

The Highland Council

Minutes of Meeting of the **Economy and Infrastructure Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 29 May 2025 at 9.30 am.

Present:

Mr A Baxter	Mr D Louden (Substitute)
Mr I Brown	Mr W MacKay (Remote)
Mr J Bruce (Remote)	Mr D Macpherson
Mr M Cameron	Mr H Morrison (Remote)
Mr J Edmondson	Mr P Oldham
Mr D Fraser (Substitute)	Mrs T Robertson
Mr K Gowans	Mr R Stewart
Mr R Jones	Ms K Willis
Mr P Logue	

Non-Members also present:

Mr C Ballance	Ms L Kraft (Remote)
Mrs I Campbell (Remote)	Mr B Lobban (Remote)
Mr A Christie	Ms K MacLean (Remote)
Mr S Coghill (Remote)	Mr T MacLennan (Remote)
Ms S Fanet	Mr D McDonald (Remote)
Mr J Finlayson (Remote)	Mrs J McEwan Remote)
Dr M Gregson	Mr J McGillivray (Remote)
Ms M Hutchison (Remote)	Mr M Reiss
Ms E Knox (Remote)	

Officials in Attendance:

Mr M MacLeod, Assistant Chief Executive – Place
Ms S Armstrong, Chief Officer - Revenues & Commercialisation
Ms T Urry, Head of Roads and Infrastructure
Ms N Wallace, Service Lead-Environment Dev Active Travel
Mr M Bailey, Programme Manager (City Region Deal)
Mr M Bain, Corran Ferry Project Manager
Mr A Collins, Strategic Procurement Manager
Mr D Chisholm, Tourism and Inward Investment Team Leader
Mr A Puls, Environment Team Leader
Mr D Cowie, Principal Planner
Ms A Gibbs, Principal Solicitor (Planning)
Mr T Stott, Principal Planner
Mr R Porteous, Operations Manager – Corran Ferry
Ms L MacKellaich, Road Safety Manager
Miss J MacLennan, Joint Democratic Services Manager, Performance & Governance
Mrs O Marsh, Committee Officer, Performance & Governance

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 for absence were intimated on behalf of Mr M Green, Ms L Niven and Mr A Sinclair.

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

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

Item 11 – Mr K Gowans and Mr A Baxter

Item 12 – Mr K Gowans

3. Good News Naidheachdan Matha

The Committee **NOTED** the following items of Good News:-

The UK's Real Estate Investment & Infrastructure Forum 2025

Highland Council made a strong impact at UKREiiF 2025. Council Leader Raymond Bremner was joined by representatives from the Inverness and Cromarty Firth Green Freeport to champion the region's investment potential, showcasing the Highlands as a hub for green energy, innovation and sustainable development. This united presence highlighted transformative opportunities for economic growth and job creation across the region.

Developer Contributions - Maryburgh Men's Shed

Developer Contributions funding had enabled Maryburgh Men's Shed to provide new woodworking equipment, expanding activities and boosting engagement at the Group. As a registered Scottish Charitable Incorporated Organisation (SCIO), they aimed to reduce isolation, promote wellbeing and support community skill-sharing.

Upgrade of 'The Mall' Footpath, Janet Street, Thurso

Works included the replacement of a new tarmac path for shared use. The project delivered a segregated walking, wheeling and cycling link along the river and improved connection to schools, leisure centre and towards the Town Centre.

Installation of Cycle Hangars Raigmore Housing Estate

Sixteen Cycle Hangars had been installed at Raigmore to provide secure cycle storage for the residents of flats to store their bike(s). Footpaths were also improved to enhance walking and wheeling links to the wider active travel.

White Lining Team

The Roads dedicated mobile white lining team were fully mobilised. The team had been out in Skye last week and this week would be in Wick and Thurso.

4. 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 should be excluded from the meeting during consideration of items **5** and **6**, on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 6 & 9 of Part 1 of Schedule 7A of the Act.

5. Delivery Plan Budget Monitoring and Progress Updates Q4 2425 - Net Zero, Energy Investment and Innovation(NZEI) Portfolio Sgrùdadh Buidseit agus Cunntasan Adhartais a' Phlana Lìbhrigidh R4 24/25 – Neoni Lom, Tasgadh is Ùr-ghnàthachadh Lùtha

There had been circulated to Members only Report No. ECI/11/25 by the Assistant Chief Executive - Place.

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

6. Procurement Strategy Ro-innleachd Solarachaidh

There had been circulated to Members only Report No. ECI/12/25 by the Assistant Chief Executive - Place.

