



From mountain to sea

Economic Development Annual Review

2016 / 2017





From mountain to sea

Aberdeenshire
COUNCIL



Serving Aberdeenshire from mountain to sea – the very best of Scotland

The best area

Helping to create and sustain the best quality of life for all through:

- happy, healthy, confident people
- safe, friendly and lively communities
- an enterprising and adaptable economy
- our special environment and diverse culture

The best council

Aiming to provide excellent services for all by:

- involving, responding and enabling
- finding new and more efficient ways of doing things
- providing elected leadership for our areas
- working with our partners in the North East and beyond
- always looking to the future



Cover image shot on location at Dunnottar Castle. Photographer Agata Pospieszynska
Cover image courtesy of Harper's Bazaar UK - a global brand produced in 31 international editions, reaching 54 countries in 21 languages with over 9 million readers and 5 million issues sold each month.

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Collated by: Sheila Stuart

Economic Development Overview

Ready for the challenge

Welcome to the Council's annual review of our work on Economic Development.

As the Deputy Leader of the Council and Chair of the Infrastructure Services Committee, I recognise and appreciate the vital role played by the Economic Development team and the many other Services who contribute to supporting the Aberdeenshire economy every day.

Economic Development remains, together with Early Intervention and Demography, one of the three fundamental pillars in policy development and service delivery we have in place in the Council. We plan to continue to work on sustainable growth, low unemployment and a broader economic base across the whole of Aberdeenshire, while giving particular focus to our Regeneration Areas. The Economic Development service has built successful relationships across Aberdeenshire, Scotland, the UK and Europe, promoting Aberdeenshire as an excellent place to do business. It has had a significant input to European policy-making I look forward to ensuring we continue to give high priority to this work over the coming years.

As you will read, in the last year, considerable work has taken place across Aberdeenshire and with our partners to deliver our Regional Economic Strategy which is based on diversifying our economy, supporting people to set up and thrive in business and to deliver regeneration to our communities where it is needed most. One of the key planks in this approach was achieved in 2016 with the formal signing of the Aberdeen City Region Deal. This will provide significant investment in key projects that will drive our economy for the next generation. As well as the Aberdeen City Region Deal, there continues to be significant financial investment into our region's infrastructure. I recently visited Peterhead Port and saw for myself the work underway and the investment of £50million to expand the harbour. This is a real indication of how Aberdeenshire remains an economic driver in Scotland's economy.

Given the ongoing constraints in the oil and gas industry, our Employment Support Team have had another busy year supporting and helping people back into employment and/or into training. It is always good to hear positive outcomes from such help. Aligned to this is our action plan for our four

regeneration Towns of Banff, Macduff, Fraserburgh and Peterhead which is starting to deliver positive economic, social and physical changes.

Tourism, along with our land and sea based industries are our key strengths now and for the future and this is mirrored by the high level of start-up and growing companies we are supporting direct or via Business Gateway. We can only do this in partnership and I must thank all our partners for this ongoing joint working relationship.

I am very aware that our communities in Aberdeenshire and the wider North-east are facing challenges in the coming years, from reducing public sector finance to climate change impacts. Therefore, we must support and strengthen our communities by ensuring sustainable economic growth.



Councillor Peter Argyle

Deputy Leader and Chair Infrastructure Services Committee

Introduction

Welcome to the 2016/17 review of Economic Development activities. In Aberdeenshire Council Economic Development is an important policy theme across the Council and the service works closely with our colleagues to support one another to create the conditions for sustainable economic growth, diversification and regeneration in the region.

In this last year, we have seen a number of developments, not least the signing of the Aberdeen City Region Deal, which will see an investment of over £826 million over the next ten years.

Across Aberdeenshire Council, work has continued to support our four regeneration towns of Peterhead, Macduff, Banff and Fraserburgh and has included the launch of the Property Investment Fund.

Early in 2017, the Infrastructure Services Committee approved a new five year Economic Development Action Plan for the Council which will deliver on many of the themes of the Regional Economic Development Strategy (2015). The economic position of the region has seen ongoing challenges in parts of the oil and gas sector, however, there are green shoots and investment returning in the North Sea, the competitiveness of which will be enhanced by the now operational Oil and Gas Technology Centre. Wider, the food and drink, fishing and agricultural industries are growing in reputation and scale. They will be aware of the impacts of Brexit and will be keenly watching the work on the Great Repeal Bill. Tourism support in 2016 saw a significant shift with the creation of the industry led Visit Aberdeenshire organisation. Funded by Aberdeenshire Council in partnership with Aberdeen City Council and Opportunity North East, they are working to support the industry, market our assets and develop the visitor economy as part of our wider diversification strategy.

The Economic Development Service is here to support and advise businesses and social enterprises, so please get in touch.



*Belinda Miller
Head of Economic Development and
Protective Services*

Economic Development

Our objective is for the Council to create the conditions for sustainable economic growth, diversification and regeneration within Aberdeenshire and the wider region

Aberdeen City Region Deal



Aberdeen City Region Deal Signing at the Oil & Gas UK Headquarters, Aberdeen, November 2016

The Aberdeen City Region Deal was signed on 21 November, 2016 and is valued at :

£826.2 million over a ten year period

UK Government (£125m)

Scottish Government (£125m)

Aberdeenshire Council (£10m)

Aberdeen City Council (£10m)

University of Aberdeen & Robert Gordon University (£23.5m)

Private Sector and other local economic partners (£532.7m)

The 10-year deal paves the way for investment in innovation, internationalisation, digital connectivity and infrastructure across the region. It is designed to act as a catalyst for economic growth and diversification.

The Aberdeen City Region deal will have far reaching impacts including enhanced regional competitiveness, connectivity, infrastructure, housing, employment and lifestyle, all of which are key elements in attracting and retaining the people we require to support and power the economy.

The principal City Region Deal projects are

- The Oil and Gas Technology Centre
- Agri. Food and Nutrition Hub for Innovation
- Bio. Therapeutic Hub for Innovation
- Digital Connectivity
- Aberdeen Harbour Expansion
- Strategic Transport Appraisal

One of the projects already up and running is the Oil and Gas Technology Centre. The Centre was formally opened on 10 February 2017. It aims to become the go to centre for oil and gas technology in the UK and internationally. This ground breaking partnership is driving the technology innovation needed to maximise economic recovery, make sure that facilities are decommissioned efficiently and helping the UK become a global leader in technology based solutions and competitiveness.

Further information:

Website: www.abzdeal.com

Twitter: [#ABZdeal](https://twitter.com/ABZdeal)

Opportunity North East

Towards Economic Renaissance



*Sir Ian Wood, GBE
Chairman of Opportunity North East*

Opportunity North East (ONE) is the private sector economic development body for the region and was established by industry to catalyse action and investment to deliver economic growth and employment for the long term.

ONE aims to grow the region's food, drink and agriculture sectors; build the life sciences sector; maximise the oil and gas opportunity, including post North Sea; evolve tourism to exploit new business and leisure opportunities and develop the region's digital economy and entrepreneurial environment.

ONE is industry-led and privately funded

with £29 million over five years from the Wood Foundation. ONE's region-specific remit and focus on co-investment with partners give it a unique ability to add value to economic development activity across Aberdeen and Aberdeenshire, including leading on the development of the renaissance vision at the heart of the Regional Economic Strategy.

In its first full year of operation, ONE secured significant funds to support the region's key industries, including £210m of UK and Scottish Government funding for innovation projects within the Aberdeen City Region Deal, in which ONE is the private sector partner. From this initiative, the region's new Oil & Gas Technology Centre is now successfully launched as an independent company with £180m of capital available over ten years to create a major global offshore technology centre in the region.

ONE has also delivered projects with industry and partners including Aberdeenshire Council, Scotland Food & Drink and Scottish Enterprise, to support business growth through new market opportunities, innovation and diversification. ONE committed to projects totalling £1.4m in 2016/17, securing a match funding commitment from partners of £1.6 million, demonstrating the catalytic effect of its private sector led approach to economic development.

