

Agenda Item	6
Report No	ECI/02/24

The Highland Council

Committee: Economy and Infrastructure

Date: 15 February 2024

Report Title: Inverness & Highland City Region Deal – 2022/23 Annual Report

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

- 1.1 This report presents the Inverness & Highland City-Region Deal (IHCRD) Annual Report for the financial year 2022-2023.
- 1.2 Producing the Annual Report is an obligation of the IHCRD undertaking and forms part of the Annual Conversation, a meeting between The Highland Council Chief Executive, Senior Council Officers and Senior Deal representatives from UK and Scottish Governments, with the 8 November 2023 Annual Conversation referred to in this report.

2 Recommendations

- 2.1 Members are asked to **note and approve** the IHCRD Annual Report as a record of the activity and delivery during 2022/23.

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 IHCRD Programme Board and the Members Monitoring Group. These are initiated to manage the implications of risks and issues affecting projects and the overall Programme.
- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No implications are highlighted for this report.

3.7 **Gaelic** - No implications are highlighted for this report.

4 Introduction

4.1 The Highland Council is the lead body for the Inverness & Highland City-Region Deal which is being implemented through 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 2022/23 was the sixth year of the Deal.

5 Project Progress

5.1 The projects within the Deal are shown in **Appendix 1** – Inverness & Highland City-Region Deal Annual Report 2022/23. This provides a description and an update on the progress of each project, as well as a look forward to planned delivery over the coming period.

Progress against the projects is reported to the Members Monitoring Group quarterly in a consistent format which provides for visibility on status, progress, risk, and where remedial action may be necessary. Highlights for the 2022/23 period are summarised in the following sections of this report.

5.2 Life Sciences Innovation Centre

The construction of the Life Sciences Innovation Centre was completed in early March 2023. It was followed by an opening event on 18 April 2023, with special attendance from Her Royal Highness The Princess Royal, Chancellor of UHI, and a keynote speech by Professor Sir Jonathan Van-Tam, former Deputy Chief Medical Officer for England and a UHI postgraduate student.

By the end of the 2022/23 financial year, the project successfully achieved its total target of supported companies and new products and services two years before the project ends in March 2025.

5.3 Science Skills Academy

The Science Skills Academy (SSA) operates a network of permanent and Pop-Up Newton Rooms, covering all areas in the region. Permanent Newton Rooms have been established in Thurso, Dingwall, Fort William and Inverness.

The pop-up Newton Room was developed in 2021/22 and has been successfully deployed throughout 2022/23, having been set up in village and community halls throughout the area, reaching communities not in easy reach of a permanent room.

By the end of 2022/23, SSA had engagement with 98% of schools in The Highland Council area and hosted over 1,000 Newton Room sessions, leading to 23,253 engagements across the network since its launch in 2019.

5.4 Innovative Assisted Living (FitHomes)

During 2022/23 the Project delivered and allocated 11 FitHomes in Colonels View, Dingwall, as well as 8 FitHomes in Inverness, and signed the development contract for 10 FitHomes in Nairn, with building progressed. The Project succeeded in getting the remaining 4 FitHomes on the Lairg development fully funded with additional monies from the Lairg Development Trust, The Highland Council and The Scottish Government More Homes Division.

Retrofit properties continued to be filled, with the numbers going through this process growing.

5.5 Digital

The 2022/23 Annual Report update on the Digital Project reflects the position through to March 2023, though subsequently a decision was taken through Governance to remove the Project from the Deal and redirect the £20m investment.

In removing the Digital Project from the Deal, it is important to state the ongoing commitment, including from Governments, to consider funding opportunities out with the Deal for digital investment in the region, and this was one of the key agreements from the 8 November 2023 IHCRD Annual Conversation referred to later in this report.

5.6 Inverness Castle

The construction project which started in the previous year continued apace in 2022/23. Internally, work continued on the careful conservation of the building fabric throughout, reopening the original front entrance to the building in the South Tower and improving accessibility and inclusivity to all parts of the building, including a new universally accessible rooftop viewing area in the South Tower.

Design work to develop the Inverness Castle Experience advanced significantly during 2022/23, with detailed interpretation completed for the gardens and South Tower, and progress made in the North Tower, West Tower and restaurant and shop. The tender for the interpretation fit out was completed and issued. The project remained on programme and within budget in 2022/23.

5.7 Affordable Housing

During 2022/23 a total of 121 new homes were completed within projects in Inverness, Evanton and Fort William, and new developments saw 71 units starting on-site within a number of projects based in Inverness, Drumnadrochit and Kingussie.

To date 380 homes have been approved with 138 currently on-site under construction. Approximately 70% of tenants for these new homes are young people.

5.8 Northern Innovation Hub

The Hub programme continued to progress with all projects delivering well in 2022/23. Highlights included a refreshed IMPACT30 programme with 26 young enterprises supported, 4 Pathfinder Accelerator life sciences and technology cohorts delivered with 56 participants, 145 Creative Industries individuals and businesses engaging with XpoNorth Digital, and the conclusion of Let's Grow Adventure Tourism, which supported 30 enterprises this year.

5.9 Longman Land Remediation

Site investigations were undertaken, and reports submitted to SEPA, with formal partial surrender of the waste licence received from SEPA. Intrusive site investigation works were undertaken, with the initial report received and a badger mitigation plan for the site to be completed.

The Project continued to work closely with Transport Scotland to co-ordinate activities and share information in relation to the Longman interchange proposals and the Transport Scotland land requirements in this regard.

The site was included in the Outline Business Case submitted for the Green Freeport, submitted to both the UK and Scottish Governments in summer 2023.

5.10 Transport Infrastructure – Highland Council

The design of the Inshes scheme progressed and was submitted for planning permission to progress to construction. Key activities were 3D design, drainage design, flood risk assessment, ecology survey, and reporting, as well as further public consultation related to the planning application.

5.11 Transport Infrastructure – Transport Scotland

A9/A82 Longman Junction

Transport Scotland continued to progress the detailed development and assessment of the preferred option for improvements at Longman to address The Highland Council's Bus Partnership Fund aspirations, updates to design standards, climate change guidance from SEPA, and to complete the engineering, economic and environmental aspects of the DMRB assessment. This work will culminate in the publication of draft Orders and an Environmental Impact Assessment Report (EIA) for formal comment once the necessary technical work has been concluded.

A9/A96 Inshes to Smithton

This scheme is interdependent with both the A96 Dualling Inverness to Nairn (including Nairn Bypass) and the Inshes Junction Improvements referred to above.

Following publication of draft Orders and the EIA in September 2019, a number of objections were received. The Scottish Ministers have considered the remaining objections and reached a decision that a Public Local Inquiry is not necessary, and that Orders should be made as published. Transport Scotland are now taking forward the necessary procedural steps which are required to be completed to take the powers required to finalise the acquisition of land and complete the statutory process.

5.12 Highland Air Access

Progress was made towards Net Zero aviation leadership across the region with the Sustainable Aviation Testing Environment (SATE) project having secured funds through a second round of the Future Flight Challenge Programme. The project is progressing well and SATE 2 continues the move towards regional readiness for zero carbon aircraft and testing unmanned aerial vehicle drone operations. The primary focus is Kirkwall Airport, though Wick Airport is also central to the Test and SATE 2 and will extend the focus more widely across the Highlands and Islands. The Highlands and Islands Transport Partnership (HiTrans) have appointed a Project Officer to support the work in SATE, working closely with the HIAL SATE team.

This activity is not supported through the City-Region Deal but represents additionality achieved through the collaborative work fostered through the City-Region Deal.

6 Governance

6.1 The Deal projects are reported to the quarterly Inverness & Highland City-Region Deal Programme Board, chaired by the Executive Chief Officer Infrastructure, Environment and Economy, and attended by the lead officers for each project, a representative from the Council's Finance Service, and both the Scottish and UK Governments.

The Programme Board reports to the Economy and Infrastructure Committee and undertakes the following role:

- 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;
- resolves strategic and operational issues between projects; and
- monitors project status, financial commitments and risks for assurance of successful project delivery.

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

7 Government Reporting & The Annual Conversation

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 8 November 2023. Principal attendees were the Chief Executive, Executive Chief Officer Infrastructure Environment and 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 2022/23 was well received by the representatives noting good progress in many of the projects. Key agreements from the Annual Conversation were:-

- Governments and partners to consider funding opportunities for digital investment in the region.
- The Council, as the Deal accountable body, to consider the potential need for timescale extensions of specific projects beyond 2027 and to articulate the links with Green Free Port to provide a basis for financial profile and timescale adjustments.
- Scottish Government to resolve delivery timescales for the Deal Transport schemes for Longman Junction and East Link.
- The Council to finalise the Benefits Realisation Plan for the Deal.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 12 January 2024

Author: Matt Bailey, Programme Manager (IHCRD/UKSPF)

Background Papers: None

Appendices: Appendix 1 - Inverness & Highland City-Region Deal Annual Report 2022/23



City-Region Deal Cùmhnant Baile-Roinne

Inverness and Highland City-Region Deal

Inbhir Nis agus a' Ghàidhealtachd Cùmhnant Baile-Roinne

Annual Report
Aithisg Bhliadhnail
2022/23



Funded by
UK Government



Scottish Government
Riaghaltas na h-Alba

Contents

Clàr-innse

1	An Introduction from the Leader of The Council	3
2	City-Region Deal Overview	4
3	Geographical Overview	9
4	Financial Statement	11
5	Governance and Accountability	12
6	Look Forward	14
7	Life Sciences Innovation Centre	18
8	Science Skills Academy	24
9	Innovative Assisted Living (Fit Home)	32
10	Digital	39
11	Inverness Castle	41
12	Affordable Housing	46
13	Northern Innovation Hub	52
14	Longman Land Remediation	58
15	Inshes Junction Improvement -Phase 2 (The Highland Council)	61
16	A9/A82 Longman Junction and A9/A96 Inshes to Smithton (Transport Scotland)	63
17	Air Access	68
18	Contacts	71

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 2022 and March 2023.



This period has been one of ongoing recovery and adjustment as a result of the pandemic, and the economic uncertainty affecting our lives, the Region, and the successful delivery of the Deal. Projects are progressing well, with a sharp focus on how the Deal and Projects being delivered will deliver and realise the benefits committed to.

Despite the ongoing and significant cost inflation challenges across all sectors such as the construction industry, the Inverness Castle construction project is progressing well and is on target, the Life Sciences Innovation Centre opened in March 2023, and new affordable homes for young people continue to be delivered throughout the Highlands.

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 continued effort to deliver the very best from this investment to our communities.

A handwritten signature in black ink, appearing to read 'Raymond', with a long horizontal line extending to the right.

Raymond Bremner
Leader of the Council

2

City-Region Deal Overview Àrd-shealladh dhen Chùmhnant Bhaile-Roinne

We are now into year seven of the ten-year Inverness and Highlands City-Region Deal (IHCRD). The deal signed on 30th January 2017 committed up to £188.1 million of funding from both the Scottish and UK Governments over the 10-year term of the deal ending in March 2027.

The Scottish Government will invest up to £135 million and the UK Government up to £53.1 million. We believe we are on track to address the challenges currently facing the region, and to capitalise on the substantial opportunities and investment presented by the Deal.

The Deal aims to deliver sustainable and inclusive economic growth by:

- creating new well-paid jobs in the private sector;
- encouraging young people to remain within the region and attract young people to move to the region;
- boosting the region's growing sectors such as tourism and life sciences;
- building affordable homes;
- promoting innovation, internationalisation and new partnerships between the Region's many small businesses; and
- improving connectivity through investments in transport.

Through conversations with the Scottish and UK Governments and the Scottish City Region and Growth Deal Delivery Group, the Inverness and Highland City-Region Deal partners appreciate that its developmental nature inspires a renewed focus on inclusive growth as well as deliver on health outcomes and place making.

The Inverness and Highland City-Region Deal is built up of six partners who co-ordinate and drive the component projects. These organisations are The Highland Council, Highlands and Islands Enterprise, the University of the Highlands and Islands, Transport Scotland, Albyn Housing Association Limited and HITRANS.

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.



Achievements in 2022/23

Following the completion of construction of the Life Sciences Innovation Centre in March 2023, an official opening event was held on 18th April 2023. The event saw special attendance from Her Royal Highness the Princess Royal, Chancellor of UHI, and featured a keynote speech by Professor Sir Jonathan Van-Tam, former Deputy Chief Medical Officer for England and now Pro-Vice Chancellor at the University of Nottingham and a UHI postgraduate student.



HRH Princess Royal at LSIC by Tim Winterburn

Inverness Castle's construction project is at the halfway stage. Both Towers underwent floor replacement and window refurbishment, with replacement windows currently being installed. Both the mechanical and electrical installations have been completed successfully. The process of removing the initial sections of the roof for the construction of a new accessible viewing terrace has commenced, and work is well underway on the foundations, floor slab and structural columns of the link building. Concurrently the steel and framework for the roof installation are progressing.

Designers have unveiled preliminary concept design images for the internal exhibition which offers a glimpse into the visitor experience within the gardens and South Tower of the Castle. It showcases the evolution of the Castle's interior, transitioning from its historical role as a courtroom and cells, to world-class visitor attraction.

