

Agenda Item	11
Report No	EDI 27/19

HIGHLAND COUNCIL

Committee: Environment, Development and Infrastructure

Date: 16 May 2019

Report Title: Inverness and Highland City-Region Deal Update

Report By: Director of Development and Infrastructure

1 Purpose/Executive Summary

- 1.1 The purpose of this report is to recommend changes to the programme management arrangements for the Inverness and Highland City-Region Deal and provide an update to Members on the progress of the deal.

2 Recommendations

- 2.1 Members are asked to:
- i. agree the proposed changes to the governance arrangements; and
 - ii. note the progress with the Inverness and Highland City-Region Deal.

3 Background

- 3.1 Members will be aware that the Inverness and Highland City-Region Deal was signed on 31 January 2017. The deal is transformative and will position the area as a region of opportunity. It is at the early stages of making a contribution to the long term productivity and economic growth of the region by investing in vital infrastructure, fostering innovation, supporting regional skills development and promoting tourism.
- 3.2 The City-Region Deal provides a significant funding package which invests up to £315 m into the regional economy. Led by the Highland Council, which is responsible for both the city of Inverness and the wider Highland Region, the Inverness and Highland City-Region Deal is being implemented by a partnership between the Council, Highlands and Islands Enterprise, The University of the Highlands & Islands (UHI), and Albyn Housing Society Ltd. Collectively, this funding package will be provided over a 10 year period subject to detailed business cases, statutory processes and implementation plans.

4 Introduction

At the Audit and Scrutiny Committee on 27 March 2019, a report was provided which highlighted areas for improvement with respect to Governance of the City Region Deal. The Director of Development and Infrastructure advised that a report would be submitted to the Environment, Development and Infrastructure (EDI) Committee in May 2019 recommending a number of changes to governance. This report provides an oversight of the governance arrangements and proposed changes.

4.1 Full Council

Currently, reports are provided to Council on an ad hoc basis. Going forward, the Inverness and Highland City Region Deal annual report will be presented to Council in the Autumn Cycle. This report is a requirement of the City-Region Deal Governance (**Appendix 2**) and covers progress, financial reporting risk and issues and additionality provided by the deal.

Proposal:

The Annual Report for the Inverness and Highland City Region Deal is provided to the Full Council

4.2 Environment, Development and Infrastructure (EDI) Committee

- 4.2.1 To date, reports have taken to EDI on an ad hoc basis. Going forward, a quarterly report will be provided to every committee. Currently the Programme Manager is required to provide a quarterly progress report to the Scottish and UK Government and the report for Quarter 4 2018/19 is attached at **Appendix 1**. The intention is to use this as the basis for the report to the EDI Committee, which will be provided with a covering report to provide narrative on Highlights and Issues during the period.
- 4.2.2 Highland Council business cases for the Inverness Castle, Land Remediation and Digital projects will be provided to EDI committee for approval prior to being submitted to the Scottish and UK Governments. The business case for the Digital is included as, although the Project is led by HIE, it is arguable that the project is jointly owned.

Proposals:

A quarterly progress report is provided to each EDI Committee based on the report provided to the Scottish and UK Government.

Business cases for the Land Remediation, Castle and Digital projects are presented EDI Committee for approval prior to submission to the Scottish and UK Governments.

4.3 Inverness and Highland City Region Scrutiny Group

4.3.1 Previously, membership was limited to the group leaders. At the Audit and Scrutiny Committee, it was agreed that going forward the clerking and co-ordination of the meeting would be taken over by Committee Services, and that the membership of the group would be widened to include the Chair and Vice Chair of the Audit and Scrutiny Committee and two other Members. It is proposed that these roles be filled by the Chair of the EDI Committee and one of the Vice Chairs. A formal note of the meeting will be kept and reported to EDI.

4.3.2 The frequency of these meetings will be 4 times per year. The Programme Manager will provide an overview report based on that provided to Government colleagues (**Appendix 1**) but, in addition, it is proposed that a more in depth look at particular projects could be requested and arranged by the programme manager.

Proposals:

Co-ordination on the City Region Deal scrutiny group will managed by Committee Services.

The meetings be held quarterly.

Membership of the group will be widened to include the Chair and Vice Chair of Audit and Scrutiny, the Chair and one of the Vice Chairs of EDI.

4.4 Programme Board

In addition to the forums above, a programme board exists comprised of the lead officers for each project, a representative from the Council's Finance Service and representation from the business community (SCDI). The Scottish Government and UK Government are also represented on the board which is Chaired by the Director of Development and Infrastructure. The Programme Board has operational responsibility for the following:

- ensuring the effective co-ordination between partners;
- ensuring the ongoing overall alignment of the individual projects within the programme;
- resolving any strategic and operational issues between projects;
- monitoring project status and ensure project delivery;
- ensuring risks are managed; and
- ensuring sound financial management.