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

7. Corran Ferry – Foot Passenger Fare Aiseag a' Chorrain – Faradh Choisichean

There had been circulated Report No. ECI/13/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- support was expressed for the principle of charging foot passengers, with comparisons drawn to other ferry operators in Scotland where foot passengers were routinely charged. Similar proposals had been raised in the past and could have generated significant income for the Council had they been implemented earlier;

- concerns were raised about the timing of the proposal, particularly in light of recent disruptions to the ferry service and the ongoing economic challenges faced by communities on both sides of the Corran Narrows. The ferry was a vital link for residents accessing employment, education and essential services;
- the potential financial burden on regular users was emphasised, with estimates suggesting that daily commuters, such as those walking across the ferry each weekday to access work, could face annual costs approaching £1,000. This was considered particularly problematic for low-paid workers and those living in areas already experiencing economic fragility;
- Members questioned the reliability of the financial modelling underpinning the proposal. Previous estimates of potential revenue had varied significantly, from £400,000 to £5,000 to £20,000, raising concerns about the robustness of the data and the assumptions used;
- the lack of up to date and accurate passenger data was highlighted. Members queried whether any recent surveys had been conducted to assess foot passenger numbers, travel behaviours or the likely impact of introducing a fare on usage patterns;
- the fare could discourage walking and cycling, particularly given the ferry's role in supporting active travel and its location on the NC500 cycle route. Members acknowledge that passengers travelling in vehicles would not be subject to the same charge, potentially undermining the Council's climate and transport objectives;
- reference was made to the equality and poverty impact assessment, which indicated that the proposal could have had negative consequences for a range of groups, including children, rural residents and those in low income households;
- Members also raised concerns about the potential impact on local businesses, particularly those reliant on foot traffic from ferry users. Anecdotal evidence was shared of businesses experiencing significant losses during previous ferry outages, with fears that a new fare could further reduce customer numbers; and
- clarification was sought regarding a footnote in the report relating to passenger numbers. Officers confirmed that this was a typographical error and did not correspond to a specific data source.

Thereafter, Mr I Brown seconded by Mr M Cameron, **MOVED** that to agree to the introduction of a foot passenger fare on the Corran Ferry.

As an **AMENDMENT**, Mr A Baxter seconded by Mr D Macpherson **MOVED** that the introduction of a pedestrian fare on the Corran Ferry should not proceed at this time.

On a vote being taken, the **MOTION** received 9 votes, and the **AMENDMENT** received 8 votes, with no abstentions, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr I Brown, Mr M Cameron, Mr D Fraser, Mr K Gowans, Mr W MacKay, Mr D Loudon, Mr R Jones, Mr H Morrison, Mr P Oldham.

For the Amendment:

Mr A Baxter, Mr J Bruce, Mr J Edmondson, Mr D Macpherson, Mrs T Robertson, Mr R Stewart, Ms K Willis, Mr P Logue.

**Notice of
Amendment**

The Committee **AGREED** the introduction of the Corran Ferry Foot Passenger Fare.

8. Early Adoption of 20mph Speed Limits in Highland – Final Traffic Regulation Order
Gabhail gu Tràth ri Crìochan Astair 20msu sa Ghàidhealtachd – Òrdugh Riaghladh Trafaig Deireannach

There had been circulated Report No. ECI/14/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- some Members expressed strong reservations about the blanket implementation of 20mph limits, raising concerns that the policy had not been sufficiently tailored to local contexts, lacked adequate consultation in some areas and had not yet demonstrated clear improvements in road safety. There were several comments suggesting it represented a misallocation of resources that did not reflect the priorities of rural communities;
- it was highlighted that survey results showed only 17% of respondents supported the policy and just 15% perceived any benefit to themselves or their communities. Some Members interpreted this as a clear indication of limited public backing and concerns were raised that proceeding with the scheme despite these figures risked undermining the Council's commitment to being a "listening Council";
- concerns were raised about the financial burden of the scheme, with one Member citing figures from the Climate Change Committee estimating an additional £2 million per year in staff time due to slower travel. This was productivity lost from frontline services and public sector partners such as the NHS;
- reference was made to the Dunvegan and District Community Council's response, which criticised the lack of consultation and prioritisation of signage over basic infrastructure like white lining, describing the drive from Dunvegan to Portree as a "white-knuckle experience" due to poor road conditions;
- Members argued that the policy was rooted in the now-defunct Bute House Agreement and had been rejected at Stage 1 in the Scottish Parliament. This suggested that it lacked both political and public legitimacy, particularly in a region as geographically diverse as the Highlands;
- it was stated that the policy was urban-centric and disconnected from the realities of rural life, where residents relied on cars for essential travel and

where active travel options were often impractical due to distance and terrain;