The Tapestry of the Highlands and Islands started with the first stitch sewn into one of the 52 panels. The panels showcasing stories from across the area, are being distributed to more than 500 volunteers, who have formed stitching groups across Highlands and Islands communities to create and bring this huge display together.

January 2023 saw the official launch of the Spirit:360 digital platform, which features over 60 artists who received a commission. Their works have been inspired from the theme 'Spirit of the Highlands' with a wide geographic and thematic spread, rooted within the communities of the area.



With sensor-based technology being built into our new Innovative Assisted Living 'Fit Homes' care is possible to support vulnerable tenants who require support to stay at home, independently, for longer. Without this technology in place, some of our tenants may not be able to live alone or get the help they need and deserve. Following the completion of the new houses at Stratton Farm on the outskirts of Inverness, tenants have taken up residence in the new development.



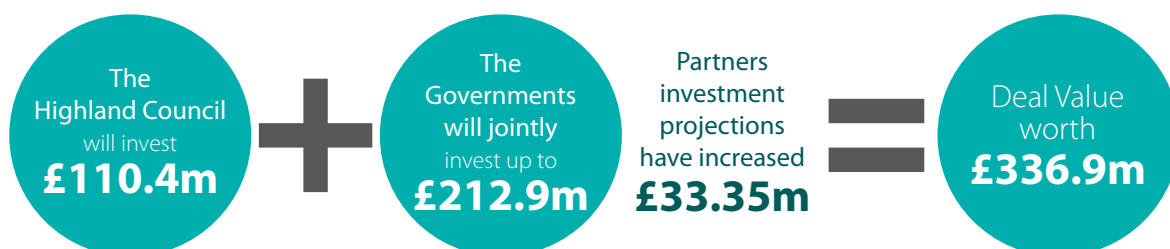
This year Northern Innovation Hub (NIH) delivered a refreshed IMPACT30 programme, four Pathfinder Accelerator life sciences and technology cohorts, and the conclusion of Let's Grow Adventure Tourism which supported 30 enterprises. Following IHCRD Board approved changes to make the criteria more attractive to enterprises for the Technology Placement Programme, nine graduate and one student technology placements were approved, eight were recruited and started, resulting with all eight having completed their placements. In addition, three young entrepreneurs have been welcomed onto our External Programme Board, jointly representing young people in business and having experience of the NIH support firsthand.

By the end of 2022/23 the Science Skills Academy had engagement with 98% of schools in The Highland Council area. Hosted over 1,000 Newton Room sessions, leading to 23,253 engagements across the network since its launch in 2019.



Investment Breakdown update

Since the Deal was signed, public and private investment has continued to grow. Partner investment projections have increased by over £33.35m. As a result, the value of the Deal is now over £336.9m. Latest summary of the City-Region Deal total is shown below.



Project	Total £	UKG/SG £'000	THC £'000	Partners £'000
Life Sciences Innovation Centre	13,043,081	9,000	0	4,043
Northern Innovation Hub ¹	14,200,000	11,000	0	3,200
Joint Digital Programme ²	35,000,000	35,000	0	0
Longman Land Remediation	10,000,000	10,000	0	0
Science Skills Academy ³	3,390,000	3,000	240	150
Innovative Assisted Living	6,913,770	4,056	200	2,658
Inverness Castle ⁴	46,003,239	26,936	15,555	3,512
Affordable Housing ⁵	35,000,000	5,000	30,000	0
A9/A96 Inshes to Smithton & A9/A82 Longman Junction ⁶	109,000,000	109,000	0	0
West Link & Inshes Junction Improvement -Phase 2	64,356,000	0	64,356	0

1 Includes European Funding

2 Up to £35m including BDUK funding

3 THC figures includes Shared Prosperity Fund

4 THC Includes inverness Common good funding; Lottery Funding; City Centre WiFi project; Deal Development Funding;

5 Includes Prudential Borrowing (Hsg)

6 Up to £109m SG funding

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 7th 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.

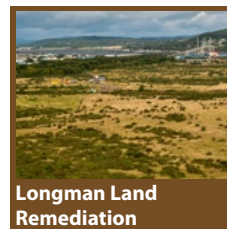
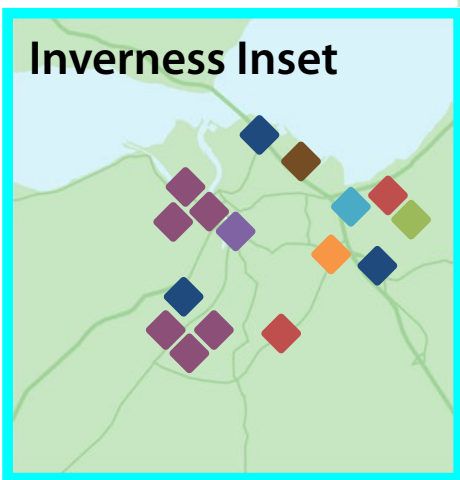
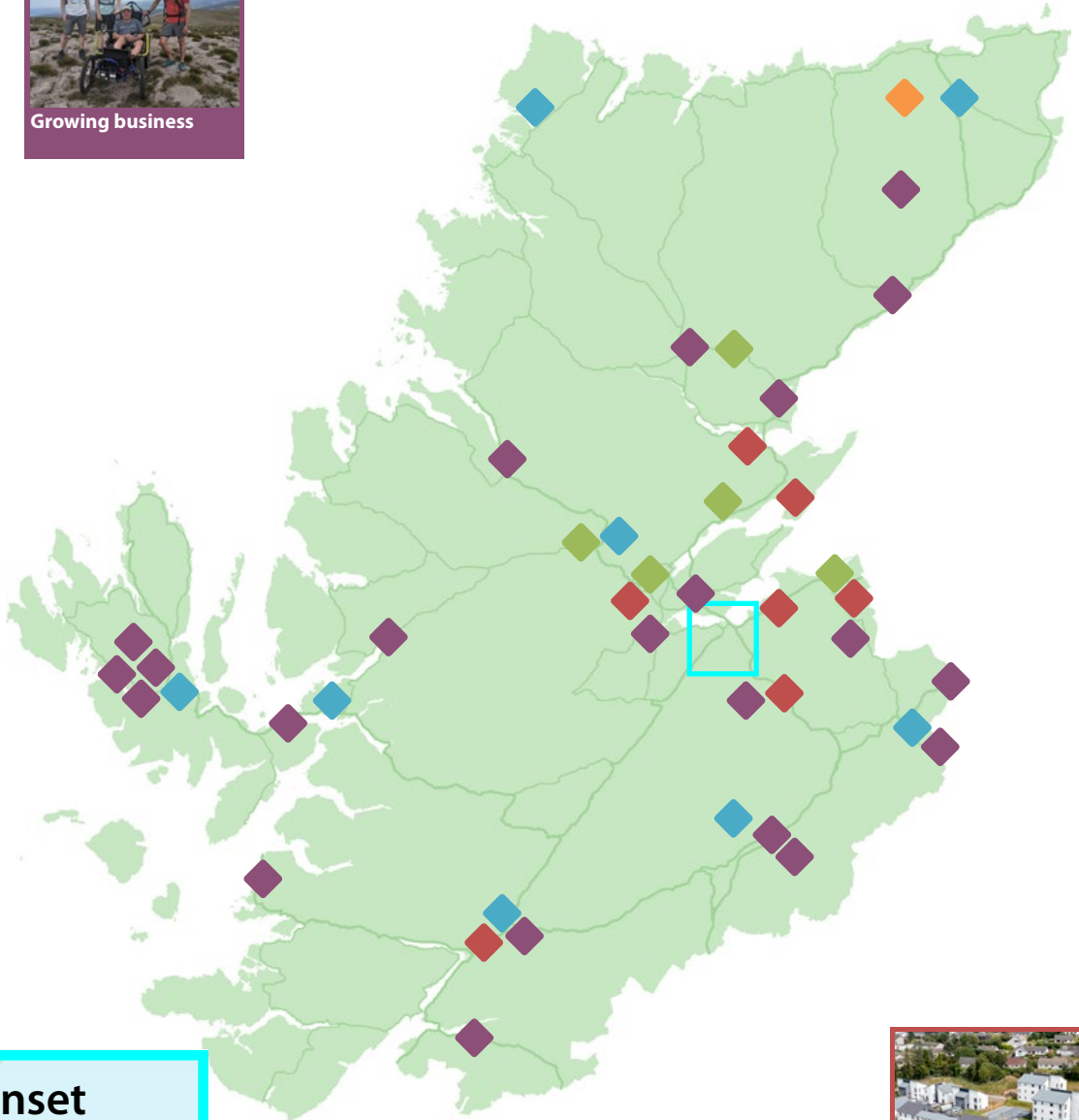
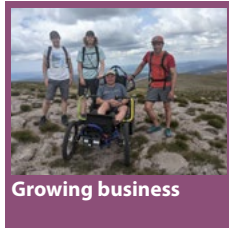
The length of coastline, including islands, at low water is 4,905 kilometres, 21% of the Scottish total and, excluding islands, is 1,900 kilometres (49% of the Scottish Mainland Scotland).

The Highlands have seen significant population growth over the last 30 years. The region has benefitted from the creation of the University of the Highlands and Islands, 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 238,060 in mid-2021. Between 2001 and 2021, the population of the Highlands has increased by 13.9%. Over the same period, Scotland's population rose by 8.2%.

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 a higher number of projects exist within the Inverness area, this should be expected given the role of Inverness as the economic engine for the Highlands. However, the map overleaf shows a wide dispersion of the projects throughout The Highland Council area.

Projects across our Region



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Photos:
 FIT Homes at Dingwall Castlepark by Albyn Housing Society Ltd
 SSA&Newton Room by Skye Commercial Photography
 WestLink by Scotavia
 Equal Adventure Developments Ltd
 Affordable Housing at Upper Achintore by Scott Donald
 Life Sciences Innovation Centre, South facade by Austin-Smith:Lord
 Longman area looking North by THC
 Inverness Castle artist impression by Mather & Co

Financial Statement 2022/23

Aithris Ionmhasail 2022/23

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 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.

The table below provides a view of the spend for 2022/23 and includes the cumulative position since the start of the City-Region Deal.

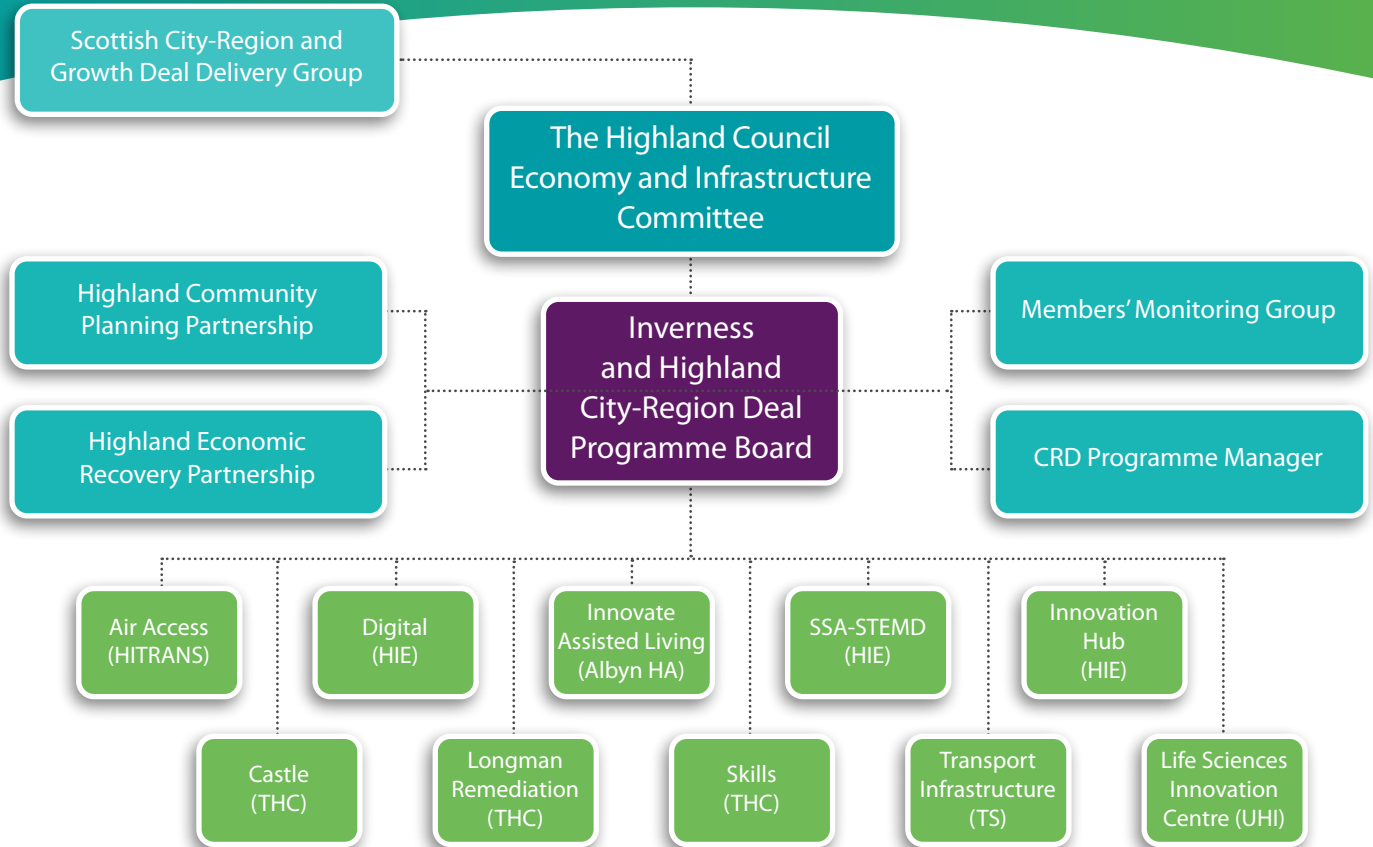
Project	Spend in 2022/23	Spend to end 2022/23	Total Government Funding	CRD Spend as % of Funding
	£	£	£	%
Life Sciences Innovation Centre	3,260,455	6,454,088	9,000,000	71.7
Northern Innovation Hub	1,426,106	5,524,897	11,000,000	50.2
Joint Digital Programme	0	0	20,000,000	0
Land Remediation	13,818	269,184	10,000,000	2.7
Science Skills Academy	624,572.00	2,882,073	3,000,000	96.1
Innovative Assisted Living (Fit Homes)	703,694	2,816,235	3,000,000	93.8
Inverness Castle*	7,066,482	14,288,906	18,100,000	78.9
Affordable Housing	390,000	2,658,160	5,000,000	53.2
A9/A96 Inshes to Smithton & A9/A82 Longman Junction**	2,532,914	16,144,140	109,000,000	14.8
Total	£16,018,042	£51,037,682	£188,100,000	

* Spend Includes City Centre WiFi project, Bridge Street, Viewing Tower and the Museum and Gallery.