4.5 Other Reporting

In addition to reporting to the the above forums, the Programme Manager provides reports to the Community Planning Partnership, the Highland Economic Forum and also attends individual project board meetings, in particular for partners' projects. Reports are also provided to the Scottish Government on a quarterly and annual basis (please see **appendix 2**) as well as financial reporting. It is intended that these arrangements remain the same but will be subject to review as will all governance arrangements. It should be noted that all current reporting requirements are up to date.

5 Implications

- 5.1 Resource: Committee Services have additional work with respect to clerking of the scrutiny group but have indicated that this can be accommodated within existing resources.
- 5.2 Legal: None
- 5.3 Community (Equality, Poverty and Rural): There are no equality implications as a consequence of this report.
- 5.4 Climate Change / Carbon Clever: There are no climate change implications as a consequence of this report.
- 5.5 Risk: There are no risk implications as a consequence of this report.
- 5.6 Gaelic: There are no Gaelic implications as a consequence of this report.

Designation: Director of Development and Infrastructure

Date: 24 April 2019

Author: John Robertson, City-Region Deal Programme Manager

INVERNESS AND HIGHLAND CITY REGION DEAL QPR Q4 18/19



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Programme Overview

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ID	Deliverables	Date	Status	Previous	Comments
1.1	Benefits Realisation Plan	01/11/18	G	01/11/18	Up to date
1.2	Implementation Plan	28/06/19	G	01/11/18	Up to date
1.3	Quarterly Report (Q 1 19/20)	12/07/19	G	14/04/19	Up to date
1.4	Annual Report	31/07/19	G	18/01/19	Up to date
1.5	Updated Implementation plan	28/06/19	G	01/09/19	Up to date
1.6	Monthly Fin Reporting Apr	14/05/19	G	29/03/18	Up to date
1.7	Claim 1 for 19/20	28/06/19	G	12/04/19	Up to date
1.8	Comms meeting and actions	23/04/19	G	25/01/19	Quarterly meeting
1.9	Inclusive growth and community Impact processes	14/05/19	A	24/04/19	Castle EQIA will take longer and therefore date changed.
1.10	Economic Dashboard	30/05/19	A	30/03/19	In the interim project leads have been asked to capture business case and other benefits. Engagement with other deals and both Governments will continue, this is a wider discussion that just I & H CRD.

Programme RAG

ELEMENT	RAG Current	Trend Last	Trend Last +1	Reason	Action
Financial	A	A	R	Systems improved greatly but spend needs to be caught up	System set up and information sent for previous years. Spend 20% behind profile.
Progress	A	A	A	2 projects are complete 6 projects are green 4 amber and 1 red. 2 are not ragged	Remedial actions are in place for the amber projects. The RAD Rag for the Digital project and the Amber for Longman land remediation relate to external project deliverables.
Benefits	G	G	G	Projects that should be delivering benefits are	Need to ensure recording and updating in benefits register as more come on stream
Overall	A	A	A	General need to ensure pace improves.	No remedial action other than digital needed but need to reinforce message about pace and therefore spend.

Financial Overview

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The Budgets are now rebaselined including the original £3m from the original UK Government tranche.

2018-19							
INVERNESS AND HIGHLAND CITY REGION DEAL		2018-19					
	Total	Notes					
Grant Provision	£5,794,618	2018-19 Grant					
Additional provision		underspend amount sitting with THC					
Final Provision	£5,794,618	reprofile 2018-19					
Drawdown Total	£4,179,163	2018-19 Drawdown Total as at 31 March 2019					
Variance	£1,615,455						
End of year Balance check - Drawdown Total		£4,179,163					
Projects	2018-19 Funding Provision	DrawnDown Q1	DrawnDown Q2	DrawnDown Q3	DrawnDown Q4	Drawdown Total	
Innovative Assisted Living	£713,097	£0	£192,650	£29,421	£59,064	£281,135	
Science Skills Academy	£820,000	£0	£39,762	£75,396	£0	£115,158	
Affordable Housing	£500,000	£0	£160	£348,000	£336,000	£684,160	
Inverness Castle	£1,833,000	£0	£1,610,219	£64,178	£49,596	£1,723,993	
Longman Land Remediation	£97,000	£0	£31,964	£47,482	£0	£79,446	
CRD Digital Programme	£0	£0	£0	£0	£0	£0	
Northern Innovation Hub	£729,625	£0	£113,802	£157,223	£441,039	£712,064	
UHI School of Life Sciences	£1,101,896	£0	£241,939	£86,689	£254,579	£583,207	
East Link & Longman (TS)	n/a						
TOTALS	£5,794,618	£0	£2,230,496	£808,389	£1,140,278	£4,179,163	
Application Date	Project	Project Funding	Amount Claimed £	Cumulative £	Balance £	Percentage drawn	
31/03/2019	UHI School of Life Sciences	£1,101,896	£583,207	£583,207	£5,211,411	10.06%	
31/03/2019	Northern Innovation Hub	£729,625	£712,064	£1,295,271	£4,499,347	22.35%	
31/03/2019	Longman Road Land Remediation	£97,000	£79,446	£1,374,717	£4,419,901	23.72%	
31/03/2019	Science Skills Academy	£820,000	£115,158	£1,489,875	£4,304,743	25.71%	
31/03/2019	Innovative Assisted Living	£713,097	£281,135	£1,771,010	£4,023,608	30.56%	
31/03/2019	Affordable Housing	£500,000	£684,160	£2,455,170	£3,339,448	42.37%	
31/03/2019	Inverness Castle	£1,833,000	£1,723,993	£4,179,163	£1,615,455	72.12%	