In 2017/18, ONE will invest up to £3.5 million in projects and programmes across its priority industry sectors, which will secure more than £3.2 million of match funding from partners. ONE's activity will include a food and drink business growth programme, work with agriculture supply chains on efficiency, developing diversification opportunities with the oil and gas supply chain and direct financial support to VisitAberdeenshire to grow visitor numbers and tourism revenues in the region.

Further information:

Website: www.opportunitynortheast.com

LinkedIn: Opportunity North East Limited

Twitter: @OpportunityNE_1

Agriculture and the Land Based Sector

Dairy Processing Project



Dairy cows in Aberdeenshire

On 2 June 2016, Muller UK & Ireland (incorporating Wiseman Dairies) confirmed the closure of its processing plant in Tullos, Aberdeen, resulting in the loss of 255 jobs and adversely affecting the 43 local dairy farms supplying the Aberdeen factory with around 74 million litres of milk per annum. Muller continue at present to source milk in North-east Scotland for processing at their factory in Bellshill but at a haulage cost of 1.75p per litre to most local farmers, placing them at a competitive disadvantage.

Dairy farmers affected sought the assistance of Aberdeenshire Council and Opportunity North East (ONE), to review the impact of the additional costs on producers and to evaluate alternative dairy processing options to help sustain dairy production in North-east Scotland.

The Council and ONE agreed to carry out and fund a comprehensive Dairy Options Appraisal Study. On 20 June 2016, a team of 2 specialist advisers were appointed – HRA Food and Drink, a specialist dairy inward investment consultancy and SAOS, Scotland's experts on co-operation and collaboration within the food and drink sector.

The objectives of the study were as follows:

- Review the dairy market and assess potential options, production economics and producer returns.
- Prepare an analysis of current and latent milk and dairy product demand, including retail products and food manufacturing ingredients.
- Investigate the feasibility of an appropriately-scaled dairy plant in Aberdeenshire/Angus in partnership with prospective inward investors.
- Establish the economics, production efficiency and intentions of the local dairy farms.
- Present the results to a meeting of all local milk producers.

Over the course of the next eight months, a highly detailed analysis and industry consultation was conducted. This included the publication of an inward investment prospectus which was circulated internationally and was followed up with multiple meetings with major players in the European dairy market. A steering group, representing local dairy farmers, were kept informed, culminating in a detailed presentation of the options by HRA and SAOS on 17 March 2017.

Local dairy farmers are well-invested, market-facing and progressive. They have also demonstrated a willingness to invest in a new dairy processing facility– one which, if delivered successfully, is likely to focus on the production of dairy products for the Scottish food manufacturing sector.

ONE and Aberdeenshire Council are continuing to work closely with SAOS and dairy farmers on delivering the project.

Further information:

<http://www.aberdeenshire.gov.uk/facingthefuture/>

“Dairy farmers in the North-east of Scotland have been very grateful for the support received from both Aberdeenshire Council (Economic Development) and Opportunity North East (ONE) through their expertise and financial backing to fund a feasibility study into the viability of providing a milk processing facility in the area. The positive outcome of this has led to a group of 26 dairy farmers forming the North East Milk Producers Association which will now complete a full business plan to take the venture to the next stage. Ongoing support is still being provided from both the Council and ONE and is greatly appreciated”

Jean McLean
Chair
North-east Dairy Farmers Steering Group



Business Development



*Blast cleaning steel
Image courtesy of Davidsons Blast Services Ltd., Peterhead*

Four Business Development Executives offer business support across Aberdeenshire from bases in Stonehaven, Inverurie, Peterhead and Banff. This generalist business support and advice complements the work of the specialist industry advisors and the regeneration staff.

The Business Development Executives assist businesses in their area by; advising on sources of public funding and private finance, accessing expert help, supplying information on local projects and linking businesses directly into other Council Services.

One of the main tools that the Executives have is the Council's Support for Aberdeenshire Business (SAB) scheme which aims to strengthen

Aberdeenshire's economy and encourage the expansion and development of local businesses as well as encourage businesses to move into the area and create jobs.

The scheme places importance on businesses selling outwith the area and the ultimate goal is to secure and expand the employment base and the economy of Aberdeenshire. SAB offers financial assistance, in the form of loans and grants, to both new and existing businesses throughout Aberdeenshire. The business support staff can also advise businesses of support offered by other agencies and other parts of the Council.

Most of the businesses assisted in 2016/17 were in the food, drink and tourism sectors. In 2016/17 the scheme assisted 37 businesses and over 100 jobs were created or sustained through the Support for Aberdeenshire Business.

Case Study - Rora Dairy

Rora Dairy yogurt was launched in 2017 at Middleton of Rora Farm to create Simple Pure Scottish yogurt using milk from their cows near Peterhead. They have built a state of the art facility to enable the pasteurisation and processing of milk to create delicious products and sales have already taken off. Jane Mackie, founder of Rora Dairies said, "The SAB scheme has helped us achieve our initial marketing aims, enabling the company to develop a great website, attend the Royal Highland Show and to start to build brand awareness which is so critical for a start up business. The support received from SAB has been a huge help".



Further information

www.aberdeenshire.gov.uk/business/support-and-advice/business-support/support-for-aberdeenshire-business/

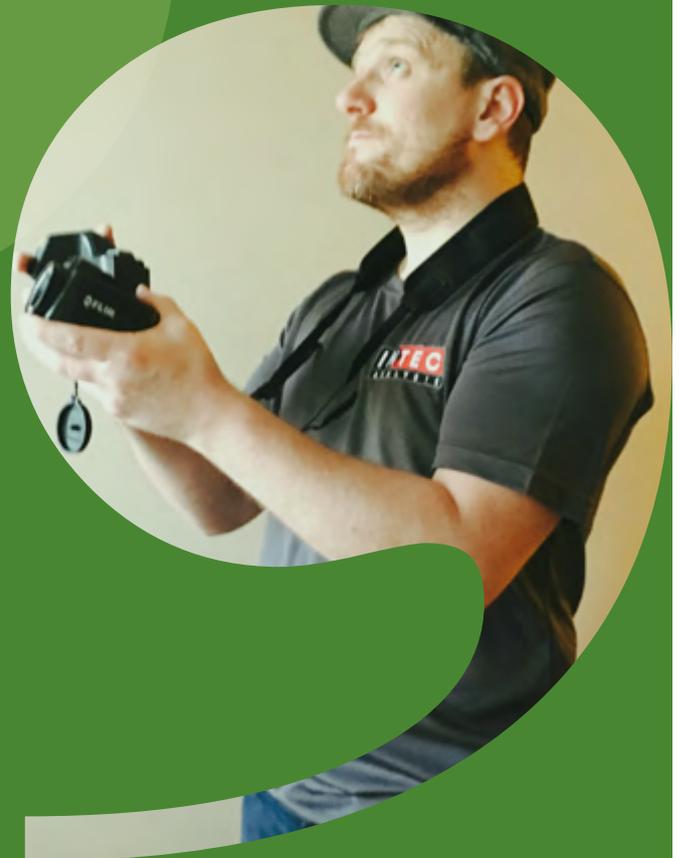
www.roradairy.co.uk/

“The Support for Aberdeenshire Business Scheme (SAB) enabled our company to purchase some key equipment at a very early stage in our company development, allowing us to provide specialist predictive maintenance support across a wide range of local industries including refrigeration, fishing and property maintenance.

We were able to not only demonstrate, but also validate the need for our thermography analysis services to our clients in person using our equipment, which was hugely beneficial. It was very encouraging to have this support right on our doorstep, enabling us to diversify from our oil & gas roots so easily.

Many thanks to the team at Aberdeenshire Council Economic Development.”

Scott Wallis
Managing Director
Intec Analysis Limited, Peterhead



Business Gateway



Stephen Whitelaw, Digital Marketing Consultant delivers a business workshop

Business Gateway provides free support for those looking to start or grow a business in Scotland. In partnership with Elevator, our experienced team of business advisers work with hundreds of businesses in the North-east to help them to reach their business goals.