**Scottish Government funded up to £109m. Transport Scotland taking forward scheme delivery.

5

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.

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.

The Programme Manager and Executive Chief Officer for 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.



6

Look Forward Seall Air Adhart

Each year brings challenges and with this comes an opportunity for innovation and development. Ranging from technology advancements that can transform our daily lives to potential for greater collaboration. Navigating this will require adaptability, forward thinking and a collective effort to address the challenges and seize the opportunities that lie ahead.

Life Science Innovation Centre

- Increased occupation of pre-incubator and prototyping spaces.
- Equip Medical Nanotechnology Suite to enable research projects.

Science Skills Academy

- Roll-out new Newton Room booking system to view availability and to book their local room easily.
- Regularly engaging with communities around Newton Rooms on holidays and weekends
- Work closely with key sectors (Energy, Space, Aquaculture, Technology and Life Science) to ensure our learning experience meet the needs of industry.

Assisted Living

- Finalise allocations and complete construction of new units in Nairn.
- Complete allocations for new units in Lairg.
- Identify further research partners and grant applications opportunity.

Digital

- Pre-procurement market engagement.

Inverness Castle

- Removal of roof and formation of new viewing platform in the South Tower.
- Install rose window frame.
- Commence international marketing campaign.

Affordable Housing

- 2023/24 SHIP Approved
- Continue to support rural development opportunities through Landbank.
- Start on site for 21 units in Dornoch, Carrbridge and Inverness.

Northern Innovation Hub

- Launch support tourism enterprises with advanced digital projects.
- Increase the number of new applications to the Technology Placement Programme.

Longman Land Remediation

- Further site investigations to inform business case.
- Submit planning application for remediation works and site servicing masterplan.

Inshes Junction Improvement -Phase 2 (The Highland Council)

- Obtain planning consent.
- Complete detailed design.

A9/A82 Longman Junction (Transport Scotland)

- Conclusion of the DMRB Stage 3 Assessment.
- Publication of draft Orders and Environmental Impact Assessment Report.

A9/A96 Inshes to Smithton (Transport Scotland)

- Completion of Statutory Process.

Air Access

- Continued Collaboration through the Highland Air Access Group.

Challenges and Opportunities Ahead

Handling challenges is about managing the obstacles and changes while ensuring the project stays in budget and ensure outcomes are delivered. All CRD projects face their own challenges and this year looking forward highlights where the projects will focus.

An opportunity can provide unexpected benefits from cost savings, improve stakeholder satisfaction and joint working.

Across the Deal, projects are hopeful to see these move forward:

Project	Challenge	Opportunity
Life Sciences Innovation Centre	Financial sustainability of the new facility beyond the CRD funding period.	Inverness Campus is within the Green Freeport zone and while benefits from this initiative are unknown for LSIC, there is the potential for increased commercial interest in Inverness Campus.
Science Skills Academy	To attract a long-term operator and funding to sustain the Academy over the medium to long-term.	For Newton Modules to be delivered to a wider cohort of young people and expand the Academy's reach to those who influence young people through engagement activities in the community.
Innovate Assisted Living	Increased partnership working with the public sector, with the limited resources currently available within the team.	Using their care technology for the development of new service delivery models.
Digital	Lack of supplier interest in progressing a project in the Highlands.	Potential to secure additional funds from UK Government via BDUK.
Inverness Castle	The current market has potential for construction project to overspend and possible delays to the project.	Begin engagement with visitor market operators for coming to the new attraction.

Project	Challenge	Opportunity
Affordable Housing	The lack of economically deliverable sites within areas of demand for units.	Range of partner housing providers able to support and deliver projects within the project.
Northern Innovation Hub	Lower than expected uptake to programme's courses and participants' ability to commit for full duration of the course.	Technology Placements expanding the programme to any enterprise will improve the appeal of this project, and support more enterprises to employ young people.
Longman Land Remediation	The site investigations advise that land is uneconomical to develop.	Possible benefits from being within Inverness & Cromarty Firth Green Freeport zone.
Inshes Junction Improvement – Phase 2	Funding challenges with rising costs and Capital programme review scheduled for Autumn 2023.	Increase active travel and reduce carbon emissions.
A9/A82 Longman Junction	Statutory Process timescales dependent on the level and nature of formal representation received in response to the published draft Orders and whether a Public Local Inquiry will be required to consider objections made and not withdrawn.	Supports the development proposals at the Longman Remediation land project.
A9/A96 Inshes to Smithton	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.	Supports development to the east of Inverness as set out in The Highland Council's Inner Moray Firth Local Development Plan and Inverness East Development Brief.

7

Life Sciences Innovation Centre Ionad Ùr-Ghnàthachaidh Saidheansan Beatha

Lead Organisation

University of the Highlands and Islands - UHI

The UHI Life Sciences Innovation Centre project aims to increase research and innovation opportunities in health and life sciences between academia, industry and the healthcare sector. This will be facilitated through a facility co-developed and co-owned with Highlands and Islands Enterprise on Inverness Campus, with a view to support the creation of new products and services, the provision of support to companies in their research and innovation endeavours, the creation of new companies and attraction of inward investment, as well as the development of healthcare service delivery improvements.

Major themes include increasing patient engagement by addressing holistic care needs and promoting disease prevention through adopting a health active lifestyle and ground-breaking medical nanotechnology to reduce hospital-acquired infections and increase tolerability of implanted foreign materials.

Research and innovation projects are linked to our regional demography and geography with scope for exportability with a focus on existing strengths in active health, behavioural science, rural health and wellbeing, and the developing research theme of medical nanotechnology.



Original Project Funding

Government	£9,000,000
Total	£9,000,000

Project Progress Update

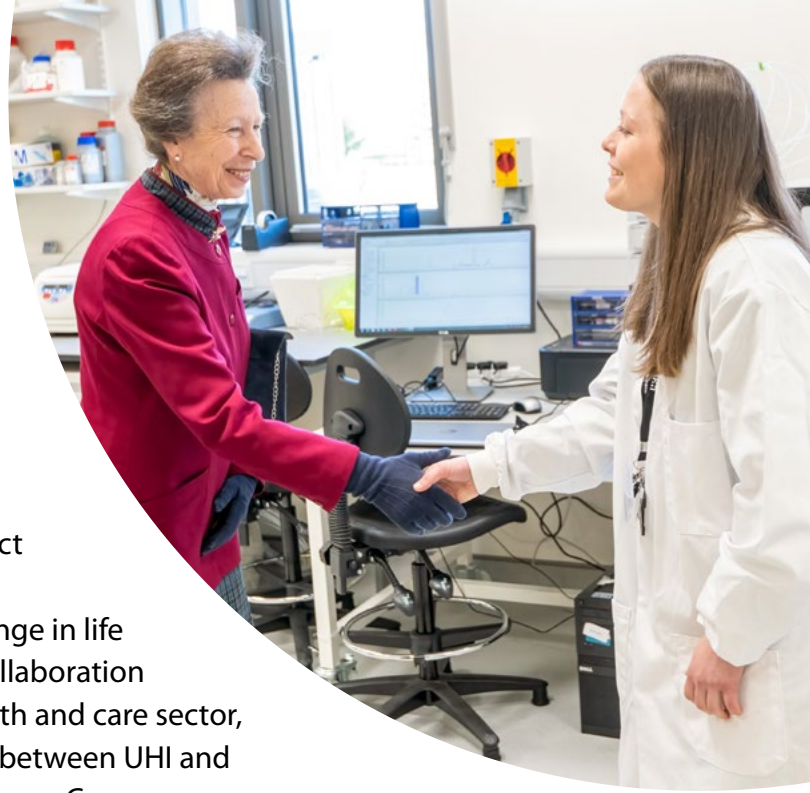
The Life Sciences Innovation Centre project aims to enhance research and innovation commercialisation and knowledge exchange in life sciences and health through increased collaboration between academia, industry and the health and care sector, facilitated by a new jointly owned facility between UHI and Highlands and Islands Enterprise on Inverness Campus.

The construction of the Life Sciences Innovation Centre was completed in early March 2023. It was followed by an opening event on 18th April 2023, with special attendance from Her Royal Highness The Princess Royal, Chancellor of UHI, and a keynote speech by Professor Sir Jonathan Van-Tam, former Deputy Chief Medical Officer for England a UHI postgraduate student.

By the end of this financial year, the project successfully achieved its total target of supported companies and new products and services two years before the project ends in March 2025 as demonstrated in the Benefits table. The focus now will be on inward investment and healthcare service delivery improvements.

A new Research Assistant in Medical Nanotechnology, Dr Sherif Mohamad, joined the project in February 2023. He will be involved in the day-to-day running of the nanomaterials suite and in the implementation of experiments around antimicrobial nanosurfaces amongst others. Procurement of equipment is underway, with the active health equipment fully procured and much of the medical nanotechnology equipment on order.

UHI has been successful in a joint application for a Knowledge Transfer Partnership with iDE8, the first Highlands and Islands Enterprise tenant in the Life Sciences Innovation Centre. This collaboration embodies the spirit of the Life Sciences Innovation Centre.



Photos of Professor Sir Johathon Van Tam MBE and HRH Princess Royal by Tim Winterburn



Partners

- **Highlands and Islands Enterprise** and **NHS Highland** have been key partners from the outset for the capital and revenue projects.
- **The Life Sciences Innovation Centre** is a joint venture between UHI and Highlands and Islands Enterprise that aims to enhance the offering of support services for life sciences businesses and healthcare professionals who wish to take their innovations forward. The facility is shared based on ownership of the premises between the two organisations.
- **NHS Highland** has, for example, benefitted from the UHI City-Region Deal project through the funding of PhD studentships and engagement of Medical Physics. There is routine cooperation with the NHS Highland Research, Development and Innovation Department, and opportunities for collaboration with the National Treatment Centre – Highland.

Inclusive Economic Growth

Research activities, particularly in active health, have focused on more vulnerable groups. In addition, many of the projects supported within communities aim to address the health inequalities associated with rural healthcare.

A recent example of such a project is the current study on the effect of exercise on appetite control in older adults. It has been recognised that malnutrition is a public health issue that affected over 1.3 million people aged over 65. At the end of 2020, an Age UK survey in England found that the COVID-19 lockdown has increased the trend of older people eating less. Given the importance and proportion of the ageing population in Highland, and the devastating impacts of malnutrition in older adults, which are associated with frailty, functional decline, and mortality, supporting public health endeavours to resolve appetite issues amongst older adults is an essential area of research to find out what the right level of physical activity could support a healthier appetite.



Community Benefits and/or Net Zero

The construction of the Life Sciences Innovation Centre has involved some community benefits activities such as a Women in Property event, which attracted several local architecture firms; as well as the provision by the construction contractor of planters with a view to making them available to the community for communal growing of vegetables and plants.

The mechanical and electrical design of the building originally involved the use of a primary gas boiler. The project team, in an endeavour to contribute to net zero efforts, instructed an all-electric solution involving a high-temperature air source heat pump.

Additional Investment

- Wolfson Foundation grant for a mass spectrometer (£450,000): the mass spectrometer will give UHI additional capability to conduct metabolomic analyses with commercial and academic partners, enhancing our ability for world-leading collaborations. Wolfson Foundation funding is a highly prestigious and competitive funding award, usually only to the benefit of world-leading research-intensive universities across the UK.
- £198,783 Scottish Funding Council for equipment.
- Project partners in projects awarded Health and Life Sciences Innovation Fund grants provide in-kind funding.



