highland EFF Axis 4 Programme

Proposals for national and trans-national co-operation is set out at Section 7

Communication policy is set out at section 8

## 2. Summarised description of the area.

*The Highland Council/FLAG does not wish to determination at this time which parts of the Highland Council area are included or excluded from the EFF Axis 4 area. Essentially the Highland settlement pattern is coastal and the map submitted with this draft strategy indicates the areas where the Council anticipates EFF Axis 4 should apply. That said the Council anticipates that most demand for the EFF Axis 4 Programme 2007 – 2013 will come from the west, north and east coast areas which are most dependent on fisheries. This encompasses most of coastal Highland but, based on a 1992 study conducted by Seafish would exclude areas in south east Sutherland and Easter Ross, both of which are historically fisheries dependent.*

*Therefore, the Council will base delivery of EFF Axis 4 on the Highland LEADER Programme area, which excludes Inverness and the Cairngorm National Park area.*

*For the purposes of this Local Fisheries Development Strategy, the Highland LEADER Programme area has been used.*

*This Local Fisheries Development Strategy is intended to complement the Highland LEADER Programme while providing a specific focus on the needs of fisheries dependent communities. Projects that are deemed unsuitable for EFF Axis 4 funding will be directed towards the LEADER Programme.*

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### **FLAG Area**

The Highland FLAG area will include all of the Highland Council area, except for the Settlement Development Area for Inverness (as given in the Local Plan) and the part of the Highland Council area within the Cairngorms National Park. It has a population of 146,229 and covers an area of 23,315 sq kms of the most sparsely populated and remote land in Europe. The FLAG area comprises over 30% of the total land area of rural Scotland and has some 10% of its population. It has 60% of the land area and 45.5% of the population in the area covered by the Highlands & Islands Convergence Programmes. Given the make up of the area, the FLAG intends to involve local community planning partnership principles in the delivery of the programme and in advising on project approvals.

### **Fisheries Local Development Strategy**

A socio economic analysis of the area gives a very complex picture with wide variations between different parts of the FLAG area but with main features as follows (compared to Scotland as a whole):

- outstanding cultural and natural heritage
- high levels of self employment
- greater dependency on jobs in agriculture, fishing and tourism
- an older population
- an ageing population
- a population projected to decline overall, with increases in some areas more than outweighed by declines in others
- 48% of the population living in remote rural areas
- five times as many holiday/second homes (half of the houses are not occupied full time in some settlements)
- low GVA

- low GDP
- high proportion of part time work
- low full time pay
- low average household incomes (83% of Highland average)
- high levels of seasonal work
- 19.2% of the working age population, are *income deprived* and claim benefits to supplement their low income
- 10.7% of the working age population, are *employment deprived* and claim employment related benefits
- 54% of the population live in communities deprived in relation to access to key services
- contains 11 of the 20 most access deprived data-zones in Scotland.

### **Outline Socio-Economic Profile of the FLAG Area**

The proposed FLAG area covers the Highland Council area excluding Inverness city (defined as the *Settlement Development Area* given in the Local Plan), and the Cairngorms National Park Area. It covers 23,315 sq kms of some of the most sparsely populated and remote land in Europe, and makes up 30% of the total land area of Scotland (91% of the area of Highland).

The profile which follows has been produced where possible using information collated at data-zone level, on the basis of the best fit of data-zones to the FLAG area. Rural data-zones can be quite large, and the fit often appears poor (in terms of geographical area rather than population), and it is important to appreciate that the FLAG area is as defined above, not by the data-zones which make it up.

### **Population Characteristics and Change**

In 2005, just over 146,000 people lived in the LAG area. The main centres of population are Fort William (9,560); Nairn (8,640); Thurso (7,540); Wick (7,010); Alness (4,960); Dingwall (4,910); Invergordon (3,900) and Tain (3,430); although smaller towns such as Portree (1,960) and Ullapool (1,360) also play an important part in providing services to remote rural areas.

Overall, the FLAG has an older population than Scotland as a whole. It has a slightly higher percentage of children than the rest of Scotland but fewer people in each of the other under 45 age bands, and proportionately more people in each of the over 45 age bands.

