CONSUMER PROBLEMS IN
RURAL AREAS -
SUPPLY SIDE UPDATE,
FIRST STAGE

A proposal
by
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1.0 INTRODUCTION

1.1 We were invited by the Scottish Consumer Council, the Highlands and Islands Development Board and the Scottish Development Agency to submit a research proposal for a study to follow up the investigation into the problems of consumers in remote rural Scotland carried out by Tony Mackay and Graham Laing between 1978 and 1981. This earlier research studied the provision of a wide range of commercial, professional and public services in 26 rural parishes in Scotland, analysed the views of over 3,000 consumers about these services, and considered rural incomes and rural prices.

1.2 The main output of the Consumers in Remote Areas (CORA) study was a report entitled "Consumer Problems in Remote Areas", published by the Scottish Consumer Council (SCC) in 1982. The study programme also generated a number of other reports, working papers and articles.

1.3 The brief for the present study sets the objectives as:

(a) to see what changes in the provision of rural services there have been since 1979/1980, when the fieldwork was carried out;

(b) to identify what constraints there are on the supply of goods and services in different parts of rural Scotland, with particular emphasis on commercial services;

(c) to propose practical ways in which these constraints might be slackened.

It is proposed that the emphasis of this programme of research will be on the supply side, and there is no intention of undertaking a full scale consumer survey on the lines of the earlier study.

1.4 Contractors are asked to:

(1) identify demographic changes in the 26 parishes surveyed in Consumer Problems in Rural Areas, to provide a basis for comparing changes in the supply of services;

(2) document changes in the provision of the full range of services in the 26 parishes, including an analysis of changes in the general provision of private sector services in comparison with changes in the general provision of public sector services;

(3) draw up some initial hypotheses which might explain different trends in the provision of private sector services in the different parishes;
(4) propose how further research might be undertaken to identify supply constraints and practical ways of getting round them, not only in the remoter rural areas which are strongly represented in these 26 parishes but also in the less remote areas of rural Scotland;

(5) supply outline costs for this second stage of research.

1.5 This proposal sets out how we would undertake the tasks outlined above. In Section 2 we describe the approach and methodology which we would apply; Section 3 gives information on the proposed study team and their relevant experience; and Section 4 details the costs and timing.
2.0 APPROACH AND METHODOLOGY

2.1 The original Scottish Consumer Council report was an innovative study which provided a great deal of new information on Rural Scotland and in particular rural services provision. The report attracted considerable attention and has been widely used since then, both in Scotland and in other countries with similar rural areas.

2.2 Rereading the report in 1988, it is surprising how much of it is still relevant and how accurate the conclusions and forecasts have been. It is certainly an opportune time to assess what has happened in the intervening years and to try to identify what new action may be required to meet the various objectives of the three sponsors.

2.3 Without prejudging the outcome of the new research, some preliminary observations may be useful. The population of Rural Scotland appears to have stabilized in recent years, in contrast to that of Scotland as a whole which continues to decline, largely through net outmigration. Nevertheless, the aggregate figures mask substantial geographical variations in Rural Scotland. Population in some rural regions and some remoter areas has declined since the 1981 Census. In contrast many small towns have grown, notably those within commuting distance of larger centres of economic activity and employment. We expect the 26 parishes to provide a good cross-section of recent trends.

2.4 Three of the main conclusions of the 1982 report were:

(i) there had been a substantial decline in the local provision of private sector services (shops, banks etc);

(ii) public sector services (education, health etc) had held up relatively well;

(iii) there were marked differences in the experiences of the rural parishes and the remoter parishes.

2.5 The authors of the SCC report were concerned that the local provision of public sector services would follow a similar pattern of withdrawal as the private sector had implemented in the 1970s. That, generally, appears to have been the case. The decline in public sector services in Rural Scotland is a consequence of various factors, of which we would highlight three in this proposal:

(a) constraints in local authority expenditure;
(b) changes in policies;
(c) the problems of the agricultural sector in Scotland.
Commenting briefly on these three factors in turn, the central government constraints on local authority spending are well known. Most public sector services in Rural Scotland are the direct responsibility of local authorities, notably education and housing. The health boards have faced similar financial constraints. In consequence there have been many closures of rural facilities such as primary schools and local hospitals.

There have also been related changes in policies by the relevant authorities. That is most notable in the health sector, where there has been a marked trend towards the centralization of hospital and other specialized facilities. The underlying argument is that advances in technology have led to very expensive items of equipment which can provide better services from central locations.

Thirdly, the agricultural sector remains very important throughout Rural Scotland and has had a very difficult period in the context of the farm surpluses in the European Community. The prospects for marginal hill farms remain poor and there is considerable pressure on farmers to diversify out of traditional agricultural activities. We expect agricultural employment to continue to decline for the foreseeable future and that would have obvious implications for the demand for rural services.