- the consultation process had received less than a 1% response rate, and concerns were raised about the interpretation of non-responses as implicit support. It was argued this approach was dismissive of wider public opinion, with criticism that the Council risked overlooking the views of the silent majority by assuming agreement where none was explicitly given;
- Members referenced similar schemes in Wales and Aberdeen, where blanket 20mph limits and traffic restrictions had led to public backlash and economic impacts, and urged the Council to learn from those experiences rather than repeat them;
- contrasting views were shared by Members who reported strong support in their Wards, including Nairn and Badenoch and Strathspey, where residents had welcomed the 20mph limits and some communities were disappointed to have been excluded, with requests to be included in future phases;
- it was reported that residents had even requested lower limits of 10mph in specific streets, particularly where there were concerns about delivery vehicles and taxis travelling at excessive speeds through residential zones;
- Members raised concerns about the lack of enforcement, citing Freedom of Information responses from Police Scotland which indicated that the 20mph limits were not enforceable under current national policy. This undermined public confidence in the scheme;
- it was observed that accident statistics had not shown an increase prior to the scheme, and that the policy was not based on a spike in incidents, leading to questions about whether it was evidence-based or simply a political gesture;
- some Members supported the policy as a proactive measure to improve road safety, particularly for children and vulnerable road users, and emphasised that speed was a key factor in the severity of accidents. It was expressed that adding a few extra seconds to a journey could save a child's life, underscoring the belief that the policy could help prevent serious or fatal incidents;
- comparisons were made to the cultural shift around drink driving, with hopes that speeding would become similarly socially unacceptable over time and that 20mph would become the norm in residential and community areas;
- several Members expressed support for a proposal to review the scheme by May 2026, allowing communities to provide feedback and request changes or opt-outs and ensuring that the Council remained responsive to local needs and experiences;
- concerns were raised about inconsistencies in speed limits on trunk roads, particularly in Torlundy, where a recent pedestrian accident occurred in a 60mph zone despite the presence of 100 households and multiple junctions, prompting calls for the Council to raise the issue with Transport Scotland;
- it was highlighted that the report presented to Members was 167 pages long with eight appendices. Officers had undertaken extensive

engagement with Community Councils, Elected Members and the public, including door-to-door surveys in some areas to gather representative feedback;

- the principle of “policing by consent” was mentioned several times, with Members emphasising that public acceptance of speed limits depended on whether they were perceived as fair and appropriate. It was argued that enforcement was most effective when communities believed the limits were justified and reflected local conditions;
- Members also raised concerns about the deployment criteria for mobile speed enforcement vans, suggesting they should be placed where communities identify speeding as a problem, such as near schools and on busy residential roads, rather than based on rigid national criteria; and
- it was acknowledged that, while the scheme might not yet change behaviour in all areas, particularly around school drop-offs, it was hoped that over time it would contribute to a cultural shift in driving habits and create safer, more liveable communities.

Following discussion, Mr K Gowans seconded by Mr M Cameron, **MOVED** the recommendations as detailed in the report.

As a **FIRST AMENDMENT**, Mr R Stewart, seconded by Mr D Macpherson, **MOVED** that this Council reaffirms its commitment to being a listening council and recognises the clear opposition from the majority of Highland residents to the blanket 20mph speed limit. We acknowledge the additional economic burden this policy had placed on businesses across the region. We further note the existence of a well-established and effective mechanism that allows communities to request 20mph limits where there was clear local support and supporting evidence. We agree that policy should work for, not against, Highland residents. Therefore, we agree to bring this blanket scheme to an end and restore the default 30mph speed limits, ensuring future decisions were community-led, evidence-based, and economically sound.

As a **SECOND AMENDMENT**, Mrs T Roberston, seconded by Mr A Baxter, **MOVED** that Council officers present an update report on the scheme by May 2026, which would enable communities to request the removal of certain roads.

On a vote being taken between the **FIRST AMENDMENT** and the **SECOND AMENDMENT**, the **FIRST AMENDMENT** received 3 votes, and the **SECOND AMENDMENT** received 11 votes, with 3 abstentions, the votes having been cast as follows:-

For the First Amendment:

Mr R Stewart, Mr J Bruce, Mr D Macpherson.

For the Second Amendment:

Mr K Gowans, Mr P Logue, Mr P Oldham, Mrs T Robertson, Mr A Baxter, Mr J Edmondson, Mr D Loudon, Mr R Jones, and Mr D Fraser.

Abstentions:

Mr M Cameron, Ms K Willis, Mr I Brown.

On a subsequent vote being undertaken between the **MOTION** and the **SECOND AMENDMENT**, the Motion received 10 votes, and the Second Amendment received 7 votes, with no abstention, and the **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mr W MacKay, Mr H Morrison, Mr K Gowans, Mr P Oldham, Mr M Cameron, Ms K Willis, Mr I Brown, Mr D Loudon, Mr R Jones, Mr D Fraser.

For the Second Amendment:

Mr J Bruce, Mr Patrick Logue, Mr D Macpherson, Mrs T Robertson, Mr A Baxter, Mr J Edmondson, Mr R Stewart.