### **Employment**

The FLAG area has a greater dependency on jobs in Agriculture and Fishing, Tourism and the Public Sector than the rest of Scotland, and is less dependent on jobs in Transport and Communications and Finance. One feature of working life in the area is that a high proportion of jobs are part time (38.3% in the FLAG area compared with 31.5% in Scotland overall). It should be noted that the Annual Business Inquiry understates the importance of employment in the primary sector as only employees are included (see below).

**Employment by Sector (as a percentage of all people in employment) and Job**

Type	Scotland	Highland	LAG Area
<b>Agriculture and fishing</b>	1.5	1.6	2.4
<b>Energy and water</b>	1.5	0.8	0.9
<b>Manufacturing</b>	9.6	9.0	10.3
<b>Construction</b>	5.4	6.0	5.4
<b>Distribution, hotels and restaurants</b>	22.4	27.0	26.2
<b>Transport and communications</b>	5.4	5.1	4.6
<b>Banking, finance and insurance, etc</b>	18.5	11.9	11.2
<b>Public administration, education &amp; health</b>	30.3	33.0	33.7
<b>Other services</b>	5.3	5.5	5.2
<b>Percent of Jobs that are Full</b>	68.5	63.4	61.7
<b>Percent of Jobs that are Part Time</b>	31.5	36.6	38.3

Source: NOMIS / Annual Business Inquiry 2005

**Fisheries and aquaculture in the FLAG area****Fishing**

Employment in fishing in the Highlands accounts for 928 (0.81%) of the available labour force, and has declined by around 1% annually. It can be estimated that each job in fishing supports around 5 on shore involved in the servicing of the fishing fleet and other downstream activities like processing, marketing and gear manufacture. However, employment in the Highlands, in common with other areas of Scotland has declined steadily since the early 1990's.

11 vessels have been lost to the Highlands since 2008 and in common with other fishing regions vessel numbers have declined by about 41%, 34% and 12% for the demersal, pelagic and shellfish sectors respectively.

Much of the 143 strong fleet is below 10metres in length and older than 25 years old. These statistics are characteristic of the smaller inshore fleet which depends on local shellfish stocks.

Demersal landings dominate the market at Kinlochbervie, Lochinver, Scrabster and Ullapool, where visiting vessels land from west coast waters. Landings into Mallaig and Portree districts are dominated by shellfish.

There are 36 fishery harbours in the FLAG area. 30 are owned, operated and maintained by Highland Council while the remaining 6 are Trust harbours. The Trust harbours can be found at Inverness, Invergordon, Wick, Scrabster, Ullapool, Mallaig. Many of the fishery harbours owned by the Highland Council are small, with the main ones being at Helmsdale on the east coast; and at Lochinver, Kinlochbervie, Kyle, Uig, Gairloch, Elgol, Portree, and Old Dornie on the west coast.

The fish catching sector in the FLAG area is represented by a number of fishermen's associations. Those based in the Highlands are:

- Mallaig and Northwest Fishermen's Assoc
- Ullapool and Assynt Fishermen's Assoc
- Highlands and Islands Fishermen's Assoc (Static Gear)

- Avoch Fishermen's Assoc
- Caithness Creel Fishermen's Association

Those based outside the FLAG area but with Highland branches include:

- The Scottish White Fish Producers Organisation
- Scottish Pelagic Fishermen's Association
- The Scallop Association

The Scottish Fishermen's Federation (SFF) is the national representative body based in Aberdeen. Mallaig and Northwest Fishermen's Association is a member of the SFF along with the White Fish Producers Organisation and the Pelagic Fisherman's Association.

Employment in the fish catching sector has fallen steadily during the last decade as the industry contracts in response to European and national management measures and diminishing catching opportunities. Alternative employment opportunities are very limited within fisheries dependent areas of the FLAG.