Our workshops in particular attracted record numbers and are especially useful for those taking the first steps to running their own business. These free workshops cover a wide range of topics from marketing to finance.

There has also been a rise in the number of people accessing the free resources online, for example, by downloading

business guides or financial templates. Continuing the digital theme, 2016/17 saw the introduction of a new service offering support for businesses to make the most of digital opportunities under the Digital Boost scheme. The scheme delivered advanced workshops on digital marketing and taught members of the business community how to increase sales using social media. A number of local businesses were able to access a consultant for their business to train key staff in new technologies, strengthening marketing and reducing costs. Continued Scottish Government funding will allow this service to continue into 2018.

Young entrepreneurs were the focus for two large events in Aberdeen and Fraserburgh with a variety of speakers telling the story of how they started and grew their business. Local entrepreneurs inspired the audience with the highs and lows of their journeys to get their business to where it is today. Such events help to get the message out that starting your own business is an option when considering employment and career choices. Key figures for 2016/17 included:

- 1,000 new businesses started trading with Business Gateway support.
- 289 free workshops delivered on a range of business topics.
- 14 new businesses VAT registered or taken on employees.
- 14 companies passed to Scottish Enterprise to receive intensive support to significantly grow turnover and increase exports.

Further information

Call Business Gateway Aberdeenshire on 01224 289725

Or email aberdeenshire@bgateway.com

“Business Gateway’s advisers in communities bring local knowledge, connections and commercial expertise to companies looking to grow, and to people looking to start new businesses. The development of SMEs in Aberdeen City and Shire, and across Scotland, produces a positive impact for local economies through the creation of new jobs and increased commercial activity across supply chains.”

Hugh Lightbody
Chief Officer
Business Gateway National Unit | COSLA



Community Economic Development



Strichen Town House

2016/2017 has been a year of developments with our communities as a key partner.

To support this work and to underpin the relationship with the voluntary sector, CED has been leading on the development of a 3rd Sector Charter.

This work has involved colleagues in Human Resources & Organisational Development, Procurement, Community Learning and Development, Area Managers and partners, Aberdeenshire Voluntary Action and Aberdeenshire Rural Partnership Federation.

Key themes being suggested are volunteering, procurement, funding, consultation and engagement.

Consultation and development of the charter will take place over 2017 with the charter being expected to be adopted in Autumn 2017.

Following the publication of the Community Asset Transfer guidance from Scottish Government in January 2017, the Council has made some minor amendments to the Aberdeenshire Community Asset Transfer Policy and processes.

Community Asset Transfer continues to be an option to truly empower communities.

Further information

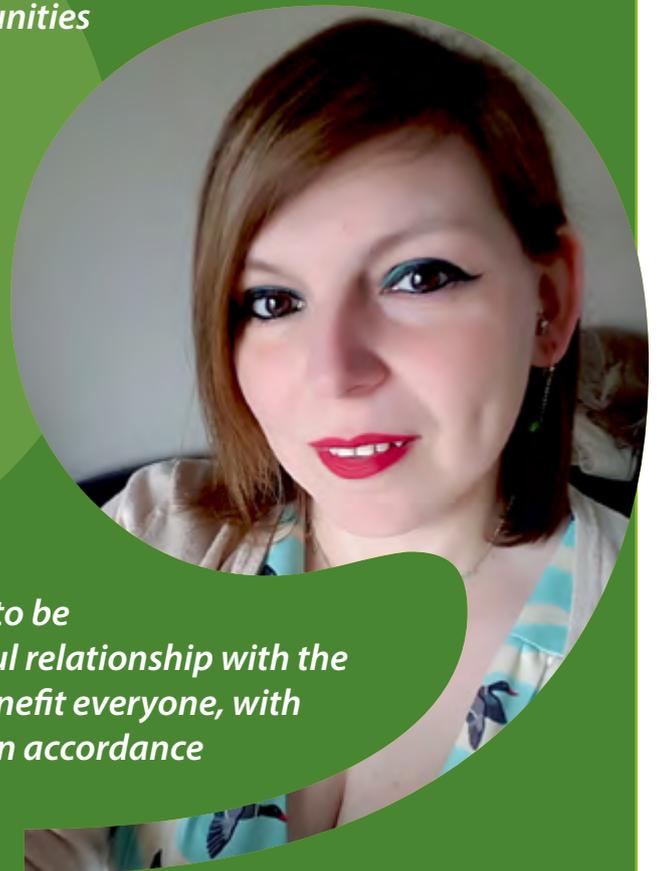
<https://www.aberdeenshire.gov.uk/business/support-and-advice/communities/community-economic-development/>

“The Community Empowerment (Scotland) Act 2015 offers community groups a fantastic opportunity to engage in local decision-making, planning, design and delivery of the services that matter to them locally and to look towards taking ownership of assets that benefit their community. Whilst we have always been lucky that Aberdeenshire have taken an open approach to community involvement and engagement, anything that strengthens the position and gives increased clarity to all parties is only to be welcomed.

It gives a clear framework so there is an upfront understanding of all that is required from everyone to develop better ways of working together to deliver on the actions that can drive achievement and positive development within communities to help them in the creation of attractive and sustainable places to stay.

The development of the CE Act gives communities a tool to negotiate with statutory partners and to engage on an equal footing in working collaboratively towards vibrant and inclusive communities that meet the needs of everyone living and working there. These inclusive communities encourage celebration of diversity, reduction of social isolation and the design, development and delivery of fit for purpose services, which effectively narrow the gaps within communities encouraging everyone to take part and be active.

The Act opens the door for all communities to be engaged in a much deeper, more meaningful relationship with the statutory agencies, which will ultimately benefit everyone, with effective and purposeful services delivered in accordance with local need.”



Dawn Brown
Development Worker
The Garioch Partnership

Employment Support Team



Garioch job club participants

Over 2016/17 the Employment Support Team's six Key Workers offered an intensive one to one service to 475 clients seeking employment and assisted them in meeting their employment goals. This help can include confidence building, help with applications and Curriculum Vitae (C.V's), online digital skills and training to meet local employer needs. The Employment Support Team (EST) offers a flexible service, ready to respond to sudden changes in the local job market, such as redundancies or businesses expanding or moving into Aberdeenshire. A wide range of entry level courses are offered such as Construction Skills Certificate Scheme, Security Certification and Child Care training Skills. Development Scotland and Jobcentre Plus often assists with the funding of these courses. EST operates throughout Aberdeenshire running 11 job clubs, with an additional one being added in 2016. Key Workers now also work in schools offering practical advice around employment to school pupils to prepare them for the job market.

Many EST activities are run in partnership, mainly with the following organisations; Jobcentre Plus, Skills Development Scotland, other Council Services and third sector organisations such as Foyer.

In 2016/17 a new Digital Job Coach offered online and digital upskilling courses to 90 clients seeking work.

The team worked to ensure that Community Benefit Clauses were included in large Council capital projects and also worked to ensure that these Clauses were honoured.

European Structural Funds of £6.8 million were secured for additional employability and financial inclusion projects in Aberdeenshire.

EST is part of a partnership working to retrain ex-oil and gas workers and also assist these individuals in drawing up C.V's and seeking work outwith the energy sector. In 2016/17 EST also organised, along with partners, job fairs to link job seekers with employers.

Further information

E-mail: employmentsupportteam@aberdeenshire.gov.uk

Energetica – Scotland's Energy Corridor



Welcoming a delegation from Houston to Scotland's Energy Corridor, March 2017

Energetica's aim is to make the region the location of choice for high value oil and gas and renewable energy organisations and a first choice for organisations of all sizes operating in other high value, quality niche markets.

The Energetica Programme comprises a number of key projects and work streams with the aim of delivering four strategic objectives:

1. To consolidate and grow the Region's position as one of the world's major energy centres and the energy capital of Europe;
2. To attract new high value investment and people to the region;
3. To grow the international trade of indigenous business; and
4. To create a location that seeks to maximise both quality of design/development and quality of life.

