

## The Highland Council

Minutes of Meeting of the **Economy and Infrastructure Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 15 February 2024 at 10.30 am.

### **Present:**

Mr M Baird	Mr W MacKay (Remote)
Mr I Brown	Mr H Morrison (Remote)
Mr M Cameron (Remote)	Ms L Niven (Remote)
Mr A Christie	Mr A Rhind
Mr K Gowans	Mrs T Robertson
Mr M Green	Mr R Stewart
Mr R Jones	

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

Mr Ballance (Remote)	Mr J McGillivray (Remote)
Mr J Finlayson (Remote)	Mr C Munro (Remote)
Ms M Hutchison (Remote)	Ms M Reid
Mr D Macpherson (Remote)	Mrs M Ross (Remote)

### **Officials in Attendance:**

Mr M MacLeod, Executive Chief Officer Infrastructure, Environment and Economy  
Mr A Maguire, Head of Development and Regeneration  
Ms T Urry, Head of Roads and Transport  
Ms N Wallace, Service Lead, Environment, Development and Active Travel  
Mr M Bailey, Programme Manager (City Region Deal)  
Mr A McCann, Economy and Regeneration Manager  
Mr N Young, Active Travel Manager  
Mr A Puls, Environment Team Leader  
Ms J Cromarty, Sustainable Transport Team Leader  
Miss J MacLennan, Joint Democratic Services Manager, Performance & Governance  
Mrs O Marsh, Committee Officer, Performance & Governance

### **Also in attendance:**

Professor C O'Neil, Principal UHI Inverness  
Ms A Wilson, Head of Economic Development and Advancement UHI

**An asterisk in the margin denotes a recommendation to the Council. All decisions with no marking in the margin are delegated to Committee.**

### **Mr K Gowans in the Chair**

#### **Business**

#### **1. Calling of the Roll and Apologies for Absence Gairm a' Chlàir agus Leisgeulan**

Apologies were intimated on behalf of Mr J Bruce, Mr K Rosie, Ms M Smith and Ms K Willis.

## **2. Declarations of Interest/Transparency Statement Foillseachaidhean Com-pàirt/Aithris Fhollaiseachd**

The Committee **NOTED** the following Transparency Statements:-

Items 6, 9 and 10 – Mr A Christie  
Items 3a and 7 – Mr K Gowans

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

### **In-House Bus Operations January 24 - First Year of Operation Highlights**

The in-house bus operations pilot had delivered the initial group of services at a significantly lower cost than the best tendered prices received from commercial operators. All services had operated as per their registered particulars for the entire year and the only journeys that failed to operate were due to weather related incidents. Services were continually monitored to ensure reliability and minor timing and route changes had been made to various timetables in April and August 2023 and January 2024.

Fare revenue income had exceeded initial expectations and figures showed an average increase of 40% compared to the same period in 2022 when the same services were delivered by a commercial operator. All periodic vehicle inspections and annual tests (MOT) had been carried out on time and in accordance with relevant legislation. Furthermore, in Summer 2023, the Council had commenced operating internal and external private hires and would continue to build on these hires during 2024.

### **Council announces thermal pothole repair trial**

A 3-week trial of a thermal process for pothole repairs was to take place. An external contractor, Thermal Road Repairs, had been appointed to undertake the trial before the end of the 2023/24 financial year. The thermal repair process used existing material on site which was recycled and added to as necessary, thus reducing material costs and the carbon footprint of the works. The company would meet with Council roads staff on site to agree the works which would then be programmed with details provided once work was completed. Repairs were expected to be undertaken in Thurso, Dingwall, Inverness and Fort William, weather dependent.

### **New Year Honors List**

Dr Steven Andrews, a research associate with the Environmental Research Institute (ERI), part of UHI North, West and Hebrides, had been named in The New Year Honours List. Dr Andrews had been awarded the Polar Medal for his outstanding achievement and service to the UK in the field of polar research.

Dr Andrews works alongside ERI researchers, based in Thurso, as the Flow Country World Heritage Project Coordinator, leading the compilation of the nomination documentation for the UNESCO World Heritage Site bid.

