

The Highland Council

Minutes of Meeting of the **Economy and Infrastructure Committee** held Remotely on **Wednesday, 2 September 2020** at **10.30 am**.

Present:

Mr R Balfour (am only)	Mr W MacKay
Mr B Boyd	Mr A MacInnes
Mrs C Caddick	Mr D MacLeod
Mrs H Carmichael	Mr C Munro
Mrs M C Davidson	Mr D Rixson
Mr K Gowans	Mrs T Robertson
Mr J Gray	Mr A Sinclair (am only)
Mr A Henderson	Ms M Smith
Mr D Louden	

Non-Members also present:

Ms J Barclay	Mr A Graham (am only)
Mr A Baxter	Mr J McGillivray (am only)
Mr R Bremner	Mr D Mackay (am only)
Mr A Christie (am only)	Mr D Macpherson
Mr J Finlayson (am only)	Mr B Thompson
Mr R Gale (am only)	

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 P Saggars.

2. Declarations of Interest Foillseachaidhean Com-pàirt

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

Item 7 – Mr A Henderson (non financial)

Item 8 – Mr D Louden, Mr A Henderson, Mr A MacInnes and Mr D Rixson (all non financial)

Item 9 – Mr C Munro (non financial)

Item 15 – Mr K Gowans (financial)

Item 17– Mr D Rixson and Mrs T Robertson (both 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. Development and Infrastructure Service Revenue Budget - Monitoring Sgrùdadh Buidseat Teachd-a-steach Seirbheis an Leasachaidh is a' Bhun-structair

There had been circulated Report No. ECI/13/2020 dated 12 August 2020 by the Executive Chief Officer Infrastructure and Environment.

During discussion, the following main points were considered:-

- the legibility of some of the hard copy papers was not DDA compliant and this should be taken into consideration in future;
- a significant amount of the £10m overspend related to an estimated shortfall in many Service income streams. It was highlighted that the amount of business grants which had been paid out were in excess of the income received to date. It was explained not all of the income had been reclaimed, however the income was received in Quarter 2;
- it was questioned why the Roads budget had a predicted year-end overspend of £5m while in Quarter 1 there was a £2.5m underspend. Further detail was provided on predicted income levels and on work and projects which had continued during the Covid crisis, as well as some which had been paused to focus on essential or emergency issues, and on required recruitment which had taken place;
- the new format of the report was welcomed;
- clarification was sought, and received, that the budget figures for car parking included on street permits and enforcement, and budgeted income from the paused car park review. The August 2020 parking income had been around 78% of the 2019 level. A revised timetable for continuation of the car park review was being developed in consultation with Members;
- information was sought, and provided, on the effect of lockdown on the Corran Ferry income and the extent to which the service had returned to normal, taking into account the significant increase in visitors in recent weeks. Further detail would be provided to Councillor A Baxter outwith the meeting by the Head of Roads and Transport;
- in relation to Covid business grants, many small businesses were facing a difficult winter and pressure should be put on the Scottish Government to continue to provide support for businesses;

- the figures in the report were two months behind and it would be beneficial if there was a means of providing Members with up to date budget information. The complexities of financial reporting were highlighted and it was proposed a seminar be held for Members; and
- information was sought on when capital reporting would resume, however this was still being discussed at corporate level.

The Committee **NOTED**:-

- i. the more detailed reporting of gross income and gross expenditure to improve scrutiny of net budgets as set out in the Appendices;
- ii. the Revenue Monitoring position for the period to 30 June 2020;
- iii. net spend at the end of quarter 1, totaled £15.876m;
- iv. based on the best available information to date, a service budget gap of £10.916m is forecast to end 2020/21;
- v. many areas of the service rely on income to pay for services and this was significantly disrupted this year because of covid impacts. A loss of income is the key driver of the service's budget gap;
- vi. the budget gap may change positively or negatively depending on: applying expenditure and recruitment controls, aligning services to meet budget savings agreed; income recovery in 2020/21;
- vii. further adjustments will be made in future quarterly reporting to reflect the updated apportionment of costs and savings across the new structure; and
- viii. **AGREED** to consider providing a separate briefing to Members on budget issues.

5. National Planning Framework 4 Frèam Dealbhaidh Nàiseanta 4

There had been circulated Report No. ECI/14/20 dated 18 August 2020 by the Executive Chief Officer Infrastructure and Environment.

A presentation was given outlining the Indicative Regional Spatial Strategy (iRSS) vision for Highland to 2050. The process and purpose of the work to be undertaken was summarised.

