



Economic Development Annual Review

2015 / 2016



www.aberdeenshire.gov.uk

A bird's eye view of the progress of the Aberdeen Western Peripheral Route

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Cover photograph: Image courtesy of Energetica

Collated by: Sheila Stuart

Introduction

It's been a busy year indeed since our last review in 2015. A considerable amount of work, as you will read, has been undertaken to support and grow the economy in Aberdeenshire. We do this as an Economic Development Service, a Council and as a partner with bodies including Scottish Enterprise, Skills Development Scotland and now the new economic partnership, Opportunity North East (ONE).

A fast paced year has brought many challenges, not least the increase in unemployment and economically inactive people due to job losses in the energy sector, fisheries sector and related businesses. However Aberdeenshire is resilient and we have seen a growth in the number of new trading companies as people take the opportunity to set up on their own, employ people and use their entrepreneurial spirit.

The Economic Development teams have been supporting communities to help themselves and to respond to the new Community Empowerment Act as well as prepare for new funding opportunities, such as European funding from LEADER and Fisheries Funds. The former is now open for applicants.

The City Region Deal has been announced with a promise of significant and game changing investment into the local economy along with additional funding for infrastructure – digital, transport and housing. This was in response to a new Regional Economic Strategy adopted in December 2015 by the Council and our partners. It sets a vision to grow our economy based on our existing industries and to develop skilled and adaptive work forces.

Looking forward, we are keen to work with the regeneration towns of Banff, Macduff, Fraserburgh and Peterhead to help them deliver a vision to sustain and grow each town, in the town centre and the wider town economy.

The other major change is the development of VisitAberdeenshire – a new organisation which will work across the North-east to promote the area as a tourism destination through both marketing and business support. We look forward to working with them.

As always, if there is an opportunity or ask of the Economic Development Service, we are here to help and advise business – 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

Economic Development Overview

Economic Development – A Priority

I am delighted to provide the foreword to this year's Aberdeenshire Council Economic Development Annual Review. The past year has seen much challenge and opportunity. The North-east is now in the middle of an economic downturn with the oil and gas industry experiencing prolonged low prices and consequent cost cutting. This has directly impacted on people involved in the industry and on the region's support services value chain. In the last year, we have also been working with the Scottish Government on the Fraserburgh Task Force in support of losses of contracts and jobs in the fish processing sector. The Council and our partners have been working hard to help support those affected and to help sustain and grow our indigenous business base.

There has also been a number of very positive developments, in particular the announcement of the Aberdeen City Region Deal in partnership with both the UK and Scottish Governments. This, along with a new Regional Economic Strategy for the North-east has set us on a steady course to support our energy industry, invest in diversification and to improve our infrastructure in terms of improved transport links, affordable housing and digital connectivity.

Within Aberdeenshire, I'm delighted to see our regeneration efforts in Fraserburgh paying off and that we have now agreed to extend this approach to the towns of Banff, Macduff and Peterhead. This along with work to support our town centres and the emerging Business Improvement Districts for both Inverurie and Peterhead will ensure the hearts of our towns are improved and sustained.

Finally, I cannot finish without acknowledging the flooding that devastated parts of Aberdeenshire at the turn of the year and the longer term impacts it had on those businesses and householders directly affected. The Council is continuing to work with stakeholders to help get the area back on its feet and trading successfully again.



*Councillor David Aitchison
Chair Infrastructure Services Committee*

Aberdeen City Region Deal



*From left to right –
RT Hon David Mundell MP,
Cllr Martin Kitts-Hayes,
Cllr Jenny Laing,
Sir Ian Wood,
Deputy Leader Keith Brown MSP
signing the Heads of Terms for the Aberdeen
City Region Deal, 28 January 2016*

Heads of Terms were agreed in January 2016 with the UK and Scottish Governments on the Aberdeen City Region Deal. The City Region Deal partners, Aberdeenshire and Aberdeen City Councils and Opportunity North East (ONE), representing the private sector, have been working intensively during the last year on the deal, from development and collation of a set of proposals and negotiation of content, through to the signing of a Heads of Terms agreement in January. The value of the City Region Deal is £250million, with scope to see this increase.

To govern the City Region Deal, a joint committee has been established which includes three members of Aberdeenshire Council, three members of Aberdeen City Council and three members of ONE. The first meeting of this influential group took place on Wednesday, 24 February at Aberdeen Town House.

Proposals include plans to consolidate the region's position in the international oil and gas industry. A new Oil & Gas Technology Centre will support Aberdeen in making the transition from an operations base to a global centre for technology. This will in turn, help anchor the oil and gas supply chain here as a major success story for the Scottish and UK economies now and in the years to come.

Investment in innovation for biopharmaceuticals, agriculture, food, drink and rural industries will build on the existing strengths in these sectors, helping to broaden our economy and the tourism sector will see an extension to the reach and scope of marketing activity as a result of private sector funding from ONE.

In addition, the Scottish Government announced a separate commitment to boost North-east infrastructure by £254million. This money will be used to improve road and rail infrastructure in the North-east including improvements to the south junction of the A90 at Laurencekirk.

There will also be significant investment to help increase affordable housing provision in the area as well as additional funding to improve business related digital infrastructure in Aberdeenshire.

Further information:

Information on the Deal is available at www.ABZdeal.com

Contact – John Paul Cleary, Aberdeen City Deal Programme Manager

E: jcleary@aberdeencity.gov.uk; T: 01224 665810

Opportunity North East

During 2015 a new partnership was established by the private sector to broaden and boost the economy of North East Scotland. Opportunity North East (ONE) aims to identify opportunities and projects for investment within four key sectors which are of fundamental importance to the economy of Aberdeenshire: oil & gas, food, drink and agriculture, life sciences and tourism. ONE has replaced the Aberdeen City and Shire Economic Futures forum (ACSEF). ACSEF had, over a number of years provided a public-private input to Economic Development and funded a number of initiatives including the Aberdeen City and Shire Tourism Partnership which has now been incorporated into VisitAberdeenshire, some inception initiatives in Energetica, the branding of the area under the banner of Aberdeen City and Shire and development of a number of economic strategies, research and policy statements.



From left to right

Members of the ONE Economic Leadership Board include

Sir Ian Wood, Chair of ONE Oil & Gas

Colin Crosby, Chair of ONE Tourism

Prof Stephen Logan, Chair of ONE Life Sciences

Jennifer Craw, Chief Executive

Patrick Machray, Chair ONE Food, Drink & Agriculture



“The devastating flood of December 2015 has brought into sharp relief not only our vulnerability to weather events but also the underlying economic issues facing Ballater and other similar rural settings. These would include the lack of affordable housing, high business rent and rates charges and lack of infrastructure. In the immediate aftermath of the Ballater flood, Aberdeenshire Council have, I feel, done an excellent job in very difficult circumstances. The rapid re-housing of residents and the opening of the A93 was a significant achievement. The creation of the various groups, including the Business Steering Group, will need to be supported long term and the success of Aberdeenshire Council’s response can only really be measured if the aims of Ballater’s businesses and residents are part or wholly achieved over the next 3 to 5 years. It would only be fair to add that the Scottish Government has to support councils in creating stronger and more resilient economies.”