### 3a. Presentation

**Transparency Statement: Mr K Gowans made a Transparency Statement in respect of this item as an employee of UHI Inverness.. However, having applied the objective test, he did not consider that he had an interest to declare.**

Professor Chris O'Neil and Ms Alison Wilson, UHI Inverness, gave a presentation providing information on the role UHI played in the economic prosperity and development of Highland, especially taking into consideration the opportunities the Inverness and Cromarty Firth Green Freeport would provide. During the detailed presentation, copies of which would be circulated to Members, they explored several topics including how it intended to work with communities, would be a demand led institution and the challenges that would be faced along the way.

During discussion, Members raised the following main points:-

- the Chair thanked Professor O'Neil and Ms Wilson for the presentation and expressed his interest in what was already taking place and what was planned for the future. A strong UHI would help address population retention, population growth and create an environment attractive for investment;
- clarification was sought, and provided, as to the percentages for construction and science Further Education enrolment;
- it was vital Highland was ready for the opportunities the Green Freeport presented and that young people, and reskilled workers, were ready to take up these opportunities at the right time. In addition, it was important to have in place the skilled lecturers who could deliver these new skills;
- some businesses had commented that, at the last intake time, there had not been enough opportunities for construction workers. This was disappointing now that there was a demand for such workers;
- the need for care workers remained and it was important this was not overlooked;
- in response to a question as to where UHI would like to see demand emanating from it was explained that, while STEM (Science, Technology, Engineering and Maths) was important, there needed to be more emphasis on STEAM (Science, Technology, Engineering and Maths *plus the Arts*) courses which added that value added need;
- clarification was sought as to the statistics provided regarding the proportion of Higher Education and Further Education students;
- the symbiotic relationship that now existed between education and industry was to be welcomed;
- the challenging facing UHI was to reverse the expectation in the past for young people to leave Highland for the Higher Education. Every person who chose to remain, or come to UHI should be celebrated;

- one of the biggest challenges facing Highland was depopulation with many who had left for tertiary education remaining where they had graduated. It was therefore suggested that UHI link with other Universities and offer to hold courses in Highland remotely;
- the suggestion of an arrangement akin to sixth form colleges in England merited further consideration and UHI could be seen as pioneers;
- UHI was still viewed as a “new” University and a cultural shift was needed;
- the concept of apprenticeships had changed over time and information was sought, and provided, as to what work had taken place in schools etc to promote this;
- many Highland communities faced considerable problems with public transport to access UHI courses and this needed to be addressed cross-agency;
- there was a danger that some traditional skills were disappearing and UHI were encouraged to bring these back;
- reference was made to a recent presentation of a digital welding outfit which, it was suggested, could be adopted by UHI, as appropriate; and
- accommodation for students from rural areas was a financial disincentive but it was appreciated that the provision UHI could provide was limited. However, the curriculum was, where possible designed to alleviate this.

The Committee **NOTED** the presentation.

#### **4. Quarterly Revenue and Performance Monitoring Report Quarter 3 2023/24 Aithisg Ràitheil Teachd-a-steach agus Sgrùdadh Coileanaidh Ràith 3 2023/24**

There had been circulated Report No. ECI/01/2024 by the Executive Chief Officer Infrastructure, Environment and Economy.

During discussion, Members raised the following main points:-

- regarding the Corran Ferry it was queried if any lost revenue had been recovered, or if discussions had progressed on this issue;
- whilst there had been staff cost savings in Planning, performance should be strongly considered as applications had not been processed within timescales;
- information was sought regarding how the Planning budget was allocated;
- regarding balancing the needs of operational efficiency with budget pressures for the 2024/25 budget, it was queried how this would be determined for the Roads programme;
- it was acknowledged that the bulk of the £5.9 million spend was attributable to the Corran Ferry and School Transportation and it was queried what the Policy would be for basing the 2024/25 budget due to the increased costs for these;
- regarding section 4 of the report, an additional summary table to highlight the underspends and overspends was requested;
- a profit and loss account was requested to demonstrate the school transportation performance, which would include the allocation of fleet and leasing costs; and

- it was queried if there was scope to increase Harbour Dues.