Key progress and developments include:

- The first Energetica sign is now on site with permissions for two further signs being advanced.
- The Energetica Walking and Wildlife Festival has grown to become the Energetica Summer Festival, with events spanning across the summer from May-August. In 2016 more than 1,400 attendees took part in 42 events doubling participation levels year on year since the change of format in 2015.
- Energetica visited the Offshore Technology Conference in Houston and exhibited at Offshore Northern Seas in Stavanger, with a stand on the Aberdeen City & Shire pavilion. This activity generated a great deal of interest in Energetica raising the profile for the region and generating several enquiries from an international audience including inward delegation interest and familiarisation visits with Scottish Development International.
- Energetica Development Manager has engaged with and presented to a number of inward delegations from Canada, Western Australia, Norway and the U.S.A highlighting investment opportunities and showcasing the area.
- Onshore works for the two offshore windfarms within the corridor off Balmedie and Peterhead have commenced with offshore works to begin during 2017.
- Energetica has worked with Vattenfall to design and host a supplier event for their European Offshore Wind Deployment Centre (EOWDC) to encourage local businesses to engage with the project.
- Energetica has supported and exhibited at two recent Peterhead Energy Hub events promoting economic activity and local supply chain capability in and around Peterhead.
- Coverage of Energetica has been secured in various publications including: Energy Voice, P&J Business supplement, Commercial Property Monthly, Offshore Design & Engineering Equipment magazine, Highlands & Islands Energy Guide.

Further information:

Visit: www.energetica.uk.com

www.energetica.uk.com/festival2017

Twitter: @energetica_uk

Aberdeen Western Peripheral Route / Balmedie – Tipperty: Facts



At its peak, 2,300 people were employed directly on site



During maximum earthworks, 230 dump trucks, 150 excavators and 60 dozers were used



There are 78 bridges across the length of the project



The AWPR/B-T is the longest roads construction project in the UK at 58 kilometres

“Aberdeen Roads Limited is honoured to be working on the construction, operation and maintenance of the largest roads construction project currently underway in the UK, the Aberdeen Western Peripheral Route / Balmedie to Tippetty project (AWPR/B-T).

During construction, we have provided a large number of training and employment opportunities for people who live locally and across Scotland. The communities in the North-east have, in particular, felt the most benefit.

“Once complete, the AWPR/B-T project will provide a range of economic advantages to communities, as well as improve safety and reduce congestion.”

**Malcolm Findlay
General Manager
Aberdeen Roads Limited**



Energy



*Statoil Hywind mating of turbine to spar foundation prior to arrival in Peterhead
Image courtesy of Statoil*

The energy sector remains a vital component of the Aberdeenshire economy, despite the continuing impact global events have had on oil prices and employment. The average oil price in 2016 fell to \$43.70 driven by both demand and supply factors. However, the agreement in November 2016 by OPEC to restrict supply, forced prices up and price remained in the \$53-56 range in the first few months of 2017. UK oil and gas output rose by 5% in 2016 and this should continue in 2017, providing the anticipated new fields come on stream.

The drive to reduce costs continues and average operating costs fell to \$15.30 per barrel in 2016, increasing the attractiveness of the United Kingdom Continental Shelf (UKCS) to investors.

The launch of The Oil & Gas Technology Centre in February 2017 was of particular significance for the energy sector. The Centre is an industry-led, research and development organisation with the aim of becoming the go-to technology centre for the oil and gas industry in the UK and internationally. It will help unlock the potential of the UK North Sea, anchor the supply chain in the North-east of Scotland and help to make the region a great place to live, work and invest in. The Centre will work in partnership with companies and universities to co-invest in industry-led projects that deliver tangible results.

Aberdeenshire Council officers remain active in their support of the sector with ongoing work to support Fraserburgh Harbour Commissioners' offshore wind operations and maintenance ambitions. Along the coast, the continued investment at Peterhead Port will ensure it has a long term role to play in serving the UK Continental Shelf (UKCS) in addition to the fishing industry.

The construction of Statoil's Hywind project to build the world's largest floating wind farm off Peterhead is well underway and Kincardine Offshore Windfarm, also using floating technology, received consent to commence operations.

Aberdeenshire Council was represented at Offshore Northern Seas in Stavanger in August 2016 and was part of the Scottish delegation which exhibited at the Offshore Technology Conference in Houston in May 2016. Exhibition space was also taken at Subsea Expo, Europe's largest subsea exhibition, in Aberdeen in February 2017. Each exhibition provided a platform to promote Aberdeenshire to work live and invest in.

Aberdeenshire Council officers maintain a close working relationship with Department for International Trade (formerly known as United Kingdom Trade and Investment), Scottish Development International and the North East of Scotland Trade Group, to ensure the profile of the area and its companies in overseas markets remains high. Officers are in regular contact with trade bodies Subsea UK and Decom North Sea.

Aberdeenshire remains home to a number of the country's vital energy assets, including St Fergus Gas Terminal, Peterhead Power Station, Peterhead Port which is the North-east's leading deep sea harbour and Westhill, which is recognised as the global centre in subsea engineering excellence.

European Maritime and Fisheries Fund



Peterhead Harbour, Port Henry Basin Pontoons

The North East Scotland Fisheries Local Action Group (NESFLAG) provides support and funding to fishing communities and the fishing industry across Aberdeenshire and Angus. NESFLAG is a partnership of around 22 organisations representing the public, private and community sectors of fisheries Communities. NESFLAG delivers and manages the Community-Led Local Development axis of the European Maritime and Fisheries Fund 2014-2020.

NESFLAG has a number of priorities which each project should fit within:

- Adding value and promoting innovation at all stages of the fisheries and seafood supply chain
- Creating jobs, attracting young people, encouraging lifelong learning and facilitating training in fisheries areas
- Supporting diversification inside of outside commercial fisheries
- Enhancing and capitalising on the environmental assets of fisheries areas
- Promoting social well-being, cultural heritage and community development in fisheries areas
- Following the programme's launch and appointment of a new Co-ordinator in March 2016, the first applications were received in July. In September the FLAG approved two projects:

Buchanhaven Boatshed – a small community boatshed at Buchanhaven Harbour which incorporates workshop space, a classroom and storage.

Peterhead Harbour – Port Henry Basin Pontoons – an extension to the existing marina at Port Henry Basin which will provide 15 additional berths for the inshore fishing fleet and large visiting leisure craft.

The FLAG continues to work with applicants including small businesses, community groups and third sector organisations to develop innovative projects which will provide widespread economic and social benefit to fisheries communities.



Further information
www.nesflag.org.uk
nesflag@aberdeenshire.gov.uk

European Services



in attendance at The East of Scotland European Consortium (ESEC) event at the Scottish Parliament, 21 February 2017

L to R: Martin Brebner, Team Manager, (European Policies & Programmes) and Jimmy Buchan, Brand Manager, Scottish Seafood Association

The past year has been challenging following the EU referendum result, which has short term implications for the management of European funds and longer term implications for Aberdeenshire's businesses and communities.

The team has continued to deliver funding secured from the European Structural Funds:

Fund	Local Programme	Allocation
European Social Fund	Inclusive Aberdeenshire	£717,077.68
	Aberdeenshire Employability Pipeline	£2,497,656.40
European Regional Development Fund	Business Competitiveness	£360,290.00
European Agricultural Fund for Rural Development	North Aberdeenshire LEADER	£3,290,237.00
	South Aberdeenshire LEADER	£2,831,742.00
European Maritime and Fisheries Fund	North East Scotland Fisheries	£1,437,000.00
TOTAL		£11,134,003.08

The above funds are provided by the European Union and Scottish Government. Businesses and communities can bid for project funding from local programmes, with guarantees received from the UK and Scottish Governments that funding commitments entered into prior to the UK leaving the EU will be underwritten by national funding.



Further information
www.aberdeenshire.gov.uk/business/support-and-advice/european-matters/europe-and-aberdeenshire-council/

Film Office



Armourer – Matthew Strange working on location in Aberdeenshire

The Film Office is a partnership between Aberdeenshire Council's Economic Development and Cultural Services. 2016/17 has been a very productive year with a number of key national and international productions shooting here for film, television and print. The depth of strategic connections with Creative Scotland has increased and included an invitation to support the UK Pavilion at the 2016 Cannes International Film Festival and also to the Scottish Parliament to give evidence to the Culture, Tourism Europe and External relations Committee alongside representatives from the production industry.