### **Aquaculture**

Aquaculture within the FLAG area consists mainly of salmon culture and mussel culture. However other species such as oysters and scallops are farmed in smaller volumes. There are approximately 59 active fish farm sites in the FLAG area producing approximately 30,000 tonnes of salmon; and 80 active shellfish farm sites producing 451 tonnes of mainly mussels.

Aquaculture representative organisations are:

- Scottish Salmon Producers Organisation (95% of Scottish production)
- Scottish Shellfish Growers Association
- British Marine Finfish Association

In common with the fish catching sector within the FLAG area, employment is either full-time, part-time and season. It is estimated that employment in the salmon farming sector within the FLAG area is 203 (f/t) and 23 (p/t). Shellfish culture in the FLAG area accounts for 23 (f/t), 42 (p/t) and 23 casual workers. Employment may fall in the FLAG area as the aquaculture industry adopts new technologies and becomes more efficient.

### **Fish and shellfish processing**

The processing sector linked to commercial fisheries is relatively small. With the exception of a few larger companies processing *Nephrops* in Inverness and Fort William, those dealing with shellfish and fish tend to be smaller enterprises processing locally caught fish or fish purchased outside the FLAG area, shellfish or handling live shellfish for consignment elsewhere. It is estimated that commercial fish processing and handling in the Highlands accounts for somewhere between 500 and 700 jobs in total. Work tends to be seasonal and turnover of staff is constant. Securing and retaining properly trained employees is a constant battle for the sector.

Processing of aquaculture products takes place mainly in Fort William, Alness and

Dingwall, and is concerned with the processing of salmon into fillets, gutting, packing and the preparation of a few tertiary products like party snack. In addition, there is a large receiving centre for farmed salmon operating at Mallaig Harbour. In all, the receiving and processing of aquaculture products in Highland area is estimated to account for a further 500 to 750 jobs.

### **Fragility**

*Fragile Areas* are areas which are in danger of long term decline due to their remoteness, an ageing population, lack of economic opportunity and access to essential services. The map which follows shows the fragility of Highland in 2003. This illustrates the complexity and diversity of community settlements within Highland and supplements the information provided in the Local Area Profiles as part of the LEADER Programme.

### **Natural Environment**

The FLAG area enjoys an environment and landscape of exceptional quality, which is recognised in its high number of national and international designations. 20.9% of the FLAG is designated as Sites of Special Scientific Interest (4,868 sq kms) compared with 12.7% and 9,909 sq kms respectively for Scotland. 29.1% of the FLAG area is designated as National Scenic Area (6,790 sq kms) compared with 13% and 10,018 sq kms for Scotland (all figures Highland Council based on SNH 2003).

### **3. Community and stakeholder engagement.**

Proposed measures included at appendix 1 of this Local Fisheries Development Strategy have been consulted upon and agreed among the FLAG membership prior to their inclusion. Flag membership is set out below:

- Highland Council (3)
- HIE (1)
- SNH (1)
- Moray Firth Partnership (1)
- Moray Firth IFG (1)
- Mull and Small Isles IFG (1)
- Northwest IFG (1)
- Fish processing organisations (2)
- Harbour authorities (2)
- Visit Scotland (1)

Community and stakeholder engagement will take place via the FLAG members.

Delivering the EFF Axis 4 Programme will involve both printed and web based material as well as face to face contact, and will be the responsibility of the Highland Council. There will use a combination of local media, community contact used throughout the Programme.

Community meetings will also be held at various stages during the EFF Axis 4 Programme.

## **4. Description of main issues and overall objectives.**

This section establishes (via SWOT) out the main issues to be addressed by the Highland FLAG and the overall objectives to be met by the measures established at Section 5 (appendix 1).