The Committee **NOTED**:-

- i. the position for the third quarter of the 2023/24 financial year, and the predicted year-end position;
- ii. that the budget gap might change positively or negatively depending on the application of expenditure and recruitment controls, filling fee earning posts in an extremely challenging job market, adjusting services to meet previously agreed budget savings, in-year income recovery, and identifying new income and procurement opportunities; and
- iii. the progress update provided in relation to corporate budget savings delivery.

and **AGREED**:-

- iv. to provide a school transportation profit and loss account at the next Committee.

## **5. Capital Monitoring – Quarter 3 2023/24 Sgrùdadh Calpa – Ràith 3 2023/24**

There had been circulated Report No. ECI/02/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

The Committee:-

- i. **NOTED** the financial position as at 31 December 2023 and the estimated year end forecast;
- ii. **NOTED** the projects in section 5.2 of the report which had been impacted by construction cost inflation; and
- iii. **AGREED** the award of contracts if more optimum prices were received.

## **6. Inverness and Highland City Region Deal (IHCRD)– 2022/23 Annual Report Cùmhnant Baile Roinne Inbhir Nis agus na Gàidhealtachd – Aithisg Bhliadhnaile 2022/23**

**Transparency Statement: Mr A Christie made a Transparency Statement in respect of this item as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.**

There had been circulated Report No. ECI/03/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

During discussion, Members raised the following main points:-

- Inverness Castle Project was on budget and Members were encouraged to visit to view the construction project progress;

- frustrations were highlighted regarding the lack of progress on the Inshes roundabout, Longman roundabout and the Smithton to Inshes roadway. In this regard, an update was sought on these projects; and
- Members welcomed section 5.4 regarding the development of FitHomes, and section 5.7 of the report regarding the development of Affordable Housing. As 70% of tenants for these new homes would be young people, it was queried what the age or family circumstances criteria was to meet this category.

The Committee **APPROVED** the IHCRD Annual Report as a record of the activity and delivery during 2022/23.

**7. UK Shared Prosperity Fund (UKSPF) – Delivery Plan Progress Update  
Maoin Soirbheachais Cho-roinnte na RA – Cunntas mu Adhartas Plana  
Libhrigidh**

**Transparency Statement: Mr K Gowans made a Transparency Statement in respect of this item as an employee of UHI Inverness. However, having applied the objective test, he did not consider that he had an interest to declare.**

There had been circulated Report No. ECI/04/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

During discussion, Members raised the following main points:-

- thanks were expressed to the officers for the report, and acknowledgment of the Scottish Government for their support in the management of underspends on this project;
- regarding section 3, P&S S31 of the report, it was queried how many people had been supported into the job market in 2023/24, and how many people were anticipated during 2024/25. In this regard, it was also queried what the success rate was for retained and sustained employment;
- appreciation was expressed for the Team Hamish social gathering place at Nairn Links;
- regarding section 5.2.1 of the report, thanks were expressed to officers for their hard work on the allocation of CRF (Community Regeneration Fund) within Badenoch & Strathspey;
- as the CRF funding was in its final year, it was queried what funding mechanism was being investigated and established to succeed this to sustain and increase investment. In this regard, it was confirmed that much would be dependent on the elected Westminster Government; and
- Members welcomed commitments for the Science Skills Academy and support for technical and vocational qualifications.

The Committee:-

- NOTED** the UKSPF Delivery Plan update; and
- AGREED** to the reallocation of funds to approved activities within each of the UKSPF priorities to ensure full commitment and spend of the UKSPF.

## 8. Highland Local Development Plan and Development Plan Scheme Plana Leasachadh Ionadail na Gàidhealtachd agus Sgeama Plana Leasachaidh

There had been circulated Report No. ECI/05/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

Appreciation was expressed on extending the registration deadline for the local place plans to September 2024. It was felt that consideration for non-digital means of communications, especially for more rural communities with less reliable internet or for members of communities who couldn't use digital means, be incorporated into the strategy.