Benefits

Digital health and applied life sciences products and services:

23 products and services

Target: 20

Target Date: 31 March 2025

1 company or inward investment occurrence

Target: 10

Target Date: 31 March 2025

17 supported companies

Target: 15

Target Date: 31 March 2025

10 service delivery improvement projects

Target: 25

Target Date: 31 March 2025

Case Studies

UHI nursing student secures funding to develop life changing device

Roma Gibb has been awarded over £41,000 from Innovate UK, the UK's innovation agency, to test her Bed Band invention.

Roma, was then in her third year of a BSc degree in nursing at UHI, developed the device after seeing how people with limited mobility often struggle to maintain a comfortable position in bed.

After receiving support from the UHI Business Competition and Highlands and Islands Enterprise's IMPACT 30 and Pathfinder Accelerator programmes, Roma applied for a patent on her device and set up a company, Person Centred Solutions Ltd. She then gained additional funding through the Inverness and Highland City-Region Deal health and life sciences innovation fund to run a project to further

co-design the Bed Band in collaboration with UHI and potential users of the device led by Dr Michelle Beattie.

The funding from Innovate UK, an organisation which is part of UK Research and Innovation, will enable Person Centred Solutions Ltd to run a study into how the Bed Band can improve users' sleep and comfort.

Roma was also named as a runner up in the Converge KickStart Challenge, receiving a further £7,500 to help develop her product.

Speaking about her journey so far, Roma said:

"This has been quite the unexpected journey! I have been very lucky to receive continued support from HIE and UHI. It's been a heavy workload, but I have enjoyed the whole experience. I'm looking forward to this next step in the Bed Band's development and I have a fantastic team working with me on this project. The money from Innovate UK will help to drive the Bed Band another step closer to helping people."

New technology for detection of urinary biomarkers:

Druid Ltd and iDE8 Limited

Utilising an Interface innovation voucher, Druid Ltd approached researchers at UHI to help develop a new technology for detection of key biomarkers in urine. The project involved proof of principle to assess the feasibility of the technology, together with some early-stage optimisation of the chemistry involved. The outcomes from the project have allowed the business to prepare key technology deliverables for the advancement of the sensor under development. This research undertaken by UHI enabled the business to progress the sensor platform into an appropriate product embodiment.

The learnings generated by the project have been fundamental in validating technical assumptions previously tested within the business and has encouraged its sister company, iDE8, to locate to the Highlands and Islands Enterprise part of the Life Sciences Innovation Centre (LSIC) in order to further the relationship with UHI.

In addition to the historical work under the innovation voucher, iDE8 and UHI are continuing their collaboration efforts and have recently been successful in an application to the Knowledge Transfer Partnership (£200k) to further the research and develop several new technologies in this arena over the next 2 years.

"Working with UHI under the Interface and the Knowledge Transfer Partnership programmes, has given both iDE8 and DRUID the opportunity to cost effectively advance their research understanding and health technology to reach our commercial goals for scaling and growth within the region."

– David Howarth CEO Druid Ltd, & Managing Director iDE8 Limited.

8

Science Skills Academy Acadamaidh Sgilean Saidheans

Lead Organisation

Highlands and Islands Enterprise (HIE)

The Science Skills Academy delivers hands-on practical STEM (science, technology, engineering, mathematics) activities to P6-S2 students in the Highlands. We run sessions in bespoke Newton Rooms, which are tailored to complement STEM industries in the local community.

Our aim is for the sessions to excite and inspire students, and encourage them to study STEM subjects at school and beyond. We also introduce students to the wide variety of STEM career pathways, both in general and in the Highland region.



Original Project Funding

Government	£3,000,000
Council	£20,000
Universities	£20,000
Private Sector	£20,000
Total	£3,060,000

Project Progress Update

The Science Skills Academy (SSA) was established to engage young people across Highland with STEM subjects (science, technology, engineering and maths) through hands-on learning experiences. The SSA aims to encourage more young people to study STEM subjects in school and beyond, and raise awareness of STEM-related careers, particularly careers in the region. This project aims to ensure equity of provision, overcoming barriers of geography and scale, to reach all school children in The Highland Council area.

The chosen model of delivery has been informed by the work in Norway where STEM is delivered through a network of Newton Rooms (NR) reaching remote and rural parts of the country and is now being taken up in over eight European countries. The SSA operates a network of permanent and Pop-Up Newton Rooms, covering all areas in the region. Permanent Newton Rooms have been established in Thurso, Dingwall, Fort William and Inverness. A Pop-up Newton Room was developed in 2021/22 and has been successfully deployed throughout 2022/23 having been set up in village and community halls throughout the area, reaching communities not in easy reach of a permanent room. Rooms are completely free to visit, and SSA support schools with transport costs where needed.

SSA was funded for five years by IHCRD, originally extending until March 2022 (at no extra cost) to March 2023 due to Covid-related delays in operationalising the project. Highlands and Islands Enterprise (HIE) has managed the project since its inception, working in partnership with The Highland Council, UHI, SDS, and High Life Highland. To date the model is proving to be successful in design but owing to the pandemic the full testing of the model was put on hold for 18 months, with COVID-19 restrictions hampering SSA's full operation throughout the 2020/21/22 academic years.

At the core of the SSA project is the delivery of full day, hands-on, exciting STEM activities for every 10-14 year-old across our full school complement in The Highland Council area each year. Teachers can choose from a range of Newton Modules, all run by our team of highly trained STEM Engagement Officers. We offer three modules at primary level, and four at secondary level, all linked to key STEM sectors in the region and the curriculum for excellence.

To date, SSA have engaged with 98% of schools in the Highland region. We have hosted over 1,000 Newton Room sessions, leading to 23,253 engagements across the network since programme launch in 2019.

Five years into the project, SSA has set up the infrastructure, tested the model, and proved it's a successful approach to early STEM skills development. Effectively we have created our version of the 'Science Centre of the North'.

Partners

- **UHI** - provides the UHI STEM Hub used as the Inverness NR as a contribution in kind to the SSA as well as collaborating on providing an aligned STEM programme in The Highland Council area.
- **Skills Development Scotland** - founding member of the SSA partners on summer activity.
- **High Life Highland** - collaborates with SSA on summer programme activity.

Inclusive Economic Growth

It is acknowledged that there is a global shortage in technical skills. According to the UK Commission for Employment & Skills, 43% of science, technology, engineering and maths (STEM) vacancies are hard to fill. This is mainly down to a shortage of applicants with the required skills and experience.

The SSA model has been developed to ensure equal access for young people to the Newton Modules delivered through the Newton Room network.

The Newton Modules being delivered in Highland reflect the industries in the area which require STEM trained staff.

Modules delivered in 2022/23 include - Robotics & Mathematics (P6-7), Renewable Energy (S1-2), Health Science (P6-7), Salmon and Aquaculture (P6-7), Space (S1-2) Biofuels (S2), Up in the Air with Numbers (S1-S2).

Community Benefits and/or Net Zero

Young people tell us that their Newton Room experience helps them understand what a STEM career involves, breaking down barriers and misconceptions they might have about the industry. We specifically focus on industries flourishing in their local communities, and are passionate about playing our part in keeping young people in the region; unlocking their skills and potential is key to attracting more STEM businesses to these communities.

Outwith the school term, we have been growing our community engagement programme, adapting our module content, and creating new drop-in, hands-on workshops to engage a broad range of audiences in STEM during evenings and weekends. Working with High Life Highland, we offer a range of workshops in local libraries as well as in the Newton Rooms as part of their summer and Easter programmes. We also partnered with the 'Word on the Street' festival in Dingwall, opening the Newton Room to families in May 2023, welcoming 40 people.

We have secured funding from the Association of Science and Discover Centres to create and deliver community engagement workshops focussed on the Space Industry in Caithness, Inverness, Moray and the Outer Hebrides until December 2025 as part of their 'Our World from Space' programme supported by the UK Space Agency. We are also developing partnerships with the RAF Air Cadets and Home to Highland Care team at Highland Council to engage young people outside the school system.

In providing these unique learning experiences for local pupils, we aim to increase awareness of local opportunities and encourage young people to see a future for themselves within the Highland region.

Extending Learning into the Classroom: Learning Lab

Along with our partners at Glasgow, Dundee and Aberdeen Science Centres, we are offering free access to the Learning Lab - an 8-week programme bringing excellent STEM learning to the classroom. Anchored in the curriculum, it supports teachers to engage their learners in the Energy Transition, a topic which is extremely relevant to our communities in the Highland region. 49 schools have signed up to access these resources this year, reaching over 1,100 pupils from Caithness to Grantown.

It includes teacher training, ready to use hands-on activities, home learning resources, and culminates in a "Meet the Expert" session, which involves a local expert working in a STEM industry. This brings to life the classroom learning and inspires pupils to see how what they have learned can be put into practice in the real world.



Pop-Up Newton Room – STEM engagement for all

“...I think it is fantastic that those of us in the rural areas can access the pop-up rooms as it reduces journey times, uses local/community venues and creates a sense of connection with Inverness bases.” – **Carrbridge Primary**

While our permanent Newton Rooms deliver free, inspirational learning experiences to the local school children in their catchment areas, our Pop-up Newton Room expands this delivery to geographically disadvantaged areas, we endeavour to use local community venues to hold our sessions thereby significantly minimising school travel times and costs.

This ensures that all Highland school children can benefit from the same STEM learning opportunities as in urban areas. The Pop-Up room covers Badenoch and Strathspey, Skye and Lochalsh, Gairloch, Ullapool and Kinlochbervie.

While the Pop-Up room was at the Kinraig Community Hall this year, we partnered with the Royal Zoological Society of Scotland who facilitated several informational events to the local community.



Benefits

Increase awareness of STEM careers and STEM pathways

Newton Room Modules

- Data since 2019.

Health Science Module

1873 pupils

Sustainable Biofuels Module

522 pupils

Salmon and Aquaculture Module

1041 pupils

Robotics and Mathematics Module

6072 pupils

Up in the Air with Numbers Pilot

30 pupils

Peatlands Mini Newton Module

1472 pupils

Renewable Energy Module

2653 pupils

Destination
Space

1105
pupils

Space
Module

1502
pupils

Outdoor Maths

1069
pupils

Step into STEM

286
pupils

Newton Room Experiences

- Data since 2019.

Meetings and promotional events

354 pupils

Newton Module Taster sessions

404 pupils

STEM Ambassador Activity

51 pupils

Learning Lab: Powering the Future

1121 pupils

Other

2694
pupils

Partner
Delivery

131 pupils

Teacher CLPL

600 pupils

Family Events

273 pupils

Equality of STEM provision across the Highland region

Geographical Reach

98% of schools across
Highland have attended a Newton
Room session since 2017

Target: 100% **Target Date:** 31 March 25

Target: **23,000**
pupils

Target Date: 31 March 2025

Total: **23,253**
pupils

Case Studies

Caithness pupils flying high in new aviation module

This academic year saw the launch of our new module 'Up in the Air With Numbers', which we have piloted in our Thurso Newton Room. In this full-day experience, students work together as scientists and engineers to carry out an air rescue mission. They calculate their own flight plan and fly a full-motion simulator in this unforgettable, immersive learning experience.

We are delivering this module with our partners Dounreay.com and Developing the Young Workforce, with STEM Ambassadors from Dounreay guiding pupils to fly their own flight plans.

Our pilot programme has engaged 76 S3 pupils from Thurso and Golspie High Schools, and we have plans to poll out to all S3 pupils studying Maths or Physics in Caithness in the next academic term.

Pop-Up Newton Room

The Pop-Up Newton Room was developed to bring inspirational STEM learning to pupils in rural schools not counted within the reach of a permanent Newton Room. Scott O'Hara, our STEM Engagement Officer for the Pop-Up Newton Room, delivers four out of our six Newton Modules to primary and secondary pupils across the more remote parts of our region.

Pop-Up is about to complete its second academic year of delivery and has brought robots, rocket launchers, wind turbines, magnetic induction, remote sensors and the lifecycle of an Atlantic salmon to pupils across Badenoch and Strathspey, Skye and Lochalsh, Gairloch, Ullapool and Kinlochbervie. As far as possible, Pop-Up aims to recreate the look and feel of our permanent Newton Rooms whilst making use of community venues within each area. Many of the venues themselves are extremely supportive of the Pop-Up room and the security and income it brings to smaller Highland communities.

Feedback from our pupils and teachers alike has far exceeded our expectations with schools contacting Scott a year in advance to book ahead for the following year...

"A great day out for everyone! Our pupils left enthused about science and with a positive experience of collaborative learning under their belts"

and

"Fantastic experience for myself and my class! Big thank you to Scott. Would recommend to all to partake if the opportunity arrives!"

When pupils were asked to rate their experience, almost 90% agreed their visit to the Pop-Up taught them more about the topic than they knew before and over 90% thought their session was delivered in an exciting and interesting way.

