North Aberdeenshire
Local Development Strategy
2014 to 2020

Contents
1. Area Profile  1
2. Development Needs and Opportunities  7
3. Description and Objectives of the Strategy  54
4. Process of Engagement  81
5. Turning Objectives into Practical Actions  87
6. Business Plan  XX
7. Equalities Impact Assessment  88

Appendix A: North Aberdeenshire Datazones  1
Appendix B: Socio-Economic Analysis  5
1. Area Profile

This Section introduces the contextual background to the development of the North Aberdeenshire Local Development Strategy (LDS) for the period 2014 to 2020, including the broader socio-economic environment in which the LDS will be delivered.

The North Aberdeenshire Local Action Group (NALAG) will operate under the “lead partner model”, with Aberdeenshire Council acting as lead partner. While fisheries forms part of the North and South Aberdeenshire LDS’, a separate North East Scotland Fisheries LAG (NESFLAG) has been established.

1.1 Background

Before a description of the North Aberdeenshire area covered by the LDS is outlined, it is worth setting out the wider context for Aberdeenshire as a whole.

Following the submission of an Expression of Interest (EOI) by Aberdeenshire Council to the Scottish Government to establish a single LAG for Aberdeenshire focusing on the priorities for both rural and fisheries areas (with the exception of the area within the Cairngorms National Park Authority boundary)¹, it was proposed that Aberdeenshire Council support two LDS’s for the new European Structural and Investment Funds programming period²:

- **North Aberdeenshire LDS** - covering approximately the administrative areas of Banff and Buchan, Buchan and Formartine, and with a total population of 117,189; and
- **South Aberdeenshire LDS** - covering approximately the Garioch, Kincardine and Mearns and Marr areas of Aberdeenshire, with a population of around 130,000.

The focus of this LDS is North Aberdeenshire, and the map on the next page illustrates the area covered by the North Aberdeenshire LAG. NESFLAG will cover fisheries aspects for both North and South Aberdeenshire and Angus.

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¹ This is covered by a separate LAG.
² The population of Aberdeenshire exceeds the upper limit of 150,000 for a single LAG.
1.2 North Aberdeenshire Area

North Aberdeenshire is a largely rural area in the North East of Scotland, and the proposed operating area for the North Aberdeenshire LAG comprises approximately the three administrative areas of Banff and Buchan, Buchan, and Formartine.

A list of datazones for the operating area is contained in Appendix A, which builds upon the existing geography of the Rural Aberdeenshire LAG and Aberdeenshire Fisheries LAG. Datazone geography does not directly mirror local administrative boundaries, hence some datazones have been allocated to the LAG area to which they best fit.

The North Aberdeenshire LDS is an integrated strategy which focusses on the priorities for both rural and fisheries areas, including larger settlements, to ensure a coherent and comprehensive approach to Community Led Local Development.
North Aberdeenshire Local Development Strategy

(CLLD) across the area. The area includes two larger settlements with populations over 10,000, namely Peterhead and Fraserburgh.

Fraserburgh is a major shellfish, whitefish and commercial port which is home to around 12,000 people and some 214 fishing vessels. Peterhead is the UK's largest fishing port with a population of around 18,000 and 98 vessels. Both towns serve an important role in Banff and Buchan and Buchan respectively as centres for the provision of services and employment to the wider rural area. Investments in these towns will therefore help to improve both rural quality of life and the sustainability of the fishing sector, given the importance of these settlements to neighbouring rural communities and Scotland’s fishing industry. The rationale for including the settlements of Peterhead and Fraserburgh is as follows:

- both towns are important population centres, and the UK fisheries’ major landing districts. The fishing industry will remain a very important sector but, for the North Aberdeenshire economy to benefit from this, the wider socio-economic structure of these small towns is vital.

- as market towns they are important service centres well located to provide services to the wider rural hinterland of northern Aberdeenshire, both in terms of accessibility from the adjacent rural settlements and the wider rural hinterland, and in the relevance of the range of services they still retain.

- the towns are not large enough to be self-sustaining in the same way that may be the case for a city or a more densely-populated area. This means that even these outwardly predominantly fishing towns are socio-economically inextricably linked to the wider rural area;

- although many residents commute to Aberdeen and are to some extent less likely to use services in the towns, this is not a simple matter. For commuters, accessing services in central Aberdeen is not as convenient as might be supposed: congestion and a comparatively long commute are powerful deterrents. Although in some ways these towns face many similar challenges to villages, the key issue for CLLD is to help retain sufficient quality and variety of services to ensure the whole population of the NALAG area is not forced into ever greater dependence on a relatively remote and inconvenient Aberdeen.

- whilst it should not be forgotten that rural deprivation in varying degrees is widespread in North Aberdeenshire, concentrated deprivation is a problem
specific to the areas around the harbours of Fraserburgh and Peterhead. Bringing these towns into CLLD/LEADER synergises with the Aberdeenshire Regeneration Strategy (2013) which prioritises delivery to areas of most need, with the initial focus on Fraserburgh.

- last, but far from least, the inclusion of small towns is a policy change that emanates from Brussels and is based on perceived need to remove an anomalous and artificial limitation that caused unnecessary and irrational distortions in previous iterations of LEADER.

Fisheries funding will be targeted on coastal settlements with demonstrable associations with the fisheries sector. It is anticipated that the rural fund (LEADER) will cover smaller coastal areas/projects. The following settlements will be eligible for EMFF support:

- Banff
- Boddam
- Cairnbulg/Inverallochy
- Collieston
- Cruden Bay/Port Errol
- Fraserburgh
- Gardenstown
- Macduff
- Mintlaw
- Pennan
- Peterhead
- Portsoy
- Whitehills
- Rosehearty
- Sandend
- Sandhaven & Pitullie
- St. Combs

As highlighted above, towns such as Peterhead and Fraserburgh therefore continue to hold the balance of population and provide market town services to rural areas - the inclusion of these settlements therefore means that investment in these towns will benefit the wider North Aberdeenshire LAG area.

The North Aberdeenshire area covers 2,031 km\(^2\), accounting for 32% of Aberdeenshire, with the total land area broken down as follows:\(^3\):

- Banff and Buchan - 617 km\(^2\) (30% of the North Aberdeenshire total);

\(^3\) Based on Aberdeenshire Council Estimates.
• Buchan – 587 km$^2$ (29%); and
• Formartine – 827 km$^2$ (41%).

With a population of 117,189, the area has an average population density of 58 persons per km$^2$.

The local Community Plans$^4$ for the administrative areas in North Aberdeenshire provide a helpful overview, before a more detailed assessment of the socio-economic environment is provided in Section 2.

North Aberdeenshire is a diverse area, and the communities within it have a variety of different strengths and challenges.

Banff and Buchan

Banff and Buchan is a coastal community which relies to a large extent on the traditional fishing and agriculture sectors. The main settlements in Banff and Buchan are Fraserburgh, Macduff and Banff and the area has a beautiful and dramatic coastline, attractive coastal villages, visitor attractions, and has seen major investment in recent years to upgrade port facilities at Fraserburgh (an important site for fish landings and processing) and Macduff.

The town centres within these the three main settlements are a priority issue and will benefit from new investment in the next few years. In addition, the area has an increasingly ageing population, which presents challenges for the delivery of key services.

Banff and Buchan also suffers from pockets of deprivation. It has a high proportion of the most disadvantaged datazones within the Aberdeenshire area - in particular around Fraserburgh, which has been identified as a Regeneration Priority Area (RPA) for Aberdeenshire Council. The area has also experienced the knock-on effects arising from the decline of the fishing fleet.

Buchan

Buchan has a good quality natural and built environment, with the coastline comprising sandy bays, dunes and rocky foreshores of national significance, and

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$^4$ Copies can be found [here](#).
internationally significant sites for bird life at the Loch of Strathbeg and the Bullers of Buchan. The area is also rich with conservation areas and country houses. The main settlements in Buchan are Peterhead, Mintlaw, Cruden Bay, and Boddam.

Similar to Banff and Buchan, the local Buchan economy has also traditionally relied on the fishing and agriculture sectors. Peterhead is an especially important settlement as it is, by some distance, the largest fish landing port in the country (and one of the largest in Europe) in terms of quantity and value landed. The business base in Buchan has broadened with, for example, Peterhead now an important Oil and Gas Service Centre, including the development of the St Fergus Gas Terminal.

In recent years, infrastructure investment has included the Smith’s Embankment in Peterhead Port, Scotland’s first Community Facing Prison and HMP Grampian, and the creation of a new Maritime Skills College in the Bay. However, parts of Peterhead, in particular those part closer to the town centre still suffer from deprivation.

**Formartine**

Formartine has five main settlements including Ellon, Turriff, Oldmeldrum, Balmedie and Pitmedden. The neighbourhoods of Ellon and Oldmeldrum have experienced particular growth where development has spread from the city of Aberdeen.

The Energetica Corridor (global hub of energy-related knowledge, technology and commercial know-how that stretches from the Bridge of Don to Peterhead) lies at the heart of the area.

The area is well regarded for its natural environment (protected areas such as Forvie Nature Reserve and Ythan estuary) and recreational and visitor attractions (Haddo Country Park and House, Fyvie Castle and Trump International Golf Links).
2. Development Needs and Opportunities

This Section provides an analysis of the development needs and opportunities for the North Aberdeenshire area, including:

- analysis of the socio-economic conditions - this will be used as a baseline from which progress and change can be monitored;
- review of key strategy and policy priorities; and
- SWOT analysis.

The analysis and conclusions have also been informed by the consultation process, which engaged a wide array of local partners and stakeholders, and by the evaluation of the previous LEADER programme. Taken together, these have helped to establish the strategic rationale and strategic pointers which, in turn, have informed and shaped the LDS and its priorities.

2.1 Socio-Economic Analysis

A more detailed socio-economic analysis is attached as Appendix B while a summary is provided on the following pages, with strategic pointers identified for the North Aberdeenshire LAG and the LDS for the period 2014 to 2020.

Aberdeenshire topped the table for the best quality of life in rural Scotland (2012) – the fourth time it has been placed at number one in the last seven years. The region performs well against a wide range of indicators (e.g. employment rate, life expectancy, qualifications, average earnings, etc). However, the analysis also identifies that, despite this relatively strong performance, there are particular challenges and issues when North Aberdeenshire is examined in more detail.

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5 BBC article can be found [here](link). The latest study looked at twelve rural Local Authority areas.
2.1.1 Population

Current Population

The most recent Census data indicate that the Aberdeenshire population is 252,973, an increase of 11.5% on the 2001 Census figure. This is the highest growth rate across all local authorities in Scotland.

The population in the North Aberdeenshire LAG area is 117,189 - less than half of the total Aberdeenshire population of 252,973 (46%). The breakdown for each of the administrative areas in North Aberdeenshire is detailed below:

- Banff and Buchan – 35,277 (30%);
- Buchan – 40,300 (34%); and
- Formartine – 41,612 – (36%).

The population in North Aberdeenshire has grown steadily over the last ten years (by 5% overall). This growth is slightly higher than the Scottish average (4.6%) over the same period.

The population increase in North Aberdeenshire is particularly pronounced in Formartine, where the rapid population change over the period 2001 to 2011 is higher than the North Aberdeenshire and Aberdeenshire trend, and almost three times higher than at a national level. Continued growth is expected given Formartine’s connection to the Energetica corridor.

There is little variance when the age structure of the North Aberdeenshire area is compared with that at a regional and national level.

The make-up of the North Aberdeenshire population is as follows: working age (61%), with similar levels of those of pensionable age (20%) and those under 16 (18%). Within the working age population, young people (aged 16 to 24 years) account for 11% of the North Aberdeenshire population.

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6 With Census data still to be made available at the sub-regional level, this section will revert to use of mid-year estimates for population analysis.
7 Source: SNS, Mid-Year Estimates, 2012. Comparisons between areas and age breakdowns also based on data taken from this source.
Population Projections

The population in Aberdeenshire is projected to increase by 9.8% by 2020\(^8\) - this is the fifth highest of all local authorities in Scotland. Applying this rate to the most recent population figures (2011) would suggest that the North Aberdeenshire population is projected to increase to 128,674 by 2020.

The projected age structure for Aberdeenshire in 2020 is largely in keeping with the current age profile of the area: children (18%), young people (9%), working age people (62%), and pensionable age (19\%)\(^9\). This represents a slight projected decrease in the proportion of young people and those of pensionable age. There is, however, a projected ageing population, with the number of over 75s expected to increase by 36% (6,528) by 2020.

**Strategic Pointer:** The North Aberdeenshire LDS must be mindful of ageing demographics which will result in an increasing demand for public services, in particular health and social care. The LDS should also aim to retain its young people and working age residents by promoting healthy and vibrant communities, employment, training and business opportunities.

2.1.2 Housing

Dwellings and Tenure

The number of dwellings in North Aberdeenshire is 54,303, and the area has experienced a rate of housing development growth greater than the national average over the period 2003 to 2012 (9% compared to 7% respectively)\(^10\).

At both the North Aberdeenshire and Aberdeenshire levels, there is:

- a higher rate of owner occupation (69% and 71%, respectively) compared to the national figure of 63%; and

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\(^8\) Source: GROS, Population projections, based on 2010 estimates.
• a lower rate of social rented housing stock (23% and 20% respectively) compared to 30% at a Scotland level\textsuperscript{11}.

Private rented properties account for a small proportion of the housing stock within North Aberdeenshire and Aberdeenshire.

**House Prices**

The average house price in Aberdeenshire has risen to £220,874 (Q3 2013/2014), the second highest of any local authority area in the country\textsuperscript{12}. This represents an increase of 139% since Q1 of 2003/2004 – a change surpassed only by Aberdeen City (148%). The national rate of change over the same period was 75%, with the average house price in Scotland £159,670 (Q3, 2013/2014)\textsuperscript{13}.

The average house price in North Aberdeenshire in 2011 was £157,248 - this was lower than that of Aberdeenshire and the national average\textsuperscript{14}.

**Strategic Pointer:** The North Aberdeenshire LDS should be mindful that affordability of housing, and availability of social housing stock in rural and fisheries communities will act as a barrier to not only retaining young people (and other groups) in the area, but also attracting new people to North Aberdeenshire.

### 2.1.3 Deprivation\textsuperscript{15}

Aberdeenshire as a whole performs well across all measures contained within the Scottish Index of Deprivation (SIMD), with the exception of geographic access to services which is defined as:

- drive times to a GP, retail centre, primary school, secondary school, post office, and petrol station; and
- public transport times to a post office, GP and retail centre.

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\textsuperscript{11} Source: SNS, Dwellings, 2012.
\textsuperscript{12} Source: ROS Quarterly Statistics Time Series –Available here.
\textsuperscript{13} Source: ROS Quarterly Statistics Time Series –Available here.
\textsuperscript{14} Source: SNS, House Sales mean price.
\textsuperscript{15} Source: All data in this section is taken from the Scottish Index of Multiple Deprivation (SIMD) 2012.
There are, however, pockets of deprivation in Aberdeenshire and this is concentrated in North Aberdeenshire. The five datazones identified in Aberdeenshire as being in the 15% most deprived in Scotland are all within North Aberdeenshire.

Figure 2.1 provides an overview of deprivation across North Aberdeenshire in 2012, with a focus on those datazones in the 15% most deprived.

**Figure 2.1: North Aberdeenshire % and Number of Datazones in 15% Most Deprived, 2012**

While geographic access to services is a challenge for all of North Aberdeenshire, there is wider deprivation in Banff and Buchan (Fraserburgh) and Buchan (Peterhead), in particular in terms of:

- crime – domestic housebreaking, crimes of violence, common assault, sexual offenses, drug offenses, vandalism; and

- education – pupil performance on SQA at stage 4, school leavers aged 16-19 who are not in education, employment or training (NEET), young people aged 17-21 enrolled into full-time higher education, school pupil absences, working age adults with no qualifications.
Figure 2.2, illustrates those areas in North Aberdeenshire with the highest levels of deprivation, with the exception of geographic access to services which is a significant challenge for North Aberdeenshire as a whole. Areas of deprivation are largely concentrated in and around the Harbours of Fraserburgh and Peterhead.

Figure 2.2: Areas of Multiple Deprivation, 2012

![Map of North Aberdeenshire showing areas of deprivation with gradient colors indicating levels of deprivation.]

Source: SIMD

Strategic Pointer: There is scope for the North Aberdeenshire LDS to address issues of geographic access to those services considered to impact the most on life-chances (i.e. work, learning, health) which will help address social exclusion. Improved connectivity across communities, between communities, and beyond North Aberdeenshire is essential for sustainable and vibrant communities. There is also scope to support specific interventions which aim to tackle wider deprivation issues in fisheries communities through, for example, education, training and employment opportunities.
2.1.4 Transport

Infrastructure

The A90 is the only major road in the area, which connects Fraserburgh to Edinburgh, via Peterhead and Aberdeen. To the west of Fraserburgh (i.e. the majority of the Banff and Buchan area), there are minor, often coastal, roads. There are no rail connections in either Fraserburgh or Peterhead. As such, access to these areas is largely confined to road, or by sea vessel.

The Aberdeen Western Peripheral Route/Balmedie-Tipperty (AWPR/B-T) is a new 58km road to be constructed to improve travel in and around Aberdeen and the North East of Scotland (completion is expected in Spring 2018). Transport related projects will bring significant economic, environmental and road safety benefits for the regional and local economy - improving accessibility, reducing congestion, and ensuring a competitive business location.

Car Ownership and Travel to Work

Car ownership has grown by 18% in Aberdeenshire since 2003, almost double the national increase of 10%. Aberdeenshire has had the highest rate of private car ownership per head of any local authority in Scotland since 2003.

Similar to other rural areas, there is a strong reliance on private vehicles as a mode of transport to get to and from work. According to 2011 Census data, almost three-quarters (73%) of those who work in Aberdeenshire drive a car or van to work – the fourth highest local authority rate in the country, and higher than the Scottish average of 63%.

Community Transport

North Aberdeenshire has a number of community transport services operating in the area, including Banffshire Partnership Rural Transport Hub, Buchan Dial-a-Community Bus and Oldmeldrum Hospital Visiting Service. The importance and value of such provision can be demonstrated as follows.

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16 Scottish Transport Statistics.
Studies have shown links between social exclusion, transport and the location of services\(^\text{17}\) - transport acts as a barrier and makes it more difficult for people to access vital local services and activities (e.g. jobs, learning, healthcare, food shopping, and leisure). While problems vary in an urban or rural setting, as well as for different groups within communities (e.g. disabled people, older people, and families with children), it is clear that transport issues can reinforce a cycle of social exclusion, for:

- those living in low income households who are often restricted in their use of transport;
- individuals in receipt of benefits often cite lack of, and cost of transport as barriers to securing employment; and
- some individuals without access to a car (due to cost, disability or choice) often find it more difficult to access a range of activities and services.

**Strategic Pointer:** There is scope for the North Aberdeenshire LDS to address issues of geographic access to those services considered to impact the most on life-chances (i.e. work, learning, health). For healthy and vibrant communities, it is essential that there is improved connectivity across communities, between communities, and beyond North Aberdeenshire.

### 2.1.5 Broadband Connectivity

Aberdeenshire is one of the most poorly connected areas in Scotland in terms of broadband connectivity. The average sync speed is 8.4 Mbits/s, compared to 12.4 Mbits/s average speed nationally\(^\text{18}\).

Aberdeenshire is also below the national average for superfast broadband availability, superfast broadband take-up and overall quality score, with a higher rate not receiving broadband connections of at least 2Mbits/s.

This is, however, an issue which Aberdeenshire Council, Scottish Government and BT are currently progressing, with considerable investment planned.

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\(^{17}\) Copy of the report available from [here](#).

\(^{18}\) Source: OFCOM Fixed Broadband Data, 2013.
Strategic Pointer: The North Aberdeenshire LDS recognises that investment to improve broadband connectivity in Aberdeenshire is progressing. This is hugely important for the area from both a community and business perspective, as it is essential to enhance the quality of life and stimulate the growth of the local economy.

2.1.6 Employment

Total employment in North Aberdeenshire decreased by 1% between 2009 and 2012\(^\text{19}\) - it currently stands at 39,130, which represents 40.7% of the Aberdeenshire total. This suggests that North Aberdeenshire is a smaller commercial centre - it has fewer employment opportunities and a smaller employment base in comparison to South Aberdeenshire.

Since the recession, employment in Aberdeenshire has risen while employment in North Aberdeenshire decreased initially, before a gradual increase to 2012. The Formartine administrative area of North Aberdeenshire has experienced positive growth in employment since 2010, and generally outperforms Banff and Buchan and Buchan.

In common with other rural areas, there is a heavy presence of primary, land-based and heavy industry sector employment in North Aberdeenshire (e.g. agriculture, forestry and fishing, mining, quarrying and utilities, manufacturing and construction). Employment in these sectors account for a combined 32% of total employment in North Aberdeenshire (compared to 29% in Aberdeenshire and 18% in Scotland).

The North Aberdeenshire area, however, has a lower share of professional services employment (i.e. information and communication, financial and insurance, property, professional, scientific and technical).

Strategic Pointer: The North Aberdeenshire LDS should aim to support the development of new sources of employment to reduce over-reliance on some sectors within the local economy.

\(^{19}\) Source: Business Register and Employment Survey (BRES), 2009 - 2012
2.1.7 Unemployment

As of January 2014, 908 people in North Aberdeenshire were claiming Job Seekers Allowance – 225 of these claimants (25%) are young people aged 16-24. Claimant count was relatively low in North Aberdeenshire, and was on a decreasing trend until 2008 when the recession caused a sharp increase until 2011, before decreasing again to present levels. This picture is true of all areas to varying degrees – Scotland, for instance continued to rise to 2012 before gradually decreasing.

The post-recession increases in both North Aberdeenshire and Aberdeenshire were slightly more muted than at the national level and thus recovery has been quicker – claimant count in both areas is now approaching pre-recession levels. The youth unemployment trend has been similar and, at both the North Aberdeenshire and Aberdeenshire levels, has reached the lowest number of claimants since pre-2005.

Figure 2.3 shows the claimant count across North Aberdeenshire, including youth unemployment: both are more pronounced in Banff and Buchan and Buchan.

**Figure 2.3: Claimant Count and Youth Unemployment, 2014**

Source: NOMIS.
Long-term unemployment has become more of an issue in North Aberdeenshire over recent years, with number claiming JSA for at least 12 months increasing from 7% in 2005 to 19% in 2014 (slightly higher than Aberdeenshire, 18%).

In 2009, those claiming JSA for at least 12 months accounted for just 2% of all claimants – highlighting the sizable increase in the number of long-term claimants since that time.

**Job Seekers and Notified Vacancies**

North Aberdeenshire has a higher ratio of job seekers to vacancies than both Aberdeenshire and Scotland.

This currently stands at 6.63 per vacancy (i.e. over six people seeking employment per job advertised). While this is a marked improvement on the 2011 ratio of 13.1, there is some way to go to reach the low of 4.1 in 2008\(^{20}\).

The current North Aberdeenshire ratio is likely to be skewed by Buchan which has a rate of 10.81 (almost 11 people seeking employment per job advertised), and which has increased from 3.4 in 2009.

**Strategic Pointer:** The North Aberdeenshire LDS should promote the development of local employment opportunities, including career progression opportunities for those who are under-employed. It should also help the unemployed, including young people and long-term unemployed find work.

**2.1.8 Fisheries**

Aberdeenshire is Scotland’s foremost fishing area. There are 18 fishery harbours in the Aberdeenshire FLAG area with 7 of these being owned, operated and maintained by Aberdeenshire Council. These are:

- Banff
- Gourdon
- Johnshaven
- Macduff

\(^{20}\) Information taken from NOMIS – Claimant Count and Notified Vacancies.
Many of the fishery harbours owned by Aberdeenshire Council are small, with only Macduff sustaining a large commercial trawler fishing fleet. The rest of the harbours tend to be former fishing ports which are now used for recreation and use of a small inshore fleet.

The remaining 11 harbours are Trusts which differ in size and overall operations, with the majority having some form of fisheries operations present. The Trust harbours can be found at:

- Fraserburgh
- Peterhead
- Cairnbulg
- Port Errol
- Boddam
- Catterline
- Collieston
- Gardenstown
- Pennan
- Sandhaven & Pitullie
- Whitehills

While Fraserburgh and Peterhead are the largest active fishing ports in Aberdeenshire, a number of other settlements in North Aberdeenshire maintain an active fisheries sector, but face different challenges to larger ports. Communities which have or are facing decline of fisheries are required to diversify their infrastructure and economies to adapt to changing circumstances (with small harbours facing particular challenges).

Statistics published by the Scottish Government show that there were 365 thousand tonnes of sea fish and shellfish landed by Scottish based vessels in 2012, with a value of £466 million. Compared to 2011, a record high year for landings value, real term value dropped by nine per cent although a two per cent increase in the quantity
of fish landed. This decrease in the overall value of landings was driven by reductions in the value of all species types. The value of:

- Pelagic landings decreased by 11 per cent to £166 million
- Demersal landings decreased by eight per cent to £143 million
- Shellfish landings decreased by six per cent to £157 million

Many of the decreases in the value of key fish species stem from reductions in price. Mackerel is the most valuable stock to the Scottish fleet, accounting for 28 per cent (£131 million) of the total value of Scottish landings. In 2012 it decreased in real terms value by 21 per cent from 2011, driven by a 14 per cent fall in price and an eight per cent decrease in the quantity landed to 134 thousand tonnes. However, the value of herring, the other key pelagic species, increased by 68 per cent in real terms to £29 million.

Banff and Buchan and Buchan are especially important fishing communities within North Aberdeenshire, with the two landing districts – Peterhead and Fraserburgh – accounting for 54% of the total quantity landed (126,497 tonnes) and 44% of the value yielded (£145.4 million) in 2012.

In 2012, Peterhead accounted for 44% of the total Scottish quantity landed, and one-third of the value landed.

In terms of landings, Aberdeenshire Ports accounted for two out of the three largest districts for fish and shellfish landed in Scotland in 2012. Peterhead and Fraserburgh (along with Shetland) accounted for 74 per cent in quantity and 57 per cent in value of all landings into Scotland. One hundred and fifty two thousand tonnes, worth £142 million, were landed into Peterhead. In terms of volume, two thirds (67 per cent) of the landings were pelagic accounting for 49 per cent of landings value into Peterhead. In contrast, the third biggest district, Fraserburgh, was dominated by shellfish landings, representing over half the value of the landings. In terms of volume, over half of landings into Fraserburgh were pelagic species and 23 per cent were shellfish landings.

