

<b>Agenda Item</b>	<b>5</b>
<b>Report No</b>	<b>ECI/19/2023</b>

## HIGHLAND COUNCIL

**Committee:** Economy and Infrastructure

**Date:** 4 May 2023

**Report Title:** Inverness and Highland City-Region Deal Annual Report

**Report By:** Depute Chief Executive

### 1 Purpose/Executive Summary

- 1.1 This report presents the Inverness and Highland City-Region Deal Annual Report. This review of the financial year 2021-2022 is an obligation of the City-Region Deal (CRD) undertaking. It forms part of the Annual Conversation, a meeting between The Highland Council Chief Executive and Senior Deal representatives from UK and Scottish Governments.

### 2 Recommendations

- 2.1 Members are asked to **note and approve** the report as a record of the activity and delivery during 2021/22.

### 3 Implications

- 3.1 **Resource** – No implications are highlighted for this report.
- 3.2 **Legal** – No implications are highlighted for this report.
- 3.3 **Community (Equality, Poverty, Rural and Island)** – No implications are highlighted for this report.
- 3.4 **Climate Change / Carbon Clever** – No implications are highlighted for this report.

3.5 **Risk** – The report does not highlight risks outside of the established governance and risk management processes in place which include the Programme Board and the Members’ Monitoring Group. These are initiated to manage the implications of risks and issues affecting projects and include the continuing impacts of Covid-19 and Brexit.

3.6 **Gaelic** – No implications are highlighted for this report.

## **4 Introduction**

4.1 The Highland Council is the lead body for the Inverness and Highland City-Region Deal which 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.

4.2 Collectively, this £315m funding package (Scottish Government £135m, UK Government £53m, The Highland Council and local partners £127m) is provided over a 10-year period, subject to detailed business cases, statutory processes and implementation plans. Financial Year 2021/22 was the sixth year of the Deal.

## **5 Project Progress**

5.1 The projects within the City-Region Deal are shown in **Appendix 1** – Inverness and Highland City-Region Deal Annual Report 2021/22. This provides a description and an update on the status of each project. Progress against the projects is reported to the Members Monitoring Group quarterly in a consistent format which facilitates transparency about where progress is good and where remedial action may be necessary. Highlights for the period can be found below:

### **5.2 Inverness Castle**

The Full Business Case for the Castle was approved by the UK and Scottish Governments and the main construction contract was awarded. Bancon Construction began works on site in March 2022. The construction contract will last for two and half years followed by a six-month fit out and anticipated opening in 2025. Stories from across the Highlands have been crowd sourced to inform the creative content of the new visitor attraction. 150 of these stories have been made accessible to the public through the development of the Spirit Stories digital archive.

### **5.3 Northern Innovation Hub**

All projects within the Northern Innovation Hub Programme have now formally begun. A total of 418 unique enterprises were supported across a variety of sectors including Tourism, Food and Drink, Creative Industries, Technology and Life Sciences.

### **5.4 Life Sciences Innovation Centre**

The construction of the Life Sciences Innovation Centre began in Summer 2021. The building will be a joint facility on Inverness Campus between The University of the Highlands and Islands and Highlands and Islands Enterprise. The Health and Life Sciences Innovation Fund was set up in late 2021 and supported two proof of concept projects with external partners during the year.

## 5.5 **Science Skills Academy**

At the start of the academic term in August 2021 restrictions placed upon schools were eased and the Science Skills Academy was able to re-start delivery across the Newton Room Network. Schools were keen to start visiting the Newton Rooms again and there was good uptake across the Network. There was a trial of the Pop-Up Newton Room which toured various remote and rural areas of Highland including Skye & Lochalsh and Badenoch & Strathspey. The Dingwall Newton Room was officially launched in March 2022 and two facilities at the An Lochran building on Inverness Campus are being used as the Inverness Newton Room.

## 5.6 **Innovative Assisted Living (Fit Home)**

There were 11 homes built and allocated in Dingwall. The tenants have consented to the use of smart technologies, including sensors, to gather health and wellbeing related data to support them in their day to day living. The data is used by the tenant's health, care and support networks to inform their ongoing daily needs. Technology was installed in a further eight properties to support people leaving institutional care. The project is collaborating with universities to measure the benefits delivered, which include better physical and mental health outcomes, less isolation, better support services and more effective interventions.

## 5.7 **Affordable Housing**

A total of 57 homes for mid-market rent were delivered during the year at sites including Fort William, Strathpeffer and Inverness. A further 98 homes were approved and 102 started on site.

## 5.8 **West Link**

This project concluded in Summer 2021 and completed the link between the A9 at Inshes to the South of the City to the A82 to the West at Torvean. Linkage to General Booth Road to the North has also been improved. The project has helped to release land for housing which is being delivered north and south of the river.

# 6 **Governance**

6.1 The projects report to the quarterly City-Region Deal Programme Board, chaired by the Depute Chief Executive, and attended by the lead officers for each project, a representative from the Council's Finance Service, representatives from the business community, and both the Scottish and UK Governments. The Board reports to the Economy and Infrastructure Committee and undertakes the following roles:-

- ensures delivery of business cases and the implementation plan;
- ensures effective co-ordination between partners;
- ensures the ongoing overall alignment of the individual projects within the programme;
- resolving strategic and operational issues between projects; and
- monitoring project status and ensure project delivery; and manage risks and financial commitments

6.2 Progress is also monitored on a quarterly basis by the Members City-Region Deal Monitoring Group.

## 7 Government Reporting

- 7.1 As part of its role as Accountable Body for the Inverness and Highland City-Region Deal, the Council provides regular reports to the UK and Scottish Governments on project progress and programme management activities.
- 7.2 The Annual Conversation was held on 20 October 2022. Principal attendees were the Executive Chief Officer Infrastructure, Environment & Economy, and Scottish and UK Government Heads for Regional Economic Development and for City Deals. Officers from each of these institutions were also in attendance.
- 7.3 The draft Annual Report for 2021/22 was well received by the representatives noting good progress in many of the projects. Key agreements were:-
- continue to progress the business cases for the Longman Land Remediation project and the Digital project;
  - review project and Deal milestones in recognition of continuing impact of Covid-19 and Brexit; and
  - finalise the Benefits Realisation Plan.

The Annual Report for 2021-22 is attached as **Appendix 1**.

Designation: Depute Chief Executive

Date: 11 April 2023

Authors: Heather Martin, Programme Manager – City-Region Deal

Background Papers: Inverness and Highland City-Region Deal Annual Report 2021/22



Inverness and Highland  
City-Region Deal  
Cùmhnant Baile-Roinne  
Inbhir Nis agus na  
Gàidhealtachd



Annual Report  
Aithisg Bhliadhnail

2021/22

**DRAFT**



Scottish Government  
Riaghaltas na h-Alba  
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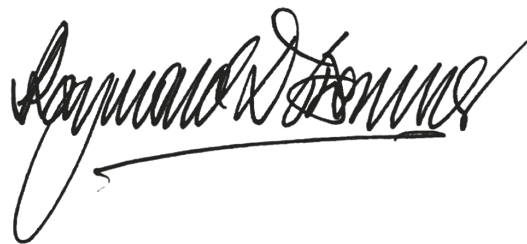
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# An introduction from the Leader of the Council

## Ro-ràdh bho Cheannard na Comhairle

It is my great pleasure to introduce the Annual Report for the Inverness and Highland City-Region Deal. The report illustrates the excellent work that the Deal enabled between April 2021 and March 2022. This period was marked by truly exceptional and challenging events, which affected everyone globally and our own Highland region did not escape the impact. The pandemic and economic and political uncertainty have affected both our lives and the Deal. Whilst projects are recovering, they are also re-evaluating how they will deliver the benefits that we committed to, by adapting and changing their activity in response to the new environment and landscape. Despite severe restrictions and cost inflation in the construction industry, the Inverness castle construction project and the life sciences innovation Centre both started on site and are progressing well and new affordable homes for young people continues to be delivered throughout the Highlands. So significant progress has been made across the Programme despite the challenges, and I would like to thank the CRD team and all in The Highland Council and our six deal Partners for their commitment to continuing their efforts to deliver the very best from this investment to our communities.



Councillor Raymond Bremner, Leader of the Council

# City-Region Deal Overview

## Àrd-shealladh dhen Chùmhnant Bhaile-Roinne

We are now into year six of the ten-year City-Region Deal. We believe we are on track to address the challenges currently facing the region, and to capitalise on its substantial opportunities and investments, including **£135m** invested from the Scottish Government and **£53.1m** from the UK Government.

The core overarching aims remain to:

- ◆ help to rebalance the population through the aim of attracting and/or retaining an additional 1,500 young people in the 18-29 age group;
- ◆ create 1,125 direct jobs with a further 2,200 jobs in construction;
- ◆ help to upskill the labour market to move to a high wage high skill economy adding an extra £100m pa to the regional economy;
- ◆ deliver 6,000 homes over a 20-year period, of which 1,600 will be affordable; and
- ◆ deliver private sector investment of £800m over a 20-year period in the region.

The Inverness and Highland City-Region Deal continues to develop with a renewed focus on inclusive growth, health outcomes and place making.

### The Partnership

The Inverness and Highland City-Region Deal is built up of 7 organisations who co-ordinate and drive the component projects. These organisations are The Highland Council, Highlands and Islands Enterprise, the UHI, Transport Scotland, Albyn Housing Association Limited and HITRANS. The mission statements of the partners and how their work relates to the City-Region Deal are summarised below:

#### The Highland Council

Ambitious Sustainable Connected

The Council's work aligns with the City-Region Deal, through:

- ◆ driving economic growth and ensuring our infrastructure meets the needs of expanding businesses and population.
- ◆ supporting children to learn and thrive by delivering a whole system approach to education and integrated children's services.
- ◆ promoting fairness and welcoming diversity.
- ◆ making the Highlands a stronger and more resilient region.
- ◆ protecting and enhancing The Highland's influence and reputation nationally and internationally.



#### High Life Highland (HLH)

The transformation of Inverness Castle is a Highland Council project, managed by High Life Highland (HLH) on behalf of the Council. HLH is a charity registered in Scotland, formed on the 1<sup>st</sup> October 2011 to develop and promote opportunities in culture, learning, sport, leisure, health and wellbeing across nine services throughout the whole of the Highlands, for both residents and visitors.





## Highlands and Islands Enterprise (HIE)

The aspirations of HIE are for the Highlands and Islands to be a highly successful, inclusive and prosperous region in which increasing numbers of people choose to live, work, study and invest.



## UHI

The UHI is an integrated university, encompassing both further and higher education. Its reputation is built on an innovative approach to learning and distinctive research and curriculum, all enriched by the people, natural environment, economy, culture and heritage of the Highlands and Islands and its communities.



## Transport Scotland

Transport Scotland is an Agency of the Scottish Government and accountable to Ministers. The Purpose of the Scottish Government is to focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth. The vision set out in the National Transport Strategy supports this in that we will have a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, business and visitors.



## Albyn Housing Society Limited

Our vision is to maintain and build quality homes, providing excellent customer service, and giving opportunities for people and communities to flourish. Through innovation we aim to meet the needs of the community and challenges of the future.



## HI-TRANS

Working hard with Councils, the Scottish Government, Transport Scotland, HIE, transport operators and other stakeholders to improve transport services and infrastructure in the north of Scotland and on routes to the Highlands and Islands.



In addition to the project leading partners, there are a number of significant contributing partners and organisations who support the Deal via the provision of expertise and access to networks, providing the role of the critical friend and selling the benefits of the Deal and the region. These include but are not limited to:

- ◆ Scottish Council for Development and Industry (SCDI)
- ◆ National Health Service Highland
- ◆ Highland Economic Forum
- ◆ Highland Community Planning Partnership



## Investment Breakdown

It is likely that the investment and funding will increase as further European and private sector money will be attracted. The table below contains information on the funding of the projects. The table has been updated to reflect the agreed virement with the UK Government of £1.362m transferred to assist with the funding of developing Inverness Castle.

Some projects have more spend than funding – these further contributions should be identified in partner funding table below.

Project	Total £	UKG £'000	SG £'000	THC £'000	UHI £'000	HIE £'000	Albyn £'000
Life Sciences Innovation Centre	9,000,000	9,000	0	0	0	0	0
Northern Innovation Hub**	16,000,000	11,000	0	0	0	5,000	0
Joint Digital Programme	30,000,000	20,000	0	10,000	0	0	0
Longman Land Remediation	10,000,000	10,000	0	0	0	0	0
Science Skills Academy	3,060,000	0	3,000	20	20	20	0
Innovative Assisted Living	5,224,000	0	3,000	0	0	0	2,224
Inverness Castle	33,460,000	3,100	15,000	15,300	0	60	0
Affordable housing	5,000,000	0	5,000	0	0	0	0
A9/A96 Inshes to Smithton & A9/A82 Longman Junction	109,000,000	0	109,000	0	0	0	0
West Link and Inshes	64,356,000	0	0	64,356	0	0	0
Prudential Borrowing (Hsg)	30,000,000	0	0	30,000	0	0	0
	<b>315,100,000</b>	<b>53,100</b>	<b>135,000</b>	<b>119,676</b>	<b>20</b>	<b>5,080</b>	<b>2,224</b>

\*\* Includes European Funding

# Themes and projects

## Inclusive Economic Growth

The Inverness and Highland City-Region Deal is about trying to achieve inclusive economic growth. In addition to the component projects, there are themes around which the outputs of projects can coalesce:

### Connected

Being on the western periphery of Europe, with a massive geographic area, creates connectivity challenges in terms of physical and also digital connectivity. Overcoming these challenges will go a long way to enabling the growth of the Highlands both in terms of economy and, equally important, as a place.

### Young People

There is a need to rebalance the population of the Highlands to attract and retain more young people to live, work and study in the region. To do this we need to ensure that young people see the Highlands as a connected place, a place where they can make a living and thrive, and a place that is desirable to others.