This year, we have been trialling extra-curricular community events in partnership with the Pop-Up Newton Room. These events seek to engage all members of the community in highlighting both the Science Skills Academy and local organisations. The Pop-Up Newton Room has welcomed over 2,000 pupils since 2021, delivering over 160 sessions to some 46 schools. Going forward, we have proved the model works and we are excited to collaborate with partners and communities to explore how the Pop-Up Newton Room can be developed into the future.



9

Innovative Assisted Living (Fit Home) Bith-beò le Taic Innleachdach (Taigh Fiot)

Lead Organisation

Albyn Housing Society Ltd

The Assisted Living Fit Homes project is an innovation project within the IHCRD. Part of its aims are to deliver care and support across the region regardless of geography and income.

Care services are being depleted in many of our rural communities because there are not enough staff to meet the need while the need for care is growing. This technology can work across the area, enabling different methods of care and support to be delivered. Families can choose to support their own members easily with people on one side of the country able to be supported by people living a distance away.

This will give families peace of mind that their loved one is carrying on as normal while also freeing up the time of paid care providers to target those most in need.

People who are frail and elderly, are also able to stay at home and do not have to go into institutional care so quickly, thereby enabling a level of support to be delivered locally when sometime there is no person to undertake that support.

This type of technology can also play a significant role in reducing disparities in



equality across Highland. Health and wellbeing are fundamental to a person's ability to work and create income. People leaving institutional care are able to remain at home with the additional support that the technology delivers regardless of geography. This not only enables people to grow the skills needed to sustain tenancies, but also sets them on a strong path to independent living and become self-sufficient, enabling greater success of finding employment.

The cost of the technology is being kept low with the support of our public sector partners and also the drive to maintain the project as a social business.

The technology is capable of being retrofitted into existing homes.

Original Project Funding

Government	£3,000,000
Other	£2,224,000
Total	£5,224,000

Project Progress Update

The project aimed to develop FitHomes, individual homes designed for people to stay in for life, or as long as it was safe for them to do so.

At the end of the project, we aimed to deliver:

- 32 new homes designed to enable people to live in them until end of life;
- Technology to support people and services to enable the person to remain at home;
- A new allocations system;
- A commercial product and a company to support the commerciality.

Due to delays resulting from COVID-19, it was necessary to request that the project be extended past its original end date to 31st March 2024 and £201,570 of City-Region Deal funding be carried over into financial year 2023/24 to enable delivery of the full project outputs. This has been agreed and the timings and draw down of funding changed to reflect this.

During 2022/23 we delivered and allocated 11 FitHomes in Colonels View, Dingwall and eight FitHomes in Inverness, signed the development contract for 10 FitHomes in Nairn and building is well progressed.

The Lairg development proved to be especially difficult to finance reflecting the extra costs due to the rurality and the constantly rising construction costs. We finally managed to get the remaining four FitHomes fully funded with additional monies from the Lairg Development Trust, The Highland Council and The Scottish Government More Homes Division.



Our retrofit properties continue to be filled and the numbers going through this process are growing. These tech homes are allocated to people leaving institutional care who have been identified as needing additional support to help them maintain their tenancies successfully. They come under the homeless category. When the support agencies are confident the individual is managing their tenancy, the homes get turned into permanent homes for them and they then move out of the FitHome project. We then work with public sector agencies to identify more people who need this additional level of support. We currently have nine of these properties live and another four being identified.

When people view their data, they do so using a screen on the web. This screen needed upgraded to be more user-friendly. We have completed an initial piece of work, working with family, carers and support agencies to identify the information that is most useful for them to see, and are now adapting the screen view to reflect this.

We are working towards having a separate Board to manage the technology development to a commercial product. We have identified suitably skilled individuals who have agreed to assist in the interim. Subsequently two meetings have taken place and a business plan is in development.

We initially accessed further funding from the DataLab for a PhD student with Robert Gordon University to develop the technology that underpins this project. After the success we were asked to submit a Knowledge Transfer Partnership (KTP) bid to Innovate UK to develop the technology to the next stage. Our PhD student was then successful in being appointed to the Research Assistant post within the Partnership and is now continuing to develop the new technology we need for a further three years. A KTP is a three way partnership between academia, business and a student.

Partners

Albyn Housing Society Ltd

Main partner and grant applicant. Lead on development including accessing loan function for build purposes. Lead on technology innovation and newco development.

NHS Highland

Initial input to develop and design both the house plan and the technology. Ongoing input to further develop the interface, identify geographical areas that need prioritised for the service, and part of the allocations panel for new builds and vacancies. NHS Highland is integral to the project and various different departments are involved.

The Highland Council

Homelessness – working with homeless function both for people leaving institutional care and for very vulnerable individuals. Successfully completed joint bid with The Highland Council homelessness staff to access funding for a further four retrofit properties for drug and alcohol support.

Social Work Criminal Justice – working with Criminal Justice Social Work to support people leaving Scottish Prison Service estate through retrofit

Social Work Young People – working with Social Work staff to support young people leaving care through retrofit.

Housing – working with housing to develop effective retrofit system for vulnerable clients.

Robert Gordon University

Supported us with PhD student and is now academic partner with Knowledge Transfer Partnership.

Napier University

Developing a research project around sustaining tenancies using technology after release.

Lairg Development Trust

Community partner in the Lairg development. Contributed with the land cost.

Scottish Government More Homes

Partner in the Lairg housing development to assist with additional financing the rural house building.

Inclusive Economic Growth

Industrial Development

The technological innovation we needed to develop to deliver this project has been significant. The initial funding that the City-Region Deal supplied enabled us to apply for further support from the DataLab and resulted in us sponsoring a PhD student through Robert Gordon University to develop the first iteration of our Fit Home sensing system. This PhD has now been awarded and on the back of its success, we were encouraged to apply for a Knowledge Transfer Partnership through Innovate UK which we did and were successful. This means we now have a further three years of support for our technology innovation to take it to the next iteration. Knowledge Transfer Partnerships are collaborations between industry, academia and a graduate. The innovation needed to deliver this type of service has been significant and the award of a KTP reflects this.

This year has been predominantly focused on end user input into a new interface and we have completed a working level model of this. The next few months will focus on access further funding to complete the transition from the old model and to look at developing an app for the clients.

We have confirmation from a number of universities that they want to be involved with predictive health AI that can be extrapolated from the data we are gathering. We are currently looking to expand the retrofit programme to 400 across our area of operation in partnership with NHS Highland and The Highland Council. This will enable Highland to become a unique test bed and bring significant research into the area.

Community Benefits and/or Net Zero

Reduced travel requirements and associated fuel usage through the use of remote support available through technology.

Ability for family/friends to support individuals where previously they couldn't.

Support workers are already reporting that they have stopped making unnecessary scheduled visits because they know the person is not in, managing as normal or is still in bed. They are then able to reschedule to a more suitable time. This has an added bonus of enhancing person centred care.

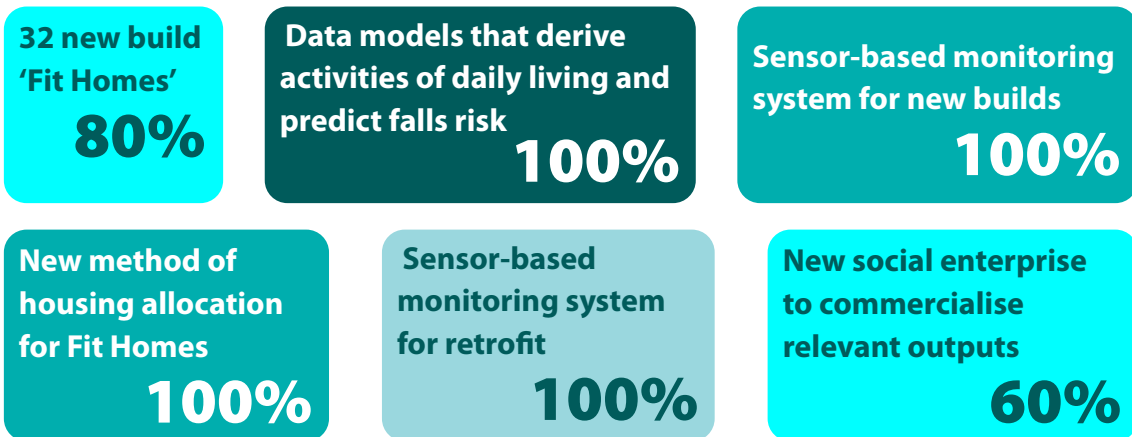


The Lairg project is working with community development group who donated the land, and an additional four properties are being delivered along with the four FitHomes which would not have been possible financially without the CRD project and the additional monies from The Lairg Community Development Trust, The Scottish Government More Homes Division and The Highland Council.

Additional Investment

- DataLab £99,999
- Scottish Government More Homes £606,000
- Scottish Government More Homes £449,900
- The Highland Council Infrastructure Fund £200,000
- Scottish Federation of Housing Associations £25,000
- Albyn Housing Society Ltd £114,874 (part of KTP)
- Innovate UK Knowledge Transfer Partnership £188,997
- Highland Drug and Alcohol Partnership £5,000

Benefits



Case Studies

People

Young person living at home with parents and living with Aspergers nominated by NHS Highland/THC for a FitHome. There was initial reluctance from the family for the allocation to go ahead, but after discussion, the family were supportive. Three months later, the mother of the young person contacted us with the following statement:

“What a difference this has made to [her son], he is really becoming independent. Despite my reluctance to go ahead at the beginning of the referral, it has worked out much better than I could have ever hoped for, he even invited us for Sunday dinner last week which I could never imagine would have ever happened. The tech is a real bonus, and we use it regularly.”

An individual who needed support due to a vehicle accident was allocated a FitHome. Their friend agreed to be the person who had access to the data and would use the technology to support them. The friend lived over 60 miles away. Geography would have prohibited this support model previously.

He gave the following viewpoint:

“The sensor system has given me peace of mind, as a quick look at the interface can tell me that my friend is out of bed, is moving around, and I don’t need to worry.”

Family member talking about a recent allocation for their elderly mother:

“The fit home has been a game changer for us. I can check the tech first thing in the morning to make sure that my mother is up and about, it gives me peace of mind. My mother finds that it gives her more freedom as family don’t need to drop in all the time to check on her. The area the property is ideal for us as it is so close to the family.”



Digital Didseatach

Lead Organisation

Highlands and Islands Enterprise

The purpose of the digital project is to build on existing initiatives to improve broadband: Scottish Government's R100 programme and UK Government's Project Gigabit; to extend to areas not included in existing rollout plans. A number of project options have been considered to utilise funds to deliver new, additional coverage.



Original Project Funding

Government	£20,000,000
Total	£20,000,000

Project Progress Update

There are already two established national initiatives to improve broadband: Scottish Government's R100 programme and UK Government's Project Gigabit. The purpose of the digital strand within the Growth Deal was to build on these existing initiatives to extend to areas not included in existing rollout plans. A number of project options have been considered to utilise the IHCRD funds to deliver new, additional coverage.

Throughout 2022/23 we have worked on a new project to deliver gigabit coverage to premises that are not expected to be served by either existing initiatives or commercial rollout. The proposed project area covers Black Isle and south towards Drumnadrochit.

UK Government has established a Dynamic Purchasing System for gigabit procurements. HIE has been working with UK Government and Scottish Government to progress a project within Highland to deliver to around 10,000 premises. In October 2022, HIE launched a public review to gather information from suppliers on the proposed project area and to confirm which premises are eligible for public sector funding. Further market engagement is planned for Summer 2023 and if agreed, a procurement expected to be launched late 2023/24.

Partners

The proposal is that HIE will be contracting authority for the project. Scottish Government's Digital Team are also directly involved in the delivery of the project.

Additional Funding

Through UK Government BDUK £15,000,000

Inverness Castle

Caisteal Inbhir Nis

Lead Organisation

High Life Highland

Inverness Castle is an iconic Category A listed building of national and international significance, situated in the centre of Inverness. Historically it was used by the Scottish Courts and Tribunals Service (SCTS) and The Highland Council for court and office purposes. The SCTS moved from the Castle in 2020, providing a real opportunity to create a significant tourism asset at the Castle that will act as a focal point for the promotion of tourism across, and draw visitors to, the Highlands.

The project will create a must-see visitor attraction in Inverness, opening in 2025, celebrating the Highlands past, present and future. The creativity, well-being, culture, heritage, natural environment and language of this unique part of Scotland will all form part of the story told. The attraction will bring new and returning visitors to the area and inspire people to visit all parts of the Highlands.





Original Project Funding

Government	£18,100,000
Council	£15,500,000
Other	£60,000
Total	£33,660,000

Project Progress Update

Inverness Castle is an iconic listed building of national and international significance, situated on the Castle Hill above the banks of the River Ness. However, when the previous occupants transferred to the new Justice Centre in 2020, this provided an opportunity to create a significant tourism asset at the Castle.

The construction project which started in the previous year continued apace in 2022/23. Internally, work continued on the careful conservation of the building fabric throughout, as well as stripping out and creating new structural openings throughout the building. The works included reopening the original front entrance to the building in the South Tower and improving accessibility and inclusivity to all parts of the building, including a new universally accessible rooftop viewing area in the South Tower. The project will also enhance the grounds on Castlehill to make the outdoor areas an accessible and inclusive visitor attraction in their own right, creating new external viewing terraces and gardens.