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22 Peterhead district is comprised of Peterhead, Boddam and Port Errol – all in Banff and Buchan. Fraserburgh district includes Fraserburgh, Gardenstown, Macduff, Pennan, Portsoy, Rosehearty, Sandhaven and Whitehills – all in Buchan.
Quantity of landings into Scotland by all vessels by district: 2012 (tonnes).23

Value of landings into Scotland by Scottish vessels by district: 2012 (£’thousand). 

The number of active fishing vessels based in Scotland was 2,046 at the end of 2012, representing a decrease of 49 vessels (two per cent) from 2011, and the smallest recorded fleet size. From the end of 2011, there was:

- A loss of 22 vessels in the 10m and under fleet to 1,448 vessels
- A loss of 27 vessels in the over 10m fleet to 598 vessels
- Demersal sector reduced to 215 vessels
- Shellfish sector reduced to 359 vessels
- Pelagic sector remains the same with 24 vessels

Stornoway and Fraserburgh are the two largest districts in terms of vessel number with 20 per cent of Scottish vessels registered in these districts. In total, 202 vessels are registered in Fraserburgh with almost half of these vessels less than ten metres in length.
Number of vessel in the Scottish fleet by district: 2012

As of 2012, there were 378 fishermen employed in Peterhead district (on Scottish based vessels), and 797 employed in the Fraserburgh district (on Scottish vessels) – accounting for 3% of the total North Aberdeenshire employment of 39,130. Fraserburgh is the district with the largest number of fishermen in Scotland, accounting for 17 per cent of the total number of fishermen on Scottish vessels in 2012. Combined employment within these two districts accounts for 25% of all fishermen employed nationally in 2012 (4,747).

Accounting for almost all of the regional employment, and just under half of national employment, changes in the fishing industry in Banff and Buchan and Buchan have a major impact on the industry nationally.

**Number of fishermen employed on Scottish based vessels: 1970 to 2012.**

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26 Source: SSFS, 2012. Table 2.9.
There are two Inshore Fisheries Groups (IFGs) that cover the Aberdeenshire area: the East Coast IFG and the Moray Firth IFG. IFGs are non-statutory bodies that aim to improve the management of Scotland’s inshore fisheries (out to six nautical miles) and to give commercial inshore fishermen a strong voice in wider marine management developments.

Six IFGs were established in 2009 to cover Scotland’s coastal areas and allow commercial inshore fishermen to have a voice in wider marine management developments. Both the Moray Firth IFG and East Coast IFG have developed a detailed management plan.

A map of the six IFG areas has been attached below with those highlighted in pink and lime highlighting IFGs covering Aberdeenshire.
Strategic Pointer: The North Aberdeenshire LDS should aim to increase awareness of and diversify the employment opportunities available within a key local sector for North Aberdeenshire, and importantly, to increase the attractiveness of the fisheries sector to young people among other groups.

2.1.9 Business Base

As of 2008, there were 5,168 businesses in North Aberdeenshire – 49% of the Aberdeenshire total of 10,446, and 2.8% of the Scottish total (181,470)\(^28\). For that year, North Aberdeenshire had a greater reliance on businesses in the primary industries (13%) compared to 8% at the regional level and 4% nationally.

Heavy industry related businesses (e.g. manufacturing and construction) are also important. This is offset by fewer businesses in the financial industries – 26% compared to 33% in Aberdeenshire, and 28% nationally.

There are slightly fewer businesses in Banff and Buchan than in the other two administrative areas, with the 1,803 businesses in Formartine alone accounting for 17% of the Aberdeenshire total.

Businesses in North Aberdeenshire are typically micro businesses, with 87% of businesses employing less than ten employees. This is similar to the Aberdeenshire business base - both areas have a greater proportion of micro businesses than national average.

Strategic Pointer: The North Aberdeenshire LDS should seek to support business creation and support the existing business base to grow, diversifying the business base and creating new jobs and opportunities.

\(^{28}\) Source: Annual Business Inquiry (ABI), 2008.
2.1.10 Education and Qualifications

Education

Educational attainment in North Aberdeenshire has – over the last 10 years or so - been consistently lower than Aberdeenshire levels, with 34% of S4 pupils achieving 5 SCQF Level 5 awards in 2012 compared to 40% at the Aberdeenshire level. There have been fluctuations since 2003, however, the trend in both areas is one of general decline.

Similar is also true of S5 pupils, with North Aberdeenshire achieving below that of the regional level in each year since 2003. In 2012, respective figures were 14% and 18%. There has been little overall change – the North Aberdeenshire rate has remained constant with that achieved in 2003, while the Aberdeenshire rate has increased by 1%.

There is little difference between North Aberdeenshire and Aberdeenshire in the number of school leavers entering higher or further education, with respective figures for 2012 of 62% and 63% choosing these fields upon leaving school. A further 30% of pupils entered directly into employment in 2012 in North Aberdeenshire (and Aberdeenshire).

Within the administrative areas of North Aberdeenshire, Formartine performs more strongly than Banff and Banff and Buchan in terms of school leavers entering further or higher education. Banff and Buchan performs least well in relation to school leavers entering employment.

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29 Source: SNS: Examination results and tariff scores, 2012
Qualifications

Since 2004, the proportion of the working age population in Aberdeenshire who are educated to at least degree level has risen to 27% in 2012, and is now the most common educational attainment\(^{31}\) (national average is 24%).

The proportion of those with no qualifications has decreased over the same period (8% in 2012).

**Strategic Pointer:** The North Aberdeenshire LDS should aim to ensure that young people in rural and fisheries areas have access to a wide range of education, training and employment opportunities to improve those achieving a positive destination after leaving school. It will also be important to retain the skilled working age population.

2.1.11 Health and Wellbeing

The Scottish Public Health Observatory (ScotPHO) published a health and wellbeing profile for each local authority area in Scotland earlier this year. Comprehensive and up-to-date data of this nature is only available at local authority area.

Aberdeenshire is considered as ‘statistically significantly better’ than the national average in 37 of the 59 indicators, including: life expectancy for both genders; fewer deaths from, and patients registered with, heart disease and cancer; and fewer hospital patients with alcohol or drug related conditions.

Aberdeenshire is ‘statistically significantly worse’ than the national average in eight indicators: fewer people actively travelling to work; more households in extreme fuel poverty; more people living in 15% most access deprived area; more patients hospitalised with asthma; more road traffic accident casualties; fewer people aged 65+ receiving free personal care at home; fewer people of this age group with intensive care needs being cared for at home; and poorer child dental health in P7 pupils.

Strategic Pointer: The North Aberdeenshire LDS should focus its efforts on connectivity, by supporting activities which aim to improve connectivity across communities, between communities and beyond North Aberdeenshire. This would help to overcome the particular challenge North Aberdeenshire faces in terms of access to services, facilities and employment opportunities.

2.2 Lessons from the Previous Programme Period

Rural Aberdeenshire LEADER 2007/2013

Rural Aberdeenshire had its own LEADER Programme which was delivered during 2007 to 2013. An external evaluation was undertaken to assess performance and to identify key learning to help inform the future programme.

The evaluation report identifies key findings and recommendations which we would wish to highlight as particular lessons which will be addressed in the detailed business planning and operational development stages, Table 2.1
### Table 2.1: Summary - Rural Aberdeenshire LEADER Programme (2007/2013)

<table>
<thead>
<tr>
<th>Key Finding</th>
<th>Lesson Learned</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. While a good range of projects and activities were supported, not all of the LDS priorities were addressed. There was limited activity aimed at supporting business and enterprise, and sustainable housing and transport were not meaningfully addressed</td>
<td>• Regular reports to the NALAG/NESFLAG will provide updates on the spread of projects supported by priority theme. The NALAG/NESFLAG may also commission projects to ensure that the LDS is implemented effectively.</td>
</tr>
<tr>
<td>2. While funding was allocated across all administrative areas, there was an imbalance of the geographic spread of projects. Some areas had fewer supported projects, including South East Aberdeenshire, a disadvantaged community in the region. The evaluation raised questions around the relationship between need and funding, the equitable distribution of funding across the region, and the capacity of all communities to apply for funding.</td>
<td>• The NALAG/NESFLAG will develop and approve a communications plan within six months of the approval of the North Aberdeenshire LDS. This will build upon the initial engagement activity undertaken as part of the community engagement events held across North Aberdeenshire to inform and shape the development of the LDS. Links with rural partnerships and networks and wider structures will be further developed to increase awareness of the opportunities to become involved. • Regular reports to the NALAG/NESFLAG will provide updates on the spread of projects supported by geographic area. The NALAG/NESFLAG may also undertake proactive marketing as well as commission projects within specific communities to ensure that the LDS is implemented effectively.</td>
</tr>
<tr>
<td>3. There was a universal application process for projects seeking funding regardless of amount of funding sought, as such it was found that there was a lack of proportionality in the process. The process was found to be more straightforward for larger organisation with experience of applying for funding and/or with paid staff than for volunteer led community groups.</td>
<td>• A new IT system for LEADER projects is being developed by the Scottish Government. Marine Scotland is also revising its application process.</td>
</tr>
<tr>
<td>4. The support provided by applicants by the delivery team was praised. The evaluation raised questions around the level of support some project applicants. It was proposed that a simpler form and process would reduce the level of support required, freeing up time for the delivery team to focus on capacity building in those communities not applying for funding and to conduct monitoring</td>
<td>• A review of internal administrative procedures will take place within the Secretariat to free up staff time to dedicate to animation and project support. Additional staff resources will be recruited where required.</td>
</tr>
<tr>
<td>5. Questions were raised about the claims process. By paying out on defrayed expenditure, this posed cash flow issues, in particular for small community organisations that lack reserves to make upfront payments for project activities.</td>
<td>• Additional support will be provided to applicants to help them to plan cash flow and manage project budgets effectively.</td>
</tr>
</tbody>
</table>
Table 2.1: Summary - Rural Aberdeenshire LEADER Programme (2007/2013)

<table>
<thead>
<tr>
<th>Key Finding</th>
<th>Lesson for new Programme Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Monitoring and evaluation was identified as the main “weak” link in the programme and that there was scope for improvement. Applicants had difficulty in identifying outputs and outcomes despite support from the delivery team, and there was an unsystematic monitoring and evaluation process. Overall, the evaluation found that it was difficult to capture evidence on the full impact of project activities.</td>
<td>• A full Monitoring and Evaluation Plan will be prepared and adopted by the LAG and FLAG. The Plan will aim to quantify outputs, outcomes and results from project to strategy level, demonstrate the contribution of funds to wider policy objectives, assess the effectiveness of interventions and the overall strategy, provide an evidence base upon which to review and revise the strategy, provide the LAG/FLAG with the information required to ensure that the strategy is delivered. • Monitoring and evaluation will take place throughout the programme period, with data gathered from project applications/claims, surveys and input from key stakeholders on an ongoing basis. Indicators will be selected based on the European Commission’s core indicators and guidance from the Scottish Government.</td>
</tr>
<tr>
<td>7. While LAG members received regular reports on finance, claims and project updates, there was no systematic reporting of outcomes data to the LAG.</td>
<td>• A key aspect of the Monitoring and Evaluation Plan will be to provide details of outcomes and progress to each LAG/FLAG meeting. • Regular reports will be given to the LAG/FLAG on the implementation of the Monitoring and Evaluation Plan.</td>
</tr>
<tr>
<td>8. The evaluation raised a point around potential duplication of work between the LAG and its Project Assessment Committee (PAC) and that the process, timing and location of meetings could be reviewed to facilitate attendance by non-public sector staff.</td>
<td>• Terms of reference will be developed for all structures to mitigate the potential for any duplication of effort. • Discussions will be progressed with the NALAG/NESFLAG around timing/location issues for meetings to improve attendance.</td>
</tr>
<tr>
<td>9. The level of connection and read-across between LEADER and other rural partnerships appeared weak and non-systematic, including little evidence of connections to other strategies and priorities across Aberdeenshire.</td>
<td>• The NALAG/NESFLAG will dedicate time at the start to fully engage with all partners at a project level to map relevant existing activities, community groups and service providers in the LEADER area. • Rural Partnerships and Community Planning have been invited to join the LAG and FLAG.</td>
</tr>
</tbody>
</table>
Scottish Working Group’s Review: 2007-2013 LEADER experience

The findings of the Scottish Working Group’s review of the 2007/2013 LEADER experience across Scotland (August 2012) has been taken into consideration in planning the LDS 2014 for North Aberdeenshire. In particular, the following points were highlighted:

- there is a clear opportunity to move towards a more outcome-oriented delivery, management and evaluation in the future;
- LEADER needs to link not only to EU policy requirements e.g. climate change, social inclusion, but also to the National Performance Framework (NPF). The co-financing component provided by Scottish Government needs to deliver to Scottish policy targets;
- robust local development strategies are central to delivering an effective LEADER Programme;
- there is a strong desire that LEADER better serves innovation and that it becomes ‘cutting edge’ again;
- there is a need for renewal and refreshment of LAGs to ensure that all relevant stakeholders are enfranchised and that private sector participation in partnerships is strengthened. The next Programme should encourage a much more outward focussed approach that includes stronger elements of networking and cooperation. The Programme needs to be designed to facilitate projects that cross territorial boundaries;
- in developing local projects the LAG should focus on the projects’ contribution to the LDS and in an integrated and sustainable sense of its economic, community and environmental outputs and results;
- LAGs should operate in close cooperation with local Community Planning Partnerships; and
- there may be a need to shift the focus of a future LEADER Programme towards the economy, with less emphasis on the community.

Copy of the report can be found here
Aberdeenshire European Fisheries Fund

Aberdeenshire is one of eleven coastal communities to have benefited from the European Fisheries Fund (EFF) Programme which runs from 2007 to 2014. The Fund contained a new CLLD protocol, Axis 4, which aimed to help coastal communities adapt to changing conditions.

Its purpose is to promote the sustainable development and economic diversification of fisheries areas by building skills, knowledge and increasing the capacity of local fishing communities.

The Aberdeenshire European Fisheries Fund LAG (FLAG) and Programme of activity was launched in March 2012. The majority of projects funded are in the North Aberdeenshire area - Banff and Buchan and Buchan are especially important fishing communities within North Aberdeenshire (Peterhead and Fraserburgh are the two landing districts).

Much of the focus of project activity supported in Aberdeenshire has been on:

- eco-tourism;
- tourism more generally; and
- adding value to fisheries products.

The activity supported has been a combination of industry-led projects in response to particular challenges, and wider projects of benefit to towns and communities.

A programme level evaluation has not yet been commissioned as much of the supported projects and activities are still underway, and there are still funds to be allocated. However, as part of the engagement process for the development of the North Aberdeenshire LDS 2014/2020, feedback on learning points from Aberdeenshire FLAG members was that:

- it is a good programme and the project co-ordinator does a good job - but it is still very much early days;
- the application and claims process is likely to be off-putting to some - there could be scope to streamline processes to encourage greater involvement;
- securing co-finance has been a particular challenge for applicants; and
• maintaining the interest of fishing industry members in attending FLAG meetings has been difficult.

2.3 Strategic Fit

The North Aberdeenshire LDS fits with, and complements, a wide range of national, regional and local strategies and policy priorities, as has strong connections to other strategic partnerships and structures across North Aberdeenshire. The following documents have been reviewed and synthesised.

Table 2.2: Relevant Strategies and Policies

<table>
<thead>
<tr>
<th>National</th>
<th>Regional</th>
<th>Local</th>
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<tbody>
<tr>
<td>• Government Economic Strategy.</td>
<td>• Aberdeen City and Shire Economic Action Plan.</td>
<td>• Local Community Plans for Banff and Buchan, Buchan and Formartine.</td>
</tr>
<tr>
<td>• National Performance Framework.</td>
<td>• Aberdeen City and Shire Area Tourism Strategy.</td>
<td>• Fraserburgh Regeneration Action Plan.</td>
</tr>
<tr>
<td>• Tourism Scotland 2020.</td>
<td>• Aberdeenshire City and Shire Regional Transport Strategy.</td>
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<tr>
<td>• Natural Heritage Futures.</td>
<td>• Aberdeenshire Local Transport Strategy.</td>
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<tr>
<td>• Opportunities for Scotland’s Rural Heritage.</td>
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Table 2.3 considers the strategies and policies in the context of a broad mix of rural development themes.
Table 2.3: Strategy Framework Matrix

<table>
<thead>
<tr>
<th>Broad Themes</th>
<th>National</th>
<th>Regional</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and Enterprise</td>
<td>• Government Economic Strategy</td>
<td>• Community Plan</td>
<td>• Fraserburgh Regeneration Action Plan</td>
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<td></td>
<td>• National Performance Framework</td>
<td>• SOA</td>
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<td></td>
<td></td>
<td>• Economic Development Strategy</td>
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<td></td>
<td></td>
<td>• Economic Action Plan</td>
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<td></td>
<td></td>
<td>• Area Tourism Strategy</td>
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<tr>
<td>Sustainable environment, energy, and</td>
<td>• Government Economic Strategy</td>
<td>• Community Plan</td>
<td>• Fraserburgh Regeneration Action Plan</td>
</tr>
<tr>
<td>transport</td>
<td>• National Performance Framework</td>
<td>• SOA</td>
<td></td>
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<tr>
<td>Access to services and facilities</td>
<td>• National Performance Framework</td>
<td>• Economic Action Plan</td>
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<td></td>
<td></td>
<td>• Regional and Local Transport Strategies</td>
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<tr>
<td>Employability, skills development and</td>
<td>• Government Economic Strategy</td>
<td>• Community Plan</td>
<td>• Fraserburgh Regeneration Action Plan</td>
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<tr>
<td>social inclusion</td>
<td>• National Performance Framework</td>
<td>• SOA</td>
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<td></td>
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<td>• Economic Action Plan</td>
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<tr>
<td>Place, Communities, and Regeneration</td>
<td>• Natural Heritage Futures</td>
<td>• Community Plan</td>
<td>• Fraserburgh Regeneration Action Plan</td>
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<td></td>
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<td>• SOA</td>
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<td>• Economic Development Strategy</td>
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<tr>
<td>Heritage and Tourism</td>
<td>• Opportunities for Scotland’s Rural Heritage</td>
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<td></td>
<td>• Area Tourism Strategy</td>
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<tr>
<td>Equal Opportunities and Capacity Building</td>
<td>• Government Economic Strategy</td>
<td>• Community Plan</td>
<td>• Fraserburgh Regeneration Action Plan</td>
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<td></td>
<td></td>
<td>• Regional and Local Transport Strategies</td>
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2.3.1 National Level

Government Economic Strategy

The refreshed Government Economic Strategy (GES, 2011)\textsuperscript{33} is an update of the original strategy launched in 2007. The main purpose of the strategy is:

“To focus the Scottish Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.”

The GES emphasises the wider environment in which the updated GES has been developed in terms of the recent global recession. It gives particular focus to accelerating economic recovery and to tackling unemployment and promoting employability. The GES also describes how sustainable economic growth can be achieved and highlights key drivers (high level targets): growth, productivity, participation, population, solidarity, cohesion and sustainability. GES priorities are detailed below.

GES Priorities:

- Supportive business environment
- Transition to a low carbon economy
- Learning, skills and well-being
- Infrastructure development and place
- Effective government
- Equity

\textsuperscript{33} Copy of the strategy available from \url{here}
National Performance Framework

The Scottish Government has developed the National Performance Framework to assist the monitoring of progress towards achieving the strategic purpose and objectives of the GES.34

It sets out five Strategic Objectives - Wealthier and Fairer, Smarter, Healthier, Safer and Stronger, and Greener. Flowing from the strategic objectives are a host of National Outcomes and Indicators against which progress is assessed.

Natural Heritage Futures

Scottish Natural Heritage’s Natural Heritage Futures guides the management of Scotland’s diverse and distinctive nature and landscapes towards 202535.

The focus is on the sustainable development of Scotland’s natural heritage assets, and highlights the role that public, private and voluntary organisations have to play, alongside SNH, in achieving a positive and long term impact on the management and use of the country’s natural heritage - in particular given the extent to which a “healthy, attractive and effectively functioning environment” contributes to improving quality of life, providing a sense of place and generating economic benefits to rural economies. Maintaining and enhancing our high quality natural environment is not just important for the benefit of people now, but to ensure it is protected for future generations.

Opportunities for Scotland’s Rural Heritage

Archaeology Scotland’s vision for the country’s historic environment is:

“that it is understood and valued, cared for and protected, enjoyed and enhanced. It is at the heart of a flourishing and sustainable Scotland and will be passed on with priced to benefit future generations.”36

Scotland’s historic environment ranges from castles and historic houses, to monuments and historic landscapes that are a distinctive part of the nation’s countryside.

34 More information on the National Performance Framework is available from here
35 Copy of the report can be found here
36 Copy of the report can be found here
Heritage tourism generates significant economic benefits for rural and urban areas, and many heritage related projects have been supported through a range of funding sources, including LEADER - “place making is seen as central to the health and long-term welling being of communities.” Under the SRDP 2014/2020 Programme, the document highlights that funding will be targeted at priority sites and regions.

A recommendation in the report is to ensure that “adequate support is given through LEADER and other funding streams to community, education and rural business groups to engage with appropriate heritage projects and features in their area.”

2.3.2 Regional Level

Aberdeenshire Community Plan

The Aberdeenshire Community Planning Partnership (Aberdeenshire CPP), brings key public, private, community and voluntary representatives together with the aim of delivering better, more joined-up public services - ensuring that targeted regeneration improves the quality of life for everyone.

Aberdeenshire CPP has produced a Community Plan (2011/2015) which sets out community planning partners’ vision for the region. Here, the focus is on identifying priority themes for community regeneration and how partners will work together to deliver on shared outcomes.

Aberdeenshire CPP’s Priority Themes

- Community Wellbeing
- Jobs and the Economy
- Lifelong Learning
- Sustainable Environment

37 Copy of the report available from here
Community Plans and Single Outcome Agreements (see below) are required to be set within the context of the Scottish Government’s five Strategic Objectives of a Wealthier and Fairer, Healthier, Smarter, Safer and Stronger, and a Greener Scotland and make the connection between National Outcomes (as set out in the NPF) and Local Outcomes.

**Aberdeenshire Single Outcome Agreement**

Flowing directly from the Community Plan is the SOA (2013/2023) which identifies how partners will work over the long-term to improve outcomes for local people and make Aberdeenshire a better place - and how it will ensure achievement of its vision of “working together for the best quality of life for everyone in Aberdeenshire”.

SOAs (and Community Plans) are prepared in a manner that reflects local circumstances, needs, and priorities. The Aberdeenshire SOA emphasises the changing environment in which it has been produced and highlights challenges for the region in terms of:

- a growing ageing population; and
- pockets of deprivation and rural isolation.

Aberdeenshire CPP’s agreed priorities for the current SOA period are set out below.

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**Aberdeenshire CPP’s SOA Priorities**

- Alcohol and Drugs
- Children have the Best Start in Life
- Older People and Community Care
- Supporting Communities and Volunteering
- Transport

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38 Copy of the report is available from [here](#)
Seven local outcomes have been agreed - of relevance to the North Aberdeenshire LDS are:

- Aberdeenshire will be recognised as a great place to live, work, invest with opportunity for all;
- the unemployment rate in identified areas of deprivation in Aberdeenshire will be less than the national average;
- reductions in inequalities in health outcomes between communities and across Aberdeenshire;
- older people will live independent, healthier lives; and
- successful, inclusive and resilient communities with the confidence, capability and capacity to tackle things that matter to them.

Aberdeenshire Economic Development Strategy

The Council’s Economic Development Strategy (2011/2016) for the region sets out its vision, as detailed below.

“Aberdeenshire Council will create the conditions for sustainable economic growth, diversification and regeneration with Aberdeenshire and the wider region by attracting and supporting businesses and industries and developing communities. We will develop a sustainable, enterprising and adaptable economy and promote Aberdeenshire locally, nationally and internationally as a location of choice for employment, tourism, living and leisure”.

The Strategy sets out how the Council, through a partnership approach, will focus its economic development effort to impact positively on both the local and regional economy, as well as improving quality of life.

Ten strategic priorities have been set, of relevance to the North Aberdeenshire LDS are to:

- support local communities in becoming more self-sufficient and sustainable through the benefits of community renewable energy schemes;

39 Copy of the report is available from here
• ensure Aberdeenshire is the recognised major contributor to a Scotland which is known as the “Land of Food and Drink”;

• promote Aberdeen City and Shire as a key tourism destination in Scotland and improve the visitor experience by strengthening and supporting the tourism industry;

• work with partners to develop and promote a more sustainable fisheries industry to enhance resilience of the sector and its dependent communities;

• ensure Aberdeenshire is known as a supportive business environment that nurtures home grown businesses, promotes invest and attracts and welcomes talented people and innovative businesses; and

• promote Aberdeenshire as an area where residents, businesses and social enterprises are encouraged and assisted to make their communities self-sufficient and where there are opportunities for all.

- **Target Industries** - Energy, Food and Drink, Tourism, and Agriculture and Fisheries.

- **Priority Strategic Development Areas** - Energetica, Enterprise, and Communities.
Table 2.4: Aberdeenshire Economic Development Strategy

<table>
<thead>
<tr>
<th>Target Industries/Strategic Area</th>
<th>Priority Areas</th>
</tr>
</thead>
</table>
| Food and Drink                   | • Support to businesses on market and product development to achieve long-term sustainable growth.  
|                                  | • Support growth through collaborative working, skills development and added value.  
|                                  | • Encourage and develop a culture of innovation.  
|                                  | • Promote local, high quality produce within the tourism sector.  
|                                  | • Use quality products to promote the north east.  |
| Tourism                          | • Support further development, including Banffshire Coast Destination Management Organisations.  
|                                  | • Assist with promoting the whole Moray and Banffshire Coast.  |
| Fishing                          | • Support development of value-added seafood products to maximise the value of seafood which is landed, processed and marketed.  
|                                  | • Ensure Aberdeenshire ports continue to be the major European ports for quality seafood supplying national and international markets.  
|                                  | • Assist the sector in accessing European funding.  
|                                  | • Lobby on issues of importance to the Aberdeenshire industry.  
|                                  | • Lead the Aberdeenshire European Fisheries Fund (Axis 4) to enhance coastal communities and their economies.  
|                                  | • Work with relevant bodies to mitigate any negative impacts of the new Common Fisheries Policy on the north east industry.  |
| Enterprise                       | • Increase broadband connectivity.  
|                                  | • Assist SMEs to access more loan and equity funding.  
|                                  | • Assist businesses in target industries with business advice, operational support, export advice, and attendance at trade shows.  |
| Communities                      | • Deliver the Council’s Framework for Regeneration 2010 for Strategic Priority Areas, especially in the towns of Banff, Macduff, Peterhead and Fraserburgh.  
|                                  | • Assist community groups and social enterprises in taking over assets and services from the Council.  
|                                  | • Initiate an Aberdeenshire Town Centres Plan of Action to strengthen the economic base of towns.  
|                                  | • Further develop the network of Rural Partnerships to cover the whole of Aberdeenshire.  
|                                  | • Lobby to ensure the next European Structural Funds Programme 2014/2020 will benefit Aberdeenshire.  
|                                  | • Employability work focussing on reducing the number of people on benefit in Aberdeenshire.  
|                                  | • Develop the resources to draw down external funds for the Council and communities.  
|                                  | • Assist with the development of the social enterprise sector.  |
Aberdeenshire Regeneration Strategy

The Council’s original *Framework for Regeneration in Aberdeenshire (2010)* set out proposals and allocated funds between three Regeneration Priority Areas (RPAs) - two covered coastal parts of North Aberdeenshire - in Buchan, and Banff and Buchan.

