

# The Highland Council

<b>Agenda Item</b>	<b>10</b>
<b>Report No</b>	<b>ECI/06/25</b>

**Committee:** Economy and Infrastructure

**Date:** 13 February 2025

**Report Title:** Delivery Plan Budget Monitoring & Progress Update Q3 2024/25 – Net Zero, Energy Investment & Innovation Portfolio; Reconfiguring our Asset Base Portfolio; Workforce for the Future Portfolio

**Report By:** Assistant Chief Executive - Place  
Assistant Chief Executive - People

## 1 Purpose/Executive Summary

1.1 The Delivery Plan 2024-27 consists of 64 projects/programmes, managed through 6 Portfolio Boards. Each project is reported to a relevant committee for consideration and scrutiny in terms of the Portfolio Reporting Cycle agreed at Council on 9 May 2024. Exceptions to this general rule may apply when for example circumstances merit a standalone project/programme report to either committee or council. If exceptions apply this report will signpost to where the relevant reporting can be found.

1.2 This report provides financial, performance, risk and general information on the following Delivery Plan projects/Programmes:-

- Investment & Innovation – Utility Scale Solar PV Project;
- Investment & Innovation – Commercial Estate Project;
- Highland Investment Plan – In-house Bus Service;
- Adult Employment (post school employability) - Work Life Highland Brand;
- Adult Employment (post school employability) - Service Re-design; and
- Tackling Inequalities - Supported Employment

1.3 The content and structure of the report is intended to:-

- assist Member scrutiny and performance management
- inform decision making and aid continuous improvement, and
- provide transparency and accessibility

## 2 Recommendations

2.1 Members are asked to **note** the progress provided in the Programme and Project updates in this report

### 3 Implications

- 3.1 **Resource** - Any resource implications for projects will be detailed in the updates provided below.
- 3.2 **Legal** - This report contributes to the Council's statutory duties to report performance and secure best value in terms of; Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.
- 3.4 **Risk** - There are no risk implications arising as a direct result of this report. Project/Programme risks are identified via the council risk management process and monitored through the Portfolio Boards and are reported by exception only in paragraph/s 5.4, 6.4, 7.4, 8.4, 9.4 and 10.4.
- 3.5 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No implications
- 3.6 **Gaelic** - There are no Gaelic implications arising as a direct result of this report.

### 4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring and update report and therefore an impact assessment is not required.

### 5 Investment & Innovation – Utility Scale Solar PV Project

#### 5.1 Overall Project RAG Status

This project is currently ragged as **Amber** in PRMS as per the extract below.

<b>Reason for Project RAG Rating and Corrective Action:</b>	<b>M9 24/25</b>	<input type="radio"/> R
Project Manager commenced November 2024. The delay in this appointment has resulted in slippage in delivering this workstream		<input checked="" type="radio"/> A
		<input type="radio"/> G
		<input type="radio"/> C

This project is ragged **Amber** due to the delay in appointing a Project Manager to the project. The Project Manager has been in post since November 2024 and has commenced the Utility Scale Solar PV at the Longman Landfill Site in Inverness; the initial work has included initial discussions with Geotechnical engineers and the Council Environment Team to identify and address various site technical and design issues. Discussions have also started with the Council Legal Team over the use of the Common Good land for the proposed operation.

## 5.2 Key Milestones & Measures of Success

Key Milestones - The Key Milestones that have been set up in PRMS for this project are currently as follows:-

MILESTONES		CURRENT STATUS
<i>Marked as completed Feb24</i>	Utility Scale Solar PV: Secure Grid Connection offer completed	<b>M11 23/24 Completed</b>
<i>Starts Apr24 / Completes Sep24</i>	Utility Scale Solar PV: Detailed Business Case prepared and approved	<b>M9 24/25 Some Slippage</b>
<i>Starts Apr24 / Completes Dec24</i>	Utility Scale Solar PV: Secure project finance £11.5m	<b>M9 24/25 Some Slippage</b>
<i>Starts Jun24 / Completes Dec24</i>	Utility Scale Solar PV: Detailed site design & engineering commenced	<b>M9 24/25 Some Slippage</b>
<i>Starts Dec24 / Completes May25</i>	Utility Scale Solar PV: Planning consent sought	<b>M9 24/25 Some Slippage</b>
<i>Starts Jan25 / Completes May25</i>	Utility Scale Solar PV: Tender issued and awarded	<b>M9 24/25</b>
<i>Starts May25 / Completes Jun25</i>	Utility Scale Solar PV: Work in site commences	<b>M9 24/25</b>
<i>Starts Jun25 / Completes Mar26</i>	Utility Scale Solar PV: Construction completion	<b>M9 24/25</b>
<i>Starts Mar26 / Completes Jun26</i>	Utility Scale Solar PV: Grid connection - generation	<b>M9 24/25</b>

This project is at an early stage of delivery and now the Project Manager is in post, the slippage experienced in the early milestones which occurred before appointment, should be reduced/limited in the future.

Measures of Success - The Project Measures of Success set up in PRMS are as follows:-

Utility Scale Solar PV: Secure funding for project
Utility Scale Solar PV: Fully operational site generating to 100% capacity - starts Jun26

Again, as this project is at an early stage of development, the above noted Measures of Success have yet to be delivered.