Despite these negative trends, we believe that there are good opportunities for economic development and population growth/stability in rural Scotland. Tourism is seen by many people as a growth industry and rural Scotland has a lot to offer in that context. Fishing and fish processing have good prospects, particularly in the Highlands and Islands, and there are similar opportunities for value added processing of other rural resources. There appears to be an increasing number of small "footloose" firms attracted to rural environments.

Thus economic growth and population stability could be concurrent with a decline in the local provision of rural services. Here, accessibility is the key factor.

The centralized provision of better facilities (eg health services) could benefit those living in rural areas if they had access to them at reasonable cost. The implication is that there would need to be a corresponding increase in transport provision (which has not necessarily been the case). Other improvements in communications (eg computers and fax machines for rural businesses) will be important.

We are aware that the Scottish Consumer Council have taken a strong interest in rural transport, as indicated by the Council's research on the deregulation of local bus services. The results of that and other work on rural transport will be an important contribution to the rural services study.
2.13 The transport issue raises the final introductory point which we would like to make, namely the crucial need to take a disaggregated look at what has been happening in Rural Scotland. Aggregate measures can be very valuable but must be complemented by more detailed analysis. For example, the rural population with ready access to private transport may not have been adversely affected by the trends outlined above; those dependent on public transport are likely to have suffered. Similarly, children and the elderly generate different demands for services than those of working age. The study needs to take account of these important differences.

2.14 Turning to the specific tasks identified in the terms of reference:

Demographic changes

2.15 The main measure of "demand" will be population levels and other demographic changes such as age structure. The earlier SCC study was completed before the publication of the detailed results of the 1981 Census of Population, so that will provide a good base. Some local authorities (but not all) update population estimates for small areas on an annual basis and such estimates are available for all the local authority districts in Scotland.

2.16 Computerised 1981 Census small area statistics for parishes within its area are held by the HIDB. Similar data will be readily available from local authorities and the Central Research Unit of the Scottish Office.

2.17 For those parishes where there are not up-to-date "official" estimates, we are confident that we can put together reasonable estimates from registers of electors' valuation rolls and local contacts. We are currently undertaking, for the Highlands and Islands Development Board and the North West Sutherland Council of Social Service, a comprehensive census of the population of North West Sutherland and are therefore very familiar with the necessary techniques of population estimation.

2.18 As stressed earlier, it will be essential to identify not only the aggregate population levels and changes, but also changes in the compositions of the populations in the 26 parishes. Some rural communities have become popular retirement centres and their service requirements will be very different from parishes with more balanced populations.

2.19 We shall set the demographic changes in the 26 parishes in the context of the wider changes in Scotland and Rural Scotland (as previously defined in the SCC report). One of the objectives is to draw general lessons from the case studies and it is therefore important to know how typical or representative the 26 parishes are. We expect to be able to group the latter into various types of rural area.
Service provision in the 26 parishes

2.20 The documentation of the existing services in the 26 parishes should be a fairly straightforward exercise. The most reliable method would include a fieldwork trip to each parish. Their sizes are such that these trips would not be too time-consuming, except for the very remote communities such as Foula and Klichoman. In these cases we would rely on the good network of local key contacts we have established. In advance of the visits, we would put together available information from published sources, notably telephone directories (including yellow pages) which are a very useful source of information on both private and public services.

2.21 We are aware of the budget constraints for this study which the three sponsors have. The fieldwork in the 26 parishes will be the largest individual expenditure item (both fees and expenses) and it must therefore be undertaken in a cost-effective manner. We have two suggestions to make in that context, which we trust will be of benefit to the sponsors.

2.22 Mackay Consultants have recently opened an office in Edinburgh. We propose that the fieldwork in the South of Scotland and the Central Belt be covered from that office; and that our Inverness office be responsible for the Highlands and Islands, Grampian and possibly Tayside. This geographical division of fieldwork responsibilities should enable us to provide a better coverage than the other consultancies and academic bodies invited to tender for the study.

2.23 Secondly, we have various other studies underway in Rural Scotland at the present time, which also involve fieldwork in or close to many of the 26 parishes. With the agreement of the sponsors (notably the HIDB) it should be possible to arrange the fieldwork visits to take account of certain economies and shared costs. That would be particularly important for the island parishes to be covered.

2.24 As with the demographic data, it would be useful to have comparable information on an all-Scotland or all-Rural Scotland basis. That will be impossible for all the services to be covered but for some there are central sources of information. Examples are the banks and the professional institutions for accountants and solicitors. The Scottish Grocers' Federation collects statistics on shop provision in Scotland. The SCC bus deregulation study collected a lot of data on changes in rural bus services. From these and other sources we should be able to build up a reasonably accurate picture of what has been happening throughout Scotland.