PROFILES Remaining Years

The major Issues remain the Digital Project and we will continue to work with both Governments to resolve the issue. Other changes to profiles will be reported in year through monthly financial management and qtlly through this report.

Project	Spend to date	19/20	20/21	21/22	22/23	23/24	24/25	25/26	Totals
SSA Spend	£273,432								£273,432
SSA Remaining profile		£1,051,479	£863,000	£812,089	£0	£0	£0	£0	£2,726,568
									£3,000,000
Castle spend	£1,900,550								£1,900,550
Castle Remaining profile		£136,034	£884,221	£6,767,764	£2,111,596	£2,590,385	£1,611,000	£360,450	£14,461,450
									£16,362,000
Aff Hsg spend	£684,160								£684,160
Aff Hsg Remaining profile		£510,000	£505,388	£660,000	£660,452	£660,000	£660,000	£660,000	£4,315,840
									£5,000,000
FIT House spend	£281,135								£281,135
FIT House Remaining profile		£669,962	£912,150	£1,040,047	£96,706	£0	£0	£0	£2,718,865
									£3,000,000
UHI spend	£651,086								£651,086
UHI Remaining profile		£1,920,145	£3,522,460	£890,000	£865,000	£651,309	£500,000	£0	£8,348,914
									£9,000,000
Longman spend	£202,812								£202,812
Longman Remaining profile		£150,000	£50,000	£2,600,000	£4,000,000	£2,997,188	£0	£0	£9,797,188
									£10,000,000
NIH spend	£748,352								£748,352
NIH Remaining profile		£1,300,000	£1,915,140	£2,294,056	£1,842,452	£1,400,000	£1,500,000	£0	£10,251,648
									£11,000,000
Digital spend	£0								£0
Digital Remaining profile		£500,000	£1,500,000	£7,000,000	£9,000,000	£2,000,000	£0	£0	£20,000,000
see below									£20,000,000
Wifi spend	£500,000								£500,000
WiFi Remaining profile		£0	£0	£0	£0	£0	£0	£0	£0
									£500,000
Tower spend	£1,038,000								£1,038,000
Tower Remaining profile		£0	£0	£0	£0	£0	£0	£0	£0
									£1,038,000
Revenue spend	£100,000								£100,000
Rev Remaining profile		£0	£0	£0	£0	£0	£0	£0	£0
									£100,000
								TOTAL	£79,000,000

Risks and Issues

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The Table below is a summary of Live current programme level risks.

Id No.	Value	Rag	Short Description	Impact	Likelihood	Vulnerability	Mitigation	Action Date
CRD 1	18	R	Full Business Cases not agreed (Digital)	Critical (3)	Very High (6)	R100 and Crowded Digital Landscape. Parameters around which money can be spent	Propose satisfactory ways of using the digital funding. This may include using this money to go against wider R100 objectives. Attempt to manage expectations monitor at digital project board around time scales.	12/04/2019
CRD 2	6	G	Full Business Case not agreed (Castle)	Critical (3)	Very Low (2)	The Changing scope of the project and number of stake holders creates a level of uncertainty	Ensure all applicable stakeholders are engaged with through the development stage to the business case stage	12/04/2019
CRD 3	12	G	Full Business Case not Agreed Longman	Critical (3)	Significant (4)	The view of SEPA has been in the past less than favourable concerning part remediation of sites and significant work will need to be carried out for the full business case	Early discussions with SEPA and consider support in developing the business case	12/04/2019
CRD 4	15	A	Missed PR Comms Activities	Critical (3)	High (5)	The number of stakeholders involved is the primary vulnerability	1. Ensure all stakeholders are cod to possible events and 2. Ensure Speedy responses to requests for quotes and inputs for comms if contacted	Review 23/01/19
CRD 5	4	G	Local Political Expectations	Marginal (2)	Very Low (2)	The differing views of the merit of the City Region Deal have the potential for causing poor PR	Continue to emphasise the benefits of the city region dela with Comms and Face to face briefings to local members	12/04/2019
CRD 7	1	G	Impact Measurement	Negligible (1)	Almost Impossible (1)	No system in place as of yet	Develop System for measurement	12/04/2019
CRD 8	9	G	Governance Reporting	Critical (3)	Low (3)	The systems that have been adopted are immature and need to be proven over a number of cycles	Allow tome to keep on top of reporting	End Aqtr 4 18/19
CRD 13	12	G	PMO Resources are insufficient to meet information and governance demands	Critical (3)	Significant (4)	No resilience in available resources and no defined structure	Review resource needs and report	01/05/2019

