

Highland Community Planning Partnership Board - June 2017

Economic Update

1. Outcome Improvement

The detailed results of performance against targets for the outcome improvement plan will be released in September, once all the outstanding statistics on performance measures are available.

2. Highlights for Highland Council Area

In September 2016 it was reported that MacKellar Sub-Sea (owned by Ferguson Marine Ltd) was likely to carry out significant downsizing with a possible loss of 70 jobs in Grantown-on-Spey and Kinloss, Moray. However, after some redundancies later in the year the company has pulled back strongly and has recently won some significant contracts and reports a much improved position.

Corporate Health International (CHI) a Danish based healthcare group has established a base in Inverness to deliver bowel diagnostic screening. It will set up on the Inverness Campus and will invest £5.7m to establish 30 jobs over the next three years.

Made In Scotland, a collaborative enterprise with eleven member companies from Scotland including the Highlands and Islands (Cobbs, Inverness, R&B Distillers, Isle of Raasay and Cairngorm Brewery, Aviemore) have won a special accolade at the HSBC Scottish Business awards 2017.

The North Highlands continues to provide economic progress in the marine renewables sector. Two developments continue to provide encouragement to the sector. The Dounreay Tri project is making progress and is now fully consented, although there is still some way to go for realisation. This could see a significant multi million pound contract awarded to Global Energy Group in Easter Ross for construction of two off-shore floating wind devices that will be deployed to the North of Dounreay and in due course leading to 7 jobs in Caithness. The BOWL project continues to develop its O&M base in Wick with a £10m investment and around 90 new local jobs.

The success of North Coast 500 has recently been quantified with a first year impact of £9m in the North Highlands and the potential for an extra 200 jobs by the end of 2017. A multi-agency working group is responding to issues and opportunities to make sure that the region benefits from this innovative Tourism initiative. Work continues with NHI and NC500 to develop new opportunities such as developing the Far North Line into a better tourism product.

Success for local bakers, Reids of Caithness, in being awarded the title of Scottish Baker of the Year. This continues a remarkable success for the food and drink sector in the North Highlands. Many companies are already considering how they maximise their home markets as well as dealing with European and Global opportunities.

Liberty Steel have been promoting their intended new capacity at Fort William and getting significant interest from UK engineers and energy companies including SSE, GEG, BAE and Ferguson Marine (Clyde Blowers).

3. HIE's Economic Briefing

HIE's economic briefing for the Highlands and Islands Economy April 2017, follows

ECONOMIC BRIEFING

April 2017

HIE Research and Economics Team



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

INTRODUCTION

This economic briefing for April 2017 provides a commentary of the region's overall economic health and summarises recent economic and labour market indicators, focusing on changes over the past year. It also includes information on wider trends in relation to exports, food and drink, tourism and the energy sector, as well as summary findings from research exploring occupational segregation in the Highlands and Islands and the latest HIE Business Panel Survey.

REGIONAL OUTLOOK

On 29 March 2017 the UK Government triggered Article 50 of the Lisbon Treaty, formally beginning the process for the UK's exit from the European Union. A day earlier Holyrood voted in favour of plans for a proposed second Scottish independence referendum, enabling the Scottish Government to seek permission from the UK Government for a new poll before the UK concludes the process of leaving the EU. Both major political events – even by recent heady standards – and as the potential permutations arising from each of these are discussed and debated further in the period ahead, economic arguments will undoubtedly remain at the forefront.

While medium to long term forecasts are uniquely challenging within this complex and unpredictable context, this is certainly a timely juncture nevertheless at which to take stock of the data on recent economic performance. At the Scotland level, GDP figures indicate that the Scottish economy expanded by a lacklustre 0.7% in the year to Q3 2016 – on-going struggles within the oil and gas sector being the biggest factor behind this sluggish growth rate.

However, looking at national business survey data, it appears that the Scottish economy closed 2016 on relatively decent form, despite the prevailing mood of political uncertainty. The Royal Bank of Scotland Business Monitor reported that the volume of business activity reached its highest level in over two years during Q4 2016. Into this year, the Bank of Scotland PMI suggests that the trend has remained similarly positive, with private sector output in February rising at its fastest pace in 19 months. Moreover, there are further tentative signs of recovery from the oil and gas industry – albeit from a low base.

Turning to the recent picture in the Highlands and Islands, the outlook for businesses is in broadly positive territory overall. Findings from the latest HIE Business Panel Survey (conducted in January and February 2017) indicate that views on performance continue to be more positive than negative, and a majority of firms remain optimistic about their own prospects for the next 12 months. Tourism, buoyed by favourable exchange rates for international visitors over the past while, was found to be the sector most upbeat about both recent performance and upcoming prospects.

However, in line with previous waves since the EU referendum, this latest Panel Survey reports that confidence in the economy remains at a low level, with firms around three times more likely to say their confidence in the economy had decreased than they were to say it had increased.

Pessimism around prospects is most evident within the food and drink sector. The industry's exports jumped by 8% last year, helped by substantial growth in sales of seafood and whisky. But the latest Panel Survey suggests that confidence is fragile within the sector regionally. Uncertainty around the UK's future relationship with the EU may be a driver explaining this. The Panel Survey found that food and drink firms were more likely than others to expect that changes in trading conditions to the EU will impact negatively. Perhaps unsurprisingly, exporting firms across all sectors were likely to view European Single Market access as important, with around two-thirds expressing this view.

Although the full impact of the UK's exit from the EU remains highly unpredictable, the outcome of the EU referendum vote has already had clear real implications for the economy. In addition to helping the short term outlook for tourism, the weak pound has served to improve the international

competitiveness of many regional exporters. However, there is the potential for downside factors to increasingly come into play. Evidence of stalled investment by businesses, both regionally and nationally, amid heightened uncertainty, could act as a drag on growth.

Regarding sterling's depreciation, the economic benefit of an exports boost is counteracted with the drawback of higher input costs for companies reliant on foreign supplies – evidence of which has begun to emerge among Highlands and Islands firms. While at the consumer level there is the danger of increased import prices impacting on the purchasing power of household budgets. As outlined in recent commentary published by the Fraser of Allander Institute, robust consumer spending, fuelled by low interest rates, has been the greatest source of growth in the Scottish economy post-referendum. However, pointing to evidence from the Scottish Government's consumer confidence tracker, they warn of an increasing wariness among consumers.

The trajectory of wage growth will be key in determining whether inflationary pressures can be offset. As we discussed in the February briefing, the recent trend in the Highlands and Islands has been good overall, with typical salaries up by around 4% in 2016 – outstripping the annual salary growth across Scotland and the UK. Productivity improvements and an increase in the minimum wage for some of the lowest earners are likely to have been among the drivers for the increase.













On the labour market front, the latest available figures from ONS put the region's unemployment rate (ILO measure) at the very low level of 3.6%. In terms of job numbers, it can tentatively be concluded that there has been no clear uptick since July 2016 as the latest Panel Survey is again showing stable employment performance overall.

It is clear that there is the potential for economic headwinds to impact negatively on the region in the months and years ahead. But it is also the case that the business base continues to exhibit an underlying resilience, despite the uncertain climate. Crucially, most companies continue to be positive about growth prospects and the labour market appears to have remained in reasonably good health.

ECONOMIC TRENDS

Table 1 below highlights key economic trends for the Highlands and Islands and compares performance with Scotland. Data for economic activity, employment, unemployment (ILO measure) and youth unemployment have been sourced from the Annual Population Survey (APS). It should be noted that the APS is a sample survey which is subject to potential inaccuracies at sub-Scotland level. The figures for the Highlands and Islands should therefore be treated with a degree of caution.

Table 1 – Economic Trends

Indicator	Highlands and Islands	Change on year	Scotland	Change on year
Economic Activity Oct-15 to Sep-16 (Oct-14 to Sep-15)	80.7% (82.1%) 236,000 people		76.7% (77.8%) 2,706,000	
Employment Oct-15 to Sep-16 (Oct-14 to Sep-15)	77.7% (78.6%) 227,500 people		72.8% (73.1%) 2,572,100 people	
Unemployment (ILO measure) Oct-15 to Sep-16 (Oct-14 to Sep-15)	3.6% (4.1%) 8,400 people		4.9% (6.0%) 133,900 people	
Claimant Count February-17 (February-16)	1.9% (1.7%) 5,550 people		2.4% (2.3%) 82,200 people	
Youth Unemployment Oct-15 to Sep-16 (Oct-14 to Sep-15)	8.7% (10.9%) 2,600 people aged 16-24		13.4% (14.8%) 51,900 people aged 16-24	
Business start-up rate 2015	1,242 new businesses 32.0 per 10,000 adults		11,669 new businesses 26.3 per 10,000 adults	

Sources: Annual Population Survey, ONS; JSA Claimant Count, ONS; New Business Statistics, Committee of Scottish Bankers

Notes: The numbers shown under percentage rates in the columns are the absolute numbers relating to the latest figures and do not relate to the previous comparator period. Figures in brackets relate to previous year. For economic activity and employment data, absolute numbers relate to those aged 16 and over, while rates (%) are for those aged 16-64. The economic activity rate is defined as the number of people aged 16-64 who are economically active (i.e. in employment or unemployed) as a proportion of the total population aged 16-64, while the employment rate is defined as all people aged 16-64 in employment as a proportion of the total population aged 16-64. For the unemployment (ILO measure), both absolute numbers and rates relate to those aged 16 and over; the rate is defined as all those unemployed aged 16 and over as a proportion of the total economically active aged 16 and over. The Committee of Scottish Clearing Banks discontinued their business start-up statistics, with 2015 the last year for which data is available.

The latest data available from the APS, covering the period October 2015 to September 2016, reveals that the region continued to outperform Scotland against certain key labour market indicators. Compared with Scotland, the Highlands and Islands had higher rates of economic activity and employment and lower rates of unemployment (ILO measure), youth unemployment and claimant count.

From an analysis of the October 2015-September 2016 data against corresponding figures for the previous 12 month period (i.e. October 2014-September 2015), it is indicated that the employment level in the Highlands and Islands (as a percentage of the 16-64 year old age group) fell by -0.9% to 77.7%. Looking at the overall jobs count across the adult population (16 and over), the estimate for October 2015-September 2016 of some 227,500 is down marginally by -0.6% compared to the preceding 12 months. There was also negative annual change in the region's economic activity rate with a decrease during the year to the end of September 2016, dropping -1.4% to 80.7%. Across

Scotland, the employment and economic activity rates also dropped in the year to October 2015-September 2016.

The unemployment (ILO measure) rate in the region declined by -0.5% to 3.6% over the period. Moreover, youth unemployment continued to drop markedly, with the current rate of 8.7% representing an annual fall of more than -2%.

In 2014, the region experienced an eleven-year low in the number of business starts. Although up very marginally to 1,242 new business starts in 2015, the numbers remained low by historical standards. Across Scotland, the number of business starts declined by -1% (to 11,669) in 2015 against the 2014 figure, continuing the lacklustre national trend over recent years. The Highlands and Islands continued to exhibit a greater rate of business starts per 10,000 adults compared with the Scottish average.

Output, Productivity and Income

The latest provisional figures for economic output, published by ONS in December 2016, indicate that the Highlands and Islands economy generated around £10,202 million GVA in 2015. This continues the positive upward trend in regional GVA growth, evident in the data since 2012. In terms of GVA per head relative to the estimated 2015 UK average (£25,601), the Highlands and Islands figure (£21,779) reflects an improvement from the previous year – up 0.4% to 85.9% of the UK mean level. Scottish GVA per head relative to the UK average dropped by 0.3% between 2014 and 2015.

