

The Highland Council

Planning, Development and Infrastructure Committee

2 November 2016

Agenda Item	9
Report No	PDI/62/16

Inverness and Highland City-Region Deal

Report by Director of Development and Infrastructure

Summary

The purpose of this report is to provide members with an update on the City-Region Deal, to set out the expected high level benefits of the Deal, provide an update on the status of the component projects and explain the next steps.

1. Introduction

- 1.1 On 22 March 2016, agreement on the Inverness and Highland City-Region Deal (City-Region Deal) was reached with the Heads of Terms being signed by the Scottish Government, United Kingdom Government and The Highland Council. The full Heads of Terms document is attached as **Appendix 1**.
- 1.2 The City of Inverness and the wider Highlands offers a unique environment to live, work, study and visit and is a globally recognised location. The Deal is transformative and will position the area as a region of opportunity. It focuses on the attraction and retention of young people so that they can contribute to and benefit from a growing and increasingly skilled economy.
- 1.3 The City-Region Deal provides a significant funding package which invests up to £315m into the regional economy. As part of this funding package, the Scottish Government will commit up to £135m. The United Kingdom Government will commit up to £53m. This includes £3m advance funding for City Wi-Fi and environmental improvements around Inverness Castle. The Highland Council, along with regional partners, will commit up to £127m. The Council's contribution relates to funding the west link road, Inshes Junction, affordable housing and a capital contribution to digital which are already in the Council's capital programme

2. The City-Region Deal

- 2.1 Ensuring that the City of Inverness and the wider Highlands contributes to developing and growing the Scottish and UK economy is important for the future of the Highlands. There is a requirement to invest in skills, innovation, digital and infrastructure so as to improve the productivity and competitiveness of the region. It is expected that these investments will lead to the following benefits:

- the creation of 1,125 direct jobs as a result of the Deal projects with a further 2,200 additional jobs in the construction sector;
- up-skilling the labour market and contributing towards a high skilled high wage economy;
- establishing a centre of excellence in rural and digital healthcare with sufficient mass to attract research and investment and fully exploit the commercial opportunities;
- enabling business growth through effective digital connectivity and promotion of innovation;
- improving productivity and real wages, which are estimated to increase by almost 1.3 per cent and bring £100m per annum to the regional economy;
- helping rebalance the population with the aim of retaining and/or attracting 1,500 young people in the 18-29 age group over the initial 10 year deal period;
- creating 6,000 new houses over 20 years of which 1,800 will be affordable homes; and
- delivering private sector leverage from house building and, through opening up land for commercial development, this would see a return over a 20 year period of between £500-700m being invested in the economy of the city and region.

3 The Programme

- 3.1 Led by The Highland Council, which is responsible for both the City of Inverness and the wider Highland Region, the Inverness and Highland City-Region Deal will be implemented by a partnership between the Council, Highlands and Islands Enterprise, the University of the Highlands & Islands (UHI), Skills Development Scotland, High Life Highland, Albyn Housing and members of the Highland Economic Forum.
- 3.2. The programme for the City-Region Deal covers a 10 year period. Individual projects will be delivered earlier within these timescales, and some of the larger infrastructure projects will last the duration. However, as is the nature of transformational programmes, benefits will be delivered for some projects as early as next year (The Castle Viewpoint will benefit tourism and citizens, as will free WI-FI), and some will be continue to flow or even increase after the ten year programme.
- 3.3 Whilst the City-Region Deal is made up of component projects, it is key to the transformative nature of the programme that it will deliver benefits greater than the sum of its parts. So for illustrative purposes: the skills projects will enhance young people's chances of finding long term skilled employment, the provision of affordable housing, a growing economy and fit for purpose infrastructure will increase the likelihood of retaining younger people with more skills staying to help grow the economy further.

4. The Projects

- 4.1 It should be noted that the key issue for the majority of projects at present is securing the funding. Whilst the Heads of Terms has agreed a notional amount for projects, the funding can only flow once full business cases are agreed. Decisions are awaited imminently for projects where full business cases have been submitted. Work continues at pace to deliver remaining full business cases. The profit headings are noted below and **Appendix 2** gives a breakdown of the current situation.

