

Agenda Item	16b
Report No	RES/29/26

# The Highland Council

**Committee:** Corporate Resources

**Date:** 4 June 2026

**Report Title:** Delivery Plan Budget Monitoring & Progress Update Q4 2025/26 – Income Generation

**Report By:** Assistant Chief Executive – Corporate

## 1. Purpose/Executive Summary

1.1 The Delivery Plan 2024-27 consists of 57 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 14 May 2025. Exceptions to this 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/Programme:

- Income Generation – specifically the following projects
  - Tourism – Unique Highland Visitor Experiences
  - Tourism – Income from Campervans and Motorhomes (Highland Campervan and Motorhome Scheme)
  - Tourism – Income from Campervans and Motorhomes (Infrastructure Development)

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:

- i. Scrutinise and **note** progress on the projects covered in this report.

### 3. Implications

- 3.1 **Resource:** There are no resource implications arising as a direct result of this report. Any resource implications (if any) for delivery plan projects or programmes will be detailed in the Financials sections of each of the project/programme 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.
- 3.3 **Risk:** There are no additional 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.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people):** There are no implications arising as a direct result of this report.
- 3.5 **Gaelic:** There are no 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. Unique Highland Visitor Experiences

#### 5.1 Overall Project RAG



- 5.2 The Unique Highland Visitor Experiences project currently has a green RAG rating.

#### 5.3 The Storr

- 5.3.1 During Q4, The Storr Centre continued to progress, with a review of the product range undertaken to strengthen sustainability and income generation. Continued focus on collaboration with local suppliers resulted in new partnerships, reinforcing the Centre's contribution to community wealth building. The introduction of new

products and partnerships is planned to align with the opening of Phase 2 of the retail space.

- 5.3.2 Ecommerce continued to see steady interest, with shipping to the USA launched in February. Delivery is now available to the UK and the USA from [thestorr.com](http://thestorr.com). Requests from customers in the EU have been fulfilled, with consideration being given to shipping to the rest of the world.
- 5.3.3 As previously reported, the opportunity to provide further services at The Storr has resulted in the development of Phase 2, which offers increased retail space, allowing the centre to showcase an expanded number of suppliers and products, and support increased local employment. The extension, which has been funded by the UKSPF, will also offer a new multipurpose room, which is designed to be used for weddings, art exhibitions, and community use. Suppliers and the community with an interest in The Storr are asked to contact the team at [thestorr@highland.gov.uk](mailto:thestorr@highland.gov.uk) if they wish to get in touch.
- 5.3.4 Work on Phase 2 continued as planned and is on schedule. The additional modules, constructed by Modular West in Barra, have been delivered to site and are being installed ready for opening. The extension will continue to contribute to and further enhance the visitor experience at The Storr.
- 5.3.5 The £1 increase in parking tariffs, agreed at 16 February Skye & Raasay Area Committee which came into effect in April, further contributes to the developments at the site. The increased income from parking charges sustains the site via investment in the path network, toilets, motorhome waste disposal provision, and on-site visitor management. These facilities protect the site for future generations and ensure that the site remains accessible for all.
- 5.3.6 Work to improve parking management continued during Q4, with plans progressing to increase capacity of the car park, improve roadside safety, and introduce clearer signage and on-site information to promote responsible parking behaviour.

#### 5.4 **Visitor Experience Rangers: The Old Man of Storr**

- 5.4.1 Visitor numbers at the Old Man of Storr continued to increase through late winter and spring 2026, with a total of 52,296 visitors recorded between February and May, representing a 6.6% increase compared with the same period in 2025. As expected, April saw a sharp rise linked to improving weather conditions and the start of the main tourist season.
- 5.4.2 Despite increased footfall, site management has remained effective. Off-path movement has stayed relatively low at 4.5%, supported by barrier infrastructure and proactive visitor engagement. Access Officer staff reported mixed visitor behaviour overall, with some increases in littering and path shortcutting during drier conditions, but most visitors were receptive to advice and guidance.
- 5.4.3 Staff responded to three minor incidents which were resolved on site, with no Mountain Rescue Team callouts required. Proactive engagement and early intervention continue to play a key role in maintaining visitor safety and reducing pressure on emergency services.