The Committee:-

- i. **NOTED** the background and supporting evidence for the proposed making of the permanent 20mph speed limit Order for Highland;
- ii. **NOTED** the support that had been received by the Council for the making of the permanent 20mph speed limit Order;
- iii. **NOTED** the representor correspondence received by the Council regarding the making of the permanent 20mph speed limit Order;
- iv. **NOTED** the objections made to The Highland Council (Various Roads) (20 mph Speed Limit) Order 2024 in accordance with the regulations and not withdrawn; and
- v. **APPROVED** the making of the Road Traffic Regulation Order.

9. Biodiversity Enhancement and Compensatory Planting – Upfront Scheme Endorsement for Developers

Leasachadh Bith-iomadachd agus Planntachadh Dìolaidh – Aonta do Sgeama Ro Làimh airson Luchd-leasachaidh

There had been circulated Report No. ECI/15/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- support was expressed for the principle of early endorsement of biodiversity schemes, with Members welcoming the opportunity to encourage more strategic, landscape-scale environmental projects that could deliver meaningful ecological benefits. It was felt that this approach could lead to more coherent and connected habitats, better aligned with long-term nature restoration goals;
- officers clarified that the Memorandum of Understanding (MOU) would not override the statutory planning process and that planning committees and officers would retain full discretion to request changes to endorsed schemes. It was explained that developers would be aware from the outset that endorsed schemes might still be subject to revision, particularly if enhancements were not of the right type, scale, or location or if more on-site mitigation was required within the red line boundary of a development;

- concern was expressed about the broader principle of offsetting environmental harm in one area by delivering benefits in another, with Members questioning whether this approach could lead to a net loss of biodiversity in the areas directly affected by development. It was also noted that the proposed steering groups appeared to lack community representation and Members stressed the importance of involving local voices in shaping and overseeing these schemes;
- Members emphasised that compensatory planting and biodiversity enhancement should be delivered as close as possible to the location of the environmental impact and that schemes located far from the affected area would not be acceptable or appropriate. Proximity should be a guiding principle in the design and approval of such schemes to ensure local relevance and accountability;
- it was highlighted that all environmental information related to these schemes should be publicly accessible and subject to consultation, in line with environmental information regulations. Members stressed that transparency and public engagement were essential to building trust and ensuring that communities understood and supported the measures being proposed;
- the administrative demands of the scheme were highlighted, with questions raised about whether those involved in its oversight would have sufficient capacity to manage additional responsibilities. This was considered in the context of ensuring that governance arrangements remained practical and sustainable;
- further unease was expressed about the potential for the scheme to be used to justify environmentally damaging developments, particularly large-scale renewable energy projects. Members warned that the MOU process could be perceived as a way to legitimise ecological harm by offering compensatory measures elsewhere and that this risked undermining public confidence in the planning system;
- it was argued that the Council should focus on removing barriers to development rather than adding new layers of process, particularly in the context of the housing crisis. Members expressed concern that the scheme could slow down some developments while being used to accelerate others that were locally unpopular and called for a more balanced and streamlined approach to planning;
- Members acknowledged the tension between addressing the ecological crisis and the urgent need for housing and called for a planning system that could respond effectively to both challenges without compromising on either. It was suggested that the consenting process should be reviewed holistically to identify opportunities for simplification and improvement; and
- a request was made to clarify the fee structure outlined in the report, specifically whether the intended range was £5,000 to £10,500 or £5,000 to £105,000. Officers confirmed that the correct range was £5,000 to £10,500 and clarified that the higher figure was not applicable.

The Committee:-

- i. **AGREED** the principle of upfront endorsement of sites allocated by developers for compensatory planting and biodiversity enhancement;

- ii. **APPROVED** a fee structure based on the Council's existing pre-application fee scale for major development proposals (being £5,000 - £10,500) with fees sought at the upper end of the scale; and
- iii. **AGREED** to delegate authority to the Assistant Chief Executive – Place, following consultation with the Chair and Vice Chair of the Committee and the Chief Officer - Legal and Corporate Governance, to conclude, and thereafter enter into, a Memorandum of Understanding with developers seeking this service from the Council.

10. Planning Enforcement Charter

Cairt Co-èigneachadh Dealbhachaidh

There had been circulated Report No. ECI/16/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- Members welcomed the increase in planning enforcement officers and that this would enhance the Council's ability to respond to breaches of planning control in a timely and effective manner;
- it was suggested that an update report be brought to the Committee in a year's time, providing a summary of enforcement actions taken, particularly in relation to major developers, to improve transparency and public understanding of enforcement outcomes;
- concerns were raised about the length of time it can take to resolve enforcement cases, with reference made to a recent incident where intervention by a wildlife officer was faster than the planning enforcement process. It was suggested that the "public interest" clause was sometimes used to justify inaction and that there should be occasions where the Council acts more decisively;
- questions were asked about the future structure of the enforcement team, including whether there were plans to further expand the team and whether access officers currently supporting enforcement on a part-time basis would be able to return to their core duties as capacity increased;
- Members emphasised the importance of visible enforcement in maintaining public confidence in the planning system and highlighted that clear consequences for unauthorised development would help deter retrospective applications and encourage compliance from the outset; and
- it was recognised that the Council's planning team works collaboratively with applicants to support good development but enforcement remained a necessary tool to ensure that planning rules were respected and that the integrity of the system was upheld.