The remake of Whisky Galore, filmed in Portsoy and the Banffshire Coast in 2015, went to UK cinematic release in May 2017. As part of the ongoing commitment to promote screen tourism, Aberdeenshire Council, VisitScotland and the distributor Arrow Films, worked together to create a Whisky Galore Film Map of the key locations. The map was launched at a tourism focused regional screening.

International brands have turned their focus to our region this year with:

- The Royal Bank of Scotland choosing Aberdeen, Fraserburgh Harbour plus a private location in Aberdeenshire to film their new commercial.
- Chivas Regal filmed their new advertising using a drone, filming at Dunnottar Castle, a nearby waterfall and on the Old Military Road (A93) through the Cairngorms.
- Award winning LS Productions brought high fashion to the region with a shoot on Balmedie Beach. They returned in November for a Harper's Bazaar Magazine fashion shoot at Dunnottar Castle and the Aquhorthies Stone Circle. These locations became the front cover of Harper's Bazaar and a 16 page spread in the April issue. They enjoyed the Dunnottar Castle location so much that they returned in March with fashion brand, Twinset.

A number of television series have filmed this year including:

- Andrew Marr's Scotland – filming along the Aberdeenshire coast.
- Beechgrove Gardens returning to film the Brighter Bervie Group and their beautiful 'Garden of life', including the stunning Public Art created by artist Debbie Ryan.
- Salvage Hunters Television Series visited Aberdeen and Kintore while the Posh Pawn – Television Series filmed in Portsoy and at Whitehills Gala.
- Air an Rathad, (On the Road for BBC Alba) a flagship car show, filmed at Collieston Harbour.
- Country File filmed at Macduff Aquarium, Gardenstown and Crovie.
- The One Show returned to film at Macduff Aquarium.
- Landward returned to the area to film two more Aberdeenshire linked episodes.
- BBC One's Songs of Praise visited Peterhead to film an episode focusing on fishing.

Aberdeenshire was also the focus of two documentaries:

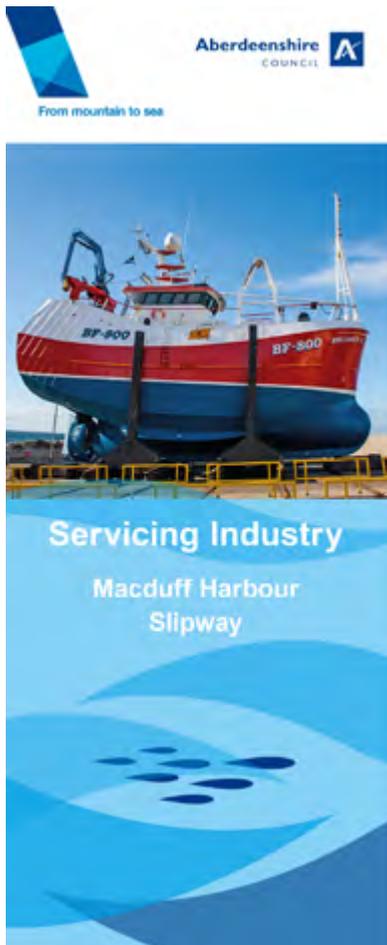
- 100 Years of the Windsors.
- Channel 4's Britain's Wildest Weather filmed in Ballater, focusing on the towns' recovery from the 2016 floods.

The Film Office continues to support local creative businesses through advice alongside working with 'Hit the ground Running' to deliver an intensive and interactive two day training course, in the area for new entrants to film and television drama in Scotland.

Further information:

www.filminginScotland.com

Fisheries



One of a suite of banners produced for Skipper Expo International 2017 which attracted 205 exhibiting companies from 19 countries

The Scottish Seafood Industry generates over half of Scotland's food exports, employs around 14,000 people and is worth over £1 billion per annum to the Scottish economy. Anchored by landings into Peterhead and Fraserburgh, the main centre of operations lies in North-east Scotland.

The sector's growth prospects are good. Harbour developments, improving fish stocks and Brexit are expected to sustain high levels of fish landings in future. Confidence in the catching sector is high. Independent studies* have analysed the seafood processing sector and concluded that to fully express its potential, gaps in career promotion, recruitment, training and new product development require to be addressed, potentially through the creation of a multi-dimensional Seafood Centre of Excellence *see links below.

Such a centre could provide a tailor-made space for the improvement of industry skills and training standards, raise awareness of food and seafood career opportunities and training, support start-up business ventures and foster collaborative partnerships across the food sector to develop new added-value products.

A Centre could also facilitate knowledge exchange on routes to market, identify new opportunities beyond existing markets and Champion the seafood sector.

Following on from the work of the Fraserburgh Task Force - which was set up by Scottish Government to address job losses at Young's in 2015/6 - a project group led by the council has been developing and testing the vision for the Centre of Excellence and its feasibility.

Following a tendering exercise, SAC Consulting was awarded in March 2017, the council-funded contract to carry out a business case assessment of the proposed Centre – in effect a commercial feasibility study. SAC Consulting will report in late August 2017.

Further information

www.aberdeenshire.gov.uk/media/11621/neprocessingstrategyreport.pdf

www.gov.scot/Resource/0044/00446926.pdf

Food & Drink



The first of the new format dining events was hosted by Serco NorthLink Ferries in Aberdeen, 30 September 2016

*From L to R: Peter Cook, Director, Food Drink & Agriculture
Peter Hutchinson, Customer Service Director, Serco NorthLink Ferries &
Elizabeth Mathie, Project Manager, Food Drink & Agriculture*

Helping the region's significant food and drink industry to grow is a strategic priority for Aberdeenshire Council and its partners. The work of the former Grampian Food Forum is now being developed by the North East Scotland Food & Drink Network, a partnership between the Council and Opportunity North East (ONE). This includes trade dining events and seminars, Taste of Grampian and the region's annual food and drink awards.

The 2017 North East Scotland Food & Drink Awards built on the success of the Grampian Food Forum Innovation Awards launched in November 2016.

The awards received 76 entries across 11 categories with 64 new products being submitted. An awards workshop helped

entrants and increased engagement with newer companies. Fifteen businesses entered for the first time with almost half of the enterprises under five years old, underlining the exciting growth in the sector.

The 2017 judging panel included Cate Devine, Food Writer and Columnist, Kev Shand, North Sales Manager for Braehead Foods and Angus Bell, Category Manager for Scotland for Morrisons, who said of the judging process "I was really impressed at the fantastic range of innovative new products being developed in the North-east. Having the opportunity to meet the producers was great for the judging panel and we were all impressed by the passion and drive displayed by so many of the companies."

The awards are part of a wider series of exciting new activities for the sector that are being delivered through partnerships involving Aberdeenshire Council, ONE and Scotland Food & Drink. This includes a new business growth programme, a food tourism project and networking events as well as support for businesses to explore how new market opportunities and innovation can help drive growth.

A new programme of dining events was also launched in the year to create opportunities for local food and drink producers and hoteliers, chefs and restaurateurs to network and build business connections. Nearly 60 representatives from North-east businesses attended the first event, held on board NorthLink Ferries' MV Hjaltland vessel in Aberdeen, to learn about how the ferry operator has put local produce at the forefront of its onboard offering.

Further information

Website: www.opportunitynortheast.com

LinkedIn: Opportunity North East Limited

Twitter: @OpportunityNE_1

Infrastructure Developments

Digital Connectivity



*Digital Scotland goes patrol in Turriff
Image courtesy of Digital Scotland*

Aberdeenshire residents who are able to access fibre enabled broadband services have reacted enthusiastically to the development, with 38.77% electing to do so as at the end of March 2017.

This figure is above the Scottish average level of uptake of just over 30%.