Design work to develop the Inverness Castle Experience advanced significantly during the year, with detailed interpretation now complete for the gardens and South Tower, while making progress in the North Tower, West Tower and restaurant and shop. The tender for the interpretation fit out was completed and issued. The project remained on programme and within budget in 2022/23.

Brand guidelines for the Inverness Castle Experience were developed and finalised and were tested with a range of stakeholders, while samples of the visitor experience interpretation were shared with a range of focus groups. The response was positive and further development work was undertaken to build upon feedback received.

Liaison with a wide range of stakeholder groups continued to ensure the positive impact of the project across the Highlands, particularly through the work of the Spirit of the Highlands and Islands project, which saw the launch of www.discoverhighlands.com, and further commissions for Highland based artists through the Spirit 360 project. Content collected and generated by both of these projects will be incorporated into the final designs of the visitor experience within the Castle.

Partners

The Highland Council – Project Owners and Funders

Scottish Government – Project Funder

UK Government – Project Funder

Highlands and Islands Enterprise – Project Funder

Community Benefits and/or Net Zero

The main construction contract has an active focus on procurement of material through local suppliers and policy to employ local sub-contractors where possible. Currently there are 10 apprentices and graduates on the project.

During the year the main construction contractor took part in careers open day – ‘Inspiring Young Minds’ at Millburn Academy in conjunction with Developing the Young Workforce (DYW) and sponsored the Women in Property (Highlands & Islands) Winter Event 2022.

Additional Investment

- **Levelling Up Fund** £4,200,000 to develop a new Energy Centre to heat the Castle and surrounding business, reducing the Castle’s dependence on gas boilers.
- **Scottish Government** £4,635,923 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** £5,750,000 borrowing 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.
- **HIE** £120,000 match funding for the Spirit of the Highlands and Islands project and to support the core construction contract.
- **Creative Scotland** £150,000 to support Spirit:360, the artists' commissioning programme.
- **Natural and Cultural Heritage Fund** £749,760 to deliver the Spirit of the Highlands and Islands project in partnership with VisitScotland.
- **VisitScotland** £125,000 match funding for the Spirit of the Highlands and Islands project.
- **Scotgrad** £12,102 support the costs of engaging graduate placements within the project team.
- **Bord na Gaidhlig** £5,000 to support the costs of appointing Gaelic Advisors to work with the project team.
- **Historic Environment Scotland** £350,000 to support conservation work within the North and South Towers.

Benefits

Castle opens as an international visitor attraction

Target Date: 2025

New accessible gardens open for visitors

Target Date: 2025

New universally accessible roof terrace opens for visitors

Target Date: 2025

Jobs supported during construction

Target: 166 Target Date: 2022 to 2024

46 each month

No. of FTE staff employed post construction

Target: 82 Target Date: 2025



Group of volunteer stitchers by SOTHl



Case Studies

As part of the Spirit of the Highlands and Islands Tapestry Project, over 600 volunteer stitchers have been involved in developing and stitching panels for display. This group of volunteers have been participating in local workshops, online meet and greets, information sessions and events. Stitching groups meet all over the area from Argyll to Orkney and Shetland, in a variety of venues including libraries, community halls, museums and leisure centres. Volunteers have given positive feedback on being involved in the project as a way of connecting to people in the community, especially after the isolation many felt during the COVID-19 pandemic. Many have used this as an opportunity to find new friends, improve their crafting skills or give back to their local area by representing its stories in the artwork. The group is very active on social media and are incredibly supportive of the wider work of the project.

Group of volunteer stitchers by Angus Mackay, SOTHl
Photo of stitcher with tapestry, right by Alex Ingram, SOTHl;
Photo of wool by Paul Campbell, SOTHl



12

Affordable Housing Taigheadas Neo-chosgail

Lead Organisation

The Highland Council

The project purpose is to offer affordable housing in the Highlands to enable young people to stay in the region, retaining a young, vibrant workforce for the Highlands. The vision for the project is to deliver high quality housing for young people in the Highlands.



Original Project Funding

Government	£5,000,000
Council	£30,000,000
Total	£35,000,000

Project Progress Update

During 2022/23 a total of 121 new homes have been completed within projects in Evanton, Fort William and Inverness.

New developments have 71 units starting on-site this year, within a number of projects based in Drumnadrochit, Kingussie and Inverness.

To date 380 homes have been approved with 138 currently on-site under construction. Approximately 70% of tenants to these new homes are young people.

Partners

The Highland Council as managers of the programme and funders from grant and loan assistance to assist in delivery of projects.

More Homes Scotland Division of the Scottish Government who provide grant to support affordable housing including projects which deliver Mid-market housing.

Highland Housing Alliance, Albyn Housing, LINK Group, Castle Rock Edinvar Housing all of whom develop and manage housing for Mid-market rent (MMR).

Inclusive Economic Growth

The project aims to bridge the gap in affordability of good quality housing for those people, many of them young, who are needed to develop the earning potential and careers so that they can further contribute to the Highland economy.

Community Benefits and/or Net Zero

The project supports the Highland construction industry through procurement of building services. Contracts awarded are required to demonstrate benefits to communities where there is construction activity. These benefits are agreed between the contractor and contracting housing partner, on a project-by-project basis. Benefits may include working with local schools to provide insight into the broad range of career opportunities within construction and the increase in training opportunities arising from a particular commission.

An example of this is the experience of Compass Building Services who have been able to increase the number of apprentices by eight, because of contracts awarded.

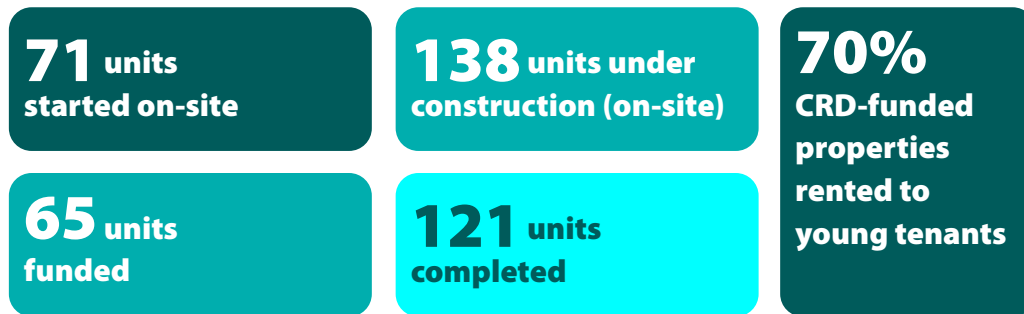
Additional Investment

The project relies on funding from a number of sources including:

- Scottish Government, grant of approximately £40,000 per unit, totalling £17,720,000.
- Private finance raised by the various housing association landlords is funded through rental income, essentially a mortgage, of approximately £104,000 per unit, totalling £46,072,000.
- Grant awarded by The Highland Council, utilising the Council's Greener Infrastructure Loan Fund, to support high-cost developments of (to date) £837,000.

Benefits

2022/23



No. of CRD-funded units completed





Case Studies

Evanton, Teandallon - Phase 1

December 2022 marked completion of a first phase of 40 new homes which provided a range of wheelchair accessible properties and family homes, 16 of which are MMR homes owned and managed by Highland Housing Alliance. The development is on land which is owned by The Highland Council which has capacity for a further 100 homes. A second phase of 32 homes is planned to start on site in 2023, which will deliver a further eight units for MMR.

Inverness, 53 Castle Street

Utilising funding from The Highland Council, City-Region Deal and a £1.2 million Scottish Government Partnership for Regeneration grant, the reinstatement of “Merchant House” on Castle Street has revitalised a building that had fallen into a state of disrepair over the last decade.

The B-listed building 53 Castle Street is one of the oldest houses in Inverness was constructed in the early 18th century, forms part of the historic Castle Street frontage.

The sympathetic restoration, design and attention to detail has undoubtedly brought back to life a key historic building to the City of Inverness and is a prime example of how old historic buildings can and should be repurposed to create beautiful new homes and commercial spaces.

The original façade stonework was also removed stone by stone, placed into storage and then re-built in precisely the same format to ensure that the original building is preserved for generations to come. The unique nature of the building works has also helped to maintain the original character of the building, in keeping with the wider streetscape and Inverness Castle. The slate tiles are also original.

Merchant House now features a mix of seven one-bed flats and one two-bed penthouse apartment, available for mid-market rent, helping to address the demand for high-quality rental opportunities in Inverness.



Photo of Merchant House, Castle Street, Inverness Nov22 by Ewen Weatherspoon

The Project has been shortlisted as a project under the Scottish Home Awards programme that recognises excellence in the housebuilding industry across Scotland.

Blar Mhor, Fort William

Delivered by HHA in partnership with The Highland Council - A significant milestone at the flagship Blar Mhor development in Fort William has been achieved as residents move into their new homes.

The Highland Council, which acquired the eight-acre site in 2015 and oversaw the challenging development, has delivered this site in partnership with Scottish Government, City-Region Deal and HHA.

The strategic development is the largest affordable housing development in the Highlands since the 1980s and will help to enhance the existing community with a considered design that is in keeping with the wider landscape.

With a range of one-to-four-bedroom homes available across the site, it is expected that the development will be attractive to a wide demographic, helping to retain and attract Fort William work forces and young families.

The appointment of a local contractor will help to ensure that the delivery of Blar Mhor supports the local supply chain and workforce, as much as possible.

Local developer, HHA, has delivered its first phase of mid-market-rent (MMR) homes, which offer tenants rental rates that are typically lower than the private market, but higher than in the social housing sector. The first four tenants have now moved into their new HHA homes.

In total, HHA will deliver an attractive mix of 20 two and three-bedroom villas across the site, which comprise of spacious living spaces and double bedrooms, as well as private garden space. The first phase completed attracted significant interest from the local community, underlining the requirement for well-priced, new homes.



CLlr Glynis Campbell-Sinclair, The Highland Council - Housing and Property Committee Chair said:

“FW2040 ambitions take a step closer with the first phase of the Blar Mhor, Fort William development welcoming new tenants.

“The Highland Council housing priority is to offer affordable, sustainable and energy efficient housing that enables people to stay within rural communities, allowing them to prosper and grow and in turn support wider economic growth.

“Working in partnership with HHA is key to enabling housing priorities of this scale to be met and we look forward to continuing that journey as further phases at Blar Mhor develop.”

Gail Matheson, CEO at HHA, said:

“Blar Mhor is a flagship development that will help to future-proof housing stock in Fort William as the housing crisis continues to impact Highland communities.

“Working with The Highland Council and Scottish Government, we are incredibly proud for the development to now reach a point that benefits the lives and wellbeing of local people, as they start to enjoy their new homes.

“HHA received an incredible level of interest for the first homes available, which reinforces why we must prioritise the delivery of high-quality, yet well-priced, homes to overcome the obvious demand that is outstripping supply.”



13

Northern Innovation Hub Co-ionad Nuadhais a' Chinn a Tuath

Lead Organisation

Highlands and Islands Enterprise

The Northern Innovation Hub (NIH) builds on and accelerates current business innovation support services in the region, enabling an increased focus on sectoral opportunities, which will build global competitive advantage.

It is not a physical hub; instead it is a coherent grouping of programmes designed to benefit small and emerging enterprises.

The themes and objectives of the NIH are:

Young People - The NIH seeks to combat the challenge of highly skilled young people leaving the regional economy or not returning because of limited employment opportunities. This is a particular area of importance due to the impacts of COVID-19 on our younger people.

Enhanced Growth Capacity - The programme seeks to stimulate economic growth through business acceleration activities, which take into account the large number of small and micro enterprises in the Highland Council area. There are a number of interventions which provide intensive support to help a business grow, develop a new product or operate in new markets.

Sectors and Place – A focus on key growth sectors where there are competitive advantages and where targeted projects can make a positive impact. Support is available right across the geography, focusing on the strengths of particular places, and taking into account the needs and challenges of our enterprises in the more remote rural parts.



Original Project Funding

Government	£11,000,000
Other	£3,200,000
Total	£14,200,000

Project Progress Update

The project was launched in 2018 and provides a range of opportunities for enterprises in the region, including graduate and student placement programmes, intensive support to both emerging and growing enterprises, and digital skills programmes. It focuses on creating growth opportunities in the creative, food and drink, life sciences and tourism industries, with the cross-cutting themes of technology and young people.

All projects are now live and have delivered well in 2022/23. Highlights included: a refreshed IMPACT30 programme with 26 young enterprises supported, four Pathfinder Accelerator life sciences and technology cohorts delivered with 56 participants, 145 Creative Industries individuals and businesses engaging with XpoNorth Digital, and the conclusion of Let's Grow Adventure Tourism which supported 30 enterprises this year. Nine graduate and one student technology placements were approved, eight placements were recruited and started, and eight completed this year.

The Food and Drink TechHUB capital design phase is almost completed, with planning permission granted and building warrant application submitted. A Change Request was approved in March, including a one-year extension, giving increased flexibility going forward to deliver programme benefits.



Partners

The NIH External Project Board comprises representatives from the Federation of Small Businesses; Scottish Council for Development in Industry; ImpactHub Inverness; Business Gateway; The Highland Council; Inverness, Caithness and Lochaber Chambers of Commerce, and Young People in Business.