The Committee:-

- i. **AGREED** to adopt the Enforcement Charter as set out in Appendix 2 of the report as the Council's statement of planning enforcement policy and procedure;
- ii. **NOTED** the progress on building capacity within the Planning Enforcement Team; and

- iii. **AGREED** that a further update be brought to the Economy & Infrastructure Committee in one-year, summarising enforcement actions taken, including those involving major developers.

11. Scottish Government Consultation on a potential local authority Cruise Ship Levy in Scotland

Co-chomhairleachadh Riaghaltas na h-Alba air mar a dh'fhaodadh ùghdarrasan ionadail Cìs Shoithichean Cuairt-mhara a bhuileachadh

Transparency Statements: the undernoted Members declared connections to this item but, having applied the objective test, they did not consider they had an interest to declare:-

Mr A Baxter - as a member of both the Highlands of Scotland Tour Guide Association and the Scottish Tourist Guide Association but as a non-practising member

Mr K Gowans - as a close family member of an employee of The Highland Council

There had been circulated Report No. ECI/17/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- concern was expressed that the introduction of an additional cruise ship levy could risk undermining the Highlands' reputation as a welcoming and good-value tourist destination, particularly at a time when the region was seeking to recover and grow its tourism economy;
- clarification was sought regarding the draft response's position that local authorities should not be permitted to vary the scheme, with Members highlighting that flexibility would be essential to ensure that any levy could be tailored to the specific needs and circumstances of different Highland communities;
- it was suggested that the Council's response should reflect previous feedback received during the visitor levy consultation, particularly the importance of local discretion in scheme design, and that this principle should be embedded from the outset in any new legislation;
- the need for clear and robust definitions within the proposed legislation was emphasised, particularly in relation to what constitutes a "cruise ship," with concerns raised that smaller vessels, such as sailing boats carrying limited numbers of passengers, might be unintentionally captured by broad definitions;
- similar definition challenges were noted in relation to motorhomes and camper vans, with Members observing that many of the vehicles contributing to infrastructure pressures in the Highlands fall outside standard classifications and might include modified commercial vans or cars with roof tents;
- it was reiterated that this was an early-stage consultation, with no draft legislation currently in place and no inclusion in the current Scottish

Government legislative programme. There would be further opportunities for detailed input should the proposal progress;

- support was expressed for the idea of reframing the proposal as a “point of entry” levy rather than a cruise ship-specific charge, which could allow for a broader and more equitable approach to visitor contributions across different modes of arrival;
- anecdotal evidence was shared of cruise passengers facing high transport costs to travel from Invergordon to Inverness, with comparisons made to other cities such as Edinburgh, where free shuttle services were provided to encourage visitor spending in the local economy;
- it was suggested that the Council should explore opportunities to improve transport links and visitor services for cruise passengers, to enhance the overall visitor experience and maximise local economic benefit;
- the importance of recognising the significant role of the cruise industry in certain Highland communities was highlighted, particularly in areas such as Invergordon, where cruise tourism contributed substantially to the local economy but where infrastructure investment was urgently needed;
- concern was raised that a centralised legislative approach could disadvantage smaller or more remote ports and that a devolved model allowing for local implementation and variation would be more appropriate to reflect the diversity of Highland communities and port capacities;
- it was proposed that any future revenue generated from a cruise levy should be distributed in consultation with Area Committees, with a focus on reinvestment in port towns and communities that hosted cruise visitors and bore the associated infrastructure and service pressures;
- the importance of setting an appropriate and proportionate levy rate was emphasised, with reference to lessons learned from the visitor levy process, where the proposed 5% rate had generated significant concern;
- the viability of cruise operations often depended on the affordability of short excursions and even modest charges could influence cruise lines’ decisions on port calls, potentially reducing the number of visits to Highland ports;
- it was acknowledged that while some might view a reduction in cruise ship visits as beneficial from an environmental perspective, it was essential that any new legislation strike a balance between sustainability, economic benefit, and community impact; and
- Members stressed the importance of early and meaningful engagement in the consultation process to ensure that the resulting legislation was fit for purpose and reflected the unique needs and aspirations of the Highlands.

The Committee **APPROVED** the draft response to the Scottish Government's consultation on a potential Cruise Ship Levy.