5. Programme management Tasks

- 5.1 In addition to the individual projects, there are requirements from the governments around programme management and benefits evaluation. These requirements include a formal signing of the deal in addition to the heads of terms. Other programme management includes:

- conclude planning activity;
- complete any remaining business cases ;
- produce overall timeline; and
- produce monitoring and evaluation framework for the programme.

- 5.2 At present there is a focus of work for both governments on finalising the spending profiles for budgetary purposes. Once concluded a monitoring and evaluation framework will be delivered. It was proposed that this reports to a national board.

- 5.3 A communication strategy has been developed by the communication teams of the partner organisations. This will promote key developments within the programme at the appropriate time to ensure citizens and stakeholders are kept informed of activities, events and key milestones. Recent activity has included:

- a press release reminding people of what the deal includes and current progress;
- setting up social media accounts to inform citizens; and
- updating the city region deal web pages.

<https://www.highland.gov.uk/cityregiondeal>

6. Governance

- 6.1 Ensuring strong and effective governance arrangements for the Inverness City and Highland Region Deal provides assurance to both governments that there is transparency in decision making and project delivery and that the appropriate level of scrutiny and decision making exist. Governance arrangements were agreed at Council on 12 May 2016 and a diagram showing these arrangements is shown in **Appendix 3**.

- 6.2 The Programme Board is chaired by the Director of Development and Infrastructure and comprises the lead officers for each project, a representative from the finance service and representatives from the business community. It also includes appropriate representation from the Scottish and UK Governments.

6.3 The Programme Board, will report regularly to the Planning, Development and Infrastructure Committee and undertakes the following roles:

- ensure delivery of business cases and the implementation plan;
- ensure effective co-ordination between partners;
- ensure the ongoing overall alignment of the individual projects within the programme;
- resolving strategic and operational issues between projects;
- monitor project status and ensure project delivery; and
- manage risks and financial commitments.

6.4 The Planning, Development and Infrastructure Committee will undertake the following roles:

- ensure compliance with the Heads of Terms Agreement;
- approve business cases for Council led projects and note business cases for partner led projects;
- approve final project funding allocations;
- scrutinise and monitor progress as well as programme spend;
- approve Council led projects; and
- approve match funding contributions for Council led projects.

6.5 A Member City-Region Deal Scrutiny Board has been established comprising the Group Leaders. This reviews and monitors the progress of projects. The first meeting took place on the 1 September 2016.

6.6 Given that the City-Region Deal is delivered in conjunction with our strategic partners (HIE and UHI), the Highland Community Planning Partnership will also have a key role in providing programme overview, particularly on those projects being led by Highlands and Islands Enterprise and the University of the Highlands and Islands.

6.7 The post of Programme Manager has been created, initially for a two year period, reporting to the Director of Development and Infrastructure. This post is funded from within the Development and Infrastructure Service's existing resources, through reprioritising and restructuring current activities.

7. Implications

7.1 Resource

The programme management costs for the City Region Deal are met by the Council, initially for a two year period. The business cases for each project will detail resources required for the projects. At this time there are no other non accounted for resources required.

7.2 Risk

It is a requirement of the programme and the Governments that risk registers are kept and updated for the component projects. Where programme or deal levels risks are identified these will be escalated in the first place to the programme board.

- 7.3 Legal
There are no anticipated legal implications at this time.
- 7.4 Gaelic
The City Region Deal has a tourism and heritage theme and as such the programme as a whole and or the component projects will consider and promote Gaelic where appropriate.
- 7.5 Climate Change/Carbon Clever
One of the themes for the City Region Deal is “Low Carbon”, and as such the reduction and or minimisation of Carbon will be included in the planning and evaluation of the programme.
- 7.6 Rural
There is a mixture of impacts for the City Region Deal, urban and rural.
- 7.7 Equality
It is a requirement of the business cases that equality impact assessments are carried out for individual projects

Recommendations

Members are asked to consider the report and note progress to date.

