

## The Highland Council

Minutes of Meeting of the **Economy and Infrastructure Committee** held Remotely on **Wednesday, 2 February 2022 at 10.30 am.**

### **Present:**

Mr R Balfour	Mr A Jarvie
Mr B Boyd	Mr D Louden
Mr I Brown	Mr A MacInnes
Mrs C Caddick	Mr W Mackay
Mrs H Carmichael	Mr C Munro
Mr K Gowans	Mr D Rixson
Mr J Gray	Mrs T Robertson
Mr A Henderson	Ms M Smith

### **Non-Members also present:**

Mr G Adam	Mr D Macpherson
Mr R Bremner	Mr R MacWilliam
Mr M Finlayson	Mr H Morrison
Mr B Lobban	

### **Officials in Attendance:**

Mr M MacLeod, Executive Chief Officer - Infrastructure & Environment  
Mr C Howell, Head of Infrastructure  
Mr A Maguire, Head of Development and Regeneration  
Mr S Dalgarno, Development Plans Manager  
Mr D Cowie, Principal Planner  
Mr D Chisholm, Planner  
Mr D Summers, Principal Transport Officer  
Miss J MacLennan, Principal Administrator, Corporate Governance  
Ms F MacBain, Committee Administrator, Corporate Governance  
Mrs Olalla Bayon-Vazquez, Committee Administrator, Corporate Governance

### **Also in attendance:**

Ms J Allday, Strategic Business Development Manager, Port of Cromarty Firth  
Mr J Taylor, TAS Partnership

**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**

There were no apologies for absence.

## **2. Declarations of Interest Foillseachaidhean Com-pàirt**

The Committee **NOTED** the following:-

Item 5 – Mr C Munro (Transparency Statement)  
Item 10 – Mrs T Robertson (Declaration of Interest)

## **3. Good News Naidheachdan Matha**

The Chair informed Members of a list of good news and outstanding achievements on the following topics:-

- Capital Schemes, with a brief presentation of the work being carried out at Caol-Lochyside, Lochaber;
- the Association of Public Sector Excellence Annual Awards, with reference the conversion of 75% of the Council's lighting stock to LED, with the majority having part night dimming;
- the Council's Housing and Development team had received the top prize in the Housing and Regeneration Category at the Scottish Regeneration Forum awards in December 2021 for housing in Fort Augustus; and
- Nature Restoration Fund - the Council would be awarding over £200,000 worth of grant money to a range of projects across the Highlands.

The Committee **NOTED** the Good News.

## **4. Presentation – Opportunity Cromarty Firth Taisbeanadh – Cothrom Linne Chromba**

A presentation was undertaken by Joanne Allday, Strategic Business Development Manager, Port of Cromarty Firth, and Lead for the Opportunity Cromarty Firth Consortium.

Key issues covered during the presentation included the Highlands being at the centre of the shift to a net zero economy, and the size and scale of the opportunities for the Highlands. Two of the seven Scottish Government's Climate Action Towns were in Highland (Alness and Invergordon), providing a chance to link the commercial offshore wind and green hydrogen opportunities with grass roots, community based climate action. Cromarty Firth and the Highlands had been recognised by developers and the Scottish Government as the most logical location for a strategic offshore wind hub for Scotland, and there were other opportunities across Highland. Other issues covered included possible construction timetables, the national planning network, North of Scotland hydrogen plans, the Powerhouse initiative, the wider benefits of Opportunity Cromarty Firth, and the Green Freeport competition.

During discussion, Members raised the following issues:-

- the presentation was welcomed and should be distributed to the Committee;
- although acknowledged as a complex issue, information was sought on the means to effectively transition away from carbon. The importance of collaboration was emphasised;
- the opportunities for the immediate area and the wider region were welcomed;
- the production of green energy in Highland could attract high energy users to the region, to benefit from using the energy near its point of production;

- information was sought on the approximate number of jobs that might be facilitated, and attention was drawn to a report being commissioned by Skills Development Scotland to address the workforce needs of the area. The report was nearing completion and would be shared with Members in due course. It was important the development was not constrained by workforce challenges and consideration was required to tailoring training and education to the industry's needs. Other infrastructure and resources would also be required, for example housing; and
- it was important to aspire to zero carbon, not just net zero.

The Committee **NOTED** the presentation and **AGREED** the presentation be circulated to Members.