Richard Watts
Director, Cyclehighlands Ltd.
Chair, Ballater Business Association

Aberdeen City and Shire Tourism Partnership

Strategic Review of Tourism

Following a strategic review across Aberdeen City and Aberdeenshire, major changes are underway for the delivery of tourism in the region.

The proposal merges the three Destination Management Organisations (Visit Royal Deeside, the Banffshire Coast Tourism Partnership and VisitAberdeen) and the Area Tourism Partnership into one Destination Organisation - VisitAberdeenshire.

This is a significant milestone in the promotion and development of tourism in the area. The new destination organisation will be responsible for marketing and promotion, as well as business and product development. Funding has been pledged from Aberdeenshire Council, Aberdeen City Council, Scottish Enterprise and Opportunity North East and the enlarged budget will increase the scope and reach of tourism support initiatives in key target markets.

Annual Tourism Conference

Over 180 delegates attended the annual tourism conference in March 2016, entitled – “Tourism: the future is changing”. The event focused on the future of tourism in the region and the key priorities going forward. Plans for the new Destination Organisation were unveiled, along with presentations on leadership, innovation and the importance of embracing the digital tourism economy. The event highlighted changing consumer demands and expectations and encouraged businesses to get involved, or risk being left behind. The opportunity to meet a variety of specialists in a 1-2-1 basis, covering subjects such as Marketing and Quality Assurance was also on offer.

Next year’s conference will be held on Tuesday 21st March 2017 during Scottish Tourism Week.

Service Excellence

WorldHost/Discover Aberdeen and Aberdeenshire

Both of these customer service initiatives aim to help hospitality industry providers get the best out of their staff and their businesses and provide their customers with a world-class experience.

Engagement has been enlisted from an extensive range of businesses and partners including Aberdeenshire and Aberdeen City Councils, Aberdeen City and Shire Hotels Association, VisitScotland, and the National Trust for Scotland. Over 1300 delegates have participated in the programme, making Aberdeenshire and Aberdeen City the best performing WorldHost region across Scotland.

In addition to this, the recently launched online local knowledge guide, Discover Aberdeen and Aberdeenshire has made a positive impact – it is designed for front of house staff with modules providing a wealth of local information.



*East Aquhorthies Stone Circle,
Inverurie*



Further information:

<http://www.visitabdn.com/>

<http://www.visitabdn.com/discover-aberdeen-and-aberdeenshire/>

<http://scotland.worldhost.co.uk/regions/aberdeen-city-shire>

"The last 12 months has been a challenging time for all businesses in all sectors across the North-east, the pressure of the low oil price has had a particular impact on the region and it may prove to be a catalytic event. Aberdeen and its Shire has long enjoyed the spoils of being the oil capital of Europe but at the cost of many other industries such as granite, fishing, paper and tourism. We must now recognise that there has to be more to the area's future than just the recovery of the price of a barrel of oil, it is for us now to grasp this opportunity and expose the area to an audience on an international scale and establish tourism as a major asset in the economic future of the North-east of Scotland."

Neil Rae
Owner
Raemoir House Hotel

Agriculture and the Land Based Sector

The results of an in-depth study looking at the future of land-based industries including agriculture and farm forestry in NE Scotland have been published.

The first report of its kind since 2008, "Facing the Future" identifies some of the major challenges and opportunities for the key elements of the sector. Agriculture, farm woodlands, farm diversification including renewables, the input supply and processing sectors, skills and education, infrastructure and the wider rural economy are considered and analysed.

Aberdeenshire, Angus and Moray represents only 16% of Scotland's agricultural area, but punches well above its weight, producing a high proportion of its crops and livestock – nearly half of the national crop area, two thirds of pig production and a third of Scotland's finishing cattle. But the industry faces challenges such as slowdown in the local economy, exchange rate volatility, lower levels of CAP farm support and downward retail price pressures.

Against this backdrop, North East Scotland Agriculture Advisory Group commissioned a study to assess whether our land-based industries are fit for the future. The study was led by Aberdeenshire Council and supported by Angus and Moray Councils, Scottish Enterprise, HIE Moray and Forestry Commission Scotland.

Key opportunities include the development of premium products, the growth of currently small-scale food and drink businesses to add value to local farm produce and continuing strong global demand for Scotch whisky.

Increased technical efficiency, greater adoption of new technology and best practice, capitalising on renewable energy and diversification into food tourism are also highlighted. Threats include future skills shortages, climate change and the possibility of the UK leaving the EU and there are concerns that resources available in future for land-based training and education may not match up to industry needs.

The critical importance of the processing sector is considered in detail along with the future implications of land reform and proposals to extend Legal Rights to immovable assets in inheritance law. The key issues for the industry as a whole are identified and recommendations made for the commissioning organisations.

Led by Peter Cook, the study team consulted widely with industry to gather evidence and elicit views. Both the main and summary reports feature case studies which explore how land-based businesses are adapting to and preparing for the future.

Infographics have been prepared to show at-a-glance the essence of the areas of Aberdeenshire, Angus and Moray and the changes they face.



Summary Document

Further information:

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

Business Development

The Support for Aberdeenshire Business (SAB) scheme 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 practical business advice and discretionary 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 2015/16 were in the engineering and tourism sector. The case study described here demonstrate the range, type and size of business that can benefit from the SAB scheme.

Case Study SAB Scheme – Surelift (UK) Ltd Peterhead

Surelift (UK) Ltd is a specialist lifting, testing and inspection company based in Peterhead. As part of their business development plans they wanted to achieve an internationally recognised accreditation standard (DNV2.7-1) which would allow them to offer a higher standard of testing and inspection services to their customers.

In order for Surelift to achieve this accreditation, they had to upgrade operating procedures, training and testing capabilities to allow the company to be audited for manufacture, testing and inspection to this new DNV standard. Steve McDonald, Director of Surelift, said, "We received fantastic support from the SAB scheme, which enabled us to not only achieve the accreditation but extend the accreditation so that our company achieved the status as the first company in the UK to have achieved this particular standard. Our customers have benefited significantly from our ability to offer this service at our Peterhead facility. The upgrade of our website and assistance with marketing materials followed and added further support to the business. The support received from SAB was invaluable to our ongoing development of the business."



McKenzie Engineering Ltd also gained support for ISO creditation and to develop their website.

Further information:

<https://www.aberdeenshire.gov.uk/business/support-and-advice/financial-support/support-for-aberdeenshire-business/>

Business Gateway

A hugely successful year for Business Gateway in Aberdeenshire saw more services delivered to local businesses than ever before. Under direction from Aberdeenshire Council, the Business Gateway team from Elevator worked hard to deliver more workshops than in previous years, giving entrepreneurs the knowledge and confidence to start their own business. Work also continued to inspire the next generation of entrepreneurs with a successful all day event for young people at the AECC. The event entitled 'Make it happen' filled one auditorium and had to make use of a secondary hall to allow everyone to be involved. Young people from all over the North-east listened intently to nine speakers who had successfully built their own business and had various pieces of useful advice for the young and enthusiastic audience. In the same way, events at North East Scotland College's campuses saw more engagement with a young audience demonstrating that to 'Be your own Boss' is a future career option.