The new *Aberdeenshire Regeneration Strategy (2013)* sets out how the Council plans to prioritise delivery in areas of most need, with the initial focus in the North Aberdeenshire area of Fraserburgh - and an emphasis on social, cultural, economic and physical regeneration.

There has been a shift in emphasis to smaller geographical areas of most need, (based on range of indicators e.g. SIMD, Town Centre Health Checks). This is with a view to a more focused approach to investment on an area for long enough to achieve substantial and lasting change.

Six key outcomes are detailed in the strategy which are detailed below.

**Outcomes:**

- **Reduce Places of Dereliction** by the conservancy of our built and natural heritage, along with environmental improvements and bringing brownfield sites back into use.

- **Increase Enterprise Activity** including new enterprises, the growth and diversification of indigenous businesses and remove barriers to inward investment.

- **Increase Development Activity** by identifying potential places for housing and commercial development in line with the Local Development Plan.

- **Increase Prosperity** through skills and education and the provision of permanent employment at Living Wage pay levels that reduce reliance on benefits and tackle poverty and inequalities.

- **Improve Town Centres** by increasing footfall and activity, minimising the impact of void units and encouraging retailers to adapt to sustainable models such as online trading or Click & Collect.

- **Provide People** with a healthy, safe, pleasant, interesting and active community and environment whether they are resident or visitors.
Economic Action Plan

Aberdeen City and Shire Economic Future (ASCEF) is a partnership involving Aberdeen City and Aberdeenshire Councils, Scottish Enterprise, Aberdeen and Grampian Chamber of Commerce, Skills Development Scotland and VisitScotland as well as business and academia representatives.

Building on Success (2013/2018) is ASCEF’s refreshed Economic Action Plan for the region which provides details of partners’ collaborative approach to achieving the related aims of growing the economy and enhancing quality of life in Aberdeen City and Shire.

A vibrant business base is considered vital to supporting continued economic growth in the region, and the Action Plan sets out a key sector approach to achieving the ambitions of an annual economic growth rate of 2.5%.

ASCEF Key Sectors

- **Energy** - position Aberdeen City and Shire as a global energy hub, building on the world class expertise of the oil and gas industry and growing the offshore energy supply chain for renewables.

- **Food and Drink** - maintain and grow Aberdeen City and Shire’s position as a centre for premium meat, seafood, produce and value added products.

- **Tourism** - increase the value of business and leisure tourism by increasing capacity, quality, innovation and product development through the refreshed Area Tourism Partnership and its strategy.

- **Life Sciences** - grow Aberdeen City and Shire’s reputation as part of a globally competitive Scottish life sciences sector.

40 Copy of the report is available from [here](#).
41 Exploratory work being undertaken on the potential of Creative Industries to be added as a future key sector.
Further, the Action Plan goes on to outline seven strategic priorities for “creating an inclusive, energised and sustainable future for Aberdeen City and Shire”, grouped as follows (and within a low carbon framework):

- **Infrastructure and Connectivity**
  - deliver a fully integrated transport network
  - deliver city centre redevelopment
  - improve the efficiency of planning decision making;

- **Skills and Intellectual Capital**
  - attract, develop and retain skilled people
  - maximise our intellectual capital; and

- **Company Growth and Inward Investment**
  - anchor the offshore energy supply chain
  - location of choice for company headquarters.

**North East Coastal Plan**

The *North East Coastal Plan* identifies the challenges for the area in terms of its natural heritage as:

- increasing the natural heritage value of agricultural land;
- improving the quality of fresh waters and associated biodiversity;
- improving the stewardship of the marine and coastal natural heritage;
- ensuring development pressure and other land uses enhance the value and distinctiveness of local landscapes; and
- increasing awareness and understanding the role of the natural heritage as a basis for sustainable development.

**Recreation, access and environmental education** is important for the area. Walking is particularly popular along the coast and inland, however the Plan reports that the impact of intensive agriculture has resulted in limited scope for local recreation off-road.

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42 Copy of the report can be found [here](#)
Initiatives have been undertaken, or are underway/planned, for example paths development, coastal walks, new off-road path networks, trails for cyclists, walkers and horse riders within forests, cycle routes.

**Area Tourism Strategy**

The Area Tourism Partnership was established to provide leadership and to be a champion for tourism businesses, with the ultimate goal of ensuring that Aberdeen City and Shire reaches its potential as a tourism destination.

The Area Tourism Strategy (2013/2020) sets out its vision to “make Aberdeen City and Shire a sustainable destination of choice, with skilled and passionate people delivering value for money and memorable customer experiences, by enhancing our region’s outstanding assets”.

Tourism is identified as a key growth sector for Scotland, and for Aberdeen City and Shire - the sector is worth an estimated £340m to the regional economy each year.

The Strategy sets out aspirations to grow visitor spend in Aberdeen City and Shire - it identifies a number of opportunities for maximising the tourism sector in the region alongside a cross-cutting list of what is needed in the region to achieve this.

**Table 2.5: Area Tourism Strategy Opportunities and Actions**

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golf</td>
<td>• Improve and expand accommodation provision</td>
</tr>
<tr>
<td>Nature, heritage and activities</td>
<td>• Improve access to IT infrastructure</td>
</tr>
<tr>
<td>Business tourism</td>
<td>• Develop leadership and management skills</td>
</tr>
<tr>
<td></td>
<td>• Improve the customer journey</td>
</tr>
<tr>
<td></td>
<td>• Reduce seasonality</td>
</tr>
<tr>
<td>Events, festivals, culture and arts</td>
<td>• Ensure the area is accessible</td>
</tr>
</tbody>
</table>

43 Copy of the report can be found [here](#)
Regional Transport Strategy

Regional Transport Partnerships (RTPs) in Scotland have a crucial role to play in strengthening the planning and delivery of regional transport developments. Each RTP brings together local authorities and other regional stakeholders to take a more co-ordinated and strategic approach to transport in the region - and are responsible for producing a Regional Transport Strategy, which aligns with the GES and National Transport Strategy. Nestrans’ Regional Transport Strategy for Aberdeen City and Shire sets out its vision to create “a transport system for the north east of Scotland which enables a more economically competitive, sustainable and socially inclusive society”. The RTS goes on to identify the following objectives, Table 2.6.

Table 2.6: Regional Transport Objectives

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy</td>
<td>To enhance and exploit the north east’s competitive economic advantages, and reduce the impacts of peripherality.</td>
</tr>
<tr>
<td>Accessibility, Safety and Social Inclusion</td>
<td>To enhance choice, accessibility and safety of transport for all in the north east, particularly for disadvantaged and vulnerable members of society and those living in areas where transport options are limited.</td>
</tr>
<tr>
<td>Environment</td>
<td>To conserve and enhance the north east’s natural and built environment and heritage and reduce the effects of transport on climate, noise, and air quality.</td>
</tr>
<tr>
<td>Spatial Planning</td>
<td>To support transport integration and a strong, vibrant and dynamic city centre and town centres across the north east.</td>
</tr>
</tbody>
</table>

Local Transport Strategy

The Council’s Local Transport Strategy (2012) has been guided by the Regional Transport Strategy and wider national and regional strategies described earlier. It sets out its vision of “serving Aberdeenshire from mountain to sea - the very best of Scotland”. 
Local Transport Aims:

- Reduce non-sustainable journeys
- Increase active travel
- Make travel more effective
- Improve health
- Reduce carbon emissions from transport

The overall focus is on ensuring an integrated approach to transport in Aberdeenshire – a transport system that improves integration between different forms of transport and improves connectivity within Aberdeenshire and beyond.

2.4 Local Level

Local Community Plans

Local Community Planning Groups have been established across the region, one in each of the six administrative areas, to specifically tackle local issues and address local needs. Following extensive community consultation, Local Community Plans\(^{46}\) have been produced for each community, which set out the actions to be taken by partners to address local needs and priorities - that align with the overall Aberdeenshire Community Planning priorities outlined earlier.

Banff & Buchan

Regeneration of Banff and Buchan is highlighted as a priority issue, specifically the physical regeneration of town centres (the same is true for Buchan), and to develop and diversify the local economy.

\(^{46}\) Copy of the reports can be found here
Banff & Buchan Actions include:

- Building confident, skilled, influential, and active communities
- Building life skills
- Providing affordable childcare
- Supporting migrant workers and their families to access the health, educational, emotional and social support they need
- Reducing health inequalities (e.g. alcohol related harm, obesity)
- Supporting young people to develop the skills needed for learning, life in work
- Community based transport to improve access to services, including health services.
- Promoting volunteering for older people.
- Community asset based development activity.

Buchan

Buchan Priorities:

- Providing facilities for older and young people
- Overcoming access difficulties, particular to work and health care
- Overcoming fear of crime, particularly in Peterhead
- Supporting social enterprise.
Formartine

Formartine Priorities:

- Ensuring residents of Formartine enjoy healthy and active lifestyles
- Road safety
- Community capacity building
- Securing improved community facilities and partnership delivery of services
- Support the development of economic activity and healthy town centres
- Transport and accessibility to services

Fraserburgh Regeneration Action Plan

A Fraserburgh Regeneration Action Plan\textsuperscript{47} has been developed as part of the Aberdeenshire Regeneration Plan, focussing on the town’s existing assets. It complements other regeneration strategies and initiatives that focus on place-making, and will deliver projects as a collaborative effort between Aberdeenshire Council, its partners and the local community. Its themes are:

- **Enterprising Fraserburgh** – encourage entrepreneurs to start new business by reducing barriers to entry. Existing businesses encouraged to develop new products/markets to add value to existing ones;

- **Active Fraserburgh** – developing active pursuits making use of the natural heritage assets of the area. Potential to change internal/external perceptions, contribute to combating health inequalities and provide facilities for visitors;

- **Developing Fraserburgh** – identify areas suitable for development – highlighted for the private sector;

• **Fraserburgh’s Environment** – improvements to contribute to environmental and wellbeing;

• **Fraserburgh’s Skills and Education** – improving skills and education for the individuals and economy also contributing to the sense of place;

• **Fraserburgh’s Key Industries** – Food and Drink (specifically seafood) - adding value to the primary products and considering a quality seafood restaurant as part of a campaign to establish the town as a *Seafood Centre of Excellence*;

• **Retail and Fraserburgh Town Centre** - encourage businesses to adapt and attract people into the town centre through marketing, events etc; and

• **Fraserburgh’s Health and Wellbeing** – a series of initiatives aimed at bringing measurable improvements and joined by other wellbeing benefits.

### 2.5 North Aberdeenshire SWOT

The following page presents a SWOT analysis for North Aberdeenshire. This has been based on the baseline and contextual analysis, and has been tested with and revised in light of comments from partner organisations, community groups and other interested parties participating in the consultation process.

In many cases, those engaged in the consultation process have identified issues which are not captured by baseline data from official sources. Rather, these can sometimes reflect the professional judgement and day-to-day experiences of people working and living within the area. That said, there was a high degree of consensus across consultees on what the key strengths, weaknesses, opportunities and threats are, and especially those that are amenable to influence through appropriate intervention.
### Strengths
- The environment, natural assets and overall setting - in terms of North Aberdeenshire’s location, countryside, scenery, views, harbours and coastline.
- Strong and distinct historic and cultural heritage
- Strong and emerging sectors - including tourism, food and drink, fishing and agriculture, energy
- Importance of the fishing sector, especially in Peterhead and Fraserburgh.
- Close proximity to Aberdeen, a prosperous and developing city - providing employment opportunities for those living in rural/coastal communities.
- Relatively low unemployment.
- Skilled workforce.
- Limited deprivation.
- Strong community spirit, pride and belief.
- Active third sector with significant knowledge and expertise in working in local communities.

### Weaknesses
- Patchy connectivity and access to services and opportunities (transport services, broadband, social, health, employment, childcare, etc).
- Many towns and villages have become largely commuting towns (“Oil and Gas pull”) with little economic activity locally.
- Poor quality environment of many town and village centres, with many empty shops and businesses, and in relation to other tourism infrastructure such as accommodation.
- Increasing incidence of long term unemployment, while youth unemployment remains an issue.
- Limited supply of young people entering traditional key industries (e.g. fishing, agriculture).
- Perceptions of North Aberdeenshire being an affluent area hides the fact that there are areas of deprivation and poverty especially in parts of Banff and Buchan.
- Housing – cost, lack of affordable housing, lack of availability of larger sized homes.
- Over reliance on key sectors such as primary industries.

### Opportunities
- Build on growth sectors and niche opportunities (e.g. tourism, food processing, renewable energy).
- Build on niche opportunities, in particular for fisheries. For example, farmers’ markets, local seafood restaurants selling local produce.
- Increase attractiveness of key sectors (e.g. fisheries) to new recruits.
- Address poor awareness of opportunities in key local sectors (e.g. fishing).
- More co-ordinated and joined up approach to marketing and promoting the area to tourists.
- Supporting community ownership of built assets and social enterprise.
- Town centre regeneration will improve perception of local people and visitors towards area
- Build on, and extend existing community transport schemes to improve linkages between and across communities and access for tourists.
- Improved marketing of existing services to local communities.

### Threats
- Ageing population – leading to increased demand for local services (in particular health and social care) and increased rural isolation.
- Continued reductions in public sector budgets will result in withdrawal of services and facilities in communities.
- Difficulties in accessing funding support for local communities given affluence of wider region.
- Loss of key migrant workers in important sectors.
- Out-migration of young people seeking education and job opportunities.
- Reduced ability to attract new families to the area – local services closing, lack of local amenities, empty shops and buildings make it a less attractive offer.
2.6 Fisheries SWOT

Following additional guidance from Marine Scotland on the use of EMFF funds, a further SWOT specific to the fisheries elements of the Strategy has been undertaken. This is based on input from a stakeholder meeting convened on 14 August 2014.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Stocks are healthy</td>
<td>• Poor promotion of locally-caught seafood</td>
</tr>
<tr>
<td>• Diverse range of seafood</td>
<td>• Perception of industry as a single body rather than segmented by different products</td>
</tr>
<tr>
<td>• Big industry and strong brand (Scottish Seafood)</td>
<td>• Lack of young entrants, skilled workers and career progression</td>
</tr>
<tr>
<td>• Unique products</td>
<td>• Supply chain for locally-consumed fish</td>
</tr>
<tr>
<td>• Marine Environment</td>
<td>• Connectivity between communities</td>
</tr>
<tr>
<td>• Coastline, wildlife and heritage</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Seafood as a healthy choice</td>
<td>• CFP reform</td>
</tr>
<tr>
<td>• Short supply chain</td>
<td>• Landing obligation</td>
</tr>
<tr>
<td>• Secondary processing</td>
<td>• Oil and gas pull</td>
</tr>
<tr>
<td>• Traceability/sustainability</td>
<td>• World affairs (e.g. Russian import ban)</td>
</tr>
<tr>
<td>• Education and promotion of career opportunities</td>
<td>• Environmental organisations and public perception</td>
</tr>
<tr>
<td>• Promotion of the processing sector</td>
<td>• Loss of local control and quotas moving</td>
</tr>
<tr>
<td>• Job opportunities</td>
<td>• Revised EMFF structure – potential duplication between ‘Axis 4’ and others</td>
</tr>
<tr>
<td>• Centre of excellence</td>
<td>• Definition of a fishing community could exclude some settlements</td>
</tr>
<tr>
<td>• £40 million investment in Peterhead Harbour</td>
<td>• Economic viability of small harbours and returns on investments</td>
</tr>
<tr>
<td>• Diversifying coastal communities into new business areas</td>
<td>• Landing obligation could be costly to implement and use up entire programme budget</td>
</tr>
<tr>
<td>• Ecotourism</td>
<td></td>
</tr>
<tr>
<td>• Learn from successful communities</td>
<td></td>
</tr>
<tr>
<td>• Use of redundant buildings</td>
<td></td>
</tr>
<tr>
<td>• Move beyond retail focus in communities</td>
<td></td>
</tr>
<tr>
<td>• Access to local employment and remote working</td>
<td></td>
</tr>
<tr>
<td>• eServices</td>
<td></td>
</tr>
</tbody>
</table>
3. Description and Objectives of the Strategy

This Section presents an outline Strategy, and identifies the:

- vision for how the LDS will make use of available funding;
- priority themes on which the strategy might concentrate; and
- objectives and illustrative actions under each priority themes.

It is based on the information presented earlier, particularly the baseline analysis and SWOT (Section 2); other feedback from consultations with strategic partners; and feedback from community members participating in study fieldwork (Section 4).

The Strategy will be underpinned by four principles, to:

- ensure that resources are used to add value to existing provision;
- support activities that are genuinely innovative;
- focus on broad areas of activity which are eligible for Structural Funds support; and
- ensure coherence and consistency with existing plans and aspirations of stakeholders and potential strategic partners.

In addition, the strong preference amongst partners and stakeholders has been to focus on the achievable and that the relatively limited scale of resources available to implement the LDS must be reflected in the scope of our ambitions as well as in the detailed nature of the issues we will target and interventions we will support\(^48\). Partners are also aware of the need to take account of priorities of wider European Funding Programmes and of the ongoing role of local authorities and enterprise agencies in delivering support within North Aberdeenshire: the LDS will focus on priorities where it can add value to these other efforts, rather than duplicate existing or other planned provision.

3.1 Strategic Vision

The strategic vision is both inspirational and realistic, reflecting the ambitions of partners and communities albeit within the likely constraints on the scope and freedom for action. It also reflects the specific needs and opportunities which can be addressed.

\(^48\)For example, while the quality of broadband services available to North Aberdeenshire is poor relative to other parts of the country, the partners recognise that the costs of improving services is well beyond the scope of this strategy. This is not to say that the LDS could not address issues of broadband access for specific groups/rural communities, or seek to influence the investment decision of others. Likewise, the LDS cannot be expected to have a substantial influence on other aspects of connectivity (both within the region and beyond) through direct support for new or improved services. However, the LDS might support efforts to influence investment decisions through, for example, helping to identify the detailed nature of transport constraints and the benefits from new/improved provision.
The vision of the LDS is to help create a long-term legacy of vibrant, healthy, and inclusive rural and fisheries communities enabled to contribute fully to the social and economic fabric of North Aberdeenshire.

3.2 Priority Themes

The LDS will focus on five broad priorities:

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

The Strategy will also be supported by the following cross-cutting themes to ensure that supported projects:

- demonstrate innovation in development and delivery, offering new solutions to the opportunities and challenges facing the area;
- demonstrate sustainability, with projects having at least a neutral, and ideally a positive environmental impact. They must also demonstrate sustainable business models which will reduce the need for continued public support beyond the lifetime of the project. Projects should also leave a lasting legacy post-completion.
- actively take account of equal opportunities - projects must demonstrate at least a neutral, and ideally a positive equalities impact. They should take account of their impact on people with protected characteristics, as set out in the Equalities Act.
- Actively take account of community empowerment and capacity building, demonstrating how they will benefit and engage with the community within which they are located.

3.2.1 Objective 1 - Place

Rationale

Place is important to North Aberdeenshire. On the one hand, great play is made of the area’s built and natural heritage, culture and tourism assets: this came across particularly strongly in community engagement events.

Place-making is a catalyst for changing perceptions of an area, and often brings communities together in a common cause. Conversely, the presence of derelict or down-at-heel buildings, sites, or commercial properties can symbolise a lack of confidence in, and care for, an area. A
lack of facilities which act as hubs for social or business activities in communities was also identified as an issue.

Developing North Aberdeenshire’s assets is fundamental to enhancing rural and fisheries communities and supporting a healthy and vibrant economy.

**Strategic Objective**

The Place Objective is:

*to enhance the natural and built environment and make better use of our assets to improve facilities and encourage growth of the tourism economy.*

**Scope of Action**

The following actions will be supported:

- Action 1.1 – the development of multi-purpose, sustainable and productive community and/or business facilities, particularly using derelict sites and empty units;
- Action 1.2 – the provision of new or upgraded culture/tourism facilities;
- Action 1.3 - place marketing and promotion initiatives; and
- Action 1.4 – assessing, enhancing and managing biodiversity assets.

**3.2.2 Objective 2 - Connectivity**

**Rationale**

Geographic access to services is a significant challenge for North Aberdeenshire (as identified in the SIMD). This acts as a barrier to participating more fully in community life, impacts negatively on life-chances (i.e. work, learning, health), and reinforces issues such as social exclusion and rural isolation.

Transport was also a common theme of the feedback from the engagement process, in particular issues surrounding the cost, availability and accessibility of existing public transport services which link communities in North Aberdeenshire within and beyond the area, and difficulties in accessing services and amenities. It was also identified that some areas of North Aberdeenshire have better access to community transport solutions than others.

This will have a profound effect on particular groups within communities (e.g. young people, older people, those who do not have access to a car, those on low incomes, etc). Improved connectivity across communities, between communities, and beyond North Aberdeenshire is therefore essential for supporting the development of sustainable and vibrant communities.
Current broadband provision is seen as inadequate from both a business and personal perspective. However, our understanding is that this is something which Aberdeenshire Council, Scottish Government and BT are progressing. However, there remains a need to encourage uptake across more dispersed communities, opening up opportunities for new services in areas such as digital health.

**Strategic Objective**

The **Connectivity objective** is:

*to add value to wider efforts to improve internal and external connectivity, including efforts to improve business and community access to eServices*

**Scope of Action**

The following actions will be supported:

- Action 2.1 - Sustainable and/or active travel solutions;
- Action 2.2 - Access to and delivery of eServices such as digital health.

**3.2.3 Objective 3 - Business Competitiveness**

**Rationale**

The North Aberdeenshire economy has a significant base of primary, land-based and other non-service employment in sectors such as agriculture, forestry and fishing, food processing, energy etc.

The area has long been at the centre of commercial fishing activity in Scotland, and the contribution of Peterhead and Fraserburgh to the quantity and value of seafish and shellfish landed into Scotland is substantial. It is important that opportunities for supply chain development and diversification are exploited, which will help to create more employment opportunities.

North Aberdeenshire has also benefited from a strong agriculture sector, and the area has comparative advantages and emerging opportunities in other sectors, such as food and drink and energy, and there are substantial opportunities to further develop the tourism sector.

Retention of local economic activity in North Aberdeenshire, diversifying the economy and, while unemployment is low in the area, helping to address under-employment and limited career progression opportunities were identified as priorities.
A strong theme of the socio-economic analysis and feedback from the consultation process was also that there is a need to pursue economic diversification, reducing reliance on traditional sectors and encouraging the emergence of new, higher value added activities which are location neutral or which can exploit the area’s skills and asset base.

The type of support to be provided to businesses has been identified through engagement with rural, farm and fisheries businesses and discussions within LAG workshops. These concluded that grants and/or loans were preferred over the provision of business support or advice services, which are already provided by other parties (e.g. Business Gateway). Given the limited pot of funding available, the size of awards should be limited but meaningful (i.e. the minimum amount required to enable a project to happen provided it is within a maximum amount to be set by the LAG after final allocations are known). The risk and timescale of projects will need to be taken into account, as will State aid rules.

In terms of funds ringfenced for rural business and farm diversification, these will be open to all sectors, but bids from the tourism and food and drink sectors will be particularly encouraged, as will projects which address rural isolation. New and innovative business models will be encouraged, such as co-operative approaches between farm businesses.

**Strategic Objective**

The Business Competitiveness Objective is

> to encourage sustainable diversification of the North Aberdeenshire economy through support for business and social enterprises, especially in tourism, food and drink, and renewable energy, and in the provision of services to local communities.

**Scope of Action**

The following actions will be supported:

- Action 3.1 - Improving priority sector competitiveness and collaboration,
- Action 3.2 - Facilitating diversification from agriculture
- Action 3.3 - Facilitating diversification within and outside of the fisheries sector
- Action 3.4 - Supporting lifelong learning and job creation in fisheries areas
- Action 3.5 - Adding value, creating jobs and promoting innovation at all stages of the fisheries seafood supply chain
3.2.4 Objective 4 - Better Opportunities

Rationale

While the LDS will reflect the equal opportunities agenda in all aspects of its design and delivery, there is also a perceived need to target support at specific groups within the area.

The retention of young people, and ensuring their more active involvement in community life, was commonly raised as a major concern, harming the prospects of individual communities and settlements. It is therefore important to ensure that local residents, especially younger people, receive appropriate guidance, training and skills support that will allow them to access or progress in employment. However, it is also recognised that a wide array of interventions are available from Skills Development Scotland and others and the LDS must ensure that all activity is complementary and adds value to these efforts.

At the same time, there is growing concern regarding the ageing population and the increasing isolation faced by older members of the community.

Strategic Objective

The Better Opportunities Objective is:

*to ensure better opportunities for all, with a particular focus on integrating and connecting socially-excluded people to the local community.*

Scope of Action

The following actions will be supported:

- Action 4.1 – The provision of training and employability support which complements sectoral diversification and other development efforts;
- Action 4.2 - The provision of bespoke facilities, activities or services targeted at supporting socially excluded people and encouraging them to become more involved in community structures and activities.

3.2.5 Objective 5 - Co-operation

Rationale

North Aberdeenshire faces similar issues to those faced by other rural and coastal communities around Scotland, which is especially true regarding the neighbouring areas of Moray and South Aberdeenshire. On occasion, it will be a more efficient and effective use of
limited resources to partner with others in investigating issues, designing solutions and in delivering support: overheads can be shared, while “aggregation” of participants can make some provision viable. At the same time, the LDS offers an opportunity to identify and learn from good practices elsewhere in Scotland and the EU with a view to importing appropriate projects and practices.

**Strategic Objective**

The **Co-operation Objective** is:

*to cooperate with other F/LAGs and to facilitate greater involvement in national and international co-operation and networking opportunities.*

**Scope of Action**

The following actions will be supported:

- Action 5.1 - International co-operation;
- Action 5.2 - National co-operation.