### Innovation

Whilst unemployment is low in the Highlands, wages are also low. Innovation, in its many forms, is key to creating different opportunities in the Highlands. At the heart of innovation are the Life Science projects, the Innovative Assisted Living (FIT homes) project and the Northern Innovation Hub. Devising services, procedures and products that deal with our particular geographic challenges could place us front and centre.

### Skills

From developing the entrepreneurial skills needed to grow the economy, to supporting people into higher skilled posts that will be created; from enthusing future STEM practitioners, to supporting them to higher attainment levels, skills development is of central importance to the Inverness and Highland City-Region Deal.

### Digital Capability

Given the region's geography, digital connectivity and capability can act to enhance the region's growth capacity. It can enable collaboration beyond the region and make the region more attractive to businesses and young people by being more connected.

### Physical Renewal

In addition to innovation and human capital, there is a need to review the physical infrastructure, both for transport purposes but also to act as places to do business, such as Inverness Castle, Life Sciences Innovation Centre on Inverness Campus and the land reclamation project at the Longman.

### Tourism

Not surprisingly for an area of such outstanding natural beauty, and one so rich in heritage (natural and otherwise), tourism is included as a theme on its own. Any economy must build on its assets and creating more wealth and high value jobs is a key challenge for the tourism sector.

### Life Sciences

There has always been a strong element of life science projects within the Inverness and Highland City-Region Deal, the Northern Innovation Hub, the FIT Home and the Life Sciences Innovation Centre. What is particularly pleasing is the level of collaboration between these projects.

### Place Making

A Growing theme within the Inverness and Highland City-Region Deal is the importance of place. The City-Region Deal, enables physical renewal, makes the Highlands a more connected place, attracts the right kind of human capital and fosters innovation. New affordable homes are being created throughout the Highlands.

# Themes supported by the City-Region Deal Projects

## Science Skills Academy

### Outcomes

More young people taking STEM subjects and higher levels of attainment.

### Themes

- ◆ Skills
- ◆ Young people
- ◆ Innovation
- ◆ Digital
- ◆ Life Science
- ◆ Place Making

## Inverness Castle

### Outcomes

Creating a world class visitor experience and attracting more visitors to stay longer and explore the Highlands.

### Themes

- ◆ Tourism
- ◆ Digital
- ◆ Skills
- ◆ Physical renewal
- ◆ Place Making

## Affordable Housing

### Outcomes

Enabling people and especially young people to live and work in the right places for them and the economy.

### Themes

- ◆ Young People
- ◆ Physical renewal
- ◆ Inclusive Growth
- ◆ Place Making

## Innovative Assisted Living (Fit Home)

### Outcomes

Enabling vulnerable people to live in the community longer and safer and learning lessons of national importance from their experience.

### Themes

- ◆ Physical renewal
- ◆ Innovation
- ◆ Digital capability
- ◆ Life Sciences

## Life Sciences Innovation Centre

### Outcomes

New ways to support patients and in particular those in remote communities. Creating services, products and companies to grow the economy.

### Themes

- ◆ Innovation
- ◆ Digital Capability
- ◆ Skills
- ◆ Life Sciences

## Longman Land Remediation

### Outcomes

To create land that can be used to support the economy.

### Themes

- ◆ Physical renewal
- ◆ Innovation
- ◆ Place Making

## Northern Innovation Hub

### Outcomes

To support and grow businesses to be more productive, modernise and ultimately provide more high value jobs in the Highlands.

### Themes

- ◆ Innovation
- ◆ Skills
- ◆ Digital Capability
- ◆ Young People
- ◆ Tourism
- ◆ Life Sciences

## Digital

### Outcomes

To provide the connectivity and capacity required to enable the digitisation of the Highlands.

### Themes

- ◆ Innovation
- ◆ Skills
- ◆ Digital Capability
- ◆ Young People
- ◆ Life Sciences

## A9/A82 Longman Junction Improvement A9/A96 Inshes to Smithton, West Link and Inshes

### Outcomes

To reduce journey times, connect the Highlands and enabling access to development land.

### Themes

- ◆ Physical Renewal
- ◆ Tourism
- ◆ Connected

## Skills and Employability

### Outcomes

To ensure those who are currently furthest away from employment are not left further behind and indeed are encouraged into works and given the skills to succeed.

### Themes

- ◆ Skills
- ◆ Young People
- ◆ Innovation

## Air Access

### Outcomes

To ensure the Highlands is as connected as possible in terms of air travel.

### Themes

- ◆ Tourism
- ◆ Connected

# 3

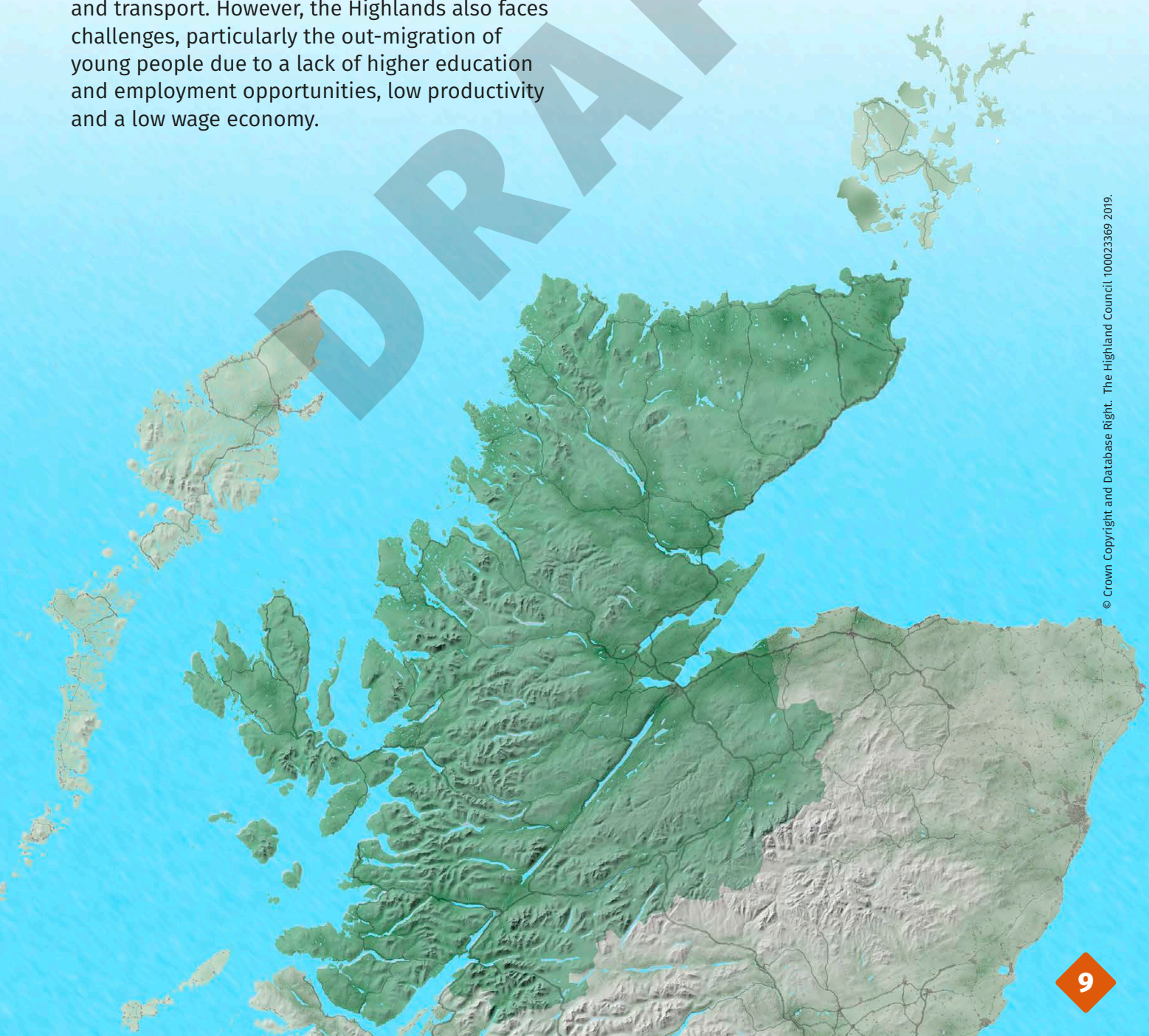
## Geographical Overview Àrd-shealladh Cruinn-eòlasach

The Highland Council serves a third of the land area of Scotland, including the most remote and sparsely populated parts of the UK mainland, and has the 7<sup>th</sup> highest population of the 32 authorities in Scotland. The total land area, including all islands, at low water, is 26,484 square kilometres. It is 10 times larger than Luxembourg, 20% larger than Wales, and nearly the size of Belgium.

The length of coastline, including islands, at low water is 4,905 kilometres, 21% of the Scottish total and, excluding islands, is 1,900 kilometres (49% of the Scottish mainland).

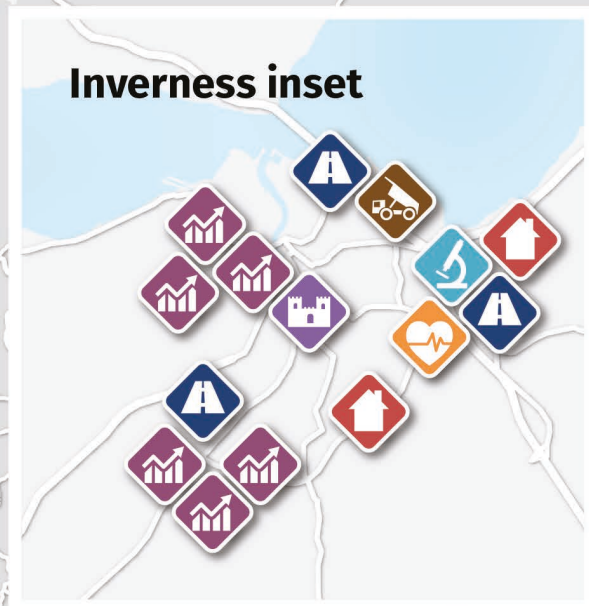
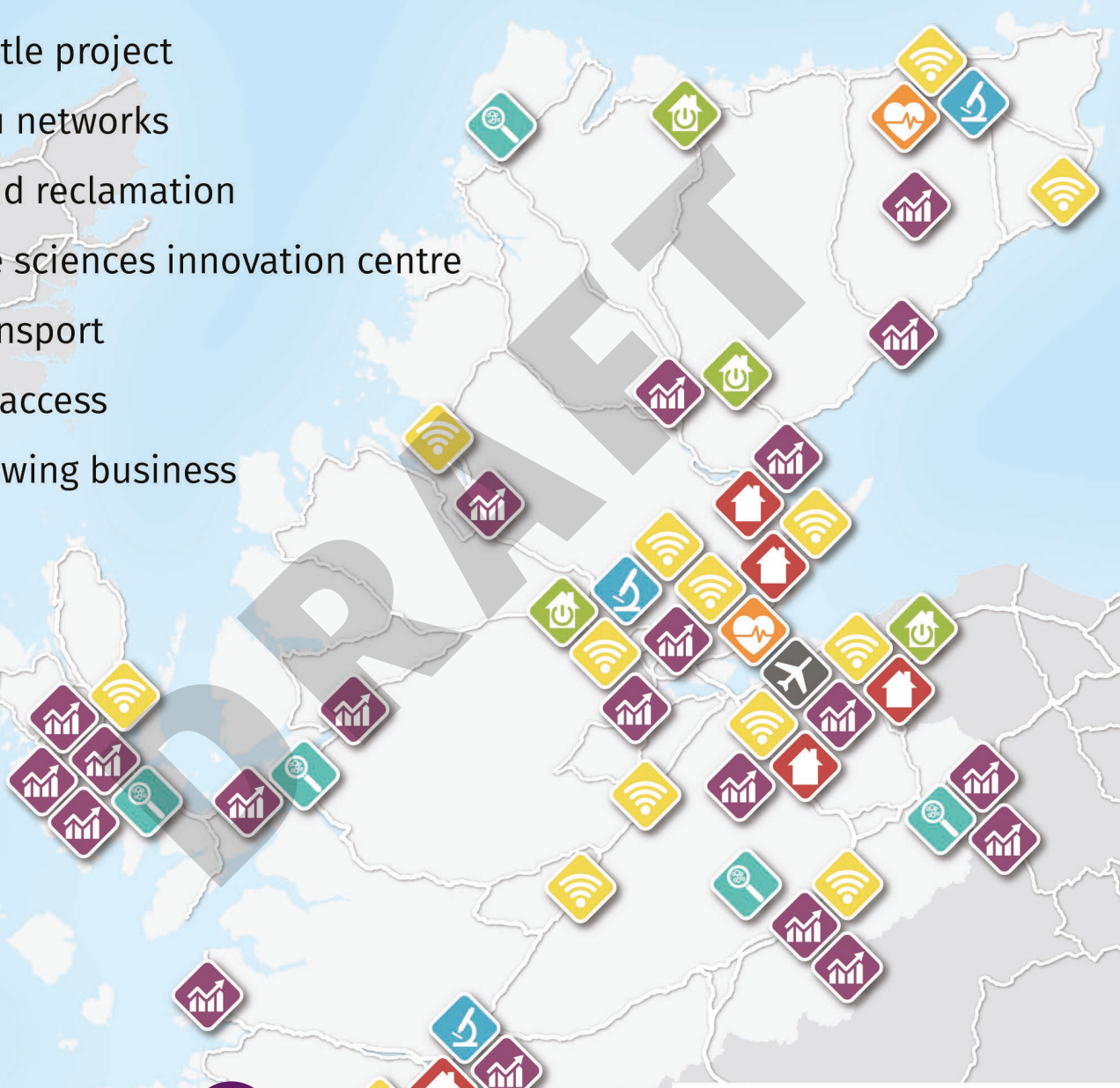
The Highlands have seen significant population growth over the last 30 years. They have benefitted from the creation of the UHI, together with major investments in digital infrastructure and transport. However, the Highlands also faces challenges, particularly the out-migration of young people due to a lack of higher education and employment opportunities, low productivity and a low wage economy.

