

The Highland Council

Minutes of Meeting of the **Economy and Infrastructure Committee** held Remotely on Wednesday, 1 July 2020 at 10.30 am.

Present:

Mr R Balfour
Mr A Baxter
Mr B Boyd
Mrs C Caddick
Mrs H Carmichael
Mr K Gowans
Mr J Gray
Mr A Henderson
Mr D Louden

Mr A MacInnes
Mr D MacLeod
Mr C Munro
Mr D Rixson
Mrs T Robertson
Mr P Saggars
Mr A Sinclair
Ms M Smith

Non-Members also present:

Ms J Barclay
Mr A Christie
Mr R Gale
Mr A Graham
Mr A Jarvie

Mr B Lobban
Mr J McGillivray
Mr A Mackinnon
Mr D Macpherson
Mr B Thompson

In attendance:

Executive Chief Officer Environment and Infrastructure

An asterisk in the margin denotes a recommendation to the Council. All decisions with no marking in the margin are delegated to Committee.

Mrs T Robertson in the Chair

Business

1. Apologies for Absence Leisgeulan

An apology for absence was intimated from Mr W Mackay.

2. Declarations of Interest Foillseachaidhean Com-pàirt

The Committee **NOTED** the following declarations of interest:-

Item 4 – Mr A Henderson (financial) and Mr D Rixson (non-financial)

Item 6 – Mr C Munro and Mr D Rixson (both non-financial) and Ms M Smith (financial)

Item 7 – Mr A Henderson (non-financial)

Item 11 – Mr A MacInnes and Mr D Rixson (non-financial)

Item 12 – Mr A Henderson (financial) and Mr D Rixson (non-financial)

3. Good News Naidheachdan Matha

The Chair informed Members of a list of good news and outstanding achievements, which was **NOTED** by the Committee.

4. National Planning Framework 4 and the Highland Development Plan Scheme Frèam Dealbhaidh Nàiseanta 4 agus Sgeama Plana Leasachaidh na Gàidhealtachd

Declarations of Interest:

Mr A Henderson declared a financial interest in this item on the grounds of being a Director of Mallaig Harbour Authority and indicated he would not take part in any debate around that issue.

Mr D Rixson declared a non-financial interest in this item as the Council's representative on the Isle of Rum Community Trust 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 discussion.

There had been circulated Report No. ECI/6/20 by the Executive Chief Officer Infrastructure and Environment.

A presentation was provided on Scotland's new National Development Plan, the emerging Highland Vision, the draft Indicative Regional Spatial Strategy (IRSS) and the participation statement for the Development Plan Scheme. On this regard, Members were reminded that there was to be a workshop on 10 July 2020.

During discussion, the following issues were considered:-

- officers were praised for their work, especially given the recent challenging Covid 19 crisis;
- it was important to capitalise on the uniqueness of the Highlands, to identify other areas for development and to attract inward and foreign investment, good quality jobs and affordable housing;

- a review of the Council's policies for hinterland development and housing in the countryside would be beneficial as some felt they were stifling much needed smaller housing developments in rural areas;
- concern was expressed about the percentage of land in Scotland (20%) and particularly in Caithness (50%) that was designated as wild land, which could stifle some types of much needed development, such as community-driven renewable energy projects. Consultation with local people on this was urged;
- reference was made to coordination between national energy targets and the Highland 2050 Vision, with reference to issues such as railway electrification, renewable energy, and hydrogen power projects;
- the wording around Highland being an exemplar could be strengthened;
- as soon as libraries re-opened it would be useful to put consultation documents back into them to widen the reach of consultation;
- economy and health were important issues and should be adequately covered;
- with particular reference to Mallaig, and the Mallaig to Skye route, further detail on key seaports and routes of economic importance should be included in the IRSS;
- the Inner Moray Firth Plan was amber due to Covid-related delays, and some deadlines might need to be extended;
- reference was made to the importance of identifying appropriate methodologies to, in turn, identify the best type of industries on which to focus, with an interdisciplinary, multi-disciplinary and multi-layered approach;
- reference was made to the worrying trend for fossil fuels to be used to power hydrogen projects, and the use of wave and tide energy was urged;
- attention was drawn to opportunities such as high speed rail and the undergrounding of facilities, and the importance of investment and jobs to grow the population and economy, and to take advantage of the competitive advantages of the Highlands; and
- the workshop planned for 10 July 2020 would consider many of the issues raised in more detail.

