

The Highland Council

Minutes of Meeting of the **City Region Deal Monitoring Group** held remotely on Thursday 15 August 2024 at 10.00 am.

Present:

Mr I Brown

Mrs T Robertson

Mr A Christie

Mr R Stewart

Mr D Fraser

Mr M Green

Officials in attendance:

Mr M Bailey, Programme Manager (City Region Deal)

Ms A Macrae, Senior Committee Officer

1. Apologies for Absence

An apology for absence was intimated on behalf of Mr J Bruce, Mr K Gowans (Chair), Ms L A Niven, Ms M Reid.

The Group **AGREED** that Mr M Green take the Chair for the meeting.

2. Declarations of Interest/Transparency Statements

There were no declarations of interest or transparency statements.

3. Minutes of Previous Meeting

There had been circulated the Minutes of the City Region Deal Monitoring Group held on 25 April 2024, the terms of which were **NOTED**.

4. UK Shared Prosperity Fund – Delivery Plan Progress Update

There was circulated Report No. CRD/04/24 by the Assistant Chief Executive - Place which provided the latest update on the UK Shared Prosperity Fund (UKSPF) Delivery Plan, detailing progress across the range of interventions being progressed under the UKSPF priorities Communities & Places, Supporting Local Business and People and Skills.

In discussion, Members raised the following main points:-

- further clarity was sought and provided that it was not anticipated the recent announcement by the Scottish Government's Finance Secretary on spending controls would have an impact on the UKSPF;
- in addition to the exceptions reported in the report to Members, it was confirmed a risk analysis would be provided to the next meeting of the Group on the implications for projects and the overall programme in the event the UKSPF was not extended beyond March 2025; and
- concern as to how issues around vandalism and anti-social behaviour experienced to date would be addressed in terms of the expansion of the Hi-Bike (e-bike rental scheme) in Inverness and Fort William. The loss of the basket facility on the bikes was also disappointing. The Programme Manager confirmed he would feedback the concerns raised to the Project

Team. An update would also be provided to Members on the measures being taken in response to these issues.

The Group:

- i. **NOTED** the UKSPF Delivery Plan progress update; and
- ii. **AGREED** for a formal letter to be sent by the Chair of the Economy & Infrastructure Committee to the UK Government requesting an urgent decision on a potential extension to UKSPF beyond March 2025.

5. Inverness & Highland City Region Deal Programme Report - 2024/25 Quarter 1

There was circulated Report No. CRD/05/24 by the Assistant Chief Executive – Place which provided the 24/25 Quarter 1 update for the Inverness & Highland City Region Deal (IHCRD). The report covered specific matters of note for the Quarter, and highlighted by exception those Projects from the IHCRD 2024/25 Q1 Dashboard Report at Appendix 1 with a Red or Amber status, along with an explanation of the status and the related management action being taken.

The Programme Manager provided further updates in relation to the Transport Infrastructure Projects. In relation to the A9/A96 Inshes to Smithton Scheme, Transport Scotland had provided details of the process and projected timeline for delivering the scheme on the ground, details of which he provided. A formal Change Request to reallocate monies from the A9/A82 Longman Junction Improvement project to the Corran Ferry vessel replacement project, had been submitted to Scottish Government in June 2024 and the intention was to escalate this matter if no response was received by 19 August 2024.

Thereafter, Members welcomed the revised format of the report and raised the following points:

- concern that in terms of the Longman Land Remediation project it was crucial the badger mitigation plan submitted to NatureScot was approved and progressed at the earliest opportunity to avoid the project being delayed; and
- it was important to highlight the success of the Innovative Assisted Living (Fit Home) project in terms of the benefits it delivered for the elderly and a range of vulnerable groups, and to focus on where the barriers existed in terms of delivering these types of homes.

The Programme Manager confirmed he would feedback Members concerns to the relevant Project Teams.

The Group **NOTED** the Inverness & Highland City Region Deal Programme Report - 2024/25 Quarter 1.

6. IHCRD Key Risks, Challenges & Opportunities

The Programme Manager gave a verbal update on the Inverness & Highland City Region Deal Key Risks, Challenges & Opportunities. A key risk was funding not being committed for projects that required extensions beyond the end of the Deal

in March 2027. There was positive news in that the UK and Scottish Governments were seeking a single change request by the end of March 2025 that captured all of the projects that required an extension, to be dealt with as one process and decision. It was agreed with UK and Scottish Governments that the Change Request will be made by end of March 2025, though it was hoped the request could be made sooner to provide greater certainty going forward.

Thereafter, the Programme Manager highlighted the importance of reviewing projects on an ongoing basis and considering change requests where there were potential underspends or the intended outcomes were not being delivered to allow monies to be redirected.

A further key risk was around the whole life costs of projects and sustainable models not being put in place post investment from the Deal. A considerable amount of work was ongoing in relation to projects such as the Life Sciences Innovation Centre and Science Skills Academy to facilitate conversations including with the UK and Scottish Governments in relation to sustainability following the end of the IHCRD.

Thereafter, the Chair welcomed the proactive approach being taken to sustainability and looked forward to further updates being provided to the Group on this issue.

The Group **NOTED** the update.

The meeting concluded at 10.30am.