Results from the 2011 census show that the population of the Highlands on census day was 232,132, increasing to 235,180 in mid-2017. Since 1996, the population of the Highlands has increased by 12.5%. This is the 7<sup>th</sup> highest percentage change out of the 32 council areas in Scotland. Over the same period, Scotland's population rose by 6.1%.



# Inverness and Highland City-Region Deal Projects

-  Science skills academy
-  Pop-up Newton room
-  Affordable housing
-  FIT homes
-  Castle project
-  Wifi networks
-  Land reclamation
-  Life sciences innovation centre
-  Transport
-  Air access
-  Growing business



Given the nature of the geography of The Highland Council area, ensuring the dispersal of projects throughout the Highlands has been an important factor. While there are a higher number of projects within the Inverness area, this is as should be expected given the role of Inverness as the economic engine for the Highlands. However the map shows a wide dispersion of the projects throughout The Highland Council area.

## 4

# Financial Statement

## Aithris Ionmhasail

The table below provides a view of the spend for 2021/22 and Column B shows the cumulative position since the start of the city-Region Deal. Note, the £1,362,000 from the UK Government for Bridge Street and the Museum and Gallery has been included in the Castle Project grant.

In terms of spend against the original profile (September 2016), spend is behind what was suggested. A revised profile for the Deal, based on a greater maturity of project development, was provided. This was predominantly for two reasons: this was an early date to set a profile and was agreed prior to all business cases being signed off; in addition to this, the original profile included significant figures for the Digital Project where, to date, no spend has been possible.

Work continues with Scottish Government colleagues to manage the flow of money to the projects and ensure financial planning is aided by effective and transparent information. Project Managers are responsible for managing and reporting on project budget, spend forecasting and quarterly reporting to Scottish and UK Governments. The Programme Management Office and Senior Responsibility Officer will review, with The Highland Council's Finance Officer, to track and resolve any significant deviation from plan.

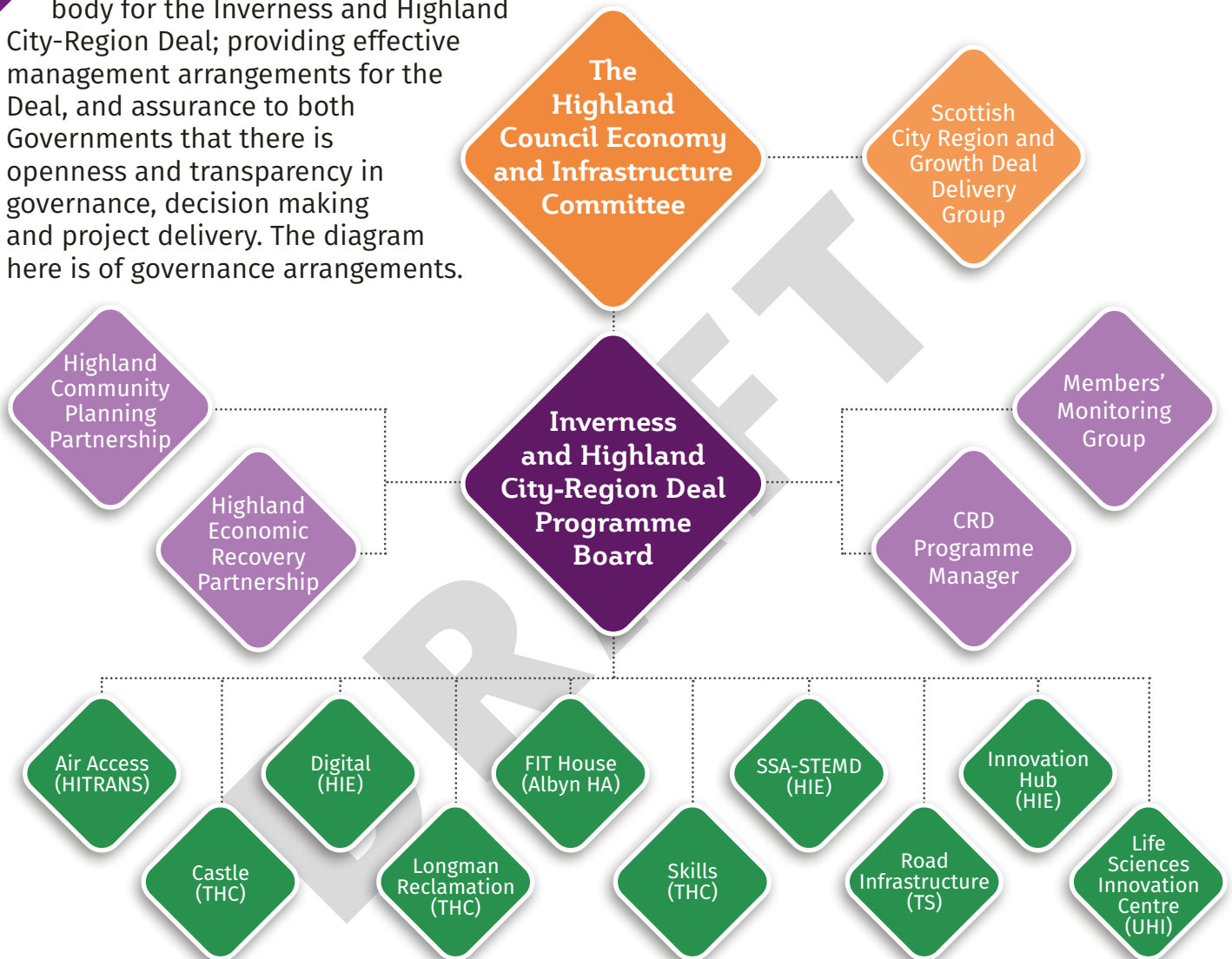
### Inverness and Highland City-Region Deal 2021/22 Financial Summary

Project	A	B	C
	Spend in 2021/22	Spend to end of FY 2021/22	Total Government Funding
	£	£	£
Life Sciences Innovation Centre	1,063,900	3,193,632	9,000,000
Northern Innovation Hub	1,247,056	4,098,791	11,000,000
Joint Digital Programme	0	0	20,000,000
Land Remediation	0	255,365	10,000,000
Science Skills Academy	630,901	2,257,501	3,000,000
Innovative Assisted Living (Fit Homes)	1,004,254	2,112,541	3,000,000
Inverness Castle	2,486,501	7,222,424	18,100,000
Affordable Housing	726,000	2,268,160	5,000,000
A9/A96 Inshes to Smithton & A9/A82 Longman Junction	2,201,928	13,621,655	109,000,000
<b>Total</b>	<b>9,360,540</b>	<b>35,171,463</b>	<b>188,100,000</b>

# Governance and Accountability

## Riaghlachas agus Cunntachalachd

The Highland Council is the accountable body for the Inverness and Highland City-Region Deal; providing effective management arrangements for the Deal, and assurance to both Governments that there is openness and transparency in governance, decision making and project delivery. The diagram here is of governance arrangements.



Central to the governance arrangements is a Programme Board, to which the lead officer/organisation for each specific project reports. The Board is attended by the lead officers for each project, a representative from The Highland Council's Resources & Finance Service, a representative from the business community and representatives from the Scottish and UK Governments. The Board is chaired by The Highland Council's Executive Chief Officer Infrastructure, Environment and Economy. Each project has a governing body/project board which the Inverness and Highland City-Region Deal Programme Manager has access to or sits on. The role of these boards is to scrutinise progress, assist in the management of risks, issues and budget, and to encourage spend against profile.

The Programme Manager provides a project assurance role for these boards. Each project within the Deal is required to have a project plan, a risk register and benefits register, and to track spend against profile.

The Programme Manager and Executive Chief Officer Infrastructure, Environment and Economy present to the quarterly Members' Monitoring Group. This allows members to scrutinise progress and proposed changes to projects within the Programme. Quarterly progress updates are provided to The Highland Council's Economy and Infrastructure Committee, as reported to the Scottish and UK Governments. The Annual Report for the Inverness and Highland City-Region Deal is presented to The Highland Council, Scottish and UK Governments for approval.



# 6

## Overview of Projects' Progress Àrd-shealladh de Phròiseactan agus Adhartas

The following sections, 7 to 18, give an overview of the component projects, highlighting key milestones and illustrations. To provide an overview of the programme the table below gives a view of progress for each of the component projects where UK or Scottish Government funding is provided.

For the purposes of this overview the projects are given "RAG" status, dependent on the need of remedial action or a change of approach. This report is produced for 2021/22 and the concerns and developments at the end of this period determine the RAG status.

- R** **Red** - There are significant issues with project delivery.
- A** **Amber** - A problem has a negative effect on project delivery.
- G** **Green** - The project is performing to plan.
- C** **Blue** - Completed.

### Inverness Castle

The project remains on schedule and within the new agreed budget. The project is at an early stage of development/construction and the identified risks are being managed accordingly.

Last RAG **G** RAG **G**

### Castle Viewpoint

This project is now concluded.

Last RAG **C** RAG **C**

### Northern Innovation Hub

Some activity has been delayed which has accrued underspend. A Change Request will be submitted with a reprofile of projects.

Last RAG **A** RAG **A**

### Life Sciences Innovation Centre

Construction of the new facility is underway with some delays to the expected completion. Research and innovation activities are steadily progressing.

Last RAG **A** RAG **A**

### Digital

Delivery of this project has been delayed given the project will now not be delivered via R100 contract. Updated project proposals are expected to be agreed by September 2022.

Last RAG **R** RAG **R**

### Wi-Fi

This project is now concluded.

Last RAG **C** RAG **C**

### Science Skills Academy

As COVID-19 restrictions have been eased/lifted over the 2021/22 academic year, the SSA has been able to resume face to face delivery across the Highland Newton Room Network.

Last RAG **A** RAG **G**

### Innovative Assisted Living (Fit Home)

The technology is running well in advance of what was anticipated. The build is running behind schedule due to COVID-19 delaying construction and Brexit disrupting the supply chain and leading to a reduction in skilled workforce.

Last RAG **A** RAG **A**

### Affordable Housing

The most significant risk to the project is identification of deliverable schemes given the shortage of economically deliverable sites in the Inverness area. Continued close working with partners through Highland Housing HUB to identify additional opportunities will mitigate the risk.

Last RAG **A** RAG **A**

## Longman Land Remediation

Alternative Green hydrogen proposal business case is being worked up. Further site investigations being commissioned.

Last RAG **A** RAG **A**

## A9/A82 Longman Junction Improvement and A9/A96 Inshes to Smithton (Transport Scotland)

The preferred option for the A9/A82 Longman Junction Improvement scheme was announced in June 2019. Work continues on the detailed design and assessment of the scheme, taking account of the many complex and technical challenges. Transport Scotland continues to work towards publication of Draft Orders and an Environmental Impact Assessment Report for the scheme.

Draft Orders were published for the A9/A96 Inshes to Smithton scheme in September 2019. Progress on the delivery of the scheme will depend on whether a Public Local Inquiry will be required to consider objections made and not withdrawn.

For both schemes, Transport Scotland continues to work collaboratively with The Highland Council through regular working groups and officer engagement on a range of issues. Regular Working Group meetings are held between Transport Scotland and The Highland Council.

Last RAG **G** RAG **G**

## West Link (The Highland Council)

This project is now concluded.

Last RAG **G** RAG **C**

## Inshes Junction (The Highland Council)

The project is proceeding and there will be a planning submission for the project Summer 2022. Landowner objections are likely to require CPO.

Last RAG **G** RAG **A**

## Employability and Skills

The skills and training commitment has now been secured via the No One Left Behind partnership approach, and the Highland Local Employability Partnership is now actively developing/delivering a service that is client centred and responsive to local needs and opportunities.

Last RAG **A** RAG **C**

## Air Access

This project has largely been overtaken by events but maintains a watching brief. The opportunity has been taken however to use the formed group to look at development opportunities within air access and net zero aviation.

Last RAG **G** RAG **G**

## The COVID-19 pandemic - 2021/22

Projects have been affected to varying but significant degrees by the COVID-19 pandemic. There are three broad areas of potential impact: delay to the project due to unavailability of resources, including staff; increased costs due to, for example, Health and Safety lowering productivity; and a requirement to re-evaluate the model for delivery of the benefits given the new normal and potential changes in need of the region. Project teams are working hard to evaluate these risks and design mitigations. Regular updates on this work will be provided through the governance process including Scottish and UK government representatives.

# Inverness Castle and Tower Viewpoint

## Caisteal Inbhir Nis agus Àite-seallaidh an Tùir

Lead Organisation  
**High Life Highland**

Funding  
**Scot Gov**  
**UK Gov**

**£15,000,000**  
**£3,100,000**

### Progress

Progress has been made during the year despite the impact of Brexit, COVID-19 and their cumulative effect on the construction sector. Bancon Construction now occupy the Castle hill area and have started work to transform the North and South Towers and grounds into a world-class visitor attraction. The construction contract will last for two and a half years, with a six-month fit out and anticipated opening in 2025.

In parallel, Mather and Co (the project's Exhibition Content Development partner) have been progressing the concept designs for the visitor experience, both within the castle and throughout its newly landscaped gardens. The theme of the new attraction will be to celebrate and to promote the 'Spirit of the Highlands' through story, crowd-sourced from individuals and communities across the region. The stories collected are currently being developed into key themes that will be interpreted and presented by 'shennacies' (storytellers) throughout the Castle and grounds, encouraging visitors to explore the Highlands and to learn more about the places from where each story originates.

The interpretation within the Castle and grounds will also be inspired by a range of local artists who have been commissioned to interpret the 'Spirit of the Highlands' in their chosen artform, through the Spirit:360 programme. Their work will be incorporated and showcased in the visitor experience, along with a series of specially commissioned centre pieces such as the new 'Journey Stone'. The stone will act as a wayfinding marker for the many routes and trails that start and finish at the Castle, such as the NC500 route and the Great Glen Way. Spirit:360 supported 66 artists who have now completed their commissions.

