

Agenda Item	10
Report No	SR/23/23

The Highland Council

Committee: Isle of Skye & Raasay

Date: 6 November 2023

Report Title: Islands Infrastructure Fund 2021/22: Sleat Motorhome Facilities

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

- 1.1 The Islands (Scotland) Act 2018 (“the 2018 Act”) introduced measures to underpin the Scottish Government’s objective to meet the needs of island communities. Section 3 of the 2018 Act places a duty on Scottish Ministers to prepare a [National Islands Plan](#) (NIP). The National Islands Plan (NIP) is a Scottish Government plan and sets out sets out actions to improve the quality of life for island communities, across the 93 inhabited islands, through a collective responsibility to deliver 13 Strategic Objectives and associated commitments.
- 1.2 The Islands Programme for 2021/22 formed part of the overall £30m Islands Programme for 2021-2026 and focused on three strands: the Islands Infrastructure Fund; the Island Communities Fund and the Healthy Islands Fund. Within the Islands Infrastructure Fund Highland Council received an award of £510,000 to be allocated to deliver infrastructure projects across Skye, Raasay and the Small Isles.
- 1.3 On 21 February 2022, the Isle of Skye & Raasay Area Committee awarded £380,000 to four projects, including an award of £109,992 to Sabhal Mòr Ostaig for the Sleat Motorhome Facilities Project. The applicant has subsequently advised that they have taken the difficult decision not to progress this project at the current time due to capacity and resourcing requirements within the organisation. As such there is a need to formally withdraw the offer of funding. Discussions are ongoing with the Scottish Government and Highland Council Corporate Finance team as to whether this funding can be retained to deliver other projects in the area that meet the objectives of the Islands Plan programme. A verbal update on this will be provided at the meeting.

2 Recommendations

- 2.1 Members are asked to:
- i. **Agree** to formally withdraw the offer of £109,992 from the Sleat motorhome project; and
 - ii. Subject to agreement from Scottish Government and Highland Council Corporate Finance, **agree** that £109,992 is rolled into the 2023/24 Community Regeneration Fund allocation for the Isle of Skye & Raasay and administered in line with the approved procedures for this fund.

3 Implications

- 3.1 **Resource** – The terms of the Islands Infrastructure Fund are that grant funding should be fully utilised within the financial year it is awarded. As such, discussions are ongoing with the Scottish Government and Highland Council Corporate Finance to determine whether the £109,992 can be brought forward into 2023/24 and administered under the Community Regeneration Fund. Should no agreement be reached, then funding will be reclaimed by the Scottish Government.
- 3.2 **Legal** - When managing external funding it is imperative that the risks to The Highland Council are assessed/mitigated and any back-to-back grant award letters with third parties, and financial claims management protect The Highland Council financial and reputational interests.
- 3.3 **Community (Equality, Poverty, Rural and Island)** - The focus of Community Regeneration Funding is economic recovery, regeneration, and community resilience. Consideration on issues relating to equalities, poverty and rural issues are dealt with on an individual basis for applications and covered in the technical assessments of projects. If the £109,992 is retained for use within the current Community Regeneration Funding programme, then any project awarded funding will need to demonstrate that it meets the objectives of the National Islands Plan.
- 3.4 **Climate Change / Carbon Clever** - Mitigation of the climate/ecological emergency is a specific aim of the Community Regeneration Funding. All applicants are required to evidence environmental sustainability as referenced in the technical assessments.
- 3.5 **Risk** – The award of £109,992 formed part of the overall allocation of £510,000 of Islands Infrastructure Fund grant that was awarded to Highland Council in 2021/22. Discussions are underway as to whether this funding can be compliantly brought forward into 2023/24 and delivered under the umbrella of the Community Regeneration Fund. There is a risk that should agreement on this not be reached with Scottish Government/Highland Council Finance that the funds would be reclaimed by Scottish Government.
- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No risks arising directly from this report. Risks within projects are identified and managed on a project specific basis by the applicant organisation.
- 3.7 **Gaelic** – The National Islands Plan sets out the Scottish Government commitment to support the Gaelic language. Consideration of this on individual projects forms part of the overall assessment of the project.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 30 October 2023

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Background Papers: None

Appendices: None