Explanations of trends in private sector service provision

2.25 The results of this new research will, in some respects, differ clearly from the results from the earlier CORA study. In these cases, initial hypotheses may be relatively easy to draw up.

2.26 Perhaps more often, however, the experiences of the twenty six parishes will vary and we would need to draw on our knowledge of trends in Rural Scotland over the past ten years to develop hypotheses. This knowledge would be supplemented by interviews with selected suppliers of private sector services.
2.27 There are examples of successful initiatives in the service sector which may have general lessons for Rural Scotland and we would intend to identify and appraise them in the course of the study. The retail sector is probably the best single example. Through the medium of the Rural Scotland Prices Survey (which we undertake for the Highlands and Islands Development Board) we have promoted the policies adopted in Norway to maintain rural shops. Some of these have been tried in Scotland, with the support of both the HIDB and the SDA (eg in Tayside).

2.28 Similarly, there have been encouraging developments with the multiple use of buildings, which can perform a crucial role in rural areas. These include the use of village halls for tourism functions and the establishment of joint school/community centres with meeting and sports/recreation facilities.

Specific analysis

2.29 In the course of the study we would propose to probe particularly closely the following issues:

- the economics of and opportunities for single village shops
- the stability of small towns and other communities where there is a cluster of traders
- motor and mechanical repair facilities and costs
- the increasing role of the voluntary sector in local service provision
- the role of improved services in parishes where the population has been increasing.

2.30 The stages of the study can be summarised as follows:

(1) establish base-line data for the 26 parishes from the original report, working papers, etc;
(2) agree focus of supply side research with sponsors;
(3) develop initial hypotheses to test;
(4) data gathering and interviews with selected providers of services;
(5) test hypotheses;
(6) establish better developed hypotheses;
(7) conclusions - identification of key trends and existing constraints; recommendations for implementation;
(8) identify priorities for future research;
(9) provide options - with costings.
3.0 STUDY TEAM AND RELEVANT EXPERIENCE

3.1 Mackay Consultants are well known to all three sponsors of this study and have carried out a variety of studies for each of them. The firm was established in Inverness in 1984, since when it has grown steadily and now has a large share of the economic consultancy market in Scotland. It is also a partner in two joint ventures overseas - Canning and Mackay in Newfoundland, Canada, and Irish Economic Advisers in Dublin, Ireland. A copy of the firm's brochure is attached as Appendix I.

3.2 The firm has four main specialisms:
* the offshore oil and gas industry
* fisheries and fish processing
* tourism and leisure
* rural development.

3.3 The study requires expertise in four distinct areas:
* data collection, analysis and interpretation
* knowledge of remote and rural Scotland
* economic evaluation
* understanding of the economics of commercial rural services.

Mackay Consultants have considerable experience in these and related areas.

3.4 Much of the firm's relevant experience for this particular study stems from Tony Mackay's involvement in the original CORA study and the ongoing bi-annual production of the rural Scotland Prices Survey which now covers forty four rural locations.

3.5 Recent studies completed or in progress include:
* Moray Opportunities Study
* Project Locus, Aberfeldy
* Economic Importance of Salmon Angling and Netting
* Skiing in Grampian : Economic Development Opportunities
* North West Sutherland Demographic Survey
* Bus Deregulation Monitoring Study
* Wester Ross Roads Study.

Brief details of these and other studies are provided in the attached c.v.s in Appendix 2.

Our relevant experience for this study covers not only Scotland, but also rural service provision in Scandinavia, Canada, Ireland and other countries.

3.6 For the study we propose a team of four:

G A Mackay - study director
S R Westbrook
S K Nickalls
P Macmillan

3.7 Tony Mackay is the managing director of Mackay Consultants and a director of the firm’s two joint ventures in Canada and Ireland. Before moving into the consultancy profession as a founding partner of PIEDA, Edinburgh, he was on the staff of Aberdeen University between 1978 and 1981. The original CORA study was a major part of his work at Aberdeen.

3.8 Since leaving Aberdeen he has retained a keen interest in the affairs of rural Scotland and commercial service provision in these areas. The articles on topics such as rural shops and petrol supplies which have appeared in Price Survey reports reflect this interest.

3.9 Steve Westbrook joined Mackay Consultants in January of this year from the HIDB, for whom he worked for ten years. While at the Board, he set up and maintained a wide range of small area databases compiled from the Census of Population, unemployment statistics, Board assistance records and other sources. He liaised with Tony Mackay on the production and content of the Prices Survey and supervised other relevant studies, including the major Social Indicators Study carried out by Cottam and Knox at Dundee University.

3.10 Mr Westbrook was centrally involved in the Board’s area policy review process, through producing the original Area Profiles and editing subsequent Area Reviews. This role included studying a number of small areas in great detail.