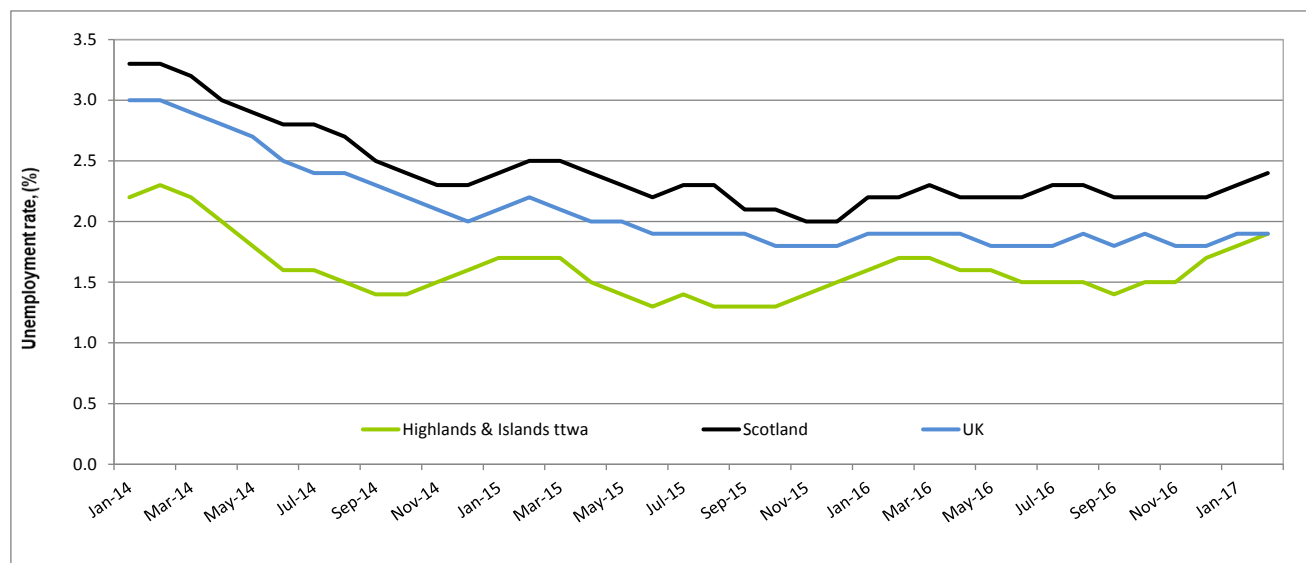
Against GVA per hour worked, the main measure of labour productivity, the Highlands and Islands level in 2015 was £29.10 per hour – an increase of 2.5% on the nominal levels in the year previous. This was lower than GVA per hour worked in Scotland and the UK during 2015, which had figures of £31 and £31.80 respectively. However, relative to the UK average, regional performance has improved gradually over recent years against this productivity indicator, from 87% of the overall UK average in 2008 to 91.5% in 2015. Scotland's performance has similarly improved in comparison to the UK average for GVA per hour worked, closing the gap from 94% in 2008 to 97.4% in 2015.

The median salary level for all Highlands and Islands employees rose in real terms (i.e. accounting for inflation) by 4.3% between 2015 and 2016 (to £21,626), according to ONS data. This compares to increases of 1.7% in Scotland and 2.7% across the UK. For full-time employees in the region, the median wage in the Highlands and Islands increased to £26,935 in 2016, representing a rise of some 3.7% on the previous year. Again, compared to the Highlands and Islands, income growth for full-time employees was lower across Scotland at 1% (bringing the median to £27,710) and UK-wide at 2.2% (to £28,213).

Average salary figures for 2016 are not available at the Highlands and Islands level. However, it has been possible to derive a broad estimate for the average salary in the region through using the region's six main local authorities as a proxy and aggregating the average earnings data for these areas. This indicates that the average income for all employee jobs in the Highlands and Islands improved by around 5% in real terms last year – higher than the increase in the average salary across both Scotland and the UK, which were up 3.2% and 3.1% respectively in 2016.

UNEMPLOYMENT

Figure 1 - Unemployment in the Highlands and Islands, Scotland and the UK



Source: ONS, chart from HIE's Unemployment Digest, January 2016

In February 2017, the average claimant count and universal credit unemployment rate for the 19 Travel to Work Areas (TTWAs) that comprise the Highlands and Islands was 1.9%, which was below the rate for Scotland (2.4%) but in-line with that for the UK. The region's rate was higher than that of the previous month (1.8% in January 2017), and that of a year earlier (1.7% in February 2016).

The TTWAs whose rates exceeded the Scottish average in February 2017 were Ainess & Invergordon (3.1%); Dunoon & Rothesay (3.0%) and Wick (2.7%). Ten TTWAs in the Highlands and Islands had rates in February 2017 lower than the Highlands and Islands average (1.9%) – Broadford & Kyle of Lochalsh and Lochgilphead (both with 1.7%); Ullapool and Fort William (both with 1.6%); Oban and Aviemore & Grantown on Spey (both 1.5%); Portree (1.2%); Orkney Islands (1.0%); Shetland (0.9%) and Mull & Islay (0.8%).

The total number of people claiming unemployment related benefits in the HIE area in February 2017 was 5,535. Out of the total, 1,075 were claimants aged 18-24.

GROWTH FORECASTS

The Fraser of Allander's Institute (FAI) most recent Scottish growth forecasts, published in March 2017, represent a downgrade on their projections prior to the EU referendum. FAI's forecasts are for growth in 2016 of 1.0% (from 1.4% pre-referendum) and growth in 2017 of 1.2% (from 2.1% pre-referendum).

HM Treasury's March 2017 publication of Average Independent Forecasts for UK GDP was 1.7% for 2017 and 1.3% for 2018.

CURRENCY AND EXPORTS

The value of sterling, which had already softened during the first half of the year, instantly tumbled following the 'leave' vote. In August, a major monetary stimulus package unveiled by the Bank of England – including a cut in the base rate to 0.25% and a ramp up of quantitative easing (BoE bond buying) by an additional £70 billion – put further downward pressure on the pound. As of 29 March 2017, the pound stood at around \$1.24 – representing a fall of some -17% since the referendum vote and a -14% decrease on the same point last year. Sterling has also dropped by around -11% against the euro since the referendum and was at €1.16 as of 29 March 2017.

Evidence from national business surveys indicates that the low value of sterling has been positive for export, but has also begun to have an effect in pushing up input costs for firms. For example, the Bank of Scotland PMI for February 2016 reported that larger input costs faced by businesses resulted in the second-quickest rate of output charge increase since April 2011. Moreover, Scottish Government statistics reveal that, despite the weak pound, the value of all Scottish manufactured exports in 2016 dropped by -8% on the previous year.

In general, the depreciation of the pound appears to have helped strengthen the immediate outlook among Highlands and Islands exporters. The latest HIE Panel Survey found that when asked about performance for international sales, some 30% of exporters reported an increase in the last six months and only 11% indicated a decrease; while 37% expect exports to increase in the next six months, compared to 9% anticipating a decline.

INFLATION

The Consumer Prices Index (CPI) annual inflation rose by some 2.3% in February 2017, compared with a 1.9% increase in the year to January. The February 2017 CPI rate was the highest since September 2013. The Bank of England forecasts that the rate of inflation will reach 2.7% during 2017. The Bank's expectation for rising inflation is due to the weakening of sterling since the EU referendum and the resultant increase in the cost of imported goods.

FOOD AND DRINK

The food and drink sector recorded strong export results in 2016, according to Scottish Government statistics released in March 2017. The industry's international sales rose by £421 million last year, to a record £5.5 billion. The latest figures represent an 8% increase on the previous year. Food exports alone went up dramatically, with a 22% increase to £1.5 billion. The fish and seafood category recorded the biggest overall increase of £156 million – a 26% jump. Whisky exports grew in 2016 by some £153 million (up 4%) to over £4 billion.

Scotland Food and Drink have highlighted that last year's overall figure for the value of exports represents a 56% rise since 2007, while industry turnover increased by 44% over the same timeframe to £14 billion.

The figures also reveal that the EU continues to represent the industry's largest export market, with sales to the continent valued at £2.3 billion in 2016 – an increase of £133 million on the previous year. Therefore, despite recent strong export performance, uncertainty about future trading relationships is a distinct issue for the sector in the wake of the EU referendum outcome. This is reflected in the latest HIE Panel Survey, which found that food and drink firms were more likely than others to expect that changes in trading conditions to the EU will impact negatively on their business. Furthermore, food and drink businesses were more likely to be pessimistic about the next 12 months, with 24% reporting that they were not very optimistic, compared to 18% overall.

TOURISM AND TRAVEL

There has been a wealth of recent information revealing that the national and regional tourism industries performed strongly in 2016. This corresponds with the general trend that is reflected in available travel data for the Highlands and Islands.

Tourism Trends

Figures from the Association of Leading Visitor Attractions (ALVA), published in March 2017, shows that visitor numbers were up by 15.9% across all its Scottish sites in 2016 – outstripping the UK average of 7.2%. Seven Highlands and Islands attractions are included in the AVLA figures and the trend across these has been very positive. Urquhart Castle, the most visited attraction in the region, saw numbers rise by 14% last year to 396,000. Other regional sites that also experienced an increase

in 2016 included – in order of total number of visitors – Culloden (21%), Skara Brae (9%), Inverewe Gardens (62%), Fort George (7%) and Elgin Cathedral (13%). Visitor numbers at Benmore Botanic Garden remained virtually unchanged on the previous year.

These new visitor attraction figures follow the release of tourism data in January, reported by Visit Scotland, which similarly indicate that 2016 was a bumper year for the Scottish tourism industry. During Q1 to Q3 of 2016 (January to September), the number of international tourism trips totalled over 2.2 million, representing growth of some 4% on January to September 2015, and spending by international tourists increased by 12% over the same period to £1.56 billion. The data also reveals that the total number of tourism day trips during January to November 2016 was up by some 13% compared to the same period in 2015, topping 129 million, and visitor spending linked with tourism day trips rose by 26% to almost £4.4 billion.

Further evidence that the Highlands and Islands has shared in the industry's ongoing recent success comes from the latest HIE Panel Survey, conducted in January and February 2017. It reveals that businesses in the tourism sector had performed well over the last six months and were more confident than those in other sectors about the economic outlook for Scotland. Some 62% reported that their business performed either quite well or exceptionally well over the last 12 months, compared with 42% overall. Across all aspects of performance – including employment, working hours, staff training, working hours, exports, sales/turnover and profit margins – tourism businesses were more likely than those in other sectors to report positive performance in the last six months. In line with findings from the previous wave, businesses in the Tourism sector were also more likely to report that they were very optimistic about their prospects in the next 12 months (28% compared to 17% overall).

This survey information corresponds with a lot of positive anecdotal evidence from throughout the region that there was a big increase in tourist numbers compared to previous years. The depreciation of sterling has been a key driver, improving the attractiveness of the UK and Scotland to foreign visitors, while new and enhanced services into Inverness Airport have helped to support the growth in visitor numbers to the Highlands.

Looking at potential issues for the tourism sector arising from the EU referendum decision, whilst it remains too early to anticipate the full implications, the free movement of labour remains an on-going area of concern within the industry. This is reflected in the Panel Survey results, with over half (56%) of tourism firms reporting that the free movement of people was important to their business, compared to 35% across all sectors.

Ferries annual carryings

Caledonian MacBrayne has recently published 2016 annual carrying data for all of their 28 west coast routes. The figures reveal that between 2015 and 2016 the total number of passengers increased by over 9% to 5,055,800. This reverses the trend in the year to 2015 when passenger numbers were down slightly. Also the number of cars carried last year increased by 16%, totalling 1,356,400. In contrast, fewer commercial vehicles were carried during 2016, with the total figure of 78,900 representing a decrease of just under -10%, while coach numbers was also down by -2% to 10,500.

Nine out of the 10 busiest routes saw total passenger carrying numbers increase between 2015 and 2016: Adrossan to Brodick (up 9% to 828,200), Largs to Cumbrae (7% to 738,500), Wemyss Bay/Gourock to Rothesay (7% to 675,700), Oban to Craignure (16% to 644,800), Ullapool to Stornoway (14% to 264,100), Mallaig to Armadale (1% to 250,800), Fionnphort to Iona (13% to 243,200), Colintraive to Rhubodach (11% to 232,000), and Kennacraig to Islay (4% to 203,200). The Uig to Tarbery/Lochmaddy route is the only one of the 10 busiest routes that did not see an increase in 2016, with passenger numbers virtually unchanged on the previous year at 188,100.

Rail Station Usage

Statistics gathered by the Office of Rail Regulation indicate that the overall level of rail usage across all Highlands and Islands rail stations was largely unchanged between 2014/15 and 2015/16. Amongst the stations serving 100,000 passengers or more per year, there was above trend growth at Oban (3%), Nairn (2%) and Aviemore (1%). Passenger numbers at the region's two busiest stations, Inverness and Elgin, were broadly unchanged, with rail usage remaining at around 1.3 million and 434,000 respectively. Among the other major rail stations, there was a drop of around -3% in rail usage at both Fort William and Keith, while there was a slight -1% decrease at Forres.

Air passenger traffic at airports in the Highlands and Islands

As we highlighted in the February briefing, figures released by Highlands and Islands Airport Limited (HIAL) reveal that 2016 was the operator's busiest ever year. Across its ten Highlands and Islands airports, passenger numbers reached 1.57 million – representing an overall 9.7% increase on 2015.