The increased number of workshops and continued entrepreneurial groundwork helped this area to show a significant increase in the number of start-ups working with Business Gateway. The story was picked up by television and both local and national papers as Aberdeen and Aberdeenshire seemed to buck the national trend that has seen a recent dip in numbers. 1,163 businesses were supported to start up, an increase of 8% on last year.

Business Gateway doesn't just work with new businesses. Those with ambitions to grow can work with a dedicated Business Advisor to develop opportunities in existing markets or to export to new markets. The team of Growth Advisors worked with 115 local businesses to develop sustainable growth adding value to our economy and providing new jobs. Business Gateway advisors are hugely experienced and offer a candid and balanced view of any new project or initiative. Businesses across Aberdeenshire have seen sales increase as they work with Business Gateway to seek competitive advantage, often on a global scale.

A highlight of last year was a master class event on leadership in June with NASA astronaut Steve Bowen sharing some of what he has learnt during his distinguished career, for the benefit of current business leaders. As well as achieving a BSc and MA in Engineering and rising to US Navy captain, he has carried out seven space walks where preparation and planning were critical to safety and ultimate success.

- 1,163 new businesses started with Business Gateway (685 from Aberdeenshire).
- 140 new businesses VAT registered or taken on employees.
- 317 workshops delivered in Aberdeen, Inverurie and Peterhead.
- 115 businesses worked with a business advisor to increase turnover by over £200,000.
- 163 days of support to improve businesses' digital presence.
- Specialist consultants used to deliver practical advice to improve business performance.
- 49 businesses awarded a First Employee Grant to assist taking on their first employee.



Steve Bowen, US Navy submariner and astronaut



James Murphy, Managing Director & Jamie Murphy, Operations Director, Navitas, Peterhead

Further information:

Call Business Gateway Aberdeenshire on 01224 968799

Or email aberdeenshire@bgateway.com

Community Economic Development

Community Economic Development (CED), helps develop and release the enterprise potential within Aberdeenshire's communities.

2015/2016 has been a year of consolidation for development trusts and social enterprises as they looked for creative solutions to sustainability due to the changes in public finances.

An unprecedented number of community asset transfers have been supported as interest was stimulated through the Community Empowerment (Scotland) Act receiving Royal Assent in June 2015. Communities are busy producing business plans and building the business case to demonstrate the wider community benefit in Community Asset Transfers (CAT). 2016 promises to be an interesting year with further guidance and secondary legislation expected from Scottish Government on the Community Empowerment (Scotland) Act.

Aberdeenshire Rural Partnership Federation is a network of six regionally based partnerships in Banffshire, Buchan, Formartine, Garioch, Kincardineshire and Marr.

The first of the partnerships was established in 1990, with the most recent member, Kincardineshire Development Partnership, joining the Federation during 2015.

The rural partnerships are accountable to their own communities and managed by community representatives.

The work of each partnership can be summarised in the following key areas:

- Helping communities develop prioritised action plans.
- Supporting and encouraging community led projects, particularly those with economic outcomes.
- Facilitating engagement and involvement between communities and statutory agencies.
- Building capacity for groups and individuals involved in projects, networking and assisting groups to source funding.
- Contributing as a partner on Community Planning Partnerships.

*Millbank Community Garden.
An integrated community for
adults with learning disabilities*



Further information:
www.ruralpartnerships.co.uk

Employment Support Team

The Employment Support Team (EST - formerly Working for Families) has undergone a change of name to better reflect the work of the team. EST supports and assists all clients with multiple barriers to work to reach employment or training. Six Key Workers offer an intensive one to one service assisting those seeking employment to evaluate where they are, where they want to go and how best to support them to meet their employment goal. This assistance takes many forms, such as confidence building, help with applications and C.V.s, online digital skills and training courses that meet local needs. The Employment Support Team offers a flexible service, ready to respond to sudden changes in the local job market, such as large redundancies or demand for staff from new employers. A wide range of entry level courses is offered such as Construction Skills Certificate Scheme, Security Certification and Child Care training. EST operates throughout Aberdeenshire running 10 regular job clubs and interacting with both the Employability and Financial Inclusion partnerships.

Activity in 2015-16 included:

- Running a digital upskilling courses in partnership with Jobcentre Plus helping 90 people improve their digital knowledge
- Created a series of 'how to' courses for computer novices
- In partnership with Jobcentre Plus, EST secured Flexible Funding to offer 48 people construction and security courses
- £3.2 million of European Structural Funds secured to offer employability and financial inclusion projects
- EST purchased 36 laptops to assist with job coaching and job search in libraries and community buildings
- Worked with 500 clients annually on a one to one basis.
- Worked with young people in schools offering practical advice around employment and engagement with over 40 pupils participating
- Participated in employment events to offer Young's Seafood and ex-energy employees job opportunities, information and advice



Job searching and C.V. building in Buchan

Further information:

Employment Support Team

T: 01467 629278 E: employmentsupportteam@aberdeenshire.gov.uk

"The assistance from Aberdeenshire Council through the Support for Aberdeenshire Business Scheme (SAB) has made a tremendous difference to our company as it has helped us to achieve accreditation to our Quality Management System ISO9001:2008. This certification will enable us to break into new market areas we previously could not reach without ISO registration. It has also afforded us the means by which we can seek assistance for our new website. A big thank you to the team at Aberdeenshire Council Economic Development."

Alex McKenzie
Managing Director
McKenzie Engineering

“Aberdeenshire boasts one of the top 20 coastlines in the world according to the National Geographic magazine and regularly features highly for best quality of life in many indices. The northern coastline stretching along the Moray Firth is already a great asset, with economic and cultural links to northern Europe and indeed throughout the world. Also, Aberdeen International Airport, with its 25 hub departures every weekday, makes it one of the best connected regional airports in the UK.

There is an exciting pipeline of new small industrial units proposed as well as business and industrial land in Aberdeenshire coming to the market in the near future. These include many development sites and units, plus of course, the Energetica zone.

Energetica, Scotland’s Energy Corridor, is a long-term programme that seeks to create a world-class development corridor that is internationally accepted as the location of choice for high value oil and gas and renewable energy organisations and a world class choice for organisations of all sizes operating in other high value, quality, niche markets. Developed in late 2007, the programme is managed in partnership by Scottish Enterprise, Aberdeenshire Council and Aberdeen City Council. It is a global showcase for energy technology development and energy efficiency, aiming to create an innovative, sustainable development corridor. Operating within a beautiful natural and built coastal environment, it strives to integrate two key components – sustainable economic growth and exemplary quality of life.

Despite the recent reduction in the oil price, Aberdeenshire remains one of the most prosperous regions in the country and an ideal place to locate a business. It can also boast some of the best outdoor and cultural facilities on its doorstep with a wide range of commercial and industrial property available.”