A partnership project with VisitScotland to promote sustainable tourism across the region has made significant progress. The 'Spirit of the Highlands and Islands' project will develop and deliver a multi-touchpoint marketing campaign to showcase story content. The aim is to inspire 'off the beaten track' and 'all-year travel' and promote responsible and sustainable tourist behaviour. The new digital platform that will host 'Spirit Stories' has been in development and is now live.

The 'Spirit of the Highlands and Islands' has also inspired a large-scale community engagement programme to create the 'Tapestry of the Highlands and Islands'. Working with the Great Tapestry Company, volunteer stitchers have been recruited from all areas of the Highlands and Islands to produce 52 individual panels that will



be woven together to create the new tapestry. The Great Tapestry Company has developed an overarching framework of themes for each area that connect to the strands emerging from the crowd sourced stories. The stitchers are being encouraged to add their local interpretation to each panel. Mather & Co are working with the project team to incorporate the tapestry into the visitor experience and to identify opportunities to showcase the stories within the panels both physically and virtually.

Work has also been ongoing to crowd source stories from across the Highlands to inform the creative content of the new visitor attraction. Visitors to Inverness Castle will experience an authentic insight into the Spirit of the Highlands past, present, and future, told through the stories of its residents and communities. Spirit Stories is the digital archive built to collect the stories submitted by people who live, work, and visit the Highlands. These personal stories will provide a gateway to contemporary life, the broad history of the Highlands, and are at the heart of the Spirit of the Highlands project.

Previously accessible only to the project team, over 150 stories are now accessible online to the public. The Spirit Stories digital archive will also serve as a means to keep the public up to date with the project. It will also spotlight the inspiring work of local communities and projects, as well as inform and educate site visitors on aspects of the natural and cultural heritage which have shaped the Highlands and Islands. The launch of this archive is scheduled for April 2022.

## Highlights and Outcomes

- ◆ Main construction contract was awarded.
- ◆ Bancon Construction on site March 2022.
- ◆ Development of visitor experience concepts are progressing well.
- ◆ Full Business Case approved.
- ◆ Spirit:360 – 66 artists' commissions complete.
- ◆ Spirit of the Highlands and Islands project is underway in partnership with VisitScotland.
- ◆ Stitchers recruited to create the Tapestry of the Highlands and Islands.
- ◆ Spirit Stories digital archive is due live in April 2022.
- ◆ Levelling Up Fund application was successful.
- ◆ A tender to seek a Whisky Experience Partner for the North Tower was issued.
- ◆ The post of Funding and Sponsorship Manager was approved and filled.

## Additionality

An application to the Levelling Up Fund was approved in October 2021. An award of £20M was made in support of the proposed Inverness Zero Carbon Cultural Regeneration Project which combines three independent complementary projects that will drive the environmental, cultural, and economic regeneration of Inverness. The culture-led initiatives, with integrated renewable energy sources, will deliver economic benefits to local businesses, and will help the Council to meet the Governments' zero-carbon targets ahead of schedule. The projects will redevelop and enhance the facilities at the Northern Meeting Park, Bught Park, and add a new Energy Centre in Castle Street. The new energy centre in Castle Street will enable the Inverness Castle development to remove or minimise the Castle's dependence on gas boilers, with the work to develop the new centre being undertaken in parallel with the Castle's transformation. This is due to be complete by 2025.

The following partnerships have been formed and will be maintained:

- ◆ **UHI** - Advisory Group established
- ◆ **HIE** - Management Agreement to support the Spirit of the Highlands and Islands project
- ◆ **VisitScotland** - MoU to support the Spirit of the Highlands and Islands project
- ◆ **Local DMOs and Tourism Bids** - Tourism Stakeholder Group established
- ◆ **Historic Environment Scotland** - support for restoration work
- ◆ **National Trust for Scotland** - member of Visitor Management Group
- ◆ **National Galleries of Scotland** - partner in content development
- ◆ **National Museums of Scotland** - partner in content development
- ◆ **Museums Galleries Scotland** - advisor
- ◆ **Museums Heritage Highland** - heritage stakeholder group
- ◆ **NC500** - Tourism Group member
- ◆ **Great Glen Way** - Trails Group member
- ◆ **Hi-Trans** - Trails Group member
- ◆ **Scottish Canals** - Trails Group member
- ◆ **Caledonia Way** - Trails Group member
- ◆ **Hydro Ness** - Trails Group member



The following sources of funding have been secured and/or are planned:

- ◆ **Levelling Up Fund** – approved – to develop a Waste-Water Energy Centre to heat the Castle and surrounding business, reducing the Castle’s dependence on gas boilers.
- ◆ **Creative Scotland** – approved – to support Spirit:360 – the artists’ commissioning programme.
- ◆ **Natural and Cultural Heritage Fund** – approved – to deliver the Spirit of the Highlands and Islands project in partnership with VisitScotland.
- ◆ **VisitScotland** – approved – match funding for the Spirit of the Highlands and Islands project.
- ◆ **HIE** – approved – match funding for the Spirit of the Highlands and Islands project and to support the core construction contract.
- ◆ **Scotgrad** – approved – to support the costs of engaging graduate placements within the project team.
- ◆ **Bord na Gaidhlig** – approved – to support the costs of appointing Gaelic Advisors to work with the project team.
- ◆ **Scottish Government** – approved – to enable the inclusion of new roof terrace and landscape features designed to significantly enhance the universal accessibility and inclusivity of the visitor experience.
- ◆ **The Highland Council** borrowing – approved – to meet the challenge of the construction cost inflation to enable the project to proceed. The borrowing and cost of borrowing will be fully repaid from revenue surpluses.



The following applications and bids for funding support are being developed or explored to further enhance the visitor experience:

- ◆ **Historic Environment Scotland** – application pending – to support conservation work within the North and South Towers.
- ◆ **Private sector** – the Funding and Sponsorship Manager is developing a new commercial framework to attract sponsorship and private sector investment.
- ◆ **Creative Scotland Open Fund** – to support the Spirit of the Highlands Artwork Programme to commission new artwork such as the Journey Stone.
- ◆ **National Lottery Heritage Fund** – Expression of Interest being prepared to support the redevelopment of the visitor experience within Inverness Museum and Art Gallery to complement the Inverness Castle experience.

# Northern Innovation Hub

## Co-ionad Nuadhais a' Chinn a Tuath

Lead Organisation  
**Highlands and Islands Enterprise**

Funding  
**UK Gov**

**£11,000,000**

### Progress

The Northern Innovation Hub (NIH) has progressed well this year in spite of ongoing COVID-19 restrictions and all projects have now begun delivery. A second phase of the Pathfinder Accelerator and a new Food and Drink Innovation Support Programme were tendered for and contracted, and procurement for further contracts commenced. The programme supported 418 unique enterprises in the financial year 2021/22 with a total 2,495 having received support to date. The programme continues to experience slippage and plans to address this are in development. This includes submitting a Change Request to the Scottish and UK Governments to request an extension for some projects as well as budgetary amendments.



### Highlights and Outcomes

#### Tourism:

Following the conclusion of the Road to Recovery series, a new series of Tune into Tourism podcasts and webinars focused on sustainable tourism. Twenty-three businesses from Caithness and Sutherland, Easter Ross, Wester Ross and Inverness-shire took part in the Adventure Tourism programme this year. Twenty-one businesses have received support to introduce or upgrade cycle storage facilities through the Developing Mountain Biking in Scotland – Highlands cluster project.

#### Food and Drink:

A three-year contract with SAC consulting was procured, which will support a target of 300 new and existing food and drink enterprises to develop 32 innovative products, services or processes and create 50 new Innovation-Active enterprises. The Food and Drink Technology Centre (TechHUB) pre-development phase was completed, including feasibility work and an outline business case for a revised delivery proposal. Tendering for design/architect team and construction for the TechHUB is planned for 2022/23.

#### Creative Industries:

XpoNorth Digital continued to offer dedicated 1-2-1 digital advice and workshops to creative organisations, with topics including heritage, storytelling, and licensing among others. Two-hundred-and-forty unique businesses in the region were supported, with 483 people attending workshops. A total of 1,357 hours of digital support were provided in the year. A new procurement exercise was started, to extend the programme for a further three years.

#### Technology and Young People:

36 young entrepreneurs took part in IMPACT30 this year. Five graduate and two student technology placements took place in 2021/22, with a further four graduate placement grants being awarded and under recruitment.

#### Life Sciences:

Twenty-two businesses have taken part in the refreshed Pathfinder programme this year. Eleven NEXUS webinars were delivered on a broad range of topics, with a total 154 attendees. Eleven businesses are using the NEXUS collaborative working space. The Business to Healthcare programme delivered four learning events and engaged with 11 companies to develop connections with the NHS and Healthcare sector.

## Geographic location of businesses and social enterprises supported – 2021/22

HIE Area	Technology Placements	Life Sciences	Impact30	Creative Industries	Food & Drink	Adventure Tourism	Digital Tourism	Total
Caithness and Sutherland	0	4	6	43	9	5	3	70
Inner Moray Firth	7	19	20	150	32	16	9	253
Lochaber Skye and Wester Ross	4	3	10	47	20	23	2	109
<b>Total</b>	<b>11</b>	<b>26</b>	<b>36</b>	<b>240</b>	<b>61</b>	<b>44</b>	<b>14</b>	<b>418</b>

### Inclusive Growth

Despite continuing challenges faced by small businesses in the Highlands the COVID-19 pandemic actually had several positive impacts, including notable advances in innovation and moving to e-commerce and other digital adoption. Projects continue to reach right across the Highland Council area, with businesses from all corners benefiting from the support. IMPACT30 works exclusively with young business leaders from a diverse range of sectors. The Technology Placement Programme has supported a number of businesses and social enterprises from a wide range of sectors, including those within the construction, food and drink and tourism industries.

### Additionality

The Adventure Tourism, IMPACT30 and Pathfinder Accelerator programmes received additional funding from HIE to enable them to be rolled out across the rest of the Highlands and Islands area. Sponsorship of the UHI Business Competition improved awareness and engagement, in particular attracting new applicants to IMPACT30.

Plans to repurpose an existing, vacant property to house the TechHUB, coupled with low-carbon and low energy infrastructure solutions within the redevelopment, will contribute to the transition towards Net Zero.

### Case Studies

**Energy Mutual** was established by Kyle Smith in 2013. He traded part-time during 2014-2018, while pursuing PhD research, and then full time from September 2019. The Fort William based company supports independent renewable energy generators, such as community energy companies and private estates. Through the **Pathfinder Accelerator**, Kyle was able to dedicate time to consider his next steps, meet and discuss with other business owners and professionals, and undertake workshops and activities to enhance his business plans. Since participating in this programme, the company has been able to expand, changing their focus from providing a face-to-face service to an online approach. The business has also benefitted from a co-innovate grant which allowed Kyle to take part in a 12-month innovation programme. He has also created one additional full time job.

[www.bit.ly/HIE-Energy-Mutual](http://www.bit.ly/HIE-Energy-Mutual)

[www.bit.ly/HIE-Pathfinder-Accelerator](http://www.bit.ly/HIE-Pathfinder-Accelerator)



[Photo of Kyle Smith and Sam Gray by Kyle Smith]





[Photo by Equal Adventure Developments Ltd, back row left to right: George Billington, Ed Cowan, Rowan Morgan; front: David Human]

**Equal Adventure** is located in Grantown on Spey. Its mission is to resource and inspire inclusive and active lifestyles through research, design and the manufacture of equipment which enables people with disabilities to access outdoor activities and adventures. With assistance from the **Technology Placement Programme**, Equal Adventure employed a graduate to work on a project to enable digital integration of their manufacturing systems. Through this project, they were able to streamline digital workspaces and facilitate efficient manufacture of their products. This has not only brought tangible benefits to the business but also to the graduate himself. He said:

“This placement has given me the positive opportunity to understand real-world design and business. In a small organisation I have been very much on the front line of my projects and their impacts, which has allowed me to grow a lot more as a designer. I have also benefitted from being able to see the direct positive impacts of my work.”

[www.equaladventure.co.uk](http://www.equaladventure.co.uk)

[www.bit.ly/HIE-Technology-Placements](http://www.bit.ly/HIE-Technology-Placements)



[Photo of Reece McAfee by Reece McAfee]

**River to Sea Scotland**, owned and operated by Reece McAfee, is an adventure tourism business based near Fort William, which offers a variety of canoeing and kayaking experiences across the West coast of Scotland. River to Sea is a relatively new business and was established in 2020, just as COVID-19 restrictions came into effect. Whilst this created challenges initially, the business has since gone from strength to strength due to a combination of quality product delivery, effective digital marketing and a growth in consumer demand for adventure and outdoor experiences. It has also built strong relationships with the local community by offering free ‘family days out’ in between various lockdown impacts. Reece participated in the first cohort of **Let’s Grow Adventure Tourism**, through which he received one-to-one advice and consultancy. It also afforded him an opportunity to meet and network with other adventure tourism operators across the Highland Council area. His experience on the programme has enabled the development of a finance and costing strategy and the development of new products and revenue streams, such as introducing a canoe and kayak hire service.

[www.rivertoseascotland.co.uk](http://www.rivertoseascotland.co.uk)

# Life Sciences Innovation Centre

## Ionad Ùr-Ghnàthachaidh Saidheansan Beatha

Lead Organisation  
**UHI**

Funding  
**UK Gov**

**£9,000,000**

### Progress

The construction of the joint facility with Highlands and Islands Enterprise on Inverness Campus started in Summer 2021. The challenging context for the construction sector led to delays in the expected completion date, but the facility is still expected to be occupied in late Autumn 2022.

The Revenue project is generally progressing to plan, although the creation of new companies remains the biggest challenge.

