



Stornoway, Lewis.



Iomairt nan Eilean Siar Western Isles ENTERPRISE

Western Isles Enterprise (WIE) launched with partners the *Creating Communities of the Future* document, setting out key drivers for a sustainable economic future. Some elements have already been realised, including HIE's data processing centre in Benbecula. Another, renewable energy, was advanced with several generation proposals and the commitment of British Energy/AMEC to developing a major wind energy facility in Lewis.

We helped firms respond to globalisation by targeting niche markets, assisted 60 new firms to start up and helped companies create or retain 216.5 jobs in the year.

Exciting developments in broadband telecommunications included a demonstration pilot and initiation of islands-wide installation. This complements inward investment opportunities we created with a range of property developments.

In addition to delivering national training activities, including completion of 16 Modern Apprenticeships, WIE assisted in bespoke training programmes. We helped several fish processing companies to improve skills and established the M:Ploy Graduate Resource Centre.

Western Isles organisations continued to recognise the value of Investors in People, with 40 firms achieving or retaining the standard.

The value of culture and the environment was acknowledged through a calendar of events ranging from Ceolas Summer School to Mod 2001 and the Hebridean Surf Festival. Supporting cultural, media and economic opportunities was the digital upgrading of equipment at Studio Shiphoint.

Development in the Western Isles has its origins in the community and ultimately the benefits must be realised here. We assisted more than 160 communities' facilities and helped establish the EU-funded partnership Community Economic Development programme.



Chairman, Murdo MacIennan. Chief executive, Donnie Macaulay.



The Western Isles

Delivering economic and social development to the Western Isles (often known as the Outer Hebrides), WIE takes careful account of key factors such as the stabilisation of the declining population and the opportunities afforded locally and by international markets.

The natural and environmental resource of the islands is a strong base for the significant fish and shellfish processing industries in the area and creates unique opportunities to market the Western Isles as a tourist destination. This asset is a further tool in the area becoming a global player in renewable energy generation and manufacturing.

The Western Isles economy is estimated at £221 million or £7,827 per capita in terms of Gross Regional Domestic Product, with the main sectors being public services and administration; distribution; fishing/fish farming; agriculture; health, and education.

Our bid to bring new employment into the area is complemented by WIE's ongoing programme of quality property developments and the provision of world-class communications technology links. The Western Isles, while only an hour's flight from Glasgow or Edinburgh are a world away in terms of lower business overhead costs and security considerations, and a high skills base. Educational attainment rates are high, with many going on to further and higher education.

Community effort and voluntary activity are becoming increasingly important economically and socially, with a strong sense of language, culture and community identity.

Building on new and established partnerships, WIE seeks to progress locally and focus on the realisation of opportunities for the people of the Western Isles.



CASE STUDIES/KEY PROJECTS 2001-02



Amenity for all in north Lewis

An ambitious community facility was created at Eoropie in north Lewis by community-led GAIN (Guth Aison Iarrtasan Nis). As well as receiving £20,000 from WIE's community action grant and environmental renewal programmes, the project's 'healthy communities' elements helped attract £90,000 of New Opportunities lottery funding. The £145,000 project

regenerated and cleaned up nearly five hectares of sand dunes, reclaiming land that was formerly used for dumping builders' waste. The all-ages amenity created include an adventure/fitness trail; ramps for skateboarders and cyclists; a nature trail; under-12s play area; and a picnic/BBQ area.

Live to London

While well recognised by top restaurateurs such as Michel Roux and Raymond Blanc, the Live Langoustine Company name is scarcely known in the Western Isles. Employing seven people and supporting 14 local fishermen, the North Uist firm exports langoustines, or large prawns, specially packed in chilled transport to arrive live within 12 hours of leaving the islands.



2001–02 highlights

Traditional culture joins cutting edge technology and natural resources in a review of the year's highlights.



South Uist: Loch Druidibeg.

- We completed property developments at Lionacleit, Ness, Uig and Stornoway and pursued tele-business investment opportunities;
- Mod Gaelic festival in October 2001;
- Opportunities for manufacture and production at Arnish yard relating to developments in the renewable energy, along with other interests at the site;
- Public sector jobs dispersal – HIE data centre in Benbecula, announcement of Department of Works and Pensions debt management facility;
- Initiated with partners a consultancy review of the Arnish yard and opportunities. Continued support to former employees through the Oil Skills Centre, and new M:Ploy centre (Graduates and other professionals);
- Partnership *Creating Communities of the Future* vision launched;
- Broadband and communications technology – facilitated development of innovative broadband projects and digital upgrading at Studio Shiphoint, Stornoway.