12. UK Shared Prosperity Fund: 2022-25 Delivery Plan Update & 2025/26 Proposed Delivery Plan
Maoin Soirbheachas Co-roinnte na RA: Cunntas às Ùr mu Phlana Lìbhrigidh 2022–25 & Plana Lìbhrigidh ga Mholadh airson 2025/26

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/18/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- the report was welcomed as a positive update on the delivery of the UK Shared Prosperity Fund (UKSPF) across the Highland region, with particular emphasis on the breadth of investment and the tangible outcomes achieved through programmes such as adult numeracy and green skills training;
- Section 5 of the report provided detailed information on the impact of the 2022–25 programme, including participation rates and qualification outcomes, which had been requested by Members at a previous meeting;
- attention was drawn to the financial summary in Section 6, which confirmed that the full £9.4 million allocation had been utilised, except for a £328,000 underspend in the adult numeracy programme, for which an explanation was provided in the report;
- the introduction of the 2025–26 programme, as outlined in Section 7 and detailed in Appendix 4, was welcomed, with Members noting the alignment of planned expenditure with the UK Government's key priorities for the fund;
- concern was raised regarding the long-term tracking and delivery of funded projects, with an example cited of a car park project in Glencoe village which, despite receiving funding for technical design, had stalled due to legal and land ownership issues. It was suggested that mechanisms should be developed to monitor project outcomes beyond the initial funding phase to ensure full delivery and impact;
- the importance of legacy planning was highlighted, with Members expressing concern about the lack of clarity regarding funding arrangements beyond March 2025. Many successful schemes could be at risk of discontinuation if no successor funding was identified;
- a request was made for a briefing or report at a future meeting to provide an update on any developments regarding funding for 2026–27 and beyond, particularly in light of the need for early planning and budget alignment with government timelines; and
- it was acknowledged that new information on future funding had recently become available and that officers would seek to circulate this to Members as soon as possible to support ongoing planning and decision-making.

The Committee:-

- i. **NOTED** the update on the 2022-25 UKSPF Delivery Plan;
- ii. **APPROVED** the 2025/26 UKSPF Delivery Plan; and

- iii. **AGREED** to seek further information on future funding arrangements beyond 2025 and to receive an update at a future meeting or via briefing, as appropriate.

13. Development Delivery Plan Plana Lìbhrigidh Leasachaidh

There had been circulated Report No. ECI/19/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- the report was welcomed as an important step in progressing the Council's local development planning framework, with Members noting that it outlined three key tools to support delivery: the Highland Delivery Programme, the Deliverable Housing Land Pipeline, and the new optional power to designate Masterplan Consent Areas (MCA);
- it was confirmed that the Highland Delivery Programme had previously been approved as a consultation draft and now incorporated minor changes following feedback, while the Deliverable Housing Land Pipeline provided a detailed overview of larger housing sites across the region, as required by the Scottish Government;
- Members were advised that the Council had received 300 submissions covering 250 sites in response to a recent call for development sites and that these would be published online by the end of June. It was emphasised that the Council had not yet formed any view on the suitability of these sites and that public engagement would follow in due course;
- attention was drawn to the importance of recommendation (iv), which sought agreement on the criteria to be used in assessing development site submissions, including those received through the call for sites and others under consideration for inclusion in the new Highland Local Development Plan;
- whilst the Council had identified a three- to six-year supply of potential development sites, there were growing concerns about the capacity of utility providers to support new development, with specific reference made to sites where completed homes could not be occupied due to insufficient water pressure or electricity supply;
- Members highlighted the need for infrastructure planning to keep pace with housing development, particularly in high-growth areas such as the Inner Moray Firth corridor and around Inverness, where pressure on utilities, roads and public services was already significant;
- the introduction of MCAs was welcomed as a tool to streamline planning processes but it was noted that local concerns had previously been raised about specific sites. Members were reassured that these had been addressed in the updated criteria and guidance;
- it was confirmed that Planning Applications Committees would retain the ability to determine whether a proposed MCA should proceed, ensuring continued democratic oversight and local accountability;
- a proposal was made to strengthen the site assessment criteria by explicitly including considerations related to infrastructure capacity, such

as the availability of school places, access to healthcare services and the adequacy of water and electricity supply. These issues were particularly acute in parts of Inverness where residents were unable to register with local GP practices or access places at nearby schools; and

- incorporating these factors into the assessment process would help ensure that future development was sustainable and aligned with the capacity of local infrastructure and services.

