

**HIGHLAND COUNCIL
RECOVERY, IMPROVEMENT & TRANSFORMATION BOARD**

Minutes of the Meeting of the Highland Council Recovery, Improvement and Transformation Board held remotely on Monday 29 March 2021 at 10.30am.

PRESENT:-

Mr A Christie (Chair)
Mr B Boyd
Ms C Caddick
Dr I Cockburn (Vice Chair)
Mrs M Davidson (Vice Chair)
Mr J Gibson (non-voting)
Mr J Gray

Mr A Gunn (non-voting) (AG)
Mr A Jarvie
Mr B Lobban
Mr A MacInnes
Mr M MacLeod (non-voting) (MMcL)
Mrs D Manson (non-voting)
Mr P Sagers

Non-Members also present:-

Mr R Bremner
Mrs I Campbell
Mrs H Carmichael
Mr A Henderson

Mr D Louden
Mr J McGillivray
Mr D Macpherson
Mrs T Robertson

Officers Present:-

Ms C McDiarmid, ECO Communities & Place
Mrs K Lackie, ECO Performance & Governance
Mrs L Denovan, ECO Resources & Finance
Mr P Whitham, Programme Manager (PW)
Mrs L Dunn, Principal Administrator (LD)
Mrs O Marsh, Committee Officer

Mr A Christie in the Chair

Item	Subject/Decision	Action
1.	Apologies for Absence An apology for absence was intimated on behalf of Mr C Munro.	No Action Necessary
2.	Declarations of Interest The Board NOTED the following declarations of interest:- Items 5 and 6 – Mr A Jarvie (non-financial)	No Action Necessary
3.	Minutes of Previous Meeting There had been circulated and NOTED Minutes of Meeting of the previous meeting held on 25 January 2021 which were approved by the Council on 25 March 2021.	No Action Necessary

4. Recovery Action Plan: Update and Exceptions Report
Plana Gnìomh Ath-shlànachaidh: Aithisg Ùrachaidh agus Eisgeachdan

AG

There had been circulated Report No RB/02/21 by the Executive Chief Officer Transformation.

During discussion, the Board recognised the significant volume of work that had been undertaken to drive the plan forward. The Chair proposed that an additional recommendation be added that any slippage of tasks should automatically be referred to the relevant strategic committee for review and that this be standard recommendation on all future reports.

Thereafter, the Board:-

- i. **NOTED** the:-
 - a. latest summary of progress against the Council's Recovery Action Plan;
 - b. associated implications and pressures on resources in the delivery of increased response and resilience activity in light of the latest Covid-19 measures;
 - c. request to make any recommendation or observations to Council in respect of progress on the Recovery Plan and associated actions;
 - d. specific updates to Schools return, Mental Health & Well-being (Education) and Personal Protective Equipment; and
- ii. **AGREED** that any slippage of tasks automatically be referred to the relevant strategic committee for review and that this be a standard recommendation on all future reports.

5. Transformation Programme 2021/22
Prògram Ath-shlànachaidh, Leasachaidh agus Cruth-atharrachaidh 2021/22

AG

Declarations of Interest: Mr A Jarvie declared a non-financial interest in this item as a Director of High Life Highland but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

There had been circulated Report No RB/03/21 by the Executive Chief Officer Transformation.

During discussion, the following main points were raised:-

- The Chair expressed his appreciation to all the report authors for the high volume of work that had been undertaken in preparation and co-ordination of the report. Continuing he drew attention to paragraph 8.3 of the report which set out the role of the Board, strategic committees and Redesign Board. Emphasising the need for pace and urgency to progress projects, he therefore proposed that the transformation projects should be standing items on all strategic committees and Redesign Board for the projects that they were

responsible for. Further information was sought and provided on how strategic committees would monitor and track their responsibilities for the delivery of projects particularly if there were any areas of overlap, e.g. Service Redesign;

- Appreciation was extended to the Chair and Board for embracing the change within the remit to now include improvement and transformation as well as recovery. The need for the Council to adopt a high level view to monitor and keep a track of progress was welcomed;
- Assurance was provided that resources would be monitored against the Change Fund and the template for this had been set out at Appendix 3 to the report. Further assurances were provided that opportunities to increase investments/cashflow would be driven forward by the Growth Investment Fund Manager and that there would be a more proactive approach to communications with four new communications posts being added to the structure and efforts would be made to increase engagement with the public, particularly in regard to Climate Change;
- With regard to paragraph 8.4.3 within the report, concern was expressed at the number of project sponsors that had been assigned to the Executive Chief Officer (ECO) Infrastructure and Environment. However, it was clarified that there was an error within the report in that the Digital Transformation project should be assigned to the ECO Transformation and not ECO Infrastructure and Environment as had been stated. Further information was also provided in regard to key support network that was in place for project sponsors;
- There were many wide ranging opportunities for inward investment in the Highlands, such as hydrogen, data centres and renewables, and the need for these to be exploited with the aim of growing the local economy and providing sustainable long term employment was emphasised; and
- Confirmation was provided that the Council would be introducing charging costs for electric vehicles and an ambitious electric vehicle infrastructure roll-out plan had been developed, the details of which could be shared with Members.

Thereafter, the Board:-

- i. **NOTED** the:-
 - a. research and background regarding the detailed programme approach;
 - b. adoption of best practice for programme management;
 - c. programme governance arrangements;
 - d. progress to date;
 - e. next steps of the programme; and
- ii. **AGREED** that transformation projects be standard items on all relevant strategic committees and Redesign Board agendas.