The Rest of Scotland upgrade programme will continue to deliver improved infrastructure until December 2017. Latest predictions are that by that date, total fibre coverage in Aberdeenshire will extend to almost 90% of households and around 75% of premises will be able to access a broadband speed of 30 Mbps.

This is a significant improvement from the start of the programme in 2014, when superfast broadband was available to only 20% of households.

Remaining premises which have a line speed below 2 Mbps have been offered free satellite installations or connection vouchers to help them access a better service.

Interest has also been shown in Community Fibre Partnerships, an initiative which sees groups of householders and BT partner to deliver fibre to the premises solutions to areas not having fibre delivered to them by the Rest of Scotland programme.

The Scottish Government is currently developing R100, a successor project which will offer superfast (redefined as 30 Mbps) broadband to 100% of Scottish premises by the end of 2021.

Mobile phone network operators agreed in 2014 to collectively invest £5bn in improved coverage and services, giving the Government an undertaking that they would all offer 4G coverage to 90% of the UK's land area and 95% of the population by the end of 2017.

This investment is taking place with several new and upgraded masts already in service in Aberdeenshire. As 4G services facilitate home working, this is an important development for Aberdeenshire and in some places, internet access via the mobile phone network is the best currently available option to households and businesses.

LEADER Programme

North Aberdeenshire Local Action Group



Digging deep! Work progresses on the largest LEADER grant funded project in Aberdeenshire to date – Fraserburgh South Links Sports Development Trust

The North Aberdeenshire LEADER programme covers an area roughly including the administrative areas of Buchan, Banff and Buchan and Formartine, and has an allocation of just under £3.3m for Community Led Local Development between 2014 and 2020.

Funding for projects is assessed and awarded by the North Aberdeenshire Local Action Group, based on alignment and fit with the North Aberdeenshire Local Development Strategy.

There were four funding rounds scheduled in the last year, and despite a brief period of uncertainty, a total of £369,976.78 was committed to projects in the North Aberdeenshire area,

contributing to total project costs of over £1.35m. This includes the largest LEADER grant awarded so far in Aberdeenshire; £271, 868.16 awarded to the Fraserburgh South Links Sports Facility.

South Aberdeenshire Local Action Group

South Aberdeenshire Local Action Group currently has a budget of £2.8m to help deliver the objectives set out in our Local Development Strategy for the period 2014-20 or the point at which the UK leaves the European Union.

The South Area covers the areas of Kincardine and Mearns, Garioch and Marr but excluding the National Park Area which has its own Local Action Group.

The year 2016/2017 has generated interest from projects and potential applicants even in a period of uncertainty. The South Aberdeenshire Local Action Group has awarded contracts to 5 projects in the year 2016/17 totaling £385,084. This investment has enabled an additional £406,364 to be levered into the area.

The projects awarded have a diverse range of activity from both the Business and Community sectors assisting with the delivery of several priorities in our Local Development Strategy.



Further information

www.nalag.org.uk

www.salag.org.uk

salag.org.uk/wp-content/uploads/sites/3/2015/09/South-Aberdeenshire-LDS-Nov-151.pdf

salag.org.uk/projects/

Regeneration

Developing Excellence in our North Coast Communities.



*Aerial view of progress on new athletics track, all abilities bike path and football pitch at South Links, Fraserburgh 2017
Image Courtesy of Graham McLean
Fraserburgh South Links Sports Development Trust Facebook page.*

This year has seen us expand the regeneration programme to all four of our north coast towns with elected members leading local partnerships to create visions and action plans for Banff, Macduff, Fraserburgh and Peterhead. Over £5million has been allocated to help deliver these plans and funding is matched with other external funds to attract even more resources into the heart of our communities.

Whilst this strategic work was embracing new plans and developing partnerships with businesses and community representatives, energy

and resources were committed to continuing our ongoing activity in all towns. In particular two key projects in Fraserburgh were crystalised; South Links Sports Development Trust (SLSDT) and Fraserburgh 2021.

SLSDT is a Community Trust established to develop and manage new sports facilities in Fraserburgh consisting of a football pitch, running track and all abilities cycle track. £150,000 of Aberdeenshire Council funds helped to lever in a package of over £1 million of external funds. Ground work has now started and the Trust aims to increase and deepen participation in sport, particularly athletics, amongst all through this project.

Fraserburgh 2021 is a £5.7 million package of development aimed at improving the central conservation area in the town. Funded through a combination of Aberdeenshire Council, Historic Environment Scotland, Heritage Lottery and private funding, Fraserburgh 2021 will improve the historic building fabric in the centre of town, provide much enhanced public spaces and civic amenity and offer opportunities to owners to improve their properties. At the centre of this project, an Enterprise Hub will improve the numbers of new businesses created and grown in Fraserburgh and explore opportunities for greater entrepreneurial energy and activity in the town.



Fraserburgh South Links Sport Development Trust

Further information:

www.aberdeenshire.gov.uk/business/support-and-advice/communities/regeneration-in-aberdeenshire/

“The South Links sports development will make a significant contribution to the overall regeneration of Fraserburgh and the surrounding areas. Sport has been proven to be one means of increasing economic participation, confidence, inclusion and community cohesion as well as overall health and wellbeing. On the back of poor local deprivation indicators in the town – linked to loss of employment in the fishing sector, poor levels of health and negative social perceptions, the Trust has worked tirelessly to raise the funding required for this exciting project. The project has brought together 22 different local clubs for the first time to create this shared vision and work together to provide a community asset which will complement and add to existing facilities and help to raise the social and economic ambitions of the area.”

Graeme Clark
Convenor
Fraserburgh South Links Sports Development Trust



Renewable Energy



Onshore Wind: Onshore wind is the largest contributor to renewable generation in Aberdeenshire. UK Government subsidy levels remain low but a small number of schemes are progressing, with Vattenfall scoping plans to double the capacity of the 37MW Clashindarroch wind farm. The total capacity of wind energy in Aberdeenshire as of May 2017 was 445MW operational with 14MW in construction and a further 75MW of projects consented.

Offshore wind: Development of the 30MW Statoil Hywind Scotland Pilot Park project is progressing well. Connection of the five 6MW Siemens turbines to the 'spar' type floating foundations is being completed in Norway, prior to being towed to position in the Buchan Deep, 13 miles east of Peterhead. The scheme will be completed and commissioned in 2017. Although the turbines will be manufactured in Germany and the Spars and towers will come from Spain there are opportunities for the local supply chain in onshore works and in long term operations and maintenance.

The proposed 50MW Kincardine Offshore Windfarm Project (KOWL), located 8 miles east of Stonehaven, has obtained planning consent from Marine Scotland. The pilot project will use semi-submersible technology to deploy 8 turbines in water depths up to 80m. These two projects will put Aberdeenshire at the forefront of world floating offshore wind deployment. The 92MW European Offshore Wind Deployment Centre (Vattenfall) is proceeding, having overcome a series of legal challenges, with construction starting in October 2016. The scheme, hosting eleven of the industry's largest turbines, is sited off the Aberdeenshire Coast at Blackdog. Completion is due in summer 2018.

Hydro: The Braemar Community owned Corriemulzie hydro scheme was commissioned in the summer of 2016. The 100kW scheme, costing £800,000, was officially opened by HRH the Duke of Rothesay in September. There are now nine small scale hydro schemes operating in Aberdeenshire but reductions in Feed-in Tariff support mean that it will be increasingly difficult to develop new schemes.

Biomass: Growth of the wood-fuel industry has slowed significantly following reductions in the RHI (Renewable Heat Incentive). Aberdeenshire has over 100MW of RHI registered non-domestic installations by capacity (May 2017), just ahead of Highland and Dumfries and Galloway, but domestic installations are falling behind. There are two anaerobic digestion schemes, each generating 500kW, with a larger scheme (2MW) in planning.

Geothermal: The Hill-of-Banchory Geothermal Feasibility report, funded by the Scottish Government's Geothermal Challenge Fund, was published in February 2015. Further development will be dependent on Scottish Government funding.