3.11 Susan Nickalls joined Mackay Consultants in 1985, after a varied career in business and journalism. She has been involved in the various local economic development studies undertaken by the firm in recent years and has considerable experience of interviewing and evaluating small businesses. Miss Nickalls has also been involved in a number of rural studies including the Moray Opportunities Study.

3.12 Peter Macmillan has recently joined Mackay Consultants. He is a local highlander and a recent graduate from Glasgow University. His role in the study would be data collation and computer input and analysis.
3.13 Although our daily rates may exceed those of some of the other consultants who may be submitting proposals for this study, we believe that our familiarity with the data requirements, our existing information base and our contacts with key bodies and individuals in the 26 parishes will allow us to carry out this study very efficiently.
4.0 COSTS AND TIMING

4.1 The costs of the study would comprise professional fees, expenses and VAT. We do not envisage a need to purchase data, but if we can save time through buying information which has already been suitably processed we would trade this off against our time inputs.

4.2 The proposed time inputs are:

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<tr>
<td>G A Mackay</td>
<td>6</td>
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<td>S R Westbrook</td>
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<td>S K Nickalls</td>
<td>12</td>
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<td>P Macmillan</td>
<td>18</td>
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4.3 Expenses would include travel costs, subsistence, telephones, report production, etc. These would only be claimed as incurred on the study but for budget purposes we would set a maximum of 15% of the fees, i.e. £1,359, which would not be exceeded. Adding VAT at the current rate of 15% gives an overall study budget of:

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<tr>
<td>fees</td>
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<tr>
<td>expenses</td>
<td>1,359</td>
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<td>Vat at 15%</td>
<td>563</td>
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4.4 The time inputs, and hence budget, relate to five main tasks (as specified more fully in Section 2):

1. setting up, meetings with sponsors, presentations to Steering Group etc;
2. data and other information collection;
3. data collation and analysis;
4. formulation of hypotheses to explain trends in service provision;
5. specific analysis.

4.5 If the budget we have set above exceeds the sum which the study sponsors have at their disposal, we could cut back the topics for special analysis detailed in Section 2, by excluding those topics which the sponsors would see as lower priority.

4.6 The budget is thus flexible down to a floor of £9,000 plus VAT, which represents the minimum number of days we would require to carry out the core of the work as specified in the brief.
GEORGE ANTHONY MACKAY

Address: Balloon House, Inverness, Scotland IV1 2AB
Telephone: 0463 - 223200
Year of Birth: 1947
Nationality: British
Marital Status: Married with two children

Education:
University of Kent at Canterbury, BA in Economics, 1968
University of Reading, MA in National and Regional Economic Planning, 1969

Current Employment:
Managing Director, Mackay Consultants, 1984 to date
Director, Canning and Mackay (Newfoundland, Canada), 1984 to date
Director, Irish Economic Advisers (Dublin), 1987 to date
Specialist Adviser, House of Commons Committee on Scottish Affairs, 1981 to date

Other Posts:
Research Fellow, Department of Political Economy, University of Aberdeen, 1969-1976
Lecturer, Institute for the Study of Sparsely Populated Areas, University of Aberdeen, 1976-1981
Visiting Research Fellow, Norwegian Institute of Urban and Regional Research, Oslo, 1977-1978
Partner, Pieda (Economic and Planning Consultants), 1979-1984
RECENT CONSULTANCY EXPERIENCE

1988  Economic Impact of Salmon Angling and Salmon Netting in Scotland

Client: Scottish Tourist Board, Highlands and Islands Development Board

Detailed assessment of the economic benefits to Scotland and the areas involved. Based on survey of over 5000 anglers, plus proprietors, hotels and other businesses, including multiplier analysis of indirect and induced effects.

1988  Pittenweem Harbour Investment Appraisal

Client: Fife Regional Council

Assessment of plans for improved harbour facilities for the Pittenweem fishing fleet. The main expected benefits are time savings, improved safety and better market facilities. Appraisal undertaken using the normal DAFS and Treasury criteria. With Cobham Resource Consultants.

1988  Demand for Fish Farm Training

Client: Highland Regional Council

Assessment of suitability of Duncraig Castle as a centre for fish farm training in the Highlands and Islands. Estimation of likely demand for training courses and analysis of existing courses and facilities.

1988  Lochinver Harbour Economic Development Study

Client: Highland Regional Council

Assessment of plans for new harbour facilities at Lochinver in relation to benefits for fishermen and related onshore developments. Appraisal undertaken using the normal DAFS and Treasury criteria. With Sea Fish Industry Authority.