The Committee:-

- i. **AGREED** the changes to the Highland Delivery Programme listed at Appendix 2 of the report in response to comments made on its public consultation draft;
- ii. **AGREED** that the Assistant Chief Executive – Place, in consultation with the Chair and Vice-Chair of the Committee, make further factual and update changes to the Programme;
- iii. **NOTED** progress in better defining the deliverability of Highland’s housing land supply as set out in the Deliverable Housing Land Pipeline at Appendix 3 of the report;
- iv. **AGREED** that the criteria listed at paragraph 8.2 be applied to potential Masterplan Consent Area sites/locations to select those which would be subject to further feasibility work, consultation with affected community bodies and landowners, and subsequent Committee consideration and approval;
- v. **NOTED** and discuss the options described in section 8 and at Appendix 4 of the report for Masterplan Consent Area governance and process; and
- vi. **AGREED** the inclusion within the proposed criteria for assessing development sites of additional considerations relating to infrastructure capacity, including education, healthcare and utilities.

14. The Flow Country World Heritage Site Planning Position Statement Aithris Suidheachadh Dealbhachaidh Làrach Dualchas na Cruinne anns na Flobhachan

There had been circulated Report No. ECI/20/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- the proposal to update the planning position statement and proceed with an Article 4 Direction was welcomed as a significant step in supporting the protection and management of the Flow Country, which was recognised as the largest expanse of blanket peat bog in Europe;
- it was noted that the Flow Country covered approximately 400,000 hectares and played a critical role in carbon storage, biodiversity conservation and climate resilience, with its ecological importance acknowledged by UNESCO through its World Heritage Site designation;
- Members highlighted the importance of continuing efforts to restore and protect the area’s natural environment, particularly in the context of climate change and the Council’s wider sustainability objectives; and

- the Article 4 Direction, which would remove certain permitted development rights within the designated area, was seen as a necessary measure to ensure that future development proposals were subject to appropriate scrutiny and aligned with the conservation aims of the World Heritage Site.

The Committee:-

- NOTED** the updated versions of the Planning Position Statement and associated, tailored Heritage Impact Assessment Toolkit for The Flow Country World Heritage Site, published on the Council's website; and
- AGREED** that an Article 4 Direction be prepared for The Flow Country World Heritage Site, covering Permitted Development classes 8, 18A, 19, 20, 40, 53, and 67 and **NOTED** the process outlined for doing so.

15. Highland Social Value Charter Update Cunntas às Ùr mu Chairt Luach Sòisealta na Gàidhealtachd

There had been circulated Report No. ECI/21/25 by the Assistant Chief Executive - Place.

During discussion, Members raised the following main points:-

- the Social Value Charter was welcomed as a proactive step in seeking greater benefit for Highland communities from renewable energy developments, with the Council requesting an additional £7,500 per megawatt contribution to a Strategic Fund, in addition to the existing £5,000 per megawatt community benefit;
- appreciation was expressed for the work of officers in developing the Charter and engaging with developers, with recognition of progress made since the original motion in 2023. However the responses from larger companies had been inconsistent and, in some cases, dismissive;
- Highland communities hosted a significant number of renewable energy schemes, yet the electricity generated often benefited areas far beyond the region and there was a strong sense that local communities should receive a fairer share of the value created;
- concern was raised that the Charter, while well-intentioned, might be perceived by some communities as insufficient to address the broader impacts of large-scale renewable developments, including landscape change, infrastructure pressures and a perceived erosion of local voice;
- it was suggested that the Council's public support for renewable energy investment, including hosting conferences and promoting development, might be viewed by some as prioritising external interests over local needs and that the Charter should not be used as a substitute for meaningful community engagement and protection;
- Members emphasised that social value must be rooted in justice, dignity, and accountability and that community voices must be central to decision-making processes;

- a call was made for greater transparency, including the publication of a list of companies that had and had not signed up to the Charter, to encourage accountability and public awareness;
- it was argued that while community benefit payments were important, they cannot fully compensate for the long-term impacts on communities and that a more robust and enforceable framework was needed;
- a contrasting view was expressed that a moratorium on renewable development was not supported and that each application should be considered on its own merits, with a focus on maximising local benefit where development proceeds;
- disappointment was expressed at the UK Government's recent working paper on community benefits and shared ownership, which was seen as a missed opportunity to legislate for mandatory and inflation-linked contributions and which excluded retrospective application to existing schemes;
- Members cited examples of long-standing hydro schemes in the Highlands that provided no local benefit and noted that without legislative change, communities would continue to miss out on fair returns from such infrastructure;
- it was proposed that the Council prepare a response to the UK Government's consultation on the working paper, due by 19 July, and that a draft be circulated to Members for comment prior to submission;
- further examples were shared of other regions, such as Orkney, where stronger local benefit arrangements had led to significant investment in public infrastructure, and it was argued that Highland communities deserved similar outcomes;
- it was emphasised that renewable developments bring both opportunities and pressures, including increased demand on housing, roads, healthcare and education and that the Council must strike a balance between supporting development and securing meaningful benefits for local people;
- concern was expressed that the current £5,000 per megawatt community benefit figure was outdated and should be increased to reflect inflation and rising energy prices, with suggestions that host communities in particular should receive a greater share of the benefit;
- it was suggested that a more localised, area-based approach to managing and distributing community benefit funds could improve transparency and ensure that support reached the communities most directly affected by development;
- a question was raised regarding the involvement of Local Members and communities in discussions around legacy housing proposals linked to developer commitments, particularly in areas such as Aird and Loch Ness where significant development was anticipated;
- the Strategic Fund model proposed in the paper was based on area groupings and drew on the structure of previous European funding mechanisms, such as local action groups, which allowed for more locally responsive and participatory decision-making;
- it was reiterated that discussions around community benefit must remain entirely separate from the planning process to ensure transparency and avoid any perception of undue influence; and