During discussion, the following main points were considered:-

- the report was welcomed;
- information was sought on whether the list of 14 candidate National Developments was complete, with reference to the lack of renewables projects and free port initiatives. It was explained that some projects would be regional rather than national;
- several key routes were not featured on the map, including the third link to the outer isles, Mallaig to Lochboisdale, the Corran Ferry, and the Tobermory to Kilchoan Ferry. It would be useful to include Mallaig on the list of port improvements, given their aspirations for an £80m improvement and the importance of strategic ports on the west coast;
- more emphasis should be put on fish farming and aquaculture because, despite the environmental concerns, their economic value was important. Reference was made to the possibility of seaweed harvesting in future;

- specific mention should be made of free ports and their value to the Highlands;
- consideration could be given to referencing the Wester Ross Biosphere in the document;
- the impact of fish farming on wild Atlantic salmon, particular the problem of sea lice and escaped farmed fish, was highlighted and reference was made to projects in other countries to develop land-locked fish farming;
- reference to a green circular economy in paragraph 2 of the draft Strategy was considered apt and should be put into practice;
- attention was drawn to the importance of equality of access to services and investment in the economy; and
- with reference to the importance of Highland tourism to the whole economy of Scotland, and the recent environmental and littering problems experienced in Highland, there was a call for a national campaign for environmental care not only directed at visitors but at local residents too.

The Committee:-

- i. **APPROVED** the Highland Indicative Regional Spatial Strategy at Appendix 1 for submission to Scottish Government to inform NPF4, subject to consideration of the points made by Members during discussion; and
- ii. **AGREED** to lobby for a national environmental care campaign.

6. Draft Housing in the Countryside Supplementary Guidance Taisheadas air an Dùthaich

There had been circulated Report No. ECI/15/20 dated 14 August 2020 by the Executive Chief Officer Infrastructure and Environment.

During discussion, the following main issues were considered:-

- it was felt the draft guidance did not reflect all the key issues previously raised, albeit many issues would be covered in the Inner Moray Firth local plan review. Specifically, there was mention of the encouragement of rural opportunities but it was not clear how this would be achieved. The specific design criteria did not appear to be detailed. More detail had been anticipated on housing groupings and roads;
- there was some tension between the draft guidance and the aspirations of small rural communities to grow and develop, which was also an aim of the Scottish Government;
- some areas of the guidance were too prescriptive and it was important not to overburden people with unnecessary expenses and bureaucracy;
- the Housing in the Countryside Policy had caused issues in rural wards, for example in relation to sequential development and affordable housing issues. New models of digital home working could attract higher income residents to the Highlands and this could cause changes in the average cost of housing to the detriment of local residents on lower salaries. It was important therefore to facilitate affordable development and entrepreneurship in relation to tourism;
- the above comments were responded to, with explanations provided, and it was clarified that the guidance was only draft and would be consulted on before being brought back to Members. The Housing in the Countryside

policy could not be changed at present and the purpose of this supplementary guidance was explained;

- it was suggested the term 'land manager' was too prescriptive and should be amended to be more inclusive of other occupations;
- reference to development on sloping ground in section 6.2.7 was too prescriptive;
- Section 5.6.7 of the report in relation to the removal of support for holiday lets should be reconsidered; and
- attention was drawn to the third bullet point of section 1.0.6 of the draft guidance, 'ensure that new rural housing does not place an undue strain on public services' and it was suggested this be amended to 'public and private', noting the potential impact of additional houses on private access roads.

The Committee:-

- i. **AGREED** the Draft Housing in the Countryside Supplementary Guidance at Appendix 1 of the report for approval for public consultation;
- ii. **NOTED** that the finalised Housing in the Countryside Supplementary Guidance will be reported back to Committee later this year, prior to seeking adoption from the Scottish Government; and
- iii. **NOTED** that, from the point of Committee approval, the Revised Housing in the Countryside Supplementary Guidance will become a material consideration in the determination of planning applications;
- iv. **AGREED** to amend the word 'land manager' in the consultation document;
- v. **AGREED** to amend the wording in section 6.2.7 of the consultation document in relation to sloping ground to be less prescriptive;
- vi. **AGREED** to reconsider section 5.6.7 of the report, 'to no longer support for holiday letting homes in the countryside that are capable of being used as permanent residential accommodation'; and
- vii. **AGREED** to add the words 'and private' to the third bullet point of section 1.0.6 of the draft guidance.