This year, three young entrepreneurs were invited to participate in our External Project Board, providing insights from industry and supporting the future direction of the NIH programmes.

Inclusive Economic Growth

All programmes are available to eligible small-medium sized enterprises across The Highland Council area.

This year the Technology Placement Programme was extended to enterprises of any size, focusing on the employment and career development opportunities for students and graduates. The maximum intervention rate was increased to up to 70%. Five of the eight completed Technology Placement holders were retained as permanent employees this year.

The remainder of support is available at no cost to beneficiaries. These are primarily small-medium sized enterprises, with some larger organisations employing a graduate or student through the Technology Placement Programme, thus creating attractive employment opportunities for young people.

Community Benefits and/or Net Zero

Most projects within the NIH programme utilise a hybrid delivery model with the majority of activity undertaken online, reducing travel and time and improving accessibility across The Highland Council area.

IMPACT30 programme content includes a toolkit which takes young entrepreneurs through eight steps towards Net Zero and a commitment to making a meaningful change by setting SMART targets. This will support entrepreneurs to reduce environmental impacts in line with UN Environment Programme targets.

Additional Investment

In terms of private funding, the Technology Placement Programme has levered in £251,966 of private investment – this consists of the business contribution towards the salary costs of the placements up to the end of 2022/23.

Benefits

Number of enterprises supported in 2022/23

Creative Industries (XpoNorth Digital)

Caithness and Sutherland: 17

Lochaber, Skye and Wester Ross: 24

Inner Moray Firth: 104

Total: 145

Food and Drink programme (TechHUB)

Caithness and Sutherland: 7

Lochaber, Skye and Wester Ross: 16

Inner Moray Firth: 34

Total: 57

Life Sciences programme (NEXUS, Pathfinder, Business to Healthcare)

Caithness and Sutherland: 5

Lochaber, Skye and Wester Ross: 12

Inner Moray Firth: 39

Total: 56

Tourism programme (Adventure Tourism, Digital Tourism)*

Caithness and Sutherland: 7

Lochaber, Skye and Wester Ross: 17

Inner Moray Firth: 17

Total: 41

IMPACT30 Young Entrepreneurs programme

Caithness and Sutherland: 2

Lochaber, Skye and Wester Ross: 7

Inner Moray Firth: 17

Total: 26

Technology Placements programme

Caithness and Sutherland: 0

Lochaber, Skye and Wester Ross: 2

Inner Moray Firth: 8

Total: 10

Total

Caithness and Sutherland: 11.34%

Lochaber, Skye and Wester Ross: 23.28%

Inner Moray Firth: 65.37%

Total: 335

Support to develop products, services or processes

2,325 enterprises
supported up to 1 day

Target: 2000* Target Date: March 2027

201 enterprises
supported 1-5 days

Target: 326 Target Date: March 2027

* Measure reviewed as part of Change Request

Benefits

Intensive support to develop products, services or processes (5+ days)

304 of enterprises supported

Target: 625

Target Date: March 2027

31 enterprises cooperating with research institutions

Target: 40*

Target Date: March 2027

124 organisations supported to enhance digital capacity and utilisation

Target Date: March 2027

5 enterprises engaged in collaboration

Target Date: March 2027

278 enterprises becoming Innovation Active as a result of NIH intervention

Target: 640

Target Date: March 2027

302 new products/processes created

Target Date: March 2027

220 of participants with increased skills

Target Date: March 2027

4 Improved collaboration (qualitative, but leading to other quantitative performance improvements)

Target Date: March 2027

170 FTE Employment (direct, indirect and induced)

Target: 491*

Target Date: March 2027

3 No. of start-ups created

Target Date: March 2027

£1,470,225 Increase in turnover of supported enterprises as a result of NIH intervention (£m per annum - City-Region)

Target: £10,930,000*

Target Date: March 2027

* Measure reviewed as part of Change Request

Case Studies

Partnering with UHI, XpoNorth Digital has designed and delivered FutureCreative, a dedicated industry development module aligned to existing courses that increases connectivity between student communities and professional networks. Hollywood Producer Jason Lust has joined the programme, and is now providing workshops, mentoring and access to his networks for businesses and students. His company and personal credits include The Matrix films, Sony's Peter Rabbit and most recently Guillermo del Toro's Oscar winning Pinocchio for Netflix.

Pathfinder Accelerator is a fully funded opportunity for entrepreneurs to accelerate their new product or business in only four months. Participants are provided with practical tools and techniques to interrogate their idea, plan for opportunities, and optimise for marketplace success.

Participants include:

- Carrie Forbes of Carrie's Voice, based in Tain – a start-up developing a Scottish Voice Over Artist service with a commercial VO studio.
- Roma Gibb of Person Centred Solutions, Evanton – a start-up involving design and development of "The Bed Band", an aid that allows the user to remain comfortable, without sliding out of position.
- Lindsay Ferries of Arthur & Carmichael Business Legal, Dornoch – a start-up offering employment, legal and HR business support services under one roof using a remote delivery model.



14

Longman Land Remediation Ath-leasachadh Talmhainn an Longman

Lead Organisation

The Highland Council

To rejuvenate a redundant landfill site, transforming it into 18-hectares of development-ready land for light industrial/commercial use.



Original Project Funding

Government	£10,000,000
Total	£10,000,000

Project Progress Update

To regenerate a redundant landfill site in Inverness to create 18 hectares of development-ready land for light industry/commercial use. Initial site investigations have been undertaken with reports submitted to SEPA. The formal application for partial surrender of the waste licence has been submitted to SEPA however there were delays in obtaining a response. We have now received the formal partial surrender and the development site has been fenced off. Consultant engineers have been appointed on a two-stage basis to carry out further intrusive site investigation works to ascertain the decontamination works necessary for the site to be serviced. An initial report has been received by from the engineer and further badger mitigation plan prepared, we are not progressing to the second stage of the intrusive site investigations.

A masterplan for the whole area is being prepared. The Highland Council will forward fund the cost of the site investigation to enable the business case to be prepared. A workshop with all stakeholders was arranged and an agreed programme of work finalised to proceed to business case once site investigations (after badger breed season) is complete.

The Highland Council is working closely with Transport Scotland to co-ordinate activities and share information in relation to the Longman Junction Improvements. Further discussions have been held with Transport Scotland to finalise their land requirements for proposed junction. The area required under the CPO has now been finalised. The outstanding issues are the timescales for the A9 works and the amount of land required for badger mitigation which is still being negotiated and will impact on the amount of land available for development. We have submitted a badger mitigation plan to Nature Scotland and are awaiting their response.

The Highland Council is also building a waste transfer station on part of the adjacent landfill site and is on site with this development.

The site is part of the successful Opportunity Inverness & Cromarty Firth Green Freeport bid and an outline business case for the overall project is being prepared which will be submitted to both the UK and Scottish governments summer 2023.

Partners

Transport Scotland to co-ordinate activities and share information in relation to the Longman junction improvement proposals.

The Highland Council is also building a waste transfer station on part of the adjacent landfill site and is on site with this development.

Inclusive Economic Growth

The site is part of the successful Opportunity Cromarty Firth Green Freeport bid and an outline business case for the overall project is being prepared which will be submitted to both the UK and Scottish governments this summer.



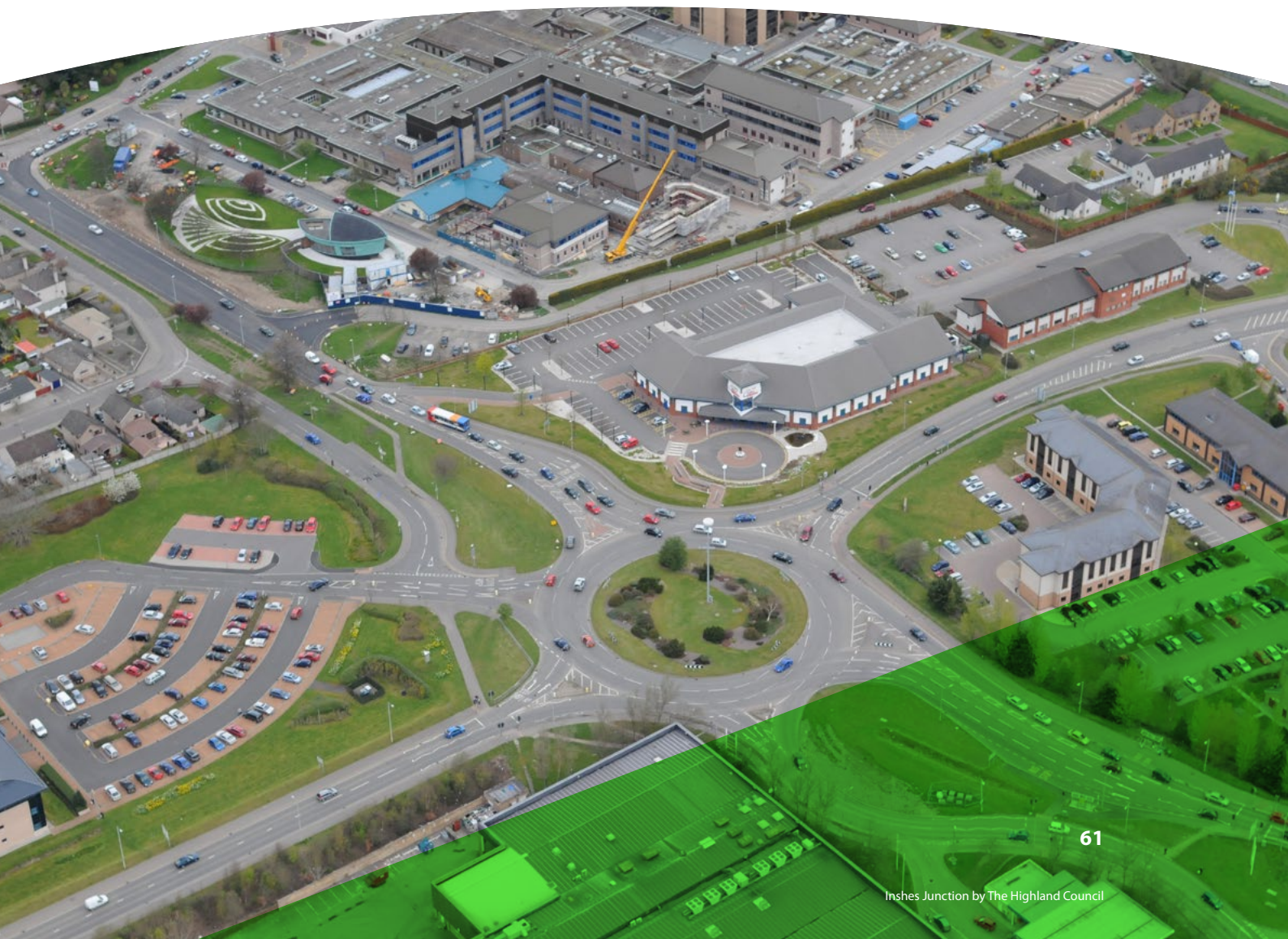
Inshes Junction Improvement -Phase 2 (The Highland Council)

Leasachadh Snaidhm-rathaid nan Innseagan – Ìre 2 (Comhairle na Gàidhealtachd)

Lead Organisation

The Highland Council

To redesign the Inshes corridor with the aim of mitigating current congestion problems and implementing an approved layout to enhance the efficiency and effectiveness of journeys.



Original Project Funding

Council	£8,500,000
Total	£8,500,000

Project Progress Update

To redesign the Inshes Corridor to address existing congestion issues and construction of approved layout to improve efficiency and effectiveness of journeys.

The design of the scheme has progressed and has been submitted for planning permission to progress to construction. Key activities were 3D design, drainage design, flood risk assessment, ecology survey, and reporting, as well as further public consultation related to the planning application.

Partners

Transport Scotland are developing the A9/A96 Inshes to Smithton Scheme which ties in directly to the Council scheme.

Community Benefits and/or Net Zero

Community benefits will be built into the construction phase for the contractor to employ engineering trainees during the works and involve local schools and UHI with projects and site visits. The Scheme will provide better active travel opportunities.



A9/A82 Longman Junction & A9/A96 Inshes to Smithton (Transport Scotland)

A9/A82 Snaidhm-rathaid an Longmain & A9/A96 Na h-Innseagan gu Baile a' Ghobhainn (Còmhdhail Alba)

Lead Organisation

Transport Scotland

The Scottish Government's commitment to the Inverness and Highland City-Region Deal includes up to £109,000,000 for the grade separation of Longman Roundabout along with the A9/A96 Inshes to Smithton Link Road.

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



Original Project Funding

Government up to £109,000,000

Total up to £109,000,000

Project Progress Update

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.

A9/A82 Longman Junction

The preferred option for the A9/A82 Longman Junction Improvement scheme was announced in June 2019 and comprises 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. Dedicated active travel route provisions covering approximately 4.3km are incorporated into the scheme design.