## 5.3 Financial Summary

- i) Investment & Income - there is a financial indicator for Investment set up in PRMS for this project of £25,000. This figure is related to the feasibility, design and consenting of the project. The actual construction costs will be subject to separate reporting as per the Council Delivery Plan 2024-27.

Whilst not reflected within PRMS, the Council Delivery Plan 2024-2027 envisages that once developed the Utility Scale Solar PV at the Longman Landfill will generate an income of £2.6m per annum.

£	Utility Scale Solar PV: Income Yr3 26/27 (Begins 26/27)	
£	Utility Scale Solar PV: Investment	£ 25,000

- ii) Mitigations - whilst slippage has been noted in the project, this has resulted in none of the £25,000 investment monies being spent currently.

## 5.4 Key Risks

The following Key Risks that have been identified for this project are:-

### 1. Project Delay

<b>Event:</b>	There is a Risk that the delivery of the Longman Solar PV Array may be delayed or aborted
<b>Cause(s):</b>	Due to pre-existing site preparational works, the required consenting regime / requirements and construction delays
<b>Consequence(s): <u>so what?</u></b>	This may result in THC failing to meet its published Delivery Plan 2024-2027 and thus its budget strategy requirements, its Net Zero targets and cause reputation harm to the authority.

### 2. Cost Overruns/Increases

<b>Event:</b>	There is a Risk that construction costs might be beyond budget/ may be too high/cost increases during construction
<b>Cause(s):</b>	Change in construction costs, delay in construction and availability of workforce.
<b>Consequence(s): <u>so what?</u></b>	This may result in delays, cancellation or scaling down of solar farm.

### 3. Project Failing to Meet Expected Revenue Return

<b>Event:</b>	There is a Risk that the internal predicted revenue return may not be achieved, when forecasted or provide year on year revenue.
<b>Cause(s):</b>	Due to the returns predicted being beyond the scheme actual generating capacity and/or issues around the technology or maintenance requirements.
<b>Consequence(s): <u>so what?</u></b>	This may result in failure to <u>provided</u> a strong ROI.

These risks are currently being assessed and scored for impact and likelihood using the Council's Corporate Performance Risk Management Framework. Once this process has been completed, these Risks will be set up in PRMS and will be managed, monitored and reported accordingly as the project progresses.

## 5.5 Forward Plan

The team will work to identify other opportunities for Utility Scale Solar PV across the Council estate and these opportunities will be reported under a separate workstream.

## 6 Investment & Innovation – Solar PV - Commercial Estate Project

The Highland Council is seeking to develop a Commercial Power Purchase Agreement (PPA) to generate income from the development of a solar portfolio providing low-cost energy to tenanted properties across our commercial estate. An initial PIN review will be undertaken to understand the market potential from various potential partners. Following the PIN review, a tender pack will be developed with the aim of appointing a PPA partner to develop the project.

The project aims to install an initial 1MW of solar, with a target of 984,000kWh generation capabilities. This will demonstrate the Council's commitment to sustainability, with socio-economic benefits.

6.1 Overall Project RAG Status

Overall RAG status of this project is green as one milestone is completed, and two milestones are predicted to complete within timescale:-

Reason for Project RAG Rating and Corrective Action:	M9 24/25	<input type="radio"/> R <input type="radio"/> A <input checked="" type="radio"/> G <input type="radio"/> C
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6.2 Key Milestones & Measures of Success

Key milestones set up in PRMS for this project are:-

MILESTONES		CURRENT STATUS
<i>Starts Jun24 / Completes Jul24</i>	Solar PV Commercial Estate: PIN Review	M9 24/25 On Target
<i>Starts Jul24 / Completes Sep24</i>	Solar PV Commercial Estate: FBC Proposal approved	M8 24/25 Completed
<i>Starts Sep24 / Completes Mar25</i>	Solar PV Commercial Estate: Tender Process begins	M9 24/25 Some Slippage
<i>Starts Sept24 / Completes Jun25</i>	Solar PV Commercial Estate: Appointment of PPA partner	M9 24/25 On Target
<i>Starts Mar25 - ongoing</i>	Solar PV Commercial Estate: Phase 1 Installation	M8 24/25

As can be seen from the PRMS updates, the Tender process milestone has some slippage due to extended review period for Request for Information. Staff resource also impacted the timescale slightly.

Measures of Success - The Measures of Success set up for this Project in PRMS are:-

Solar PV Commercial Estate: Increase in tenant uptake of Solar PV proposals	
Solar PV Commercial Estate: Generation achieving 984,000kWh per MW installed	

As the project has not yet reached tender stage, tenant uptake and generation targets have not yet been measured.

### 6.3 Financial Summary

The following income and investment indicators are set up for this project in PRMS:-

£	Solar PV Commercial Estate: Income Yrs 2&3 (Begins 25/26)	
£	Solar PV Commercial Estate: Investment	£ 20,000

- i) Savings & Income - Income is not expected to begin until FY 2025/26.
- ii) Investment - There is an initial investment of £63,000 approved over 2 years for the project. The forecasted spend/drawdown in PRMS is £20,000, expected to support the business case.