**5. School Transport Transformation Project (Review of School Transport) PP 1-155 Pròiseact Cruth-atharrachaidh Còmhdhail Sgoile (Ath-sgrùdadh air Còmhdhail Sgoile)**

**Transparency Statement: Mr C Munro made a Transparency Statement in respect of this item in that he had a connection by reason of having children in receipt of daily school transport to their local school. However, having applied the objective test he did not consider that he had an interest to declare. This was because the recommendation was only to note the report and any discussion would be of such a general nature. He had requested that this Statement be recorded in the Minutes.**

There had been circulated Report No. ECI/1/22 dated 13 January 2022 by Executive Chief Officer Infrastructure, Environment & Economy.

A presentation was provided by John Taylor of The TAS Partnership, providing information and an update on their review of the Council's school transport policy and practice. Broad areas covered included legislation, good / best practice, comparisons to other authorities, processes, procurement, operational standards and budget issues.

During discussion, the following issues were raised:

- information was sought on whether there was a limit on the distance pupils could be expected to cycle to school, similar to the restrictions on walking distances for different age groups, but this was not specified in legislation;
- with reference to the predicted spend of £18.5m on school transport, it was suggested the level of staffing in the Council's team of two to three staff was low, however it was clarified that there was a team of seven;
- the discrepancy in cost per pupil of £331 in Highland and £211 in Angus was queried but the reason for this was not known;
- in relation to free bus travel for under-22s, the Council was urged to ensure maximum uptake of the National Young Person's Pass as soon as possible;
- support was voiced for entitling children to travel to school by contracting in a service from an operator in situations where there was no bus service available;
- it was hoped the Council would accept the recommendations in the report, with various key issues from it being highlighted;
- children should also be encouraged to cycle to school and it would be interesting to find out how other Local Authorities did this;
- it was explained, in response to several questions, that school and public transport was the number one transformation project being worked on by the Service;
- concern was expressed at the prospect of returning to a reliance on a small number of contract operators;

- the recommendations in the report would be considered individually and progress reported back to Members; and
- an area of the report lacking detail was in relation to the transportation of children with additional support needs, and it was suggested there was a disconnect between transport and education services in relation to transport and chaperone requirements.

The Committee **NOTED** the full summary report from The TAS Partnership, attached as an Appendix to the report, and **AGREED** the provision of school transport for ASN pupils required further consideration, including the links between Transport and Education Services.

## 6. Revenue Monitoring Quarter 3 to 31 December 2021 Sgrùdadh Teachd-a-steach Cairteal 3 gu 31 Dùbhlachd 2021

There had been circulated Report No. ECI/2/22 dated 21 January 2022 by Executive Chief Officer Infrastructure, Environment & Economy.

During discussion, the following issues were raised:-

- in response to concern about potential underspends on roads projects, it was explained that many of these were accounting issues or delays between work undertaken and invoices paid, all of which would be resolved in the year end budget figures. Some of the road projects referred to involved capital expenditure, rather than revenue;
- assurance had been provided that paperwork issues for European grants would be resolved by the end of the financial year;
- information was sought, and provided, on the reported saving of £245k in relation to the review of school transport for Gaelic medium education, against a budget of £480k. Detailed figures could be further discussed offline;
- it was important to use positive language in the report when presenting successes; and
- Mr B Boyd would meet with the Executive Chief Officer to discuss the intricacies of the Council's budget process, specifically the internal trading processes.

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 to the report;
- ii. the revenue monitoring position for the period to 31 December 2021;
- iii. net spend at the end of Quarter 3, totaled £22.696m;
- iv. based on the best available information to date, a service budget gap of £1.738m was forecasted to end of 2021/22;
- v. many areas of the Service rely on income to pay for services, and this continued to be affected in 2021/22 because of Covid-19 impacts. A loss of income and Covid-19 related costs was the key driver of the Service's budget gap;
- vi. the budget gap might change positively or negatively depending on applying expenditure and recruitment controls, aligning services to meet budget savings agreed and income recovery in 2021/22;
- vii. further adjustments would be made in future quarterly reporting to reflect the updated apportionment of costs and savings across the new structure;

and **AGREED**:-

- viii. to use positive language in the report, especially for areas of success.

## 7. Draft National Planning Framework 4 Dreachd Frèam Dealbhaidh Nàiseanta 4

There had been circulated Report No. ECI/3/2022 dated 14 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

The Chair made a brief statement indicating that the report fell short of her expectations. The submission worked up by officers and agreed for submission had an ambitious vision for Highland, but this draft omitted much of what was in that report. The need for improved infrastructure and reducing reliance on tourism were not evident. If Highland was to repopulate, the Council needed services to encourage people to come here and diverse job opportunities to allow them to stay. She urged Members to make time for the workshop on 25 February 2022 to ensure the Highlands moved forward and became more than a tourist destination.