### Highlights and Outcomes

Robertson Construction Northern Ltd was awarded the contract to build the Life Sciences Innovation Centre at Inverness Campus. The new facility, which will be shared with life sciences companies on tenancy contracts with Highlands and Islands Enterprise, has quickly taken shape on site. Both the Life Sciences Innovation Centre and the National Treatment Centre (Highland) are already bringing a new feel to the campus.



[Photo by Steven West]

the evaluation of a digital health technology that supports people awaiting hip and knee replacement surgery. The second, a collaboration between Highland Hospice and UHI researchers Dr Clare Carolan and Dr Leah Macaden, is focussed on developing a blended online and face-to-face toolkit for supporting those families facing end-of-life and advanced care planning decisions.

Separately, UHI has recently had a patent granted in China for a novel cancer diagnostic and therapy. This technology is currently licensed to Chinese biotechnology start-up Qingdao Hailanshen Biotechnology Ltd who are developing it as a potential treatment for liver cancer. This reflects the international impact of health research and innovation supported through the Inverness and Highland City-Region Deal.



[Photo by Torrance Partnership]

The setting up of the Health and Life Sciences Innovation Fund in late 2021 has allowed the start of two exciting proof of concept projects involving external partners. This reflects the growth of applied health and life sciences research and innovation taking place across the university partnership and wider region. The first,

a partnership between NHS Highland, UHI's department of nursing and midwifery, and an external company Joint Academy, involves



[Photo by Torrance Partnership]



[Photo by Austin Smith Lord]

## Inclusive Growth

The project supports efforts to improve and invent healthcare-related products and services. Although the project does not specifically target inclusive growth issues, it does indirectly contribute, through its implementation and delivery environment, in addressing challenges that patients and the health service encounter in our remote and rural region. Any progress towards a healthier region helps promote a more inclusive region.

Some UHI researchers have been involved in projects funded by the Ideas Fund. This grant programme aims to promote diversity and inclusion in initiatives improving mental wellbeing, particularly in groups that have been overlooked in the past.

UHI has also been involved in the evaluation of a fitness programme (Football Fans in Training) to support cardiac patients in collaboration with Inverness Caledonian Thistle Community Trust. As ischaemic heart diseases are the primary cause of death in Highland men, research collaboration in such initiatives can benefit inclusive growth.

## Additionality

The physical proximity on Inverness Campus of the Life Sciences Innovation Centre and the National Treatment Centre (Highland) has the potential to increase opportunities for new NHS Highland staff and provide the opportunity to engage in health research and innovation. This should enhance staff retention as well as widen the pool of candidates seeking to relocate to the region.

## Case Studies

### Developing natural plastics alternatives using a circular economy approach

Plastic use has increased worldwide since 1960, with over 100 million metric tons of waste created each year. Serious concerns regarding this plastic waste include the negative impacts of microplastics on agriculture and marine life, local environmental contamination due to plastic degradation, and deaths to animals caused by plastic entanglement or ingestion. This is an urgent, global ecological emergency that needs addressing.



[Photo by CuanTec]

CuanTec has established an innovative, environmentally friendly process to produce the world's first chitin-based plastic alternative extracted from shellfish waste that would otherwise be discarded. This novel material has the potential to replace petrochemical derived plastics in a range of goods, is entirely biodegradable, and might additionally extend the shelf-life of food products due to its natural antimicrobial properties.

Thanks to the business development support funded by the Revenue project, UHI collaborated with CuanTec in order to verify its product safety profile. This collaboration will support further development, IP generation, and subsequent product regulatory approval. This will allow CuanTec to access additional routes to market and establish a novel manufacturing approach within the circular economy, leading to reductions in plastic use and waste generation.

### NAPOS project

Prof. Alistair Kean, funded by the Revenue project, enabled UHI to partner with the University of Strathclyde and Pinpoint Medical Ltd in a CENSIS funded project between July 2021 and January 2022 ([www.censis.org.uk](http://www.censis.org.uk) - Sensing - Imaging - IoT). The project was entitled NAPOS (An active Nano-surface for the detection of Airborne hospital Pathogens by Optical Spectroscopy). The aim of this project was to use a phenomenon known as Surface Enhanced Raman Spectroscopy (SERS) to both trap and amplify optical signals which are specific to individual molecules. UHI provided background information on the latest trends in hospital pathogens. UHI also carried out some initial SERS measurements with a new Raman spectroscopy instrument. The University of Strathclyde carried out the majority of the Raman work and Pinpoint Medical advised as an interested end user. A highlight of the project was a graph representing measurement and discrimination of different pathogens, meaning that it is possible to detect and discriminate between different pathogens at extremely small concentrations. Pinpoint Medical are moving forward to use this technology in hospital heating, ventilation, and air conditioning systems.

# Digital and Wi-Fi

## Didseatach agus Wi-Fi

Lead Organisation  
**Highlands and Islands Enterprise**

Funding  
**UK Gov**

**£20,000,000**

### Progress

Digital Connectivity continues to be the most challenging of the Inverness and City-Region Deal (IHCRD) projects. There are already two established national initiatives to improve broadband: Scottish Government's R100 programme and UK Government's Project Gigabit. The R100 build plan is now known and this has allowed us to begin work on what a potential IHCRD project could deliver. The current proposal is to deliver a programme of activities that will complement and expand on national rollout plans. It is crucial that this delivers additionality to the Highlands

It was originally proposed that R100 would be the vehicle for delivering the IHCRD project, but this route is now closed, and development is underway for undertaking a separate project. Both the Scottish Government and UK Government currently have voucher schemes to help deliver improved connectivity. One proposed element of the IHCRD will be to maximise the use of available vouchers across the Highlands. A further project under consideration is to deliver gigabit connectivity to part of the Highlands.



### Completion of the Wi-Fi Project

The Wi-Fi project was the second of the Inverness and Highland City-Region Deal's to conclude. It has provided free Wi-Fi to Inverness and another 14 settlements in The Highland Council area. It is predominantly used by tourists supporting the Tourism theme within the Deal.

### Highlights and Outcomes

Cumulative Use: 2021/22		
Location	Individual Visitors	Login Sessions
Achnasheen	756	921
Alness	6,512	7,718
Aviemore	10,724	13,229
Dingwall	4,990	6,597
Dornoch	1,192	1,416
Drumadrochit	1,721	2,188
Fort Augustus	2,827	3,113
Fort William	5,105	7,070
Invergordon	3,984	5,363
Inverness	29,574	39,404
Lochcarron	418	435
Nairn	8,258	9,897
Portree	7,467	8,879
Tain	5,708	7,108
Thurso	785	960
Ullapool	1,057	1,169
Wick	1,746	2,001
<b>Total Users</b>	<b>92,824</b>	<b>117,468</b>

### Highlights and Outcomes

Clarity on wider digital rollout plans, including commercial delivery is helping ensure IHCRD projects can build on top of other investments.

### Inclusive Growth

The reliance placed on connectivity over the past two years has underlined the vital nature of accessible and affordable internet connections for everyone. Delivering additional connections through the voucher schemes will serve homes and businesses with poor digital connectivity. Also, a gigabit broadband project will deliver future-proofed solutions and a longer lasting legacy.

### Additionality

The project seeks to provide an added value element to it, as it provides a flexible and scalable backbone infrastructure, which may allow current and future projects to make use of and reduce capital costs.

Increased partnership working between the bodies such Highland Transport Partnership (HITRANS), The Highland Council, HIE, Visit Scotland and Inverness Business Improvement District (BID) as examples.

# Science Skills Academy -STEM

## Acadamaidh Sgilean Saidheans -STEM

Lead Organisation  
**Highlands and Islands Enterprise**

Funding  
**Scot Gov**

**£3,000,000**

### Progress

#### Highland Newton Room Network

At the start of the academic year in August 2021, the Science Skills Academy (SSA) started the trial of the Pop-Up Newton Room. It toured various remote and rural areas of Highland, including Skye & Lochalsh and Badenoch & Strathspey, as well as a large city-school in Inverness. The Pop-Up Newton Room was predominantly set up in a range of community venues, providing an income to hall owners, local cleaning services and removal companies. It featured portable furniture and STEM equipment to replicate the other Newton Rooms in the network. It also has its own dedicated delivery team. The Pop-Up Newton Room delivered activities to every P6-S2 pupil across the following areas:

- ◆ Portree High School (151 pupils) and its associated primary schools (238 pupils);
- ◆ Plockton High School (68 pupils) and its associated primary schools (88 pupils);
- ◆ Grantown Grammar School (101 pupils) and its associated primary schools (114 pupils);
- ◆ Kingussie High School (117 pupils) and its associated primary schools (147 pupils); and
- ◆ Millburn Academy (206 pupils).



Image 1. Fort William Newton Room  
(picture credit Paul Campebell)



Image 2. Pop-Up Newton Room at An Crubh, Isle of Skye  
(picture credit Skye Commercial Photography/HIE)

The SSA took occupancy of two facilities at the An Lòchran building on Inverness Campus, which underwent some redecoration and branding and is now being used at the **Inverness Newton Room**

All five Newton Rooms (Thurso, Fort William, Dingwall, Pop-Up and Inverness) have been re-opened post-COVID-19 and have been welcoming back students since the start of the 2021/22 academic term in August 2021.

## Newton Module Delivery

At the beginning of the financial year schools were still under COVID-19 related restrictions and were unable to go on school trips to the Newton Rooms. As a result, the SSA continued to review its options regularly to ensure that the project delivered a high-quality intervention for young people in Highland. Until the end of the academic year in June 2021 the SSA was still using COVID-19 response delivery mechanisms including:

- ◆ **Destination Space CLPL sessions** – teacher training sessions to complement STEM Kit boxes that had been delivered to every primary school in Highland
- ◆ Live online lessons for P5-P7 pupils as part of the Inverness Science Festival. The **Destination Space: Space in the News** sessions included a short presentation about Scotland’s space industry and memorable information, and participants took part in a game called “Space in the News”.
- ◆ **Peatlands and Climate Change Mini Newton Module:** The SSA worked with a Masters student from Scottish Alliance for Geoscience, Environment and Society (SAGES) to develop a new Mini Newton Module focusing on land-based sciences, in particular peatland and linking it to the climate emergency and COP26. The 100-minute activity was designed for S1/2 pupils and could be delivered in an outdoor environment at school. The Mini Newton Module aimed to highlight the global significance of peatlands as a carbon store and raise awareness of COP26. This Mini Newton Module was delivered to 1472 S1 pupils over a two-month period.

At the start of the academic term in August 2021, restrictions placed upon schools were eased and the SSA was able to re-start delivery across the Newton Room Network. It was very reassuring to see that schools were keen to start visiting the Newton Rooms again, and despite some COVID-19-related cancellations we saw good uptake across the Newton Room Network, as summarised in Table 1. The SSA has a fully staffed delivery team, whereby each Newton Room has its own dedicated member of staff. Additional support staff have also been trained in delivering Newton Modules and are used on a regular basis to ensure that each Newton Room can deliver at full capacity.

## Highlights and Outcomes

The Dingwall Newton Room was officially launched on 11<sup>th</sup> March 2022 by the Cabinet Secretary Ms Kate Forbes. A group of invited guests were present to hear speeches from the Cabinet Secretary, the Chairman of HIE’s Board, and the Highland Council’s IHCRC Programme Manager. Guests were able to see and take part in some demonstrations of STEM equipment, and a school group was also present on the day



Image 3. Cabinet Secretary Ms Kate Forbes launches Dingwall Newton Room ((picture credit Alison White/HIE)

Two new Newton Modules: Sustainable Biofuels (S2) and Health Science (P6-7), as well as the original Robotics & Mathematics (P6-S2) and Renewable Energy (S1-S2) Newton Modules, continue to be delivered across the Highland Newton Room Network, with excellent feedback from pupils and teachers. An additional two Newton Modules have recently been developed and are currently being trialled with school groups, with the intention to roll them out fully in the new academic term:

- ◆ The Salmon and Aquaculture Newton Module for P6-P7 pupils was developed in-house by the SSA delivery team.
- ◆ The Space Sector Newton Module for S1-S2 pupils, was commissioned to Glasgow Science Centre and focussed on rockets and rocket launch sites, satellites and data handling.

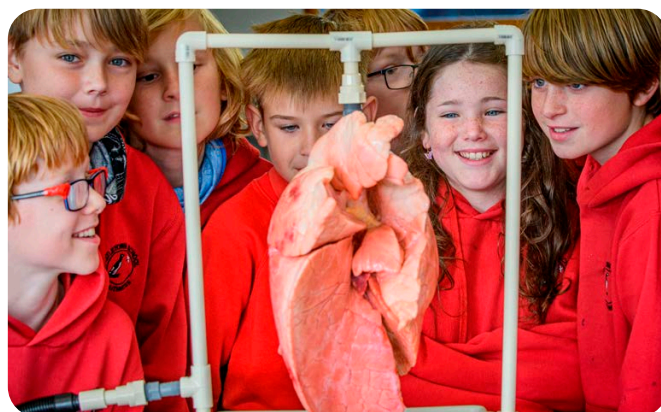


Image 4. Health Science Newton Module (picture credit Angus Mackay/HIE)

Activity Type	2017/18		2018/19		2019/20		2020/21		2021/22	
	Number of Participants	Number of Events	Number of Participants	Number of Events	Number of Participants	Number of Events	Number of Participants	Number of Events	Number of Participants	Number of Events
SSA Newton Module	0	0	0	0	1679	94	160	10	5737	297
SSA Mini Newton Module	0	0	0	0	0	0	0	0	1472	92
SSA Extracurricular Event	0	0	35	2	770	53	0	0	325	13
SSA Taster Session	44	3	271	4	911	37	1493	76	19	1
SSA Public Event	0	0	0	0	11	1	578	15	0	0
SSA Meeting	0	0	80	4	246	11	0	0	0	0
SSA CLPL	0	0	19	2	0	0	0	0	22	4
External Deliverer	169	8	18	3	227	25	0	0	0	0
Business Event	0	0	8	1	21	5	0	0	0	0
<b>Total</b>	<b>213</b>	<b>11</b>	<b>431</b>	<b>16</b>	<b>2865</b>	<b>226</b>	<b>2231</b>	<b>101</b>	<b>7575</b>	<b>407</b>

Table 1 summarises all delivery from the start of the SSA project.