- Members were reminded that the natural resources of the Highlands, its wind, water, waves and landscapes, belong to the people of the region, and that it was the Council's responsibility to ensure that all communities, not just those hosting developments, share in the prosperity generated.

The Committee:-

- NOTED** updates on progress against the Highland Social Value Charter;
- AGREED** that the Council continued to engage with Scottish and Southern Energy Transmission to sign up to the Charter and agree the areas of initial commitment;
- AGREED** that the Council continued to finalise the commitment from other renewables developers to sign up to the Charter in the coming weeks;
- NOTED** the draft Partnership Agreement template detailed in Appendix 1 of the report which, once finalised, would be trialled over the next 6 months;
- AGREED** that the Council would continue making representations to both the Scottish and UK Governments on the need for mandatory community benefit;
- NOTED** that the Chair of the Committee had written formally to Scottish Renewables seeking their immediate engagement with the Social Value Charter;
- NOTED** that Scottish Renewables Draft Maximising Net Socio-Economic Benefit Guidance would be trialled alongside the Charter over the next 6 months to support developers in progressing their Partnership Agreements; and
- AGREED** to prepare and circulate a draft response to the UK Government consultation on community benefits and shared ownership, with input from Members to be sought prior to submission by the 19 July 2025 deadline.

16. Regional Coastal Change Adaptation Plan

Plana airson Freagarrachadh air Atharrachadh air Cladaichean Sgìreil

There had been circulated Report No. ECI/22/25 by the Assistant Chief Executive - Place.

The Committee:-

- NOTED** the contents of the Regional Coastal Change Adaptation Plan;
- AGREED** to the Regional Coastal Change Adaptation Plan; and
- AGREED** to making the Regional Coastal Change Adaptation Plan available to the public on the Council's website.

17. Delivery Plan Budget Monitoring & Progress Update Q4 2024/25

Sgrùdadh Buidseit & Cunntas Adhartais a' Phlana Lìbhrigidh R4 2024/25

There had been circulated Report No. ECI/23/25 by the Assistant Chief Executive - Place.

The Committee **APPROVED** the:-

- i. progress to date of projects as outlined in this report; and
- ii. changes to Workforce for the Future portfolio structure – refreshed approach detailed in Section 5 of the report, leading to changes reflected in future reporting schedule.

18. Performance Monitoring Report Q4 2024/25
Aithisg Sgrùdadh Coileanaidh R4 2024/25

There had been circulated Report No. ECI/24/25 by the Assistant Chief Executive - Place.

The Committee **NOTED** the Service's performance information.

19. Service Workforce Plan Annual Progress Report
Aithisg Adhartais Bhliadhnail Plana Feachd-obrach Seirbheis

There had been circulated Report No. ECI/25/25 by the Assistant Chief Executive - Place.

The Committee **NOTED** the Infrastructure, Environment and Economy (IE&E) workforce planning progress report and updated action plan.

20. Membership of the Conference of Peripheral Maritime Regions of Europe (CPMR) and North Sea Commission (NSC)
Ballrachd Co-labhairt Roinnean Mara Iomallach na Roinn Eòrpa agus Coimisean a' Chuain a Tuath

The Committee **AGREED** to appoint Mr K Gowans to the Conference of Peripheral Maritime Regions of Europe (CPMR) and North Sea Commission (NSC).

21. Minutes
Geàrr-chunntas

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

- i. South PAC – 10 December 2024;
- ii. North PAC – 25 January 2025;
- iii. South PAC – 2 April 2025;
- iv. North PAC – 12 March 2025;
- v. South PAC – 2 April 2025;

and, also **APPROVED**:-

- vi. Community Regeneration Strategic Fund Sub Group held on 13 February 2025 and 29 April 2025;
- vii. Harbours Management Board held on 28 February 2025;
- * **Starred Item – Item 4 – Harbour Dues - Schedule of Rates and Dues for 2025/26 – APPROVED** the publication of Schedule of Rates and Dues for Highland Council Harbours for the financial year 2025/26.
- viii. City Region Deal Monitoring Group held on 24 April 2025.

The meeting ended at 6 pm.