### 3.3 Smart Objectives

**SMART Objectives**

In order to focus action and resources and demonstrate the value of CLLD to South Aberdeenshire, a number of objectives have been identified which are:

- **Specific**
- **Measurable**
- **Achievable**
- **Realistic**
- **Time**

The chosen indicators for the overall strategy (in addition to those set by the European Commission/Managing Authority) are as follows:

1. Number of projects supported
2. Number of individuals benefiting from projects
3. Number of Small and Medium-sized Enterprises benefiting from projects
4. Number of new or enhanced facilities supported
5. Number of new products/services created
6. Number of new companies established
7. Number of new jobs created
8. Number of new training initiatives supported
9. Number of people receiving training and/or developing new skills

3.3.1 Objective 1 - Place

To enhance the natural and built environment and make better use of our assets to improve facilities and encourage growth of the tourism economy.

Action 1.1 Development of multi-purpose, sustainable and productive community and/or business facilities, particularly using derelict sites

Specific: Projects/initiatives supporting the development of multi-purpose, sustainable and productive community and/or business facilities, particularly using derelict sites and empty units will be supported.

Measurable: 9 new or enhanced community/business facilities projects will be supported;

900 individuals will benefit from community facilities projects;

4 SMEs will benefit from new or enhanced community/business facilities projects;

9 new or enhanced facilities will be created;

9 new products/services will be created;

4 new jobs will be created.

Achievable: There was significant demand for community facility projects in the 2007-13 period which is expected to increase in the 2014-20 period given increased awareness of funding opportunities. In order to meet demand, this priority has been allocated a fifth of the LEADER budget. Figures are based on adding value to facilities to make them multi-functional and grants of around £50k per project. It is expected that projects should aim to attract/support new users such as businesses, use energy efficiency measures and provide ICT facilities in order to help them to become sustainable.

Realistic: Targets set based on provisional allocated budget of £488,008.

Time: By 2018.
**Action 1.2  Provision of new or upgraded culture/tourism facilities**

**Specific:** Projects/initiatives enhancing the provision of new or upgraded culture/tourism facilities will be supported.

**Measurable:**
- 4 new or enhanced culture/tourism facilities projects will be supported;
- 4000 individuals will benefit from new or enhanced culture/tourism facilities projects;
- 2 SMEs will benefit from new or enhanced facilities projects;
- 4 new or enhanced facilities will be created;
- 4 new products/services will be created;
- 2 new jobs will be created.

**Achievable:** There was significant interest in cultural/heritage projects in the previous programme period which was reiterated through the LDS preparation process. Projects will be capital and demand is likely to outstrip available funding.

**Realistic:** Targets set based on provisional allocated budget of £219,604.

**Time:** By 2018.

**Action 1.3  Place marketing and promotion activities**

**Specific:** Projects/initiatives marketing and promoting the North Aberdeenshire area will be supported;

**Measurable:**
- 7 place marketing and promotion projects will be supported;
- 700 individuals will benefit from marketing and promotion projects;
- 4 Small and Medium-sized Enterprises will benefit from marketing and promotion projects;
- 7 marketing initiatives will be undertaken.

**Achievable:** Given the identification of tourism as a priority sector, it is envisaged that 10 revenue projects could be supported to promote the area and events/facilities within it.

**Realistic:** Targets set based on provisional allocated budget of £73,201.
**Action 1.4 Assessing, enhancing and managing biodiversity assets.**

**Specific:** Projects/initiatives which assess, enhance and/or manage biodiversity assets will be supported (e.g. undertaking an assessment of critical biodiversity assets in North Aberdeenshire and developing an enhancement plan initiating large-scale habitat restoration and biodiversity management projects in North Aberdeenshire linked to ecosystem services and eco-tourism opportunities with a view to providing wildlife viewing and tourism initiatives that help deliver an environmentally friendly and resource efficient local economy).

**Measurable:**
- 4 biodiversity assets projects will be supported;
- 40 individuals will benefit from biodiversity assets projects;
- 1 Small and Medium-sized Enterprise will benefit from biodiversity assets projects;
- 2 new or enhanced facilities will be supported;
- 1 new job will be created.

**Achievable:** Community engagement and strategy analysis identified the importance of the environment, wildlife and landscape as an asset for North Aberdeenshire. In addition to providing recreation opportunities, there is great potential to enhance the tourism market in North Aberdeenshire and a number of organisations with capacity to deliver projects in this field.

**Realistic:** Targets set based on provisional allocated budget of £122,002.

**Time:** By 2020.

---

**3.3.2 Objective 2 - Connectivity**

*To add value to wider efforts to improve internal and external connectivity, including efforts to improve business and community access to eServices.*

**Action 2.1 Sustainable and/or active travel solutions**

**Specific:** Projects which enhance the provision of sustainable and/or active travel solutions will be supported.

**Measurable:** 7 sustainable and/or active travel projects will be supported;
700 individuals will benefit from sustainable and/or active travel projects;

2 Small and Medium-sized Enterprises will benefit from sustainable and/or active travel projects;

7 new products/services will be created.

**Achievable:** While connectivity was identified as a key development need for North Aberdeenshire, demand for projects in the 2007-13 period was relatively low. A conservative estimate of 10 projects (mixture of revenue and capital) has therefore been forecast.

**Realistic:** Targets set based on provisional allocated budget of £268,404.

**Time:** By 2020.

**Action 2.2 Access to and delivery of eServices such as Digital Health**

**Specific:** Projects which support access to and/or the introduction or enhancement of eServices will be supported.

**Measurable:** 7 eServices projects will be supported;

700 individuals will benefit from eServices projects;

70 Small and Medium-sized Enterprises will benefit from eServices projects;

7 new products/services will be created;

**Achievable:** It is estimated that services provided will be based on web and mobile platforms benefitting a number of users per application at a relatively low cost.

**Realistic:** Targets set based on provisional allocated budget of £122,002.

**Time:** By 2020.

**3.3.3 Objective 3 – Business Competitiveness**

To encourage sustainable diversification of the North Aberdeenshire economy through support for business and social enterprises, especially in tourism, food and drink, and renewable energy, and in the provision of services to local communities.

**Action 3.1 Improving priority sector competitiveness and collaboration**

**Specific:** Projects/initiatives which support priority sector competitiveness and collaboration will be supported.

**Measurable:** 9 priority sector competitiveness and collaboration projects will be supported;
9 individuals will benefit from priority sector competitiveness and collaboration projects;

9 Small and Medium-sized Enterprises will benefit from priority sector competitiveness and collaboration projects;

9 new products/services will be created;

2 new companies will be established;

7 new jobs will be created.

**Achievable:** There is limited experience of delivering this type of activity through the LEADER model. However, input from rural and agricultural sector meetings suggested that a grant award of around £25k would be realistic.

**Realistic:** Targets set based on provisional allocated budget of £244,004.

**Time:** By 2020.

**Action 3.2** Facilitating diversification from agriculture.

**Specific:** Projects/initiatives which support priority sector competitiveness and collaboration will be supported.

**Measurable:**

9 agricultural diversification projects will be supported;

9 individuals will benefit from agricultural diversification projects;

9 Small and Medium-sized Enterprises will benefit from agricultural diversification projects;

9 new products/services will be created;

2 new companies will be established;

7 new jobs will be created.

**Achievable:** There is limited experience of delivering this type of activity through the LEADER model. However, input from rural and agricultural sector meetings suggested that a grant award of around £25k would be realistic.

**Realistic:** Targets set based on provisional allocated budget of £244,004.

**Time:** By 2020.

**Action 3.3** Facilitating diversification within and outside of the fisheries sector.
Specific: Projects/initiatives which identify and develop new markets, infrastructure, products and services within or outside of the fisheries sector will be supported, as will projects which help small and declining fishing ports to maximise their marine potential through developing a diversified infrastructure.

Measurable: 8 fisheries diversification projects will be supported;
8 individuals will benefit from fisheries diversification projects;
8 Small and Medium-sized Enterprises will benefit from fisheries diversification projects;
8 new products/services will be created;
3 new companies will be established;
4 new jobs will be created.

Achievable: Demand for diversification projects was strong in the 2007-13 period, particularly from harbours and will include a mixture of revenue and capital projects.

Realistic: Targets set based on provisional allocated budget of £344,861.

Time: By 2020.

Action 3.4 Supporting lifelong learning and job creation in fisheries areas

Specific: Projects/initiatives providing training to enhance existing SMEs and assist in the start-up of new companies in fisheries areas will be supported.

Measurable: 13 lifelong learning and job creation in fisheries areas projects will be supported;
130 individuals will benefit from lifelong learning and job creation in fisheries areas projects;
65 SMEs will benefit from lifelong learning and job creation in fisheries areas projects;
11 jobs will be created;
13 new training initiatives will be supported;
130 individuals will receive training and/or develop new skills.
Achievable: There is limited experience of supporting training initiatives in the previous programme, but involvement of further education providers in the FLAG should help to deliver on these targets.

Realistic: Targets set based on provisional allocated budget of £344,861

Time: By 2020.

Action 3.5 Adding value, creating jobs and promoting innovation at all stages of the fisheries seafood supply chain.

Specific: Projects/initiatives which support measures to adapt to the landing obligation; new product and/or market development; the adoption or development of innovative processes and/or supply chain integration; and co-ordinate in a way which empowers local communities and makes the best use of their assets in fisheries areas will be supported.

Measurable: 8 fisheries supply chain projects will be supported;
8 individuals will benefit from fisheries supply chain projects;
8 SMEs will benefit from fisheries supply chain projects;
8 new products/services will be created;
2 jobs will be created.

Achievable: There was strong demand for supply chain projects in the previous programme and enhanced awareness of the programme should allow 8 projects to be supported.

Realistic: Targets set based on provisional allocated budget of £344,861.

Time: By 2020.

3.3.4 Objective 4 – Better Opportunities

To ensure better opportunities for all, with a particular focus on retaining and integrating young people and on ensuring older people are connected to the local community.

Action 4.1 The provision of training and employability support which complements sectoral diversification and other development efforts.

Specific: Projects/initiatives which provide information, guidance and vocational training which complements sectoral diversification and other development efforts will be supported.
Measurable: 7 information, guidance, training and employability support projects will be supported;

70 individuals will benefit from information, guidance, training and employability support projects;

1 Small and Medium Sized Enterprise will benefit from information, guidance, training and employability support projects;

7 new products/services will be created;

7 new training initiatives will be supported;

70 people will receive training and/or develop new skills.

Achievable: Employability and vocational training support was identified as a key development needs for the North Aberdeenshire area and can be co-coordinated with service providers across North Aberdeenshire.

Realistic: Targets set based on provisional allocated budget of £122,002.

Time: By 2020.

Action 4.2 The provision of bespoke facilities or services targeted at supporting socially excluded people and encouraging them to become more involved in community structures and activities.

Specific: Projects/initiatives which provide bespoke facilities, activities or services targeted at supporting socially-excluded groups and encouraging them to become more involved in community structures and activities will be supported.

Measurable: 6 socially-excluded groups projects will be supported;

120 individuals will benefit from socially-excluded groups projects;

1 Small and Medium-sized Enterprise will benefit from socially-excluded groups projects;

6 new or enhanced facilities will be supported;

6 new products/services will be created;

2 new jobs will be created.

Achievable: There has been strong demand in the previous programme for community facilities which support socially-excluded groups, which is supported by input
from community engagement events which identifies a lack of provision of facilities and services for these groups as an issue.

**Realistic:** Targets set based on provisional allocated budget of £292,805.

**Time:** By 2020.

### 3.3.5 Objective 5 – Co-operation

*To cooperate with other F/LAGs and to facilitate greater involvement in national and international co-operation and networking opportunities.*

#### Action 5.1 International cooperation

**Specific:** Projects/initiatives which facilitate co-operation across LAG boundaries with other EU Member State, contributing to at least one other priority of the LDS or exchange of experience with another LAG will be supported.

**Measurable:**
- 2 transnational co-operation projects will be undertaken. (1 rural, 1 fisheries);
- 20 individuals will benefit from transnational co-operation projects;
- 2 SMEs will benefit from transnational co-operation projects.

**Achievable:** There have not been inter-(F)LAG co-operation projects in Aberdeenshire so far, but interest has been expressed in projects from other (F)LAGs, notably in Finland and Denmark. It is expected that FLAG and community members would benefit from the projects.

**Realistic:** Targets set based on provisional allocated budget of £24,400 EAFRD + £11,495 EMFF = £35,896.

**Time:** By 2020.

#### Action 5.2 National cooperation

**Specific:** Projects/initiatives which facilitate co-operation across LAG boundaries within Scotland, contributing to at least one other priority of the LDS will be supported.

**Measurable:**
- 6 inter-territorial co-operation projects will be supported. (4 rural, 2 fisheries.);
- 60 individuals to benefit from inter-territorial projects;
- 2 SMEs to benefit from inter-territorial projects.
**Achievable:** Several co-operation projects have been facilitated in the 2007-13 programme period. Targets for this priority have been limited as it is expected that projects will contribute to targets for other priorities.

**Realistic:** Targets set based on previous LEADER experience and provisional allocated budget of £219,604 EAFRD + £103,458 EMFF = £323,062.

**Time:** By 2020.
## Overview of SMART Objectives

<table>
<thead>
<tr>
<th>Indicator</th>
<th>EAFRD Target</th>
<th>EMFF Target</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>No. of individuals benefiting from new or enhanced comm. bus. facilities projects</td>
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<td>No. of individuals benefiting from new or enhanced cult/tourism facilities projects</td>
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<td>700</td>
<td>1400</td>
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<tr>
<td>No. of individuals benefiting from eServices projects</td>
<td>700</td>
<td>700</td>
<td>1400</td>
</tr>
<tr>
<td>No. of individuals benefiting from priority sector compet. &amp; collaboration projects</td>
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<tr>
<td>No. of individuals benefiting from agricultural diversification projects</td>
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<td>No. of individuals benefiting from fisheries diversification projects</td>
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<td>16</td>
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<tr>
<td>No. of individuals benefiting from lifelong learning &amp; job creation in fisheries areas projects</td>
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<td>130</td>
<td>260</td>
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<tr>
<td>No. of individuals benefiting from fisheries supply chain projects</td>
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</tr>
<tr>
<td>No. of individuals benefiting from training and employability support projects</td>
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<td>20</td>
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<tr>
<td>No. of individuals benefiting from national co-operation projects</td>
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<td>20</td>
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</tr>
<tr>
<td>TOTAL No. of INDIVIDUALS</td>
<td>900</td>
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<td>1800</td>
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<table>
<thead>
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<th>Indicator</th>
<th>EAFRD Target</th>
<th>EMFF Target</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of new or enhanced community/business facilities projects</td>
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<tr>
<td>No. of new or enhanced culture/tourism facilities projects</td>
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<tr>
<td>Number of place marketing &amp; promotion projects</td>
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<td>14</td>
</tr>
<tr>
<td>Number of biodiversity assets projects</td>
<td>7</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Number of sustainable &amp;/or active travel projects</td>
<td>7</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Number of eServices projects</td>
<td>7</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Number of priority sector competitiveness &amp; collaboration projects</td>
<td>9</td>
<td>9</td>
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<tr>
<td>Number of agricultural diversification projects</td>
<td>9</td>
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<td>Number of fisheries diversification projects</td>
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<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Number of training and employability support projects</td>
<td>7</td>
<td>7</td>
<td>14</td>
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<tr>
<td>Number of socially-excluded groups projects</td>
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<td>Number of international co-operation projects</td>
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<td>2</td>
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<tr>
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<td>TOTAL No. of PROJECTS</td>
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<td>7</td>
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<tr>
<td>Indicator</td>
<td>EAFRD Target</td>
<td>EMFF Target</td>
<td>Total</td>
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<tr>
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<td>--------------</td>
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<tr>
<td>No. of SMEs benefiting from new or enhanced comm. bus. facilities projects</td>
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<td>2</td>
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<tr>
<td>No. of SMEs benefiting from new or enhanced cult. tourism facilities projects</td>
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<td>4</td>
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<tr>
<td>No. of SMEs benefiting from biodiversity assets projects</td>
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</tr>
<tr>
<td>No. of SMEs benefiting from sustainable &amp;/or active travel projects</td>
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<td>4</td>
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<tr>
<td>No. of SMEs benefiting from eServices projects</td>
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<td>70</td>
<td>140</td>
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<tr>
<td>No. of SMEs benefiting from priority sector compet. &amp; collaboration projects</td>
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<td>No. of SMEs benefiting from lifelong learning &amp; job creation in fisheries areas projects</td>
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<td>2</td>
</tr>
<tr>
<td>No. of SMEs benefiting from fisheries supply chain projects</td>
<td></td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>No. of SMEs benefiting from socially-excluded groups projects</td>
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<td></td>
<td>1</td>
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<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>TOTAL No. OF SMEs BENEFITING FROM PROJECTS</td>
<td>4 2 4 1 2 70 9 9 1 1 1 1 8 65 8 1 1</td>
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<table>
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<th>Indicator</th>
<th>EAFRD Target</th>
<th>EMFF Target</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of new or enhanced facilities created</td>
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<td></td>
<td>21</td>
</tr>
<tr>
<td>Number of new products/services created</td>
<td></td>
<td></td>
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<td>Number of new companies established</td>
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<td></td>
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</tr>
<tr>
<td>Number of jobs created</td>
<td></td>
<td></td>
<td>40</td>
</tr>
<tr>
<td>Number of individuals receiving training &amp;/or developing new skills</td>
<td></td>
<td></td>
<td>200</td>
</tr>
<tr>
<td>Number of marketing initiatives undertaken</td>
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</table>

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**Note:** The table shows the number of SMEs benefiting from various projects across different indicators and targets. The totals are provided for a comprehensive overview.
<table>
<thead>
<tr>
<th>Inputs</th>
<th>Themes</th>
<th>Objectives</th>
<th>Outputs</th>
<th>Outcomes</th>
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</thead>
<tbody>
<tr>
<td>Strategies: Europe 2020</td>
<td>Place</td>
<td>To enhance the natural and built environment and make better use of our assets to improve facilities and encourage growth of the tourism economy.</td>
<td>Enhanced community/business facilities</td>
<td>More sustainable communities benefiting from improved facilities</td>
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<tr>
<td>SG Economic Strategy</td>
<td>Connectivity</td>
<td>To add value to wider efforts to improve internal and external connectivity, including efforts to improve business and community access to eServices.</td>
<td>Enhanced culture/tourism facilities</td>
<td>Better connected communities</td>
</tr>
<tr>
<td>Aberdeenshire Community Plan</td>
<td>Business</td>
<td>To encourage sustainable diversification of the North Aberdeenshire economy through support for businesses and social enterprises, especially in tourism, food and drink, and renewable energy, and in the provision of services to local communities.</td>
<td>Sustainable and active travel solutions</td>
<td>More competitive economic sectors and businesses</td>
</tr>
<tr>
<td>Competitiveness</td>
<td>Business</td>
<td>To ensure better opportunities for all, with a particular focus on integrating and connecting socially-excluded people to the local community.</td>
<td>Improved access to eServices</td>
<td>More socially-inclusive communities which offer opportunities to all</td>
</tr>
<tr>
<td>Better Opportunities</td>
<td>Co-operation</td>
<td>To co-operate with other (F)LAGs and to facilitate greater involvement in national and international co-operation and networking opportunities</td>
<td>Enhanced business collaboration</td>
<td>More innovative and knowledgeable communities</td>
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<td>Regulations: EAFRD</td>
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<td>Enhanced skills and more and better jobs</td>
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<td>EMFF</td>
<td></td>
<td></td>
<td>More socially-included people</td>
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<td>Common Provisions</td>
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<td>Shared learning and knowledge transfer</td>
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<td>Partnership Agreement</td>
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<td>CLLD</td>
<td>Community engagement</td>
<td>Community purpose</td>
<td>Partnership working</td>
<td>Strong, resilient &amp; empowered communities and businesses</td>
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<td>Added Value</td>
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3.4 Strategic Coherence

This section sets out the coherence of the strategy with the other relevant programmes under the funds in the Common Strategy Framework and Europe 2020.

3.4.1 Europe 2020

The Europe 2020 Strategy is the European ten-year growth plan for smart, sustainable and inclusive growth.

Europe 2020:

- Smart growth - developing an economy based on knowledge and innovation.
- Sustainable growth - promoting a more resource efficient, greener and more competitive economy.
- Inclusive growth - fostering a high employment economy delivering social and territorial cohesion.

Europe 2020 goes on to highlight a number of high level objectives, including:

- strengthening research, technological development and innovation;
- enhancing access to, and use and quality of, information and communication technologies;
- enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);
- supporting the shift towards a low-carbon economy in all sectors;
- promoting climate change adaptation, risk prevention and management;
- protecting the environment and promoting resource efficiency;
- promoting sustainable transport and removing bottlenecks in key network infrastructures;
- promoting employment and supporting labour mobility;
- promoting social inclusion and combating poverty;
- investing in education, skills and lifelong learning;
- enhancing institutional capacity and an efficient public administration.

49 Copy of the report can be found here
Alongside the objectives are headline targets to increase the employment rate, increase investment in research and development, reduce greenhouse gas emissions, increase educational attainment, and lift people out of poverty.

### 3.4.2 Common Strategic Framework

In the 2014 to 2020 funding period, all European funding instruments (Structural, Cohesion, Rural Development and Fisheries Funds) require to be closely aligned with each other as well as targeting the Europe 2020 goals.

A Common Strategic Framework (CSF) will be the tool by which all the different European funds will be coordinated.

Although Scotland will have separate Operational Programmes for each European Structural and Investment (ESI) fund (SRDP, ERDF, ESF and EMFF), the financial allocations will be made to schemes, programmes and projects through three Scottish Themed Funds:

- competitiveness, innovation and jobs;
- low carbon, resource efficiency and the environment; and
- local development and social inclusion.

### 3.4.3 Partnership Agreement

The Partnership Agreement is an agreement between the Member State (including the Scottish Government) and the European Commission on the use of the EU funds, and sets out the how the funds in each of the four UK countries will jointly achieve an impact on the EU 2020 Thematic Objectives outlined above.

To assist in the development of the Partnership Agreement, the European Commission issued a position paper for the UK in November 2012. This set out three specific challenges which the European Commission believes the UK and Scotland should address if there is to be measurable progress against the EU 2020 targets.

**UK and Scotland Challenges:**

- Increasing labour market participation, promoting business competitiveness and research and development investment.
- Addressing social exclusion and unemployment.
- Developing an environmentally friendly and resource efficient economy.
**Scottish Rural Development Programme**

The Scotland Rural Development Programme (SRDP) is a programme of economic, environmental and social measures, utilising the European Agricultural Fund for Rural Development funding plus Scottish Government match funding.

It supports rural economic development and is targeted at encouraging rural communities to support local innovation in rural areas. The Scottish Government has indicated that LDS’ (2014/2020) must demonstrate how they will meet one or more of the six RDP priority areas and in doing so support innovation, knowledge transfer and cooperation.

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**The six RDP priority areas are:**

- fostering knowledge transfer, co-operation and innovation
- enhancing competitiveness, promoting innovative technologies and sustainable management of forests
- promoting food chain organisation & risk management
- restoring, preserving and enhancing ecosystems
- promoting resource efficiency and transition to low carbon economy
- promoting social inclusion, poverty reduction and economic development (**Priority 6 is the key LEADER priority**)

The Scottish Government has set out its expectations that LDS’ require to include actions that release capacity and contribute to the following themes:

- driving community action on **climate change**;
- enhancing **rural services and facilities**, including transport initiatives;
- enhancing natural/cultural heritage, tourism and leisure;
- supporting food and drink initiatives (e.g. short supply chains, community food);
- building co-operation with other LAGs in Scotland, UK and Europe; and
- equal opportunities for all in our rural communities; and
- sustainable development of fisheries areas (for fisheries).
European Maritime and Fisheries Programme

The EMFF regulation (508/2014) identifies the following Objectives:

The EMFF objectives are:

- Promoting competitive, environmentally sustainable, economically viable and socially responsibly fisheries and aquaculture;
- Fostering the implementation of the Common Fisheries Policy;
- Promoting a balanced and inclusive territorial development of fisheries and aquaculture areas;
- Fostering development and implementation of the Union’s integrated Maritime Policy in a manner complementary to Cohesion Policy and the CFP.

Further, the regulation specifies that the LDS should aim to:

- maximise the participation of the fisheries and aquaculture sectors in the sustainable development of coastal and inland fisheries areas; and
- ensure that local communities fully exploit and benefit from the opportunities offered by maritime and coastal development and, in particular, help small and declining fishing ports to maximise their marine potential by developing a diversified infrastructure.

It goes on to describe the different ways funding can be used to support delivery of measures specified in LDS’ (the EMFF regulation highlights in particular the following measures (article 63), as detailed below.

The five EMFF priority areas are:

- adding value, creating jobs, attracting young people and promoting innovation at all stages of the supply chain of fishery and aquaculture products;
- supporting diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas;
- enhancing and capitalising on the environmental assets of the fisheries; and aquaculture areas including operations to mitigate climate change
- promoting social wellbeing and cultural heritage in fisheries and aquaculture areas including fisheries, aquaculture and maritime cultural heritage;
Marine Scotland guidance (July 2014) states that EMFF priorities for Local Development Strategies must complement Scottish Government policy and reform of the Common Fisheries Policy (CFP) and to this end, LDS’ should focus their EMFF priorities on:

- Adding value, creating jobs, and promoting innovation at all stages of the fisheries and aquaculture seafood supply chain;
- Supporting diversification within the fisheries and aquaculture sectors;
- Supporting lifelong learning and job creation in fisheries areas;
- Strengthening the role of fisheries communities in local development and the governance of local fisheries resources.

The coherence of the LDS with the afore-mentioned policies is illustrated in Table 3.1 below.

### 3.5 Co-ordination: Local, Regional and National Actions

A key aim of the LDS must be to secure maximum value added by always seeking to complement existing activity. This should be included as an appraisal criteria with project applicants required to demonstrate how proposed activities fit within the wider support landscape.

In addition, efforts will be made to ensure appropriate representation of the main service delivery partners in the strategy’s governance and delivery structures.

Crucially, we see co-ordination as a two-way process – whereby the North Aberdeenshire LAG and NESFLAG seek to co-ordinate activity with other key policy areas including Community Planning and Economic and Business Development. We will seek to ensure our activities are consistent with, and supportive of, other activity and to ensure we add value and do not duplicate services.