Science Skills Academy

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RAG G	Reason for RAG and response Action	Delays in bring rooms up to standards have created delays against spend profile. Issues are resolved and first two rooms will be complete at the turn of the year. Spend re-profile provided and the lessons learned from the first two Netwon rooms will be applied to remaining.			
Lead Organisation	Highlands and Islands Enterprise	Project Lead	Emma Robertson		
Business Case	Full Case Approved				
Benefits Commenced	YES				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£214,779	£181,700	£338,010	£317,020
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	End of Pilot (Started Nov 2016)	Preliminary activities including: programme trials Skills Academy approach, interdisciplinary, innovative, catalytic	Done	N/A	Complete
2	Evaluation of Pilot	Understanding the lessons from the preliminary activity to inform the development of the SSA	Done	N/A	Complete
3	Core Team Set up	Director, Project Manager, admin support and legal agreement in place	Done	N/A	Complete
4	1st Newton Room Opens	Including securing a venue kit out and putting in place the supporting processes	Done	N/A	Caithness launch 25/03/19
5	2 nd Newton Room Opens	Including securing a venue kit out and putting in place the supporting processes	Done	N/A	Ft William launch 02/04/19
6	3 rd Newton Room Opens	Including securing a venue kit out and putting in place the supporting processes	31/06/19	30/10/19	Discussions with surveyors and occupiers have indicated that if work proceeds on Dingwall Town Hall that an October completions is estimated
7	4 th Newton Room Opens	As Including securing a venue kit out and putting in place the supporting processes	31/12/19	31/12/19	Options appraisals are underway for the Inverness Newton rooms
8	5 th Newton Room Opens	Including securing a venue kit out and putting in place the supporting processes	31/12/19	31/12/19	Options appraisals are in progress for Wester Ross & Skye Newton room

ID No.	Milestone	Description	Last Date	New Date	Comment
9	Evaluation of Programme (part 1)	Source benchmark data against which outcomes will be measured	31/03/19	31/05/19	Work is still ongoing with the University of Sterling
10	Evaluation of Programme (part 2)	Establish and record evaluation mechanism	30/06/19	30/09.19	This piece of work will follow on once the above item is complete

Inverness Castle

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RAG G	Reason for RAG and response Action	The Castle project has been developing to match the ambition of local partners and The Scottish Government. The actions and programme have focused on the development of concept for the paid for visitor attraction, museum and art gallery, the inclusion of other sites on Castle Hill and retail and catering opportunities. The route to funding for project strands will develop in parallel to faze 1 which is the North and South Tower.			
Lead Organisation	Highlife Highland	Project Lead	Fiona Hampton		
Business Case	Part Business Case approved				
Benefits Commenced	NO				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£10,000	£30,000	£46,034	£50,000
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Preparation and Brief		-	29/03/19	
2	Concept Design		-	30/08/19	
3	Design Development		-	17/01/20	
4	Technical Design		-	02/10/20	
5	Construction		-	07/01/22	
6	Handover and Close out		-	07/01/22	