### **Main issues guiding the FLAG**

Based on the issues identified through the previous sections, the following analysis of the strengths, weaknesses, opportunities and threats that the Highland FLAG should take into account has been prepared;

#### **Strengths**

- High quality marine and coastal environment – unique flora and fauna
- Strong local identity – linked to culture and heritage
- High tourism value and existing tourism destinations
- Resilient communities bound by culture and environment
- Access to a variety of high quality fisheries resources which are in demand internationally
- Fishery products are high quality
- Active community groups and voluntary sector
- Population loss balanced by strong migration in some areas
- Good linkage exists with similar communities throughout Scotland
- Strong fisheries representative bodies
- Attractive sailing destinations and linkage with existing sail events (Tall Ships and Norway/Scotland yacht racing)

#### **Weaknesses**

- Negative image of fisheries sector as a stable employment option
- Work can be highly seasonal
- Population losses occur in the younger population
- Population balance moving towards older age groups
- Rural based economy, sparsely populated and settlements dispersed
- Limited access to higher education of training opportunities/apprenticeship in the fisheries sector
- Narrow economic base
- High levels of under-employment, low pay, seasonal and part time work
- Relatively high cost of living – transport and construction costs are high
- Infrastructure limited
- Barriers to employment include transport costs and childcare
- Vulnerability to market failures, reduced access to resources, environmental and seasonal factors
- Fishery product range may be limited locally
- Few business start ups compared with other areas
- Employment opportunities limited outside primary sector and catering

#### **Opportunities**

- Coastal locations ideal for enhanced tourism and environmental interpretation
- Community activity is already strong and can be built on
- Existing tourism businesses could expand activities based on the marine and coastal environment
- Self employment is the norm

- Extending opportunities for further education and training in the fisheries sectors
- Retain younger age groups
- Extending tourist season via marine activities including sailing and nature excursions and interpretive materials
- Improve infrastructure to support fisheries and tourism sectors and extend tourism value to fishery areas
- Add value to existing fisheries products for local sales
- Build on experience gained elsewhere and available via FARNET

### **Threats**

- Over-exploitation of environmental and natural resources via fishing, tourism could damage the economy further
- Decline in existing fisheries sector and other business enterprises or failure to develop new business skills
- Over dependence on community groups and volunteer organisations as drivers of development
- Continued population loss among the younger age groups and continued ageing of the workforce
- Failure to benefit from sustainable exploitation of marine and coastal resources
- Diminishing training opportunities in the maritime sectors and increasing negativity about the opportunities it can provide
- Missed opportunities to grow existing businesses and develop skills base
- Failure to learn from other, similar communities dealing with similar problems

### **Overall Objectives of the FLAG**

The over all objectives of the of the FLAG will be to implement support measures that will:

Revitalise communities by:

- Maintain the economic and social prosperity of fisheries communities by providing additional training opportunities which help develop new skills and support the expansion of existing enterprises or the start up of new enterprises in fisheries areas.
- Preparing feasibility studies that guide community development in fisheries areas during the remainder of the EFF Axis 4 Programme and provide a basis on which to build future community development programmes post 2013.

Build community capacity by:

- Providing training in maritime sectors for school leavers wishing to pursue a career in the fisheries and maritime sectors.
- Improving understanding and appreciation of the coastal marine environment, and the culture and heritage of fisheries communities.
- Supporting national and transnational co-operation among Highland fisheries communities and those within the FARNET experiencing similar problems and solutions
- Piloting collaborative management of fisheries and natural resources.
- Improving infrastructure for fisheries and tourism sectors

Deliver new markets and products by;

- Add value to existing fisheries products and support the development of additional products for the local, national and international markets.
- Supporting the formation of additional tourism businesses.

All of the above activities support the provision of a progressive coastal economy

Target groups within fisheries communities can be identified as:

- Young people
- Women
- The under-employed
- Young adults (up to 34)
- Older people (over 65)
- Fisheries-businesses and their employees
- Tourism business
- Community groups
- Micro-businesses

## **5 Specific objectives and proposed measures.**

*See appendix for proposed objectives and measures*

## 6. Outcomes to be achieved.

The following sets out the outcomes to be achieved within the FLAG area via the Highland EFF Axis 4 Programme by December 2013. In each case a baseline will be set by the FLAG at the beginning of the Programme period:

### Measure 1

Maintaining the economic and social prosperity of fisheries communities

Indicators by (31<sup>st</sup> Dec 2013):