### 6.4 Key Risks

The Key Risks that have been identified for this project are as follows:-

#### 1. Poor Uptake from Tenants

Event:	There is a Risk that there may be lack of interest from the commercial sector to partner with the local authority on this type of venture
Cause(s):	Due to the Council's inability to secure enough anchor load to be commercially viable.
Consequence(s): <i>so what?</i>	This may result in scheme viability challenges.

#### 2. Low ROI due to scheme management costs

Event:	There is a Risk that there could be a low Return On Investment
Cause(s):	Due to either Market Price Fluctuation and/or scheme management costs
Consequence(s): <i>so what?</i>	This may result in financial benefits not being realized or scheme being suspended.

These Risks are currently being assessed and scored for impact and likelihood using the Council's Corporate Performance Risk Management Framework. Once this process has been completed, these Risks will be set up in PRMS and will be managed, monitored and reported accordingly as the project progresses.

### 6.5 Forward Plan

The project has scheduled the first project board to review the position of the overall project and ensure that milestones and measures of success are still set within a realistic budget and timescale.

## 7 Highland Investment Plan – In-house Bus Service

### 7.1 Overall Project RAG Status

This project is currently ragged as Green as per the update provided in PRMS as follows:-

<b>Reason for Project RAG Rating and Corrective Action:</b>	<b>M9 24/25</b>	<input type="radio"/> R <input type="radio"/> A <input checked="" type="radio"/> G <input type="radio"/> C
<p>The RAG status has been ragged as green, The in-house bus service is now operating 'business as usual'. The budget cost avoidance figures for the current financial year is on target. The project is on target to achieve agreed milestones, with an additional contract now taken in-house as of 6th January 2025 which will deliver further savings. EV charging facilities have been found - Ember Coaches are opening a base in Inverness in May 2025 and will allow HC to charge buses on site.</p>		

### 7.2 Key Milestones & Measures of Success

The Key Milestones that have been set up in PRMS for this project and progress updates against them are as follows:-

<b>MILESTONES</b>		<b>CURRENT STATUS</b>
<i>Starts April 24; Completes June 24</i>	In-house Bus Service: Action audit recommendations	M7 24/25 Some Slippage
<i>Starts April 24; Completes Aug. 24</i>	In-house Bus Service: Determine preferred operating model	M7 24/25 Some Slippage
<i>Starts April 24; Completes Dec. 24</i>	In-house Bus Service: Increase contracts brought in-house	M7 24/25 On Target
<i>Starts April 24; Completes Dec. 24</i>	In-house Bus Service: new IT system	M7 24/25 On Target
<i>Starts Apr24 / Completes Jun26</i>	In-house Bus Service: New electric bus	M7 24/25 Some Slippage
<i>Starts Jan 26; Completes March 26</i>	In-house Bus Service: Review milestones	M7 24/25

There are not currently any Requests for Change logged against the milestones for this project.

The target completion dates for the first and second Milestones have recently been changed, these are resultant from Councils approval of the recommendations in the confidential report Highland Investment Plan – Investment presented to Council on 12 December 2024. PRMS dates are to be amended by the Delivery Plan team accordingly.

Measures of Success - The following Measures of Success are set up for this project in PRMS. These are updated annually at the end of the financial year.

The status updates that can be seen below against Better Value for Money and Increased customer satisfaction are for 2023/24 and these will be updated again at the end of the financial year as required. Number of low carbon buses in council fleet is not due to be update until 2026/27.

MEASURES OF SUCCESS		CURRENT STATUS
£	In-house Bus Service: Cost Avoidance Yr1 24/25	£ 1,350,000
	In-house Bus Service: Better Value for Money	£ 1,170,000
	In-house Bus Service: Increased customer satisfaction	40 %
	No. low carbon buses in Council fleet - start reporting 26/27    CP2.01	

### 7.3 Financial Summary

- i) Cost Avoidance - The following financial indicator, which is also a Measure of Success is set up in PRMS for this project for cost avoidance with a target of £1.35m. This financial indicator is on target and forecast to achieve cost avoidance of £1.35m for 2024/25.

£	In-house Bus Service: Cost Avoidance Yr1 24/25	£ 1,350,000
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- ii) Investment - There are no investment indicators or targets set up for this project in PRMS. However, the In-house Bus team are continuously monitoring the market for availability of suitable vehicles. Where vehicle availability presents an opportunity to expand the In-house operation a self-funding project submission is made via the capital approvals and procurement boards.

During 2024/25 this has enabled the in housing of a further 6 services, with another scheduled for Easter. After all costs these will provide an additional cost avoidance for 2025/26 of £250,000.

A medium-term investment plan is being developed, which will align with the contract end dates, this is expected to enable area wide in housing.

A separate investment is currently in process in accordance with the report to Council on 12 December 2024.

### 7.4 Key Risks

The following Key Risks that have been identified for this project are:-

#### 1. In-House Bus Service Depot Capacity

<b>Risk Event:</b>	There is a Risk that the project aims will not be achieved
<b>Risk Cause(s):</b>	Due to insufficient space at current depot site
<b>Consequence(s): so what?</b>	This may result in the inability to expand the service

A short-term solution has been secured which accommodates the planned expansion of the inhouse services until Summer 2025. Separately, options are under review which should enable expansion in future years, both within Inverness and elsewhere across the Highlands.