Kevin Phillips
Features Editor
Commercial Property Monthly

Energetica – Scotland’s Energy Corridor

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 signage site now has the relevant statutory permissions and construction of the signage will begin shortly
- The Energetica Walking and Wildlife Festival has grown to become the Energetica Summer Festival, with events spanning across the summer from May-August rather than a single weekend as in 2014. More than 570 attendees took part in the 36 events in 2015
- A new-look and updated website was launched in summer 2015. The revised site has a modern look with additional functionality including an interactive map and is much more user friendly, as well as being mobile-enabled
- Energetica visited the Offshore Technology Conference in Houston and exhibited at Offshore Europe, with a stand on the Aberdeen City & Shire pavilion. This activity generated a great deal of interested in Energetica raising the profile and generating several enquiries from an international audience
- Energetica Development Manager has engaged with and presented to a number of inward delegations from China, Canada, Norway and the U.S.A highlighting investment opportunities and showcasing the area.
- Energetica featured as the cover story of the Commercial Property Monthly Scotland edition. This publication was distributed at Europe’s largest commercial property exhibition in Cannes in addition to its regular circulation. The first time that the cover featured a project or initiative outside of the Scottish Central Belt
- Coverage of Energetica has been secured in various publications including: Energy Voice, Commercial Property Monthly, Offshore Design & Engineering Equipment magazine

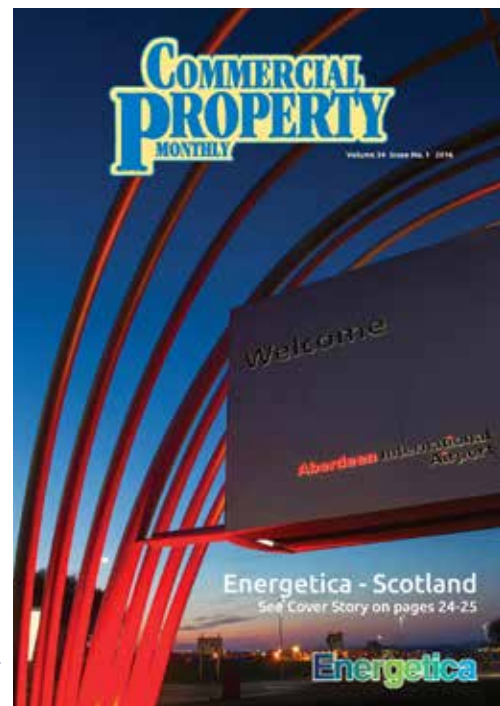


Image courtesy of Commercial Property Monthly

Further information:

Visit: www.energetica.uk.com

Twitter: [@energetica_uk](https://twitter.com/energetica_uk)

Energy

The energy sector remains a vital component of the Aberdeenshire economy, despite the continuing impact global events have had on oil prices, which fell to their lowest level since the late 1990's. Despite production in the United Kingdom Continental Shelf (UKCS) increasing by 9.7% to 1.64 million barrels of oil equivalent in 2015, revenue fell by 30%, caused by dropping prices. The drive for efficiency has reduced operating costs to an average \$20.95/barrel, but despite this, a significant number of fields are operating at a loss. As a result, discretionary spending has been cut, leading to reduced activity and job cuts across the sector. However positive steps are being taken to boost industry prospects to recover the estimated 20 billion barrels of oil equivalent remaining in the UKCS, including investment in infrastructure and innovation, the latter including the Oil and Gas Innovation Centre. The Oil and Gas Authority's proposals to maximise economic recovery has the aim of increasing collaboration and co-operation within the sector.

Whilst the cancellation of the Carbon Capture and Storage (CCS) Project in Peterhead was disappointing, the potential for Aberdeenshire to be at the centre of CCS developments remains promising, albeit in the longer term.

Work continues to support Fraserburgh Harbour Commissioners' offshore wind operations and maintenance ambitions as well as a number of nationally significant energy developments which will benefit the Aberdeenshire economy including; Statoil's Hywind project to build the world's largest floating wind farm off Peterhead, the onshore substation and associated infrastructure at New Deer for Moray Offshore Renewables and at Peterhead for North Connect.

Aberdeenshire Council had a large presence at Offshore Europe in Aberdeen in September and was part of the Scottish delegation which exhibited at the Offshore Technology Conference in Houston in May. Exhibition space was also taken at Subsea Expo, Europe's largest subsea exhibition, held in Aberdeen in February. Each exhibition provided a platform from which to promote Aberdeenshire as a place to work, live and invest. Aberdeenshire Council continues to work closely with 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.

Aberdeenshire is home to a number of the country's vital energy assets, including St Fergus Gas Terminal which processes around 15% of the UK's natural gas requirements, Peterhead Power Station, Peterhead Port which is the North-east's leading deep sea harbour and Westhill, which is recognised as a global centre of excellence in subsea engineering.



*St Fergus Gas Terminal
Image courtesy of px Limited*

European Maritime and Fisheries Fund

The North-east Scotland Fisheries Local Action Group (NESFLAG) was launched to the public in March 2016. NESFLAG is a partnership of around 25 organisations representing the public, private and community sector of fisheries areas in Aberdeenshire and Angus. NESFLAG will deliver and manage the Community-Led Local Development axis of the new European Maritime and Fisheries Fund 2014-2020 and replaces the AEF programme which ran from 2012 to 2015.

NESFLAG has been allocated £1.437million from Marine Scotland and the European Commission which has been proportionately divided between three Local Development Strategy areas: North Aberdeenshire, South Aberdeenshire and Angus. Supported projects must contribute to the implementation of the local Development Strategy in one of the following priorities:

- Facilitating diversification within and outside of the fisheries sector
- Supporting lifelong learning and job creation in fisheries areas
- Adding value, creating jobs and promoting innovation at all stages of the fisheries seafood supply chain

Applications can be accepted from community groups, private business, public sector organisations or individuals.

Interested parties should submit an expression of interest form to Aberdeenshire Council's European Team, who manage and animate the fund. Assessment is undertaken by the Project Assessment Committee (a sub-committee of the FLAG) who provide feedback and make recommendations to the main committee.

A proportion of the budget has been allocated for co-operation projects with other FLAGs from across the UK and Europe.

Applications to NESFLAG are now open. Key dates for 2016 are below:

	Application Deadline	FLAG Date
Application Round 2	29 July 2016	21 September 2016
Application Round 3	28 October 2016	14 December 2016



*Peterhead, Europe's largest white fish market.
Image courtesy of Peterhead Port Authority*

Further information:
www.nesflag.org.uk

European Services

Applications for funding from the European Regional Development Fund (ERDF) and European Social Fund (ESF) have been submitted to the Scottish Government, with the following allocations approved in principle for three projects, known as 'Strategic Interventions':

Inclusive Aberdeenshire - £717,078 of ESF monies to support activities promoting financial inclusion for people and households in poverty.

Aberdeenshire Employability Pipeline - £2,497,656 of ESF finance to support activities to help people facing multiple barriers to employment into sustainable work.