In presenting the report, it was explained that the draft National Planning Framework 4A (NPF4) was a long-term plan that would guide spatial development, set out national planning policies, designate national developments and highlight regional spatial priorities. It set out the Scottish Government's proposed approach to how planning and development would help to achieve a net zero, sustainable Scotland by 2045. NPF4 would be more up to date than Highland's current Development Plans and it would typically take precedence ahead of the Council adopting new Local Development Plans. The deadline for responses to the draft NPF4 was 31 March 2022, with the Scottish Government aiming for Parliamentary approval of finalised NPF4 in summer 2022.

During discussion, the following issues were raised:-

- the workshop for Members on 25 February 2022 would allow detailed comments to be made and for queries to be addressed;
- support was voiced for developing more than one Pumped Hydro Storage scheme, and the benefits of the schemes to grid balancing were outlined;
- community participation was an essential part of wealth creation initiatives;
- attention was drawn to the importance of the policies detailed in section 5.8, Sustainable Places,
- Policy 31: Rural Places, included reference to the Hinterland and it was pointed out by Mr Loudon that one Hinterland policy covering the whole of the Highlands was not appropriate;
- it was important that Place Making policies involved wide-ranging issues such as housing density and the creation of a pleasant ambience through the use of green space etc; and
- the final NPF4 should contain concise, robust summaries of the main points of each section.

The Committee:-

- i. **NOTED** the Draft National Planning Framework 4;
- ii. **AGREED** that the headline issues identified in Section 5 of the report be subject of Council comment to Scottish Government and **APPROVED** the headline comments on those issues as set out in Section 5, to be worked up for submission;
- iii. **NOTED** that other issues and comments might be included in the Council's final response to the consultation;
- iv. **NOTED** that a Member Workshop was to be held on 25 February 2022 to further inform the Council's response to Draft NPF4 and agree that the headline issues

- and comments in (ii) should form the basis for that discussion; and
- v. **NOTED** that the submission would be finalised by the ECO Infrastructure, Environment and Economy, which might include further consultation with the Chair of the Environment and Infrastructure Committee ahead of the pre-election purdah period.

## **8. Covid-19 Business Grants Tabhartasan Gnothachais Covid-19**

There had been circulated Report No. ECI/4/2022 dated 13 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

Members expressed their gratitude to officers for the efficient handling of Business Grants and their quick and flexible approach to questions and queries from both Members and the public. The team involved were knowledgeable and experienced and their helpful attitude was to be commended.

The Committee **NOTED** the current work underway to deliver a number of Covid-19 business grants to Highland businesses.

## **9. Planning Performance Framework Report 2020/21 Aithisg Frèam Dèanadais Dealbhaidh 2020/21**

There had been circulated Report No. ECI/5/2022 dated 17 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

Members welcomed the efforts of the team, under difficult circumstances, which had seen a number of positive changes to the RAG ratings.

The Committee **NOTED** the findings of the 2020/21 Planning Performance Framework Report from the Scottish Government.

## **10. Onshore Wind Policy Statement Refresh 2021 Ùrachadh Aithris Poileasaidh Gaoithe Air Tìr 2021**

**Declaration of Interest: Mrs T Robertson declared an interest in this item as she had windfarm shares with Energy4all and, in accordance with paragraph 5.6 of the revised Code of Conduct, left the online meeting for this item.**

**The Vice Chair, Mr J Gray, took the Chair for this item.**

There had been circulated Report No. ECI/6/2022 dated 20 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

During discussion, the following issues were raised:-

- disappointment was expressed that Members had not had the opportunity to contribute to the consultation response prior to its submission;
- there was frustration at the attitude of some windfarm developers who, having been granted planning permission, reapplied for an increase in the height of the masts. Furthermore, the number of windfarms being granted planning permission on appeal to the Scottish Government had now risen exponentially and this flew in the face of local democracy. These practises were being replicated in other local authority areas;