## 2. Long lead time to procure additional vehicles

<b>Risk Event:</b>	There is a Risk that project objectives may be affected
<b>Risk Cause(s):</b>	Due to the long lead times to procure additional vehicles
<b>Consequence(s): so what?</b>	This may result in delays in expanding the service and potential to miss out on contracts due to delays

As stated in 7.3 ii) opportunities to secure new vehicles where the market makes these available due to order cancellation etc are continuously assessed to enable rapid expansion of the in-house operations.

## 3. No Charging Infrastructure for Electric Vehicle

<b>Risk Event:</b>	There is a Risk that the projects net zero related aims may not be achieved
<b>Risk Cause(s):</b>	Due to the lack of permanent access to charging facilities for electric vehicles
<b>Consequence(s): so what?</b>	This may result in delay in ordering electric vehicles which already have an 18-month lead time

These Risks are currently being assessed and scored for impact and likelihood using the Corporate Performance Risk Management Framework. Once this process has been completed, these Risks will be set up in PRMS and will be managed and monitored accordingly as the project progresses.

## 7.5 Forward Plan

The Council is currently progressing its delivery investment plan further to the report to Council on 12 December 2024. It is expected that during Q4 2024/25 additional capacity will become available enabling further in housing of contracted services during 2025/26.

## 8 Adult Employment (post school employability) - Work Life Highland Brand

### 8.1 The overall RAG status for the Work.Life.Highland Brand and website aspect of this portfolio is complete.

As a member of the Highland Employability Partnership, Council staff contributed the development and launch of the [Work.Life.Highland Brand and website](#) in November during the Scottish Careers Week 2024, and linked this launch with a virtual careers fair taking place in the region.

<b>Project</b>	<b>RAG Status</b>
<b>Work Life Highland Brand</b>	Complete

## 8.2 Key Milestones & Requests for Change

This project was involved in the restructure discussed in the previous report, where projects were connected and rationalised to improve focus and simplify reporting – Portfolio restructure table is shown below:-

Portfolio	Workforce For The Future				
	Highland area recognised for offering <i>quality employment opportunities</i> – retaining and attracting talent in our area				
Workstream	Employer Engagement & Job Opportunities		Career/Employment Pathways & Employability Support		
Projects	Industry/Partnership Engagement	Council's Future Workforce	Employability Toolkit	Tailored Employment Support	Digital School
Activities	Highland Employer Charter to bring about positive improvements in labour market (Fair Pay / Employing Highland residents/fair work practices to attract & retain employees)  7 Sectors targeted for Industry Engagement: <ul style="list-style-type: none"> <li>• Construction</li> <li>• Digital</li> <li>• Green jobs / energy</li> <li>• Arts and culture</li> <li>• Tourism / hospitality</li> <li>• Public / third sector</li> <li>• Food / aquaculture</li> </ul>	The Council to become an employer of choice and recognised for good employment opportunities with quality jobs and training.	Employability Toolkit to ensure Highland specific information is available for all people who are looking for jobs in Highland – a one stop shop for universal support	Targeted/intensive interventions for those requiring individual help access opportunities e.g people returning to workplace, those with disabilities.	Pupils will be able to undertake one of their senior phase courses online. The curricular offering will be expanded in all schools. Inequality of access due to rurality will be reduced.

The Work.Life.Highland Brand was incorporated as a package of work within the Industry/Partnership Engagement Project.

The key milestones remained the same and have been completed following the launch of the website in November.

This area of work is now embedded as ‘business as usual,’ with the website and brand being subject to continuous development and improvement to meet future service needs, interacting with the Employability Toolkit and Tailored Employment Support projects, contributing to the overall re-design of how the Council delivers an ‘all ages all stages’ Employment Service.

## 8.3 Financial Summary

There is no direct portfolio investment or savings linked the Work.Life.Highland brand and website development project. The investment for this portfolio is cross-portfolio to support staff capacity to deliver the projects, and the savings relate to a holistic re-design of the Council’s collective employability service delivery for ‘all ages all stages’ in life.

For completeness, please see below an overview of the present position regarding savings, investment and mitigation work for this portfolio, with relevant commentary.

Portfolio: Workforce for the Future



Portfolio: Workforce for the Future Financial Summary	M9 24/25					
	Savings Forecast Total	Savings Target Total	Income Forecast Total	Income Target Total	Investment Forecast Total	Investment Amount Total
	£ 2,000,000	£ 2,000,000			£ 81,353	£ 660,000

Service Re-design: Savings Yr1 24/25	M9 24/25		FY 26/27
	Current Forecast	Annual Target	Cumulative Target
	£ 500,000	£ 500,000	£ 500,000

Digital School: Savings contributes to DSM reduction	M9 24/25		FY 26/27
	Current Forecast	Annual Target	Cumulative Target
	£ 1,500,000	£ 1,500,000	£ 1,800,000

Digital School: Investment	M9 24/25		FY 26/27
	Current Forecast	Annual Approved Investment	Cumulative Investment
	£ 40,000	£ 330,000	£ 330,000

Future Highland Workforce: Investment	M9 24/25		FY 26/27
	Current Forecast	Annual Approved Investment	Cumulative Investment
	£ 41,353	£ 330,000	£ 330,000

- i) Savings - £50,000 of the Redesign saving have been achieved and further savings will be identified as the Redesign of service delivery develops.
- ii) Investment - An investment of £330,000 is cross-Portfolio to recruit posts to add capacity to deliver the projects. A Principal Project Manager was appointed from 1 September 2024. It has been agreed that the following posts are also required, and recruitment is underway.