On the other hand, we will seek partners to ensure their wider activities are equally supportive of the LDS.

The detailed mechanisms for how this will work in practice will be developed as an early key task for North Aberdeenshire LAG and NESFLAG members.

At a practical level, a key aim of the Strategy must be to secure maximum value added by always seeking to complement existing activity. This should be included as an appraisal criteria with project applicants required to demonstrate how proposed activities fit within the wider support landscape.

Key stakeholders such as Rural Partnerships and Local Community Planning Groups have been invited to join NALAG and NESFLAG which will also help to facilitate co-ordination of activities across these networks.
Finally, we propose to develop ongoing relationships with the delivery of the other Structural Funds (ERDF/ESF etc) to ensure consistency and co-ordination.

3.6 Co-operation: Scotland, UK and Transnational Level

The LDS includes a separate priority for co-operation and encouraging learning from elsewhere. This will include joint projects between (F)LAGs and local groups at a national and international level. Coordination with other LAGs and national and international stakeholders will be facilitated through networks and partnerships including the National Rural Network (NRN), the European Fisheries Area Network (FARNET), the European LEADER Association for Rural Development, the LEADER strategic board and LEADER and fisheries co-ordination meetings.

NALAG has expressed the wish and intention to remain open to receiving ideas and invitations to cooperate from other LAG areas and has therefore consciously not prescribed a limited number of co-operation themes or objectives. Instead, co-operation projects and activities will be required to demonstrate a contribution to the achievement of the other themes and priorities set out in the LDS. With regards to the initiation of co-operation projects by NALAG, some initial contacts have already been made. Tourism, health, farm diversification, apprenticeships/training, development of ‘green business’, and linkages between the public, private and voluntary sectors will be prioritised.

Further, we will ensure wider national and transnational co-ordination by undertaking regular review of the external environment to ensure that any changes to or development of policy and practice can be reflected in the operations of the North Aberdeenshire LAG.

We will establish a “scanning” activity where this process is undertaken with formal reporting to the North Aberdeenshire LAG with any suggested actions.

In particular, we will undertake an annual review and reporting process as part of wider governance and monitoring.

Finally, we will respond to the formal monitoring and evaluation requirements currently being developed by Scottish Government.

3.7 Target Groups

Throughout the development of the LDS, NALAG members discussed the merits of targeting resources on specific groups and concluded that setting rigid boundaries on the groups which could benefit from the CLLD approach would be inherently discriminatory, overly bureaucratic, and counterproductive to the achievement of an integrated, territorially-based development approach. For example, intergenerational links were recognised as an opportunity to be explored to enhance community cohesion which precluded the targeting of certain age groups. Similarly, rural isolation, in its various manifestations, is a more equitable and more inclusive target. Nevertheless, whilst recognising that there may be good reason for previous non-participation, NALAG recognises the need to ensure that the CLLD programmes are made available to groups and communities which have not traditionally accessed LEADER/EFF Axis 4
programmes. In this way, capacity building and promotional activities can be structured to include under-represented groups and individuals across North Aberdeenshire.

3.8 Capacity Building and Animation

The North Aberdeenshire area is characterised by an active civil society, supported by well-established networks and organisations including voluntary bodies, rural partnerships and development trusts. Recognising the need to avoid duplication and the benefits of harnessing the skills, experience, and energies of these already successful and active organisations, NALAG membership has been structured to include many of these community and business orientated groups. This will facilitate co-ordination and assist with the promotion of the CLLD approach. Groups and communities which have not traditionally benefitted from LEADER/EFF Axis 4 support will benefit from the additional focused support that established groups can bring to the process of capacity building. NALAG will use its structure and collective expertise proactively to animate the territory through events, networking and engagement with community groups and local businesses. Capacity building will be implemented through the provision of guidance, advice and support to groups by LAG members, co-opted specialists, and staff.

4. Process of Engagement

This Section provides a description of the process for engagement in the LDS at the preparation and implementation stages.

4.1 Preparation of the LDS

The development of the LDS and Business Plan was informed by a consultation process involving public, private and community representatives.

Three events were held across North Aberdeenshire during March 2014 to provide an opportunity for local communities and groups and organisations active in the area to feed in their views and aspirations for the North Aberdeenshire LDS.

Aberdeenshire Council liaised closely with the three Rural Partnerships in North Aberdeenshire, who subsequently arranged the events. The Rural Partnerships played an important role in inviting as many people as possible to attend, arranging venues, and in raising awareness and promoting the events more widely in their local communities through existing networks and contacts.

This took the form of working with and through Area Managers and Community Planning teams and other local organisations and structures, to add to existing databases and knowledge of local community organisations and stakeholders. A variety of methods were used to promote the events, including: invites sent by post, follow-up emails and telephone calls (the latter including telephone calls in the evening and at the weekend to catch those at work during the day), newspaper articles, social media, posters at community venues, and liaison with various membership organisations to cascade the information and invites to their wider membership.
116 individuals representing a broad range of rural interests and communities across North Aberdeenshire attended the various events.

**Table 4.1: North Aberdeenshire Events Held**

<table>
<thead>
<tr>
<th>Area</th>
<th>When and Where Held</th>
<th>Nos Attending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>Mon 3 March 2014 – Crudie School, Crudie</td>
<td>43</td>
</tr>
<tr>
<td>Buchan</td>
<td>Tue 4 March 2014 – Macbi Community Hub,</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Mintlaw</td>
<td></td>
</tr>
<tr>
<td>Formartine</td>
<td>Wed 5 March 2014 – Oldmeldrum Academy,</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>Oldmeldrum</td>
<td></td>
</tr>
</tbody>
</table>

Source: Sign-in sheets

The events, which were facilitated by Aberdeenshire Council staff, covered a number of topic areas:

- developing a strengths, weaknesses, opportunities and threats (SWOT) analysis;
- views on indicative priorities for the North Aberdeenshire LDS;
- views on specific project ideas which could be taken forward through the LDS; and
- views on equalities considerations which would need to be taken into account.

Following on from these events, it was identified that there was a need for further engagement work with active groups and key stakeholders within the rural business, agriculture and fisheries sectors.

Additional events were held to engage with stakeholders on farm diversification, rural business support and fisheries in Summer 2014.

<table>
<thead>
<tr>
<th>Area</th>
<th>When and Where Held</th>
<th>Nos Attending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm Diversification</td>
<td>Tues 29 July 2014 – Thainstone Centre,</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Inverurie</td>
<td></td>
</tr>
<tr>
<td>Rural Business</td>
<td>Fri 1 August 2014 – Gordon House, Inverurie</td>
<td>8</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Thurs 14 August 2014 – Arburthnot House, Peterhead</td>
<td>20</td>
</tr>
</tbody>
</table>

These events aimed to provide sector-specific input into the SWOT, priorities and themes of the LDS.

Ongoing discussion and engagement was undertaken with the NALAG at various points in the LDS development process. This included:

- securing initial feedback on experiences of current Programmes and views on indicative priorities - 11 telephone/online survey responses;
- meeting on 24 March to present and discuss the Draft LDS prior to submission to the Scottish Government; and
- workshop on 27 May 2014 to refine LDS vision, objectives and priority themes.

Please see Appendix C for a summary of the engagement workshops.
4.2 Implementation of the LDS

4.2.1 North Aberdeenshire Local Action Group

The NALAG is a newly formed partnership that builds on the work of the previous Aberdeenshire LAG in the 2007/2013 period.

According to LEADER guidance, membership should be broadly based and drawn from across the area with any approval bodies supporting LDS delivery to have a reasonably balanced representation of the following:

- public sector organisations;
- businesses/third sector organisations; and
- community interests.

In the development of the LDS, Aberdeenshire Council as Lead Partner has actively sought to build on the current partnership and expand membership with particular emphasis placed on identifying organisations which are representative of wider community/sectoral interests and ensuring an appropriate balance of organisations between sectors and communities in the North Aberdeenshire area.

4.2.2 North East Scotland Fisheries Local Action Group

The NESFLAG is a partnership that builds on previous partnership in the 2007/2013 period. Under the EMFF Regulation, fisheries and aquaculture sectors should have significant representation on the FLAG.

The process adopted by Aberdeenshire Council as Lead Partner for the development of the NALAG was also progressed for the NESFLAG. In this case, there was a focus on identifying organisations which were representative of wider community/sectoral interests, ensuring an appropriate balance of organisations between sectors and communities in the Aberdeenshire and Angus areas, and the need to ensure that all parts of the fisheries sector supply chain were represented.

Some wider points to note about the NALAG/NESFLAG include:

- a number of member organisations were involved in the previous partnerships which ensures that the learning and experience from the previous Programme period informs activity for the 2014/2020 period;
- there will be some cross over in membership between the NALAG and AFLAG which will ensure that there is two-way communication, sharing of information, etc;
- there is some cross-over in membership with the South Aberdeenshire LAG, which also ensures two-way communication, sharing of information and lessons learned, as well as the potential for
joint working including Aberdeenshire wide interventions - joint meetings will also be progressed as appropriate.

Chairperson

According to guidance, to ensure transparency of process and separation of functions, the Chair of any decision making body associated with the LDS must be completely independent (i.e. not an employee or representative) of the organisation, and tasked with responsibility for the operational delivery of the LDS, except where the LDS partnership is a separate legal identity. In all circumstances the Chair must be elected by the partnership in a fair and open manner with opportunities to review periodically.

A Chair and two Vice Chairs will be appointed for the NALAG and for the AFLAG. The position of Chair for each LAG will not be held by the Lead Partner, although one of the Vice Chair positions may be. In all circumstances the Chair must be elected by the partnership in a fair and open manner with opportunities to review periodically.

Working with Key Partners

It is recognised that the NALAG/AFLAG on their own will only be able to deliver limited activity and that if we are to be successful we will require to work closely with key partners. The first step will be to identify key organisations which will include:

- Local Authority Economic Development and Regeneration;
- Rural Partnerships;
- Business Gateway;
- Visit Scotland/ Area Tourism Partnerships;
- Skills Development Scotland;
- Scottish Enterprise;
- Community Planning Partnerships; and
- Community Transport Partnerships, etc.

It is intended that individual members of the NALAG/NESFLAG will be given key partner management responsibilities for individual partners and for forming ongoing relationships and building networks for the benefit of all parties.

A key aspect will be to seek to access resources and funding to support LDS priorities.

Engaging with Businesses, Local People and Communities

The NALAG/NESFLAG will engage with local people and communities through a number of mechanisms which will be set out in more detail in their Communications Plans, including:

- establishing and routinely updating a website;
• making use of social media;
• local press coverage;
• LEADER/EMFF funding surgeries;
• annual reporting;
• presentations to other community/sectoral groups; and
• through partnership networks.

While North Aberdeenshire is indeed a coherent area in socio-economic terms, it is large in geographical and population terms. NALAG membership reflects this in terms of the inclusion of active local groups who have long-standing, active, meaningful engagement and dialogue with local people, communities and businesses. One of LAG members’ key functions, for which they are very well positioned, will be to act as a conduit between NALAG and local people, communities and businesses, consulting them on development needs and priorities throughout the implementation of the programmes. Their long-established and effective networks and mechanisms of engagement, tailored to the needs of stakeholders, will be used to achieve this two-way dialogue.

Innovation and Networking

Innovation can be realised in a number of forms – how we deliver our plan; what we deliver; how we fund it; how we communicate; how we engage with partners, etc. The NALAG/NESFLAG will be outward looking as well as focusing internally on the key issues within the local area. There are real opportunities to add value in terms of:

• partnership working;
• accessing external funding;
• engaging with complementary projects;
• learning from others; and
• sharing our learning.

Social innovation will be fostered: firstly through the inclusion of groups who have not traditionally accessed LEADER/EFF Axis 4 support, secondly through the use of information and communication technologies, and thirdly, by approaching problems through broad topics such as rural isolation. Topics such as this will provide communities with the opportunity to consider, and provide a stimulus towards, innovation in their internal and external relationships: without being specifically directed from outside. Projects will be assessed on innovation as part of their contribution to LDS SMART objectives which are based on perceived societal needs and challenges for the North Aberdeenshire area. This assessment approach will encourage and facilitate socially-innovative projects which simultaneously meet social needs and create new social and economic relationships or collaborations. The LAG structure itself will also facilitate social innovation in the same way by bringing together key actors from different communities and sectors in the North Aberdeenshire area to collaborate jointly on initiatives for the benefit of local society.

In terms of networking this will be covered in the Communications Plan (see Business Plan).
Stakeholder Engagement

Pulling all the above together into a formal stakeholder engagement plan that will set out how we will manage relationships and communicate with all forms of stakeholders – local community, local businesses, wider partners, NALAG/AFLAG members, Scottish Government, other Programmes, etc.

Stakeholder engagement has been developed as part of the Communications Plan (see Business Plan).
5. Turning Objectives into Practical Actions

This Section provides details of how the NALAG/NESFLAG will turn the LDS into practical actions that will ensure we deliver our vision and objectives.

5.1 Other Funding Sources

The NALAG/NESFLAG will have access to limited funding and other resources, as such many projects can (and will) only be implemented in partnership with others. In light of this, an approach will be adopted to maximise leverage and investment into North Aberdeenshire communities.

NALAG and NESFLAG will work to identify potential additional resources outwith allocations from the European Union and Scottish Government to increase resources available to deliver the LDS. Both public sector and private sector contributions (e.g. corporate social responsibility) will be explored.

Our approach will seek to attract funding and resources from a range of other sources, as detailed below.

Table 5.1: Other Funding Sources

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner and stakeholder organisations</td>
<td>• Joint funding of projects.</td>
</tr>
<tr>
<td></td>
<td>• Targeting other funding to support LAG/FLAG priorities.</td>
</tr>
<tr>
<td></td>
<td>• Accessing new funding pots.</td>
</tr>
<tr>
<td>Private sector</td>
<td>• Investment in new supporting activity in communities.</td>
</tr>
<tr>
<td></td>
<td>• Investment in new housing.</td>
</tr>
<tr>
<td></td>
<td>• Investment into local businesses to support local projects.</td>
</tr>
<tr>
<td>Businesses</td>
<td>• Direct investment own business.</td>
</tr>
<tr>
<td></td>
<td>• Joint funding of LAG/FLAG project</td>
</tr>
</tbody>
</table>

There will therefore be a requirement to maximise the use of other/matched funding to make the greatest use of LEADER/EMFF funds, with our approach to achieving this detailed in Table 5.2.

Table 5.2: Approach to Maximising the Use of Other/Matched Funding

<table>
<thead>
<tr>
<th>Approach to Funding Sources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness and understanding</td>
<td>• Ensuring NALAG/NESFLAG staff have detailed knowledge of the wide range of other funding sources through undertaking an early fund mapping exercise.</td>
</tr>
<tr>
<td></td>
<td>• Discussions will be undertaken with potential funders/grant providers to identify opportunities and raise awareness of LEADER/EMFF Programme.</td>
</tr>
<tr>
<td>Co-production of projects and programmes</td>
<td>• Seeking to develop new projects or programmes with local partners from scratch using a co-production and co-design approach.</td>
</tr>
<tr>
<td>Joint business planning collaboration</td>
<td>• Undertaking regular planning meetings with key local partners to identify opportunities for collaboration</td>
</tr>
</tbody>
</table>
Training and development

- Ensuring that LAG staff have appropriate skills to access other funding and complete appropriate applications.

Leveraged funding will be incorporated as a key performance measure.

5.2 Collaboration

The key mechanism by which the NALAG/NESFLAG will communicate with third parties will include through:

- the communications plan;
- allocating key partner management responsibilities to individual NALAG/FLAG members; and
- an initial review of joint priorities.

Meetings with key partners will be undertaken during the development phase of the Programme to establish opportunities for collaboration, joint working, joint projects, communication and network development. The outcomes from these meetings will be brought to the NALAG/AFLAG for more detailed consideration with a view to putting in place a mechanism for a longer term approach to collaboration.

5.3 Action Plan

The Action Plan set out on the next page describes the development work still outstanding over next six months. It covers, key tasks, detailed actions, milestones and delivery.

Table 5.3: Action Plan

<table>
<thead>
<tr>
<th>Task</th>
<th>Detailed Actions</th>
<th>Milestones</th>
<th>Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop memorandum of understanding and constitution for NALAG/NESFLAG</td>
<td>Draft document to be prepared and sent to NALAG/NESFLAG for approval, before being signed by each partner</td>
<td>Document to be drafted by March 2015 Document to be approved and signed by June 2015</td>
<td>Secretariat and NALAG/NESFLAG members</td>
</tr>
<tr>
<td>Monitoring and evaluation plan</td>
<td>Draft document to be prepared and sent to NALAG/NESFLAG for approval</td>
<td>Document to be drafted by March 2015 Document to be approved by June 2015</td>
<td>Secretariat and LAG/FLAG</td>
</tr>
<tr>
<td>Communications plan</td>
<td>Draft document to be prepared and sent to NALAG/NESFLAG for approval</td>
<td>Document to be drafted by March 2015 Document to be approved by June 2015</td>
<td>Secretariat and LAG/FLAG</td>
</tr>
<tr>
<td>Integration opportunities across Council areas – Business Gateway, Employability, Third Sector</td>
<td>Structural Funds Operational Programme to be reviewed and synergies identified</td>
<td>Report to LAG/FLAG on synergies by March 2015</td>
<td>Secretariat</td>
</tr>
</tbody>
</table>
5.4 Equal Opportunities

An equalities statement with clear objectives has been developed as part of the LDS Business Plan. The following Equalities Impact Assessment has been carried out on the North Aberdeenshire LDS:

<table>
<thead>
<tr>
<th>Stage 1: Title and aims of the activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title of the activity etc.</td>
</tr>
<tr>
<td>Aims of the activity</td>
</tr>
<tr>
<td>Author(s) &amp; Title(s)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stage 2: List the evidence that has been used in this assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>External consultation (partner organisations, community groups, and councils).</td>
</tr>
<tr>
<td>In the three community consultation workshops, participants were asked to comment on if there were any equalities considerations that needed to be taken into account.</td>
</tr>
</tbody>
</table>

| External data (census, available statistics). |
| To compile the LDS, equalities data from a range of sources were collected and analysed relating to the protected characteristics which may be impacted by the LDS. |
**Stage 3: Evidence Gaps.**

| Are there any gaps in the information you currently hold? | None apparent |

**Stage 4: Measures to fill the evidence gaps.**

<table>
<thead>
<tr>
<th>What measures will be taken to fill the information gaps before the activity is implemented? These should be included in the action plan at the back of this form.</th>
<th>Measures:</th>
<th>Timescale:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

**Stage 5: Are there potential impacts on protected groups?**

<table>
<thead>
<tr>
<th></th>
<th>Positive</th>
<th>Negative</th>
<th>Neutral</th>
<th>Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age – Younger</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age – Older</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disability</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Race – (includes Gypsy Travellers)</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Religion or Belief</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender – male/female</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pregnancy and maternity</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Sexual orientation – (includes Lesbian/Gay/Bisexual)</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Gender reassignment – (includes Transgender)</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
### Stage 6: What are the positive and negative impacts?

<table>
<thead>
<tr>
<th>Impacts</th>
<th>Positive (describe the impact for each of the protected characteristics affected)</th>
<th>Negative (describe the impact for each of the protected characteristics affected)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger people – community consultation and statistical analysis identified a lack of facilities and employment opportunities, plus difficulty in accessing affordable travel for young people in rural and fisheries-dependent areas. Funds have therefore been targeted towards community facilities, transport, creating jobs and providing training, facilities and support to socially-excluded groups.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Older people – access to services, either through a lack of community facilities or transport links has been identified as an issue. In particular, the need to provide social opportunities for older people (particularly men) has been flagged up through community consultation. Funds have therefore been targeted towards providing facilities and support to socially-excluded groups.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Disability - access to services, either through a lack of community facilities or transport links has been identified as an issue. Funds have therefore been targeted towards community facilities and transport.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Race – the need to provide social activities and cultural events has been identified as a priority. Funds have therefore been targeted towards community facilities and cultural facilities.</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

Please detail the potential positive and/or negative impacts on those with protected characteristics you have highlighted above. Detail the impacts and describe those affected.
Gender - the need to provide social activities (e.g. for older men who may be socially isolated) has been identified as a priority. Funds have therefore been targeted towards the provision of community facilities.

<table>
<thead>
<tr>
<th>Stage 7: Have any of the affected groups been consulted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, please give details of how this was done and what the results were. If no, how have you ensured that you can make an informed decision about mitigating steps?</td>
</tr>
<tr>
<td>In order to shape the strategy and identify priorities, open public events were held along with an online consultation and meetings of key local stakeholder groups from the public, private and community sectors.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stage 8: What mitigating steps will be taken to remove or reduce negative impacts?</th>
</tr>
</thead>
<tbody>
<tr>
<td>These should be included in any action plan at the back of this form.</td>
</tr>
<tr>
<td>Mitigating Steps</td>
</tr>
<tr>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stage 9: What steps can be taken to promote good relations between various groups?</th>
</tr>
</thead>
<tbody>
<tr>
<td>These should be included in the action plan.</td>
</tr>
<tr>
<td>Groups can be invited to engage with the (Fisheries) Local Action Group, either as members or consultees on the implementation of the Local Development Strategy.</td>
</tr>
</tbody>
</table>
Stage 10: How does the policy/activity create opportunities for advancing equality of opportunity?

The Strategy has identified a number of groups with protected characteristics who could benefit from additional support which can be provided through projects supported by associated funds. All projects will be required to consider equalities implications in their applications for funding which will focus the attention of applicants on ways in which they can advance equalities in Aberdeenshire’s communities.

Stage 11: What equality monitoring arrangements will be put in place?

| These should be included in any action plan (for example customer satisfaction questionnaires). | Statistics will be compiled on project beneficiaries as part of a wider Monitoring and Evaluation framework. Equalities will also form part of periodic reviews of the governance of the LAG/FLAG and the implementation of the LDS. |

Stage 12: What is the outcome of the Assessment?

<table>
<thead>
<tr>
<th>1</th>
<th>No negative impacts have been identified – please explain.</th>
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<td>Projects supported by the LDS will be required to demonstrate at least a neutral, but ideally positive contribution to advancing equalities issues. The LDS will support enhancement of facilities and services for all groups.</td>
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<td>2</td>
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<td>Groups will be invited to engage with the (Fisheries) Local Action Group, either as members or consultees on the implementation of the Local Development Strategy.</td>
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<td>Statistics will be compiled on project beneficiaries as part of a wider Monitoring and Evaluation framework. Equalities will also form part of periodic reviews of the governance of the LAG/FLAG and the implementation of the LDS.</td>
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Projects supported by the LDS will be required to demonstrate at least a neutral, but ideally positive contribution to advancing equalities issues.

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<th>Greater consideration and mainstreaming of equalities issues ‘on the ground’, with additional facilities and services provided for people with protected characteristics.</th>
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Appendix A: North Aberdeenshire Datazones

All datazones eligible for LEADER in North Aberdeenshire – EMFF-eligible

_Datazones in italics._

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<td>Source</td>
<td>Based on SIMD Data and data provided by Aberdeenshire Council. N.B. where datazones were split between one or more administrative areas, they have been allocated to the administrative area in which at least 50.1% of the datazone lies. This measure was taken to prevent double counting.</td>
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Appendix B: Socio-Economic Analysis

Population

The most recent Census data puts the Aberdeenshire population at 252,973 – marking an increase of 11.5% on 2001. With Census data still to be made available at the sub-regional level, this section will revert to use of mid-year estimates for population analysis and to ensure consistency across all levels.

The population in North Aberdeenshire in 2011 was 117,189 – under half of the total Aberdeenshire population (46%). Table B.1 provides a breakdown across the three administrative areas in North Aberdeenshire, and how this has changed over the past decade.

Table B.1: North Aberdeenshire Population (2001 and 2011)

<table>
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<th>Region</th>
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<th>2011</th>
<th>Total Change</th>
<th>% Change</th>
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<td>Banff and Buchan</td>
<td>35,171</td>
<td>35,277</td>
<td>106</td>
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<td>Buchan</td>
<td>39,661</td>
<td>40,300</td>
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<td>Formartine</td>
<td>36,737</td>
<td>41,612</td>
<td>4,875</td>
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<td>North Aberdeenshire Total</td>
<td>111,569</td>
<td>117,189</td>
<td>5,620</td>
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<td>Aberdeenshire Total</td>
<td>226,940</td>
<td>247,600</td>
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<td>Scotland Total</td>
<td>5,062,000</td>
<td>5,295,000</td>
<td>233,000</td>
<td>4.6%</td>
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</table>

Source: SNS/ Census 2001 & 2011

The population in North Aberdeenshire (including each administrative area) has increased over the last ten years (by 5% overall).

The increase is particularly pronounced in Formartine, where the population change over the period 2001 to 2011 is higher than the North Aberdeenshire and regional trend, and almost three times higher than at a national level. There has been a high demand for housing in this area, as it has particularly strong transport links to Aberdeen, and is close to main commercial centres for oil and gas.

Figure B.1 illustrates the change in population in North Aberdeenshire over the period 2001 to 2011. In keeping with the national trend, both areas enjoyed an increase in population – this was particularly true at the regional level.
The population in Formartine has increased on a yearly basis, compared to minor fluctuations and increases in the other two administrative areas of North Aberdeenshire.

There are no real differences between the age structure of the North Aberdeenshire area and the regional or national figures. Similarly, the age structure is largely
similar across the three administrative areas of North Aberdeenshire. Banff and Buchan has a slightly higher proportion of people of pensionable age than the other areas, Table B.2.

Table B.2: Age Structure, 2011

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<th>Region</th>
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<th>Young People (16-24)</th>
<th>Working Age (16 – 60/64)</th>
<th>Pensionable Age (60/65+)</th>
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<td>Banff and Buchan</td>
<td>6,273 (18%)</td>
<td>3,832 (11%)</td>
<td>20,999 (60%)</td>
<td>8,005 (23%)</td>
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<tr>
<td>Buchan</td>
<td>7,123 (18%)</td>
<td>4,508 (11%)</td>
<td>24,865 (62%)</td>
<td>8,312 (21%)</td>
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<td>Formartine</td>
<td>8,002 (19%)</td>
<td>4,178 (10%)</td>
<td>25,967 (62%)</td>
<td>7,643 (18%)</td>
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<tr>
<td>North Aberdeenshire</td>
<td>21,398 (18%)</td>
<td>12,518 (11%)</td>
<td>71,831 (61%)</td>
<td>23,960 (20%)</td>
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<tr>
<td>Aberdeenshire</td>
<td>46,747 (19%)</td>
<td>25,146 (10%)</td>
<td>152,309 (62%)</td>
<td>48,544 (20%)</td>
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<tr>
<td>Scotland</td>
<td>913,317 (17%)</td>
<td>625,592 (12%)</td>
<td>3,299,643 (63%)</td>
<td>1,041,840 (20%)</td>
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</table>

Source: SNS. Figures subject to rounding error. N.B. Working age is limited at 60 for females and 65 for males.