## Inclusive Growth

As well as complementing the Curriculum for Excellence, SSA activity reflects STEM sectors relevant to the Highlands and Islands and has continued to work with employers across the regions to highlight STEM careers and pathways to the next generation of workers.

The SSA currently has a series of films that have been created to highlight STEM sectors that are key to the region, to raise awareness of the wide variety of STEM careers and the range of pathways into them. A number of STEM films have been created to promote pathways into STEM-related careers, as well as an additional 18 films focussing on STEM career pathways. To complement the new Space Sector Newton Module a new sectoral film has been developed that focuses on this new emerging sector that is important to Scotland, and two new additional career pathways films have been created. The films have been designed to give just a few examples of the wide range of STEM careers that are available to young people and some of the pathways into these jobs including modern apprentices, further and higher education as well as voluntary work and placements. The intention is to help pupils, parents and teachers become aware that there are a wider range of career opportunities in STEM sectors than they may realise.

[www.bit.ly/ScienceSkillsAcademy-videos](http://www.bit.ly/ScienceSkillsAcademy-videos)



The SSA has been supporting Education Scotland with a series of primary and secondary school teacher CLPL sessions called STEM Industry in the North, a programme that explores the range of STEM employment opportunities in key STEM sectors across the North of Scotland. The SSA has facilitated the events by introducing employers from sectors such as aquaculture, energy and food and drink.

The SSA was invited to write an article for the Skills Development Scotland Rural Scotland Blogs and Newsletters webpage that explained how the project is contributing to building the pipeline of future STEM talent for the Highlands and Islands:

[www.bit.ly/SDS-Rural-Scotland-Blogs](http://www.bit.ly/SDS-Rural-Scotland-Blogs)

## Additionality

Glasgow Science Centre has recently opened Scotland's newest Newton Room, called the Glasgow Science Centre Boeing Flight Academy, and intends to roll out Newton Modules that complements those delivered by the SSA including Space and Sustainable Biofuels. The SSA was referred to in their press release which celebrated the official launch on 29th March 2022 by the First Minister Nicola Sturgeon. The SSA is in the early stages of developing a new STEM education programme in collaboration with Glasgow and Aberdeen Science Centres.

## Case Studies

### The Climate Emergency and COP26

In response to the Scottish Government's desire to ensure that COP26 is an inclusive event that showcases activity across Scotland, the SSA has created a range of educational materials that highlight the climate emergency and COP26.

### Newton Mini Module

The Peatlands and Climate Change Mini Newton Module was developed in collaboration with the Scottish Alliance for Geoscience, Environment and Society (SAGES) and quality approved by the Environmental Research Institute at North Highland College.

The outdoor session was designed to help S1-S2 pupils recognise and appreciate our local Highland peatlands. Pupils learn about the carbon cycle and how carbon capture in peatlands is critical to addressing climate change, and also carry out plant identification activities looking at plants that thrive in our local peatlands.

### Climate Emergency Animation

The SSA has created an animation that introduces the topic of climate change and the climate emergency, then focuses on COP26 (what COP26 is, why it exists and what will happen there), and takes a closer look at what the Highlands of Scotland is doing to help tackle climate change. The animation is stored on the SSA's YouTube page:

[www.bit.ly/SSA-COP26-response](http://www.bit.ly/SSA-COP26-response)

## Hydro Ness Project

The Highland Council is building a new hydroelectric generator and interactive visitor experience on the River Ness.

The generator uses an Archimedes Screw to harness the energy of the water flowing down the River Ness, and will serve as a flagship for the Highland Council's response to climate change. The SSA is supporting this project by creating educational materials targeting 10-14-year-olds that will be freely available to schools, as well as content for the public at the River Ness Hydro viewing gallery. The SSA also helped to promote the Highland Council's River Ness Hydro Naming Competition, which opened to schools across Highland. The SSA was invited to write an article about their involvement with the Highland Council's River Ness Hydro project that was published in International Water Power and Dam Construction magazine.





# Innovative Assisted Living (Fit Home)

## Bith-beò le Taic Innleachdach (Taigh Fiot)

Lead Organisation  
**Albyn Housing Society Ltd**

Funding  
**Scot Gov**

**£3,000,000**

Our City-Region Deal target is to build 32 homes designed for people who need various levels of medical and personal care to help them to remain in their own homes. We also have an additional commitment to assist veterans. As this is a specific innovation part of the IHCRD, we have maximised the opportunities presented to us to ensure we create the best possible outcomes for people in Highland with the resources we have.

We have now completed and allocated 11 homes in Dingwall, with a further eight nearing completion in Inverness. We are at the planning stage for a further ten in Nairn where building work should start before the end of 2022. The COVID-19 pandemic has created additional delays on the build side, a common occurrence within the sector. In addition, the availability of materials and increased labour costs have become a problem post-Brexit. We are seeking additional funding for the final units due to these cost increases.

In addition to our initial target, we have been able to develop and deploy technology within a retrofit programme, where the properties were not specifically built as FitHomes. The Highland Council and its partners have worked with us, identifying and supporting an additional eight tenants within this category who have moved on from institutional care. These numbers are in addition to the 32 homes we originally agreed to enable with technology.

The delay in building new homes caused by the pandemic has not affected the development of the technology. In order to carry on with this element of the City-Region Deal programme, we needed to engage with more people who would be willing to be part of our pilot. We therefore have a second test area working with NHS Highland Primary Care that is currently being finalised. This took longer to organise due to the capacity issues faced by the NHS during this time.

This will bring us to over 50 technology enabled homes.



We have commissioned software to create a better interface enabling both tenants, their carers and other professionals to read and manage data more effectively. We currently have two universities monitoring the outcomes and we aim to expand this further over the next year. We are now looking to test the innovative technology in the homes of the elderly and frail, by working with GP's and through integrated care teams. The data and complimentary AI systems will give fresh insights to health professionals, caregivers, friends and family and ultimately lead to better tenant outcomes.

The type of data, the tenant's active involvement and the co-operation between the NHS, the Highland Council and others has required new systems and partnerships to be developed. We have put data sharing agreements in place and are part of a trial for national-scale data sharing. The database has the potential to be central in preventative medicine and support.

One particular challenge, presented by the technology, is that the 'off-the-shelf' monitoring units we install are not ideal. They require individually calibrated installation, battery maintenance and are costly for a wider rollout. Through our continued partnership with Robert Gordon's University, we are moving on to test our next generation sensor, a plug-in version, that will require little maintenance and, more importantly, will be able to generate better data. This will reflect more accurately the information required to enable effective and targeted intervention to support people in Highland to remain in their homes longer while living their best lives.

## Highlights and Outcomes

This year we began to see the housing development start to deliver. We have built and allocated 11 houses in Dingwall, and we have allocated the eight houses due to complete in Inverness in August.

We have also identified and allocated four of these homes to veterans which was a priority group identified at the beginning of the project.

In addition, we have installed technology in eight additional properties to support people leaving institutional care. This has resulted in additional benefits of better partnership working and more effective support outcomes.

We have now tendered for the new interface for the data to enable users to manage and identify trends more clearly. The development phase will build on end user requirements.

We have also developed a new prototype sensor producing more granular data to be captured, which in turn enables better understanding of routines and activities within the home so that support and interventions can be more targeted.

## Research

We are currently looking to build on our relationship with RGU through developing further research opportunities and building on the technology already established. We are also working with three other universities on data projects around ethics, machine learning and 5G development

## Inclusive Growth

This project has the ability to support some of the most marginalised sectors of our community. We initially looked at how we could support single people, living on their own who were fragile and/or elderly. We are now developing this area further and looking at how this could support people in more rural and remote areas where social isolation and distance from services and family is even more challenging.

Additionally, we have begun testing how the technology can support people leaving institutional care to have successful tenancies and develop independent living. Although at an early stage, the initial feedback from this has been promising and we are now looking at how we can expand this area to include other marginalised groups.

The project has encouraged more joined up approaches to support with a number of public and 3rd sector agencies working more collaboratively which in turn is enabling better outcomes for the community.

Our collaborations with universities are starting to measure the benefits delivered, which include better physical and mental health outcomes, less isolation, better support services and more effective interventions. The development of artificial intelligence and machine learning algorithms will assist this process.

Working with primary health care providers, our next stage is looking at earlier interventions from a health perspective which is particularly important for the marginalised in society to ensure they receive the maximum level of support and care to keep them well as long as possible.

The development of the technology is being driven by feedback and requests from the people living in the homes and the people and agencies supporting them. This is a user-led project which we intend will benefit everyone in the country.

## Additionality

We have wide interest in the technology from other social landlords, charities, various parts of the NHS, SPS and support services. All see the benefits in scaling up the technology deployment after the IHCRD has ended. We have already applied for further funding through a Knowledge Transfer Partnership. The on-going feedback has provided the evidence for the concrete case for future funding and support. The commercial vehicle to carry this forward will be a social business.

## Climate

The ability to monitor and support individuals within their homes through the technology support package without the need to increase travel and associated emissions. This also saves travel costs through reduced transport costs which can be significant in an area the size of Highland.

# Case Studies

## Castle Park, Dingwall

As a concept, the 'FitHome' unites the priorities of healthcare, housing provision and tenant welfare to help vulnerable people live safe, well and independently in their communities for longer. In their new homes in Dingwall, 11 tenants have consented to the use of smart technologies, including IoT sensors, to gather health and wellbeing related data to support them in their day to day living. The data is used by the tenant's health, care and support networks to inform their ongoing daily needs and is also used by a number of universities who are researching preventative interventions that can then be developed and offered across the sector.

Located on the northern outskirts of Dingwall, the new 'FitHomes' form part of the completed first phase of Albyn Housing Society's existing Castle Park affordable homes development, which is due to be completed by 2025.

The £1.6m project has been supported by Scottish Government More Homes grant and funding from the Inverness and Highland City-Region Deal.



Castle Park, Dingwall by Albyn Housing Society

## Fit Home Data Development

Innovation and continuous development lie at the heart of this technology and improving the granularity (scale and level) of data being captured is a key element of this ongoing work. If you look at the original FITsense sensors (which can be seen in the graph below) you can see that within this five-minute period the resident has apparently moved from the living room to the bedroom, before moving back into the living room, and then to the kitchen. What is interesting to note here is the level of movement inferred and interpreted rather than visualised. Sustained movement keeps the sensor active in the bedroom, but it's unclear exactly how much the resident is moving or in what way. Similarly, we have to guess the resident isn't moving as much in the kitchen at the end of the timescale because the sensor flickers on and off.

With the new CSI sensor data (below) we can view more detailed movement across the whole house. Following the green line, we can see significant movement at the beginning, before a massive spike in the yellow bedroom line. You can then see another big spike in the green line as they move through to the living room, and then again on the blue line as they enter the kitchen and stay in there. What's important to note is how we get analogue curves with which to infer movement. This can tell us more accurately how long movement persists, and how significant the movements are.

We are currently working through some challenges around deploying the technology to a 'lived-in home' and operating six sensors simultaneously. By doing this we hope to have these challenges addressed very soon. Thereafter, we can move onto more complicated insights



around gesture and activity recognition, identifying position and direction of movement and deploying an even more advanced prototype, which is currently in development.

# Affordable Housing

## Taigheadas Neo-chosgail

Lead Organisation  
**The Highland Council**

Funding  
**Scot Gov**

**£5,000,000**

### Progress

A total of 380 units have been approved to date in locations across the Highlands where a housing need has been identified. All of these are being met through the initiative.

The first projects have been completed, delivering a total of 148 new Mid-Market Rent (MMR) opportunities within Highland communities including Alness, Ardgay, Dornoch, Drumnadrochit, Fort William, Inverness, Carrbridge, Munlochy, Strathpeffer and Ullapool. The tables below show the sites to be developed since 2017/18.

Lack of economically deliverable sites remains a concern. However, by continuing to work closely with planners and other partners to identify more sites and using infrastructure loan funds to open constrained sites, we should be able to mitigate any effect on delivery.

#### 2017/18

Project	Units
Inverness, Glendoe Terrace	10
Inverness, Raining's Stairs	10
Drumnadrochit	5
Inverness, Balvonie	9
Ullapool	6
Lochside	6
Inverness, Balloan Road	6
Munlochy, Cameron Crescent	6
<b>Total</b>	<b>58</b>

#### 2018/19

Project	Units
Alness, Dalmore (Ph4)	8
Alness, Dalmore (Ph5)	4
Alness, Newfields	2
Ardersier	4
Ardgay	2
Dornoch, Deans Park	2
Dornoch, Kennedy Road	2
Inverness, Academy Street	14
Inverness, Stratton	2
Inverness, Viewhill	4
Strathpeffer, Kinellen	10
<b>Total</b>	<b>54</b>

#### 2019/20

Project	Units
Avoch, Memorial Field	12
Carrbridge	5
Fort William, Achintore School	10
Grantown on Spey	8
Inverness, Slackbuie	15
Aviemore, Burnside	4
Inverness, Ness-side	12
Fort William, Blar Mhor	10
Inverness, Ness Castle	4
Inverness, Lomand Gardens	8
Kingussie	5
<b>Total</b>	<b>93</b>

## 2020/21

Project	Units
Drumnadrochit	8
Dornoch, Elizabeth Crescent	8
Inverness Stratton	10
Inverness Academy Street	14
Inverness, Castle Street	8
Fort William, Lochaber House	6
Inverness, Culloden West	15
Aviemore, Spey House	4
Kincraig	4
<b>Total</b>	<b>77</b>

## 2021/22

Project	Units
Inverness Stratton 2	2
Kingussie	5
Dingwall, St Andrews Road	15
Fort William, Blar Mor, phase 2	10
Dalnain Bridge	4
Carrbridge, Carr Road	6
Fort William, Upper Achintore	19
Evanton, Teandallon	16
Nairn, Cawdor Road	8
Inverness, Ness Castle	4
Kirkhill	5
Rosemarkie	4
<b>Total</b>	<b>98</b>

## Highlights and Outcomes

A number of projects were completed during 2021/22, delivering 57 new homes. A total of 98 new homes were approved and 102 started on site.