1988  Project Locus (Aberfeldy)

Client: Project Locus Steering Committee

Preparation of business plan and implementation plan for a tourism-led integrated rural development project. The project seeks to harmonise development interests with environmental considerations in the Upper Tay Valley and has economic, social and environmental goals.
1988  **Shetland's Image in the Oil Industry**

Client: Highlands and Islands Development Board

Background research for a marketing strategy for a new Shetland Oil Industries Group. Interviews with 30 oil companies regarding their experience with and knowledge of Shetland (supply base, helicopter base, Sullom Voe oil terminal etc). Analysis of prospects for Shetland and recommendations for marketing strategy.

1988  **Development Strategy for Fish Processing Industry in Arbroath**

Clients: Tayside Regional Council, Scottish Development Agency, Angus District Council

The fish processing industry in Arbroath comprises about 30 firms, most of which are very small. Sales have been static in recent years and the local industry has been lagging behind in terms of new developments. Preparation of business audits on each firm. Development of a strategy for improving marketing, greater involvement in value-added products, greater efficiency etc.

1987  **Feasibility study of surimi manufacture in Scotland**

Client: Scottish Development Agency

Surimi is a seafood analogue used to convert low value fish species into high value added products. Demand for surimi products is growing rapidly in Western Europe to the stage that domestic production may be viable. Assessment of viability of plant in Scotland and identification of possible operators.

1988  **Product Development Opportunities for the Fish Farming Industries**

Client: British Technology Group

Study of product development opportunities for the fish farming (aquaculture) industry.

1988  **Conservation of Shellfish Stocks in the Gairloch Area**

Client: Highlands and Islands Fishermen's Association, Gairloch Branch

A report on the problems caused by the increasing conflicts between creel fishermen and prawn trawlers in the waters around Gairloch and Torridon.
1988  **Ballachulish Tourist Development**

Client:  Confidential

Feasibility study of a proposed tourist development at Ballachulish in Lochaber.

1987  **Export markets for mariculture equipment and services**

Client:  Department of Trade and Industry

Forecasts of mariculture and aquaculture production throughout the world to the year 2000, with related forecasts of the demand for equipment and services. Analysis of export capabilities of UK firms, assessment of export opportunities and recommendations for DTI action. With Aberdeen University Marine Studies.

1987  **Potential for country club and leisure complex in North of Scotland**

Client:  Confidential

Preliminary appraisal of demand for and viability of proposed complex, including 40 bedroom hotel, golf course, equestrian centre, squash and tennis courts etc.

1987  **Market for gas diving recovery equipment**

Client:  Confidential

Assessment of demand for gas diving recovery equipment in the North Sea and throughout the world, in the light of the changed conditions in the offshore oil and gas industry.

1987  **Nairn Harbour economic development study**

Client:  Highland Regional Council

Preparation of case for public sector assistance for the repair and improvement of the harbour. Analysis of prospects for use by leisure and related craft, and associated developments such as water sports centre and housing.
1986-1987 PRIDE Monitoring

Client: Scottish Development Agency

Monitoring study of the Agency's Programme for Rural Initiatives and Developments (PRIDE). Analysis of the economic impact of the programme, including employment creation, cost-per-job, leverage etc.

1986-1987 Marketing of Norwegian farmed salmon

Client: Highlands and Islands Development Board

Assessment of Norwegian methods for marketing farmed salmon based on interviews in Norway and in the main importing countries. The study will include recommendations for the marketing of Scottish farmed salmon. With International Marketing and Economic Services.

1986-1987 Economic Impact of the West Highland Way

Client: Countryside Commission for Scotland

Analysis of the local economic impact of the Way, a long distance walk on the West Coast of Scotland. Based on:

(a) a survey of the expenditure of walkers (casual/day/long distance etc)
(b) a survey of local hotels, shops and other businesses.

1986-1987 Loss of Access to Fishing Grounds Through Offshore Oil and Gas Activity

Clients: Scottish Fishermen's Federation and the National Federation of Fishermen's Organisations

Study of the loss of access to fishing grounds in the North Sea from facilities such as oil and gas production platforms, exploration rigs, pipelines etc. Detailed analysis of fish catch data for the period 1970-85.

1986-1987 Impact of Oil Industry Activity on Georges Bank on the Canadian Fishing Industry

Client: Seafood Producers Association of Nova Scotia

Georges Bank is a prime fishing area straddling the Canadian/US border. Similar analysis to the North Sea study but using forecasts of likely oil activity rather than actual experience. With the DPA Group of Halifax, Nova Scotia.
1986-1987  World Offshore Oil and Gas Review

Client:  Internal

This is a detailed 18-month assessment of the prospects for the international offshore oil and gas industry 1986-1990, which will be published in early 1987 as a multi-client study. It includes detailed forecasts of offshore activity, with separate sections on future costs and prices, technological change and government policies. Geographically the review has been undertaken in six sections: the North Sea and other Western European; North and South America; the Mediterranean; Africa; the Far East; the Communist Bloc.