By far the strongest performer was Inverness, which welcomed 796,854 passengers in 2016, a 17.4% increase (i.e. around 118,000 additional passengers). HIAL attribute this substantial annual rise at Inverness to continued interest in European routes to Geneva, Zurich and Dublin and increased traffic to UK airports such as Manchester. Improved connectivity to hubs including Heathrow and Schiphol, Amsterdam also contributed to last year's growth.

Falling demand from energy sector services hit numbers at Wick John O'Groats during 2016, with a steep fall of -23% compared to 2015. However, in contrast, Sumburgh saw solid growth last year of 6.1% (to 335,169 passengers) due to increased traffic from the oil and gas industry.

The latest annual figures also show an annual increase for Barra (19.1%), Tiree (18.6%), Kirkwall (2.9%), Islay (2.9%) and a marginal increase at Benbecula (0.1), while there was a slight fall in passenger numbers at both Campbeltown (-1.1) and Stornoway (-0.8%).

ENERGY SECTOR

Oil and Gas

The price of Brent Crude oil stood at \$52.5 per barrel (bbl) as of 29 March 2017. This level represents a fall of more than 50% since mid-2014, but it is up on the average last year of \$43.7/bbl. The latest 2015-16 production statistics for the oil and gas sector, published by the Scottish Government in September 2016, reveal the impact of sustained low oil prices, with the value of Scottish North Sea oil and gas down almost a quarter on the previous year – slumping to the lowest level recorded since 1999. Over the past two years the downturn in the industry has presented an ongoing threat to jobs as major oil companies have sought to cut costs and make efficiency savings in order to ensure their survival and profitability.

In March Oil & Gas UK (OGUK) published its Business Outlook Report 2017. In terms of the supply chain outlook, the report outlines that the slowdown on the UK Continental Shelf (UKCS) has seen average revenues among companies fall by 30% since 2014, and firms have increasingly needed to look overseas to secure orders. However, OGUK indicate that "the bottom of the cycle may have been reached" and business may finally starting. Based on information from OGUK members, it appears that, while two-thirds of businesses have reduced their headcount since the end of 2015, far fewer are intending to reduce staffing levels this year. The report also cites gentle improvements during 2016 in the share performance of listed supply chain companies with a strong focus on UKCS, as well as prospects for major new capital investment projects this year and looking ahead to 2018 and 2019.

The message from the report that the jobs outlook in the supply chain is likely to stabilise this year is similar to the findings of the latest Oil and Gas Survey report from Aberdeen and Grampian Chamber of Commerce, published in November 2016. The survey found that conditions remain broadly challenging for the industry, but there are nevertheless signs of improvement, albeit from a low base. Most contractors reported that they anticipated staff numbers to remain the same (49%) or to increase (29%) during 2017, and contractors' confidence in the UKCS, although very much still in negative territory, picked up compared to the last wave of the survey in May 2016.

Renewables

Scottish renewables has published its members survey on Employment Trends and Business Confidence. The research, which was conducted in February 2017, found that on average respondents expected to lose around a sixth (16.9%) of their workforce over the next year. The sector currently accounts for roughly 21,000 jobs across Scotland. More than four in ten (41%) reported they were either quite or very negative about the future of the renewables sector more generally over the coming year, and a similar proportion felt 'neutral' about the prospects for the industry in the next 12 months. However, respondents tended to be more optimistic about the future of their own companies. Just under half (47%) reported that they felt either very positive or quite positive about prospects for their business over the next year, compared to around a third (32%) who felt either very negative or quite negative. A fifth (20%) reported that they were 'neutral'.

Scottish Renewables suggest that the key driver for the slowdown in employment in the sector has been the UK Government's refusal to allow the onshore wind and solar industries access to long term contracts for power.

OCCUPATIONAL SEGREGATION

Research exploring the extent and nature of Occupational Segregation in the Highlands and Islands was published by HIE in March 2017. The study, carried out by ekosgen, identified that occupational segregation is more pronounced in the Highlands and Islands than across Scotland as a whole, impacting on individuals, employers and the economy. The study highlighted that employment rates for both men (82.8%) and women (75.3%) in the region exceed the Scottish average. However, employment levels are higher amongst men than women, and the difference is more marked than for Scotland as a whole. The report identified that while occupational segregation impacts on both genders, it is more often women that experience the negative consequences.

There is clear evidence of a gender pay gap in the Highlands and Islands and men are more likely to work in more senior well paid positions, while women are more prevalent in less senior roles. The type of jobs that men and women work in often reflect traditional views of what is 'women's work' and what is 'men's work'. These patterns persist across most sectors and are evident in subject choices across modern apprenticeships, further and higher education. A range of factors contribute, including perpetuating stereotypes, workplace practices and cultures, working patterns and structural barriers such as availability of childcare.

The full report is available at www.hie.co.uk/occupationalegregation

HOUSING

The availability of housing is an important pre-requisite for attracting new residents to the region and stimulating population growth. Housing market activity is also a valuable indicator for wider economic performance and confidence as house sales tend to trigger significant additional spending on household goods and there is a correlation between higher house prices and increased household consumption (via the 'wealth effect').

The latest house sales data for Q3 2016 (July-September) reveals that, compared to Q3 2015, the number of transactions rose overall by 8.6% (to 2,408) across the six main local authorities in the Highlands and Islands. This is in contrast to Scotland as a whole which experienced a slight drop (-1%) over the same period. Of the region's local authorities, only Shetland experienced a decrease in the volume of transactions in Q3 2016. The latest figures for the region overall maintains the positive trend seen in the opening two quarters of 2016 (which recorded a 19% increase compared to the first six months of 2015). This also continues the return to growth in house sales this year after the more subdued outlook in the 2015 calendar year, when the number of housing transactions remained broadly flat in the Highlands and Islands.

In terms of the average house price in Q3 2016, the Highlands and Islands figure was down very slightly on Q3 2015 (by -0.5% to £159,100), while there was a marginal increase for Scotland as a whole (up 0.6% to £170,300). The data so far released for 2016 suggests a slowing in the upward trajectory of average house prices, evident both regionally and nationally, during 2013 to 2015.

HIE BUSINESS PANEL SURVEY

Findings from the latest HIE Business Panel Survey, conducted in January and February 2017, indicate that overall economic confidence remains low, with businesses in the Highlands and Islands around three times more likely to say their confidence in the economy had decreased than they were to say it had increased. In spite of the low level of confidence in the economy, views on business performance were again broadly positive in this latest wave of the survey. Around four in five said that their business had either performed well in the previous 12 months or performed at a steady level.

On specific aspects of performance, businesses reported mainly steady performance in employment, working hours, staff training and exports. Once again, views were more mixed in relation to sales/turnover and profit margins. Across all aspects, Tourism businesses reported more positive performance in the last six months, and were more likely to be very optimistic for the future. Overall, the majority of businesses remain optimistic about their own prospects for the next 12 months. One in five businesses remain pessimistic about their business prospects, and pessimism is higher than average among small businesses and those in the Food and drink sector.

In line with the previous Panel Survey, there were mixed views from businesses on the importance of access to the European single market and free movement of people across the European Union (EU) (important to 48% and 35% of businesses respectively). While many do not currently see these as being of importance to their business, there is a clear cohort that do with access to the single market particularly important to exporters in the region and those trading with other EU countries, and free movement of people to those in the Tourism sector and larger businesses.

Around a third of businesses in the region carried out trade with countries outside of the UK. In terms of specific markets, at least one in ten traded with North America, Asia, and Australasia. Over a quarter traded with the rest of the EU, with most selling to EU customers and around half sourcing equipment or materials from EU suppliers.

When asked about a range of potential changes in the conditions of trade between the UK and the EU, businesses were more likely to say they would have a negative impact than a positive impact.

The area that businesses were most negative about was the possibility of new tariffs that may increase the cost of importing goods from the EU. The exchange rate and the low value of the pound was the one area in which views were more mixed. Overall, those who already carried out trade with other EU countries, those in the Food and drink sector and account managed businesses were more likely than others to anticipate a negative impact from changes in trade conditions.

SCOTTISH BUSINESS SURVEY RESULTS

- **Bank of Scotland Purchasing Managers' Index (PMI)** – results for February 2017 indicate the fastest increase in output levels in Scotland's private sector for 19 month in February 2016, with performance particularly strong among manufacturers. Although, higher input costs faced by firms led to the second-quickest rate of output charge increase since April 2011.
- The latest **Scottish Engineering Quarterly Review** for Q1 2017 reports continued improvement in the Manufactured Engineering sector, following on from positive results at the end of 2016. Optimism levels have improved significantly, and the outlook is reported as positive for intake orders, exports, employment and investment.
- The latest **RBS Business Monitor** indicated that conditions in the Scottish economy continued to improve over the three months to November 2016 and this trend is expected to continue into 2017. Turnover and the volume of new business both increased in Q4 2016. Although, exporting continued to struggle and was weaker than in Q3 and rising import prices have led to higher costs.
- **ICAEW Business Confidence Monitor Scotland** – the latest release for Q1 2017 reports that, although business confidence remains in negative territory, the picture is improved compared to 2016. There are signs that domestic sales continued to pick up gradually and forecasts for exports are upbeat. On the downside, firms highlighted that access to capital is more challenging than a year ago.
- The latest **Scottish Chambers of Commerce Quarterly Economic Indicator** for Q4 2016 shows a positive outlook for Scotland's manufacturing sector, which reported its strongest trend in new orders since 2014 and an increase in export orders. Tourism continues to perform well with excellent visitor numbers, while the Retail sector returned to optimism in Q4. Overall, results are in positive territory across key sectors, but moving into 2017 firms are expected to be challenged by the impact of exchange rates on import costs and tightening cash flow and profitability.
- **CBI Industrial Trends Survey** of Scottish manufacturing firms indicates that manufacturing output increased over the three months to October 2016, however new orders and employment numbers contracted. Looking ahead, it is anticipated that the weak pound will have a strong influence, boosting exports but also increasing input costs.

HIE RESEARCH AND ECONOMICS TEAM
April 2017

www.hie.co.uk

Meeting: Community Planning Board

Date: 28 June 2017

Report Title: Employment

Report By: Director of Development & Infrastructure

1. Purpose/Executive Summary

- 1.1 This Report presents an update on developments and the outcome of the recent partnership review.

2. Recommendations

- 2.1 Note progress, the internal review undertaken and proposed activity.

3. SOA Update

- 3.1 When originally prepared in 2013 the Single Outcome Agreement (SOA) had two long-term employment related outcomes:
- to widen participation in the labour market across all client groups and across all Highland geographies; and
 - to enable the regions' young people to have the opportunity to flourish and to contribute to the sustainable economic growth of the Highland economy.
- 3.2 This recognised that whilst Highland had historic high levels of economically active people and low levels of unemployment, there remained a priority task to ensure young people positively contribute to the growth of the Highland economy and ensure that those individuals furthest removed can progress towards and into employment.
- 3.3 The availability of official statistics is insufficient to measure detailed performance against the achievement of these outcomes. It is known however, that:
- the Employment rate has increased from 75.4% in 2012/13 to 80.5% in 2016;
 - the number of young people leaving school to a positive destination has increased from 91.8% in March 2013, to 94.9% in October 2016; and
 - youth unemployment has reduced from 959 (5.7%) in 2012/13, to 555 (3.2%) in April 2017
- 3.4 Hence, overall Highland has witnessed during the period 2013–2017, improving levels of labour market participation and improving positive destinations for young people when they leave school. Accompanying this has been a reduction in youth unemployment.

4. Progress

- 4.1 As previously reported to the Board there has since 2013 been a recognition and effort by partners towards a better alignment between skills and employability activity to the current and growing needs of business. To this end effort across partners has focused on delivering the Developing Scotland's Young Workforce Agenda and Highlands and Islands (H&I) Skills Investment Plan and in particular, the Highland Action Plan. Partner organisations across Highland (HC, HIE, SDS, UHI Inverness College/North Highland College/West Highland College/Sabhal Mòr Ostaig, together with the Chambers of Commerce, SCDI and FSB) have through the Highland Works partnership developed an approach to progress in an integrated manner including:
- **Broad General Education:** Council's Care and Learning Service
 - **Senior Phase/Colleges:** Council's Care and Learning Service
 - **Colleges:** North Highland/Inverness/West Highland Colleges UHI
 - **Employers:** 3 regional groups led by Caithness, Inverness and Lochaber Chambers of Commerce
 - **Talent Attraction:** Highlands and Islands Enterprise
 - **Equalities:** Council's Care and Learning Service
 - **Apprentices:** Skills Development Scotland
- 4.2 Across the partners, work has progressed with each organisation having its own particular reporting mechanisms in place.
- 4.3 Partners have recently concluded in an internal review, that Highland Works is functioning more as a forum for information exchange rather than fulfilling a strategic

role in identifying, initiating and managing cross cutting collaborative activity. There is a need and a will from partners to continue to progress activity on an integrated manner but have asked a working group comprising SDS, Inverness College UHI, HIE and the Council, to identify a small number of priority actions that will benefit from strategic oversight and collaborative action.