The Committee:-

- i. **AGREED** the Development Plan Scheme / Newsletter at Appendix 1 of the report, including the suggested updates to the Participation Statement; and
- ii. **NOTED** the proposed collaborative approach to preparing a new single Local Development Plan for Highland.

## 9. Bus Partnership Fund Update and Changes to Active Travel Funding Cunntas às Ùr mu Mhaoin Com-pàirteachas nam Busaichean agus Atharrachaidhean do Mhaoineachadh Siubhal Gnìomhach

**Transparency Statement: Mr A Christie made a Transparency Statement in respect of this item as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.**

There had been circulated Report No. ECI/06/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

During discussion, Members raised the following main points:-

- an update was requested if the Raigmore Bus Gate sensor had arrived or, if not, when it was anticipated;
- it was queried if the Kingussie Spey Street project was on hold due to funding issues;
- disappointment was expressed that the bus partnership fund had been scrapped by Transport Scotland. It was requested that a letter be sent by Highland Council to express great disappointment regarding this decision as this would negatively result in a reduction of schemes in Highland; and
- it was acknowledged that planned projects would still go ahead but would require to be funded from the Active Travel fund. This would however effectively reduce the overall active travel budget as a result.

The Committee **NOTED**:-

- i. the confirmed pause on the Bus Partnership Fund by Transport Scotland for the 24/25 financial year;
- ii. the progress of the Bus Partnership Fund within the Highland Council to date and outstanding work on the project beyond the 23/24 financial year;
- iii. the changes announced by Transport Scotland to Active Travel Funding from 2024/25 and that officers would bring a further paper to Committee once more information had been received from Transport Scotland;

and **AGREED**:-

- iv. to send a letter to Transport Scotland to express great disappointment regarding the pause of the Bus Partnership Fund which would result in a reduction in funding for other Active Travel projects.

## **10. Regional Economic Partnership Vision and Action Plan** **Lèirsinn agus Plana-gnìomha a' Chom-pàirteachais Eaconamaich Roinneil**

**Transparency Statement: Mr A Christie made a Transparency Statement in respect of this item as a Non-Executive Director of NHS Highland. However, having applied the objective test, he did not consider that he had an interest to declare.**

There had been circulated Report No. ECI/07/24 by the Executive Chief Officer Infrastructure, Environment and Economy.

Members confirmed they would like to see closer links between infrastructure such as NHS facilities, Schools and new housing developments as concern was raised regarding the length of time needed to have these in place.

The Committee **AGREED** that the outcomes of the initial phase of the surveys being undertaken reflected the broad areas of action that Highland Council would like to see in the ongoing formulation of the Vision and Action Plan.

## **11. Minutes** **Geàrr-chunntas**

The Committee **NOTED** the following Minutes of the Planning Applications Committees (PAC):-

- i. South PAC – 4 October 2023;
- ii. North PAC – 1 November 2023;
- iii. Joint North and South PAC – 8 November 2023;
- iv. South PAC – 22 November 2023;
- v. North PAC – 6 December 2023;
- vi. North PAC – 17 January 2024;

and also **APPROVED**:-

- vii. City Region Deal Monitoring Group of 23 January 2024.



**Exclusion of the Public**  
**Às-dùnadh a' Phobaill**

The Committee **RESOLVED** that, under Section 50A (4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 6 and 9 Part 1 of Schedule 7A of the Act.

**12. Property Transactions Monitoring Report**  
**Aithisg Sgrùdaidh Ghnothachasan Seilbhe**

There had been circulated to Members only Report No. ECI/08/24 by the Executive Chief Officer Infrastructure, Environment & Economy.

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

**13. Land and Property**  
**Fearann agus Seilbh**

There had been circulated to Members only Report No. ECI/09/24 by the Executive Chief Officer Infrastructure, Environment & Economy.

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

The meeting ended at 12:45 pm