Designation: Director of Development and Infrastructure

Date: 17 October 2017

Author: John Robertson, Programme Manager City-Region Deal

Appendix 1 – City-Region Deal Head of Terms Agreement

Appendix 2 – Project Update

Appendix 3 - City-Region Deal Local Governance Arrangements



Our signing of this document confirms our joint commitment to ensure full implementation of the Inverness and Highland City - Region Deal proposed by The Highland Council.

Keith Brown MSP

Cabinet Secretary for Infrastructure, Investment and Cities
Scottish Government

Lord Dunlop

Parliamentary Under Secretary of State for Scotland
UK Government

Cllr Margaret Davidson

Leader of The Highland Council



Executive Summary

1. The Inverness and Highland City - Region Deal provides a transformative opportunity to position the area as a region of digital opportunity and strength, thereby enabling the Highlands to be the best digitally connected rural region in Europe.
2. The city of Inverness and the wider Highlands offers a unique environment to live, work, study and visit and is a globally recognised location. This deal will make a step change contribution to the long term productivity and economic growth of the region by investing in vital infrastructure, fostering innovation, supporting regional skills development and promoting tourism.
3. Inverness City and the surrounding hinterland have experienced substantial growth in population and economic activity over the past 30 years. The area has benefitted from the creation and growth of the University of the Highlands and Islands and the development and growth of a range of sectors, including life sciences, energy, tourism, and food & drink.
4. At the same time, the city and wider region faces challenges that have acted as barriers to economic growth, such as retention of higher levels of skilled of young people, the need for improved rural connectivity and an over-reliance on a small number of major employers.
5. Recognising these challenges and opportunities local leaders, the Scottish Government and United Kingdom Government are working together to capitalise on underlying opportunities in a number of areas: digital connectivity, infrastructure, skills and tourism.
6. **The Inverness and Highland City - Region Deal therefore sets out a transformative change for the Region. Central to this will be a significant funding package which invests up to £315m into the regional economy.** As part of this funding package, the Scottish Government will commit up to £135m. The United Kingdom Government will commit up to £53m. The Highland Council along with regional partners will commit up to £127m. Collectively, this funding package will be provided over a 10 year period subject to detailed business cases, statutory processes and implementation plans.
7. The City - Region Deal is a tripartite agreement between the United Kingdom Government, the Scottish Government and The Highland Council. This joint deal demonstrates our strong support to the Inverness and Highland Region. All parties support bringing projects forward as quickly as possible.
8. The Deal will deliver a step change in terms of providing opportunities to enhance and accelerate the delivery of long-term aspirations for Inverness and the wider Highland region. The impact of this deal on the city and the wider region will be significant in realising the full growth potential of the local rural economy. Over its lifetime, The Highland Council estimate that this City - Region Deal will:
 - help to rebalance the population with the aim of retaining and/or attracting 1,500 young people in the 18-29 age group over the initial 10 year deal period;
 - create 1,125 direct jobs as a result of City - Region Deal projects with a further 2,200 additional jobs in the construction sector;

- help to up-skill the labour market and contribute to moving towards a high skilled high wage economy. It also establishes a centre of excellence in rural healthcare with sufficient mass to attract research and investment to the region;
 - improve productivity and real wages, which are estimated to increase by 1.3 per cent and bring £100m per annum to the regional economy;
 - create 6,000 new houses over 20 years of which 1,800 will be affordable homes; and
 - deliver private sector leverage from housing building and, through opening up land for commercial development, would see a return over a 20 year period of around £800m being invested in the economy of the city and region.
9. This document represents a “Heads of Terms” agreement building on the already significant investment in the region. Both governments are committed to continuing their support for the region. Further detail on the implementation of specific interventions of the deal will follow. This document has been produced for the purposes of outlining the principles of this broad agreement and does not form a legally binding contract.
 10. The following commitments form part of an overarching Inverness and Highland City - Region Deal Funding Package. Both Governments will work together to implement the commitments in this Deal and make them a reality.