Aberdeen City and Shire Business Gateway + - £463,500 of ERDF to support enhanced business support services in Aberdeen City and Shire.

Regular application rounds are being held to select projects to support the Inclusive Aberdeenshire and Aberdeenshire Employability Pipeline Strategic Interventions, with the eligibility criteria and application documentation available at:

<https://www.aberdeenshire.gov.uk/business/support-and-advice/european-matters/european-social-fund/>

Aberdeenshire Council has continued to play an active role in European networks including the North Sea Commission. Through this organisation, action has focused on identifying strategic priorities for co-operation across the North Sea on matters such as a North Sea Energy Grid, as well as political lobbying on matters such as the landing obligation for fisheries.

Further policy engagement has been undertaken on the development of new EU funding programmes post-2020 and the EU's digital agenda, particularly relating to the legislative framework surrounding broadband provision.



EUROPE & SCOTLAND

European Regional Development Fund
Investing in your Future



EUROPE & SCOTLAND

European Social Fund
Investing in your Future

Further information

<https://www.aberdeenshire.gov.uk/business/support-and-advice/european-matters/europe-and-aberdeenshire-council/>



Preparatory work for river and road crossings on the AWPR at Peterculter (top) and on the A944 near Westhill

Images courtesy of James Walker

Whisky Galore

A new version of the 1949 film about the inhabitants of Todday, who are running out of their whisky ration when a cargo ship runs aground on the island.

Cast: Gregor Fisher, Eddie Izzard, James Cosmo, Kevin Guthrie, Sean Biggerstaff, Naomi Battrick, Ellie Kendrick

After taking such a long time to mature, the Whisky Galore! shoot proved to be smoother than a single malt; even the weather stayed unnaturally fair. 'The truth is, it probably only rained for two hours during the whole shoot. We looked at the Outer Hebrides and Barra as possible locations, wonderful places to film but with complicated logistics, but when we went on a recce to Portsoy, I knew it would be perfect. You had the pub, the post office and the school, all together in one place and all overlooking the harbour, almost like a set specially built for us.'

Gillies MacKinnon

Director

Whisky Galore

"The Film Office did a fantastic job during the filming of Sunset Song and their professional handling of the shoot was really appreciated by the production team. Despite the current austerity which Scottish councils are facing, the Film Office continues to provide an outstanding service.

The way the Film Office have used this production to further benefit the local area, by working with our partners VisitScotland to produce a film tourism strategy, is testament to their dedication and professionalism. As the National Screen Agency, we understand the economic benefits that film tourism can bring to the area and we hope that both tourists and future productions will be encouraged to explore the incredible filming locations that Aberdeen City and Shire have to offer".

Brodie Pringle

Head of Screen Commission

Creative Scotland

Film Office

Aberdeenshire has much to offer film and programme makers and 2015/16 has been a successful year for the Film Office with a number of major productions filmed in the area.

The remake of Whisky Galore, featuring Portsoy and the Banffshire Coast involved 30 local people being hired as extras. Local tradesman helped re-create the village of 80 years ago and additional benefit to the area was derived from the cast and crew staying locally. The film is due to be premiered in Edinburgh in June 2016.

Sunset Song – filmed in Aberdeenshire in 2014 has had a succesful cinema run, prompting Aberdeenshire Council, VisitScotland and the distributor Metrodome to create a Sunset Song Film Map of locations used in the film.

BBC TV's "The Mart," filmed during the second half of 2015 featured Aberdeenshire farms and farmers, the people that work in land based industries and those that support them with some of the auctioneers being highlighted. It is believed that a second series is scheduled.

Penelope Keith's Hidden Villages travelled to Royal Deeside, exploring its links to the Royal Family. In the programme, Ms Keith attends the Braemar Gathering, tries her hand at game keeping and takes to the skies in a glider.

Filmed throughout Aberdeenshire, Moon Dogs, is an anarchic, funny, coming-of-age movie, which follows two teenage step brothers on a road trip across Scotland.

The Crown – a new Netflix series based on the Royal Family filmed in Aberdeenshire for 5 days in July, hiring local extras and crew.

Winterwatch returned for a third year to Mar Lodge & Upper Deeside to film and American House Hunters revisited the area for further filming.

In February the Film Office joined forces with 'Hit The Ground Running' (HTGR) to deliver a 2 day training course that enabled ten young people to qualify for entry level jobs in the film industry.



Sunset Song Film Map



*Eddie Izzard and Gregor Fisher on set
Image courtesy of Whisky Galore Movie Ltd*

Further information:

www.filminginScotland.com

<https://www.visitscotland.com/see-do/attractions/tv-film/>

http://www.creativescotland.com/_data/assets/pdf_file/0006/34827/FilmInScotland2016.pdf

Fisheries

In a novel initiative to encourage local school leavers to consider a career in the commercial fishing industry, twelve youngsters were offered the opportunity to undertake a three week introductory and safety course at the Scottish Maritime Academy (SMA), Peterhead in June 2016 followed by a two-month work placement aboard a commercial fishing vessel.

Aberdeenshire lies at the very heart of the UK's modern and sustainable fishing industry and is home to two of Europe's largest fishing ports, Peterhead and Fraserburgh. Fishing is worth around £430m to the Scottish economy and it also supports a wide range of associated industries including fish processing, maritime engineering, technology and logistics suppliers.

Partners in the pilot project were the Scottish Fishermen's Federation (SFF), Aberdeenshire Council, the Seafish Industry Authority and SMA. The project was promoted in local schools by Skills Development Scotland Careers Advisers.

Twelve candidates - many from families with no immediate family connection to sea fishing - were selected from the pool of applicants which came from as far afield as Edinburgh and Forres (word got around!). The Seafish-accredited training at SMA included Basic level courses in Sea Survival, Health & Safety, First Aid, Fire Fighting, Watch Keeping and Navigation and Care of the Catch, and was interspersed with visits to fishing vessels and fishing-related enterprises.

Trainees were then paired up with mentor skippers under the guidance of the SFF Marine Safety and Training Officer for their paid, practical work placement on board commercial fishing vessels. All twelve completed at least one trip with several acquitting themselves extremely well in what is invariably a very testing environment. Project partners were very grateful to Peterhead Port Authority and Sunderland Marine for providing trainees with personal protective equipment.

Around half of the trainees have gone on to pursue a career in fishing. Given the success of the pilot project, future developments are under consideration.



Interns on the Introduction to Commercial Seafishing Course

Further information:

<https://www.aberdeenshire.gov.uk/business/support-and-advice/industry-sectors/fishing/north-east-scotland-fisheries-development-partnership-nesfdp/>

Food & Drink

The food and drink industry and the public sector continue to work in partnership via the Grampian Food Forum. The Forum was established to foster a culture of innovation, learning and collaboration for businesses involved in food and drink production in the North-east. It offers a variety of activities including the annual Innovation Awards, Taste of Grampian and the Dining Club.

Following the Awards in March 2015, an impact assessment was carried out with the 33 businesses who entered to demonstrate the value of this event to the local region.