<p><b>Skills Project Manager</b></p> <ul style="list-style-type: none"> <li>• Cross-Workstream</li> <li>• Employer Engagement &amp; Job Opportunities</li> <li>• 23 months</li> </ul>	HC10
<p><b>Data Analyst</b></p> <ul style="list-style-type: none"> <li>• Cross-Portfolio</li> <li>• 12 months</li> </ul>	HC7

- iii) Mitigations
  - Investment – there is slippage in expenditure due to delays in recruitment. This stems for taking time to consider the portfolio restructure, and review and develop the projects to understand the recruitment needs to support delivery. Recruitment is now underway to recruit the posts as outlined above.
  - Savings – following the portfolio re-structure, the team can now strategically approach the re-design, giving full consideration to all the component parts involved, including service delivery methods and supporting processes, staffing resources, and budget analysis of the team’s included in the re-design.

8.4 Key Risks

Initial risks have been identified and details drafted. The Risks shown below are currently being developed to assess and score for impact and likelihood using the Corporate Performance Risk Management Framework – this will confirm the risk, rating and agree appropriate mitigating actions.

Once this process has been completed, these Risks will be set up in PRMS and will be managed and monitored accordingly as the project progresses.

Name	Risk Title	Risk Owner
<a href="#">WFTF - Engagement and Comms.docx</a>	Connected cross-portfolio Comms and Engagement	Anna Templeton
<a href="#">WFTF - portfolio staffing recruitment.docx</a>	Delay in securing required staff capacity to support delivery of the portfolio projects	Fiona Grant
<a href="#">WFTF - Work Life Highland Brand.docx</a>	Brand fails to meet needs of stakeholders to drive increased sustained employment	Alan Webster
<a href="#">WFTF - Data sources.docx</a>	Lack of connected cross-portfolio data to create meaningful business intelligence to inform decisions and reporting	Anna Templeton

## 8.5 Forward Plan

Not applicable – project milestones complete, work embedded as business as usual.

## 9 **Adult Employment (post school employability) - Service Re-design**

This project is now known as ‘**Employability Toolkit**,’ see portfolio restructure note below:-

### **Workforce for the Future – Portfolio Re-structure**

Since initial development and approval of the Workforce for the Future portfolio, new managers have been appointed in this portfolio setting who have worked with the teams involved to review the workstreams and projects. It was identified there was overlap and possible duplication in some projects linked to Employability, which would benefit from restructuring and rationalisation.

The refreshed structure shown in the table below, was achieved through considering the end re-design goal of establishing an ‘all ages all stages’ employability service, providing a seamless transition for service users throughout their life – thus bringing to together all aspects of ‘universal’ delivery in a project, and all aspects of ‘tailored/targeted’ support in the other project, rather than having projects remaining split by ‘age ranges’, to begin the intended joined-up approach across age ranges.

The projects detailed in this report for the Workstream – Career/Employment Pathways and Employability Support, represent and contribute to the re-design that was initially stated as a standalone project in the original approved portfolio structure. This is now being considered holistically to ensure all relevant aspects are included in the scope of the re-design.

The portfolio now has only two distinct workstreams, with this workstream and projects being internal facing supporting the re-design of the service. This re-design takes into consideration the remit of the Council’s Employability Team, Employability & Prosperity 3-18 (Schools Positive Destinations), My Future My Success (MFMS) and the involvement of Community Learning and Development (CLD), which has recently moved back to Highland Council from High Life Highland.

These two workstreams are designed to ‘talk’ to and inform each other. The other workstream – Employer Engagement & Job Opportunities workstream is external looking – working with partners and industry.

This workstream is reported to Economy and Infrastructure Committee, and aims to further develop relevant partnerships, skills boards, and a Highland Employer Charter. Also included in this workstream is development of the Work.Life.Highland brand website by the Highland Employability Partnership. This has now been launched and embedded as business as usual and will continue to develop as the Employability Service re-design develops internally. The Council's Future Workforce project sits in this workstream, as it looks externally to recruit staff and internally to retain staff, developing functions to ensure the Council is an employer of choice.