- 4.4 It is anticipated that this work will also usefully identify activity which will benefit from the UK and Scottish Government commitments in the Inverness City Region Deal to the development of a Highland approach to employability and skills.

Designation: Director of Development & Infrastructure

Date: 16 June 2017

Author: Andy McCann, Economy & Regeneration Manager, Highland Council

Highland Community Planning Partnership

Improving Early Years Outcomes – June 2017

1. Early Years Outcomes – Performance Measures Update

Highland Council and NHS Highland have agreed a performance framework for children’s services as outlined in *For Highlands Children 4*. A number of Performance measures relate specifically to the Early Years.

Outcome: Children & Young People Experience Healthy Growth & Development

Performance Measure	Current Situation
<p>The percentage of children who reach their developmental milestones at their 27 – 30 month health review will increase year on year</p>	<p>The 27-30 month review aims to assess child wellbeing and to promote early child development (particularly social/emotional and language/cognitive development). Locally revised tools for undertaking this review are now used across all family teams. With the revision of the Health Visitor pathway this remains under review. ISD (National Data for 2013/14) showed that 72% of children who had a 27-30 month review had no concerns identified, Information provided by NHS Highland health intelligence team indicates that in 2014/15 75% of children reached their developmental milestones and that in 2015/16 this figure has risen to 79%. The stretch aim has been revised and now reads: “By 2020, at least 85% of children within each SIMD quintile of the CPP will have reached all of their developmental milestones at the time of their 27 – 30 month child health review.”</p>
<p>The percentage of children who reach their developmental milestones at entry to Primary one will increase year on year</p>	<p>An assessment model has been agreed and developmental overviews are now used across Highland providing rich data for each child on entry to school. The data shows that 85% of children met their developmental milestones in 2013/14 with 87% achieving in 2014/15. This figure has remained at 87% for the year 2015/16. This target was set against a pre-existing</p>

	<p>national stretch aim that 85% of children would reach their developmental milestones at entry to Primary one by 2019..</p> <p>We will continue to use developmental overviews to monitor this target within Highland in coming years although consideration will be required to reflect on how we report on the new stretch aims for children at this stage.</p> <p>The new stretch aims state:</p> <ul style="list-style-type: none"> • By 2020, at least 85% of children within each SIMD quintile of the CPP will have reached all of their developmental milestones by the time of their 4-5 year child health review. • By 2020, at least 85% of children within each SIMD quintile will have successfully achieved early level literacy, numeracy and are progressing in health and wellbeing as evidenced by SHANARRI indicators by the end of primary 1.
<p>There will be a reduction in the percentage gap between the most and least affluent parts of Highland for low birth weight babies</p>	<p>The performance measure for this now reads; There will be a reduction in the percentage gap between the most and least deprived parts of Highland for low birth weight babies</p> <p>Although variable, the latest data from NHS Highland shows that the percentage difference has risen from a baseline of 2.9% in 2013 to the current position of 4.2%.</p>
<p>Improve the uptake of 27-30 month surveillance contact from the baseline of 52% to 95% by March 2016</p>	<p>Improvement work is underway to increase the uptake. National ISD data indicates that coverage increased from 34% to 82% in the year 2013/14. This dropped to 79% in the year 2014/15 and remained the same for the year 2015/16. Data for June 2016 shows this to be at 84.1% which is a significant increase from the year end figure of 78.8%.</p> <p>Uptake of 27-30 month child health surveillance contact is currently reported as 87.6% (previous quarter 85.6%).</p> <p>A delivery plan is currently in place to demonstrate improvement in the uptake</p>

	acknowledging the joint accountabilities of General Practitioners and Health Visitors
95% uptake of 6-8 week Child Health Surveillance contact showing no difference in the uptake between the general population and the least affluent parts of Highland.	The data shows a variable picture with 8.4% poorer uptake in areas of deprivation in 2014. However, this trend reversed in 2015 with a 5.7% greater uptake of 6-8 week contact in areas of deprivation. More generally, uptake of 6-8 week surveillance contact is currently reported at 81.3% (a small fall from previous quarter of 84.8). Return of the form from GPs remains problematic and improvement work with Primary Care Managers through the Child Health Commissioner continues
There will be a reduction in the percentage gap between the most and least affluent parts of Highland in the number of children exclusively breastfed at the 6-8 week review	The data shows that in 2014/15 there was a variation of 15.8% of children exclusively breastfed compared to 36.2% in the general population. Data for 2015/16 shows the variation to be 18.8% compared to 31.7% in the general population. With regard to the number of children exclusively breastfed at 6 -8 weeks in the general population, the latest data from NHS Highland shows that although the target of 36% of new born babies being exclusively breastfed at their 6-8 week review was achieved last quarter, the current performance is 31.3%.

Outcome: Children and young people make well-informed choices about health and safe lifestyles

Performance Measure	Current Situation
The number of early years providers who offer children healthy snack choices will increase	This measure has been met as all Early Learning and Childcare settings currently offer healthy snacks in accordance with national and local guidance.
The number of pre school aged children	This measure has been met as all Early

who have access to energetic physical play increases	Learning and Childcare settings are currently providing the required 20 minutes energetic physical play on a daily basis either indoors or outdoors.
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Outcome: Families receive support, advice and guidance which is well-matched to their needs and available in ways which helps them to prepare for the various developmental stages

Performance Measure	Current Situation
The number of staff trained in the use of approved parenting programmes increases	Approved parenting programmes include Baby massage, Solihull Approach, Incredible Years, Triple P and PEEP. Records currently exist and a baseline has now been established and progress reported on every 6 months.(March & September). The key area of focus in terms of improvement work is training staff in the Incredible Years parenting programme, which is aimed at parents / carers of 3-4 year old children with severely disruptive behaviour. Additional staff have been trained and parenting programmes have been established across the districts.
The number of areas producing an annual plan for delivering universal and targeted support to parents increases	All 4 areas have just about completed a mapping exercise to identify parenting support available in their area. This will inform the development of plans to support local needs. This measure has been further refined to now read; Every district in Highland is able to deliver a core suite of parenting interventions. A baseline is still to be established.
Increase the number of parents participating in a validated parenting course who have 3-4 year olds with severely disruptive behaviour	This measure is now included within the core suite of parenting interventions and will be reported as above.
The number of schools offering sessions and/or written information to parents about child development at transition to P1 increases	Audit methodology has been agreed and there is baseline data which tells us that all schools offer sessions to parents. Further work continues to consider the quality and consistency of the information offered.

Outcome: Families are valued as important contributors and work as equal partners to ensure positive outcomes for their children and young people.

Performance Measure	Current Situation
Family Nurse Partnership fidelity goals will be achieved	<p>The detail of the Family Nurse Partnership fidelity goals are reported monthly to the Scottish Government and monitored through the Highland FNP Project Board. All goals having been achieved.</p> <p>At present the Family Nurse partnership in the Highland Health and Social Care Partnership is funded by the Scottish Government and delivered through the Care and Learning Service Highland Council</p> <p>During 2017/18 are currently;</p> <p>Concluding funding discussions with Scottish Government with regard to funding for 2017/18 for the Highland Health and Social Care Partnership</p> <p>Recruiting to posts to ensure rolling programme of FNP within the current geography</p> <p>Working with Scottish Government to look at funding options and service models to achieve the full reach across the Highland Health and Social Care Partnership</p> <p>Sharing learning from FNP programme with universal health visiting services, namely motivational interviewing and strengths based approaches</p>

The Children and Young People Improvement Collaborative

The Early Years Collaborative (EYC) and Raising Attainment for All initiative (RAFA) have now been combined by Scottish government to become the Children and Young People Improvement Collaborative (CYPIC). This collaborative continues to develop a method and culture for delivering improvement. Frontline staff and managers across a range of services are using the 'Model for Improvement' to accelerate change. This model is consistent with the improvement framework outlined within For Highland's Children 4. The model for improvement is being used increasingly to support improvement both within improvement groups and across area and family teams. This work is currently being promoted extensively with the support of the Children's planning manager.

Quality improvement

The Supporting Improvement Co-ordination Group continues to have a key role in leading and driving forward improvement. A quality Improvement learning network has been established and its first 6 month learning programme has been completed. The programme provided an opportunity to for eight participants across the CPP to develop skills to support the use of improvement methodology and build capacity within services. This programme has been evaluated by participants and mentors to be a highly effective mechanism for embedding the model for improvement. The second quality improvement learning network is currently underway and brings together twelve participants from across the CPP working on a wide range of projects. Many of the projects are collaborative with participants working on shared projects across services.

A number of CCP's across Scotland were successful in their bid to attract additional Scottish Government funded training over the next year. Highland CPP have been able to attract funding for both sets of training. An improvement coach has been identified and is undertaking intensive training provided by the Institute of Health Improvement. In addition, a team of improvers from the CPP is currently undertaking extensive team training which will enhance learning and enable improvement methodology to be further embedded.

Community Planning Board – 28 June 2017

Police- Quarter 4 Performance Summary FY 2016/17

Report by the Chief Superintendent Highland and Islands Division- Police Scotland.

Summary

To provide an update on the crime position and overview of Safer Highland for the fourth quarter, 2016/ 2017.

Crime

All data used in this table are provisional management information and not official statistics. This is the 2016/17 Q4 management information report covering the period 01st April 2016 to 31st March 2017. All data are correct at the published date and were extracted at the start of April 2017. These data are extracted from Police Scotland internal systems which are dynamic and continuously updated as investigations progress. This table contains the most up to date recorded crime data that was available at the start of April 2017 for Q4 of the financial year 2016/17. The table below provides information on the recorded crimes 01st April 2016 – 31st March 2017 and detection rates for Highland. Recorded crimes for the same period in the previous year are also shown.

CRIME GROUP	2015/16	2016/17	Variation
Group 1- Crimes Of Violence	233	227	- 6
Group 1-Detection Rate		78.9 %	
Group 2- Crimes of Indecency	517	559	+ 42
Group 2- Detection Rate		73.5%	
Group 3- Crimes of Dishonesty	2705	2972	+ 267

Group 3- Detection Rate		44.8%	
Group 4- Fire-raising, Malicious Mischief, etc.	1859	1815	- 44
Group 4- Detection Rate		36.0%	
Group 5- Other Crimes	2273	2119	- 154
Group 5- Detection Rate		103.4%	
Group 6- Antisocial Behaviour	5832	5255	- 577
Group 6- Detection Rate		85.7%	

Crime Update

- Overall there is a reduction in group 1 crimes, the most notable is the 75% drop in reports of attempt murder compared to the same period last year
- Serious assault remained comparable with the same period last year.
- There has been a rise in crimes of sextortion which are mainly online. This appears to be a crime trend that is on the increase and is being monitored closely, investigated robustly and is a national issue. Mostly these types of offences are committed by those that reside out with the UK and until sufficient evidence can be collected, these often will remain undetected. This in turn can affect the detection rate. Notwithstanding this issue, N Division's detection rate for group 1 offences is 78.9% which is 1.8% higher than the national figure.
- There has been a rise in the reporting of group 2 crimes, with the stand out increase being 'peer to peer' communication crimes involving sharing of images and indecent communication. This is a national issue and new legislation has been introduced to focus investigations along with community beats and prevention and intervention officers carrying out educational inputs and discussions, in the main with young people.
- The number of recorded rapes has dropped by 14% and continues to maintain a high detection rate, 3.2% above the national figure.
- There has been a rise in group 3 crimes, however detection rates remain

comparable to those recorded during Q4 of FY 2015/16.