Responsible for the country studies in Western Europe and the Far East, the section on future costs and prices, and the overall editing.

1986-1987  Preliminary Appraisal of New North Sea Gas Pipeline

Client:  Confidential

Pre-feasibility study of possible new gas and gas liquids line in the Northern North Sea. Involved assessment of likely throughput from a group of fields and a comparative cost analysis with two existing pipeline networks.

1986-1987  Bus Deregulation Monitoring Study

Client:  Scottish Consumer Council

Monitoring study of the effects in Scotland of the deregulation of local bus services introduced in the Transport Act 1985. The focus is that of the consumer/bus passenger and particular attention is being given to changes in fares, quality of service, offpeak services and disadvantaged groups. With Dr. John Farrington of Aberdeen University.

1986-1987  North Mainland Tourism Survey

Client:  Highlands and Islands Development Board

Survey of 650 tourists visiting the Highlands in summer 1986. Sample divided into two main groups: (a) those who had visited or were visiting the Far North (Ross and Cromarty, Sutherland and Caithness); and (b) those who were not intending to visit the area.

1986  Reappraisal of the Market for Pipeline Bundles

Client:  Land and Marine Engineering

Update of earlier study, revised in the light of the fall in oil prices and changes in North Sea development plans.
Publications

Books and Monographs

1. The Political Economy of North Sea Oil (with D.I. MacKay), Martin Robertson, 1975.


Articles


17. "Offshore oil and gas policy: the United Kingdom", in Centre for Ocean Management Studies, Comparative Marine Policy, University of Rhode Island, USA, 1979.


Reports etc

1. Research into the Aluminium Smelter at Invergordon, paper presented to CES conference on regional development models, Bangor, 1971.


12. Loss of access to fishing grounds due to oil and gas installations in the North Sea (with D.W. Pearce, R. Blackmore and A. Stewart), Department of Political Economy/ISSPA, University of Aberdeen, 1978.


STEPHEN RICHARD WESTBROOK

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Telephone: 0463 - 870042

Year of Birth: 1949

Nationality: British

Marital Status: Married with one child

Education:
University of Cambridge, BA in Economics, 1971

Current Employment:
Senior Consultant, Mackay Consultants

Other Posts:
Senior Economist, Highlands and Islands Development Board, 1978-1987
Economist, West Midlands County Council, Birmingham, 1975-1978
RECENT CONSULTANCY EXPERIENCE

1988  **Inward Investment Study**

Client: Highlands and Islands Development Board

Interview survey of forty industrial companies which had moved into the Highlands and Islands. Comparisons sought between perceptions of the area as a business and residential location before the move and experience after the move. Lessons drawn from the survey for the Board's future inward investment strategy.

1988  **Millport Pier Study**

Client: Highlands and Islands Development Board

Assessment of the economics of establishing revenue generating activities to contribute towards the maintenance and running costs of a reinstated pier in Millport (Isle of Cumbrae). Options considered included a pontoon development with on-shore support, a heritage centre and a revival of the Clyde cruising trade.

1988  **Inverness Enterprise Park**

Client: Confidential

Economic advice on a private sector multi-million pound development proposal incorporating a business park, superstore and 100 bedroom hotel. Analysis of the supply and demand in the Inverness area for corporate office accommodation, high-tech business units, up-market hotel accommodation with conference facilities and major retailing outlets.

1988  **Lochinver Harbour Economic Development Study**

Client: Highland Regional Council

Assessment of plans for new harbour facilities at Lochinver in relation to benefits for fishermen and related onshore developments. Appraisal undertaken using the normal DAFS and Treasury criteria. With Sea Fish Industry Authority.

1988  **Demand for Fish Farm Training**

Client: Highland Regional Council

Assessment of suitability of Duncraig Castle as a centre for fish farm training in the Highlands and Islands. Estimation of likely demand for training courses and analysis of existing courses and facilities.
1988  **Project Locus (Aberfeldy)**

Client: Project Locus Steering Committee

Preparation of business plan and implementation plan for a tourism-led integrated rural development project. The project seeks to harmonise development interests with environmental considerations in the Upper Tay Valley and has economic, social and environmental goals.

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Background research for a marketing strategy for a new Shetland Oil Industries Group. Interviews with 30 oil companies regarding their experience with and knowledge of Shetland (supply base, helicopter base, Sullom Voe oil terminal etc). Analysis of prospects for Shetland and recommendations for marketing strategy.

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Clients: Tayside Regional Council, Scottish Development Agency, Angus District Council

The fish processing industry in Arbroath comprises about 30 firms, most of which are very small. Sales have been static in recent years and the local industry has been lagging behind in terms of new developments. Preparation of business audits on each firm. Development of a strategy for improving marketing, greater involvement in value-added products, greater efficiency etc.