<b>Portfolio</b>	<b>Workforce For The Future</b> Highland area recognised for offering <i>quality employment opportunities</i> – retaining and attracting talent in our area				
<b>Workstream</b>	<b>Employer Engagement &amp; Job Opportunities</b>		<b>Career/Employment Pathways &amp; Employability Support</b>		
<b>Projects</b>	<b>Industry/Partnership Engagement</b>	<b>Council's Future Workforce</b>	<b>Employability Toolkit</b>	<b>Tailored Employment Support</b>	<b>Digital School</b>
<b>Activities</b>	Highland Employer Charter to bring about positive improvements in labour market (Fair Pay / Employing Highland residents/fair work practices to attract & retain employees)  7 Sectors targeted for Industry Engagement: <ul style="list-style-type: none"> <li>• Construction</li> <li>• Digital</li> <li>• Green jobs / energy</li> <li>• Arts and culture</li> <li>• Tourism / hospitality</li> <li>• Public / third sector</li> <li>• Food / aquaculture</li> </ul>	The Council to become an employer of choice and recognised for good employment opportunities with quality jobs and training.	Employability Toolkit to ensure Highland specific information is available for all people who are looking for jobs in Highland – a one stop shop for universal support	Targeted/intensive interventions for those requiring individual help access opportunities e.g. people returning to workplace, those with disabilities.	Pupils will be able to undertake one of their senior phase courses online. The curricular offering will be expanded in all schools. Inequality of access due to rurality will be reduced.

## 9.1 Overall RAG

Due to changes in staffing leading on these projects during September, and the work involved to restructure the portfolio, there has been great deal of exploratory work taking place to establish the extent of related work across the three service areas involved and their contributions to the employability desired 'all ages all stages' concept.

The exploratory work is identifying gaps in service delivery to inform the re-design and ensure an effectively linked seamless service delivery in the future.

There is still recruitment to take place to add capacity for delivery of the projects within the portfolio, hence a cautious 'amber' RAG status, to reflect staffing changes, capacity, and the time required to ensure the extent of this work is fully reviewed.

<b>Project</b>	<b>RAG Status</b>
Employability Toolkit	Amber

## 9.2 Key Milestones & Requests for Change

The original milestones have been fully reviewed and restructured to meet the new portfolio structure. The new milestones have been structured to capture the existing milestones as sub-topics, so that the ethos of the original structure is retained but streamlined for focused delivery and reporting.

The early milestone deadlines have been subject to requests for change. To embed new staff involved in this portfolio, conduct the extent of the exploration work required through review and stakeholder consultation, this has required more time to fully complete.

The review and consultation work conducted so far is also impacting on the scope of the project and re-design needs, presenting an opportunity to look more broadly and holistically to linked service areas that connect with and impact long-term sustainable positive destinations for people living in Highland. An example is portfolio team members involved in the transfer of CLD into the Council, and how CLD work interacts with this portfolio's ambitions.

<ul style="list-style-type: none"> <li>• <b>Review existing offers</b> – young people and adult:             <ul style="list-style-type: none"> <li>○ Pathways and gap analysis, baselining underway</li> <li>○ Review programme, and client and business experiences</li> </ul> </li> <li>• <b>Stakeholder consultation</b> conducted and feedback analysed             <ul style="list-style-type: none"> <li>○ Relevant school pupils and school staff</li> <li>○ Client and Business Provider</li> </ul> </li> <li>• <b>Create system to ensure connection with Industry Engagement/Sector Boards project</b> to inform Employability Toolkit planning and design</li> <li>• <b>Design refreshed Employability Toolkit</b> to provide <b>core</b> 'universal' solutions for ALL AGES, elements to consider include:             <ul style="list-style-type: none"> <li>➤ Career standard embedded in schools</li> <li>➤ Review and improve available industry sector pathways and route map to work – supporting careers guidance and advice available (CIAG, STEM/Ambassadors, Enterprise engagement, FE/HE accelerated pathways)</li> <li>➤ Work experience opportunities</li> <li>➤ Enterprise skills development</li> <li>➤ Volunteering</li> <li>➤ Personal development</li> <li>➤ Linking to Work Life Highland Brand – single gateway to employability services</li> </ul> </li> <li>• <b>Plan pilot launch</b> of elements of toolkit to test refreshed core Employability Toolkit</li> <li>• <b>Implement pilot and test phase</b> for refreshed Employability Toolkit</li> <li>• <b>Collate pilot feedback</b> to inform changes to Employability Toolkit</li> <li>• <b>Full launch/roll-out of Employability Toolkit</b> (<i>change implemented</i>)</li> <li>• <b>Implement method of continuous feedback to inform future changes</b> to Employability Toolkit, e.g. PSIF or Education Scotland style improvement framework</li> <li>• <b>Review</b> programme/products</li> </ul>	<p>Target 11/24 – <b>extension request to end of 01/25 approved</b> Target 01/25</p> <p>Target 01/25</p> <p>Target 03/25</p> <p>Target 02/25</p> <p>Target 04/25</p> <p>Target 06/25</p> <p>Target 09/25</p> <p>Target 12/25</p> <p>Target 12/25 &amp; 12/26</p>
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## 9.3 Financial Summary

### Portfolio: Workforce for the Future



Portfolio: Workforce for the Future Financial Summary	M9 24/25					
	Savings Forecast Total	Savings Target Total	Income Forecast Total	Income Target Total	Investment Forecast Total	Investment Amount Total
	£ 2,000,000	£ 2,000,000			£ 81,353	£ 660,000

Service Re-design: Savings Yr1 24/25	M9 24/25		FY 26/27
	Current Forecast	Annual Target	Cumulative Target
	£ 500,000	£ 500,000	£ 500,000

