

The Highland Council

City Region Deal Monitoring Group

Minutes of the meeting of the **City Region Deal Monitoring Group** held **Remotely** on Thursday, 21 January 2021 at 2.00pm.

Present:

Mrs M Davidson (Chair)
Mr G Adam (substitute)
Mr B Boyd
Mr A Henderson

Mrs T Robertson
Mr P Siggers
Ms M Smith

Officials in attendance:

Mr M MacLeod, Executive Chief Officer, Environment and Infrastructure
Mr F McGunnigle, Programme Manager, City Region Deal
Miss M Zavarella, Committee Officer

Business

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr A Christie, Mr J Gray, Mr A Jarvie and Mrs M Paterson.

2. Declarations of Interest

There were no Declarations of Interest.

3. Briefing on Feedback from Annual Conversation

There had been circulated Annual Report 2019-20 and feedback provided on the Annual Conversation.

During a verbal update on the Annual Conversation that took place on 18 December 2020 the Executive Chief Officer, Economy and Infrastructure explained that the meeting allowed for Scottish and UK Government's Heads of Regional Economic Development along with other officials to review the Annual Report 2019/20. This led to a discussion around key areas of progress and barriers on the City Region Deal. It was highlighted that the 20 million pounds in the current Deal for the Digital Programme and lack of progress/extended rollout period for the R100 Programme meant that there was question from both governments on whether this could be spent within the Deal period. Therefore, a discussion occurred on whether this money could be utilised on alternative projects within the digital space. There was a meeting scheduled with senior officials from the digital offices in the Scottish and UK

governments in February 2021 to discuss possible options that met the necessary requirements of the UK government.

All other projects within the Deal were reviewed and progress noted however, the Longman Landfill Remediation project (£10 million from UK Government) was identified as the most concerning with respect to deliverability and there was an agreement from both governments about having a conversation on whether there could be alternatives explored or an amendment made to the existing arrangement.

Another area of focus of both governments was whether the benefits of the City Region Deal were being identified, measured and communicated sufficiently. There was a wider review being completed by both governments about benefits realisation and this would occur through the interim review. There was some concern expressed about resourcing the City Region Deal programme management office, and the need to support the Programme Manager to ensure the appropriate project management and administrative support. It was confirmed that this would be addressed internally in the short-term.

Finally, it was made very clear by both governments that links to the green agenda and carbon reduction targets had to be evident in any reimagined monies.

During discussion, the following comments were raised:-

- Members welcomed further resources being explored to support the Programme Manager;
- in response to a question it was confirmed that affordable housing funding under the City Region Deal would continue to progress and be delivered;
- it was suggested that low carbon and greening agenda could tie in well with projects related to affordable housing;
- Members welcomed the efforts to seek flexibility on alternatives for project funding;
- Members commended the final Annual Report 2019-20;
- it was queried whether there would be a case to have a digital/information management office to inform the public on the Deal;
- it was queried whether there would be a focus under the Digital Programme to cover the 'dark spots' and areas where coverage was not available;
- regarding repurposing of money, it was suggested that homeworking or hub working projects were explored given that the pattern of work may have been forever changed in light of Covid-19; and
- there would be many properties in Highland that would not ever be able to get Fibre so it was important that the Deal explored alternatives for this population who did not get sufficient coverage at the moment.

Thereafter, the Monitoring Group:-

- **NOTED** the Annual Report as circulated; and
- **NOTED** the Monitoring Group would reconvene following the meeting with the Executive Chief Officer, Infrastructure and Environment and Scottish/UK governments set to occur in February 2021.

4. Economy & Infrastructure Committee Report

There had been circulated Inverness and Highland City Region Deal report by the Executive Chief Officer Infrastructure and Environment that would be reported to the Economy and Infrastructure Committee on 4 February 2021.

The Monitoring Group **NOTED** the contents of the report.

5. Update on Key Risks and Issues

During a verbal update, the Programme Manager provided an update on key risks and issues.

Covid-19

It was reviewed that building construction had managed to mitigate impacts of Covid-19 and construction works were continuing. Covid-19 had continued to effect delivering the STEM Programme to schools and negotiating access to sites for some of the construction work. A key risk was underspend, due to regulatory issues there had been delays in spend to the original profile however, this was being actively managed and would be the subject of a Project Managers' Workshop set to occur in the near future hosted by the Programme Manager.

Digital

There was active work being completed to develop a new plan for the Digital Programme.

Brexit

Brexit could produce increased risk with construction projects due to import issues and it was unclear how high the risk or impact was at this time.

During discussion, it was highlighted that the risk was not only underspend but rising costs as well.

Thereafter, Monitoring Group **NOTED** the update on Key Risks.

6. Approval of Change Requests

During the verbal update, it was highlighted that there were no formal Change Requests however, upcoming Change Requests were reviewed.

Fit Homes

Planning permission had been obtained for the Assisted Living Fit homes and the volume of houses would be built closer to the original undertaking however, due to the late preparation it would mean the housing would not be built in time to be included in the data study with partners. There was currently significant work being completed to develop a program of retrospectively fitting technology into homes in order to obtain the required data and work with universities on how this data could be used.

Northern Innovation Hub

It was reviewed that the Northern Innovation Hub had a project to build a Food Technology Innovation Centre to encourage innovation in the food industry. Due to Covid-19 and increased use of digital delivery of program, a review was underway. There was discussion about rebuilding or refurbishing a property with a wider remit to be determined after surveying the industry.

During discussion, the following comments were raised:-

- in response to a question it was confirmed that the idea was for houses to be built and technology to be fitted simultaneously however, due to the delays and reporting requirements the technology would be fitted into pre-existing homes in order to obtain enough data;
- regarding fitting technology in future new fit homes, it was reviewed that there may be an opportunity for expansion that would allow for the new homes to be fitted through other initiatives;
- in response to a question, it was confirmed that fit homes designed for the assisted living purpose would be a permanent operation in Nairn as per the original undertaking; and
- it was reviewed that Members in Nairn had had discussions with Highlands and Islands Enterprise to suggest that there was a suitable plot for the Food/Drink Hub on the Balmakeith Industrial Estate in Nairn.

Thereafter, the Monitoring Group **NOTED** the upcoming Change Requests.

7. Future Agenda Items

Members were invited to make suggestions for future project presentations to the Monitoring Group.

During discussion, it was suggested that projects on the Life Sciences Centre as well as jobs/employability post Covid-19 could be useful topics to explore for presentations at future meetings of the Monitoring Group.

Thereafter, the Monitoring Group **NOTED** that future presentations on projects of Life Sciences Centre and/or job opportunities/employability post Covid-19 would be explored.

8. Date of Next Meeting

It was **AGREED** that the next meeting date of the Monitoring Group may have to be convened within a short time frame and it was suggested by the Chair that Members make their best effort to be available.

The meeting ended at 3:01pm.