North Aberdeenshire has a relatively even split of population by gender - 50.3% (females) and 49.7% (males), with no notable differences by administrative area.

Population Projections

The General Register Office for Scotland (GROS) provides population projections, although these are available at for the local authority and national levels.

The population in Aberdeenshire is projected to increase by 9.8% (the fifth highest of all local authorities in Scotland) by 2020. Applying this rate to the most recent population figures for the constituent areas of North Aberdeenshire (2011) implies the following projected populations for 2020:

- 38,734 in Banff and Buchan;
- 44,249 in Buchan;
- 45,690 in Formartine;
- 128,674 in North Aberdeenshire.

GROS, Population projections, based on 2010 estimates.
The projected age structure for Aberdeenshire in 2020 is children (18%), young people (9%) working age people (62%), and pensionable age (19%). This is largely in keeping with the current age profile of the area, with the proportion of young people decreasing by 2%, and those of pensionable age decreasing by 1%. By 2020, Scotland will have a higher proportion of those of working age (64%), and a lower number of over 65s (18%).

Although those of pensionable age will decline as a proportion of the total population (thanks to an increase of those of working age) in absolute terms there is expected to be increasing numbers of older people: for example the number of over 75s is projected to increase by 36% (6,528) by 2020.

Housing

With 54,303 dwellings as of 2012, the rate of housing development growth in North Aberdeenshire between 2003 and 2012 (9%) was greater than the national average (7%).

Much of this growth in North Aberdeenshire was within Formartine (15%), which links back to an earlier point highlighting strong population growth in this administrative area.

The composition of housing is markedly different in North Aberdeenshire and Aberdeenshire than it is nationally, with significantly fewer flats, and considerably more detached properties (Table B.3).

Table B.3: Housing Composition, 2012

<table>
<thead>
<tr>
<th>Property Type</th>
<th>North Aberdeenshire</th>
<th>Aberdeenshire</th>
<th>Scotland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat</td>
<td>14%</td>
<td>13%</td>
<td>38%</td>
</tr>
<tr>
<td>Terraced</td>
<td>13%</td>
<td>12%</td>
<td>21%</td>
</tr>
<tr>
<td>Semi-detached</td>
<td>31%</td>
<td>29%</td>
<td>20%</td>
</tr>
<tr>
<td>Detached</td>
<td>41%</td>
<td>46%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: SNS

54 SNS.
The average house size in North Aberdeenshire (and Aberdeenshire) is larger than the national average, with 25% of dwellings in North Aberdeenshire having at least six rooms, compared to 30% in Aberdeenshire, and 14% in Scotland.

The average house price performs poorly against both the national average, and particularly the regional average – trailing the Aberdeenshire average by over £50,000 in 2011. The North Aberdeenshire average is buoyed by Formartine – this area has had the second highest average house price since 2006, although it still lags behind behind the Aberdeenshire average – Figure B.3.

**Figure B.3: Mean Housing Prices (£), 1993 - 2011**

At Q3 of 2013-2014, the average house price in Aberdeenshire had risen further to £220,874, the second highest price of any local authority area in the country (behind East Renfrewshire). This marked a substantial increase from Q1 2003-2004, when the average house price was £92,477 – an increase of £128,397, or 139% over the ten year period. The absolute change was the highest of any area in the country, and the percentage change was second only to Aberdeen City.

The national rate of change was 75% (£68,581), standing at £159,670 at Q3 2013-2014 – **Figure B.4**.

---

55 House price data for Banff and Buchan, Buchan and Formartine is unavailable at multi-member ward level, thus, this information is based on Intermediate Geography estimates

56 Source: ROS Quarterly Statistics Time Series – Available [here](#).
The housing composition in North Aberdeenshire and Aberdeenshire is broadly similar, with the majority of homes being owner occupied (69% and 71%, respectively), and less than one-quarter of homes being available on a social rent basis. Scotland, by comparison, has a higher number of dwellings which are available on a social rent basis (30%), however, the majority of homes (62%) are owner occupied. Private rented properties account for relatively few properties across all areas – Figure B.5.

Figure B.4: Average house prices, 2003-2004 to 2013 – 2014

Source: ROS Quarterly Statistics Time Series. N.B. Figures are taken from averages for the financial year – figures relating to 2013-2014 are based on Q1, Q2 and Q3 for the year.

Figure B.5: Housing Tenure, 2001

North Aberdeenshire
- Owned: 69%
- Social Rented: 23%
- Private Rented: 8%

Aberdeenshire
- Owned: 71%
- Social Rented: 20%
- Private Rented: 9%

Scotland
- Owned: 62%
- Social Rented: 30%
- Private Rented: 8%

Source: SNS
Housing tenure differs across North Aberdeenshire – over three-quarters of dwellings in Formartine (76%) are owner occupied, compared to just 64% in Banff and Buchan – the area with the highest proportion of properties which are social rented (30%).

**Figure B.6: Housing Tenure, 2001**

<table>
<thead>
<tr>
<th>Area</th>
<th>Owned</th>
<th>Social Rented</th>
<th>Private Rented</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formartine</td>
<td>76%</td>
<td>14%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Buchan</td>
<td>68%</td>
<td>25%</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Banff and Buchan</td>
<td>64%</td>
<td>30%</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

Source: SNS
5.4.1 Deprivation

The Scottish Index of Multiple Deprivation (SIMD) identifies small area concentrations of deprivation and the specific challenges and issues these communities face. The SIMD ranks deprivation across small geographic areas throughout the country, across 6,605 datazones - from 1 (most deprived area) to 6,605 (least deprived area). This assessment is based on 38 indicators across seven domains covering: employment, income, health, education, geographic access to services, crime and housing.

There are 148 datazones in North Aberdeenshire, with 301 within Aberdeenshire as a whole. While Aberdeenshire generally performs well across all measures (with the exception of geographic access), there are pockets of deprivation in North Aberdeenshire.

Figure B.7 provides an overview of deprivation across North Aberdeenshire in 2012, with a focus on those datazones in the 15% most deprived. Deprivation is largely concentrated in Banff and Buchan and Buchan (Formartine performs better with the exception of geographic access to services) with both having datazones in the 15% most deprived across a number of deprivation domains.

Figure B.7: North Aberdeenshire % and Number of Datazones in 15% Most Deprived, 2012
Geographic access to services is the main way in which North Aberdeenshire is deprived, which is not surprising given its largely rural setting. The SIMD measures deprivation against this domain according to:

- drive times to a GP, retail centre, primary school, secondary school, post office, and petrol station; and
- public transport times to a post office, GP and retail centre.

Overall, Aberdeenshire has five datazones among the 15% most deprived in Scotland – all of which are within North Aberdeenshire (three in Buchan and two in Banff and Buchan):

- S01000491 – Peterhead North and Rattray (Overall ranking 940);
- S01000489 – Peterhead North and Rattray (925);
- S01000563 – Fraserburgh and District (901);
- S01000564 – Fraserburgh and District (620); and
- S01000486 – Peterhead North and Rattray (569).

Since 2004, despite changes in the number of Aberdeenshire datazones in the 15% most deprived areas – two in 2004; six in 2006; and four in 2009 – all have been within North Aberdeenshire and with areas being more deprived in 2012 than they were in 2004.

It should be noted, however, that these changes are relative to other datazones. By having a lesser overall SIMD ranking in 2012 that is not to say the area has become more deprived, it could be the case that datazones elsewhere in the country have become less deprived.

Figure B.8 illustrates those areas in North Aberdeenshire with the highest levels of deprivation, with the exception of geographic access to services which is a significant challenge for North Aberdeenshire as a whole. Deprivation is concentrated in and around the Harbours of Fraserburgh and Peterhead, with the SIMD domains of crime and education particular challenges (as measured by):

- crime – domestic housebreaking, crimes of violence, common assault, sexual offenses, drug offenses, vandalism; and
- education – pupil performance on SQA at stage 4, school leavers aged 16-19 who are not in education, employment or training (NEET), young people
aged 17-21 enrolled into full-time higher education, school pupil absences, working age adults with no qualifications.

**Figure B.8: Areas of Multiple Deprivation, 2012**

Source: SIMD

### 5.4.2 Employment

Table B.9 provides details of the total number of employees across all sectors in North Aberdeenshire, including a breakdown by administrative area.

North Aberdeenshire accounts for 40.7% of total Aberdeenshire employees, despite accounting for some 47% of the total population. This confirms the importance of Aberdeenshire as a source of employment opportunities for residents of North Aberdeenshire.
Table B.9: Total Employment across North Aberdeenshire, 2012

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Employees</th>
<th>% of Aberdeenshire Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>12,850</td>
<td>13.4%</td>
</tr>
<tr>
<td>Buchan</td>
<td>14,520</td>
<td>15.1%</td>
</tr>
<tr>
<td>Formartine</td>
<td>11,760</td>
<td>12.2%</td>
</tr>
<tr>
<td>North Aberdeenshire</td>
<td>39,130</td>
<td>40.7%</td>
</tr>
<tr>
<td>Aberdeenshire Total</td>
<td>96,150</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Business Register and Employment Survey (BRES). In keeping with Data Protection compliance, figures have been rounded.

As is with common with other rural areas, there is relatively higher dependence on primary, land-based and non-service activities in North Aberdeenshire (e.g. agriculture, forestry and fishing, mining, quarrying and utilities, manufacturing and construction), Table B.10. As a corollary, North Aberdeenshire has lower proportions in professional services employment (i.e. information and communication, financial and insurance, property, professional, scientific and technical).

Table B.10: Sectoral Employment as a Share of Total Area Employment, 2012

<table>
<thead>
<tr>
<th>Sector</th>
<th>Banff and Buchan</th>
<th>Buchan</th>
<th>Formartine</th>
<th>North Aberdeenshire</th>
<th>Aberdeenshire</th>
<th>Scotland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry &amp; fishing</td>
<td>6%</td>
<td>4%</td>
<td>1%</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Mining, quarrying &amp; utilities</td>
<td>1%</td>
<td>5%</td>
<td>1%</td>
<td>3%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>17%</td>
<td>18%</td>
<td>16%</td>
<td>17%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>Construction</td>
<td>5%</td>
<td>6%</td>
<td>12%</td>
<td>8%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>Motor Trades</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>3%</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Retail</td>
<td>10%</td>
<td>10%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Transport &amp; storage</td>
<td>4%</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>4%</td>
<td>7%</td>
<td>7%</td>
<td>6%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Information &amp; communication</td>
<td>&lt;1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Financial &amp; insurance</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Property</td>
<td>&lt;1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Professional, scientific &amp; technical</td>
<td>3%</td>
<td>5%</td>
<td>10%</td>
<td>6%</td>
<td>10%</td>
<td>7%</td>
</tr>
</tbody>
</table>

57 More detail on the importance of the fishing sector in North Aberdeenshire is provided later in this section.
Some wider points to note include:

- Banff and Buchan (7%) and Buchan (9%) have a larger share of employees involved in primary sectors, compared to Formartine (2%) and Scotland (5%);

- Formartine has a larger share of employees in professional services (13%) compared to the other administrative areas of North Aberdeenshire, and is in line with the regional and national averages; and

- Banff and Buchan has a considerably larger share of employees involved in public services, accounting for 39% of total employment (compared to 27% in Buchan and in Fomartine), which is also higher than the regional and national averages).

Table B.11 provides details of the percentage change in each sector across North Aberdeenshire between 2009 and 2012 (i.e. in the post-recession period).

Cells which are highlighted green indicate that employment in the sector has increased by at least 10% more than/decreased by at least 10% less than the change at the regional level. Cells highlighted red indicate that the decrease in employment has been greater than 10%/the increase has been lower than 10% than the change at a regional level.
Table B.11: Change in Sectoral Employment, 2009 to 2012

<table>
<thead>
<tr>
<th>Sector</th>
<th>Banff and Buchan</th>
<th>Buchan</th>
<th>Formartine</th>
<th>North Aberdee nshire</th>
<th>Aberdee nshire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry &amp; fishing</td>
<td>61%</td>
<td>62%</td>
<td>92%</td>
<td>63%</td>
<td>59%</td>
</tr>
<tr>
<td>Mining, quarrying &amp; utilities</td>
<td>39%</td>
<td>39%</td>
<td>55%</td>
<td>40%</td>
<td>2%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-12%</td>
<td>8%</td>
<td>41%</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Construction</td>
<td>0.2%</td>
<td>5%</td>
<td>-3%</td>
<td>0.0%</td>
<td>11%</td>
</tr>
<tr>
<td>Motor Trades</td>
<td>-6%</td>
<td>-24%</td>
<td>-32%</td>
<td>-23%</td>
<td>-19%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>-13%</td>
<td>-1%</td>
<td>0.0%</td>
<td>-5%</td>
<td>1%</td>
</tr>
<tr>
<td>Retail</td>
<td>-14%</td>
<td>-9%</td>
<td>-30%</td>
<td>-18%</td>
<td>-8%</td>
</tr>
<tr>
<td>Transport &amp; storage</td>
<td>-23%</td>
<td>-19%</td>
<td>-1%</td>
<td>-16%</td>
<td>-19%</td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>2%</td>
<td>-14%</td>
<td>2%</td>
<td>-5%</td>
<td>-3%</td>
</tr>
<tr>
<td>Information &amp; communication</td>
<td>-48%</td>
<td>-30%</td>
<td>-46%</td>
<td>-41%</td>
<td>-28%</td>
</tr>
<tr>
<td>Financial &amp; insurance</td>
<td>-42%</td>
<td>-14%</td>
<td>13%</td>
<td>-19%</td>
<td>2%</td>
</tr>
<tr>
<td>Property</td>
<td>84%</td>
<td>15%</td>
<td>32%</td>
<td>31%</td>
<td>19%</td>
</tr>
<tr>
<td>Professional, scientific &amp; technical</td>
<td>-16%</td>
<td>26%</td>
<td>9%</td>
<td>8%</td>
<td>19%</td>
</tr>
<tr>
<td>Business administration &amp; support services</td>
<td>20%</td>
<td>-6%</td>
<td>46%</td>
<td>12%</td>
<td>161%</td>
</tr>
<tr>
<td>Public administration &amp; defence</td>
<td>-7%</td>
<td>-10%</td>
<td>5%</td>
<td>-6%</td>
<td>-10%</td>
</tr>
<tr>
<td>Education</td>
<td>-16%</td>
<td>-1%</td>
<td>-8%</td>
<td>-9%</td>
<td>-4%</td>
</tr>
<tr>
<td>Health</td>
<td>7%</td>
<td>-4%</td>
<td>0.3%</td>
<td>2%</td>
<td>-2%</td>
</tr>
<tr>
<td>Arts, entertainment, recreation &amp; other services</td>
<td>8%</td>
<td>-2%</td>
<td>39%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Total Employment</td>
<td>-5%</td>
<td>0.2%</td>
<td>4%</td>
<td>-1%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: BRES

Employment in the primary industries has increased over the period across the administrative areas in North Aberdeenshire, at a significantly higher rate than the Aberdeenshire level. Similarly, employment in property has increased in each area, and has been particularly prominent in the Banff and Buchan area.

Conversely, change in employment in professional services has been worse in North Aberdeenshire – despite muted growth in the Business Administration and Support Services sector – than at the regional level. The same is also true of the retail and finance sectors.
Figure B.12 illustrates the change in employment across North Aberdeenshire, Aberdeenshire and Scotland since the recession. Employment in Aberdeenshire has risen in the post-recession period, while employment in North Aberdeenshire decreased initially, before a gradual increase to 2012. Formartine has experienced positive growth in employment since 2010 outperforming both Banff and Buchan and Buchan.

North Aberdeenshire and Aberdeenshire have performed better than at the national level.

Table B.13 provides a sectoral location quotients for North Aberdeenshire and compares these with those for Aberdeenshire and Scotland.

In line with previous points, North Aberdeenshire has a greater reliance on sectors such as agriculture, forestry and fishing (i.e. primary sector), and also has a greater concentration of activity in manufacturing and transport and storage than elsewhere. Similarly, sectors such as information and communication and financial and insurance account for a lesser share of the North Aberdeenshire workforce than in other areas – this is particularly true of national employment.
### Table B.13: Employment Location Quotient, 2012

<table>
<thead>
<tr>
<th>Sector</th>
<th>North Aberdeenshire</th>
<th>Aberdeen</th>
<th>Scotland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry &amp; fishing</td>
<td>4%</td>
<td>1.88</td>
<td>2.38</td>
</tr>
<tr>
<td>Mining, quarrying &amp; utilities</td>
<td>3%</td>
<td>0.54</td>
<td>0.90</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>17%</td>
<td>1.38</td>
<td>2.21</td>
</tr>
<tr>
<td>Construction</td>
<td>8%</td>
<td>0.88</td>
<td>1.48</td>
</tr>
<tr>
<td>Motor Trades</td>
<td>2%</td>
<td>1.25</td>
<td>1.08</td>
</tr>
<tr>
<td>Wholesale</td>
<td>3%</td>
<td>1.00</td>
<td>1.10</td>
</tr>
<tr>
<td>Retail</td>
<td>9%</td>
<td>1.00</td>
<td>0.94</td>
</tr>
<tr>
<td>Transport &amp; storage</td>
<td>5%</td>
<td>1.45</td>
<td>1.20</td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>6%</td>
<td>1.04</td>
<td>0.90</td>
</tr>
<tr>
<td>Information &amp; communication</td>
<td>1%</td>
<td>0.64</td>
<td>0.23</td>
</tr>
<tr>
<td>Financial &amp; insurance</td>
<td>1%</td>
<td>0.92</td>
<td>0.21</td>
</tr>
<tr>
<td>Property</td>
<td>1%</td>
<td>0.82</td>
<td>0.50</td>
</tr>
<tr>
<td>Professional, scientific &amp; technical</td>
<td>6%</td>
<td>0.56</td>
<td>0.81</td>
</tr>
<tr>
<td>Business administration &amp; support services</td>
<td>5%</td>
<td>0.48</td>
<td>0.63</td>
</tr>
<tr>
<td>Public administration &amp; defence</td>
<td>5%</td>
<td>1.25</td>
<td>0.78</td>
</tr>
<tr>
<td>Education</td>
<td>8%</td>
<td>1.12</td>
<td>1.08</td>
</tr>
<tr>
<td>Health</td>
<td>13%</td>
<td>1.31</td>
<td>0.81</td>
</tr>
<tr>
<td>Arts, entertainment, recreation &amp; other services</td>
<td>5%</td>
<td>0.98</td>
<td>0.97</td>
</tr>
</tbody>
</table>

Source: BRES. Cells coloured green indicate that the North Aberdeenshire has a greater share of employees in these sectors than comparator areas. Orange cells indicate there is no significant difference either positive or negative, and red cells indicate that the area has a significantly lower share of employees in these sectors.

### Fisheries Context

A total of 236,274 tonnes of seafish/shellfish was landed at Scottish ports during 2012, with a total value of over £331 million. This represented a drop in quantity of 1.4%, and a drop in value of 12.9%, over the previous year.\(^{58}\)

Banff and Buchan and Buchan continue to be hugely important fishing communities within North Aberdeenshire, and indeed within Scotland. The two landing districts –

---

Peterhead and Fraserburgh\(^{59}\) – accounted for 54% of the total quantity landed (126,497 tonnes) in 2012 and 44% of the value yielded (£145.4 million).

The two North Aberdeenshire ports accounted for only 10% (6,334) of the total Scottish number of voyages in 2012, indicating the relatively larger size of the vessels used, and the higher quantity and value gathered per voyage\(^{60}\).

As of 2012\(^{61}\), there were 378 fishermen employed in Peterhead district (on Scottish based vessels), and 797 employed in the Fraserburgh district (on Scottish vessels) – which, combined (1,175), accounts for 3% of the total North Aberdeenshire employment of 39,130.

At the national level, 4,747 fishermen were employed in 2012, with North Aberdeenshire accounting for some 25% of this figure.

There are some important differences between the two landing districts. For example:

- Peterhead is centred around seafish (both demersal and pelagic\(^{62}\)) which accounted for 98% of the quantity landed and 93% of the value in 2012; and
- Fraserburgh has a greater reliance on shellfish, which accounted for 23% of quantity landed, and 53% of value in 2012 – this is more in keeping with the split of species at the Scottish level.

It should be noted, however, that the relative importance of shellfish to Fraserburgh has declined in recent years: in 2010 shellfish accounted for 46% of the quantity landed and 64% of the value.

Of the 18 landing districts in Scotland, the North Aberdeenshire landing districts ranked as following in 2012:

- **Number of voyages**
  - Peterhead – 12\(^{th}\)
  - Fraserburgh – 8\(^{th}\)

\(^{59}\) Peterhead district is comprised of Peterhead, Boddam and Port Errol – all in Banff and Buchan. Fraserburgh district includes Fraserburgh, Gardenstown, Macduff, Pennan, Portsoy, Rosehearty, Sandhaven and Whitehills – all in Buchan.

\(^{60}\) SSFS, 2012.

\(^{61}\) Scottish Sea Fisheries Statistics, 2012. Table 2.9.

\(^{62}\) Sea fish are split into: demersal (species living on or near the seabed e.g. haddock and cod) and pelagic (species found mainly in shoals in midwater or near the surface of the sea e.g. herring and mackerel).
• **Quantity landed (tonnes)**
  - Peterhead – 1st
  - Fraserburgh – 3rd

• **Value landed (£000’s)**
  - Peterhead – 1st
  - Fraserburgh – 3rd

Peterhead is especially important site, being by some distance the largest landing district in the country (and one of the largest in Europe) in terms of quantity and value landed. Indeed, in 2012, Peterhead alone accounted for 44% of the total quantity of fish landed at Scottish ports, and one-third of the value landed. Since 2008, the quantity landed both in North Aberdeenshire and nationally has decreased – this has been less pronounced, however, in North Aberdeenshire, with an initial increase to 2009, **Figure B.14**.

**Figure B.14: Change in Quantity (tonnes), 2008 to 2012**

Conversely, there has been a slight increase in the value landed in North Aberdeenshire and Scotland. This peaked in 2011, however, with the most recent figures marking a sizable drop from that year, **Figure B.15**.
Employment in Fishing

Table B.16 provides a breakdown of employment in the fishing industry for 2012. As highlighted earlier, Banff and Buchan, and Buchan are important fishing centres at a local and national level, and together account for:

- 98% of Aberdeenshire marine fishing employment; and
- 48% of national employment in the sector.

Table B.16: Employment in the Fishing Sector, 2012

<table>
<thead>
<tr>
<th>Sector</th>
<th>Marine fishing</th>
<th>Freshwater fishing</th>
<th>Marine aquaculture</th>
<th>Freshwater aquaculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>710</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Buchan</td>
<td>590</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Formartine</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>North Aberdeenshire</td>
<td>1,300</td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aberdeenshire</td>
<td>1,320</td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Scotland</td>
<td>2,720</td>
<td>80</td>
<td>1,320</td>
<td>250</td>
</tr>
</tbody>
</table>

Source: BRES. Some figures have been rounded, in keeping with Data Protection compliance.

Accounting for almost all of the regional employment, and just under half of national employment, changes in the fishing industry in Banff and Buchan and Buchan have a major impact on the industry nationally. It is important that sectoral employment
continues to grow locally, in order to drive economic growth at the local, regional and national levels.

**Unemployment**

Unemployment is typically assessed using two different indicators:

- claimant count which captures those claiming Job Seekers Allowance (JSA) and
- the International Labour Organisation (ILO) measure, which is survey based and captures unemployed people regardless of whether or not they claim JSA.

However, the ILO measure is only available at local authority level upwards, thus this section makes use of claimant count as a measure of unemployment.

*Figure B.17* illustrates the claimant count across North Aberdeenshire, including youth unemployment. Claimant count and youth unemployment are more pronounced in Banff and Buchan and Buchan.

*Figure B.17: Claimant Count and Youth Unemployment in North Aberdeenshire, 2014*
Youth unemployment is of particular concern in North Aberdeenshire, Aberdeenshire, as it is across Scotland, with 16-24 year olds accounting for one-quarter of all JSA Claimants in all three areas. The youth unemployment trend has been similar to that of overall unemployment, and, at both the North Aberdeenshire and Aberdeenshire levels, has reached the lowest number of claimants since pre 2005.

As shown in Figure B.18, over, the claimant count in North Aberdeenshire stood at 1.3%, the lowest rate observed in the post-recession period, and lower than the figure of 1.7% in 2005. Both North Aberdeenshire and Aberdeenshire have had lower rates than Scotland since 2005, with the gap widening since then, hinting at relatively better performance in the local and regional areas. Aberdeenshire has the lowest claimant count rate, decreasing below 1% in 2014 – the first time since January 2008.
Figure B.18: Claimant Count, 2005 - 2014

Source: NOMIS. N.B. All figures relate to the claimant count as of January for each year.

Figure B.19, over, outlines the claimant count rate across the three local administrative area. With the exception of Banff and Buchan in certain years, all areas have had a lower claimant count than Scotland, with the rate in all areas below Scotland as of January 2014. Since 2011, both Banff and Buchan and Buchan have been in keeping with the performance of North Aberdeenshire with respective 2014 figures standing at 1.85 and 1.4%. The rate of 0.6% in Formartine is the lowest of any area, and outstrips even the Aberdeenshire rate.

Figure B.19: Local Claimant Count, 2005 – 2014

Source: NOMIS. N.B. All figures relate to the claimant count as of January for each year.
Long-term unemployment is becoming a greater issue, with a rise in the number of those claiming JSA for at least 12 months from 85 in 2005 to 175 in 2014 – such claimants now account for 19% of all JSA claimants in North Aberdeenshire, slightly higher than the figure of 18% for Aberdeenshire.

Both areas, however, have less of an issue with long-term unemployment than at the national level, where the number of long-term unemployed rose by 142% between 2005 and 2014, with long-term claimants now accounting for 28% of all JSA claimants.

Table B.20 provides details of the number of notified vacancies between 2005 and 2012.