Digital School: Savings contributes to DSM reduction	M9 24/25		FY 26/27
	Current Forecast	Annual Target	Cumulative Target
	£ 1,500,000	£ 1,500,000	£ 1,800,000

Digital School: Investment	M9 24/25		FY 26/27
	Current Forecast	Annual Approved Investment	Cumulative Investment
	£ 40,000	£ 330,000	£ 330,000

Future Highland Workforce: Investment	M9 24/25		FY 26/27
	Current Forecast	Annual Approved Investment	Cumulative Investment
	£ 41,353	£ 330,000	£ 330,000

- i) Savings - £50,000 of the Re-design saving have been achieved and further savings will be identified as the Re-design of Employability service delivery develops.
- ii) Investment - An investment of £330,000 is cross-Portfolio to recruit posts to add capacity to deliver the projects. A Principal Project Manager was appointed from 1 September 2024. It has been agreed that the following posts are also required, and recruitment is underway.

<p><b>Skills Project Manager</b></p> <ul style="list-style-type: none"> <li>• Cross-Workstream</li> <li>• Employer Engagement &amp; Job Opportunities</li> <li>• 23 months</li> </ul>	HC10
<p><b>Data Analyst</b></p> <ul style="list-style-type: none"> <li>• Cross-Portfolio</li> <li>• 12 months</li> </ul>	HC7

- iii) Mitigations
  - **Investment** – there is slippage in expenditure due to delays in recruitment. This stems from taking time to consider the portfolio restructure, and review and develop the projects to understand the recruitment needs to support delivery. Recruitment is now underway to recruit the posts outlined above.
  - **Savings** – following the portfolio re-structure, the team can now strategically approach the re-design, giving full consideration to all the component parts involved, including service delivery methods and supporting processes, staffing resources, and budget analysis of the team's included in the re-design.

## 9.4 Key Risks

Initial risks have been identified and details drafted. The risks shown below are currently being developed to assess and score for impact and likelihood using the Corporate Performance Risk Management Framework – this will confirm the risk, rating and agree appropriate mitigating actions.

Once this process has been completed, these Risks will be set up in PRMS and will be managed and monitored accordingly as the project progresses:-

Name	Risk Title	Risk Owner
<a href="#">WFTF - Engagement and Comms.docx</a>	Connected cross-portfolio Comms and Engagement	Anna Templeton
<a href="#">WFTF - portfolio staffing recruitment.docx</a>	Delay in securing required staff capacity to support delivery of the portfolio projects	Fiona Grant
<a href="#">WFTF - Redesign Savings.docx</a>	Failure to achieve desired Employability Service redesign and linked savings target	Fiona Grant
<a href="#">WFTF - Universal Support.docx</a>	Poor curriculum and career pathways design fails to engage and support people to achieve their potential, negatively impacting improved life chances.	Anna Templeton
<a href="#">WFTF - Data sources.docx</a>	Lack of connected cross-portfolio data to create meaningful business intelligence to inform decisions and reporting	Anna Templeton

## 9.5 Forward Plan

Key activities in next reporting period include:-

- finalise draft project briefs to reflect changed project structures, this will lead to and inform;
- staff recruitment, which is underway;
- redesign analysis work – clear understanding of service delivery requirements, supported by related budget analysis to inform savings targets;
- measures originally detailed in the Portfolio have been reviewed and refreshed to align to the new structure this links with;
- a data review across the teams involved to inform this portfolio which has taken place, to inform measures of success and ensure appropriate data is available to effectively report meaningful outputs and impact;
- connected stakeholder mapping across the entire portfolio, to ensure;
- joined-up engagement and communication planned, taking into account overlaps to reduce possible duplication;
- in the coming months, the project plans will be in place, with stakeholder engagement and communications planned and underway to inform the proposed Service Re-design. Where appropriate project products will be piloted as soon as possible with feedback and refinement taking place into 2026/27; and
- measures for this portfolio will initially be provided either by Financial Year or Academic year, dependent on the nature of the measure.



## 10 Tackling Inequalities - Supported Employment

This project is now known as '**Tailored Employment Support,**' see portfolio restructure note and table in section 9.0.

### 10.1 Overall RAG

This project closely aligns to the previous project. However, whilst the Employability Toolkit project's focus is to support 'universal' employability service-user needs, this project's focus is tailored employment support where targeted or intensive person-centred solutions are required.

This project has also been impacted by the same staffing changes noted in 9.1 and was refreshed during the restructure of the portfolio.

As these projects are being approached holistically, as noted in 9.1 there has also been great deal of exploratory work taking place to establish the extent of related work across the three service areas involved and their contributions to the employability 'all ages all stages' concept.

There is still recruitment to take place to add capacity for delivery of the projects within the portfolio, hence a cautious 'amber' RAG status, to reflect staffing changes, capacity, and the time required to ensure the extent of this work is fully reviewed.

This project area is more complex, reflecting the needs of the service-users involved, which has led to considerations regarding the scope and discussions as to what to include, particularly if this is an opportunity to consider innovative solutions that could positively impact the lives of people of all ages living in Highland.