Affordable Housing

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RAG A	Reason for RAG and response Action	At present progress against timescales is good. This project is ragged as amber because of the risk of unavailability of affordable land for the project particularly in Inverness. Work to identify suitable land continues and is a risk to total numbers.			
Lead Organisation	Highland Council	Project Lead	Allan Maguire		
Business Case	Full Case Approved				
Benefits Commenced	YES				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£120,000	£90,000	£150,000	£150,000
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Project Set up	Complete	Done	N/A	Complete
2	Raining's Stairs	Site Completed and allocated	Done	N/A	Complete
3	Glendoe Terrace	Site Completed and allocated	Done	N/A	Complete
4	Drumnadrochit	Site Completed and allocated	Done	N/A	Complete
5	Munlochy	Site Completed and allocated	Done	N/A	Complete
6	Balvonie	Site Completed and allocated	31/12/19		
7	Ullapool	Site Completed and allocated	30/06/19	31/10/19	Site servicing delays
8	Lochyside	Site Completed and allocated	30/06/19	30/9/19	Site servicing delays
9	Balloan Road	Site Completed and allocated	31/01/20	31/7/19	
10	Dulnain Bridge	Site Completed and allocated	30/09/20		
11	Carrbridge	Site Completed and allocated	30/04/20	30/6/20	Slight planning delays
12	Academy Street Inverness	Site Completed and allocated	30/06/20	31/7/20	Slight planning delays
13	Slackbuie	Site Completed and allocated	30/06/20	30/9/20	Contractor delays
14	Croy	Site Completed and allocated	31/03/20		
15	Alness Dalmore	Site Completed and allocated	31/03/20		
16	Aviemore Burnside	Site Completed and allocated	31/05/20		
17	Netwonmore	Site Completed and allocated	31/05/20		
18	Inverness Stratton	Site Completed and allocated	30/09/20		
19	Inverness Nairnside	Site Completed and allocated	31/03/21		

ID No.	Milestone	Description	Last Date	New Date	Comment
20	Remaining Sites to be identified				

FIT House

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RAG A	Reason for RAG and response Action	Plan has been updated and improvements made to the project management arrangements for this project. That being said there are issues as shown against actions that may require escalation and a movement to red RAG.			
Lead Organisation	Albyn Housing Society limited.	Project Lead	Lucy Fraser		
Business Case	Full Case Approved				
Benefits Commenced	YES				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£28,728	£64,868	£160,550	£415,816
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
There were significant delays in providing the Modular Housing from supplier and a change of supplier and approach has been necessitated.					
1	Prototype monitoring system live	Installed in first 16 homes. Live data being generated and accessible via prototype interface to tenants and their families/carers and anonymously for predictive analytics research.	Done	N/A	
2	Prototype monitoring system live	Installed in first 16 homes. Live data being generated and accessible via prototype	Done	N/A	
3	Stage 1 Predictive Analytics Research	Initial report from Robert Gordon University on potential of Fit Home data to predict risk of falls.	Done	N/A	
4	Build Phase 1 Site Design (Nairn)	Audit of specifics of site and designing the optimum design solution in terms of configuration, number of units and type of unit.	Done	N/A	
5	Build Phase 1 Consents Obtained	Statutory consents obtained, triggering start of procurement process.	31/03/2019	30/06/19	Challenges rose during the planning process in relation to tree felling and acoustics have required further investigation and re-design of the site layout. Re-

					submission for planning consent is expected during late April.
6	Build Phase 2 Site Design	Audit of specifics of site and designing the optimum design solution in terms of configuration, number of units and mix required to agree valuation with Tulloch's.	31/12/2018	30/06/19	We continue to experience delays from Tulloch's side.
7	Build Phase 2 Site Purchase (Milton of Leys)	Potential mix on site and valuation agreed with site owner. Contract of purchase concluded.	31/02/2019	31/07/19	Knock-on delay from delay in agreeing site valuation.
8	Build Phase 3 Site Agreed	Agreement between key stakeholders on next site for new build development.	31/03/2019	31/03/19	A meeting is planned for 29 th April to narrow down potential sites and begin assessing feasibility.

Longman Junction

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RAG NO RAG	Reason for RAG and response Action	It is acknowledged that the Longman reclamation project is reliant on the design option determined from this project and the project lead will work towards providing a date for preferred option and delivery of subsequent design.			
Lead Organisation	Transport Scotland	Project Lead	David Torrance		
Business Case	N/A				
Benefits Commenced	NO				
Finance	N/A				
ID No.	Milestone	Description	Last Date	New Date	Comment
1	It is not possible to provide detail management milestones				

East Link

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RAG NO RAG	Reason for RAG and response Action	More detail on dates for the project would be welcomed. Joint working between partners remain productive			
Lead Organisation	Transport Scotland	Project Lead	David Torrance		
Business Case	N/A				
Benefits Commenced	NO				
Finance	N/A				
ID No.	Milestone	Description	Last Date	New Date	Comment
1	It is not possible to provide detail management milestones				

West Link

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RAG G	Reason for RAG and response Action	Stage 1 complete and delivering benefits - stage 2 progressing to schedule		
Lead Organisation	Highland Council	Project Lead	Bryan Stout	
Business Case	Full Case Approved			
Benefits Commenced	YES			
Finance	N/A			

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Stage 1	The new Bridge, Connecting Road to Holm Mains, New Roundabout and Rugby Club.	11/12/17	N/A	Complete
2	Stage 2 – Design	Design Complete	31/10/18	N/A	Complete
3	Stage 2 – Tender Award	Self Explanatory	05/04/19	15/04/19	Decision delayed by 11 days but now made and letter of intention to award provided and award on date shown.
4	Stage 2 – Constructions Starts	Self Explanatory	20/05/19		
5	Competition	Self Explanatory	20/12/20		