The Commitments

Digital Connectivity

11. Improving the region’s digital infrastructure is key to the long term future of the local economy. It will drive innovation through the better use of our physical and digital assets to enhance public and private service delivery. The Highland Council has the ambition to be the best digitally connected rural region in Europe. This means extending the roll out of superfast broadband to key areas across the region where it has not been possible thus far and expanding 4G coverage to those areas where there is expected to be market failure.
12. **Commitment – Both Governments will work together to identify and explore ways to extend digital coverage, including Superfast Broadband and Mobile 4G connectivity, across the Highland and Islands region to support our ambition for the Highlands to be the most digitally connected rural region in Europe.**

Innovation

13. Innovation is a vital driver of long-term sustainable economic growth. The very considerable investment in the regional university and the government commitment to world class digital infrastructure, provide an opportunity to accelerate further development and commercialisation within the life sciences sector and to support the competitiveness of other key business sectors in Inverness. A **package of new innovation measures** will build on existing academic and industry expertise in Inverness as well as business support networks across the Highlands.

14. Due to its remote and rural communities, Inverness and the Highlands face particular difficulties in delivering health and care provision. Innovation is required by both the public and private sector in order to address these challenges. There is a strong and growing expertise and excellence in the health and life science research and industry base in Inverness and this provides a unique opportunity to accelerate the development, deployment and commercialisation of new medical products and technologies.
15. The University of the Highlands and Islands has committed to make significant investment in a multi-disciplinary centre for clinical research and teaching. There will be a major focus on the application of digital health and medical technology to remote and rural health and social care. This new centre will help build the capability required to address the challenges of the region.
16. The Deal will provide additional investment to ensure that the multi-disciplinary centre can also focus on the commercialisation of new medical products and technologies. It will also provide incubator space for start-ups and SMEs that are clustered around major local businesses and supply chains.
17. In addition to the life sciences sector, the city region also has strengths in the tourism, food and drink, and creative industries. These businesses need to ensure they are attracting talent, are able to reach new markets and have access to the finance they require to grow. The region's unique circumstances makes the approach to cluster building different: agglomeration is not possible in this dispersed city region and there is currently limited competition at local market level, which usually drives growth and ambition. An alternative approach is required, drawing on university knowledge, where relevant, from across the UK and beyond where there is demand from businesses for innovation, not based on proximity.
18. Therefore the Deal will support the creation of a **Northern Scotland Innovation Hub**. This model will be developed in partnership with existing bodies including the Scottish Edge and Business Gateway.
19. Complementing the commercialisation work, the deal will support the development of clusters of **innovative assisted living schemes** throughout the region. These new homes will be designed with full IT health and movement sensors linked to remote health and care providers, building on the existing tele health capability and supporting future developments in tele health. As appropriate, they will monitor the individual and provide bespoke, responsive care and health packages as required, thereby enabling **elderly** people to live in their communities and avoiding the need for them to be sent to hospitals and/or care homes. A further cluster of properties within the City will be developed to suit the needs of **veterans**, using the latest technology to monitor their health in their new homes.
20. **Commitment - Both Governments support Inverness's ambition to grow its life science industry to meet the key health and care challenges of the region. This Deal will provide additional funding for the commercialisation of life sciences at the new multi-disciplinary centre at the University of the Highlands and Islands School of Health.**
21. **Commitment - Both Governments recognise the importance of innovative and productive businesses to the future growth and sustainability of the economy of Inverness and the Highlands and Islands. This deal will increase investment in the**

Northern Innovation Hub that will provide tailored support for high growth small and medium sized businesses.

22. **Commitment – Both Governments recognise the importance of healthcare for elderly residents and for veterans. This deal will support the development of clusters of innovative assisted living schemes that will support the future development of tele health and that will deliver independence both for elderly residents and for veterans.**

Skills

23. Investment in human capital – the education, skills and health – of the people of Scotland is a central focus of Scotland’s Economic Strategy and working together, partners will look at developing innovative approaches to delivering employability programmes across the Highlands.
24. The Highlands and Islands Science Skills Academy (HISSA) has been established to transform science, technology, engineering, mathematics and digital creativity (STEM/D) education across the entire region. It will provide a **network of STEM/D learning centres** that are modelled on the Norwegian Newton Room concept and that provide a pipeline of skilled young people. To maximise the impact of this network, the Scottish Government will ensure that it is linked with the new Manufacturing Centre of Excellence and Skills Academy.
25. **Commitment - Both Governments recognise the need to find different ways to delivering STEM/D subjects in schools. This deal will support the delivery of a network of STEM/D learning centres.**