It is expected that a further 90 homes will be completed during 2022/23 within projects across areas of identified demand, including:

### Dornoch, Elizabeth Crescent

16 homes are being developed by The Highland Council for social rent and six by Albyn Housing Society for mid-market rent. Rejuvenating this vacant site will provide differing housing types, from family homes to two-bedroom cottage flats popular with younger tenants as well as homes for the elderly who are more likely to require level access ground floor properties. The homes are due to complete in Quarter 1 of 2022/23.

### Fort William, Blar Mor

A development of 117 new affordable homes is under construction and comprises 87 homes for social rent, six for shared equity and 24 for mid-market rent.

The first phase of 12 mid-market homes is due for completion in Quarter 2 of 2022/23 with the remainder due to complete during Quarter 1 of 2023/24.

### Evanton, Teandallon

A development of 40 affordable homes is underway as Phase 1 of a larger 140 unit development by The Highland Council. Phase 1 will deliver six homes for shared equity, 18 for social rent and 16 for mid-market by HHA. These are due to be completed in Quarter 2 of 2022/23.

### Inverness, Stratton

Where a development of 52 affordable homes is underway as Phase 1 of a larger 250-unit development by The Highland Council. Phase 1 will deliver 42 for social rent and 10 for mid-market by HHA. These are due to be completed in Quarter 2 of 2022/23.

## Progress to date

	2017/18	2018/19	2019/20	2020/21	2021/22	Total
No. of units approved	58	54	93	77	98	<b>380</b>
No. of IHCRD-funded units approved	58	54	93	77	98	<b>380</b>
No. of units started on-site	31	58	62	111	102	-
No. of units IHCRD-funded units started on-site	31	58	62	111	102	-
No. of units under construction (on-site)	31	68	66	150	188	-
No. of IHCRD-funded units under construction (on-site)	31	68	66	150	188	-
No. of units completed	0	21	48	22	57	<b>148</b>
No. of IHCRD-funded units completed	0	21	48	22	57	<b>148</b>
No. of units funded to-date	0	114	92	51	121	<b>378</b>
No. of IHCRD-funded units to-date	0	114	92	51	121	<b>378</b>

## Inclusive Growth

The project is, by definition, an inclusive growth project. It aims to bridge the gap in affordability of good quality housing for those people, many of them young, who are needed to develop their earning potential and careers so that they can further contribute to the Highland Economy.

## Additionality

Projects such as those highlighted have been successfully achieved with funding from the City-Region Deal which has fully supported difficult projects. It's helped us overcome physical challenges to ensure we always provide high quality homes and meet demand, which is clearly identified in rural and urban areas and included within the adopted Strategic Housing Investment Plan.

## Case Studies

### Avoch

This project was completed in May 2021 delivering 34 homes for social rent by Cairn Housing Association and 12 mid-market rent for Highland Housing Alliance.



Avoch Memorial Field by Black Isle Images

The site is close to the local primary school and will provide a new pedestrian crossing creating a safe route to the village's amenities. The mix includes bungalows and housing with a ground floor bedroom/bathroom arrangement to meet varying needs within the community.

## Fort William, former Achintore Primary School

This project was completed in September 2021 delivering 27 homes for The Highland Council for social rent and 10 for Highland Housing Alliance for mid-market rent. Rejuvenating this vacant site provided a range of housing types, from family homes to two-bedroom cottage flats, popular with younger tenants as well as homes for the elderly who are more likely to require level access ground floor properties.



Upper Achintore by Scott Donald

## Inverness, Culloden West

This is a large development by a national housebuilder which included a range of affordable opportunities, including social rent, low-cost home ownership, and mid-market rent. A phase of 10 mid-market rent homes, was delivered by Highland Housing Alliance, with completion in February 2022.



CullodenWest by HHA

## Strathpeffer, Kinellan Drive

This is an example of collaborative and partnership working to deliver mixed tenures. The development is a partnership between The Highland Council, Highland Housing Alliance and a private developer. The Highland Council developed 21 homes for social rent and six for low-cost home ownership; Highland Housing Alliance completed 10 homes for mid-market rent; with Compass Building & Construction Services Ltd delivering four homes for open market sale. The development completed in September 2021.



Strathpeffer Kinellan by Black Isle Images

## Inverness, Slackbuie

This is a development of 65 affordable homes which includes a range of opportunities including social rent, low-cost home ownership and homes for mid-market rent. Highland Housing Alliance delivered 15 mid-market rent homes which were completed in November 2021.



Slackbuie by HHA

# Longman Land Remediation

## Ath-leasachadh Talmhainn an Longman

Lead Organisation  
**The Highland Council**

Funding  
**UK Gov**

**£10,000,000**

### Progress

The original project objective was to carry out remediation and site servicing works to release a strategic site to the market to create up to 18 hectares of development ready land for light industry/commercial use.

Several events since then mean that the objectives of the Growth Deal and Land Remediation project at Longman do not align strongly with current regional, national and UK government objectives, especially in regard to Net Zero Carbon and COVID-19 recovery. A number of factors, including an increase in the area of land required for the grade separation of the A9/A82 junction and the identification of protected animal habitats, have reduced the land available at the site to develop. This means that the project will not be realised in the manner outlined in the original business case.

An alternative proposal was submitted to both the UK & Scottish governments to form a centrepiece for a regional network of hydrogen hubs at a minimum of seven locations across The Highland Council area for the production, storage and delivery of green hydrogen.

The timescales for the project are intrinsically tied into the proposed new junction at the Longman roundabout, as the site cannot be developed and let until the new junction is built. The amount of development land which will be delivered through this project is dependent upon the land take for the new junction, including associated services, e.g. suds ponds, and diversion of gas and oil pipes. The Highland Council is working closely with Transport Scotland to co-ordinate activities and share information in relation to the Longman junction proposals and ensure both projects can be delivered to the maximum benefit to the Highlands.





## Highlights and Outcomes

The first objective of the project was to provide SEPA with a detailed remediation plan to enable them to consider a partial release of the landfill licence categorisation. The Highland Council submitted an application and following detailed negotiations between the Council, Scottish Government and SEPA, a partial surrender was issued in January 2022.

This enabled an option appraisal to be submitted which resulted in UK Government approval, in principal, to the Council switching the project to the zero-carbon green hydrogen proposal subject to submission and approval of business case. The Highland Council is currently carrying out the necessary studies to finalise the submission of the business case.

## Inclusive Growth

A coherent regional network will establish the Highlands as a UK-wide leader in delivering green hydrogen infrastructure, including production, storage and delivery networks.

These projects will accelerate the development of a customer base for fuel offtake, underpinned by the conversion of The Highland Council fleet vehicles to carbon-free energy systems.

Development of a green hydrogen economy and associated supply chain is aligned with the UK and Scottish Governments' stated ambitions on net zero transition and on the creation of green jobs.

Due to its terrain, typical journey distances and abundance of renewable energy, the Highlands is particularly well-suited to infrastructure and industrial development around the production, storage, and use of green hydrogen.

## Additionality

The vision for the project at Inverness is part of a wider zero carbon green energy proposal, formed of three phases:

- ◆ **Phase 1** involves a green hydrogen production facility to power and decarbonise rail, bus and heavy goods transport around Inverness. It would be based at the former gas holder site of distribution firm SGN at the city's rail depot.
- ◆ **Phase 2** involves the development of renewable energy production from the Longman Landfill site with a view to direct wire to both electrolyzers above with guaranteed energy use.
- ◆ **Phase 3** the would be the development of large-scale facility to accelerate supply chain development around green hydrogen in the Highlands. The intention is for the facility to attract hydrogen and related supply chain businesses to develop a Highland base and to encourage entrepreneurship in net zero industries.

# Transport Infrastructure (Transport Scotland)

## Bun-structair Còmhdhalach (Còmhdhail Alba)

Lead Organisation  
**Transport Scotland**

Funding  
**Scot Gov**

**£109,000,000**

### A9/A96 Inshes to Smithton

As part of the Scottish Government's commitment to the Inverness and Highland City-Region Deal, Transport Scotland is taking forward plans for a single carriageway road connecting Inshes and Smithton.

The project is being delivered by Transport Scotland and is subject to Transport Scotland's governance requirements. Funding of the project is a matter for Scottish Ministers directly.



Inshes to Smithton artist impression by Transport Scotland

### Progress

Transport Scotland carries out a rigorous assessment process for all trunk road projects. The assessment process, based on standards and best practice set by the Design Manual for Roads and Bridges (DMRB), covers environment, engineering, traffic, and economics. Throughout this process Transport Scotland consults with a large number of people.

#### Progress to date includes:

- ◆ The DMRB Stage 2 route options assessment work was completed in October 2017;
- ◆ The Preferred Option (Option 3, with two variants) was presented at Public Exhibitions in October and November 2017;
- ◆ Further public events were held in May 2018 to present updated proposals for comment, including provision for cyclists and pedestrians and the preferred route variant;
- ◆ Preliminary Ground Investigation work was completed in May 2018;
- ◆ The DMRB Stage 3 assessment was completed in 2019;
- ◆ Draft Orders and Environmental Impact Assessment Report (EIAR) were published in September 2019, including Public Exhibition events;
- ◆ Design and assessment of utility diversionary works is ongoing.

## Next Steps

The proposed scheme includes new junctions at Eastfield Way and Cradlehall, a new link to the Inverness Retail and Business Park and a bridge over the Highland Main Line railway. Additional capacity will also be added across the A9 at Culloden Road through the addition of a parallel structure, providing two lanes of traffic in either direction. An additional lane (auxiliary lane) will also be provided on the A9 southbound between Raigmore Interchange and Inshes Junction to assist merging and diverging traffic. The proposed scheme will also provide enhanced facilities for cyclists and pedestrians through the provision of a three metres wide shared surface on both sides of the carriageway between Inshes and Smithton, and a dedicated cycleway and separate footway linking to Inverness Retail and Business Park. The cycling and pedestrian facilities will also connect into the existing core path, local path, and national cycle networks.

**Further information is available on the Transport Scotland website:**

[www.bit.ly/A9A96-Inshes-to-Smithton](http://www.bit.ly/A9A96-Inshes-to-Smithton)

Progress on the delivery of the scheme will depend on confirmation of whether a Public Local Inquiry will be required to consider objections made and not withdrawn. Construction of the scheme itself can only commence if the scheme is approved under the relevant statutory procedures and thereafter a timetable for its progress can be set.

The A9/A96 Inshes to Smithton scheme is located to the East of Inverness and will support The Highland Council's Inverness East Development Brief. The proposed scheme is interdependent with both the A96 Dualling Inverness to Nairn (including Nairn Bypass) and the Inshes Junction Improvements – Phase 2 road schemes which are being progressed by Transport Scotland and The Highland Council respectively. Transport Scotland has been working closely and collaboratively with The Highland Council throughout the development of the scheme and will continue to do so.

**Further information on these schemes is available at:**

A96 Inverness to Nairn including Nairn bypass:

[www.bit.ly/A96-Inverness-to-Nairn](http://www.bit.ly/A96-Inverness-to-Nairn)

Inshes Junction Improvements Phase 2:

[www.bit.ly/Inshes-Junction-Phase2](http://www.bit.ly/Inshes-Junction-Phase2)

## A9/A82 Longman Junction Improvement

As part of the Scottish Government's commitment within the Inverness and Highland City-Region Deal, Transport Scotland is taking forward plans for the grade separation of the A9/A82 Longman Roundabout.

### Progress

Transport Scotland carries out a rigorous assessment process to establish the preferred option for a trunk road project. The assessment process, based on standards and best practice set by the Design Manual for Roads and Bridges (DMRB), covers environment, engineering, traffic and economics. Throughout this process Transport Scotland consults with a large number of people and stakeholders, which has included close working with The Highland Council with regards to the proposals for the Longman Land Remediation project.

Building on the work being undertaken on the A9/A96 Inshes to Smithton scheme, design development, and assessment work on the A9/A82 Longman Junction Improvement scheme has progressed in the period.



Longman junction artist impression by Transport Scotland

## Progress to date includes:

- ◆ Public exhibitions were held in May 2018 to let the local community and road users view and comment on the junction options under consideration;
- ◆ Preliminary Ground Investigation works were completed in October 2018;
- ◆ The DMRB Stage 2 route options assessment was completed in June 2019;
- ◆ The Preferred Option (Option 1 – comprising of a grade separated junction with the A9 passing over the A82) was presented at Public Exhibitions in June 2019; and
- ◆ Detailed Ground Investigation works were completed in February 2022.

The preferred option comprises of a grade separated junction with the A9 passing over the A82. The junction slip roads form a diamond layout ending at an enlarged roundabout with connections to the A82 and Stadium Road. Active travel route improvements are also incorporated into the design and will be subject to further refinement throughout the detailed development and assessment of the preferred option (DMRB Stage 3 assessment).

Further information on the scheme including material presented at previous exhibitions can be found at the following link:

[www.bit.ly/Longman-Junction-Exhibition2019](http://www.bit.ly/Longman-Junction-Exhibition2019)

## Next Steps

Building on the engagement undertaken at the Public Exhibitions in June 2019 and throughout the scheme development, Transport Scotland and its design consultants will continue to engage with key stakeholders, including The Highland Council, throughout this process. The preferred option is now being developed and assessed in detail, prior to publication of draft Orders and Environmental Impact Assessment Report (EIAR) for formal comment. Progress thereafter on the delivery of the scheme will depend on the level and nature of formal representation received in response to the published draft Orders and EIAR and whether a Public Local Inquiry will be required to consider objections made and not withdrawn.

Construction of the scheme itself can only commence if the scheme is approved under the relevant statutory procedures and thereafter a programme for its delivery can be set.