In the six months following the event, both ESS Support Services and Scotmid Co-operative engaged in new trading relationships with local businesses whom they had met during their involvement in the judging process.

Stephen Brown, Local Sourcing Manager at Scotmid Co-operative, said "Other regions have similar events but in terms of commerciality and clarity of purpose *(the)* Grampian event is miles ahead. The Awards raise the profile of the area and the quality of its food producers, in a region that has lots to shout and be proud about".

Some of the highlights include:

- 79% of respondents agreed that entering the Awards was critical to raising their company's profile within the North-east business community, while 57% said it was way of validating the success of their new product innovations in the market place and of showcasing their new products (71%).
- 50% of respondents considered that the Innovation Awards had coincided with increased turnover in their business as a result of entering.
- 42% of respondents stated that their employment levels would increase with percentage changes varying from 3% to 25%. Those reporting larger numbers tended to be very small companies in their early stages of growth.
- The reported gross economic impact of the Awards on entrants (who responded to questions on turnover) was £104,000. This is actual additional turnover secured in the period.
- This increased turnover supported an increase of 9 FTE jobs.



Grampian Food Forum
Innovation Award Winners 2016

- When asking about future potential increase in turnover for entrants the gross impact rises to £204,000.

One entrant stated, "While we didn't win an award we got something far better and have built a strong relationship with Scotmid which has tangibly increased our turnover".

Further information:

www.grampianfoodforum.co.uk

“Following the completion of the North Harbour Deepening in September 2015 the basin and new quayside is now being utilised by fishing and commercial vessels alike with the Commissioners intent on building on the commercial business that this new basin attracts.

The very successful electricity enhancement project completed early 2016 has improved the ports green credentials. The project has delivered infrastructure to allow shore power provision to the pelagic fleet and the remaining basins which did not previously offer this facility. This provision allows vessels to switch off their engines whilst in port and utilise the shore power provided. In addition to shore power the project also increased the available capacity within the harbour area which is essential for attracting new onshore business to the port. The main pelagic processor within the port, which previously operated by utilising back-up generators, has now switched to mains electric allowing the factory to operate at full capacity.

The repair facilities at the shiplift and dry dock continue to do well and helps to maintain the work level of the extensive local supply chain. It is hoped that new business from the consented Beatrice Offshore Wind Farm can be attracted to these facilities. In addition the Commissioners continue to discuss with Moray Offshore Renewables Ltd the possibility of utilising Fraserburgh as an operations and maintenance hub.

Due to the introduction the Landing Obligation at the beginning of 2016 vessels have seen an increase in quotas for most species but in particular cod and haddock. It is the Commissioners desire, after consultation with all sectors, to introduce an electronic auction in order to maximise the value of product the fishermen receive for their catches.”

Jill Smith

Health, Safety, Environmental & Quality Advisor/Clerk to the Board

Infrastructure Developments

Digital Connectivity

There has been rapid progress in building and upgrading street cabinets in Aberdeenshire to deliver fibre broadband

Since April 2014, over 60,000 households have been able to access a fibre based service for the first time and the uplift in download speeds from an Aberdeenshire average of under 6Mbps to over 24Mbps in those premises with access to fibre has been met by above average levels of uptake.

Work is progressing, but more slowly, in upgrading those subscribers served by Exchange Only lines or by Long Lines (over 1200 metres from street cabinets) and a start has been made to offering Ka band satellite installations to addresses which have no prospect of a fibre service being delivered to them by the end of 2017.

It is anticipated that proposals by mobile network operators to build additional masts to improve mobile phone services and coverage will be made known to the Council in the second half of 2016.



Abigail Speirs, inspecting the new DSLAM - Inverbervie

Powering Growth

The wider Fraserburgh Harbour area has suffered from an inadequate electricity supply for several years and this has hampered business growth, greenfield and brownfield developments and led to situations where peak demand had to be catered for by diesel generators. Within the Harbour, vessels had to run generators when moored as there was no shore power to hook up to.

Collaboration between Aberdeenshire Council, Scottish Enterprise, Fraserburgh Harbour Commissioners and Marine Scotland saw a new cable of around 6MW capacity being constructed along South Harbour Road and into the recently constructed deep water berthing area of the Harbour to offer shore power to vessels moored there with new substations being created for the Lunar fish processing factory and the dry dock.

First connections were made at the end of 2015 and the project was completed in March 2016.

Business competitiveness, the environment, on board safety and the attractiveness of the harbour to new and existing users have all benefitted from the project which saw a £250,000 commitment from the Council help deliver a near £3million infrastructure improvement.

LEADER Programme

Aberdeenshire Council is providing secretariat support to two LEADER Local Action Groups who are tasked with managing European and Scottish Government funds for bottom-up, community-led local development across Aberdeenshire. Funding from the European Agricultural Fund for Rural Development (EAFRD) and Scottish Government has been provisionally awarded as follows:

North Aberdeenshire Local Action Group - £3,290,237

South Aberdeenshire Local Action Group - £2,831,742

The programmes will run until 2020 and funding is to be used for the delivery of Local Development Strategies for the North and South Aberdeenshire areas, which have the following priorities:

North Aberdeenshire:

1. Place
2. Connectivity
3. Business Competiveness
4. Better Opportunities
5. Co-operation.

South Aberdeenshire:

1. Connecting People and Places
2. Developing Key Economic Sectors
3. Promoting and protecting the environment
4. Enriching and positive activities for all
5. Cooperating with other countries and areas.

Launch events were held in late 2015 for both programmes, with application rounds opening in 2016 for communities, businesses and public organisations to bid for grants.

Decisions on grant allocations will be made by the two Local Action Groups which are partnerships of community, private and public organisations.



*North Aberdeenshire
LEADER Programme
Launch, Turriff
November 2015*



Further information:

<http://local-development.eu/>

Regeneration and Town Centres

Regeneration has been continuing apace in Aberdeenshire with the delivery of the existing holistic Regeneration Action Plan in Fraserburgh, town centre action plans in Peterhead, Banff and Macduff and the maturing of the Business Improvement District developments in Inverurie and Peterhead. These plans have been continuing alongside the development of a new Regeneration Strategy, "Developing Excellence in our Coastal Communities" which was approved by Infrastructure Services Committee in March 2016.

The delivery of the Fraserburgh Action Plan is progressing, with major grant applications to Historic Scotland, Heritage Lottery Fund and the Regeneration Capital Grant Fund requesting more than £3.6 million for the development of Fraserburgh. Over £1.8 million has already been secured with a further £1.8million awaiting decision. Key projects during the year have been the continuation of Super Saturdays, a popular community led initiative which is stimulating vibrancy in the town centre and Active Fraserburgh, a celebration of the width and depth of sports clubs and facilities in the town. Active Fraserburgh has also increased usage of sports facilities and services and has created interest from diverse user groups in facilities: for example over 50s yoga and all ability bikes. A new community organization has been formed to take forward the South Links Sports development.

A prospectus has been launched to encourage interest in new visitor accommodation in Fraserburgh and funding agreed to help develop a business case with partners who come forward.