Solar: Solar deployment at April 2017 was approximately 25MW. This has been led by farm scale projects such as the 1.6MW scheme at Mackie's of Scotland. Despite Feed-in Tariffs being low there is interest in developing commercial large scale projects, particularly in coastal areas which receive higher sunshine levels.

Aberdeenshire can generate more electricity from renewable sources than it currently consumes, but significant challenges remain in reducing emissions in the heat and transport sectors.

Further information

corporate.vattenfall.co.uk/projects/wind-energy-projects/european-offshore-wind-deployment-centre/

www.princeofwales.gov.uk/news-and-diary/the-duke-of-rothesay-opens-the-braemar-community-hydro-electric-plant

www.statoil.com/en/news/hywindscotland.html

pilot-renewables.com/

Sustainability and Climate Change



*Ballater Flood Protection Works, September 2016
Flood protection forms part of climate change adaptation work*

The Conference of Parties (COP21) Agreement, to which the UK and Scotland subscribe, came into effect on 4 November 2016 and binds nations to hold global temperature rise to under 2 degrees Celsius above pre-industrial levels. The UK and Scottish Governments both have legislation addressing the objectives of reducing carbon emissions and have signed up to the COP21 Paris Agreement.

The Scottish Government recognises climate change will have far reaching effects on Scotland's economy, its people and its environment and is determined

to play its part in tackling climate change. Aberdeenshire Council recognises that all of its functions and operations have an impact on climate change and is committed to reducing this by demonstrating clear leadership. In November 2016, the Council approved a new Environmental and Climate Change Policy and Climate Change Action Plan to 2020.

Aberdeenshire Council became the first Local Authority in Scotland to develop and approve a Carbon Budget. The process ensures that the Council is placing as much focus on its carbon footprint as it does its financial budgets. By considering all of the Council's budgets at the same meeting, Councillors will have greater clarity on how decisions are being made in relation to sustainability and climate change. The key to its success will be encouraging ownership through engagement across senior management, officers and members so that we can reach our challenging targets. Empowering all services within Aberdeenshire Council to rethink how they maintain an excellent service while lowering emissions is an opportunity for positive change and innovation that can also reduce costs.

In November, Aberdeenshire Council successfully completed its first mandatory Climate Change Duties Report for the Scottish Government. The report ensures that as a Public Body, we are exercising our functions as specified in the Climate Change (Scotland) Act 2009.

The final draft of the Sustainable Energy Action Plan (SEAP), for the Council and a North East Scotland Sustainable Energy Action Plan (NESSEAP), in partnership with Aberdeen City, Moray and Angus Councils was completed in March 2017. This is a high level strategic plan document that covers all areas of sustainable energy with a detailed assessment towards addressing the future energy challenges of the region.

The Council completed work with Edinburgh based ClimateXChange for a second phase of research which focused on the flooding events of December 2015 and January 2016. Counting the Costs of Extreme Events – an Aberdeenshire Case Study was published in January 2017 and explored the need for 'event specific' financial cost centres so that the cost of climate change can be captured and utilized when considering different approaches to climate change adaptation.

Further information

Counting the Costs of Extreme Events – an Aberdeenshire Case Study can be found at:

www.climateexchange.org.uk/adapting-to-climate-change/economics-climate-change-adaptation/

A copy of the Environmental and Climate Change Policy can be found here:

www.aberdeenshire.gov.uk/environment/environmental-policy/

Tourism in Aberdeenshire

Beyond Words but Not Beyond Reach



Loch Muick Path, 2017

VisitAberdeenshire, the new Destination Management Organisation (DMO) for tourism in Aberdeenshire and Aberdeen launched in April 2016. Following independent research into the tourism sector, the industry indicated that it wanted tourism support and marketing to be simplified to remove possible duplication and overlap.

The new DMO was set up following the amalgamation of three regional tourist bodies, Banffshire Coast Tourism Partnership, Visit Aberdeen and Visit Royal Deeside bringing together

resources and skills from across the region, and with the goodwill of all its partners.

The main objective of VisitAberdeenshire is to drive sustainable growth of the visitor economy of Aberdeen and Aberdeenshire through strategic leadership and co-ordination of destination development and marketing with the aim of promoting Aberdeenshire and Aberdeen nationally and internationally to both leisure and business tourists and to improve the accommodation and service offering of hospitality providers and visitor attractions.

VisitAberdeenshire now has the capacity to usher in a new, successful era for the visitor economy, taking advantage of the increased availability of hotel beds. Target markets for VisitAberdeenshire are Germany, Norway, Iceland and the rest of the UK. Golf, castles and whisky remain key attractors for visitors and Aberdeenshire is fortunate to have a variety of unique resources for guests to enjoy in each area. VisitAberdeenshire is jointly funded by Aberdeenshire Council, Opportunity North East, Scottish Enterprise and Aberdeen City Council.

Aberdeen Festivals, which represents the region's major cultural festivals, has been expanded to include festivals in Aberdeenshire. The festivals will work alongside each other to collaborate on one-off performances, grow audiences and strengthen the region's cultural sector. VisitAberdeenshire and Aberdeen Festivals retain a strong working relationship with VisitScotland to ensure marketing and service development activity is complementary.

VisitAberdeenshire Business Engagement Executives worked with more than 150 tourism related businesses to understand what the business is, how it is performing and to identify any gaps in knowledge and/or skills and to assist by advising or signposting to relevant agencies, organisations and sources of funding. The key aim is to support the industry and ensure businesses receive relevant support when it is needed. A number of tourism businesses in Aberdeenshire exhibited on the VisitAberdeenshire stand at VisitScotland Expo in Glasgow.

Further information:
www.visitabdn.com

Town Centres



Launch of the Town Centres First Principle, October 2016

This year has been another busy year for our town centres, following a successful inaugural event in 2015. The Aberdeenshire Town Conference was held in Fraserburgh on 22nd April 2016 as part of the North East Business Week with the theme of Investment and Development – Strengthening Aberdeenshire’s Town Centres. This event saw the launch of the Property Investment fund with £400,000 committed to enable investors and property owners across Peterhead, Fraserburgh, Banff and Macduff to bring

empty and derelict buildings back into use. Those interested in property investment and development were invited to the event and with over 100 delegates present the event was a great success and allowed contact to be made and development projects initiated.

Inverurie and Peterhead both successfully applied for £40,000 of funding to enable the development of a Business Improvement District in both towns. The 14 month development stage saw many partnerships being formed. Rediscover Peterhead Steering Group is working to finalise its five year business plan and the We Are Inverurie BID has been voted through by local businesses. The Inverurie bid received an 87% Yes vote on 22nd June, the group is currently in the process of forming their board of directors to deliver the five year BID business plan, with over half a million pounds to be invested locally as well as being used to lever in additional funding

2016 ended with a new policy being approved at Infrastructure Services Committee (ISC) in December, following an invitation from the Scottish Government and COSLA in 2015 to adopt the ‘Town Centre First Principle’ beyond the traditional planning approach. ‘Town Centre First’ will make town centres a key consideration in all council business and it will be rolled out in a similar manner to that of Equalities. The framework includes a Town Centre Impact Assessment where officers across the council will consider the impact on the town centre ahead of submitting any report to committee. The ‘Town Centre First Principle’ was launched in June at an event where Phil Prentice, Scotland Towns Partnership, Diarmaid Lawlor, Architect and Design Scotland and Ross Martin, Economic Agitator, informed Elected Members, Town Centre Ambassadors and Senior Managers of the principle and gave examples of how the ‘Town Centre First Principle’ approach could be adopted within Aberdeenshire Council to the benefit of our communities.

Further information

www.aberdeenshire.gov.uk/business/support-and-advice/communities/regeneration-in-aberdeenshire/

"If Scotland, a nation of towns, is to authentically reconnect people with its places as an integral part of driving economic growth, the first step is embracing the Town Centre First Principle (TCF).

Aberdeenshire Council is to be congratulated on its recognition that its economy is based on its network of towns which also create the context of its social fabric and host the places where much of its cultural glue sticks. By adopting Scotland's first all-embracing TCF policy framework, the council has shown the lead to communities, developers and others interested in the vibrancy and vitality of this beautiful, productive part of the country - from the mountains to the sea."