- 5.4.4 Biodiversity and conservation monitoring continued across both the Lower and Upper Sites of Special Scientific Interest (SSSIs). Native tree planting and woodland regeneration within the Lower SSSI continued to show good resilience, while barriers in the Upper SSSI remained effective in protecting recovering vegetation. Seasonal measures were introduced to protect red-listed bird species, including the use of “No Drone” signage, which has already helped reduce disturbance.
- 5.4.5 In March, contractor-led repairs were completed on a heavily worn section of the South Side Loop path at a cost of over £70,000, reinvesting site-generated income to protect the landscape and reduce future maintenance liabilities. Access Officers also used digital mapping and activity data to improve path management, working with external platforms to remove informal and restricted routes from public mapping applications and better reflect conservation zones. This supports longer-term erosion control and visitor management.
- 5.4.6 Overall, the Storr team continues to provide strong assurance around visitor safety, environmental protection, and asset maintenance as the site moves into its busiest period, while supporting the Council’s wider objectives for sustainable tourism, income reinvestment, and protection of The Storr.

## 5.5 **Unique Highland Visitor Experiences**

- 5.5.1 A Strategic Outline Case (SOC) was approved by the Income Generation Board on 25<sup>th</sup> February 2026 in respect of possible further sites in Highland. This incorporated input from the Redesign Board, including the weightings of critical success factors, providing a detailed evaluation of the sites. Building upon the success of The Storr and led by the Redesign Board, projects at Smoo Cave and Torvean are being investigated with the Redesign Board workshops expected to consider the positive progress being made and final decisions made at the Redesign Board in August 26. The commitment to involving Members throughout the whole process remains strong.
- 5.5.2 While resource limitations and other constraints will likely mean that only a small number of sites can be progressed, there are many other sites that represent excellent long-term opportunities for development as full Visitor Experiences. These sites would benefit from additional reassessment and readiness activities to support a larger development in the future.
- 5.5.3 Officers are continuing to explore opportunities at Coral Beach on the Isle of Skye in partnership with the Scottish Government. While the site has been resurfaced to provide a modern parking facility there is an opportunity to further develop the site with the addition of a Public Convenience facility. Engagement with stakeholders remains ongoing as viable development options are explored.

## 5.6 Key Milestones & Requests for Change

### 5.6.1 Milestones

<i>Starts Feb 26 / Completes May 26</i>	Unique Highland Visitor Exp: Identify Storr online retail baseline sales for FY25/26	<b>M12 25/26 On Target</b>
<i>Starts Apr 26 / Completes Jul 26</i>	Unique Highland Visitor Exp: Year 2 site assessments FY26/27 onwards	
<i>Starts Feb 26 / Completes Aug 26</i>	Unique Highland Visitor Exp: Full Business Cases for Two UVE sites	
<i>Starts Jun 26 / Completes Aug 26</i>	Unique Highland Visitor Exp: Next stage Milestones & Measures to be assessed & implemented	
<i>Starts Jun 28 / Completes Sep 28</i>	Unique Highland Visitor Exp: UVE - Project End Milestone	

### 5.6.2 Requests for Change:

During Q1 of 2026/27 milestones will be reassessed for Unique Visitor Experiences to reflect the development of additional sites.

## 5.7 Financial Summary

### Savings

	Unique Highland Visitor Exp: Income Forecast - FY 25-26	<b>£ 150,000</b>
---	---	------------------

The Project has an approved £1.5m budget for investment in additional visitor services.

Mitigations are not currently required for this Project.