- No of fisheries sector training courses undertaken (20)
- No of school leavers undertaking training in maritime skills (20)
- No of new enterprises started up as a result of training courses provided (10)
- Community development plans prepared and being implemented (4)
- No of young people entering the maritime sector (increase)
- Population leaving FLAG are (reduced)

### Measure 2

Adding value to fisheries products

Indicators by (31<sup>st</sup> Dec 2013):

- No of product development/enhance value projects assisted (5)
- Collaborative management and exploitation projects assisted (5)
- Increase in value of products sold locally (+5%)
- Volume of locally caught fisheries products sold locally (+5%)

### Measure 3

Maintaining and developing jobs in fisheries areas through diversification

Indicators by (31<sup>st</sup> Dec 2013)

- No of additional tourism businesses underway (10)
- No of harbours with improved infrastructure supporting fishing and tourism (15)
- No of community development projects completed (10)
- No of jobs retained or created in fisheries areas (at least maintained)

### Measure 4

Promoting the quality of the coastal environment

Indicators by (31<sup>st</sup> Dec 2013)

- No of interpretive tourism businesses delivering new experiences (5)
- No of people undertaking nature/cultural tourism excursions resulting via EFF support (+ve)
- No of new interpretive materials available in the FLAG area (+20)
- Feedback from people undertaking new experiences (+ve)

## Measure 5

Promoting national and trans-national co-operation between fisheries areas.

Indicators by (31<sup>st</sup> Dec 2013)

- No of collaborative projects run with FARNET partners (2)
- Feedback from community rep undertaking national or transnational projects (+ve)
- No of ideas/solutions transferred and implemented via national or transnational projects (2)

## **7. Co-operation.**

Support and funding for trans-regional or trans-national collaboration between Fisheries Local Action Groups or between Fisheries Local Action Groups and comparable regional partnerships is built into measure 5 (appendix 1).

### **Co-operation within Scotland and the United Kingdom**

The potential exists for the FLAG to work jointly with other groups within Scotland and across the United Kingdom. The Highland FLAG will be encouraged to explore the opportunities and benefits of joint projects. 'Learning journeys' will be encouraged, with support for follow-up project development. The FLAG will actively forge links with other FLAGs in the UK and Scotland, and will work to establish relevant contacts in these areas. Axis 4 funds will support collaborative projects with trans-regional partners and local agencies

The Highland FLAG anticipates projects coming forward in relation to the identified development issues, key programme challenges, themes and priorities. Some examples of the kinds of projects currently envisaged are:

- Collaborative projects in resource management;
- Collaborative projects supporting marine planning and data gathering

### **Trans National Co-operation**

Axis 4 funding will support collaborative projects with trans-national partners and local agencies.

For example the kind of project currently envisaged are:

- Collaborative projects within the EU FARNET organisation

## 8. Communication.

The aim of the Axis 4 communications and publicity policy will be threefold:

- To raise awareness of the Highland EFF Axis 4 Programme and of the roles of the FLAG.
- To promote the aims and objectives of the EFF Axis 4 Programme in the context of the wider development of the Highland FLAG area.
- To attract potential beneficiaries, both communities and individuals from the target groups.

It has been agreed that the first steps in implementing this policy should be the production of a simple information leaflet about the Axis 4 EFF Programme, for wide distribution across the Highland FLAG area. A website will also be developed with information on EFF Axis 4 and the Highland FLAG's programme, along with application forms and guidance notes available to download. In due course there will also be information on projects approved for funding and casenotes on selected projects. The website will be linked from the LEADER Programme website and from those of its constituent partners.

The implementation of the publicity and communications policy will be a mainstream responsibility of the EFF Programme managers. They will use a combination of local media, community contact and thematic networks. The encouragement of quality projects from the local level will be a prime objective of this work and in this the FLAG staff will work closely with the CVS network and the Council's Ward Managers and Community Development staff.

As the Programme gathers momentum, the emphasis will move increasingly to the provision of feed-back, both to the target groups and to the wider community of the Highland FLAG area, about the projects supported, the positive difference they should make to revitalising communities and developing the economy of the area, and their potential transferability.