Project	RAG Status
Tailored Employment Support	Amber

### 10.2 Key Milestones & Requests for Change

As noted in 9.2, the original milestones have been fully reviewed and restructured to meet the new portfolio structure. The new milestones have been structured to capture the existing milestones as sub-topics, so that the ethos of the original structure is retained but streamlined for focused delivery and reporting.

The early milestone deadlines have been subject to requests for change. To embed new staff involved in this portfolio, conduct the extent of the exploration work required through review and stakeholder consultation, this has required more time to fully complete. The review and consultation work conducted so far is also impacting on the scope of the project and redesign needs, presenting an opportunity to look more broadly and holistically to linked service areas that connect and impact with long term sustainable positive destinations for people living in Highland. An example is portfolio team members involved in the transfer of CLD into the Council, and how CLD work interacts with this portfolio's ambitions.

<ul style="list-style-type: none"> <li>• <b>Review existing offers</b> – client (young people and adult) and business experiences</li> <li>• <b>Stakeholder consultation</b> conducted and feedback analysed <ul style="list-style-type: none"> <li>○ Relevant school pupils and school staff</li> <li>○ Client and Business Provider</li> </ul> </li> <li>• <b>Design refreshed Tailored Employment Support model</b>, taking into consideration: <ul style="list-style-type: none"> <li>○ Key-worker hybrid model and early-stage programme</li> <li>○ Transitions and Highland mentoring</li> <li>○ Work-related learning offer – including enhanced school provisions and special schools</li> <li>○ Procurement requirements</li> </ul> </li> <li>• <b>Plan pilot launch and test phase</b> for elements of refreshed Tailored Employment Support model</li> <li>• <b>Implement pilot and test phase</b> for refreshed Tailored Employment Support model</li> <li>• <b>Collate pilot feedback to inform changes</b> to Tailored Employment Support model</li> <li>• <b>Full launch/roll-out of Tailored Employment Support model</b> (<i>change implemented</i>)</li> <li>• <b>Implement method of continuous feedback</b> to inform future changes to Tailored Employment Support model, e.g. PSIF or Education Scotland style improvement framework</li> <li>• <b>Review</b> programme/products</li> </ul>	<p>Target 11/24, <b>extension request to end of 01/25 approved</b> Target 01/25</p> <p>Target 03/25</p> <p>Target 02/25</p> <p>Target 04/25</p> <p>Target 06/25</p> <p>Target 09/25</p> <p>Target 12/25</p> <p>Target 12/25 &amp; 12/26</p>
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### 10.3 Financial Summary

#### Portfolio: Workforce for the Future



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Future Highland Workforce: Investment	M9 24/25		FY 26/27
	Current Forecast	Annual Approved Investment	Cumulative Investment
	£ 41,353	£ 330,000	£ 330,000

i) Savings

- £50,000 of the Redesign saving have been achieved and further savings will be identified as the Redesign of service delivery develops.
- The DSM savings target of £1,500,000 has been achieved.

ii) Investment - An investment of £330,000 is cross-Portfolio to recruit posts to add capacity to deliver the projects. A Principal Project Manager was appointed from 1 September 2024. It has been agreed that the following posts are also required, and recruitment is underway.

<b>Skills Project Manager</b> <ul style="list-style-type: none"> <li>• Cross-Workstream</li> <li>• Employer Engagement &amp; Job Opportunities</li> <li>• 23 months</li> </ul>	HC10
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iii) Mitigations

- **Investment** – there is slippage in expenditure due to delays in recruitment. This stems from taking time to consider the portfolio restructure, and review and develop the projects to understand the recruitment needs to support delivery. Recruitment is now underway to recruit the posts as outlined above.
- **Savings** – following the portfolio re-structure, the team can now strategically approach the re-design, giving full consideration to all the component parts involved, including service delivery methods and supporting processes, staffing resources, and budget analysis of the team's included in the re-design.

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<a href="#">WFTF - Redesign Savings.docx</a>	Failure to achieve desired Employability Service redesign and linked savings target	Fiona Grant
<a href="#">WFTF - Targeted Intensive Support.docx</a>	Risk that suitable targeted or intensive employability support system is not available to enable all people to improve their life chances.	Anna Templeton
<a href="#">WFTF - Data sources.docx</a>	Lack of connected cross-portfolio data to create meaningful business intelligence to inform decisions and reporting	Anna Templeton

## 10.5 Forward Plan

Key activities in next reporting period include:-

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- a data review across the teams involved to inform this portfolio which has taken place, to inform measures of success and ensure appropriate data is available to effectively report meaningful outputs and impact;
- connected stakeholder mapping across the entire portfolio, to ensure;
- joined-up engagement and communication planned, taking into account overlaps to reduce possible duplication;
- in the coming months, the project plans will be in place, with stakeholder engagement and communications planned and underway to inform the proposed Service Re-design. Where appropriate project products will be piloted as soon as possible with feedback and refinement taking place into 2026/27;
- measures for this portfolio will initially be provided either by Financial Year or Academic year, dependent on the nature of the measure.

Designation: Assistant Chief Executive – Place  
Assistant Chief Executive – People

Date: 17 January 2025

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Background Papers: None

Appendices: None