7. Inverness and Highland City Region Deal Update Cunntas às Ùr mun Chùmhnant Baile Roinne

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/16/20 dated 13 August 2020 by the Executive Chief Officer Infrastructure and Environment.

During discussion, the following main points were considered:-

- with reference to the highly competitive digital skills market, it was important to invest in recruiting and retaining people with the required skills and to give proper consideration to the design of jobs;
- the resource implications at section 3 of the report were not considered complete;

- the resolution of the court case in relation to the R100 project, as described in section 7.2 of the report, was welcomed and would allow the project to be rolled out;
- it was important to aim for full fibre coverage across the Highlands, noting the £20m of funding that was intended to fill in any coverage gaps from the R100 project. Specific reference was made to the need for improved coverage in Wester Ross;
- in future reports it would be helpful to see the original timetable for projects to facilitate scrutiny of any slippage;
- it was important regular scrutiny committee meetings were restarted and it was suggested insufficient action had been taken on this since June 2018;
- a Members' seminar was required and it was important issues around the city region deal were taken up at a political level; and
- in relation to the city region deal funding for further projects, it was important to formalise discussion between the Council and the Scottish Government and, given the complexity of the issues, there might be merit in inviting a Scottish Government representative to a meeting.

The Committee **NOTED**:-

- i. progress with the City-Region Deal during 2020 and that a review of the implications of Covid-19 is underway by projects within the programme; and
- ii. the intention to hold a Members' Seminar.

8. Highland LEADER Programme Cunntas às Ùr mu Phrògram Leader

Declarations of Interest:

Mr A Henderson declared non-financial interests in this item as the Council's representative on Caol Regeneration, the Chair of HiTRANS, the Chair of the Harbours Management Board and as a close relative was a member of the Glenfinnan Facilities Trust 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 him from taking part in the discussion.

Mr A MacInnes and Mr D Rixson declared non-financial interests in this item as a member of a Working Group within Staffin Community Trust and as a member of the Harbours Management Board 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 them from taking part in the discussion.

Mr D Louden declared non-financial interests in this item having been a member of the LEADER Board (Inner Moray Firth North) and as a member of the Harbours Management Board 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 him from taking part in the discussion.

There had been circulated Report No. ECI/17/20 dated 18 August 2020 by the Executive Chief Officer Infrastructure and Environment.

During discussion, information was sought, and provided, on ongoing building industry delays due to material availability and price increases as a result of Covid, and what the Council's potential liability for this might be. It was explained that to date all applicants had indicated they would finish on target and, with only 25 live projects remaining, the risks of delays were reducing every day.

The Committee:-

- i. **NOTED** the progress to date and the key achievements of the Highland LEADER and European Marine Fisheries Fund (EMFF) programmes;
- ii. **NOTED** the ongoing discussions at individual, regional and national level with Scottish Government around coping with the impacts of CV19 and the potential risk to the council if these cannot be satisfactorily concluded; and
- iii. **AGREED** an update to be brought to Members in respect of Section 7: Risk to the Council.

9. Strategic Timber Transport Scheme 2020/21 Projects Maoin Còmhdhail Fiodha Ro-innleachdail

Declaration of Interest: Mr C Munro declared a non-financial interest in this item as a close relative was an employee of Scottish Woodlands 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/18/20 dated 13 August 2020 by the Executive Chief Officer Infrastructure and Environment.

Reference was made to extracting timber from the Ardnamurchan Peninsula and the impact this would have on the A861. In terms of the private money being received, it was queried if this could be diverted to the A861 or if this would go directly to the two schemes on the private roads. It was explained that it was a 3rd party bid to ensure that the timber was extracted using improved forest roads and extraction by sea. The benefit to the Highland Council was that that the extraction of timber avoided using the public road network with the indirect benefit of reduced road maintenance.

The Committee:-

- i. **NOTED** the award to date of £1.08m of STTS grant funding for the delivery of the 2020/21 schemes and there maybe potential for further grant funding later in 2020;
- ii. **NOTED** that preparatory work for potential STTS bids is ongoing;
- iii. **AGREED** that subject to the availability of funds as decided at the annual budget setting stage and the continuation of the national STTS programme, that up to £0.5m be allocated under the road structural (capital) funding as match funding for 2021/22 and future years; and
- iv. **AGREED** that for 2021/22 and in future years, should STTS match funding bids be unsuccessful any residual match funding will be reallocated across the Areas using the Road Condition Survey parameters.