- developers were now also liaising with other Community Councils in the vicinity and this was pitting these Community Councils against the host Community Council;
- shared ownership was one way to avoid conflict with communities and this needed to be emphasised. In fact, it was suggested, communities should have a statutory right to participate to shared ownership of windfarms in their area, 10% of the development being suggested as a minimum stake. It was suggested that the Committee should consider a report on how it might best be able to help communities achieve shared ownership of windfarm developments;
- on the Forestry and Land Scotland Estate, a stake of up to 49.9% should be continued to reflect this was publicly owned land;
- local authorities should assist communities to access funding secured on turbines through the Public Works Loan Board (PWLB) as borrowing for economic development and community empowerment was a legitimate use of PWLD funding;
- it was important to use this technology to tackle high energy bills and fuel poverty;
- energy produced locally should be used locally where possible to reduce transmission losses and the cost to the customer;
- turbines should not be capacity constrained as, at times of low demand, pumped storage hydro schemes could move water uphill to make use of the wind power available;
- as onshore and offshore wind expanded, power generated should be used to power electrolyzers and to produce green hydrogen;
- communities deserved more from windfarm developers. Initially expectations were that communities would receive £10,000 per megawatt but this was driven down to £5,000 with moves to reduce this even further and this reduced community benefit needed to be highlighted;
- turning to the consultation document, the following amendments were also suggested:-
  - a response to Question 5 (What more can be done to ensure that financial mechanisms are available to support development at differing scales?) should be made in the Council was to encourage shared ownership.
  - in regard to Question 14 (From your own experience what can wind farm developments offer in terms of protecting and enhancing the natural environment, in particular through the planting of trees to compensate for those lost during windfarm development and through peatland restoration?), compensatory tree planting, protected by fencing, should be done wherever possible.
  - rather than not commenting on Question 15, (Can you provide best practice examples of encouraging biodiversity protection and enhancement, including connectivity between natural areas in wind farm sites?), it would be useful to draw attention to examples of good practises elsewhere on biodiversity.
  - in regard to Question 23, (Do you have any views on the impact of wind farms on tourism?) reference was made to the serious congestion which arose on the A82 when wind turbines were being transported 3-4 years ago and where bridges had also been damaged.
- in a similar approach that was being proposed for community groups, the Council could also provide communities interested in shared ownership with some practical advice;
- onshore windfarms could bring environmental and financial benefits to an area but it was disappointing that recent circumstances suggested that local democracy was being bypassed. Local Members were best placed to have the knowledge of issues and the area; and
- the Members Workshop on 25 February would provide another opportunity for comments.

The Committee **HOMOLOGATED** the response contained in Appendix 1 of the report subject to Members supplementary comments also being fed back to the Scottish Government.

#### **11. Minutes Geàrr-chunntas**

There had been circulated Minutes of Meetings as follows:-

- i. North Planning Applications Committee held on 19 October 2021, and 7 December 2021- **NOTED**;
- ii. South Planning Applications Committee held on 2 November 2021- **NOTED**; and
- iii. City Region Deal Monitoring Group held on 20 January 2022 - **APPROVED**.

#### **12. Exclusion of the Public Às-dùnadh a' Phobail**

The Council **AGREED** to resolve that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following item on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 9 of Part 1 of Schedule 7A of the Act.

#### **13. Wick Airport PSO Uallach Seirbheis Phoblach Port-adhair Inbhir Ùige**

The Executive Chief Officer Infrastructure, Environment & Economy gave a verbal update on the Wick Airport.

Following discussion, the Committee **AGREED** that the Executive Chief Officer Infrastructure, Environment & Economy progress the tender award process.

#### **14. Property Transactions Monitoring Report Aithisg Sgrùdaidh Ghnothachasan Seilbhe**

There had been circulated to Members only Report No. ECI/7/2022 dated 10 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

The Committee **NOTED** the monitoring statements for General Fund and Property Account transactions as approved by the Head of Economic Development and Regeneration under delegated authority as well the Budgeted Sales for 2021/2022 and beyond.

#### **15. Housing Development Initiatives Iomairtean Leasachaidh Taigheadais**

There had been circulated to Members only Report No. ECI/8/2022 dated 18 January 2022 by the Executive Chief Officer Infrastructure, Environment & Economy.

The Committee **APPROVED** the recommendations as detailed in the report.

**ADDITIONAL URGENT CONFIDENTIAL ITEM**



At this point in the meeting, and in line with Standing Order 8, it was advised that the Chair had agreed that the following should be considered as an urgent item of business respect of transport issue which was time critical to meet statutory deadlines:-

**16. Public and School Transport – Skye Tenders**

The Executive Chief Officer Infrastructure, Environment & Economy provided a verbal update on the public and school bus tenders for Skye.

Following discussion, the Committee **AGREED** to award the contract.

The meeting ended at 2.40 pm.