- There has been a large reduction in the number of housebreakings in the region, with 97 less break-ins to property. This is a force priority and has been successfully reduced through our anti-crime patrol plans and the persistent offender project.
- Motor vehicle crime which in the main, showed a number of spikes were a result of series thefts from motor vehicles where suspects were quickly identified and apprehended. Media releases were sent out advising members of the public to lock their vehicles and keep personal items within vehicles to a minimum or hidden from view.
- Theft of alcohol has been the main contributing factor in the increase in shoplifting, up 98 crimes from this time last year. The majority of these offences were carried out by travelling Serious Organised Crime Groups from out with the region. Licensing have been pro-actively engaging with managers from supermarkets to establish best practice in relation to security and work is ongoing to form a security group. Licensing is also targeting those licensed premises which are mostly targeted and are working together with management to improve security and training of staff.
- Pedal cycles continue to be a common theft item. Numerous media releases have requested members of the public to secure their bicycles. There does not appear to be a trend and it is deemed that this is more an opportunistic crime.
- Fraud has also seen an increase, mostly in relation to internet and phone based scams linked to banking. There has and continues to be significant pro-active partnership engagement with prevention and intervention officers/community beats officers and banks, etc. in relation to educating members of the public on various types of frauds and door step crime in order to prevent their customers from releasing funds and becoming victims of crime. This is a national issue and media releases and campaigns continue to highlight this crime.
- Group 4 crimes continue to fall with less fire-raising and vandalisms recorded than in the previous year The detection rate remains comparable with the previous year.
- There is a reduction in group 5 crimes, including positive reductions in offensive and bladed weapons incidents and an increase in the detection of supply and possession of controlled drugs. The group 5 detection rate currently sits at 103.4%. This is testimony to the pro-active work carried out by officers building on good community intelligence and reflects the good relationships between the police and the communities in the region.
- The good news continues with group 6 crimes showing 577 less recorded crimes across the spread including reductions in breach of the peace, common assault, threatening and abusive behaviour, stalking and alcohol related offences. Detection rates still remain high and are 5.5% above the national figure.
- Total road casualties are also down on the previous year (year-to-date to end of Q4) with 16 less people killed on the road.

Violence Against Women (VAW) Partnership

- Development of VAW Priorities for 2017-20 for new Strategy & Action Plan.

- Review of achievements from 2013-16 Action Plan.
- Continued delivery and development of VAW training across Highland.
- Participating in national consultation on new legislation for Domestic Abuse and national delivery plan for Violence Against Women.

Initiating Child's Plan audit for domestic abuse, in conjunction with Highland Child Protection Committee (reporting due end June 17).

Highland Child Protection Committee

- The Scottish Government Ministerial announcement took place on 02/03/17 following the CPIP and the final report entitled 'Protecting Children and Young People: It is still everyone's Jon' (2017) was released. There are 12 recommendations within the report on Leadership, Governance and Accountability; Developing a Learning Culture; and, Shared Values. The Scottish Government have indicated they will create a new offence of abuse and neglect of children; publish a national Child Protection policy; explore provision of a National Child Protection register; produce national standards for those conducting Significant case Reviews; expand the role of the Care Inspectorate to analyse SCR findings and share learning at a national level; and, establish a National Child Protection Leadership Group, chaired by the Minister for Childcare & Early Years, to support, strengthen and improve activity on Child Protection. HCPC will be required to consider the recommendations and implement relevant actions fully with an expectation there will be a requirement for CPC reporting to Chief Officers and Scottish Government on improvement activities.
- Throughout the 4th quarter of the year, HCPC engaged with Highland Schools in a CPC Log competition; the intention was to refresh the branding of the CPC, raise awareness of the CPC core functions and aims among children & young people. Over 400 entries were received as a result of teacher engagement over a number of sessions on child protection. The winner of the competition was announced on 30th March 2017 in a 'launch' event at the Council Chambers in Inverness where Scottish actor Paul Brannigan presented the winners and runner-up with their prizes, the winning school Plockton Primary School also received a prize. The winning log will now be used on all HCPC awareness raising and business material and documents.
- The 'launch' event was a joint initiative with the Highland Alcohol & Drugs Partnership to mark the start of the HCPC's year on Neglect, entitled 'Neglecting the issue...'. Neglect is a national and local priority and the launch event included a question and answer session with Paul Brannigan and the Chairs of both the CPC and HADP led by the Director of Care & Learning Bill Alexander. The event was attended by over 90 people from a range of roles and functions in child protection across the partnership.
- The event also included an initial event with NSPCC as the HCPC begins a process of engagement with NSPCC to introduce the Graded Care Profile into practice to support practitioners in child protection recognises and respond to neglect in all its forms.

- On 31st March 2017, the HCPC held its annual conference 'Neglecting the issue...' as part the yearlong focus on Neglect; over 160 practitioners attended from across Highland and a variety of roles in Children's Services, Adult Services, Police, 3rd Sector and Health. Both local and national speakers attended the event which also consisted of a number of practitioner workshops to inform development of a Highland Neglect Action Plan.
- The CSE Night-time Economy Joint Initiative with the Highland Council Licensing Board commenced in January 2017 with a series of awareness sessions with Licensees and Taxi Drivers; as a result of positive feedback work is underway to develop this into a local Scheme to promote awareness around CSE and sexual crime prevention across Highland in partnership with the Violence Against Women Partnership.
- HCPC continues to progress work in identified priority areas of Neglect, Quality Assurance/ Self Evaluation, Domestic Abuse, CSE, Delivery of CPC Inter Agency Training, Children Affected by Parental Substance Misuse, Significant Case Reviews and Child Sexual Exploitation.

Highlands and Islands MAPPA SOG

- The first meeting of the HIMSOG took place on 23/03/17 and confirmation of the HIMSOG Terms of Reference, Improvement & Business Plan and Quality Assurance Plan was accepted by all parties. Work will continue to develop strategic membership across all responsible Authorities from the four CPPs as well as representation from relevant Duty to Co-operate agencies.
- A final meeting of the NCJA MAPPA SOG is scheduled for 03/04/17 to mark the end of the collaboration across the NCJA as Community Justice structures formally change across Scotland.
- The HIMSOG has agreed to hold an annual conference/ development day in 2017 with a theme of Internet Offending which is both a local and national issue in terms of prevalence and Supervision/ Monitoring challenges as well as innovations in ICT to support monitoring. Details are to be confirmed however this will be a practitioner event to support and develop practice.

Adult Support & Protection Committee

- There have been 19 ASP training courses with 256 attendees. This included Crossing the Acts training delivered by ASP trainer and Lead Advisor as well as Legal services manager and Mental Health Officer Practice Lead for Adults with Incapacity.
- The Financial Harm group has restarted and agencies are working together to tackle financial harm within the Highlands. The group includes representatives from Trading Standards, Police Scotland, and Citizens Advice Bureau.
- ASP newsletters have restarted. Two were distributed in this period and the information provided well received.
- The ASP Interagency Procedures have been updated and are out to

consultation prior to going to the July Committee meeting for approval.

Alcohol & Drugs Partnership (ADP)

- The latest performance data for the percentage of drug and alcohol clients seen within 3 weeks was 82.2% for Oct – Dec 2016/17. Significant challenges continue to be faced in some areas with achieving the HEAT performance standard. A RPIW (Rapid Process Improvement Workshop) is scheduled for June 2017 and will focus on access and through care for services within the Inner Moray Firth Operational Unit. A management restructure within the unit is agreed which, once implemented, will influence improvement steps towards the HEAT A11 standard.
- Alcohol screening and brief intervention programmes continue to be developed across a range of networks. The Discussing Drugs and Alcohol with Young People training course has now been delivered for one year via a network of trainers from NHS Highland and partner agencies. Almost 200 professionals working directly with young people have been trained, with post course feedback highlighting that 70% of participants rated the course 5 out of 5.
- ABI delivery has decreased so it is important to engage with other partners and encourage increased delivery in wider settings. ABI training sessions have been delivered to the Criminal Justice Service and Unison, with another Unison session planned. These attract a broader range of participant backgrounds than courses advertised via traditional routes. NHS Highland have agreed to distribute a letter to all GP practices to promote screening, ABIs and recording, following the renewal of the Local Enhanced Service for 2017/18. A meeting to discuss targeting and evidencing delivery in deprived communities and to harder to reach groups is planned for May 2017.
- There continues to be 100% attendance at the Highland Licensing Forum to raise awareness of the public health objective. A timetable for the refresh of the alcohol overprovision statement has been discussed, which will be agreed after the May 2017 Council elections and training of new Licensing Board members.

Road Safety Group

- Fire Service personnel have advised that a 55 minute video presentation called CARS is being delivered in Strathclyde area. They are keen to come to the group and outline this programme. Discussion was held round the table regarding this and it was agreed that a meeting of the key members delivering Driving Ambition would be most appropriate and will take place in due course.
- North Coast 500. – Statistics show no increase in collisions, no apparent problem with road safety. Counters currently taking place on parts of the NC500 have been discussed. Dialogue between agencies about increase in issues/complaints from locals regarding the increased volume in their areas to take place.

- Highland Council had bid to the Living Streets Scotland project 'Lower Speed Communities'. This bid was for Living Streets Scotland to lead a project aimed at engaging with stakeholders regarding the effectiveness of the existing Inverness City Centre 20mph speed limit and highlighting the new Inverness City Centre speed limit that is currently being implemented. This bid has been successful and the Road Safety Team will work on this project with Living Streets Scotland.
HIFRS are currently working with local and new accommodation around the NC500, to ensure they are health & safety compliant. They are doing drop-ins and safety checks.
- Police Scotland, Highland and Islands Division have delivered on a number of high profile education and enforcement initiatives focussing on speed, drink driving, motorcycle casualty reduction, vehicle road worthiness and offences committed by drivers of commercial vehicles. Education continues through participation in the multi-agency driving ambition programme. High profile marked and unmarked patrols using cars and motorcycles on identified priority routes in the Highlands will continue with the aim of deterring and detecting offences, influencing driver behaviour and having a positive impact on casualty reduction.

CONTEST/Serious Organised Crime (SOC) Group

- During the period under review N division has continued to roll out the Small Ports initiative with Special Constables in an effort to engage with the maritime community. The initial report from the North area has been passed to the North Assistant Chief Constable for consideration of the initiative being adopted nationally.
- The second meeting of the Highland and Islands Contest Protect and Prepare sub-group took place on 23rd March. The meeting was well attended with representatives from a number of agencies who can help 'to strengthen our protection against a terrorist attack' (Protect) and 'to mitigate the impact of a terrorist attack' (Prepare). The well-established Prevent Sub-group will also met during the month of March with both sub-groups feeding into the Highland and Islands Multi-Agency Contest board meeting on 28th March.
- On 7th February the largest Prevent awareness session to take place in Highland to date, was held at the University of the Highlands and Islands executive buildings where Rewind UK, intervention provider, carried out a 5 hour session on the Extreme Right Wing. 77 people attended the event with 23 of the on VC from the Islands. The event was funded by the Scottish Preventing Violent Extremism Unit via Highland Council and feedback to date has been very positive.
- Numerous Prevent sessions delivered throughout N division in line with the Counter Terrorism security Act 2015.
- Emerging Residual Threat Local Profile briefing with Highland Council and NHS Highland Chief executives took place on 23rd March.

National Messages –

- The threat level from international terrorism remained at severe.
- There is a continued threat from ISIS.
- Key messages are being issued to staff.
- Work is ongoing in relation to the review of UK CONTEST Strategy. The Scottish Strategy is in Draft awaiting the approval of the UK strategy.

Anti-Social Behaviour (ASB) Group

- The Response Team model has been successfully rolled out in the Nairn, Badenoch and Strathspey area and there is a meeting held once a week to discuss ASB matters and to devise the necessary actions plans. The next stage of the Response Team roll out will be to focus on the Skye area.
- The SFRS are working closely with the Highland Council to agree the provision of a Fire Service resource who will work closely with the Inverness Response Team out of an office within the Town House building, Inverness.

Youth Justice Group

The January – March period was of review and preparation for the future due to 2016 being a time of high staff change. Both Youth Action Teams have to train a high percentage of staff which takes at least 12 months or more. The Youth Justice Improvement Group made a decision to redo the Improvement Plan. The introduction of the YAT nurses the previous 12 months allowed them to consolidate their specialist training and this was showing in the support to the service and other agencies.

This period also concentrated on improving the new staff skill levels and trying to fill vacant posts.

Diversionary [early and effective intervention]

Individual schools have not been named in the following update.