10. Annual Road Safety Update Aithisg Bhliadhnaìl Sàbhailteachd Rathaid

There had been circulated Report No. ECI/19/20 dated 4 August 2020 by the Executive Chief Officer Infrastructure and Environment.

In discussion, the following main points were considered:-

- the impact of Covid-19 on 2020 statistics was likely to make this year very different compared to other years road safety targets and road collision statistics;
- Road traffic collision data relating to deer collisions would be forwarded to Councillor D Rixson;
- given the increase in tourism to this area, consideration was being given to what improvements could be made to road signage to improve road safety. There was also a programme to replace passing place signage on single track roads;
- 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. In terms of any further 20 mph speed zones being introduced, this would require going through the statutory process to determine what was best for a particular road. It was queried if there was an opportunity to introduce a Highland wide 20mph speed scheme. It was advised that the safer routes to school budget had significantly increased this year and therefore more 20mph zones should be possible;
- the Flexible Deployment Scheme allowed the safety camera unit to enforce at locations of concern identified by local residents, Local Authority and Police etc. Any evidence of concern on roads should be forwarded to the Road Safety Officer for consideration. A process map of how the Flexible Deployment Scheme worked would be forwarded to Councillor A MacInnes;
- there was an upward trend on collision statistics involving older drivers and this was worrying. The main area of concern, which was a national issue, was fitness to drive, and discussions had been held with Partner Agencies on this issue; and
- while progress on improving road safety statistics was being made, there were still too many fatalities or seriously injured on our roads. In terms of the ageing population, one mitigation that could be looked at was improved bus services. Also, there was an increase of traffic on our roads and consideration should be given to the pedestrianisation of streets to make them safer for the public.

Thereafter, the Committee **NOTED**:-

- i. progress made to the 2020 national road casualty reduction targets;
- ii. the work of the Road Safety Team;
- iii. there will be an upcoming new Scottish Road Safety Framework and a new Highland Council Road Safety Plan;
- iv. the significant increase in the SRTS Grant funding awarded to Highland Council this year. SRTS budget for financial year 2020/21 is £1,037,000; and
- v. the planned implementation of both temporary and permanent 20mph speed limits.

11. Electric Vehicle Infrastructure – Update Report 2020 Bun-structair Charbadan Dealain

There had been circulated Report No. ECI/20/20 dated 11 August 2020 by the Executive Chief Officer Infrastructure and Environment.

In discussion, the following main points were considered:-

- the Rural Tourist and Infrastructure Fund would be considered as an opportunity to expand the Electric Vehicle (EV) network;
- different Electric Vehicle (EV) chargers and timings of chargers were discussed and in particular, it was noted that the rapid chargers were expensive to install particularly in rural areas. More detail on EV charges would be included in future reports;
- providing infrastructure would encourage EV uptake and enable the development of rural car clubs which could help to address fuel poverty;
- while the focus was on providing an EV network, consideration would also be given to other new low carbon technologies such as Hydrogen powered vehicles;
- there was good engagement with Schools which was important to educate the next generation of young drivers on EV. If Members had any ideas on engagement with pupils on this issue, they were asked to contact the Energy Engineer;
- the EV charger project for Poolewe would be completed soon;
- officers were working with external organisations to align EV programmes with their objectives, such as tourist organisations. Initiatives such as park and ride facilities were supported to reduce traffic on roads and would be considered if funding was available;
- the location of EV charge points would be considered carefully;
- in terms of a benchmarking of what Highland Council was doing with EV compared to other Local Authorities, the Council was part of the Northern Road Collaboration and information was gathered on what other Councils were doing on EV charging. Information on this would be incorporated in future reports;
- a fee was to be introduced to offset electricity costs and therefore the tariff for using EV charges was being reviewed; and
- in relation to the EV rollout with partner agencies such as Caledonian MacBrayne, further communication with ferry companies would be made. There was an EV Forum that included a number of organisations in the Highlands and Islands and the next meeting was in November, 2020.

Thereafter, the Committee:-

- i. **NOTED** the contents of the report which provide a summary of the two primary strands of EV infrastructure work:
 - update on the delivery progress of the Electric Vehicle Infrastructure project;
 - the development of a Strategic Control Plan; a strategic piece of work comprising the approach towards future vision, internal structure and funding bids associated with electric vehicle infrastructure;
- ii. **AGREED** that a Member Workshop (Green Recovery Vision Workshop - Electric Vehicle Infrastructure) be held to help inform the Strategic Control

Plan. The Workshop would be held on 7 September, 2020; and
iii **AGREED** to explore whether there were opportunities within the Rural Tourist Infrastructure Fund Scheme to expand the EV infrastructure network.