UHI Centre for Health Innovation

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RAG G	Reason for RAG and response Action	The project is progressing against the milestones in the plan. The most significant delay is in regard to the Developer Agreement with NHS. Whilst this does not stop build it has stopped the processing of invoices for spend already committed.			
Lead Organisation	UHI	Project Lead	Ian Megson		
Business Case	Full Case Approved				
Benefits Commenced	YES				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£90,000	£114,500	£802,500	£913,145
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Capital project Concept design delivered	Appointment of UHI professional advisors. Initial concept design available for use in procurement of full design team and contractors.	Done	N/A	Complete
2	Revenue Project Recruitment start	Appointment of technical staff for facility development, commercialisation staff and first clinical appointments selected	Done	N/A	Complete
3	Commercialisation activities start	Innovation projects from existing collaborative activities start to be developed and made ready for productisation for when facility when built.	Done	N/A	Complete
4	Procurement of design and build team	NHS approved framework for procurement of design and build contractor used to appoint the Principal Supply Chain Partner i.e. contractor.	Done	N/A	Complete
5	Recruitment complete	All clinical and non-clinical staff in post, including the full complement of sessional clinical	Done	N/A	Complete
6	First fully commercialised deliverables	First wave of commercial products and services graduate from the pre-incubator in readiness for establishing new companies or as validated healthcare improvements ready	Done	N/A	Performance measurement being undertaken and reported on

ID No.	Milestone	Description	Last Date	New Date	Comment
		for uptake.			
7	First phase legal agreements complete	Initial pre-contractual partnership agreements signed to allow design and procurement to proceed.	28/02/19	28/06/19	The Development Agreement between HIE, UHI and NHSH is not yet approved. Not expected to be signed until the Full Business Case for the Elective Care Centre is approved.
8	Final outcome of design stage	Costed-out technical design delivered (RIBA 4). Final agreements with fixed prices between UHI and the developer and the contractor signed.	30/11/18	26/04/19	Programme delays – now aligned with ECS programme
9	Site work commences	On-site works start, including clearing land, layout and on site logistics.	15/10/18	29/07/19	Alignment to the Elective Care Centre programme
10	Building complete	Building commissioning completed for the UHI zone. UHI area occupied and ownership of the UHI area commences.	30/09/19	14/08/20	Programme delays notified by Balfour Beatty

Longman Land Remediation

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RAG A	Reason for RAG and response Action	This project is reliant on the Longman Interchange project and close liaison will be required. Although in the terms of the overall CRD programme the delays are manageable the general lack of progress has moved this project to amber.			
Lead Organisation	Highland Council	Project Lead	Allan Maguire		
Business Case	Part Business Case approved				
Benefits Commenced	NO				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£0	£0	£50,000	£100,000
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Intrusive Site Investigations	Investigations last a year to enable tide cycle	Complete		
2	End of initial Investigations	A further stage will be required	23/01/18	TBC	Because the inter-relationship between remediation activity SEPA licence and Longman Interchange site boundaries will change and further investigations will be needed
3	SEPA In principle approval	Self Explanatory	31/03/19	31/05/19	Discussion continues with SEPA re the remediation and licensing of the land.
4	Further Site investigations	For full business case	30/03/20	31/05/19	The ongoing discussions with SEPA have impacted on time scales
5	Planning Application	Submit planning application for remediation works and site servicing masterplan. Instruct Transport Impact Assessment (TIA).	31/03/19	31/09/19	Significantly more investigative work will be needed
6	Remainder Business Case	Outline full business plan submitted for remediation works.	31/10/19	31/12/19	Impacted by changes above
7	Remediation	Self Explanatory	30/04/20	30/06/20	Impacted by changes

ID No.	Milestone	Description	Last Date	New Date	Comment
	works commence				above
8	Site Servicing Works commence	Self Explanatory	30/04/22	30/04/22	Impacted by changes above
9	Site Marketed:	(subject to completion of Longman Interchange)	30/04/24	3/04/24	Impacted by changes above

Northern Innovation Hub

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RAG	Reason for RAG and response Action	Generally the project is on track and approval of the business case will be a major milestone development			
Lead Organisation	Highland Council	Project Lead	Felix Spittal		
Business Case	Full Case Approved with the exception of the food and drink centre which is expected imminently				
Benefits Commenced	NO				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£270,000	£320,000	£325,000	£385,000
	Actual				