Design work is well underway and Transport Scotland continues to progress the detailed development and assessment of the preferred option for improvements at Longman to address The Highland Council's Bus Partnership Fund aspirations, updates to design standards, climate change guidance from SEPA, and to complete the engineering, economic and environmental aspects of the DMRB assessment. This work will culminate in the publication of draft Orders and an Environmental Impact Assessment Report (EIAR) for formal comment once the necessary technical work has been concluded.

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 whether a Public Local Inquiry will be required to consider objections made and not withdrawn. Timescales associated with any Public Local Inquiry that may be necessary are outwith the control of Transport Scotland.

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.

A9/A96 Inshes to Smithton

The proposed scheme comprises approximately 3.2km of new single carriageway (mainline and side roads), to improve the road network between the existing A9 and A96 and incorporates over 7km of active travel facilities, the design of which were developed in collaboration with The Highland Council.

Following publication of draft Orders and the EIAR in September 2019, a number of objections were received. The Scottish Ministers have considered the remaining objections and reached a decision that a Public Local Inquiry is not necessary and that Orders should be made as published.

Transport Scotland is now taking forward the necessary procedural steps which are required to be completed to take the powers required to finalise the acquisition of land and complete the statutory process.

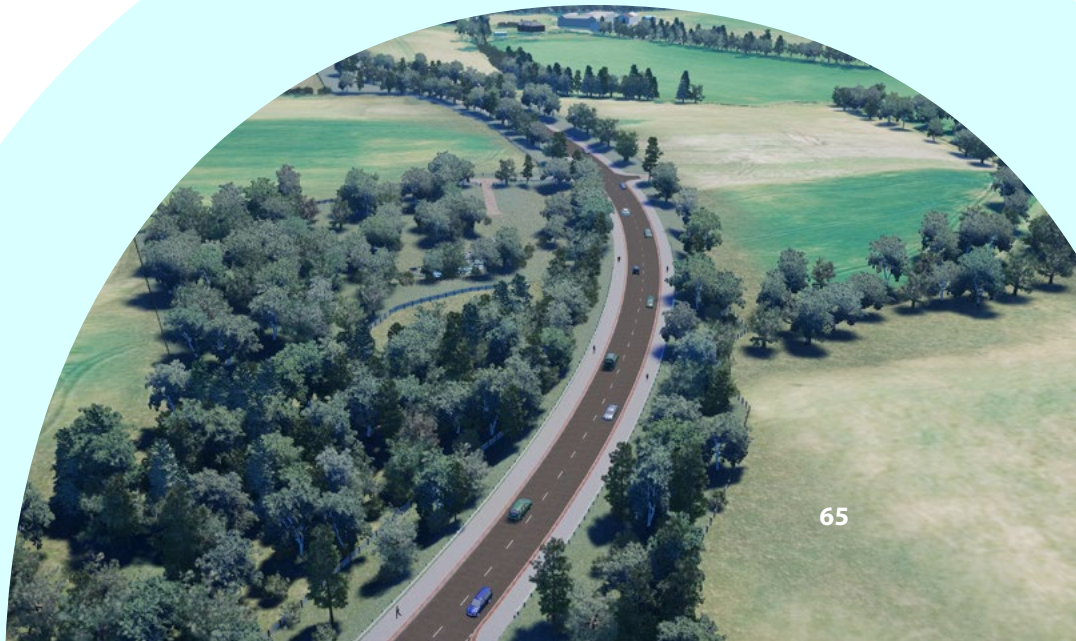
Construction of the scheme itself can only commence if the scheme is approved under the relevant statutory procedures and thereafter a timetable for its progress can be set.

It is noted that the A9/A96 Inshes to Smithton 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.

Partners

The Highland Council

Transport Scotland continues to work collaboratively with The Highland Council across both schemes given their significance as a major landowner and local roads authority.

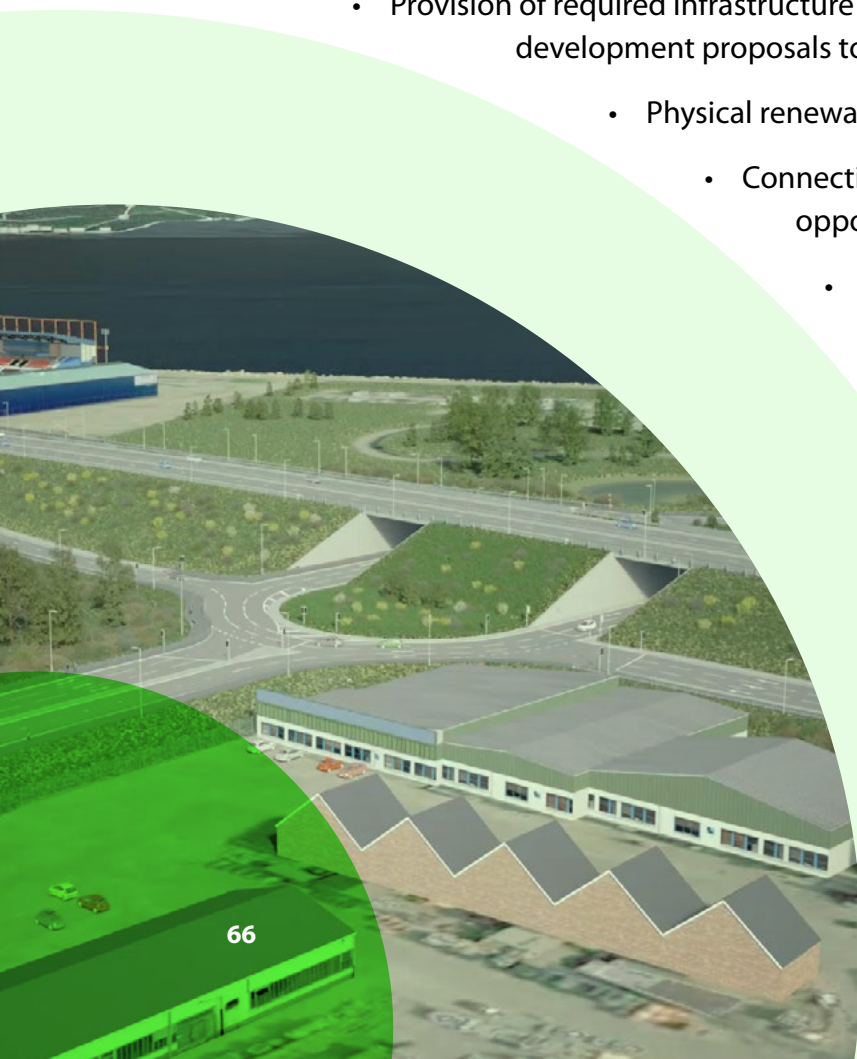


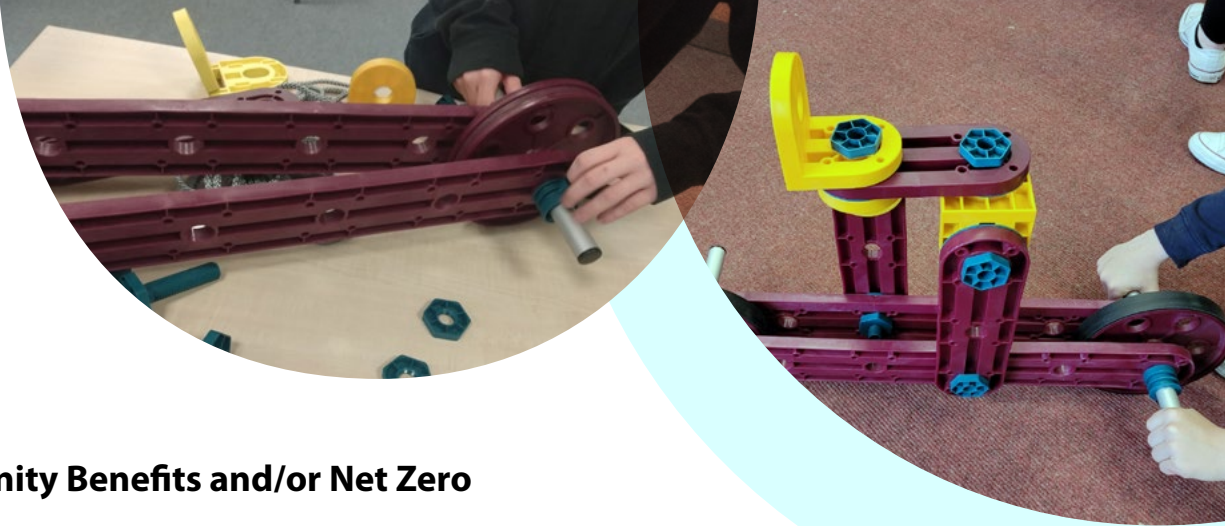
Inclusive Economic Growth

Investment in transport infrastructure projects such as the proposed A9/A82 Longman Junction Improvement and A9/A96 Inshes to Smithton will provide inclusive economic growth through the reduction of journey times, improving connectivity within the Highlands, improving the accessibility and attractiveness of sustainable travel methods, improving the attractiveness of the area to tourism and through the delivery of development land.

Specifically, the projects will contribute to inclusive economic growth in the following ways:

- Improvements in road user safety and active travel user safety.
- Significant investment in active travel provision – providing both new active travel routes and enhancing existing routes to contribute to an improved active travel network across Inverness and the surrounding communities. This would provide improved connectivity across the city and between communities, improving the attractiveness of more sustainable and healthy methods of travel such as walking, wheeling, and cycling, leading to improvements in physical and mental health.
- Improvements to the public transport network – reduction to journey times and the reliability of services increasing the attractiveness and accessibility of public transport for journeys across the city and between communities.
 - Provision of required infrastructure to support The Highland Council's development proposals to the east of Inverness.
 - Physical renewal of existing infrastructure.
 - Connecting people to economic and social opportunities.
 - Improving the attractiveness of the area and encouraging tourism to the area.





Community Benefits and/or Net Zero

As part of the delivery of the A9/A82 Longman Junction Improvement and A9/A96 Inshes to Smithton Link Road, Transport Scotland and its consultant Jacobs have engaged with a range of schools and local organisations to provide educational support, supply equipment and to facilitate STEAM (Science, Technology, Engineering, Arts, and Maths) related activities.

This involved engineer-led tasks and challenges to demonstrate topics such as structural strength. These dedicated sessions have all been well received by the schools, teachers and pupils alike and generated genuine interest and engagement in STEAM topics.

The projects have also facilitated activities with local organisations such as the Highland Home Education Group, a Beaver colony, as well as with pre and after school clubs.

The Inverness Science Festival and the Highland Celebration of Engineering, as well as career fairs, have also formed a key part in the STEAM engagement. All of which have generated increased awareness and interest in STEAM related subjects and at the same time provided fun and challenging tasks.

Jacobs have also provided support to the University of Highlands and Islands by providing educational materials and delivering guest lectures.

Further community benefits delivered by the projects in the period include a litter pick on the National Cycle Network Route 1 and fundraising for Save the Children.



Photo of STEAM project by Transport Scotland

Photo of Jacobs Team Litter Picking by Transport Scotland

17

Air Access

Inntrigeadh Adhair

Lead Organisation

HITRANS

The Inverness and Highland City-Region Deal has established the Highland Air Access Group with the aim of enhancing regional connectivity including direct and non-direct destination links growing capacity and increasing flight frequency and enhancing onward connections at destination airports.

Original Project Funding

Non-funded project.

Project Progress Update

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; and
- Work to ensure that the direct, indirect, induced and catalytic benefits of aviation are optimised.

Partners

HITRANS – are lead partner on Highland Air Access Group.

Other partners in the Group are The Highland Council, Highlands and Islands Airports, Transport Scotland, HIE and Airlines.

Community Benefits and/or Net Zero

Progress is being made towards Net Zero aviation leadership across the region with the SATE (Sustainable Aviation Testing Environment) project having secured funds through a second round of the Future Flight Challenge Programme. The project is progressing well and SATE 2 continues the move towards regional readiness for zero carbon aircraft and testing UAV drone operations. The primary focus is Kirkwall Airport but Wick Airport is also central to the Test ad SATE 2 and will extend the focus more widely across the Highlands and Islands. HITRANS has appointed a Project Officer to support our work in SATE, working closely with the HIAL SATE team. This activity is not supported through the City-Region Deal but represents additionality achieved through the collaborative work fostered through the City-Region Deal.

Additional Investment

HITRANS and UHI have secured funding through the UKRI Future Flight Challenge for the Sustainable Aviation Test Environment project.



Contacts

Luchd-aithne

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Name	IHCRD Role
Malcolm MacLeod	Lead Authority – SRO
Carolyn Moir	Lead Authority - Finance SRO
Allan Maguire	Project Lead Affordable Housing / Land Reclamation
Claire Munro	Northern Innovation Hub
Andrea Rutherford	Digital
Carole Gunn	Science Skills Academy
Ian Megson	Project Lead Life Sciences Innovation Centre
Lucy Fraser	Project Lead Innovative Assisted Living (Fit Home)
Kirsty Davison	Project Lead Transport Scotland
Fiona Hampton	Project Lead Inverness Castle
Garry Smith	Project Lead Inshes Junction
Bryan Stout	Project Lead West Link
Andy McCann	Project Lead Skills and Employability
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Produced by The Highland Council GD2324-20