The Committee:-

- AGREED** to homologate the responses that were submitted to Scottish Government's NPF4 'Call for Ideas' at Appendices 1, 2, 3 and 4 of the report;
- NOTED** the update on the emerging Indicative Regional Spatial Strategy (IRSS) for Highland and **APPROVED** the next steps of engagement for finalising the IRSS, including a Member workshop, as set out at paragraph 4.4 of the report and at Appendix 5;
- APPROVED** the 2020 Development Plans Newsletter at Appendix 6 of the report – including the Council's approach to engaging communities and partners while social distancing measures were in place - for publication, and submission to Scottish Ministers as the Council's 2020 Development Plan Scheme;
- NOTED** the timescales for Member and community input to documents that might be relevant or of interest to the communities and areas that they cover; and
- AGREED** to add further detail into the IRSS on key seaports and routes of economic importance.

5. Spaces for People Raointean gu Daoine

There had been circulated Report No. ECI/7/20 by the Executive Chief Officer Infrastructure and Environment.

A presentation summarised the award of £752,954 on 25 May 2020, the timeline and details of activities undertaken, consultation feedback, and the Phase 2 bid for a value of £1,215,606 which was awarded on 30 June 2020.

During discussion the following issues were considered:-

- officers were thanked for their work, with particular reference to the speed at which it had been undertaken. The project was praised as a useful pilot to capture empirical data on traffic and pedestrian movements. It was disappointing some negative press had been received, given the challenging health crisis under which the project had been undertaken. It was pointed out that in response to concerns raised by businesses, amendments to the project had been made, for example changing the direction of the one-way system around the castle. Work would be undertaken with Sustrans following the gathering of data on phase one;
- in response to a question, it was clarified that if the Inshes over-bridge did not proceed, consultation would be undertaken with Sustrans on what to spend the funds on, noting the suggestion to widen nearby pavements by the removal of embedded stones, and to improve the Cradlehall junction;
- attention was drawn to the need to revisit the options for allowing the use of extended outside seating on Academy Street during the day, not only at night;
- Councillor Maxine Smith would be contacted outwith the meeting to discuss three projects - Evanton to Dingwall, Evanton to Invergordon, and the old A9 in a neighbouring ward – and Councillor Bill Boyd would be contacted in relation to the possibility of restricting inter-city buses using Academy Street, Inverness;
- the importance of engagement was emphasised, especially in relation to avoiding negative press reports;
- the health and environmental benefits of increased walking and cycling in the city centre were emphasised and it was hoped these projects would continue after the Covid crisis; and
- in response to support for the 20mph speed zones that had been introduced, it was explained that these had been 18 month temporary traffic orders, which would require a formal process to be made permanent.

The Committee:-

- i. **NOTED** the progress made to implement the initial Spaces for People Highland project;
- ii. **NOTED** the intention to submit additional funding bids for further interventions across Highland; and
- iii. **AGREED**, that as part of the Phase 3 bid, to revisit the options for allowing the use of extended outside seating on Academy Street.

6. Economic Recovery Ath-shlànachadh Eaconamach

Declarations of Interest:-

Mr C Munro declared a non-financial interest in this item as a Director of Ionad Thròndairnis (the Trotternish Centre) 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 him from taking part in the discussion.

Mr D Rixson declared non-financial interest in this item as the Council's representative on the Isle of Rum Community Trust and Lochaber Environmental Group but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interests did not preclude his involvement in discussion.

Ms M Smith declared a financial interest as an operator of a cruise tour business in Invergordon and, should discussion on that issue arise during discussion of this item intimated that she would not take part.

There is circulated Report No. ECI/8/20 by the Executive Chief Officer Infrastructure and Environment.