January:

- Setting up of our 'drop in' stall at a rural High School in South area [substance misuse awareness drop in sessions at lunch time]
- Start of a Sexual Health Girls group in a High School in Mid area (this followed from a previous group and on request from young people involved)
- Start of targeted group in a high school in Mid area

February:

- 'Drop In' stalls up and running at 2 rural schools and 2 urban schools in South area– we do these once a month at lunch times [substance misuse awareness].
- Operation Youth Advantage – YAT South leads on this, organising it

- with the Army – open to all Highland area.
- Substance Misuse training with teachers at the 2 High Schools in Inverness.
- Partnership Approach open evenings in a High school in Inverness [drugs and alcohol awareness]
- Boys Group – rural primary school in South area.
- Alcohol Brief Interventions – awareness session with teachers at school in Inverness.
- Start of a young carers group in Sutherland area (drug, alcohol awareness and risk taking)
- Start of parents group in Sutherland area (young carers)
- Harm reduction awareness from YAT nurse for a High school S4 pupils in the north area

March:

- ‘Drop In’ sessions in 6 high schools in the South area of Highland
- Partnership Approach open evening at an high school in Inverness, University of the Highland & Islands and Eastgate Centre [drugs and alcohol awareness].
- SASSI Training for new YAT staff (also invited staff from Action for Children). The Adolescent SASSI -2 Substance Abuse Screening Inventory (SASSI) is a psychometric screening for substance misuse.
- ‘Spring Fair’ at a school in Inverness [substance misuse awareness stall].
- Parents Evening at school in Inverness – Substance misuse awareness stall.

REFERRALS

Referrals between Jan and March = 59

(South area = 32)(North, Mid & West area = 27)

ASSESSMENTS & INTERVENTIONS

1. ASSET assessments completed – 82.
The Asset is the main risk assessment that the YAT use. It is one of only two that is recommended in Scotland for youth justice under the national standards. It identifies the factors most closely linked with offending by young people. Asset completion times can vary – 3 weeks to 3 months - depending on issues and legal timescales. Assets are reviewed every 3 months.
2. SASSI assessments completed – 20
The Adolescent SASSI -2 Substance Abuse Screening Inventory (SASSI) is a psychometric screening for substance and alcohol misuse.

3. AIM assessments completed – 4

The AIM framework objective is to improve the way professionals respond to the needs of young people who display sexually harmful behaviour. The process of the assessment is to draw together a range of information about the young person, and then make informed decisions about how to manage them in their situation.

4. Safer Lives Programmes/interventions have been undertaken – 7

Following the AIM assessment, the Safer Lives Model provides a framework to assist practitioners in the construction of planned comprehensive assessments and subsequent therapeutic interventions for young people who display inappropriate sexual behaviour.

5. Offender interventions & support

Clients on specified YAT youth justice programmes modules - 44

Clients on other intervention programmes – 42

- Group work started for a targeted group involved in antisocial behaviour and offending in a High school in mid area.

6. CRIMINAL JUSTICE

CJSW reports (for Court) - 14

CJS/PF Diversionary clients - 10

7. Parents/carers programmes/interventions undertaken – 12

TRAINING

SASSI training for new staff started in March 2017 (from SASSI Direct Limited)

In February we agreed training for June 2017 for YAT staff and some Family Team staff (total 40) to be trained to provide a parenting programme called Handling Teenage Behaviour. Due to staff turnover very few YAT staff had experience.

Hate Incident Steering Group

An update report 'Highland Local Police Area – Hate Crime and Hate Incidents' was presented to the Highland Council Communities and Partnerships committee on 09 February 2017. Year-to-date figures for hate crimes in Highland 2016-17 showed a reduction in reports and an increase in levels of detection.

The report detailed progress against key partnership actions during 2016-17:

- Partner agencies continue to share information and to address issues.

- A refreshed website to host the Hate Free Highland Campaign
- Activities to support local third party reporting organisations
- Continue to monitor trends in reported incidents and community attitudes
- Undertake a survey of all victims of hate crimes
- Identify new opportunities to encourage reporting raise awareness

The report also recommended future partnership activities focus on:

- Review and refresh of local Third Party Reporting organisations. This will require training and support from Police Scotland.
- Continue to use opportunities to raise awareness at community and other events.
- Police Scotland to continue to survey the experiences of victims of hate crime
- Partners to consider participating in the national Keep Safe initiative
- Review of arrangements in the light of the move to locality plans and the Local Outcome Improvement Plan.

Other items

At the invitation of the Scottish Government, an independent review of Hate Crime law in Scotland is underway from January 2017 led by Lord Bracadale. The review will consider:

- Whether current laws are appropriate and consistent
- If hate crime legislation needs simplified, rationalised or harmonised
- If new categories of hate crime for characteristics not currently legislated for, such as age and gender, need to be created.

Recommendation:

The board notes the above updates.

Chief Superintendent George MacDonald
Highland & Islands Divisional Commander
16th June 2017

Agenda Item 6ix.

Highland CPP Development Plan 2016/7 (Oct 17): Update for CPP Board June 2017

Area for improvement	Source	Improvement Activity	Timescale
<p>Partnership Performance Management and reporting</p>	<p>Quality Assurance Panel 2013</p> <p>CPP Board self-assessment 2014</p> <p>Audit Scotland 2014</p>	<ol style="list-style-type: none"> 1. Continue quarterly performance reports to Board 2. Self- assessment followed up in theme groups for: <ul style="list-style-type: none"> • economic growth • health inequalities & physical activity • environment • the Highland Third Sector Interface 3. Await statutory guidance and timescale for the new Local Outcomes Improvement Plan 4. Evidence provided to Audit Scotland on the CPP approach to readiness to implement the Community Empowerment Act Nov 2015. Any audit activity arising for 2016/17 to be reported to the Board. 	<ol style="list-style-type: none"> 1. Quarterly 2. Community planning Improvement plan agreed in June 2016. Key actions include an Engagement Strategy and a shared approach to community capacity building. Economic growth to be completed. 3. First LOIP due October 2017. Final statutory guidance received Dec 2016. Draft LOIP Development Plan considered by the Board in Dec 2016 and the approach to LOIP engagement agreed March 2017.

			<p>Engagement on thematic outcomes April-June 2017. Draft LOIP to be considered at CPP Board June 2017.</p> <p>4. No Audit Activity for 2016/17. No planned Audit Activity to date for 2017/18</p>
<p>Comments</p> <p>The PSIF approach to self-assessment has been completed in the environment and health inequalities and physical activity groups. The Community Planning Improvement Plan was considered and agreed by the Board in June. This included recommendations to develop a co-ordinated approach to community capacity building, increase understanding about Community Partnerships and the role of the CPP, develop a long term vision for the third sector interface and develop an engagement strategy. Action is required to take forward these actions which will require the engagement of all partners. The final area for self-assessment will be the Economic Development group which is still required to be progressed.</p> <p>The final guidance from the Scottish Government on section 2 (Community Planning) of the Community Empowerment Act was received in December and came into force on 20 December 2016. This included guidance on developing the Local Outcome Improvement Plan. A development plan on how to progress this in Highland was considered by the Board in December and a further paper outlining proposed outcomes for engagement and an engagement approach was considered by the Board in March 2017. Engagement on the initial outcomes and potential areas for action has taken place during April – June through a series of community workshops, survey, focus groups and Community Partnerships. The draft LOIP will be considered by the CPP Board in June 2017 and then be circulated for formal community consultation, following any changes or amendments agreed.</p> <p>Feedback from Audit Scotland on whether any new audit activity affecting partners and the partnership is awaited.</p>			
<p>Maximise the use of collective resources to achieve best outcomes, demonstrating a shift to prevention and the re-</p>	<p>CPP review of process priorities</p> <p>CPP Board self-assessment 2014</p>	<p>1. Partnership engagement on proposed budget reductions 2016/17 to understand the implications for partners and SOA outcomes;</p> <p>2. Progress reports on areas explored:</p> <ul style="list-style-type: none"> • Merkinch 	<p>1. Discussed at the COG February 2016</p> <p>2. Dates TBC</p>

allocation of resources between CPP members where this represents best value.	National Community Planning Group Audit Scotland	<ul style="list-style-type: none"> • Alcohol and drugs • Culture board projects 	
<p>Comments The CPP's original plan was to develop better preventative approaches by understanding how partners were collaborating, what difference it was making and what was needed for improvement. This has been set back by budget reductions, particularly in the Council for 2016/17 onwards. It is recommended that the COG reviews how this can be taken forward within the broader context of the development of the LOIP and the Locality planning process through Community Partnerships given the focus of each on addressing inequality and prevention.</p>			
Engage in dialogue with communities in order to empower them to participate in service planning and delivery	CPP review of process priorities Quality Assurance Panel 2013 Community Empowerment Act. Other legislation, statutory instruments and guidance relating to Community Learning and Development, health and social care integration and the national Economic strategy all support localised decision-making with communities participating.	<ol style="list-style-type: none"> 1. Progress with local community planning arrangements to be reported to each Board meeting. 2. Readiness for implementing the Community Empowerment Act to be considered by the Board: <ul style="list-style-type: none"> • Process for sharing the duty to facilitate community planning across 5 partners • Process for producing locality plans for areas with poorest outcomes agreed • Process for supporting community bodies to engage in community planning partnerships agreed • Partnership approach to supporting participation request from community bodies agreed • Partnership approach to supporting asset transfers agreed 	<ol style="list-style-type: none"> 1. From March 2016, now updates direct from each Community Partnership Chair 2. Implementation of C.E Act Process agreed in June 2016 Areas to target Locality planning agreed by the Board June 2016. Stakeholder event for Community Partnerships held in September 2016. Partnership supporting documentation considered by the Board in October 2016

		<ul style="list-style-type: none"> • Supporting participation in decision-making including allocation of resources <ol style="list-style-type: none"> 3. Up-date on the Council's use of participatory budgeting in localities to be provided 4. Third sector Compact to be revisited and lessons shared on successful community action. 	<p>and for agreement with a planning framework for December 2016.</p> <p>3. Update to the Board in October 2017</p> <p>4. All partners need to engage in the process to determine the best way forward for the Compact.</p>
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Comments

Local community planning

The CPP has considered a new approach to local community planning at each meeting of the COG and Board since December 2014. This has led to agreement in March 2015 that several local experiments are to be supported by March 2017. The Board approved a set of principles to guide this work in June 2015. At that point all partners agreed to participate, with NESH waiting until following consideration at the NESH Board Development Day in November 2015. The Board agreed in June 2016 to establish 9 Community Partnerships to take forward local community planning. It was agreed that responsibility for supporting these partnerships be shared between the 5 lead partners and that the partners would also share supporting both the COG and Board.

The 2016 June Board also agreed the use of the SEP and SIMD areas to identify communities for locality planning.

The HTSI ran local roadshows on the implications of the Act in Summer 2015 focusing on the new rights for community bodies. CPP partners participated in these events. Following the establishment of Community Partnerships, a development day was held for core Community Partnership staff and supporting documentation for Community Partnerships developed from the feedback of that event. This includes a self-assessment tool developed to enable local partnerships to identify their development and support needs, role and responsibilities, a planning framework and local profiles. The Board agreed the Community Partnership Toolkit at the December meeting which includes a Planning Framework to support local Partnerships take forward their local plans. Further support days have been held with Community Partnership Chairs and a second pan-Highland event planned for the Autumn to bring together all involved with Community Partnerships.

Asset Transfer and Participation Requests

The Board agreed in December 2014, when the Bill was reported, that a partnership approach should be developed to support asset transfers and participation requests from Community bodies. A verbal up-date was provided in September 2015 and this work is progressing through a

partnership sub-group.

Participatory Budgeting

In March 2015 the Board considered participatory budgeting as a new way of involving local people in decision-making about resources. Since then it has been trialled in Lochaber, Caithness, Nairn, Skye, Sutherland and Inverness West with proposals for developing this to complete the geography across Highland and to focus on an area of disadvantage. An update on this will be provided to the Board in October.

<p>Collaborate on workforce planning and skills development to meet Highland needs, in the context of the Highlands and Islands Skills Investment Plan and our roles as major employers</p>	<p>CPP review of process priorities</p> <p>Audit Scotland</p>	<ol style="list-style-type: none"> 1. Review extent to which the CPP promotes collaboration – does the CPP encourage, support, and reward collaborative behaviour amongst staff? New actions agreed Dec 2015 <ul style="list-style-type: none"> • Collaborative leadership challenge • Joint training on Prevent duty • Joint training on local community planning 2. Breakthrough achievements <ul style="list-style-type: none"> • Every care leaver employed through CPP partners (Council lead) • CPP staff enabled to be retained fire fighters (SFRS lead) 	<ol style="list-style-type: none"> 1. From June 2015 <ul style="list-style-type: none"> • Attend peer event June 2016 • In place from Feb 2016 • Held September 2016, further planned for Autumn 2017 2. Annual reports <ul style="list-style-type: none"> • June 2016 • Update report to the Board March 2017
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Comments

SDS made a presentation to the Board in December 2014 and was subsequently invited to participate in the Board meetings. An up-date on joint work on workforce planning was provided as part of the employability quarterly update in March 2015.