ID No	Milestone	Description	Last Date	New Date	Comment
1	Interim Project Manager appointed	PM appointed to oversee the development of the full business case and procurement process.	24/12/16	31/12/16	Complete
2	NIH Programme announced	Following approval of the Full Business Case the broad details of the programme will be announced	31/07/17	31/10/17	Complete
3	First Procurement exercise underway	HIE launches procurement exercises for the first elements of the NIH	31/07/17	30/11/17	Complete
4	Initiative launch with social media push	The NIH programme is launched with publicity around the technology placements and promotion of the wider programme.	31/08/17	30/11/17	Complete
5	NIH Staff in place	Four NIH staff employed by HIE to run the programme	30/09/17	28/2/18	Complete
6	Technology Placement Programmes underway	The graduate and summer technology placements will be directly delivered by HIE following approval.	31/10/17	31/07/18	Complete
7	1 st set of programme contracts	Life Sciences Pathfinder	31/10/17	31/01/18	Complete
8	2 nd set of programme contracts	Tune in to Tourism	31/10/17	31/05/18	Complete
9	1 st set of	Life Sciences Pathfinder	30/11/17	31/03/18	Complete

ID No	Milestone	Description	Last Date	New Date	Comment
	programmes begin				
10	1 st set of programmes begin	Tune into Tourism	30/11/17	31/08/18	Complete
11	2 nd set of programme contracts awarded	30 under 30 (IMPACT 30)	24/12/17	31/08/18	Complete
12	2 nd set of programme contracts awarded	Creative Industries	24/12/17	30/09/18	Complete
13	2 nd set of programme contracts awarded	Coding Academy	24/12/17	31/08/18	Complete
14	Adventure Tourism contract awarded	Procurement complete for the Adventure tourism accelerator and contract awarded	31/07/19	31/09/19	Adventure project delayed while additional development work on project scope completed.
15	Contract awarded for Food and Drink Technology Centre	Technology centre capital project contract awarded	31/03/18	31/08/19	Project delayed while FAD projects have additional scoping, EIA and appraisal by UK Government.
16	Food and Drink Network contract	Contract awarded for the Highland Food and Drink Network – focussed on innovation and technology	30/06/20	28/02/19	Food and Drink Network project brought forward to create interest and prepare for construction of Technology Centre.
17	Next Generation Programme & 2 nd phase of Network	Contract awarded for Food and Drink Next Generation Programme & second phase of Network	31/09/21	tbc	Dependent on construction of Technology Centre

Joint Digital Action Plan

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RAG R	Reason for RAG and response Action	No significant progress. A proposal for spending some of the funds is still on the table but dependent on discussions outside the control of the City Region Deal. Likewise the ways the remainder of the funding will be aligned with R100 is not yet know.			
Lead Organisation	Highlands and Islands Enterprise	Project Lead	Stuart Robertson		
Business Case	Part out line case submitted.				
Benefits Commenced	NO				
Finance		QTR 1	QTR 2	QTR 3	QTR 4
	Forecast	£0	£0	£0	£500,000
	Actual				

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Agree funding parameters	Agreed that a proportion will be aligned with R100 and a proportion be proposed for full fibre networks.	02/06/17		Complete
2	Determine the CRD interventions areas	This is the areas where delivery will be accelerated of provision increased	TBD		
3	Full business case.	Will be developed in conjunction with R100 team	TBD		
4	OJEU launch	As per procurement rules	TBD		
5	ITT issue in February.	As per procurement rules	TBD		
6	LFFN Proposal to be submitted	Outline Business Case submitted – full business case 80% complete but must follow LFFN Project which is still going through due diligence	TBD		

Air Access

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RAG G	Reason for RAG and response Action	This project has largely been overtaking by events. A watching brief and broad policy objective of sustaining air access and routes remains		
Lead Organisation	Hitrans	Project Lead	Ranald Robertson	
Business Case	N/A			
Benefits Commenced	NO			
Finance	N/A			

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Skye Routes	The development of best value options for the re-introduction of air services to Ashaig Aerodrome on the Isle of Skye	Ongoing		
2	Highlands and Islands Exemption	Developing the case for the Highlands and Islands exemption to be built into and expanded on in any new Air	Ongoing		
3	Departure Tax	Arrangements developed through the Scotland Act powers.	Ongoing		
4	Aviation Strategy	Seeking engagement with the Department for Transport on the development of the UK Aviation Strategy to ensure the region's voice is heard in the development of that important policy document.	Ongoing		
5	Air Discounts	Making the case for extension of the Air Discount Scheme for business use and student travel.	Ongoing		

Employability and Skills

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RAG A	Reason for RAG and response Action	Progress has been slow but a new approach is being developed		
Lead Organisation	Highland Council	Project Lead	Andy McCann	
Business Case	Full Case Approved			
Benefits Commenced	NO			
Finance	N/A			