Following a summary of the report, the following issues were considered:-

- information was sought, and provided, on possible Covid-related delays to town centre regeneration projects and whether funding would be affected;
- it was suggested that too little was known about the projects listed in the reports and a deferral for more information and Member-involvement was proposed. Other Members considered the officers' appraisal of the projects listed to be sufficient, noting they were all of benefit to the Highlands and, following discussion, it was decided that the submission to the Regeneration Capital Grant Fund stage one be noted rather than approved;
- officers were thanked for their work in submitting a bid for £13m of the total £50m fund, which would bring many Highland projects to the attention of the Scottish Government. A query was raised over the definition of deprived areas, and the value of the economic recovery taskforce was highlighted;
- the importance of having 'shovel ready' projects was emphasised and Members should urge communities to consider projects required in their areas and take steps to develop them. It was pointed out that community projects could be more challenging to instigate in larger urban areas, and that funding was usually required to prepare projects. Information on possible projects was being sought at Ward Business and Area Committee meetings;
- the need to help businesses as part of economic recovery was highlighted and attention was drawn to the ability of businesses to appeal against domestic rate decisions. This should be drawn to the attention of small to medium sized enterprises (SMEs) which had been affected by Covid;
- information having been sought on the proposed use of Crown Estate monies, it was explained that a report on this would be presented to the Committee in due course;

- the value of Gaelic to economic recovery, not only in relation to tourism, education and culture, but across all aspects of the economy, was emphasised;
- information was sought, and provided, on the Stage 2 application process;
- attention was drawn to three major economic challenges, the Covid recovery process, Brexit and Climate Change, and it was hoped the Council had adequate resources to continue seeking opportunities for development and diversification; and
- the important role of tourism in economic recovery was detailed, with particular reference to the NC500 and the cruise industry which had been badly affected. Many of these issues would be considered by the Tourism Committee on 16 July 2020.

The Committee:-

- NOTED** the work already undertaken across the Service to support economic recovery;
- NOTED** the submission of the Regeneration Capital Grant Fund stage one applications to Scottish Government; and
- AGREED** to ensure Highland SMEs were aware of the possibility of appealing domestic rates.

7. Corran Narrows Update Aiseag a' Chorrain

Declaration of Interest: Mr A Henderson declared a non-financial interest in this item as the Chair of HiTRANS 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 him from taking part in the discussion.

There had been circulated Report No. ECI/9/20 by the Executive Chief Officer Infrastructure and Environment.

A presentation provided included details on the Corran Ferry project and possible future Fixed Link Crossing, the requirement for a replacement vessel and slipways, funding issues and the time-critical nature of the decision required.

During discussion, the following issues were considered:-

- officers were thanked for their work and the support that had been offered to Members and the local communities throughout the long process that had led to this stage;
- it was emphasised that the longer term solution was a fixed link crossing, but in the meantime a replacement ferry solution was urgently required due to the age and condition of the current vessel, the lack of emergency alternative solutions and the lifeline nature of the route;
- concern was expressed that transferring the service from the Council could affect reliability and fare structure;
- attention was drawn to the importance of considering the carbon footprint of the final vessel choice and the environmental impact of the choice of vessel should be considered by the Council's Climate Change Panel;
- information was sought, and provided, on the reasons new pier infrastructure was required;

- it was suggested that, in light of the high costs of naval architects, a tried and tested vessel type be sourced from elsewhere, for example Norway. However attention was drawn to the unique requirements of the geography and situation at Corran. Any vessel recommended would have a business case which would be the subject of consultation with Members, partners and local communities;
- it was important that work towards the fixed link was completed in a timely fashion, this being the preferred long term solution;
- support was voiced for transferring responsibility for the service to Transport Scotland if possible;
- if the ideal vessel was over 500 tonnes, it would be preferable to train the existing crew to deal with this size of vessel rather than accept a lighter vessel;
- reference was made to the consideration that had already been given to the project by the Harbour Management Board, and the urgent need to source a replacement vessel in the immediate future, with the fixed link being a much longer term initiative;
- in relation to the possible transfer of the service to Transport Scotland and concerns about fare increases, attention was drawn to the current review of Road Equivalent Tariffs, with an expectation that the future equivalent would offer more bespoke solutions for individual routes. A new plan for Scottish ferries was anticipated by 2023;
- attention was drawn to the excellent service being provided by staff at the Corran ferry as well as to the significant level of income the service generated; and
- reference was made to the need for transport resilience and the importance of a reliable ferry service given the huge detours in the event of a breakdown.