In November 2015 the COG held its first session as part of the Scottish Government’s Collaborative Leadership Programme. The theme for our engagement in the programme was localism and community empowerment. The COG has decided to seek external challenge / mentoring arrangement rather than support with reflective practice from the Programme. We are awaiting feedback on whether the Programme can assist with this preferred approach and have been invited to share our involvement to date at a peer review session with other CPPs in the

Programme in June.

The first joint training sessions on the Prevent duty started 26.2.16 in Inverness and then in localities from March 2016. Work is underway to explore a joint approach to update-training between agencies.

A development day was held in September for those stakeholders involved in Community Partnerships across Highland. Separate sessions have been held for Highland Council Members. A self- assessment tool has been developed to enable community partnerships to identify their development and support needs which the Board considered in December. A further meeting to bring together Community Partnerships has been requested and work is underway to take this forward in Autumn 2017.

A further breakthrough challenge led by NHSH was proposed by NHS Highland on Isolation and Loneliness. This was agreed at the CPP Board meeting in June 2016. The Board considered updates on all the Breakthrough Achievements at the meeting in March. It has been agreed to explore developing a fourth Breakthrough Achievement in 2017.

Tackle deprivation and inequalities including by improving access and connectedness for communities	CPP review of process priorities	<ol style="list-style-type: none"> 1. New process for producing locality plans for areas with poorest outcomes agreed 2. Understand the experience of people living in poverty. 	<ol style="list-style-type: none"> 1. June 2016 2. To be supported through the development of the LOIP and locality plans.
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Comments
 The Board agreed to use the Socio Economic Performance (SEP) index for targeted CPP activities or rural areas alongside SIMD for urban areas. This will assist in taking forward the new legal duties on the CPP to reduce socio-economic inequality through locality plans, the Local Outcomes Improvement Plan and in the processes for asset transfers, participation requests and supporting community bodies to participate in community planning. The June Board meeting agreed to use the SEP and SIMD indices as a way of identifying the initial communities for targeting Locality planning. The Board agreed the planning framework to support this at the December meeting. Quarterly reports are provided to the Board by Community Partnership Chairs on the progress towards developing locality plans.

New CPP action is proposed to understand the experience of people living in poverty and how the CPP can work differently with people and communities to improve living conditions and opportunities. The development of the LOIP and Locality plans will assist in supporting this process.

Value and be positive about Highland life to attract	CPP review of process priorities	1. To be woven through CPP activity, events and promotions.	Ongoing activity
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people, jobs and investment.		2. Communications officers from across the CPP liaise on publicity	
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Highland Community Planning Partnership

Community Planning Board – 28 June 2017

Health Inequalities and Physical Activity Theme Group – Update

Report by Cathy Steer, Chair of the Health Inequalities and Physical Activity Theme Group

The Board is asked to note progress on:

- Developing an inequalities proofing tool for community partnerships
- Development of the fuel poverty pilot project
- Implementation of the Equalities Outcomes
- Implementation of the ESF projects
- Developing a programme of work around social prescribing
- Developing a Green Health partnership in Highland

1. Supporting Community Partnerships

- 1.1 In the last update to the CPP Board, the health inequalities theme group outlined a number of things that it could do to support the Community Partnerships as they develop. It was suggested that supporting community partnerships to ensure that their local plans focus on inequalities by 'inequality proofing' them. The Equality and Diversity Partnership Group are developing a tool to support community partnerships to sense check their plans, ensuring that plans will reduce health inequalities and not inadvertently widen the inequalities gap.

2. Fuel Poverty

- 2.1 The Affordable Warmth Partners group continue to meet. Throughout this year, the group will respond to a number of Scottish Government consultations and announcements in terms of:
- The review of the Energy Efficiency Standard for social Housing
 - The introduction of regulations for the energy efficiency of private sector housing
 - The introduction of a Scottish Energy Efficiency Programme aimed at domestic housing
 - The re-definition of fuel poverty

The partnership group worked with the Director of Public health to develop a briefing on fuel poverty for the community partnerships. In May 2017, Scottish Government wrote to Directors of Public Health urging them to take action on fuel poverty. The work in Highland was recognised within this letter (Appendix 1).

The pilot project in Sutherland hospitals continues. This project sees patients being offered a referral to Home Energy Scotland as part of their discharge process. Work to improve the process and increase participation has been undertaken, resulting in the scheme being introduced as part of admissions protocols as well as

discharge protocols and. The working group are considering extending the project to community based services and are currently looking at reviewing the data sharing agreement between NHS Highland and the Energy Saving Trust. Work is also ongoing to develop information packs; review the feedback loop form the online portal and amend the consent form based on feedback from staff and patients.

3. Equality Outcomes

- 3.1 The Equality and Diversity Partnership Group are developing an approach across the partnership to undertake focused activity in relation to Outcome 1 in the Equalities Outcomes report – Increasing the diversity in leadership and workforce participation. Some scoping work has been carried out and more detailed activity will be developed over the next few months.

4 European Social Fund

- 4.1 This round of ESF programmes has a new strand for Poverty and Social Inclusion. The Lead Partner for this strand is Highland Council although the nature of the programme means that it has been developed in partnership and is overseen by a partnership steering group. The work is made up of two programmes of activity.

4.2

Move On: Intensive Support Service

“Move On” will take an early intervention approach and take a co-ordination role to support individuals who have a range of needs, tailoring support to address needs and prevent repeat engagement with reactive public sector services. The approach will target individuals who face multiple barriers, including those with mental health conditions and family interventions. The posts will be based across Highland and managed by a Delivery Manager who will be based in the adult mental health team at NHS Highland. All other posts will have peripatetic bases, reflecting the multi-agency nature of the service. Recruitment to the posts will commence shortly.

4.3

Preventing Poverty and Increasing Financial Capability

This work will entail a preventative approach to poverty, with the key aim that families are in receipt of all appropriate entitlements, ensuring that any debt issues are explored, and that the client is empowered to manage their financial matters. The approach will consider how best to use the early years and school setting to target families at risk from poverty and financial exclusion. As such an improvement methodology is planned for this work to explore the most effective way of achieving these outcomes. This service will be externally procured and this has just been advertised on Public Procurement Scotland website with the intention of the commencement for the new school term in August 2017.

5.

Social Prescribing

5.1

There has been growing interest in social prescribing in Scottish policy and practice. ‘Social prescribing’ means different things to different people. Its key components include meeting social, practical or emotional needs through referrals to services provided outside of the health sector. Different approaches have been

adopted to try to encourage social prescribing, with more intensive approaches that rely on 'link workers' likely to be more successful than just 'signposting' patients to relevant services.

Following publication of the Chief Medical officer for Scotland's annual report on realistic medicine, there has been renewed interest in developing social prescribing in Highland. A number of discussions have taken place in recent months, involving a number of partners. The health inequalities theme group has agreed to undertake some initial scoping work to explore the possibilities around developing social prescribing in Highland.

6.

Green Health Partnership

6.1

Local Green Health Partnerships are an area based strategic intervention being developed as part of the [Our Natural Health Service](#) Action Programme led by Scottish Natural Heritage (SNH). Supported by both health and environment portfolios in Scottish Government, this programme seeks to up-scale and mainstream approaches to increasing physical activity and improving mental health and well-being through engagement with the natural environment.

SNH is facilitating the establishment of up to five Partnerships across urban and rural Scotland, targeting areas experiencing high levels of physical inactivity, health inequalities and other aspects of disadvantage. Building on existing green exercise activity and practice in each area, Local Green Health Partnerships will pilot and demonstrate the benefits of this approach through local, co-ordinated cross-sectoral action between the health, social care, environment, sport and active travel sectors.

Initial discussions have demonstrated support for developing a Green Health Partnership in Highland. A meeting is planned for 26 June 2017 to develop proposals for taking this forward.

Report author: Cathy Steer, Chair of Health Inequalities and Physical Activity Theme Group

Minister for Local Government and Housing
Kevin Stewart MSP

Minister for Public Health and Sport
Aileen Campbell MSP



Directors of Public Health - NHS Boards

Our ref: Health and Fuel Poverty

11 May 2017

As the Ministers for Housing and Local Government, and Public Health and Sport, we would like to bring to your attention some publications to assist you in planning activity around the impact of fuel poverty on health and wellbeing.

Fuel poverty is an issue that affects around 30% of households in Scotland and Scottish Ministers are committed to eradicating it. This Government is already aware that living in a cold, damp home may have a detrimental effect on both the physical and mental wellbeing of the occupants. The Scottish Government and NHS Scotland will need to work together to encourage a more collaborative approach at all levels across Scotland to help mitigate the impacts of fuel poverty on the health and wellbeing of the most vulnerable households.

The need for a collaborative approach was highlighted by both the Scottish Fuel Poverty Strategic Working Group and the Rural Fuel Poverty Task Force in their final reports (published October 2016). Alongside these the Scottish Government published a research paper on the likelihood of being fuel poor in rural Scotland. The reports included a number of recommendations for the Scottish Government and other bodies to take forward, including the NHS.

The reports, and the Scottish Government's response, can be found on the Scottish Government website at:

[A Scotland without fuel poverty is a fairer Scotland: Four steps to achieving sustainable, affordable and attainable warmth and energy use for all](#)

[An Action Plan to Deliver Affordable Warmth in Rural Scotland proposed by the Scottish Rural Fuel Poverty Task Force](#)

Executive Summary - An Action Plan to Deliver Affordable Warmth in Rural Scotland proposed by the Scottish Rural Fuel Poverty Task Force

The likelihood of being fuel poor in rural Scotland, October 2016

Scottish Government response to the fuel poverty reports

The Strategic Working Group report highlighted the need for national leadership in tackling fuel poverty, which needs to be replicated at the local level. The value of a national programme working through a locally-led, collaborative approach to tackle fuel poverty is something we have been supporting through our Home Energy Efficiency Programmes for Scotland (HEEPS). We are keen to build on this approach and work with local authorities, NHS Boards, health and social care partnerships, Community Planning Partnerships (CPPs) and others to do so.

Scottish Government officials have already started to engage with stakeholders to take forward the links between health and fuel poverty, working with NHS Health Scotland, and other national partners within the advice and fuel poverty sectors, to develop new partnerships to improve collaborative working. We are keen to see this work continue and expand going forward.

Some examples of this joint working are:

- NHS Boards are engaged with and contributing to efforts to tackle fuel poverty at a local authority partnership level through various vehicles:
 - Anti-poverty/tackling poverty groups;
 - Poverty/fairness commissions;
 - Financial inclusion partnerships;
 - Fuel poverty partnership groups, e.g. Highland Affordable Warmth Group, Dundee Energy Efficiency Action Group, Glasgow Home Energy Advice Team Advisory Group, Healthy Heating Fife, NHS Lanarkshire Fuel Poverty Group.
- Various partnership initiatives between Home Energy Scotland and NHS Highland, NHS Greater Glasgow and Clyde (NHSGGC) and NHS Lothian. These initiatives include:
 - Joint working to assess hospital discharge patients and refer to Home Energy Scotland for fuel poverty and energy efficiency advice;
 - Joint working with NHSGGC providing money and debt advice at the Royal Hospital for Sick Children;
 - Home Energy Scotland presence at flu clinics across NHS Lothian.

We are keen to see such excellent initiatives replicated and built upon Scotland-wide.

We would also like to take this opportunity to remind you of the recent NHS publications which will also help when planning activity:

Addressing Fuel Poverty – Guidance for Directors of Public Health (Arnot, Burnett, Taulbut, Walton, Mackie, Oct 2016)

Fuel Poverty Maps (Changeworks, 2014)

Fuel Poverty and Income Poverty: A Commentary (Mackie, Taulbut, Oct 2016)

Fuel Poverty: Literature Overview & Bibliography (Arnot, Oct 2016)

We are aware that the Chief Medical Officer has previously set out a vision for a Health Promoting Health Service and has asked that all NHS Boards plan and deliver hospital services that ensure routine enquiries for vulnerability is built into person-centred care so those at risk of poverty or inequality attain the best possible health outcomes.