12. Spaces for People and Bus Priority Rapid Development Fund Maoin Leasachadh Grad Àiteachan do Dhaoine agus Prìomhachas Bhusaichean

There had been circulated Report No. ECI/21/20 dated 8 August, 2020 by the Executive Chief Officer Infrastructure and Environment.

In discussion, the following main points were considered:-

- there were various active travel solutions suggested for the Poolewe and Gairloch area and these would be shared with Councillor D MacLeod;
- the centre of the City of Inverness needed to be made as safe as possible to support the easing of lockdown. The Spaces for People Fund and other similar funds from the Scottish Government required to be spent wisely to promote physical distancing, such as introducing measures at pinch points in the City such as Academy Street and Margaret Street. Not all the measures that had introduced for spaces for people had been supported and people had found measures introduced confusing and signage not appropriate. It was explained that the temporary interventions introduced had been done quickly in response to the Covid-19 crises and were done to ensure the safety of everyone. Where some interventions had not worked well, these issues would be addressed going forward. In terms of the longer term vision for Academy Street this had been discussed recently by Officers in order to reinvigorate the design process in order to meet the desired outcome for this area of the City;
- it was queried what steps were being taken to introduce ergonomic design into the design of the City's streetscapes. It was advised that the future was to consider sustainable forms of traffic and provide street layouts that meets this aspiration;
- it was requested that the traffic signal priorities at Millburn Road, Inverness should be reviewed in order to ease traffic congestion in this busy city centre location
- businesses would like to see more areas of the City Centre pedestrianised, like the High Street, which would encourage the public to visit the City Centre;
- any rural locations had come under incredible pressure this summer with increased tourism and it was queried if the scheme could be applied to rural hotspots such as Morar. It was explained that there were a serious of suggested spaces for people interventions in rural areas across the Highlands and any other suggestions to be added to the list for review would be welcomed. However, there was only a limited amount of funding available for these interventions;and
- the Scottish Government's Programme for Government announcement included £500m for public transport priorities in Scotland and hopefully there would be an opportunity for the Council to obtain some of this funding.

Thereafter, the Committee:-

- i. **NOTED** the progress made to implement the Spaces for People Highland project;
- ii. **APPROVED** the roll out of improvement measures at four key interventions in Inverness;
- iii. **NOTED** the funding success and approve the roll out of data capture measures; and
- iv. **NOTED** the funding success in respect of the Bus Priority Rapid Development fund; and
- v. **AGREED** that the Traffic Signal priorities at Millburn Road, Inverness would be reviewed to ease traffic congestion in the area.

13. Minutes Geàrr-chunntas

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

- i. South PAC – 26 May 2020;
- ii. North PAC – 9 June 2020;
- iii. South PAC – 16 June 2020;
- iv. North PAC – 26 June 2020.

14. Exclusion of the Public Às-dùnadh a' Phobail

The Committee **RESOLVED** 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 involved the likely disclosure of exempt information as defined in Part 1 of Schedule 7A of the Act, the relevant paragraphs being shown.

15. Academy Zero Project Acadamaidh Neoini

Paragraphs 6 and 9

Declaration of Interest: Mr K Gowans declared a financial interest in this item as an employee of Inverness College UHI 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/22/2020 dated 24 August, 2020 by the Executive Chief Officer Infrastructure and Environment.

The Committee **AGREED** the recommendations detailed in section 2.1 of the report.

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

Paragraphs 6 and 9

There had been circulated to Members only Report No. ECI/23/2020 dated 14 August 2020 by the Executive Chief Officer Infrastructure and Environment.

The Committee **NOTED** the monitoring statements for General Fund and Property Account transactions as approved by the Head of Development and Regeneration under delegated authority as well as the Budgeted Sales for 2020/2021 and beyond.

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

Paragraphs 6 and 9

Declaration of Interest:

Mr D Rixson and Mrs T Robertson declared non-financial interests in this item as Council appointees to the Lochaber Housing Association and the Highland 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 interests did not preclude them from taking part in the discussion.

There had been circulated to Members only Report No. ECI/24/20 dated 14 August 2020 by the Executive Chief Officer Infrastructure and Environment.

Subject to the clarification of funding for the Mid-market Rent units, the Committee **APPROVED** the recommendations contained within the report.

The meeting ended at 3.55 pm.