1988  **Economic Impact of Salmon Farming on Skye**

Client: Highlands and Islands Development Board

Preparation of report on economic impact, including direct, indirect and induced employment, linkages with other local businesses etc. Based on interview survey of local fish farms.

1988  **European Community: National Programme of Community Interest**

Client: Highlands and Islands Development Board

Assistance with preparation of submission to the European Community for case for an integrated regional development programme for the Highlands and Islands. Analysis of strengths and weaknesses of the local economy, priorities and strategy, and the objectives of the programme.
OTHER RELEVANT EXPERIENCE

Highlands and Islands Development Board

Review of the HIDB

Liaison with Scottish Office staff, consultants and Treasury officials during major policy and financial management review of the Board (completed June 1987).

Policy Studies

Examination of Board policy and recommendation of changes to policy in specific sectors, including self-catering, nursing and residential homes, skiing and watersports.

Western Isles IDP

Preparation of economic and social case for the EEC-funded Integrated Development Programme.

Area Profiles

Editor and main author of 21 area profiles compiled between 1979 and 1982. These are substantial reports on the Board's "statistical" areas outlining economic structure, issues, opportunities and constraints.

Area Initiatives

Board representative on the multi-agency Moray Development Programme and other area initiatives.

Appraisal of Major Tourism Projects

Supervisor of in-house studies into proposals for island hotels, a marina in Oban and the Aonach Mor skiing scheme in Fort William. Methodologies acceptable to the Treasury have been developed. Liaison on consultancy studies, including the Ben Wyvis Mountain Railway proposal.

"Policies and Programmes", Board "Strategy", Corporate Plans and Operational Plans

Joint author of the Board's major policy documents submitted to the Scottish Office.

Annual Report

Authorship of regional economy chapter and statistical appendices of the Board's Annual Report.

Closure of the Invergordon Smelter Impact and Action Programme

Joint author with J.T. Hughes (HIDB) and J. Martin (Industry Department for Scotland) of report which supported the allocation of an extra £10 million to HIDB from Scottish Office and the establishment of an area office and project team.
Redundancy Studies

Surveys of the redundant workforces at the Fort William Pulp Mill and the British Aluminium Smelters at Fort William and Invergordon.

Construction Costs

A study comparing the outcomes against the plans of a number of major construction projects undertaken in the Highlands and Islands prior to 1980, including new industrial plants and platform construction yards.

Smaller Scale Initiatives

Close involvement in the planning and implementation of a number of projects, including latterly: Helmsdale Heritage Centre, Project ABLE (Ardgay, Bonar Bridge, Lairg and Edderton), Easter Ross Youth Employment initiative. Provision of economic advice in a wide range of projects seeking grant and loan assistance from the Board.

West Midlands County Council

Job Creation Programme

Coordination of the Council’s early involvement in this programme (a forerunner to the Community Programme and the Youth Opportunities Programme).

Inner Area Problems

Research into the extent and nature of inner city problems within the conurbation.

Manpower Forecasting Survey

A major survey of industrial prospects and manpower implications in the West Midlands.

"A Time for Action"

Research, analysis and preparation of report on the growing problems of a region handicapped by adverse Regional Policy.
SUSAN KAY NICKALLS

Year of birth 1958
Nationality New Zealand
Marital Status Single
Education Wellington Polytechnic, New Zealand, 1976
Current Employment Consultant, Mackay Consultants, 1985 to date
Other Posts Production Assistant, RTE, Dublin, 1980-81
Administrative Officer, British Oceanics, Edinburgh, 1981
Researcher, Sidartha Films, 1982-83
Researcher/PA, Midland and Scottish Marine, 1983-84
Editor, "North of Scotland Executive Magazine", 1984-85
RECENT CONSULTANCY EXPERIENCE

1988  Experience of Firms Who Had Relocated to the Highlands and Islands

Client: Highlands and Islands Development Board

Review of the Board’s promotional strategy for inward investment. Interviews with 50 firms who had relocated to the area, including ones which had since closed down. Subjects covered included reasons for relocation, quality of labour, business services, communications, actual performance of firm etc.

1988  Market for Independent Television and Video Programmes

Client: Confidential

Analysis of market for new company set up in the light of the pending requirement for the TV networks to contract out 25% of their local production. Interviews with potential clients and assessment of existing and likely competition.

1987  Export Markets for UK Mariculture Equipment and Services

Client: Department of Trade and Industry

Analysis of export markets and the competitive strengths of UK firms involved in the mariculture (fish farming) industry. Responsible for interviews with sample of equipment manufacturers and other firms to assess their capabilities and interests.