Air Access

26. Local partners have identified the importance of ensuring continued air access for the economic development of the region, in particular business-friendly daily links to international hubs and adequate interlining connections. Local partners have been working to secure a daily rotation to Amsterdam Schiphol as a short term solution, but ensuring and improving the level of air access to London remains a top priority for local partners over the longer term.
27. **Commitment - Both Governments recognise the importance of effective regional air access to the Highland economy and will work with the Highland Council to consider mechanisms for promoting improved regional access.**

Infrastructure

28. Lack of **affordable housing for young people** has been identified by employers as a major constraint in their efforts to grow their business. As part of this deal, The Highland Council, in partnership with the Scottish Government, private sector and housing associations, will create a recyclable loan fund to invest in the enabling infrastructure required to open up large key strategic sites. In parallel, The Highland Council will participate in the National Housing Trust initiative to create more new homes, targeted specifically to young people and available at a mid-market rent.
29. The **A9/A96 Link Road** is a key strategic road improvement to link the A9 with the A96 between Inshes and Smithton providing relief to the A96 and Raigmore

Interchange, while the **Longman Interchange** will deliver a new grade separated junction to replace the existing roundabout at the junction between the A9 and A82.

30. This investment will improve access to and within the local communities and at the same time improve accessibility to jobs, education and healthcare including the University of the Highlands and Islands and development along the A96 corridor. When completed these schemes will offer significant benefits to motorists in the Inverness area including road safety and journey time improvements to those travelling on the key strategic routes of the A82, A9 and A96.
31. The **Longman Interchange** is a major road improvement which will deliver a new grade separated junction to replace the existing roundabout at the foot of the Kessock Bridge. The new interchange will unlock significant areas of land which, once remediated, will provide much needed capacity for industrial and office developments.
32. The **West Link** forms the final section of the Southern Distributor Road linking the A9 and providing an alternative route avoiding the city centre. The road is being constructed by the Highland Council and opens up land for housing, commercial and leisure development to the west of the city.
33. **Commitment – Both Governments accept the important of infrastructure investment and this deal sets out a commitment to delivering the strategic A9/A96 Link Road improvement and grade separation of the Longman Interchange.**
34. **Commitment – Both Governments are committed to ensuring an adequate supply of economic development land and this deal sets out a commitment to support land remediation at the new Longman Interchange.**
35. **Commitment – As part of this deal, The Highland Council commits to delivering the improvements to the local road network at Inshes to provide the infrastructure needed to support development in the local area.**
36. **Commitment – As part of this deal, The Highland Council commits to preparing a Developer Contribution Framework with Transport Scotland as set out in the Highland Wide Development Plan and Moray Firth Local Development Plan to secure private sector contributions towards the significant infrastructure investment being made to the trunk road network.**
37. **Commitment – As part of this deal, The Highland Council commits to delivering the West Link road improvements to provide the infrastructure need to support development in the local area.**
38. **Commitment – Both Governments recognise the importance of affordable housing. This deal commits to working with The Highland Council to develop a package of support to increase the availability of affordable housing for young people.**

Tourism

39. **Inverness Castle** is an iconic feature of the cityscape. Investing in turning this into a world class visitor attraction of national significance will deliver a significant boost to tourism in the area, furthering economic growth in an important sector for the region and attracting increased visitor numbers.

40. **Commitment** – Both Governments recognise the importance of tourism to the city and the regional economy. This deal commits to supporting The Highland Council deliver significant investment in Inverness Castle.

Leadership and Governance

41. Strong and effective leadership from the Inverness City and Highland region has been a feature of the development of the proposals. The Highland Council will work with both Governments and other public sector agencies to ensure delivery of this deal, with governance being provided by a strengthened Highland Community Planning Partnership. In addition, the Highland Economic Forum made up of representatives from across the private sector is expected to provide an advisory forum on the implementation of the deal.

Next Steps

42. Both Governments look forward to working with The Highland Council and its regional partners to implement the proposals in this document and agree a detailed implementation plan. The value for money case will need to be made before funding is available and commitments are subject to the approval of final business cases. Both Governments will work with the region to develop an evaluation framework.

