

The Highland Council

Minutes of Meeting of the **Inverness and Cromarty Firth Green Freeport Monitoring Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Friday 18 August 2023 at 10:30 am.

Present:-

Mrs H Crawford
Mr K Gowans
Mr S Kennedy
Mr P Logue

Mr D Louden
Mr G MacKenzie
Mrs P Munro
Mrs T Robertson

Non Members also in attendance:-

Dr C Birt
Mr R MacKintosh
Mrs A MacLean

In attendance:-

Mr M MacLeod, Interim Depute Chief Executive
Mr S Dalgarno, Development Plans Manager
Mr B Porter, Head of Corporate Finance and Commercialism
Mr D Chisholm, Tourism & Inward Investment Team Leader
Miss J MacLennan, Joint Democratic Services Manager

1. Appointment of Chair

Mr K Gowans, having been duly nominated and seconded, was unanimously appointed as Chair.

The Chair indicated that he intended to appoint a Vice Chair and invited nominations. Having been duly nominated and seconded, Mr D Louden was unanimously appointed as Vice Chair.

2. Apologies for Absence

Apologies for absence were intimated on behalf of Mr M Green and Ms M Nolan.

3. Declarations of Interest

There were no Declarations of Interest.

4. Remit

Members were reminded that the remit of the Monitoring Group had been agreed at the Highland Council meeting on 11 May 2023. To refresh Members' memory a copy of the Terms of Reference would be circulated.

5. Tax Sites

Officers, by means of illustrations, outlined the configuration of the latest suite of tax sites being put forward as part of the Inverness and Cromarty Firth Green Freeport

(ICF). These included a number of sites in Invergordon, the Nigg Energy Park and Pitcalzean Farm, Invergordon, a number of locations in Inverness and, most recently, Ardersier Port and Deephaven. However, these sites were not yet confirmed as the decision ultimately lay with HMRC and this was required before a Final Business Case could be agreed. There was some urgency with this as, once the boundaries were known, they could be highlighted to the Government Reporter currently carrying out the Examination on the emerging review of the Inner Moray Firth Local Development Plan.

Members **NOTED** the current position.

6. Updates Progress Update and Feedback from Main Workstreams

Officers provided an overview of the stage reached so far. Work was progressing at pace towards completing a final Outline Business Case (OBC) but there remained some unknown factors. Advice was still awaited so, at this point in time, it was uncertain if the OBC would be ready in time for consideration by the Highland Council on 14 September. It was important a strong bid was submitted detailing the ideal proposition. However, as Highland Council was the Accountable Body, it was important to carefully monitor the implications for all aspects of our work. A Delegated Authority Group had been established which was effectively carrying out the work of preparing the OBC, with the Council's ongoing membership and role confirmed in various reports to Council over the last few months/years.

Meantime, the next engagement events were being finalised and public meetings were taking place. A successful webinar had taken place in March and support was being provided to the preparation of Area Place Plans. In terms of governance, it was hoped that at the next ICF Board meeting it would agree to have the Council's S95 officer as an observer, given the Council's accountable body duties.

Turning to Non Domestic Rates and Subsidy Control, clarity on the triggers and tax relief was still awaited. A note of caution was expressed that, in relation to Subsidy Control, the onus was on individual businesses and organisations to carry out their own checks. There needed to be a clear line drawn so that there were no implications further down the line.

The Group were then provided with updates on the following workstreams:-

- Skills, Education and Fair Work – Led by Skills Development Scotland (with Council representatives including the Economy and Regeneration Lead and the Senior Lead for Skills, Employability and Prosperity, Education and Learning)
- Net Zero – Led by the University of the Highlands and Islands
- Trade and Investment – Led by Highland and Islands Enterprise's Inward Invest Team
- Planning and Environment – led by the Highland Council

Members expressed interest in hearing more detail about these work areas at future meetings. In relation to the latter, Planning and Environment, it was important this delivered the core principles from the Council's Indicative Regional Spatial Strategy and the new National Planning Framework 4. Initial planning advice had been provided regarding all sites and preparation was underway towards a 30 year vision on issues such as biodiversity and transport.

During general discussion, Members made the following comments:-

- creating an apprenticeship route was key to provide opportunities for young people;
- Members sought sight, where possible, of the Plans being prepared for these workstreams, recognising their confidential nature;
- it was prudent to monitor the resource requirements the Inverness Cromarty Firth Green Freeport placed on the Planning Service and any others, and that the Highland Council's costs were covered; and
- creating a Place Based Plan for Inverness would cover a considerable area and there was merit in considering one for Ardersier and Nairn instead.