2001–02 targets and out-turns

	Target	Out-turn
Strengthening communities		
Enhanced community facilities	5	28
Qualifications achieved	–	–
Jobs supported in community businesses	3	6.5
Increased participation in community/cultural/sports events	3,500	4,000
Developing skills		
Vocational Qualifications	69	76
Modern Apprenticeships – completed	15	16
Positive outcomes*	15	21
Growing businesses		
Jobs supported	285	216.5
New businesses started	60	60
liP recognised organisations	32	40
Quality index**	100	90.2

* **Positive outcomes:** Jobs and other outcomes reflect the numbers leaving training and entering a job, self-employment or further education.

** **Quality index:** This expresses wages in assisted projects relative to average wages in the local area. A value over 100 indicates higher than average wages.

CASE STUDIES/KEY PROJECTS 2001–02

Helped by a WIE funding package of £82,000, the company expanded its operations by refurbishing a factory at Kallin, North Uist, adding value to the output of some of the islands' best natural resources. The £137,000 project includes improvements to the production area, chill room, tank area, office and staff facilities.



Isles have it all sewn up

In a drive to meet the demand for locally-tailored goods, WIE developed and funded a £16,000 training programme on tailoring skills. Regular delivery of the basic course and a period of practice will create a pool of people competent in tailoring basics.

Participants on the first intensive course, held in Harris, said the course provided such a boost to their skills and self-confidence that they were encouraged – and even inspired – to go forward with ideas for starting a new business.



Western Isles Enterprise

Connected Western Isles

A connected Western Isles is not just about physical and transport links – WIE recognises the significance of electronic and communications links, connecting Western Isles people together, and with the rest of the world. Supporting this idea, the partnership vision document *Creating Communities of the Future* was published in 2001.

The EU/Comhairle nan Eilean Siar/WIE-funded initiative, Work Global (formerly Western Isles ICT Advisory Service) was re-launched in 2001–02 and builds on the principle of ‘live local, work global’. The HIE network applied this philosophy when its data centre was established at Lionacleit

in Benbecula in the autumn, processing payments for work done across the Highlands and Islands.

Connections were further strengthened when WIE jointly initiated contracting for the installation of a wireless broadband network throughout the islands, offering high speed/capacity internet and data transfer and access, supported by a DTI award of £1.1 million. A study looking at complementary sub-sea fibre optic connections was also initiated. Established networks, such as the remote learning centres operated through the UHI Millennium Institute, will benefit from this.

New enterprises have been stimulated, building on communications and technology



Working globally: Anne Buchan and Alex Tearse of Reefnet.

applications, including Reefnet, a local internet company assisted through WIE’s EU-funded business start-up programme. Western Isles companies can increasingly operate in global markets and are embracing e-business. WIE programmes to support these opportunities include an e-business adviser, Business Information Source and business skills seminars, in addition to Work Global.

2002–03 key priorities

- Accelerated property development and business infrastructure:**
 Over the period to 2005 we plan to create an additional 2,000 sq m of office space, to meet investment opportunities and indigenous business growth.
- Upgrading of broadband telecommunications infrastructure:**
 To encourage jobs dispersal, inward investment and community aspirations.
- Transport infrastructure:**
 We aim to maintain progress and help facilitate the Sound of Harris and Sound of Barra fixed links. Progress is also required in the development of external linkages, particularly in putting existing infrastructure to better use.
- Development of social and recreational infrastructure:**
 To raise quality of life we will continue to improve the level of social and recreational infrastructure.
- Community development:**
 We will seek to improve community infrastructure, developing community-based economic activity, improving skills, supporting language development through Gaelic broadcasting and achieving new development through land reform.
- Higher level skills programme:**
 WIE is keen to put in place a ‘best practice’ approach to training and to make significant investment in higher-level and managerial skills.

2002–03 targets

Strengthening communities	
Enhanced community facilities	15
Jobs supported in community businesses	10
Projects enhancing environmental quality	10
Cultural/arts events supported	10
Developing skills	
VQs achieved through Skillseekers	44
VQs achieved through Training for Work (TfW)	29
Modern Apprenticeships	100
Increase in proportion of TfW clients securing jobs or further education/training (%)	10
Businesses engaged in workforce development	40
Making global connections	
Jobs created/retained through business development support	200
Quality index	105
Businesses in key industries to broaden and/or deepen their activity in international markets	4
Growing businesses	
New business starts	40
Businesses supported to progress on the e-adoption ladder*	25
Businesses supported to engage in research/innovation activity	5
liP recognitions/re-recognitions	35
Businesses supported to apply EFQM** model	15
Priority area targeting	
Percentage of LEC funding in priority (fragile and regeneration) areas to:	
• Community groups and community businesses	100
• Recipients of discretionary skills funding	100
• Private-sector businesses for business development	100

* E-adoption ladder: Measures how Highlands and Islands firms are engaging in e-business activities. As the numbers using e-business grow and transactions become more complex, the challenge for a business is to move up the ladder.

** EFQM: European Foundation for Quality Management.