Appendix 2 – Project Update

City Region Deal Digital (Pan highland)	
<p>The purpose of the project is to identify and explore ways to extend digital coverage to support the ambition for the Highlands to be the most digitally connected rural region in Europe. The deliverables will include superfast broadband, mobile connectivity, business adoption and digital access</p>	
Latest Position	
<p>Planning initiatives continue and have had to take account of the recent “R100” announcement. This initiative of superfast coverage for 100% of all premises in Scotland has significant implications for the planning process for the City-Region Deal Digital Programme. A clear understanding of its implications is necessary. Following the completion of the planning process an outline business case will be submitted to the UK Government.</p> <p>An early component of the Digital Programme is the City Centre Wi-Fi. This project is piloting free Wi-Fi in Inverness beginning mid-November, with an aim to roll out across the city centre. The wider programme will learn from this pilot with a view to providing Wi-Fi in the main towns throughout The Highlands.</p>	
Deal Funding	*£20m UK Government
Project Lead	Stuart Robertson (HIE)

Science Skills Academy (Pan Highland)	
<p>The Science Skills Academy (SSA) will transform the uptake of Science Technology Engineering Maths and Digital subjects in schools. It will increase the proportion of indigenous young people who are able to take advantage of the growing opportunities in life sciences, renewable energy and digital technologies.</p> <p>The main deliverables are a SSA Hub and the Newton Rooms (dispersed throughout the Highlands). The hub will deliver strategy, development and maintain an overview of quality and best practice and the spokes – The Newton Rooms will deliver high quality, hands on science based activities. At each Newton Room there will be local partnerships formed to ensure that community involvement and local requirements are prioritised within the framework of the SSA.</p>	
Latest Position	
<p>The Full business case is currently under review. In the interim development work continues and pilot educational activity.</p>	
Deal Funding	£3m Scottish Government
Project Lead	Andrew Johnston (HIE)

Skills (Pan Highland)

To enable the Highland economy to grow and prosper, businesses need a skills set to meet current and future needs. The Highland Council wants to investigate, develop and deliver a Highland approach to employability and skills. A step change in how public sector bodies at national and local level work together (as per Christie Commission) requires:

- local partners to align and deliver services better (e.g. NHS and The Council);
- national partners to align/deliver services better with local partners (e.g. Skills Development Scotland with Highland Council/third sector partners); and
- new services aligned with existing provision rather than imposed (e.g. replacement Work Programme/Work Choice).

Latest Position

A report commissioned from “Rocket Science “ will be delivered early in November and used as a basis for planning the co-ordinated programme outlined above.

Deal Funding

Non funded

Project Lead

Andy McCann (THC)

Northern Innovation Hub (Pan Highland)

The initiative aims to transform levels of business innovation through funded targeted initiatives. The Northern Innovation Hub will be delivered by HIE in partnership with The Highland Council. It will deliver a range of targeted initiatives over a 7 year period principally across the food and drink, life sciences, creative industry and tourism sectors. The programmes will include:

- graduate placement programmes;
- Intensive support to young and new businesses;
- digital skills programmes; and
- adoption of competitive digital practices for highland businesses.

Latest Position

The outline business case is currently under review, however planning and development work including engagement with businesses continues to be lead through HIE.

Deal Funding

*£11m UK Government

Project Lead

Donna Chisholm (HIE)

Innovative Assisted Living Scheme (Pan Highland)

The aim is to establish innovative assisted living schemes using the latest IT healthcare to enable elderly people to live in their communities and avoid the need for them to be sent to hospitals and/or care homes. A cluster will also be built in the city to suit the needs of veterans. The deliverables will be:

- monitoring technology;
- adaptable carbon construction modular homes;
- data capture and monitoring systems;
- support packages; and
- clinically lead evaluation programmes.

Latest Position

An outline business case is currently under review and development work continues.