Having **NOTED** the position, the Group also **AGREED** that an organisational chart explaining the relationship of each of the Groups involved and the Council's connection be provided. It was also requested to have a presentation from an officer leading the Council's input on skills and workforce – suggested to be the Economy and Regeneration Lead.

(Post-Meeting Note – To provide Members with a tailored overview of the emerging OBC the ICF Chief Executive has agreed in principle to provide a presentation to a future meeting).

7. Seed Funding Update

An Independent Panel had met and had made initial recommendation but Subsidy Control checks needed to be carried out and a Full Outline Business Case would need to be prepared. Funding had been provided for initial set-up costs but there was an expectation that Highland Council and its partners would be offering help in-kind. Non Domestic Rates meantime would cover the Council's on-going costs.

Members recognised the importance of these proposals as a whole and it was vital that the Council gave it full and detailed consideration.

The meeting ended at 11.45 am

The Highland Council

Minutes of Meeting of the **Inverness and Cromarty Firth Green Freeport Monitoring Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Friday 22 September 2023 at 2pm.

Present:-

Mr K Gowans (remote)
Mr S Kennedy
Mr P Logue (remote)

Mr D Louden (remote)
Mr G MacKenzie
Mrs T Robertson (remote)

Non Members in attendance:-

Dr C Birt (remote)
Mr J Bruce (remote)
Mrs G Campbell-Sinclair (remote)
Mr A Christie (remote)
Ms S Fanet (remote)
Mr R Gale (remote)

Mrs J Hendry (remote)
Mrs B Jarvie (remote)
Mr J McGillivray (remote)
Ms M MacCallum (remote)
Mr R MacKintosh
Mrs M Paterson

Officials in attendance:-

Mr A Maguire, Head of Economic Development and Regeneration
Mr S Dalgarno, Development Plans Manager
Mr D Chisholm, Tourism & Inward Investment Team Leader
Ms M Garson, Senior Education Lead Skills, Employability and Prosperity
Ms F MacBain, Senior Committee Officer

Also in attendance:-

Mr C MacPherson, Chief Executive, ICF Green Freeport

Mr K Gowans in the Chair

Preliminaries

The Chair drew attention to the confidential nature of the meeting, and that all future papers for the group would be issued as confidential, and the public excluded from the meeting, in accordance with Section 50(A) of the Local Government (Scotland) Act 1973, on the grounds that they would involve the likely disclosure of exempt information as defined in Paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

1. Apologies for Absence

Apologies for absence were intimated on behalf of Group members Mrs H Crawford, Mr M Green, Ms M Nolan, and Mrs P Munro.

2. **Declarations of Interest/Transparency Statement**

There were none.

3. **Progress on Outline Business Case**

A confidential presentation was given to the Group by Calum MacPherson Chief Executive, ICF Green Freeport, covering the market and opportunity, the reasons to pursue a FreePort, the bid process, key sections of the outline business case, governance, the organisation chart, the financial model, including the economic impact, and key activity going forward, which included the Outline Business Case being submitted to the Council on 3 October 2023.

During discussion, the Group considered the following issues:

- the importance of the project to the retention of population in the Highlands;
- the need to move at pace to meet challenging deadlines;
- the need for investment in housing to meet future staffing needs, including essential peripheral workers, such as medical, leisure, and teaching staff;
- the importance of engaging with schools in the immediate vicinity of Inverness and the Moray Firth, but also across the Highlands, to attract young people into jobs and training;
- the benefits of green hydrogen and pump storage hydropower;
- appropriate engagement should be undertaken with local communities to ensure they were kept informed of progress;
- information was sought and provided on some of the key costs, including the cost to the Council of being the accountable body, and the situation with regard to non-domestic rates; and
- information was sought and provided on the position with regard to the net zero and biodiversity strategies, with further information available outwith the meeting.

The Group **NOTED** progress and next steps.

4. **Full Council Reports – update from Council officers**

A briefing was provided to the Group on the proposed approach to the Outline Business Case (OBC) being presented to a Special Council meeting on 3 October, which would have a preliminary public session, followed by a confidential session from which the public would be excluded, and some information redacted, due to its commercially sensitive nature. The OBC was around 300 pages, but an executive summary of 3-4 pages would be produced. Comments from Members would be taken into account prior to the OBC's submission to the Scottish and UK Governments.

The officers were thanked for their work on the OBC and the Group **NOTED** intended approach.

The meeting ended at 3.20pm.