NHS Boards were asked to focus efforts on priority settings within the NHS. Examples of enquiries in the assessment of vulnerability include

- Asking patients if they have money worries and offering a direct referral to advice services;
- Support for patients who are, or are at risk of, homelessness;
- Support in access to services for vulnerable groups.

One mechanism that may assist health service practitioners to signpost vulnerable households to advice services is the Home Energy Scotland referral portal. This is an online referral mechanism that signposts individuals to Home Energy Scotland, the impartial advice and support service funded by the Scottish Government.

Services available from Home Energy Scotland include benefits checks, energy tariff advice and advice on how to keep the home warmer and more energy efficient. Individuals will also be assessed for eligibility for, and referral to, assistance from HEEPS, including Warmer Homes Scotland which is designed to assist fuel poor households in Scotland. Home Energy Scotland also has Community Liaison Officers who undertake home visits to vulnerable households and engage with a large number of stakeholder groups who offer assistance to the fuel poor.

We are sure that you recognise the importance of mitigating the health impacts of fuel poverty on health and wellbeing, and ensuring Health Boards actively engage with those patients at risk to ensure they are provided with the support they require.

We are keen that the good work that is progressing in this area is built upon, and we hope that this information assists your development of strategies and policies to take this forward.

Scottish Government officials leading on Fuel Poverty and NHS officials working on Health Improvement would be more than happy to work with you to explore options to drive this work forward.

You can contact the following officials for further support and information:

Ann McKenzie – Scottish Government – Head of Fuel Poverty Policy –
Ann.McKenzie2@gov.scot

Or

Donna Burnett - Organisational Lead for Income and Work - NHS Health Scotland -
donna.burnett@nhs.net



Kevin Stewart
Aileen Campbell

KEVIN STEWART
AILEEN CAMPBELL

Cc – To Personal Assistants

**Highland Community Planning Partnership
Community Planning Board – 28 June 2017**

Older People Update Report

Performance management

The first Joint Performance report for the Highland Partnership will be presented to the Joint Monitoring Committee in July 2017. This is in line with requirements of the Public Bodies (Joint Working)(Scotland)Act 2014. The report will focus on performance of all integrated services as reported through agency structures and scrutiny bodies. There is a requirement to include in the performance report, evidence of developments in the wider community planning partnerships and recent reports to the CPP Board have informed this section of the report.

With the development of Community Partnerships and the plans required by the Public Bodies legislation, it will be important to consider how future performance reports – required on an annual basis, will be informed directly by the Community Partnerships. As the report covers services to all adults, it is timely to consider the role of Chief Officers and the CPP board in future reporting.

The current Older People's Improvement group is considering the options for the future. There is a view that the networking element is of most value and that those attending feel better informed and connected in relation to services for older people. This was specifically expressed by partners in the third and Independent sector. Others considered the improvement group as an opportunity to engage and influence developments. However the landscape is changing with the significant development of community partnerships and although it would be important not to lose the perceived benefits of the existing improvement groups, it is important to consider a new way forward that better reflects the wider community planning approach.

Supporting people to stay at home

Work continues across Highland to test new models of care delivery focussing on keeping people in their own home whenever safe to do so. In the Inverness area, the focus has been on overnight services to support carers and individuals when a situation arises out of hours. It has been clear that these situations, often not classed as emergencies, do need a level of support to prevent a hospital admission. This support may be from a range of care services and it is that flexibility of options that is proving successful. The service may also deliver care on an ongoing basis if required and data is being gathered to evidence the effectiveness longer term.

In other areas communities have come together to consider options and the Community Partnerships are key to ensuring the sharing of ideas and expertise.

Within hospitals the focus in discharge planning is on returning people home as the first option provided it would be safe to do so. Staff and families need to work closely together for this to happen, ensuring individuals and their carers receives the right care at the right time.

Be@Home

This demonstration project supported by the Scottish Government will provide valuable information on accessing housing options when circumstances and/or care needs change.

The project has involved close collaboration across the Highland Council Housing department, the Lochaber Care and Repair service and NHS Highland – in particular Occupational Therapy. Initial outcomes have shown how the implementation of a one-stop-shop approach can increase assessment capacity, reduce waiting times and enable the exploring of a number of service options at one time.

The one-stop-shop positioned in Lochaber care and repair offers service users direct access to a range of potential interventions. Including aids and adaptations, equipment, telecare, housing advice and information. The outcome of a National evaluation is anticipated and this will help inform rollout of this model.

This work fits well with the redesign of Community stores across Highland and close partnership working with the Handy Person Schemes.

Jan Baird, Director of Adult Care, NHS Highland.

June 2017

**Highland Community Planning Board
Board Meeting of Wednesday 28th June 2017
Highlight Report in relation to delivery of SOA Environmental
Outcomes Delivery Plan for the period from February to June 2017**

Progress has been made across the range of identified environmental outcomes in the SOA. Whilst not on the list of outcomes, there are also a number of other interesting initiatives that are consistent and compatible with the SOA and which are highlighted here.

- In the last Highlight report we provided an update on SEPAs work on the [River Basin Management Plan](#). The second plan for Scotland has now been published and it sets out measures to improve water bodies that are not at 'good condition' caused by impacts on water quality, physical condition, water flows and levels, accessibility for fish migration and impacts due to invasive non-native species. One of the more high profile actions in the Highland Area is to reduce rural diffuse pollution in the River Nairn catchment to improve water quality at Nairn's two Bathing Water beaches which are currently rated as 'poor'. Key to making improvements is working in partnership with others and SEPA works closely with other agencies such as Scottish Water, Highland Council and NFUS and also local communities and elected members. SEPA has carried out farm inspections in the catchment in order to advise and guide land managers how best to reduce run off from farm buildings and fields and it is formulating a strategy to improve rural sewage disposal in key areas of the Nairn catchment. SEPA continues to work with Scottish Water to ensure impacts from town and village sewage systems are minimised. SEPA administers the Water Environment Fund and prioritises schemes for restoration. Within Highland Region there are a number of schemes that have been prioritised for restoration, all to remove or modify structures that are barriers to fish migration. Finally, in relation to SEPAs work, there are 14 separate Local District Plans for Flood Risk Management, with the Lead Local Authority for Highland and Argyll Local District Plan sitting with the Highland Council. These District Plans are approved by Scottish Government and are published by SEPA as Scotland's strategic flood risk management authority. Within Highland Region a number of communities have been identified as being Potentially Vulnerable Areas, which are at greatest risk of flooding. The Plan runs on a 6 year cycle, beginning in 2016, with the Lead Local Authority required to publish information on the progress that is being made on measures identified in the Plan, to reduce flood risk.
- The importance of Green health is becoming increasingly important in the context of the emerging Highland LOIP and through the development of the Green Health Partnership. Discussions are ongoing between SNH, NHS Highland and the HTSI. A specific current example is the Natural Connections Project, led by NHS Highland, to help people deal with mental health issues. The project, funded by SNH, recently ran a 4 week course for 7 participants in Newtown forest, Wick that included walking, mindfulness sessions, poetry and language. The project utilised the natural beauty of Caithness to improve

natural health and well-being. There is clear evidence to show that being outdoors improves health outcomes which can be enhanced through inspiring and enjoyable activities such as walking and yoga.

The reported progress on the specific environmental outcomes in the SOA is as follows:

The environment will be managed sustainably in order to optimise economic, health, natural heritage and learning benefits

- SNH published a [report](#) on the 'Analyses of the fates of satellite tracked golden eagles in Scotland'. Golden eagles were the focus of this report as the authors concluded the same volume of data was not available on other species to produce meaningful analysis. SNHs report looked at 131 young golden eagles between 2004 and 2016 and found that 41 had disappeared in suspicious circumstances, with clusters of suspicious disappearances arising in six areas associated with grouse moor management. The Highlands is a stronghold for golden eagle. Police Scotland has been carrying out proactive patrols in key areas identified in the report, including an area to the south east of Inverness. In response to this the Cabinet Secretary has identified a pilot approach to be trialled in the Cairngorms National Park with the appointment of a number of Special Constables.
- There have been a number of other developments in relation to wildlife crime. The Wildlife Crime Officer (WCO) has assisted with ringing of young raptors and participated in poaching patrols. A number of birds of prey have been handed in to the police by members of the public who thought crimes had been committed but following post mortem found to be natural causes. Training has been carried out regarding bat awareness and badger crime. The police have met with keepers and farmers to discuss raptors, OGL issues, licensed removal of badgers and effects of raptors on wader populations. There is a continued increase in reporting showing public confidence that Wildlife Crime is taken seriously and investigated in North division.
- The following wildlife crimes have been reported in Highland over the period: destruction of badger set, hare coursing, raptor disturbance, destruction of nests, salmon poaching, theft of sperm whale jaw bone, habitat destruction (river and land) and bat disturbance. The police have submitted reports to the PF on cases relating to poaching, raptor issues and hare coursing. The police have reported a very busy period with both full time and part time officers working with partners positively.
- Special mention must be made of the work done by Scottish Agricultural College, Inverness for the very professional and quick turnaround for post mortem results and the quick turnaround for analysis by Elizabeth Sharp and her team.
- During the reporting period there has been a meeting of the Highland Environment Forum, a biodiversity conference and a joint invasive species forum meeting.

The effects of climate change in the Highlands will be minimised and managed

- On Monday 24th April, the Council's Climate Change team launched the [Highland Climate Challenge](#) pilot, which is a tool to help teachers and pupils better understand climate change and its potential impacts on our region. Highland Climate Challenge is an online application that teaches pupils about energy, sustainability and climate change, while motivating them to make reductions to their carbon footprint. The pilot is for pupils from P.2-7 across 9 Highland schools, and differentiation is achieved through the range of learning activities offered, making it suitable for multi-composite classes as well as single stage learning. The challenge is based on a "gamification" model i.e. it uses game-like features to motivate real-world activities. It has been developed by Twenty Squares, an SME based in Glasgow, and a short overview video can be viewed [here](#).
- Submissions to the Scottish Government's consultations on the draft Scottish Energy Strategy, Scottish Energy Efficiency Programme, Local Heat & Energy Efficiency Strategy & Regulation of District Heating, and the Onshore Wind Policy statements have now been prepared and submitted by the Climate Change team following collaboration with various teams throughout the Council and with community planning partners. The Council's new Places Committee will be asked to homologate the responses at the 16th June meeting, and a copy of the report can be found [here](#).
- The Climate Change team drafted the SOLACE response to the Scottish Government's draft Climate Change Plan, which was submitted in February 2017. The report can be found [here](#).
- A report on the results of The Highland Council's consultation on the landscape sensitivity appraisals of the Black Isle, surrounding hills and Moray Firth Coast study area and of the Caithness study will now be taken to Committee in August 2017 (not June). This is intended to inform the capacity of the landscape for further windfarm development.
- The Highland Council has launched a "Storymap" containing information on the history and development of Hydro power in the Highlands of Scotland through imagery, videos, and interactive mapping. We have also created an interactive map of hydro scheme development across Highland with information on schemes that are "Constructed", "Constructed - Removed" or "Under Construction", "Approved", "In Planning", "Refused" and "Withdrawn" - up to date to 1 January 2017. See www.highland.gov.uk/hydromap
- The two-turbine Dounreay Tri Floating Wind Demonstration Project has received consent.
- SNH received positive feedback from SSN on their Public Bodies Duties Climate Change report for 2015-2016. SNH have had successes with their Transforming workplaces project. These projects not only save space and have financial benefits, but have significant CO2 savings. At SNHs HQ in Inverness – GGH we welcomed Care Commission at the end of February 2017. The move went well and they now occupy 3% of the building. Discussions are underway with VisitScotland for them to move in around August 2017, taking up 6% of the building.

- There have been a number of significant wildfires in the area over the last couple of months including a hillside blaze between Lochinver and the mountain Suilven in NW Sutherland, a fire on moor and grassland south of Inverness between Torbreck and Essich and a large woodland blaze at Craigie Woods near North Kessock. The wildfires followed periods of dry, windy weather.

People will have greater outdoor access and volunteering opportunities across Highland

- Trees for Life created 316 volunteer opportunities between February and May 2017. The number of opportunities taken by people from deprived areas has not been quantified, but includes a number of participants from disadvantaged areas of Inverness.
- The Highland Outdoor Volunteers Facebook page continues to be run by volunteering organisations, as a result of the HEF volunteering group. A new anti-marine litter Facebook page runs along similar lines, as a result of bringing people together through the forum.
- An outdoor volunteering day was held on Merkinch LNR on Saturday 10th June.

For further information or to discuss any issues raised in this highlight report please contact:

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