During the year, the decision was made by Youngs to reduce their labour force in Fraserburgh in the face of significant contract losses. Partners from Scottish Government, Skills Development Scotland, Scottish Enterprise and Aberdeenshire Council collaborated to develop an action plan to help those made redundant and improve business resilience in the town. Several events have now taken place to make sure those searching for a job have access to the most up to date vacancies and the employment situation is being constantly monitored.



Over 100 businesses have been supported through Retail Plus, a scheme to assist retail businesses. Positive feedback has been received on the difference this is making, not only in Peterhead, but in Fraserburgh, Banff and Macduff also.

A Property Investment Fund has been launched across the four northern towns to encourage investment in town centre properties and to bring empty buildings back into productive use.

*The Seafront Café, Macduff
a recipient of AEFf funding*

Further information:

<https://www.aberdeenshire.gov.uk/business/support-and-advice/communities/regeneration-in-aberdeenshire/>

Renewable Energy

Onshore Wind: Cuts in subsidy by the UK Government mean that many schemes currently in development are no longer financially viable. The total capacity of wind energy in Aberdeenshire as of May 2016 was 393MW operational with 56MW in construction. Generating capacity, operational and to be delivered, falls short of the roughly 600MW installed capacity required for Aberdeenshire to be self-sufficient in electricity from renewable sources.

Offshore wind: : The 30MW Hywind Scotland Pilot Park project being developed by the Norwegian Statoil Group is proceeding with construction and deployment of five 6MW floating turbines in the Buchan Deep, 13 miles east of Peterhead. The scheme will be completed and commissioned in 2017. The proposed 50MW Kincardine Offshore Windfarm Project (KOWL) will be located 8 miles east of Stonehaven. 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 development.

Hydro: The Braemar Community owned Corriemulzie hydro scheme is progressing well. The 100kW scheme should be commissioned in summer 2016.

Biomass: Aberdeenshire ranks second to Highland in installed Biomass boilers by total capacity. Deployment is led by farm based biomass grain driers which, in some cases are also being used to dry wood chip.

Geothermal: The Hill-of-Banchory Geothermal Feasibility report, funded by the Scottish Government's Geothermal Challenge Fund, was published in February. Further investigation, including drilling, will however be required to prove the geothermal resource. The scheme has the potential to provide hot water to the district heating scheme from the rocks underlying the Hill of Fare at depth.

Solar: Aberdeenshire has the highest deployment of Solar in Scotland (2015) at 18.5MW. This has been led by farm scale projects such as the 1.8MW scheme at Mackie's of Scotland. Cuts to Solar PV FiT rates mean it will be unlikely for new projects of scale being developed for the next few years.



Turbine House at Braemar Community Hydro, Corriemulzie

Further information:

<https://www.aberdeenshire.gov.uk/environment/energy-conservation/renewable-energy/>

Sustainability and Climate Change

It is clear that climate change is a global concern and priority after the December Conference of Parties (COP21) in Paris managed to reach an Agreement which required the consensus of all 196 countries involved committing to “hold the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels”.

Both the UK Government and Scottish Government welcomed the agreement in Paris and currently have legislation for addressing carbon emissions reduction. Aberdeenshire Council has a target of reducing carbon emissions by 44% from the 2010/11 baseline year by 2020 with a further goal to be carbon neutral by 2030.

The Council's Environmental Policy was re-affirmed in May 2015. The Policy commits the Council to reducing the impact its services and functions have on the environment, to improve the health and well-being of Aberdeenshire residents.

In order to prepare for the introduction of mandatory reporting in 2016, the Scottish Government invited all Public Bodies to submit a trial climate change report in November. Aberdeenshire Council participated, completing the report successfully in its new format.

The development of a 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 is underway. This will be a high level strategic plan document and will cover 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 to help gain some insight into the costs and benefits of adapting to climate change. The interim report explored the evidence for weather-related expenditure by Aberdeenshire Council over the past five years, and makes recommendations for further phases of work. A second phase of research began which is focusing on the flooding events of December and January. It is exploring the longer term options that address existing and emerging weather related risks.

In March, Aberdeenshire Council unanimously approved the development and setting of a Carbon Budget. The Council will become one of the first in the UK to produce a Carbon Budget to sit alongside its Revenue, Capital and Housing Revenue budgets for 2017/18. 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.



Sea Wall Defence

Further information:

The Weather Related Costs to Aberdeenshire Council study can be found at:

<http://www.climateexchange.org.uk/adapting-to-climate-change/economics-climate-change-adaptation/>

A copy of the Environmental Policy can be found here: <http://www.aberdeenshire.gov.uk/media/6329/environmentalpolicy.pdf>

Tourism in Aberdeenshire

2015 was designated Scotland's Year of Food & Drink. Aberdeenshire Council teamed up with a wide range of partners from across the region to successfully apply for financial support from Visit Scotland's Growth Fund towards developing and promoting Food Fest 15. The aim of Food Fest 15 was to act as an 'umbrella' to raise awareness and promote local food and drink events, as well as encouraging hotels, restaurants, cafes and attractions to develop new events, using the monthly themes of the national Year of Food and Drink, to increase visitor numbers to the area.

Activities included establishing a dedicated Food Fest website, undertaking targeted marketing and PR campaigns to key domestic and international markets, visits to the area by travel writers and bloggers, promotion of local produce and encouraging businesses to sign up for the "Taste Our Best" awards, which recognise quality and utilise local produce.

In order to strengthen the visitor accommodation sector in Aberdeenshire and support local businesses to maximise their profitability, Aberdeenshire Council joined forces with Visit Scotland to encourage hotels, guest houses and bed and breakfast accommodation to participate in quality assurance schemes. During 2015, approximately 15 small accommodation businesses were supported to either join the Visit Scotland Quality Assurance programme or try to increase their star grading.

As a means of helping support small scale heritage venues and organisations, Aberdeenshire Council initiated the establishment of the Aberdeen City & Shire Heritage & Visitor Attractions Forum during 2015. This is a network of approximately 30 museums and heritage centres of all sizes, from across the area, which come together up to 4 times per year to share good practice and discuss improved joint working and promotion.

In May 2015 the Royal Station Visitor Centre in Ballater suffered a disastrous fire. This was followed by major floods, which resulted from Storm Frank over New Year 2015/16, which particularly impacted on Ballater and Upper Deeside. As a result of both incidents, a major fire at Darroch Learg Hotel and the significant damage to the Caravan Park caused by the flooding there has been a strong focus on supporting Ballater to help rebuild its economy and promote the area as being open for business.

In April 2015 Aberdeenshire Council worked with VisitAberdeen to host two major tourism events in Aberdeen. Routes Europe is the largest forum for companies involved in the airline and airport sector in Europe. This was followed by VisitScotland Expo, Scotland's main travel trade event. Both attracted large numbers of international delegates and provided an opportunity to showcase the tourism offerings of Aberdeen and Aberdeenshire.