The Committee:-

- NOTED** the information in the following reports –
 - Corran Ferry Options Appraisal
 - Corran Ferry Project (Outline Business Case)
 - Ferry replacement Vessel and Fixed link Timeline
 - Fixed Link Crossing Up-date;
- APPROVED** that the Highland Council is content to ‘approach’ Transport Scotland regarding a transfer of responsibility based on the principles set out in the Scottish Ferries Plan;
- APPROVED** that a private operator running the service should be rejected for further consideration (as recommended at HMB 2020/02/25);
- APPROVED** the preferred vessel and infrastructure option (Roll-on Roll-off) with a view to reducing optimism bias and establishing greater cost certainty prior to any procurement (as recommended at HMB 2019/11/13);
- AGREED** support the concept of a 5-year Ferry plan to ensure that the current model was sustainable. Costed items would be brought back to EDI committee seeking approval;
- APPROVED** the requirement for the setting up of a Corran Narrows Options Working Group, based on similar criteria used for the Strome ferry Options Working Group; and
- AGREED** the environmental impact of the choice of vessel be considered by the Council’s Climate Change Panel.

8. Minutes Geàrr-chunntas

The Committee **NOTED** the Minutes of the Planning Applications Committees (PAC) for:-

- i. South PAC – 28 January 2020;
- ii. North PAC – 3 March 2020;
- iii. South PAC – 10 March 2020;
- iv. North PAC – 21 April 2020;

and, **APPROVED**:-

- v. Strome Ferry Working Group of 21 February 2020;
- vi. Harbours Management Board of 25 February 2020.

9. Exclusion of the Public Às-dùnadh a' Phobaill

The Committee **APPROVED** that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 7A of the Act, the relevant paragraphs being shown.

10. Uig Harbour Redevelopment – Grant Funding and Contract Award Ath-leasachadh Caladh Ùige – Maoineachadh Tabhartais agus Duais Cunraidh

Paragraph 9

There had been circulated to Members only Report No. ECI/10/20 by the Executive Chief Officer Infrastructure and Environment

Following discussion, Mr D Loudon, seconded by Mr K Gowans, **MOVED** to defer this item to the most appropriate meeting of the full council for wider discussion in the context of the full capital plan.

As an **AMENDMENT**, Mrs T Robertson, seconded by Mr J Gray, moved that subject to the review of the grant award from Transport Scotland by the ECO, Environment and Infrastructure, in consultation with the Chair and Vice Chair of the Economy and Infrastructure Committee, the recommendations detailed in the report.

On a vote being taken, the **MOTION** received 6 votes and the **AMENDMENT** received 9 votes, with no abstentions, and the **AMENDMENT** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr A Baxter, Mr B Boyd, Mr K Gowans, Mr D Loudon, Mr A MacInnes and Ms M Smith.

For the Amendment:

Mr R Balfour, Mrs H Carmichael, Mrs C Caddick, Mr J Gray, Mr A Henderson, Mr D MacLeod, Mr C Munro, Mr D Rixson, and Mrs T Robertson.

Decision

The Committee **APPROVED**, subject to the review of the grant award from Transport Scotland by the ECO, Environment and Infrastructure, in consultation with the Chair and Vice Chair of the Economy and Infrastructure Committee, the recommendations detailed in the report.

**11. Property Transactions Monitoring Report
Aithisg Sgrùdaidh Ghnothachasan Seilbhe**

Paragraphs 6 and 9

Declarations of Interest: Mr A MacInnes and Mr D Rixson declared non-financial interests in this item as a member of the working group in respect of Staffin Community Trust and the Council's representative to Lochaber Housing Association respectively but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interest did not preclude their involvement in discussion.

There had been circulated to Members only Report No. ECI/11/20 by the Executive Chief Officer Infrastructure and Environment.

The Committee **APPROVED** the recommendations contained within the report.

**12. Housing Development Initiatives
Iomairtean Leasachaidh Taigheadais**

Paragraphs 6 and 9

Declarations of Interest:

Mr A Henderson declared a financial interest in this item on the grounds of being a Director of Mallaig Harbour Authority and indicated he would not take part in any debate around that issue.

Mr D Rixson declared a non-financial interest in this item as the Council's representative to Lochaber Housing Association 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 him from taking part in the discussion.

There had been circulated to Members only Report No. ECI/12/20 by the Executive Chief Officer Infrastructure and Environment.

The Committee **APPROVED** the recommendations contained within the report.

The meeting ended at 3.15 pm.