Table B.20: Notified Vacancies, 2005 - 2012

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>64</td>
<td>90</td>
<td>48</td>
<td>71</td>
<td>93</td>
<td>47</td>
<td>42</td>
<td>96</td>
</tr>
<tr>
<td>Buchan</td>
<td>110</td>
<td>129</td>
<td>33</td>
<td>74</td>
<td>135</td>
<td>74</td>
<td>64</td>
<td>58</td>
</tr>
<tr>
<td>Formartine</td>
<td>23</td>
<td>13</td>
<td>7</td>
<td>38</td>
<td>13</td>
<td>43</td>
<td>25</td>
<td>76</td>
</tr>
<tr>
<td>North Aberdeenshire</td>
<td>197</td>
<td>232</td>
<td>88</td>
<td>183</td>
<td>241</td>
<td>164</td>
<td>131</td>
<td>230</td>
</tr>
<tr>
<td>Aberdeenshire</td>
<td>455</td>
<td>414</td>
<td>213</td>
<td>364</td>
<td>406</td>
<td>310</td>
<td>383</td>
<td>471</td>
</tr>
</tbody>
</table>

Source: Nomis. N.B. All figures relate to the number of vacancies in January of each year.

It should be borne in mind that “notified vacancies” captures only those positions that have been notified to, and advertised in, Jobcentre Plus and therefore represents only a proportion of the true number of vacancies.

North Aberdeenshire has a higher ratio of job seekers to vacancies than both Aberdeenshire and Scotland, at 6.63 per vacancy – this is likely skewed by Buchan, with a rate of 10.81 (almost 11 people seeking employment for every job vacancy notified) - Table B.21. Formartine has the lowest ratio of job seekers to vacancies of all areas (3.46).

Table B.21: Ratio of Claimant Count against Notified Vacancies: 2012

<table>
<thead>
<tr>
<th></th>
<th>No. of notified vacancies</th>
<th>Claimant count</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>96</td>
<td>636</td>
<td>6.63</td>
</tr>
<tr>
<td>Buchan</td>
<td>58</td>
<td>627</td>
<td>10.81</td>
</tr>
<tr>
<td>Formartine</td>
<td>76</td>
<td>263</td>
<td>3.46</td>
</tr>
<tr>
<td></td>
<td>North Aberdeenshire</td>
<td>Aberdeen</td>
<td>Scotland</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Vacancies</td>
<td>230</td>
<td>471</td>
<td>19,394</td>
</tr>
<tr>
<td>Unemployed</td>
<td>1,526</td>
<td>2,360</td>
<td>113,708</td>
</tr>
<tr>
<td>Unemployment</td>
<td>6.63</td>
<td>5.01</td>
<td>5.86</td>
</tr>
</tbody>
</table>

Source: Both sets of figures taken from NOMIS – 'Jobcentre Plus Vacancies', and ‘Claimant count’ respectively.

Table B.22 provides a detailed breakdown of notified vacancies by broad industrial category.

Vacancies in North Aberdeenshire comprised a large share of all vacancies in the wider Aberdeenshire area in sectors such as:

- manufacturing (299 vacancies – 61%);
- agriculture and fishing (21 vacancies – 58%);
- banking, finance and insurance (2,111 vacancies – 51%); and
- public administration, education & health (1,471 vacancies - 51%).
Table B.22: Notified Vacancies by industry, 2012

<table>
<thead>
<tr>
<th>Industry</th>
<th>Banff and Buchan</th>
<th>Buchan</th>
<th>Formartine</th>
<th>North Aberdeenshire</th>
<th>Aberdeen-shire</th>
<th>Scotland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; fishing</td>
<td>5</td>
<td>9</td>
<td>7</td>
<td>21</td>
<td>36</td>
<td>1,209</td>
</tr>
<tr>
<td>Energy &amp; water</td>
<td>8</td>
<td>26</td>
<td>7</td>
<td>41</td>
<td>202</td>
<td>2,549</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>69</td>
<td>89</td>
<td>141</td>
<td>299</td>
<td>494</td>
<td>8,196</td>
</tr>
<tr>
<td>Construction</td>
<td>126</td>
<td>121</td>
<td>56</td>
<td>303</td>
<td>768</td>
<td>17,980</td>
</tr>
<tr>
<td>Distribution, hotels, &amp; restaurants</td>
<td>165</td>
<td>278</td>
<td>474</td>
<td>917</td>
<td>1,867</td>
<td>55,245</td>
</tr>
<tr>
<td>Transport &amp; communications</td>
<td>38</td>
<td>23</td>
<td>8</td>
<td>69</td>
<td>157</td>
<td>7,617</td>
</tr>
<tr>
<td>Banking, finance &amp; insurance</td>
<td>566</td>
<td>1,034</td>
<td>511</td>
<td>2,111</td>
<td>4,171</td>
<td>163,501</td>
</tr>
<tr>
<td>Public administration, education &amp; health</td>
<td>593</td>
<td>476</td>
<td>402</td>
<td>1,471</td>
<td>2,878</td>
<td>68,840</td>
</tr>
<tr>
<td>Other services</td>
<td>59</td>
<td>62</td>
<td>34</td>
<td>155</td>
<td>675</td>
<td>29,739</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,629</strong></td>
<td><strong>2,118</strong></td>
<td><strong>1,640</strong></td>
<td><strong>5,387</strong></td>
<td><strong>11,248</strong></td>
<td><strong>354,876</strong></td>
</tr>
</tbody>
</table>

Source: Nomis. All figures relate to the total number of notified vacancies in 2012, taken from Dec 2011 – Nov 2012.

N.B. Vacancies are advertised by Job Centres in the office, not per administrative area. As such, there could be an element of double counting in some of these vacancies.

Business Base

The business base is the measure of how many businesses are operating in a given area. This measure was, however, discontinued in 2008, and data gathered since then is unavailable at the sub-regional/local authority level.

As of 2008, there were 5,168 businesses in North Aberdeenshire – 49% of the Aberdeenshire total of 10,446, and 2.8% of the Scottish total (181,470).

There were slightly fewer businesses in Banff and Buchan than in the other two areas, with the 1,803 businesses in Formartine accounting for 17% of the Aberdeenshire total. In 2008, the business base in each administrative area stood as follows:

- Banff and Buchan – 1,602;
- Buchan – 1,763; and
- Formartine – 1,803.
Table B.23 outlines the business base by sector in 2008, the last year for which figures are available.

Table B.23: Proportion of businesses as % of area total, 2008

<table>
<thead>
<tr>
<th>Sector</th>
<th>Banff and Buchan</th>
<th>Buchan</th>
<th>Formartine</th>
<th>North Aberdeenshire</th>
<th>Aberdeen-shire</th>
<th>Scotland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and fishing</td>
<td>20%</td>
<td>13%</td>
<td>4%</td>
<td>12%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>Energy and water</td>
<td>1%</td>
<td>1%</td>
<td>&lt;1%</td>
<td>1%</td>
<td>1%</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Construction</td>
<td>9%</td>
<td>12%</td>
<td>15%</td>
<td>12%</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Distribution, hotels and restaurants</td>
<td>25%</td>
<td>23%</td>
<td>20%</td>
<td>22%</td>
<td>21%</td>
<td>29%</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Banking, finance &amp; insurance, etc.</td>
<td>17%</td>
<td>23%</td>
<td>36%</td>
<td>26%</td>
<td>33%</td>
<td>28%</td>
</tr>
<tr>
<td>Public admin. education &amp; health</td>
<td>12%</td>
<td>10%</td>
<td>8%</td>
<td>10%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Other services</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: ABI

North Aberdeenshire had a greater reliance on businesses in the primary industries (12%) compared to just 3% nationally and 7% at the regional level. Whereas the financial industries accounted for one-third of all businesses in Aberdeenshire, only 26% of businesses in North Aberdeenshire are in this sector – lower also than the share of Scottish businesses.

Both North Aberdeenshire (22%) and Aberdeenshire (21%) had a smaller share of businesses involved in the ‘Distribution, hotels, and restaurants’ sector, compared to 29% nationally.

Banff and Buchan has a greater reliance of businesses in the primary industries, with over one-fifth of businesses (21%) in these sectors, compared to less than 5% in Formartine. Banff and Buchan is particularly reliant on businesses in these industries – as is the North Aberdeenshire area as a whole - while there are comparatively few businesses at the national level in the primary industries.
Over one-third of businesses in Formartine (36%) were in the ‘Banking, finance and insurance etc.’ sector – this is significantly higher than in the other two areas and is above even the Aberdeenshire average.

The largest sector at the national level is ‘Distribution, hotels and restaurants’ (29%), which is higher than both the North Aberdeenshire (22%) and Aberdeenshire (21%) levels.

**Table B.24** provides a breakdown of business by size band. Both North Aberdeenshire and Aberdeenshire have a higher proportion of micro businesses (less than ten employees) compared to the national average.

**Table B.24: Business by Size Band, 2008**

<table>
<thead>
<tr>
<th>Region</th>
<th>1-10 employees</th>
<th>11 – 49</th>
<th>50 – 199</th>
<th>200+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff and Buchan</td>
<td>86%</td>
<td>12%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Buchan</td>
<td>86%</td>
<td>11%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Formartine</td>
<td>88%</td>
<td>10%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>North Aberdeenshire Total</td>
<td>87%</td>
<td>11%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Aberdeenshire Total</td>
<td>87%</td>
<td>10%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Scotland Total</td>
<td>81%</td>
<td>14%</td>
<td>3%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: ABI

Business base data is still gathered at the Aberdeenshire level, and by charting the rate of change between 2008 and 2013 at the regional level, it is possible to apply the rate of change to existing business figures at the North Aberdeenshire and administrative area level - **Table B.25**.

**Table B.25: Extrapolated Business Base Figures, 2008 to 2013**

<table>
<thead>
<tr>
<th>Region</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff &amp; Buchan</td>
<td>1,602</td>
<td>1,604</td>
<td>1,640</td>
<td>1,879</td>
<td>1,967</td>
<td>2,011</td>
</tr>
<tr>
<td>Buchan</td>
<td>1,763</td>
<td>1,765</td>
<td>1,805</td>
<td>2,067</td>
<td>2,165</td>
<td>2,213</td>
</tr>
<tr>
<td>Formartine</td>
<td>1,803</td>
<td>1,805</td>
<td>1,846</td>
<td>2,114</td>
<td>2,214</td>
<td>2,263</td>
</tr>
<tr>
<td>North Aberdeenshire</td>
<td>5,168</td>
<td>5,175</td>
<td>5,291</td>
<td>6,061</td>
<td>6,345</td>
<td>6,486</td>
</tr>
<tr>
<td>Aberdeenshire</td>
<td>10,446</td>
<td>10,460</td>
<td>10,694</td>
<td>12,250</td>
<td>12,825</td>
<td>13,110</td>
</tr>
</tbody>
</table>

Source: ABI/Scottish Annual Business Statistics/UK Business Count

63 These figures should be treated as assumptions derived from the local rate and will likely differ from actual figures.
Education and Qualifications

Exam Results

S4 educational attainment in North Aberdeenshire has consistently lagged behind Aberdeenshire, sitting at 34% in 2012, compared to 40% in Aberdeenshire – this gap has remained fairly consistent since 2009.

Formartine has, on all but two occasions, performed best in terms of S4 exam results, with over two-fifths of pupils achieving five awards in all but one of the academic years examined (Figure B.26). Educational attainment in this area is above both the North Aberdeenshire and Aberdeenshire averages, although there has been some decline in performance over time. There have been fluctuations since 2003, however, the trend in is one of general decline across all areas.

Banff and Buchan, and Buchan have continuously been the lowest ranking areas for attainment at this level, with less than one-third of pupils attaining at least 5 awards in 2012 (27% and 32%, respectively).

Figure B.26: S4 pupils with 5 awards at SCQF level 5 and above, 2003 - 2012

A similar pattern is true of S5 pupils, with North Aberdeenshire lagging some 4% behind Aberdeenshire in both 2011 and 2012 – however, this does mark a closing of the gap on previous years.

Similar is also true in Formartine (21% in 2012) and Aberdeenshire (18%) having the highest levels of those with five awards at SCQF level 6 and above and the other
two areas lagging behind (Figure B.27). In contrast to S4 pupils, there has been an increase in educational attainment in Formartine and Aberdeenshire, and decreases in Banff and Buchan, and Buchan (10%) and 9%, respectively – attainment at this level in North Aberdeenshire was the same in 2012 as in 2005.

**Figure B.27: S5 pupils with 5 awards at SCQF level 6 and above, 2003 - 2012**

Source: SNS

**School Leaver Destinations**

There is little difference between North Aberdeenshire and Aberdeenshire in the proportions of school leavers entering higher or further education, at 62% and 63% respectively. A further 30% of pupils moved directly into employment in 2012 – a figure which was broadly similar across all areas - (Figure B.28).

Formartine has a considerably higher proportion of school leavers entering higher education (44%) than the other two areas in North Aberdeenshire, with the lowest levels of pupils going on to unemployment (4%). Banff and Buchan has the highest number of pupils entering further education upon leaving school, with almost two-fifths (39%) choosing this route.

In compensating for comparatively low uptakes of higher education (24%), one-third of pupils in Buchan enter into employment upon leaving school.

Coupled with the relatively low educational attainment at both S4 and S5 levels (as shown above), and the employment profile of the area, it could be suggested that the employment entered into has low level entry requirements, and it is possible also that much of this employment will be in the primary industries.
Since 2004, the proportion of the working age population in Aberdeenshire educated to at least degree level has risen by 2012 to over one in four (27%), surpassing those educated to GCE 'A' level (26%) for the first time as the most common qualification. Those qualified to higher education level only has also decreased over the period (12% in 2012). Encouragingly, the rate of those with no qualifications has decreased over the same period, sitting at 8% in 2012 (Figure B.29).
The regional qualification breakdown is largely in keeping with that of the national level, where a decrease in those educated to GCE ‘A’ level has decreased almost annually to 25% in 2012, and those with degrees increasing to 24% in 2012. Those with no qualifications at the Scottish level has fallen from 16% in 2004 to 11% in 2012. Aberdeenshire has a slightly higher rate of people qualified to at least degree level than at the national level.

Health

In 2014, the Scottish Public Health Observatory (ScotPHO) published a health and wellbeing profile for each local authority area in Scotland. Comprehensive and up-to-date data of this nature is only available at local authority area, thus figures refer to Aberdeenshire.

Aberdeenshire is considered as ‘Statistically significantly better’ than the national average in 37 of the 59 indicators, including:

- higher life expectancy for both males (78.2 to 75.8) and females (81.7 to 80.4);
- fewer deaths per 100,000 in 2011 (1073.0 to 1198.7). Also fewer early deaths (under 75) from heart disease and cancer (48.9 and 150.5 per 100,000, respectively);
- fewer hospital discharges of patients with alcohol or drug related conditions (387.7 and 53.1 per 100,000, respectively);
- fewer patients registered with cancer (579.9 per 100,000). Also fewer patients hospitalised with chronic obstructive pulmonary disease, coronary heart disease and cerebrovascular disease;
- fewer patients prescribed drugs for anxiety/depression/psychosis (13.2%) and fewer patients with a psychiatric hospitalisation (234.5 per 100,000);
- higher levels of primary (95.2%) and secondary school (91.3%) attendances;
- fewer people living within 500m of a derelict site (7.7%) and a higher proportion of adults rating their neighbourhood as a very good place to live (67.2%); and
- fewer mothers smoking during pregnancy (14.2% compared to 20.7% nationally).
However, Aberdeenshire is ‘statistically significantly worse’ than the national average in eight indicators:

- fewer people actively travelling to work (10.3%);
- more patients hospitalised with asthma (628.9 per 100,000);
- more road traffic accident casualties (105.9 per 100,000);
- fewer people aged 65+ receiving free personal care at home (3.4% compared to 5.2% at Scottish level). Also, fewer people of this age group with intensive care needs being cared for at home (19.8% against 33.1%);
- more households in extreme fuel poverty (15.1% compared to 7.3% nationally);
- more people living in 15% ‘most access deprived area (43.9% compared to 15% nationally); and
- poorer child dental health in P7 pupils (38.8% to 45.2% nationally).

Transport

As of 2010, there were 172,000 vehicles licensed in Aberdeenshire – the 4th largest of any local authority in Scotland, comprising 6% of the Scottish total. Of these vehicles, 129,000 vehicles were private ‘body-type’ cars.

When measured against the local population of that year (245,780), this equates to 0.52 private cars per head – the highest of any local authority in Scotland (the Orkney Islands at 0.48 is the next highest, with the national rate at 0.40).

Car ownership has grown by some 18% in the area since 2003, almost double the national increase of 10%. In each year since 2003, Aberdeenshire has had the highest rate of private car ownership per head of any local authority in Scotland – this rate has itself increased, from 0.48 in 2003.

According to 2011 Census data, almost three-quarters (73%) of those who work in Aberdeenshire drive a car or van to work – the fourth highest local authority rate in the country, and higher than the Scottish average of 63%. With a further 6% travelling to work as a passenger in a car/van (meaning that almost four-fifths - 79% - of the Aberdeenshire workforce use such vehicles) and only 5% using a bus/coach or a train to get to work, this emphasises the reliance on private vehicles to get to work - Figure B.30.
Further, the dependence on private vehicles has grown – in 2001, only 52% travelled to work by car/van (either as a driver or passenger), with 30% reaching work on foot – this figure had decreased to 9% by 2011.

**Connectivity**

Aberdeenshire is one of the most poorly connected areas in Scotland in terms of broadband connectivity, with an average sync speed of 8.4 Mbits/s, compared to 12.4 Mbits/s average speed nationally.\(^\text{64}\)

The area is also below the national average for:

- superfast broadband availability (4.6% compared to 43.7% national average);
- superfast broadband take-up (0.3% compared to 12.1%); and
- overall quality score (3 compared to 2.3 – 1 is the optimal score).

Further, Aberdeenshire has a higher rate not receiving broadband connections of at least 2Mbits/s (12.3% compared to 10.6% nationally).

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\(^{64}\) Source: OFCOM Fixed Broadband Data, 2013.
Appendix C: Community Engagement Events

1. Introduction

This report provides details of the feedback provided at community engagement events held as part of the LDS development process.

1.1 The Community Events

Three events were held as detailed below.

<table>
<thead>
<tr>
<th>Administrative area</th>
<th>When and where held</th>
<th>Number attending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banff &amp; Buchan</td>
<td>Mon 3 March - Crudie School, Crudie</td>
<td>43</td>
</tr>
<tr>
<td>Buchan</td>
<td>Tues 4 March - Macbi Community Hub, Mintlaw</td>
<td>30</td>
</tr>
<tr>
<td>Formartine</td>
<td>Wed 5 March - Oldmeldrum Academy, Oldmeldrum</td>
<td>43</td>
</tr>
</tbody>
</table>

Source: Sign in sheets

1.2 Purpose of the Community Events

The agenda for the events covered a number of topic areas, including:

- undertaking a strengths, weaknesses, opportunities and threats (SWOT) analysis for the North Aberdeenshire area;
- seeking views on indicative priorities for the North Aberdeenshire LDS:
  - Business competitiveness and innovation
  - Developing key economic sectors
  - Sustainable environment, energy and transport
  - Access to services and facilities
  - Employability, skills development and social inclusion
  - Capacity building and transnational co-operation;
- seeking views on specific project ideas which could be taken forward through the LDS; and
- views on equalities considerations which would need to be taken into account.
1.3 Key

**Bold** – indicates that more than one group from the same area highlighted this suggestion in their discussion.

**Underlined** - indicates that a group from another area came up with this comment during their respective discussions.
2. Community Event 1 - Banff and Buchan

2.1 SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Community led transport schemes - Dial a bus</td>
<td>• Poor transport links (no rail) and Cost of travel</td>
</tr>
<tr>
<td>• <strong>Location, Scenery, Views, Coastline</strong></td>
<td>• Lack of Post Office services</td>
</tr>
<tr>
<td>• Community groups – Pro-active Access to skills, Funding Community Spirit</td>
<td>• Rural Isolation (Transport – rural)</td>
</tr>
<tr>
<td>• B+Bs Fully utilised? Depending on type/ state of accommodation</td>
<td>• <strong>Perceived as being an affluent area</strong></td>
</tr>
<tr>
<td>• Workforce – Good work ethic</td>
<td>• (Lack of Broadband/ slow speeds) Bandwidth</td>
</tr>
<tr>
<td>• Harbours</td>
<td>• Town centres “Death of High Street”</td>
</tr>
<tr>
<td>• Community spirit</td>
<td>• Empty shops – 3 empty hotels</td>
</tr>
<tr>
<td>• Wildlife</td>
<td>• Macduff 1 x Portsoy</td>
</tr>
<tr>
<td>• Game fishing</td>
<td>• Travel for essentials – commute / lack of facilities</td>
</tr>
<tr>
<td>• Engineering</td>
<td>• Tourism problems/ High Street</td>
</tr>
<tr>
<td>• <strong>Farming</strong></td>
<td>• Lack of 3 to 4 bedroom homes – Larger Sized homes, No development – No motivation/ incentive</td>
</tr>
<tr>
<td>• Food</td>
<td>• Cost of refurbishment/ economically viable no</td>
</tr>
<tr>
<td>• <strong>Fishing</strong></td>
<td>• <strong>Decline of Jobs (Fishing Sector)</strong></td>
</tr>
<tr>
<td>• Boat building</td>
<td>• Commuting towns</td>
</tr>
<tr>
<td>• Tourism</td>
<td>• Empty Industrial estates</td>
</tr>
<tr>
<td>• <strong>Golf</strong></td>
<td>• Employability/ jobs</td>
</tr>
<tr>
<td>• Heritage and History</td>
<td>• Roads – A947</td>
</tr>
<tr>
<td>• Royal connections</td>
<td>• Phone Signal</td>
</tr>
<tr>
<td></td>
<td>• Hotels – Quantity and Quality</td>
</tr>
<tr>
<td></td>
<td>• Access to services – Health and Transport</td>
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<tr>
<td></td>
<td>• Ageing population</td>
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<tr>
<td></td>
<td>• Policing overstretched</td>
</tr>
<tr>
<td></td>
<td>• Parking Inadequate – towns and villages</td>
</tr>
<tr>
<td></td>
<td>• Funding allocations linked to Aberdeen</td>
</tr>
<tr>
<td></td>
<td>• Retail and Football in town centres</td>
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<tr>
<td></td>
<td>• Signage</td>
</tr>
<tr>
<td></td>
<td>• Planning Policy</td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threats</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>• Community run broadband schemes</td>
<td>• Leader funding (State aid issues)</td>
</tr>
<tr>
<td>• Development of empty buildings/ hotels</td>
<td>• Continuation of decline of infrastructure in rural communities</td>
</tr>
<tr>
<td>• Seafood/ Open up restaurant</td>
<td>• Funding Problems – Leader failure to market</td>
</tr>
<tr>
<td>• <strong>Renewables Sector</strong> – Job Creation – Community Benefits</td>
<td>• Young People working in Aberdeen</td>
</tr>
<tr>
<td>• <strong>Tourism – Marketing – Promote Area</strong></td>
<td>• Change to Scotland’s status</td>
</tr>
<tr>
<td>• Low cost Alternative for new businesses/ location/ eco-tourism</td>
<td>• Wind turbines</td>
</tr>
<tr>
<td>• <strong>Parking – Free</strong> – Scrap Pay and Display in Town Centre</td>
<td>• Reduced Council budget</td>
</tr>
<tr>
<td>• Community asset transfer</td>
<td>• Increase in HMOs</td>
</tr>
<tr>
<td>• <strong>Serviced industrial land</strong></td>
<td>• Business collapse</td>
</tr>
<tr>
<td>• Summer play schemes</td>
<td>• Town centre degeneration</td>
</tr>
<tr>
<td>• Regeneration areas</td>
<td>• Centralisation to Aberdeen</td>
</tr>
<tr>
<td>• Self-build land</td>
<td>• Internet shopping</td>
</tr>
<tr>
<td>• Lack of affordable housing</td>
<td>• Declining respect for area</td>
</tr>
<tr>
<td>• Community action plans</td>
<td>• Ability to attract new families</td>
</tr>
<tr>
<td>• Investment in Schools</td>
<td>• Apathy</td>
</tr>
<tr>
<td>• Encouraging Entrepreneurship</td>
<td>• Planning</td>
</tr>
<tr>
<td>• Start-up grants for businesses</td>
<td>• Sea and tidal surges</td>
</tr>
<tr>
<td>• Expansion grants</td>
<td>• Unadopted Roads</td>
</tr>
<tr>
<td>• Funding to combat drug misuse and other social problems – e.g. food banks</td>
<td>• Childcare (after-school and day-care)</td>
</tr>
<tr>
<td>• Support young people – e.g. Princes Trust</td>
<td>• Aging infrastructure</td>
</tr>
<tr>
<td>• <strong>Vocational Training centres</strong></td>
<td>• Falling school rolls</td>
</tr>
<tr>
<td>• Harbour repair</td>
<td>• Loss of public pathways</td>
</tr>
<tr>
<td>• Trust Harbours</td>
<td>• EU fishing policy – CFP reform</td>
</tr>
<tr>
<td>• Coastal paths eroded</td>
<td>• Lack of Disabled Access</td>
</tr>
<tr>
<td>• Maximise potential harbours – improvements</td>
<td></td>
</tr>
<tr>
<td>• Fill empty shops</td>
<td></td>
</tr>
<tr>
<td>• Business Collaboration – Packages etc.</td>
<td></td>
</tr>
<tr>
<td>• Build on Success – e.g. MacDuff Aquarium. Duff House, Boyndie</td>
<td></td>
</tr>
<tr>
<td>• What tourists want – identify – e.g. Ancestral tourism – Market research</td>
<td></td>
</tr>
<tr>
<td>• Upmarket caravan sites</td>
<td></td>
</tr>
<tr>
<td>• Airspace</td>
<td></td>
</tr>
<tr>
<td>• Tourist board offices</td>
<td></td>
</tr>
<tr>
<td>• Events – e.g., Turriff Show, Galas,</td>
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</tr>
<tr>
<td>• Local Foods – eating experiences</td>
<td></td>
</tr>
<tr>
<td>• Village Halls Investment</td>
<td></td>
</tr>
<tr>
<td>• Relocation of Council staff -&gt; Towns</td>
<td></td>
</tr>
</tbody>
</table>
2.2 Views on Indicative Priorities

- Business Competitiveness + Innovation -> Very Important, Creation of Jobs/Revenue growth/ Sustainability, Focus on Projects which support, Business plans
- Developing Key economic Sectors -> fishing, farming, agriculture, tourism, food and drink
- Sustainable Environment, Energy and Transport
- **Access to Services and Facilities** -> Important – Rural communities more emphasis, Transport issues
- Employability, Skills Development and Social inclusion -> Important
- Capacity Building and Transnational Cooperation -> learn from others European Countries
- Local Training opportunities
- Protecting assets -> Tourism opportunities
- A9 Effect
- Expanding Energetica Corridor