6. **Economic Recovery Strategy Update**
Cunntas às Ùr mu Thaic do Eaconamaidh na Gàidhealtachd

MMcL

Declarations of Interest: Mr A Jarvie declared a non-financial interest in this item as a Director of High Life Highland but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

There had been circulated Report No RB/04/21 by the by the Executive Chief Officer Infrastructure and Environment.

During discussion, the following main points were raised:-

- There were significant economic impacts arising from Brexit, such as the loss of EU grants and access to free EU markets which was having a particularly devastating impact on Highland exports. It was therefore felt that there should be stronger reference within the report as to how the economic strategy would support Brexit recovery and the need for this to be incorporated was acknowledged;
- The need for greater awareness of the impacts of Brexit was acknowledged and it was suggested that updates be sought from the Highland and Islands Enterprise (HIE), who had been collecting local data. This would help inform the Council as to the type of support it could best provide to mitigate the position;
- Scotland had been very badly positioned in respect of the Levelling Up Funds, much work was required to correct this and assurance was provided that further dedicated work would be undertaken in regard to this;
- Development of a Community Wealth Building strategy, which would help to provide local jobs and economic stability, was welcomed however a request was made for consideration to be given to developing a Just Transition from oil to renewables and how this could utilised to support the Highlands; and
- Assurance was provided that a strategic review was being undertaken in respect of the Tourism sector, which was a significant economic driver for the Highlands, and that there would be engagement with key stakeholders within the sector.

The Board **NOTED** the ongoing work to prepare the Economic Recovery Strategy and **AGREED** that Brexit recovery be strengthened within the strategy.

7. **BREXIT Update**
Cunntas às Ùr mu BREXIT

**No Action
Necessary**

There was a verbal update by the Chair of the Brexit Working Group during which he advised that it was anticipated, further to the draft decision on 19 February 2021, that there would be a formal data adequacy decision by the end of June 2021 which would enable continued free flow of data between the EU and the UK. On 15 March 2021, the EU started legal action in response to the UK unilaterally extending grace periods in relation to the

Northern Ireland protocol. An update was provided on the new timetables for the introduction of import border control processes and the report on UK Trade for January 2021 from the Office for National Statistics (ONS). This concluded that EU trade had reduced to £6.6 billion (28.8%) for imports and £5.6 billion (40.7%) for exports. The ONS report also indicated that exports of food and live animals to the EU, which included seafood and fish, had decreased by £0.7 billion (63.6%) during January 2021, with consignment sign off reportedly taking longer. Work on common frameworks continued between the nations of the UK.

With regard to additional funding and support, the Chancellor of the Duchy of Lancaster, Michael Gove MP had announced a £20 million SME Brexit Support Fund to support small and medium sized businesses adjust to new customs, rules of origin, and VAT rules when trading with the EU. Additional funding from both UK and Scottish Governments had been announced around the seafood industry and so far, Cromarty, Ullapool, Scrabster and Mallaig had benefited. In addition, the Chancellor had also announced the introduction of the Levelling Up Fund to cover the period to 2024/25 which would target places across the UK with the most significant need. Although Highland had been designated as a category 3 area, which was the lowest level of identified need, it could still apply to the Fund. The Chancellor also announced the UK Community Renewal Fund (which was an interim UK Shared Prosperity Fund) to cover the period 2021/22. Again, although Highland had not been identified as a priority area, it could still submit an application to the Fund.

However, there was some positive news with 10,140 EU Citizens in Highland having made an application for EU settled status, which was an increase of 1,530 since the last quarterly figure, and Highland ranked six out of 32 in terms of number of applications to the EU Settlement Scheme per Local Authority.

An update was also provided on the ongoing work of the Council which included Service risks being incorporated into the Corporate Risk Register; an update on the two recent Brexit Seminars on the UK Shared Prosperity Fund and on threats and opportunities; Environmental Health continued to assist businesses with Export Certificates; the continued communication of the EU Exit information and the ongoing participation in COSLA's Brexit risks calls; Brexit presentations continued with the Inverness, Nairn, Badenoch & Strathspey Business Liaison Meeting, the Cairngorm Economic Steering Group, Local Authority Resilience Groups (Scotland wide), specific Councillor cohorts and Member briefings; Resilience Partnerships continued to assess ongoing Brexit risks; and work was ongoing with HIE to look at the methodology used for both the Levelling Up Fund and the UK Community Renewal Fund in order to try and make a case for Highland.

In conclusion, the Chair advised that the next meeting of the Brexit Working Group was scheduled for 1 April 2021 and he urged Members to attend.

During discussion, appreciation was expressed for the significant work that had been undertaken to date. Concern was expressed that Brexit was the most significant economic threat to the Highlands and hence securing replacement funds was critical. The Chair of the Brexit Working Group recognised the importance of this and appealed for cross-party support to lobby the UK Government to ensure the Highlands was fully compensated for the loss of EU funding. It was further suggested that there was a need for increased communications to inform the public of the potential impact to the Highlands if replacement funds were not received. The need for diversification into other industries was also stressed. In view of the importance of these issues and to ensure impacts to the Highlands were mitigated it was felt essential that they continued to be progressed through the Brexit Working Group as opposed to a strategic committee.

Thereafter, the Board **NOTED** the update.

8. Any Other Business

LD/AG

The Chair advised that meeting dates for the remainder of the year would be reviewed to ensure that dates were correctly aligned with the order of sequence for the cycle being strategic committees, Board meetings, full council.

The Board **NOTED** the position and that, where necessary, future meeting dates might be revised.

The meeting was closed at 11.36am.