FoodFest15 Flyer



Further information:

www.visitabdn.com

www.visitscotland.com/aberdeenshire

Looking Forward

Although we continue within a period of economic downturn, it is also of note that opportunities for growth and investment remain. The building of the Aberdeen Western Peripheral Route, agreement on the Aberdeen City Region Deal, the formation of ONE, ongoing rollout of fibre Broadband, A96 dualling, progress towards a new A90 Laurencekirk junction and improvements to the rail track south from Aberdeen are all examples of current or projected investment. The value of these projects is well over £2billion, with still more opportunity on the horizon.

Part of the challenge will be to continue to tell and sell this story. All too often the headlines are of the more negative aspects of the economy: our approach should be one of challenging this, to accentuate the positive. There are of course difficulties. Funding from developer's contributions has reduced with the slowing of new development. The housing market certainly reflects this, resulting in the need for an agile future scan, with analysis supporting new initiatives and approaches that deliver during times of uncertainty.

Previously the approach from Economic Development was one of assistance and steer, to maximise opportunity. Now the focus is more on stability, maintaining the markets to enable businesses to ride out these more challenging times. Oil is circa \$50 a barrel and seems to have steadied. There have been big oil and gas related mergers and the cutting of considerable jobs by some. For some businesses this downturn has proved too tough to survive. Economic Development is realigning to provide direction and support for those businesses that are experiencing such difficulties.


A European Referendum is to follow - again creating uncertainty in the World of Commerce -and of course, there is the associated Political rhetoric - necessary but which generates further concern and instability in the market. A further Election - the Local Government Elections - in May 2017, will provide additional reason for Business and Politics to interact. The consensus would be that collaborative approaches will bring investment, growth and vitality to the economy. The unknown is the timeline by which such positive vibes will be seen to be evolving. And the EU Referendum, whichever way it goes, will add to an already busy agenda for the future.

Aberdeenshire Council will continue in a role of support, intervention, collaboration and engagement - with a Revenue/Capital investment of £630m into the local economy each year, our influence as we look forward will remain significant. Open for business we certainly are and also open for dialogue, challenge and a partnership approach - to enhance the area for those who live, work and visit Aberdeenshire.



Stephen Archer
Director of Infrastructure Services

A CLOSER LOOK AT **ABERDEENSHIRE**



2ND IN
SCOTLAND
FOR
BIOMASS
BOILERS



1,163
NUMBER OF
BUSINESS
START-UPS IN 2015



PETERHEAD
IS THE LARGEST
WHITE FISH LANDING
CENTRE
IN EUROPE



HAS
6 OUT OF THE **7**
HIGHEST
MOUNTAINS
IN THE U.K.



STONEHAVEN
IS HOME
TO THE INVENTOR
OF THE FIRST
PNEUMATIC TYRE

WESTHILL
IS THE
GLOBAL
CENTRE OF
SUBSEA
ENGINEERING
EXCELLENCE



HOME TO
52% OF THE
SCOTTISH
PIG HERD

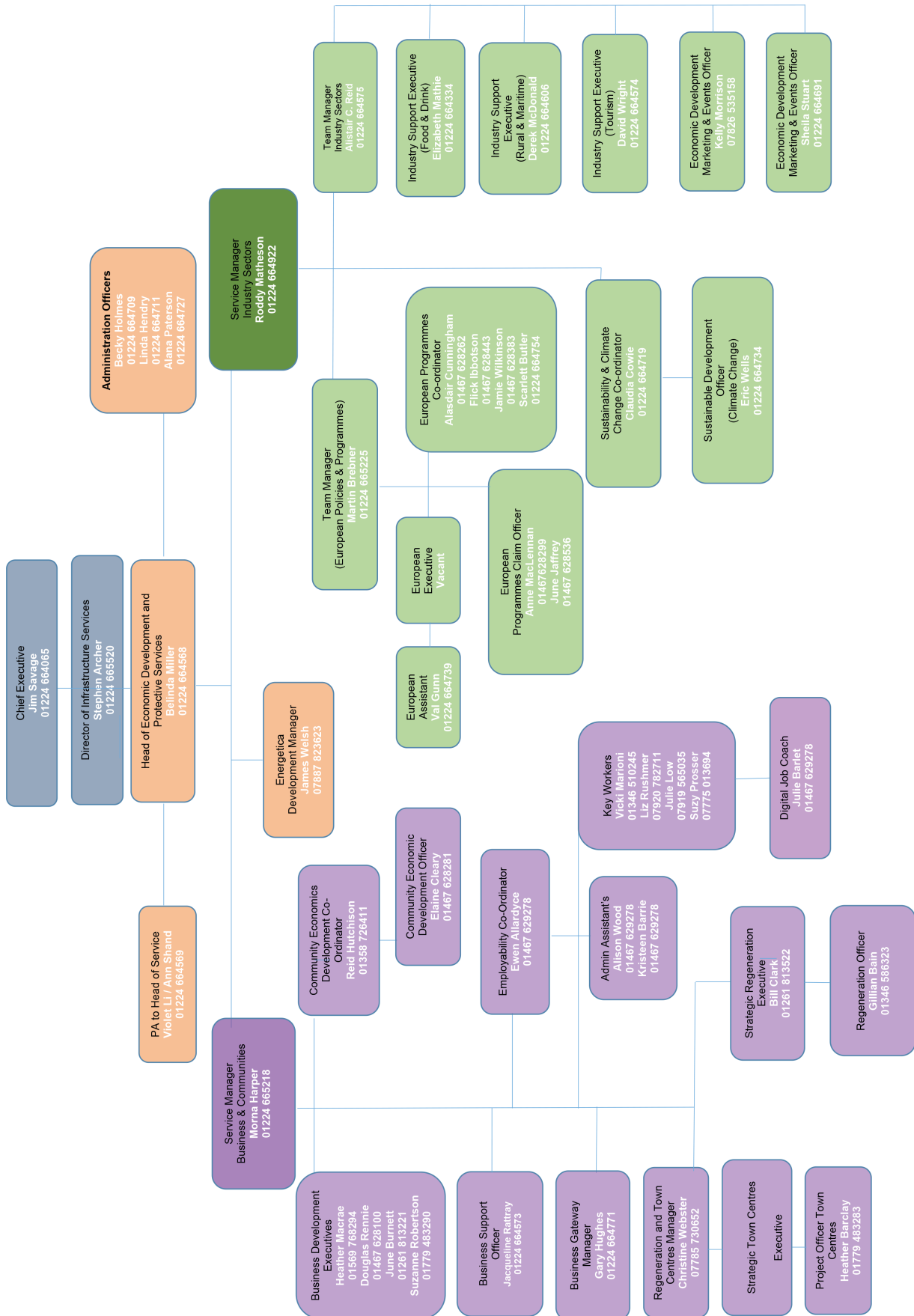


FRASERBURGH
IS HOME TO THE
U.K.'s ONLY
FISH CANNING
FACTORY



HOME TO
SCOTLAND'S
ONLY CASTLE TRAIL
200 + CASTLES

Organogram



*Sunrise over Duntottar Castle at Stonehaven
February 2016*



Aberdeenshire 
COUNCIL

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