ID No.	Milestone	Description	Last Date	New Date	Comment
A revised approach is being developed as discussed agreed at the Programme Board 01/05/19					

WiFi

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RAG D	Reason for RAG and response Action	Three snagging issues remain but project is basically complete.		
Lead Organisation	Highland Council	Project Lead	Keith Grant	
Business Case	N/A			
Benefits Commenced	YES			
Finance	Final Closing position to be determined			

ID No.	Milestone	Description	Last Date	New Date	Comment
1	Inverness	Inverness WiFi Complete	Complete		Complete
2	Aviemore WiFi	Roll out	Complete		Complete
3	Dingwall WiFi	Roll out	Complete		Complete
4	Dornoch WiFi	Roll out	Complete		Complete
5	Drumnadrochit	Roll out	Complete		Complete
6	Fort William WiFi	Roll out	Complete		Complete
7	Invergordon WiFi	Roll out	Complete		Complete
8	Nairn WiFi	Roll out	Complete		Complete
9	Portree WiFi	Roll out	Complete		Complete
10	Tain WiFi	Roll out	Complete		Complete
11	Ullapool WiFi	Roll out	Complete		Complete
12	Wick WiFi	Roll out	Complete		Complete
13	Alness WiFi	Roll out	Complete		Complete
14	Fort Augustus WiFi	Roll out	Complete		Complete
15	Thurso WiFi	Roll out	Complete		Complete

Tower

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RAG D	Reason for RAG and response Action	This project is concluded		
Lead Organisation	Highlife Highland	Project Lead	Graham Watson	
Business Case	Full Case Approved			
Benefits Commenced	YES			
Finance	N/A			

Museum & Gallery

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RAG	Reason for RAG and response Action	This Project will be covered of under the Castle Programme		
Lead Organisation	Highland Council	Project Lead	TBD	
Business Case	N/A			
Benefits Commenced	NO			
Finance				

Bridge Street

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RAG	Reason for RAG and response Action	This Project will be covered of under the Castle Programme		
Lead Organisation	Highland Council	Project Lead	TBD	
Business Case	N/A			
Benefits Commenced	NO			
Finance				

Management Products to be provided to Scot Gov - All to be sent to cityregiondeals@gov.scot.

Product	Due Date	Content	Attachments	Owner	Responsible
Annual Report	31 st July	<ul style="list-style-type: none"> o Total grant allocated and total actual expenditure. o What the cumulative underspend from previous financial year(s) is and total underspend for this financial year. o How any underspend is being managed/addressed (e.g. bringing forward projects). o When any underspend from previous years is likely to be spent. o A summary of performance against agreed targets (by target range). o A list of key achievements that the total grant allocated has bought. o Progress made against the strategic objectives set in the Implementation Report on a quarterly basis. o The realisation of benefits across the Programme. o The delivery of the Programme Board work plan. o A detailed economic assessment. o Recommended actions for the overall Programme. 	Annual Report Pdf Annual Report Word Annual Report Agenda	JR	JR
Implementation Plan	30th June	The targeted milestones/activities and output for individual projects for the coming year		JR	JR
		The work plan for the Programme Board including for programme governance e.g. dates for reporting, the formation of the Commission etc			
		Any deviation from the plan would be agreed in advance as part of the Assurance Framework reporting.			
		The implementation plan will be reviewed quarterly by the Programme Board.			
Annual Benefits Realisation Plan	30th June	The realisation of benefits across the Programme, bringing focus and alignment to wider regional cohesion and economic development benefits achieved by utilising partner resources such as the Regional Community Planning Partnership		JR	VM

Product	Due Date	Content	Attachments	Owner	Responsible
Monthly Finance Report	5th Working day of following month	Monthly expenditure by overall deal and by individual project, the cumulative spend and profile spend for the remainder of the financial year.		MM	VM
		This should also include evidence of monthly Partner Spend figure			
Quarterly Performance Report	10th working day of the following month,	The Risk/RAG status of the overall deal as well as each individual project		JR	VM
		Financial Information – the latest information on spend and latest projections of spend for the remainder of the financial year, highlighting where underspend is predicted and to include narrative as to how this will be managed.			
		The Risk/RAG status against the milestones highlighted in the Implementation Plan. This should include details of project milestones met and upcoming (including information where milestones have been altered).			
Statement of Compliance	30th April	A statement of compliance with conditions of Grant, attached at SCHEDULE 3 to be completed and submitted to together with the Local Government Capital Return		MM	VM
Financial Forecast Table	31 st August	Inverness and Highland City Region Deal spending profile for the next financial year by programme and by individual project. This should show the annual forecasted expenditure/spending profile over the forthcoming financial year. It will be used as the baseline for monitoring the Deal expenditure for the next financial year and should include details of partner spend and forecast spend.		MM	VM