1987  Centre for Highland Music

Client: Highlands and Islands Development Board

Feasibility study of proposal to convert Balnain House, Inverness, into a Centre for Highland Music. Responsible for interviews with potential users and the assessment of existing (possibly competing facilities).

1986-1987  World Offshore Oil and Gas Review

Client: Internal

This was a detailed 18-month assessment of the prospects for the international offshore oil and gas industry 1986-1990, published in 1987 as a multi-client study. It includes detailed forecasts of offshore activity, with separate sections on future costs and prices, technological change and government policies. Geographically the review was undertaken in six sections: the North Sea and other Western European; North and South America; the Mediterranean; Africa; the Far East; the Communist Bloc.

Responsible for the country studies in the Middle East.
1986

**Skilled Labour Supply and Demand in Tayside**

Clients: Tayside Regional Council and the Scottish Development Agency

The study concentrated on four industries - advanced engineering, electronics, health care/biotechnology and North Sea oil and gas. The skilled labour needs of local firms were assessed together with longer term forecasts of demand in these industries. A review was undertaken of the existing training facilities and recommendations for changes made.

1986

**Expenditure of Skiers at Cairngorm and Glencoe**

Client: Highlands and Islands Development Board

Survey of the expenditure of 3,100 skiers at two of the four skiing centres in Scotland. Disaggregation by 12 expenditure categories. The expenditure estimates were converted into estimates of local employment creation.

1986

**Market for Pipeline Bundles**

Client: Highland Regional Council

There is one existing facility for fabricating pipeline bundles in the Highlands. In the light of an application for a second facility, the Council commissioned this study to assess market demand over the period to 1995 and the likely impact on the existing operation.

1985-1986

**Moray Opportunities Study**

Clients: Grampian Regional Council, Moray District Council and the Scottish Development Agency

Detailed study of ways to generate new employment opportunities in Moray, which has the highest rate of unemployment in Grampian region. Sectors examined included fishing and fish processing, agriculture, whisky distilling, miscellaneous manufacturing and tourism. A recommended programme of action, including some innovative projects, was put to the three sponsors and is being implemented.
CURRICULUM VITAE

NAME: PETER DONALD MACMILLAN DATE OF BIRTH: 29/06/1966

ADDRESS: Old Ferintosh
Alcaig
Conon Bridge
Ross-shire IV7 8HU

BIRTHPLACE: Oban
Argyll
Scotland

NATIONALITY: British
STATUS: Single

SCHOOL

Attended Dingwall Academy, Dingwall, Ross-shire

QUALIFICATIONS:
English A B
Arithmetic A Chemistry B Physics A
Mathematics A Mathematics C Mathematics B
Physics A
Chemistry B Physics C Geography C
French B
Geography C
German D

Certificates of Merit awarded: -
1st Year (1979) in History;
2nd Year (1980) in History, Physics, Mathematics and English;
3rd Year (1981) in English, Mathematics and Arithmetic;
4th Year (1982) in Mathematics

EXTRA CURRICULAR ACTIVITIES:
Member of school football and basketball teams;
Keen squash player - runner up two years running in Ross-shire Junior Squash Championships (1984, 1985);
Captain of the school table-tennis team (1984-85);
Member of school Debating Club;
Board member of Kinkell Youth Club;
Active member of the Scouting Movement;
Organised advertising for the School Magazine (1984)

UNIVERSITY:

Graduated from Glasgow University with an MA (Hons) in Political Economy (Upper Second).

Academic History -

1st Year (1985) 2nd Year (1986)
Economics (Ordinary) - Exemption Economics - (Inter Hons) - Pass
Politics (Ordinary) - Pass
Sociology (Ordinary) - Pass
Statistics (Ordinary) - Exemption

Outline of Honours Course (3rd and 4th Year)
The Core Course had a large macro content - both theoretical and applied. Open economy macro covered in a degree of depth, closed macro, problems of modelling both the economy and specific functions, fiscal and monetary policy, growth, and application of rational expectations were also covered. The micro content included welfare,
and applied micro. I also sat papers in quantitative methods, industrial economics, the economics of Western Europe, the economic problems of developing countries and an economic history paper.

EXTRA CURRICULAR ACTIVITIES:
Secretary and founder member of the Glasgow University Economics Society (1986-87), currently an ex-officio board member;
Play 5-a-side football weekly in a league;
Swimming and squash.

PART-TIME EMPLOYMENT
Research for the Scottish Office on Small Businesses in Scotland (Summer 87);
Worked on a lobster boat (Summer 85);
Labourer on a building site and bar work (Summer 84);
Petrol pump attendant and waiter (1982-83).

OTHER INFORMATION
Holder of a full and clean driving licence. Worked as an interviewer on a political telephone survey during the last Election. Have gained some experience of working with P.C's gained at university and from working at the Scottish Office.