Ross Martin
Economic Advisor to BIDs in Scotland



Looking Forward

As we head through 2017, in a world of continued global challenges, I note a thought provoking mix of local rising unemployment coupled with a positive counter side of local investment, indications of an economic upturn and some big planned developments.

What I do know is that there is a shared vision coupled with energy and drive to bring forward initiatives and associated investment which cuts through the negative stories and generates a positive outlook.

In the past year there has been significant, quantifiable progress. Construction of the Aberdeen Western Peripheral Route (AWPR/B-T), assisted by a mild winter, has continued at pace. Broadband rollout has also moved forward, with a strong focus on the domestic customer. More households than ever before have access to fibre broadband and that programme continues through to the end of 2018. By the end of 2017, 4G coverage will have been expanded across Aberdeenshire, also providing an improved picture of digital connectivity for our area. Due to the challenge of our geography, not all will benefit initially, but the emerging digital story is a very positive one for the region.

There are undoubtedly signs of recovery. Oil and gas exploration has recommenced, albeit at a reduced scale but commenced nonetheless. The Aberdeen City Region Deal has launched with the Oil and Gas Technology Centre now up and running and investment in Tourism, Food, Drink and Agriculture, including Fisheries and Life Sciences now in the pipeline. This investment is geared to encourage innovative approaches to addressing both existing and new challenges in the respective sectors and helping them to grow successfully. Some of the investment is aimed at creating knowledge hubs which can export learning and new technologies for adoption locally, nationally and internationally.

Further progress will be made with the £47 million development of a larger fish market and deepening of water at Peterhead Port underway and Hywind, the world's first floating offshore windfarm development also near Peterhead estimated at £1.7billion about to be installed. I welcome the expansion of Aberdeen International Airport's terminal and the purpose built replacement for the Aberdeen Exhibition & Conference Centre (AECC) and the proposed significant economic benefit that those projects along with others that I have not mentioned, will bring to our local authority area and beyond.

Economic Development at Aberdeenshire Council has at its centre, the role of making connections and directing and supporting both new and more established businesses alike. We can provide funds to businesses and help to deal with the day to day difficulties of a challenging economic environment that may arise. As well as this, we can signpost to specialist advice and guidance through Business Gateway who can assist new business start-ups and help to achieve the growth of existing businesses.

Decisions need to be made at local level to enhance services to communities across Aberdeenshire and this Council will continue in that role – to guide, support and intervene to maximise the impact of public spend for the benefit of business and communities alike.



Stephen Archer
Director of Infrastructure Services

A CLOSER LOOK AT **ABERDEENSHIRE**

9% OF THE
SCOTLAND'S
AGRICULTURAL
AREA
PRODUCES
20% OF
AGRICULTURAL
OUTPUT

ABERDEENSHIRE

HAS A

1.6%

unemployment rate
compared to
Scotland

with **2.4%**



13% of jobs

in

**Professional,
Scientific
&**

**Technological
sectors**

Scotland averages

7%

ABERDEENSHIRE

had an

8.7%

population increase
in the last 10 years
compared to the rest
of Scotland with

5.3%

Aberdeenshire's

**First Simplified
Planning Zone**

approved in

Peterhead

in 2017 to encourage
development in
regeneration areas

Exemption

from developer
obligations

in four town centres

(Banff, Macduff,
Fraserburgh &
Peterhead)

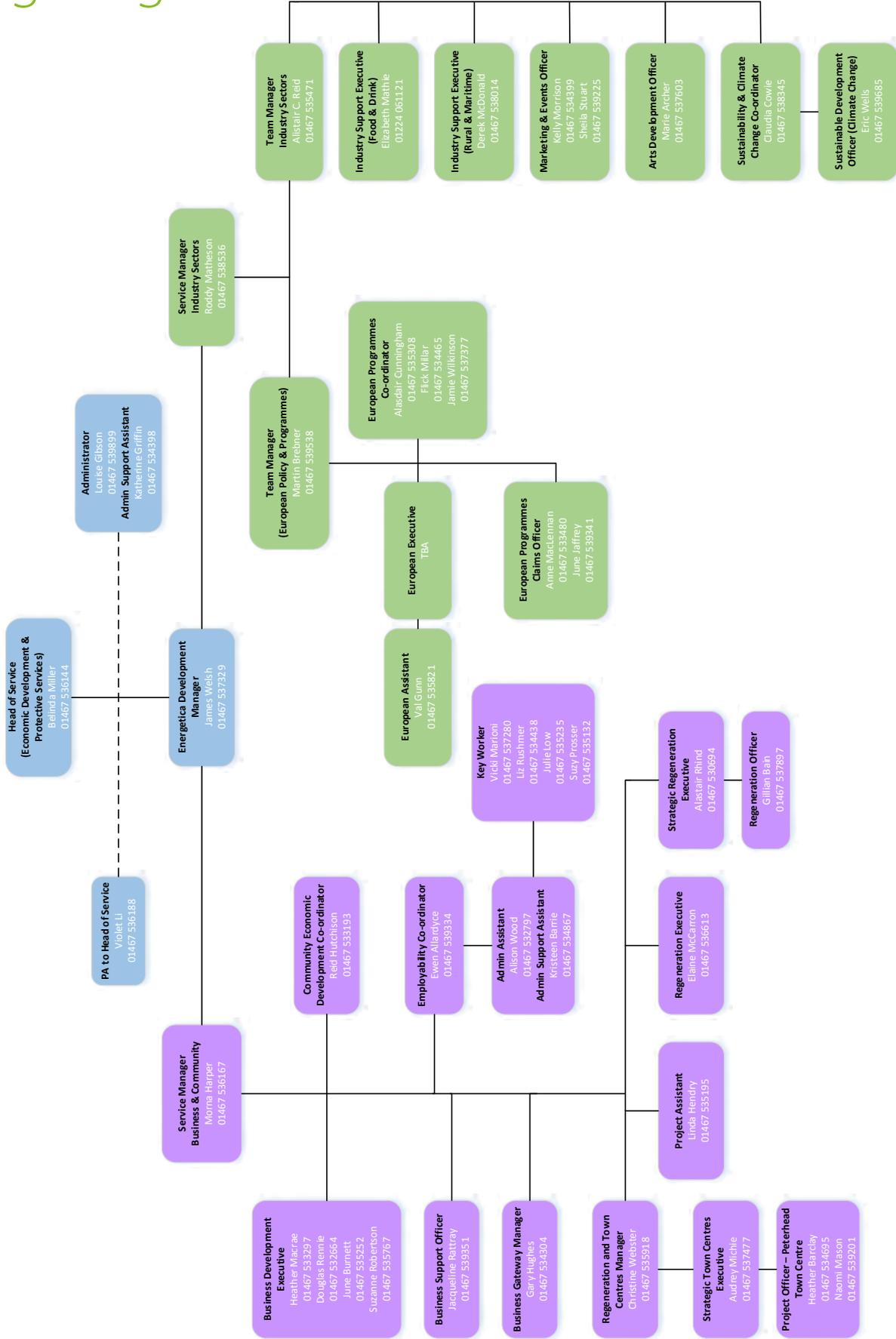
approved in

2017

to encourage development
in regeneration areas

Organogram

2017 Economic Development Organogram



Healthy Working Lives Initiative

The health, safety and well-being of the Aberdeenshire workforce is vital to the area's economic output and productivity.

Recognising the benefits of an integrated and proactive approach to connecting health and the economy, the Economic Development team within Aberdeenshire Council has been working closely with the Health & Work Team, based within NHS Grampian's Public Health Department, over the past year to promote health, safety and wellbeing in the workplace. The Health & Work Team, provides a number of free services, as well as the Healthy Working Lives Award, which provides a structured approach to staff health, safety and wellbeing.

For further information on free, confidential business support service please contact the Health & Work Team on 01224 558666.

For more information on the Healthy Working Lives Award email grampianhwl@nhs.net or call the Free Advice line on 0800 019 2211.



www.healthyworkinglives.com/