As we have been doing on the A9/A96 Inshes to Smithton scheme, Transport Scotland will continue to work in collaboration with The Highland Council during the development and assessment of the scheme given their significance as a major landowner and local roads authority. Furthermore, Transport Scotland will also continue discussions and maintain regular engagement with The Highland Council regarding potential development opportunities in the Longman area which may come forward in advance of major junction improvements.



Longman junction artist impression by Transport Scotland

# Transport Infrastructure (The Highland Council)

## Bun-structair Còmhdhalach (Comhairle na Gàidhealtachd)

Lead Organisation  
**The Highland Council**

Funding  
**The Highland Council**     **£64,300,000**

### West Link

#### Progress

Last summer with the completion of 'West Link Stage 2' we saw the culmination of a series of construction works carried out under the West Link umbrella. The Highland Council will maintain the new swing bridge and associated link road until adoption by Transport Scotland, which is planned for next April. Scottish Canals operate both swing bridges. As a roads scheme, this project has reached its conclusion. It has been effective at releasing land for housing which is being delivered at pace both south and north of the river and it is now moving to the next stage with both commercial and housing potential on former golf course land adjacent to the Caledonian Canal.

#### Highlights and Outcomes

At a basic level the West Link completes the link between the A9 at Inshes to the South of the City to the A82 to the West at Torvean. Linkage to General Booth Road to the North is also improved. Stage 1 of the project commenced in May 2016 and saw construction of 2.3km of road and a three-span bridge over the River Ness. This required the reconfiguration of grass rugby pitches and included provision of a new Rugby Club building and all-weather sports pitch. This was completed in December 2017. Stage 2 required the relocation of Torvean Golf Course with the new course opened Spring 2019, including construction of a new clubhouse and maintenance building. West Link Stage 2 most notably included a second swing bridge over the Caledonian Canal at Torvean. This new bridge works in tandem with the existing Tomnahurich Bridge to maintain the free flow of traffic while boats transit through on the Caledonian Canal. Both bridges are operated from a single new control building located between the two bridges. A new berthing quay has been constructed south of the new Torvean swing bridge and a new transit jetty has been provided north of the existing Tomnahurich Bridge.

#### Inclusive Growth

Stage 1 of the project opened up access to housing development at Ness Side with 216 out of 768 housing units consented already delivered. Stage 2 had allowed delivery of 42 affordable housing units at Torvean with further private housing to come there as well. It has also opened up potential for development of former golf course land and opened up access to up to 300 housing units at Wester Craigs.

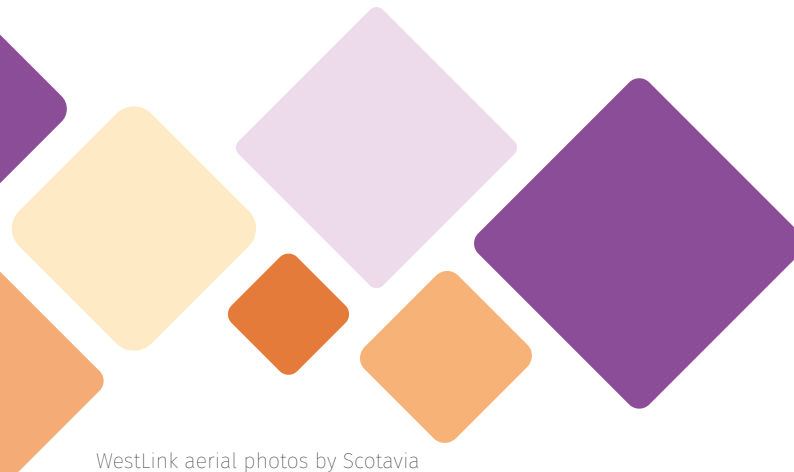
Part of the old golf course has been retained as parkland and developed with paths to be the new home for the popular Inverness Parkrun and is home to new artwork installed adjacent to the scenic Loch Na Sanias.



WestLink aerial photo by Scotavia

# Additionality

The project as a whole has delivered a new crossing of the River Ness, used not only by vehicles, but also opened up new easily accessible cycling and walking routes. There are three underpasses to provide connectivity and a network of both roadside footways and remote footpaths to cater for both leisure and commuting use. The completion of Stage 1 saw an immediate 20% reduction in traffic using Ness Bridge in the city centre, which as well as easing congestion, makes the existing city centre roads more attractive to active travel users.



# Inshes Junction Improvements – Phase 2

## Progress

This scheme will address existing and future traffic congestion issues and is being designed in close consultation with Transport Scotland's work, as it is linked with the A9/A96 Inshes to Smithton scheme as part of the City-Region Deal. The A9/A96 Inshes to Smithton scheme is dependent on the delivery of Inshes Junction Improvements – Phase 2, and it is important that these works are complete in advance of the Transport Scotland Scheme.

Following the public consultation held in Summer and Autumn 2021 the Inverness City Committee agreed to proceed with the statutory approvals, planning permission, and detailed design of the preferred option outlined in the committee report (Option1 as amended). The environmental and ecological surveys are ongoing to inform the planning application as well as completion of the traffic modelling report. The planning submission will be made summer 2022 as the detailed design progresses.

## Highlights and Outcomes

The public consultation saw a significant level of response and engagement from the local community. It raised a number of issues that will be dealt with/ resolved through the formal planning application process.



## Inclusive Growth

Inshes Junction forms a key infrastructure element of the Local Development Plan. It is recognised that to realise additional development, both residential and commercial, will require this necessary infrastructure investment and the works will act as a catalyst for development and growth in the area. The investment will allow opportunities for additional much needed affordable homes and mix of family homes. Commercial opportunities and jobs will be created as the development allows greater access and ease of movement in the area.

## Additionality

A community benefits package will be included within the construction phase to ensure the main contractor's commitment to continued engagement with the local community and will provide training and employment opportunities in the construction sector.

# Employment and Skills

## Cosnadh agus Sgilean

Lead Organisation  
**The Highland Council**

Funding

N/A

### Progress

The Deal, when prepared and entered into, recognised the challenges in delivering employability skills and training across the region and acknowledged that the approach adopted at that time was generic, was not locally responsive, and therefore did not always serve businesses and individuals to best effect. The Deal committed the Council together with the UK and Scottish Governments, to bring forward pilot innovative and new approaches to the delivery of employability skills and training.

Different proposals for pilot approaches were progressed by the Council and while unsuccessful, they usefully helped contribute towards the new Scottish approach (No One Left Behind) towards the organisation and delivery of employability services.

No One Left Behind (NOLB) is both a policy approach and funding programme that seeks to change the employability system in Scotland to make it more adaptable, responsive, and person-centred. It requires collaborative leadership across all partners and a culture change in the design, delivery, and funding of services, through increased local governance arrangements. In Highland this is delivered via the Highland Employability Partnership (HEP), which provides strategic Highland-wide direction. Meanwhile, three Local Employability Partnerships (LEPs) have been established to drive operational delivery across Highland. The HEP members are: Highland Council; Department of Work and Pensions; Developing the Young Workforce;



# no one left behind

Federation of Small Businesses; Highland Third Sector Interface; NHS Highland; Skills Development Scotland and UHI.

The HEP has prepared a HEP Delivery Plan 2022-2025 and Operational Plan for 2022/23 (attached). This guides the work of the HEP.

The plan supports the ambitions of the UK Government's Levelling Up agenda, particularly with regards developing People and Skills and the Multiply initiative. Work is currently underway to identify additional opportunities to support the work of the HEP via the Shared Prosperity Fund from winter 2022 onwards.

### Highlights and Outcomes

The intent behind the employability skills and training commitment was to identify and champion a different approach that allowed the system to be responsive to local needs and opportunities. What was sought has, in effect, now been secured via the NOLB programme and we are now in a process of change and improvement and delivering a service that is client centred and responsive to local needs and opportunities.

The emergence of the Shared Prosperity Fund, and the local empowerment afforded with it, offers a further opportunity to develop this work.



## Inclusive Growth

The No One Left Behind agenda is guided by seven key principles:

- ◆ Treating people **with Dignity and respect**, fairness and equality and continuous improvement
- ◆ Providing a flexible and **person-centred support – aspirations for all age, needs based**
- ◆ Is **straightforward** for people to navigate – no wrong door
- ◆ **Integrated and aligned** with other services
- ◆ Providing pathways into **sustainable and fair work**
- ◆ Driven by **evidence** including data and the experience of users
- ◆ Support more people to move into the **right job, at the right time.**

It is recognised that this approach will support inclusive growth in that it will ensure that all have the opportunity to contribute and benefit from economic growth. The cohort targeted are those individuals who have particular barriers that stop them from accessing sustained work.

## Additionality

A key objective with the new approach being developed and delivered is to provide a person-centred support service for clients, thereby ensuring individuals have the skills required for the jobs available. Business thereby will secure the employees with the right skills to enable their business to trade successfully.

When doing so, and ensuring the services provided are integrated and aligned across organisations, will naturally bring added value for all involved.

## Case Studies

Although the No One Left Behind agenda is relatively new, and driving a process of service improvement, it is possible to identify benefits accrued from the more localised approach to service design and delivery.

When designing and delivering its Highland Employment Recruitment Offer (an employment recruitment initiative part funded from Council and Scottish Government funding), the opportunity was taken to align this initiative with the Kickstart programme – and 40 Kickstart placements were successfully converted to full time posts at the end of the temporary work placement.

When Community Renewal Fund resources were secured for a pilot programme offering young people and over 50's work placements, rather than delivering a standalone programme, the HEP have aligned a Scottish Government Long Term Unemployed programme with this initiative, enabling the provider (SCVO) to provide an enhanced offer to Highland's third sector organisations. Both funding streams, empowered local leadership and decision making and enabled alignment rather than what would previously have been duplication.

[www.bit.ly/Item16-EmployabilityServices](http://www.bit.ly/Item16-EmployabilityServices)

# Air Access

## Inntrigeadh Adhair

Lead Organisation  
**HI-TRANS**

Funding

N/A

### Progress

The Inverness and Highland City-Region Deal has established the Highland Air Access Group to work on and promote:

- ◆ Connectivity of the region should recognise not just direct destination links with the region but is also about capacity, frequency, and onward connections at destination airports
- ◆ Reduction of entry barriers for new routes
- ◆ Partnerships with airlines and airports on route development
- ◆ Stimulation of demand through effective brand development
- ◆ Understanding of state aid rules are fully understood
- ◆ Fitness for purpose of aviation facilities
- ◆ Development of opportunities through the decarbonisation of air transport
- ◆ Conscious partnering with air linked economies
- ◆ Work to ensure that any connectivity benefit is spread more widely across the region
- ◆ Work to ensure that the direct, indirect, induced, and catalytic benefits of aviation are optimised.

### Highlights and Outcomes

As is well documented, the COVID-19 pandemic has had a severe impact on the airline industry. The sector is now moving to recovery and the Air Access work will continue to bring partners together to work towards a recovery that allows this key sector to continue in its enabling role for key sectors and supporting Inclusive Growth. Recovery will include a focus on the objectives stated and include:

- ◆ Making the case for continuing to have appropriate arrangements in place for all airports within the Highlands and Islands in respect to Air Passenger Duty and any potential successor arrangements
- ◆ The development of best value options for the re-introduction of air services to Ashaig Aerodrome on the Isle of Skye
- ◆ Developing opportunities for the development of the Highlands and Islands towards the ambition of becoming Europe's first zero carbon aviation region.

### Additionality

The work undertaken by HITRANS on Highland Air Access is an important aspect of HITRANS role as the regional transport partnership covering the Highlands and Islands. However, in the absence of financial support to make interventions to protect and enhance the region's air access, there is limited Additionality achieved from the City-Region Deal in this regard. It is therefore suggested to discontinue reporting on Highland Air Access through the City-Region Deal, unless finance could be diverted from another workstream (in the event of an underspend) or until there was scope to consider Air Connectivity interventions in any future capitalisation of City-Region Deals.

Potential future Air Access interventions could include the reinstatement of a Wick to Edinburgh or Skye to Glasgow Air Services if a Public Service Obligation was funded on either route.

Name	IHCRD Role	Email
Malcolm Macleod	Senior Responsible Owner	Malcolm.Macleod@highland.gov.uk
Vacant Post	Programme Manager	
Eilidh Budge	Programme Management Office	Eilidh.Budge@highland.gov.uk
Andrew Clifton	Programme Project Manager	Andrew.Clifton@highland.gov.uk
Carolyn Moir	Finance Authority	Carolyn.Moir@highland.gov.uk
Ruth Rountree Provan	Communications and Resilience Manager	Ruth.Cleland@highland.gov.uk
Allan Maguire	Project Lead Affordable Housing / Land Reclamation	Allan.Maguire@highland.gov.uk
Claire Munro	Senior Project Manager, Northern Innovation Hub	claire.munro@hient.co.uk
Andrea Rutherford	Project Lead Digital	Andrea.rutherford@hient.co.uk
Emma Robertson	Project Lead Science Skills Academy	emma.robertson@hient.co.uk
Ian Megson	Project Lead Life Sciences Innovation Centre	Ian.Megson@uhi.ac.uk
Lucy Fraser	Project Lead Innovative Assisted Living (Fit Home)	lucy.fraser@albynhousing.org.uk
Amy Phillips	Project Lead Transport Scotland	Amy.Phillips@transport.gov.scot
Fiona Hampton	Project Lead Inverness Castle	fiona.hampton@highlifehighland.com
Bryan Stout	Project Lead West Link/Inshes Junction	bryan.stout@highland.gov.uk
Garry Smith	Project Lead West Link/Inshes Junction	Garry.Smith@highland.gov.uk
Andy McCann	Project Lead Skills and Employability	Andy.Mccann@highland.gov.uk
Ranald Robertson	Project Lead Air Access	Ranald.Robertson@hitrans.org.uk



# City-Region Deal Cùmhnant Baile-Roinne



UK  
Government

River Findhorn by The Highland Council CC2223-18



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