2.3 Project Ideas

- **Village Halls – continue refurbishments**, community cafe
- Multi-purpose – (Events, Playgroups, Open for all/ diverse range of community groups)
- Banffshire Coast Tourism .
- Tidal Swimming pool redevelopment
- Developing local community plan
- Expanding MacDuff marine aquarium
- Providing Airspace
- Whitehills Fishermen Memorial
- Business Expansion plans e.g. workforce
- Digital/click and collect
- Crupit Playing field – ownership
- Redevelopment of Grampian chicken site
- Redevelopment of Industrial estates
- Modernisation of sports facilities -> wet weather, disabled
- Repairing Coastal paths - Gardenstown -> Crewe, Whitehills
- Pontoons MacDuff Harbour
- Holiday Let opportunities
- Town Centre Wi-Fi
- Nothing for younger people – lack of facilities
- Accessibility – older – disabilities
- Lack of info on facilities
- Family Events engender community spirits
- Regeneration of empty buildings e.g. Banff and MacDuff

2.4 Other notes

- Recognise value of communities and volunteer work
- Opening Hours of facilities e.g. public holidays – staffing/ costs
3. Community Event - Buchan

3.1 SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Community Transport – could be enhanced</td>
<td>• Admin and Bureaucracy</td>
</tr>
<tr>
<td>• Aging Population – experience and time</td>
<td>• Local employment and second family jobs</td>
</tr>
<tr>
<td>• Local Partnership working</td>
<td>• Childcare – linked to transport, Availability locally, cost</td>
</tr>
<tr>
<td>• Social enterprise</td>
<td>• Community facilities unfit for purpose - disabled access</td>
</tr>
<tr>
<td>• Belief in communities</td>
<td>• Match funding</td>
</tr>
<tr>
<td>• Community capacity</td>
<td>• Cofinance</td>
</tr>
<tr>
<td>• Experiences and knowledge in local community</td>
<td>• Connectivity – no local network</td>
</tr>
<tr>
<td>• Strong entrepreneurial culture</td>
<td>• Distance to Markets</td>
</tr>
<tr>
<td>• Strong economic base</td>
<td>• Employment opportunities – Lack of jobs</td>
</tr>
<tr>
<td>• Low unemployment</td>
<td>• Mobile phone signal</td>
</tr>
<tr>
<td>• Active communities</td>
<td>• Broadband – Rural, Speed</td>
</tr>
<tr>
<td>• Community Spirit</td>
<td>• Reluctance to take risky change</td>
</tr>
<tr>
<td>• Environment/ Geography</td>
<td>• Lack of public transport – esp off main roads, cost prohibitive, affecting employability</td>
</tr>
<tr>
<td>• Large amounts of support (3rd Sector)</td>
<td>• Inward looking communities</td>
</tr>
<tr>
<td>• Funding opportunities available</td>
<td>• Scale – area/ population to be covered</td>
</tr>
<tr>
<td>• 1/3 of people in Aberdeenshire volunteer (10,000)</td>
<td>• Bye ability to attract new businesses</td>
</tr>
<tr>
<td>• Heritage</td>
<td>• Lack of Hotel Accommodation – esp around market</td>
</tr>
<tr>
<td>• Networking – Communities – Support</td>
<td>• Unemployment</td>
</tr>
<tr>
<td>• Locally landed Seafood/ Local produce</td>
<td>• Market not necessarily tourism</td>
</tr>
<tr>
<td>• Food and drink</td>
<td>• Low pay and no hours -&gt; benefits issues</td>
</tr>
<tr>
<td>• Libraries – facilities</td>
<td>• Lack of support Business start-up</td>
</tr>
<tr>
<td>• Wealth</td>
<td>• “Death of the High Street” Fraserburgh – empty premises, Peterhead</td>
</tr>
<tr>
<td>• Good Innovation</td>
<td>• High Business rates/rental</td>
</tr>
<tr>
<td>• BDP – Drivers Presses forward</td>
<td>• Perceived as Affluent area</td>
</tr>
<tr>
<td></td>
<td>• Poverty – Fraserburgh</td>
</tr>
<tr>
<td></td>
<td>• Rural Isolation</td>
</tr>
<tr>
<td></td>
<td>• Lack of Consultation</td>
</tr>
<tr>
<td></td>
<td>• No sheltered housing in St. Combs</td>
</tr>
<tr>
<td></td>
<td>• Lack of credit - no credit</td>
</tr>
<tr>
<td></td>
<td>• Very oil related x 2</td>
</tr>
<tr>
<td></td>
<td>• Lack of awareness of what’s happening</td>
</tr>
</tbody>
</table>
### Opportunities
- Sharing best practices
- Learning from others – help available
- Enhancing Comm. Transport
- Partnership working
- Financial Sustainability of projects and facilities
- Better use of council owned land
- Additional new resources – learning in other funds
- More young people involved in comm. Groups – families
- Grampian Prison – employment
- Support community parks -> Tourism - > Local Spend
- Reutilising villages
- Learn lessons from current programs/projects
- Catalyst effect – indirect benefits attract more involvement, intangible benefits

**Promote what we have**
- Nescol – vocational training
- Integrating comm. Facilities – consider other bus and public consultation.
- Community-led broadband schemes
- Business rates holiday – increase start-up businesses?
- More Local events and projects
- Tourist – Cultural Tourism?
- Seafood restaurant
- Village Halls/ child care/ Playgroups?
- Food – communities and Buildon farmer markets
- Support
- Community Bio mass Scheme
- Restore old values – Youths, Church, Life skills

### Threats
- Aging population – infrastructure, increased demand for services
- Increasing population
- Migration (inward)
- Conflict in allocating resources
- Education (ESOL) Need
- Timing of projects with rounds
- Pressure on resources
- Young people – distance to travel to work
- Perception of young people
- Resources allocated to W.E.
- Economic drift southwards
- **State aid**
- **Welfare reform**
- Young People moving away
- Losing skills/ employability issues moving to city
- Not interested in community groups
- Lack of Non-oil related jobs
- Lack of Transport network
- Lack of Industrial Sites
- Lack of start-up spaces
- Poor use of council assets
- Lack of Grant funding
- Lack up front funding
3.2 Views on Indicative Priorities

- Business Competitiveness + Innovation -> least important (few people agree), Just because it’s an old idea it will still work.

- Developing Key economic Sectors -> Fishing, farming, tourism and food and drink

- Sustainable Environment, Energy and Transport

- Access to Services and Facilities -> Important keeps people in town/ villages – retention

- Employability (very important), Skills Development (vital/ encourage) and Social inclusion (priority – important for rural communities to bring people together)

- Capacity Building and Transnational Cooperation -> Learn from others EU countries.

- Focus and Long term value for money

- Legacy and sustainability

- Health and life expectancy and wellbeing

- Families and early years development

- Sustainable environment - Energy and transport underpins other priorities

- Social inclusion in rural areas and towns -> need more imaginative approach

- Informal education – core skills for those who missed out in school

3.3 Project Ideas

- Wild about Aden/ Pitfour

- Opportunities for social enterprises
- Catto Park – Redevelopment with F.C.; public/private partnership; redevelopment of outdoor and new indoor facility

- Social firm training facility -> New Pitsligo Bakery – Disadvantaged and disabled training opportunities and employment opportunities.

- Stuartfield Houses as social enterprise

- Strichen Town Hall/House – central building A listed -> community museum/ Business Space

- Enterprise academy

- At home training support/ core skills

- Linking pupils with employment opportunities – work experience

- Partnerships with college and social enterprises

- Expand dial a bus

- SME Support – access to finance; signposting; premises improvements; collaboration and expertise (Building Buchan)

- Flying club (Charitable Trust)

- Village Halls -> St Combs – courses education, multipurpose, innovative

- Digital Inclusion – offering education services for IT/ mobiles etc.

- Development Officer deliver IT courses (-Aden Park)

- Community led Housing Schemes?

- Wider council issues – housing

- Community transfer schemes

- Development Officer -> New Person -> Village/ - Youth worker – Communication

- Arts/ Culture Hub -> Peterhead
• Affordable housing -> Strichen

• Community Care -> Land, Training to employment, Youth care, Elderly

3.4 Other Notes

Funding Programme Problems –

• Application form complex and time consuming

• Mentoring/ reporting

• Simplify more info

• Require support

• Promote programme

• Eligibility measures

• Fishing/ more broader measures
4. Community Event - Formatine

4.1 SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic resources</td>
<td>Size</td>
</tr>
<tr>
<td>Ease of access</td>
<td>Poor Network</td>
</tr>
<tr>
<td>Structure</td>
<td>Support for applicant</td>
</tr>
<tr>
<td>Skills Pool</td>
<td>Overlap of Community groups</td>
</tr>
<tr>
<td><strong>Enthusiasm – Community Spirit</strong></td>
<td>Local Tension</td>
</tr>
<tr>
<td>Culture Heritage</td>
<td>Sports Facilities – poor and lack of</td>
</tr>
<tr>
<td>Agriculture</td>
<td>Cycle paths – lack of</td>
</tr>
<tr>
<td>Cohesive Area</td>
<td>Access to funding</td>
</tr>
<tr>
<td>Energetica</td>
<td><strong>Transport links</strong> - Road Network, Roads, Cost, Condition, School Transport, <strong>Lack of services,</strong> Employment</td>
</tr>
<tr>
<td>Businesses – e.g. oil and gas/ <strong>food and drink</strong></td>
<td><strong>Lack of facilities</strong></td>
</tr>
<tr>
<td>Voluntary groups</td>
<td>Lack of small local development</td>
</tr>
<tr>
<td>Community councils in some areas</td>
<td><strong>Wealth – perceived as Affluent</strong></td>
</tr>
<tr>
<td><strong>Tourism offering</strong></td>
<td>Safe off-road networks</td>
</tr>
<tr>
<td>Ellon premises fully visited</td>
<td>Roads</td>
</tr>
<tr>
<td>Golf course</td>
<td><strong>Childcare</strong> – esp Availability</td>
</tr>
<tr>
<td>Castle trail/ Haddo House/ events</td>
<td><strong>Lack of accommodation</strong> – venues and hotels</td>
</tr>
<tr>
<td>Facilities for children</td>
<td>Local leisure facilities – e.g. pools</td>
</tr>
<tr>
<td>Nice place to live</td>
<td><strong>Broadband Phone signal</strong></td>
</tr>
<tr>
<td></td>
<td>Missing from tourist map</td>
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<tr>
<td></td>
<td>Energetica stops at Peterhead - Inland widening</td>
</tr>
<tr>
<td></td>
<td><strong>Lack of facilities for tourists and relocating people</strong></td>
</tr>
<tr>
<td></td>
<td>Facilities for young people</td>
</tr>
<tr>
<td></td>
<td>Planning system – slow, discouraging development and investment</td>
</tr>
<tr>
<td></td>
<td>Lack of rural employment – commuting to Aberdeen -&gt; traffic</td>
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<tr>
<td></td>
<td>Access to specialist training</td>
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<tr>
<td></td>
<td><strong>Affordable housing</strong> (South Formartine)</td>
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<tr>
<td></td>
<td>Local dev. Plan – preferred bid system – dev process</td>
</tr>
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<td></td>
<td>Joined up planning (lack of)</td>
</tr>
<tr>
<td></td>
<td><strong>Underemployment – skills</strong></td>
</tr>
<tr>
<td></td>
<td>Travelling makes Part-time unattractive</td>
</tr>
<tr>
<td></td>
<td>Lack of capacity and frequency of trains</td>
</tr>
<tr>
<td></td>
<td><strong>Lack of join up transport planning – infrastructure and congestion</strong></td>
</tr>
<tr>
<td></td>
<td>Bus service Poor – reliability, capacity, Disabled access/</td>
</tr>
<tr>
<td></td>
<td><strong>Lack of Vacant buildings</strong></td>
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<tr>
<td></td>
<td>Lack of volunteers in certain areas</td>
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<tr>
<td></td>
<td><strong>Oil pull – employability- commuting towns</strong></td>
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<tr>
<td></td>
<td><strong>Golf clubs struggling</strong></td>
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</tr>
<tr>
<td><strong>Poverty/deprivation areas – food bank</strong></td>
<td>Ellon</td>
</tr>
<tr>
<td><strong>Inadequate services – health</strong></td>
<td></td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threats</td>
</tr>
<tr>
<td>---------------</td>
<td>---------</td>
</tr>
<tr>
<td>• Tourism</td>
<td>• Wage structure</td>
</tr>
<tr>
<td>• Planning Gain Opportunities</td>
<td>• Wind farms</td>
</tr>
<tr>
<td>• <strong>Sporting Facilities</strong> - Men sheds – health benefits;</td>
<td>• Association between city and shire</td>
</tr>
<tr>
<td>• Green infrastructure</td>
<td>• Reliance on same volunteers</td>
</tr>
<tr>
<td>• Indoor/ outdoor facilities</td>
<td>• Conflict for space e.g. offshore wind and shipping</td>
</tr>
<tr>
<td>• Network of facilities</td>
<td>• <strong>Lack of funds</strong> – due to affluence</td>
</tr>
<tr>
<td>• Continued developments</td>
<td>• Admin and Bureaucracy</td>
</tr>
<tr>
<td>• School Rezoning</td>
<td>• Yes Vote</td>
</tr>
<tr>
<td>• Broadband Development – mobile signal = Mast sharing?</td>
<td></td>
</tr>
</tbody>
</table>
4.2 Views on Indicative Priorities

- Skills development – Training Centres; Vocational Training; Trades, Engineering and coordination
- Sustainable Environment and access to Facilities – Quality of life
- Rural areas more prominent
- Local jobs and SME/ co-op Businesses
- Business Competitiveness + Innovation -> Important, New ideas, do things different
- Developing Key economic Sectors – Fishing, farming, tourism and food and drink
- Sustainable Environment (essential), Energy and Transport
- Access to Services and Facilities
- Employability (very important), Skills Development and Social inclusion – Involve community
- Capacity Building Important getting people involved

4.3 Project Ideas

- Formartine United – Sporting Facility
- Path Networks -> cycling and walking
- Tennis courts -> Meldrum Meg way
- Path way
- Community heating
- Social eateries
• **Restoration Work**

• Oldmedrum pathways

• **Local Hall developments** -> additional user groups

• Control of non-native species

• **Sports Facilities** - Community owned swimming pool

• Fitness - Soft Play, multi surface, extension to existing

• **Youth Facility** also Services

• Curling Facility

• Skate park/ bmx

• Paid sports coaches – apprenticeships scheme

• **Training/ skills development** e.g. Sports training.

• Replacing closed school facilities - Clubs needing venue

• Retail – pop up business outlets

• Energy projects – innovation

• **Affordable housing**

• Men sheds

• Project officers
Farm diversification, rural business and fisheries meeting notes

Farm Diversification Meeting 29.7.14 - Meeting Notes

Aberdeenshire Council staff in attendance;
Martin Brebner - Team Manager – European Policy & Programmes
Alasdair Cunningham - European Programmes Coordinator
David John McRobbie - European Programmes Coordinator
June Jaffrey – European Programmes Claims Officer
Derek McDonald – Industry Support Executive (Rural & Maritime)

Alasdair outlined the purpose of the Meeting.

Martin gave an overview of the North and South strategies outlining the indicative themes & priorities which the externally appointed consultants have collated in response to consultation events and surveys.

North
- Place
- Connectivity, community Services & facilities
- Business Competiveness
- Better Opportunities
- Community Capacity Building

South
- Connecting People & Places
- Developing Key economic sectors
- Natural environment & sustainable living
- Enriching and Positive activities for all

Attendees were split into groups for workshops with the following identified below:

What does Farm Diversification mean to farmers in the North East

- Benefits (to Farmer)
- Broaden farming base
- Utilisation of all farm resources
- Expansion potential (access to more land difficult)
- Opportunities for sons/daughters
- Non-core activity could become a core; needs parameters set as % definition
- Start point;
  - Ownership
  - Location
  - Resources
  - Infrastructure
  - Capital
Assets
Skills
Successful business already?
Other sources of income

**Project Ideas**
- Bed & Breakfast
- Haulage
- Quarrying
- Farm Shop
- Farmers markets
- Horticulture
- Holiday Home
- Milk Bar
- Internal diversification on top of primary production ie Pigs, Hens
- Outdoor pursuits/recreation etc
- Garden centres
- School visits – open farms
- Natural heritage
- Trekking/Livery
- Storage
- Recycling – on a local level
- Renewables
- Co-ops
- Rural Tourism
- Footpaths/Woodland walks
- Kennels
- Services eg Landscaping/financial/engineering
- Should on case-by-case basis - business ideas assessed

**Project funding & Intervention Rate**
- Fixed Intervention Rate
- 25% or £25k (whichever is the lesser)
- Own contribution of c10% (or guaranteed by someone) – to demonstrate commitment
- Enhanced intervention rate for young/new entrants
- How it effects the business
- Viability vs profitability
- Insist on WFR (Whole Farm Review)

Considering the fact that funds are limited what are the top 3 diversification sectors we should support?
- Rural Tourism
- Community projects; linking the community to agriculture
- Recreation
Other comments arising from the workshops included:
A need for clear and concise guidance
Clear assessment guidelines
Annual budget very small
Grants/Loans/pay for Business Adviser
Fixed rates preferable
Max £20k grant
  o Would only fund c6 projects per year (avoid overlap with SRDP)
Scrutiny/challenge of application
Alternative use of buildings – renovation/vernacular
Skills/education/human capital
Technology/innovation (novelty)
Broadband
Could be large scale projects – limiting one off projects
Flexible- not prescriptive
Consider costs & realism
Costs of bureaucracy dissuades applicants
Consultancy fees contribution useful in SRDP
Possible neighbouring young/new farmers
More uniform application process between strands
BG signposting and training
Loan scheme could have longer benefits
  o Subsidised interest rate
  o But could be extra bureaucracy
  o Need to set up new bodies
  o Could be based on CARE wind turbine scheme

**Rural Business Meeting 1.8.14 - Meeting Notes**

Aberdeenshire Council staff in attendance;
Alasdair Cunningham - European Programmes Coordinator

Alasdair outlined the purpose of the meeting and gave an overview of the North and South strategies outlining the indicative themes & priorities which the externally appointed consultants have collated in response to consultation events and surveys.

**North**
- Place
- Connectivity, community Services & facilities
- Business Competiveness
- Better Opportunities
- Community Capacity Building

**South**
- Connecting People & Places
- Developing Key economic sectors
• Natural environment & sustainable living
• Enriching and Positive activities for all

What support does Rural Business require in the North East
• Marketing support/advice
  o Efficiency
  o Machinery
• Access to development scheme
• Sustainability
  o Growth in the retails sector
• Support existing business
• Allowing business to tap into local wealth
• Assistance with green measures
• Lack of skills/people
• Broadband (satellite/communications)
• Training
• Support existing business

Project Ideas
• Training
• Employability schemes
• Tapping the female resource
• Accommodation
• Incentive

• Career progression

Project funding & Intervention Rate
• Guide of 30%
• £100,000 Max
• Flexibility
• Loans

Considering the fact that funds are limited what are the 3 support requirements?
• Efficiency – greening of business
• Connectivity
• Business enhancement
• Skills training increase labour supply
Note of AEFF FLAG Meeting & Workshop

Thursday 14th August 2014
Council Chamber, Arbuthnot House, Broad Street, Peterhead

1. Welcome and Introductions
Martin Brebner welcomed all to the meeting. David John introduced himself to the attendees and outlined the purpose of the meeting. Those present were;

- David John McRobbie | Aberdeenshire Council
- Martin Brebner | Aberdeenshire Council
- Nicola Graham | Ekos
- Ian | Ekos
- Zillah Jamieson | Banffshire Coast Tourism Partnership
- Robin Maddock | The Banffshire Partnership Ltd
- David Anderson | Aberdeen Fish Producers Organisation
- Michael Bates | Development Officer PFFPA
- Dr Ian Moir | BDAPlus
- Linda Hope | Scottish Maritime Academy at North East Scotland College
- Darren Broadley | Peter & J Johnstone Ltd
- John Cox | PFFPA
- Bill McKenzie | Don Fishing
- Liz Scott | BDP
- Derek McDonald | Aberdeenshire Council
- Robin Maddock | The Banffshire Partnership Ltd
- Steve Murray | Fishermen’s Mission
- Ian Watson | Fraserburgh Development Trust
- James Buchan | NEFTA Training Manager
- Willie Munro | Aberdeenshire Council

2. Introduction to the Aberdeenshire European Fisheries Fund
David John presented on Axis 4 Funding, advising of the Aberdeenshire European Fisheries Fund. The presentation focused on the:

- **The past AEFF programme (2012-2014)**: DJ advised there were twelve programmes running across Scotland. Aberdeenshire covers an area from Portsoy to St Cyrus. DJ advised the attendees of the current FLAG membership. Aberdeenshire EFF had £1.1million of funding in the previous programme, which is now closed. There were a total of 27 projects with a spend of over £804,000; all projects are monitored by David John. DJ outlined the differences between the AXIS funds. Concerns from the previous programme were identified as the application process being too bureaucratic; difficulties in match funding on the £ for £ basis (difficult to get from private bodies); meeting quorum at meetings has proved difficult previously due to members’ commitments and the lack of industry project applications (due in part to match funding issues).
• **Previously approved projects**: DJ advised that all projects have to be completed by October 2015. He gave an overview of “Taste of Grampian” project and “PFFPA Development Officer” project. Community led projects included the “Apex Centre” and “Banffshire Coast Tourism Partnership Project Officer”. Whitehills seafood restaurant “The Galley” was a successful renovation of a disused building into a restaurant. AEFF contribution of £45k assisted with the total project costs of £126,000. Attendees were invited to look at the AEFF website more detailed information on previous projects.

• **The future EMFF programme (2014-2020)**: David John outlined the purpose and outcomes of consultation events which were held earlier in the year and advised that two Local Development Strategies (LDS) are consequently being developed by external consultants. The LDS is currently being drafted along with the Business Plan which is to be submitted on 15.8.14. The FLAG will decide how to break down the two strategies into North and South areas. Nominations for a FLAG Chair and Vice Chair are welcomed. It is anticipated that Aberdeenshire Council will remain as the Lead Partner. The project application process will remain the same i.e. contact is made by the application to the Programme Co-ordinator with an Expression Of Interest submitted and checked, then the applicant would submit a formal application for consideration at the Project Assessment Committee (PAC), and who may (if required) request additional information, the application would then be presented to the Fisheries Local Action Group (FLAG) to score the project against set criteria and make a formal decision on the application.

• **Differences between the new EMFF funding programme and EFF (Axis 4 context)**: The types of project which can be supported in the next programme could include; data collection, support for small scale fisheries, training initiatives, feasibility studies, short videos and the development of new products. The rules on the composition of the FLAG are that 51% of votes must come from non-public bodies. Two or more FLAG areas can combine to create a “superFLAG”. Intern regional projects are managed by Marine Scotland.

3. **Governance Presentation**

Martin Brebner gave a brief presentation on the Governance of the Fisheries Local Action Group and how it will be delivered. Martin advised that the LDS is a bottom up approach covering both Rural and Fisheries; Marine Scotland had decided on a separate Fisheries LAG and that Marine Scotland is looking more this time at an industry focus. As there is a maximum population threshold of 150,000 residents therefore creating a requirement for separate North and South LAG areas; they will be tasked with administering Rural projects/funds. Martin focused on:

• **FLAG structure and membership**: will be made up of around 49% Fisheries interests, with the remaining 51% split between other private, public and community stakeholders.
• **Role of FLAG members;** members will identify development needs and funding priorities for the area, ensure the delivery of the LDS and project appraisals. Meetings will be held approximately three times a year ensuring best attendance possible. There will be a requirement to have a Chair and two Vice Chairs and there may be sub groups set up.

• **LEAD Partner;** Aberdeenshire Council will act as the delegated managing authority, accountable for implementation.

• **North and South Local Development Strategies;** Martin advised that the strategies are being developed to ensure they meet EU requirements.

4. **Q & A Session**

Q How many members are on the FLAG?
A 40 Organisations have been approached in order to get a range of relevant stakeholders. It will be up to the FLAG to decide on the final membership.

Q Has advice on the minimum quorum been received from Marine Scotland?
A No minimum quorum number has been advised by Marine Scotland; currently it is 4. The FLAG can decide on the quorum required.

Q Can the timescale for the £2.2 million spend be clarified?
A It is confirmed as 2020 for the spend. There is scope for the FLAG to determine the allocation of future funds i.e. there could be a decision to spend a fixed amount per year.

Q What is the deadline for the final strategy document?
A There will be a further FLAG meeting in September with the formalisation of the FLAG at the end of September.

Q What is the deadline for the finalisation of the Business Plan?
A End of September.

Q Is the EMFF start date of 1 January 2015 achievable?
A Yes, it is scheduled to begin on 1.1.15. It is anticipated that application forms will be ready for the first round of applications in approximately April 2015. It is usual practice to have an application deadline date with the PAC meeting shortly after, followed by a FLAG meeting. This is ordinarily within a six week timeframe.

Q What will go in the Local Development Strategy?
A A bottom up approach analysis has been done regarding coastal communities allowing scope for further applications from fishery sectors.

Q Can the funding rates change per project?
A There can be differing intervention rates. Current intervention rates for Business are 60%/40%, for Business and Community 70%/30%
and for Community only 90%/10%. Other LAGs for example Moray have previously used a fixed rate of 50%/50%. The FLAG can decide on the intervention rates bearing in mind it cannot exceed the public contribution (as per EU regulations).

Q Do applicants have to find match funding?
A It has been advised by Marine Scotland that they will allocate match funding. Only the private contribution from business is to be found.

Q Is there a duplication of funding streams for Fisheries projects?
A Applicants will be advised as to the most relevant AXIS fund to apply to.

5. **FLAG Facilitated Workshop discussions** (with Ekos the North Strategy Consultants in attendance) focused on the following points;

1) What are the development needs, opportunities and threats for Aberdeenshire’s Coastal areas from 2014-20?
2) Which EMFF priority themes are most relevant to Aberdeenshire’s Coastal areas?
3) Are there any specific projects which should be taken forward through Axis 4 funding?

6. **Conclusions and next steps**
Martin advised that the Aberdeenshire Fisheries Local Action Group membership application forms would be emailed to all today’s attendees. With interested parties asked to complete and return the application forms by 31.8.14. Martin clarified that the Business Plan would be submitted in 15.8.14.

7. **Date of Next Meeting**
To be advised to all as Tuesday 16th September 2014, 1pm at the Palace Hotel, Prince Street, Peterhead.