## 5.8 Key Risks

Unique Highland Visitor Exp.: Low uptake of Unique Visitor Experiences	<b>6</b>	<b>Tolerate</b>
Unique Highland Visitor Exp.: Low Partner/Community Support at the Storr and future UVE sites	<b>9</b>	<b>Tolerate</b>
Unique Highland Visitor Exp.: Regulatory Requirements	<b>9</b>	<b>Tolerate</b>
Unique Highland Visitor Exp.: Land Ownership	<b>6</b>	<b>Tolerate</b>

## 5.9 Forward Plan

The key activities for the next 2 Quarters (2026/27 Q1 and Q2) are as follows:

Key activities will focus on the opening of the Phase 2 Storr development and full Business Cases developed for Smoo Cave and Torvean.

## 6. Campervans/Motorhomes

6.1 The Campervan and Motorhome project comprises of 2 distinct workstreams. These are (a) The Highland Campervan and Motorhome Scheme and (b) Infrastructure.

6.2 The Council's approved Medium Term Financial Plan 2025/26-2027/28 included a reprofiled income target of £0.250m over 3 years. Most of the income for this overall project will be generated through the introduction of motorhome infrastructure as covered in section 7 of this report.

6.3 The Highland Campervan and Motorhome Scheme - Overall RAG

<b>Project:</b> <b>Campervans/Motorhomes</b>	R	<input checked="" type="radio"/>
	A	<input type="radio"/>
	G	<input type="radio"/>
	C	<input type="radio"/>

6.4 The Highland Campervans and Motorhomes Scheme has a Red RAG rating as of Q3 2025/26 as income generated continues to perform below the original target.

6.5 Key Milestones & Requests for Change


The current milestone dates for the sites at Dunvegan, Kingussie and Kessock A9 includes being operational by July 2026. Further work is also being taken forward, with local Members, considering the provision of this service in Fort William (An Aird).

6.6 Milestones

<i>Starts Feb 26 / Completes May 26</i>	Campervans/Motorhomes: Identify Motorhome Wastewater baseline sales for FY25/26	<b>M12 25/26 On Target</b>
<i>Starts May 25/ Completes Jun 26</i>	Campervans/Motorhomes: Kingussie motorhome wastewater infrastructure operational	<b>M12 25/26 On Target</b>
<i>Starts May 25/ Completes Jun 26</i>	Campervans/Motorhomes: Kessock (A9) Northbound motorhome wastewater infrastructure operational	<b>M12 25/26 On Target</b>
<i>Start May 25 / Jun 26</i>	Campervans/Motorhomes: Dunvegan (Skye) motorhome wastewater infrastructure operational	<b>M12 25/26 On Target</b>
<i>Starts May 25 / Completes Jul 26</i>	Campervans/Motorhomes: Castletown motorhome wastewater infrastructure operational	<b>M12 25/26 On Target</b>
<i>Starts Jun 27 / Completes Sep 27</i>	Campervans/Motorhomes: Project end milestone	

6.7 Financial Summary

Savings

	Campervans/ Motorhomes: Income Forecast 25/26	<b>£ 8,760</b>
---	---	----------------

As reported elsewhere in this report, the income will mainly be derived from the infrastructure projects and these are outlined later in this report.

6.8 During the current financial year there is no expected additional investment into the Highland Campervan and Motorhome Scheme as the Council is making best use of existing technologies.

6.9 Mitigations

The Project Board is taking mitigating actions to increase the levels of income generated. Overall performance across the Income Generation Portfolio is expected to offset the shortfall for this Project.

6.10 Key Risks

Campervans/Motorhomes: Low uptake of initiatives	<b>12</b>	<b>Tolerate</b>
Campervans/Motorhomes: Low Partner/Community Support for initiatives	<b>9</b>	<b>Tolerate</b>
Campervans/Motorhomes: Regulatory Requirements for initiatives	<b>9</b>	<b>Tolerate</b>
Campervans/Motorhomes: Land Ownership for initiatives	<b>4</b>	<b>Treat</b>

6.11 Forward Plan

The key activities for the next 2 quarters (2026/27 Q1 and Q1) are as follows:

A marketing campaign, using existing in-house resources, will be designed for the Campervan and Motorhome Scheme. Press releases and marketing will be coordinated with the launch of Wastewater sites to address key messaging around disposal of motorhome waste during the 2026 tourism season.