Deal Funding	*£3m Scottish Government
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Project Lead	Allan Maguire (THC)
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[Invent AC] School of Healthcare and Life Sciences (Pan Highland)

This project will establish a centre of excellence in innovation and commercialisation in health and life sciences, based on the campus it will work closely with The NHS to support emerging highland businesses and attract new businesses. It will deliver:

- a state of the art research, development and commercialisation centre (including: product development small manufacturing capability);
- a space for clinical research directly linked to applied health, and life science;
- a professional commercialisation resource;
- product development technical support; and
- development pipeline for the new products and services, spin-outs and technology.

Latest position

The Full Business Case is under review with governments early activity will align focus on the alignment of the rejects with proposed NHS developments.

Deal Funding	*£9m UK Government
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Project Lead	Jeff Howarth (UHI)
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Air Access

This initiative will create a key stakeholder group to take forward the commitment to ensure the importance of effective regional air access to the highland economy is recognised by policy makers and industry and will work with the Highland Council to consider mechanisms for promoting improved regional access.

Latest Position

Initial meeting arranged for the “Air Access Group” set up for 19 October to include local partners and representative from Department for Transport.

Deal Funding

N/A

Project Lead

Ranald Robertson (HITRANS)

Road Infrastructure East Link and Longman Interchange

The A9/A96 Link Road & Longman Interchange are key strategic road improvement projects which will provide significant improvements to connectivity within the city and open up considerable areas for economic development. These projects together with the west link road are of critical importance to enabling the City to grow and act as an economic catalyst for the region.

Latest Position

Transport Scotland is progressing plans for a single road connecting Inshes to Smithton in Inverness. Public exhibitions were held on 23 and 24 August 2016 in collaboration with Council officials. This was with a view to selecting a preferred option for the scheme in 2017.

With respect to Longman interchange a meeting has been arranged for the 31 October 2106 between the Head of Development and Regeneration and Head of Planning and Building Standards and The Scottish Transport project lead. The outcome of this meeting will be the appropriate set of actions to ensure the necessary information is available at the right time to ensure all designs and plans are fit for purpose. This will include previously commissioned reports where appropriate.

Deal Funding

*£107m Scottish Government

Project Lead

Alison Irvine (Transport Scotland)

Affordable Housing (Pan-Highland)

The initiative will offer young people attractive, affordable housing in the highlands to enable them to stay in the region, retaining a young and vibrant workforce for the Highlands. This would be high quality housing, initially for rent at affordable levels but with an opportunity to purchase, should they wish to do so.

Latest Position

The outline Business Case is being developed in conjunction with the Scottish Government Housing Officials

Deal Funding

*£5m Scottish Government

Project Lead

Allan Maguire

Land Remediation - Longman

The ultimate purpose of this initiative is to carry out land remediation and site servicing works to release the site for development. This would address lack of availability of appropriate land to meet the needs of both small and medium size businesses and the needs of larger inward investment companies. Encouraging employment uses to ensure the continued economic growth and success of Inverness. It should be noted that this business case is for site investigation works only. A pre-condition for the land remediation is site investigations that will take a year.

Latest Position

A business case has been submitted to the UK government for an initial amount of money to enable the investigation work to commence.

Deal Funding	*£10m UK Government
Project Lead	Allan Maguire

Inverness Castle

This initiative will use the opportunity of the Scottish Courts and Tribunals Service relocating from Inverness Castle to create a sustainable, viable and “must-see” centre that will celebrate the spirit of the Highlands. The centre will aim to attract new and repeat visitors to the area, it will include

- the castle viewpoint (the north tower) currently being refurbished;
- the wider redeveloped castle as a tourist and heritage centre;
- information and exhibits and interpretive programmes; and
- innovative digital and multimedia exhibits.

Latest Position

An outline business case has been submitted to the Scottish Government. In parallel discussions will take place with the Lottery. After a meeting on 7 November there will be a decision on the funding route that needs to be taken. In the meeting time the early option development, strategic definition and preparation of brief work will continue using the first tranche of City Region funding.

Early funding from the City-Region Deal has also been used to convert the North tower of the castle from offices to a viewing platform (The Castle Viewpoint). This will be open to all members of the public in Easter 2017.

Deal Funding	*£15m Scottish Government
Project Lead	Graham Watson (HLH)

*Figures are yet to be finalised and are therefore indicative.

Appendix 3 – City-Region Deal Local Governance Arrangements