**7. Tourism – Infrastructure Development**

7.1 Informed by public engagement and other feedback received, including from communities, there is an identified need for frequent access to wastewater disposal sites, freshwater replenishment and disposal of dry waste. To achieve responsible and sustainable tourism and to positively change behaviours, there needs to be greater availability of such services all year round at locations frequently used by those touring the Highlands.

- 7.2 Significant work has been undertaken to progress the delivery of black waste disposal at a range of sites across Highland. Early sites for roll out are at Kingussie, Dunvegan, and North Kessock, which are expected to go live in summer 2026. Final designs are also progressing for developments at the An Aird Car Park at Fort William and at Castletown.
- 7.3 The Income Generation Board on 25<sup>th</sup> February 2026 approved the appointment of a supplier to carry out the implementation of Wastewater sites at North Kessock, Dunvegan and Kingussie. Additional procurement activities are ongoing to appoint a Licensed Provider. Before commencing works on site, The Highland Council is required to submit a connection application, including design drawings. The technical application can only be submitted to Scottish Water via the appointed Licenced Provider. Scottish Water will review our application and if there are no further concerns, permission for the connection will be granted.
- 7.4 The Income Generation Board has provided funding of £84,502 for the Amenities-led, Motorhome Wastewater Infrastructure site at Ullapool. This is expected to launch during Q1 of FY 2026/27. While the development of this site is not part of the Delivery Plan portfolio, the Income Generation Board has an important role to play towards ensuring there is a consistent approach towards charging across all Highland Council sites.

#### 7.5 Key Milestones & Requests for Change

Officers are anticipating that these sites could begin generating income from July 2026. The current priority milestones are related to the increase in availability of the wastewater disposal and freshwater replenishment sites, and dry waste facilities.

#### 7.6 Financial Summary

##### Investment

Overall, the Tourism Project has an approved investment budget of £0.750m. Spend on infrastructure projects is currently forecast to be:

- £0.350m for the aforementioned wastewater sites
- £0.085m to support the public conveniences project in Ullapool
- £0.060m for dry waste bins and enclosures.

Having regard to existing fees by local operators, fees will be applied to the wastewater disposal and freshwater replenishment sites.

Additional sites have been identified for potential development if the requisite approvals are not granted for the proposed infrastructure development sites detailed in this report. As with the approach taken for the already identified sites, engagement with local Members will be undertaken throughout the process for new sites.

In addition to the 14 waste bins (1100 litre) provided at sites across Highland, 7 sites will also see enclosures provided during 2026, with the aim of continuing to provide infrastructure to encourage and support sustainable tourism and for the benefit of local communities.

## 7.7 Key Risks

There are no identified changes to the key risks that have been identified for this Project. These are monitored and managed by the Project Board.

Campervans/Motorhomes: Low uptake of initiatives	<b>12</b>	<b>Tolerate</b>
Campervans/Motorhomes: Low Partner/Community Support for initiatives	<b>9</b>	<b>Tolerate</b>
Campervans/Motorhomes: Regulatory Requirements for initiatives	<b>9</b>	<b>Tolerate</b>
Campervans/Motorhomes: Land Ownership for initiatives	<b>4</b>	<b>Treat</b>

## 7.8 Forward Plan

Work continues to take obtain the requisite approvals and permissions, and to appoint a Licensed Provider to enable the infrastructure to be implemented.

Designation: Assistant Chief Executive – Corporate

Date: 15 May 26

Author: Sheila Armstrong, Chief Officer Revenues & Commercialisation  
Matt Bailey, Strategic Lead Commercialisation  
Alister MacBain, Business Management Analyst  
Amy Smith, Project Manager  
Jonathan Scott, Project Manager