

Local Government and Communities Committee

City Region Deals

Submission from Highland Council

Introduction

The heads of terms agreement for the Inverness and Highland City Region Deal was agreed between the Highland Council and the Scottish and UK Governments in March, 2016 with the Deal being formally agreed on 30 January, 2017.

The responses to specific questions are answered from the perspective of The Highland Council as the accountable body for the Inverness and Highland City Region Deal.

Q.1. What is your understanding of the purpose of City Region Deals?

City Region Deals are a form of localism through the development of collaborative regional partnerships and approaches with the objective of making a significant contribution to the region's economic growth and productivity.

The ability to operate strategically at the regional level is supported by funding being provided for investment in infrastructure, innovation, connectivity and other initiatives that can support a long-term focus on the priorities required to deliver economic growth and other benefits to an area. Part of the philosophy is that the local understanding of problems and opportunities will help to ensure the money is spent as effectively as possible. These local priorities clearly need to align with the policy objectives of the Scottish and UK Governments.

The vision behind the Inverness and Highland City Region Deal is to position the Highlands of Scotland as a region of digital opportunity by promoting it as the best digitally connected rural region in Europe.

We have developed a collaborative partnership between Highlands and Islands Enterprise, the University of the Highlands and Islands and Albyn Housing Association to deliver a step change in digital connectivity, digital healthcare, skills, innovation and infrastructure.

Q.2. Are City Region Deals on track to deliver local growth, innovation and infrastructure schemes which would not have otherwise been delivered?

We believe in Highland that we are making good progress in terms of demonstrating that the Inverness and Highland City Region Deal has the right projects managed in the right way to deliver real benefits to the Highlands. Funding has commenced for the first three projects following recent government approval of the business cases, and work is now happening on the ground to deliver the projects.

While it is too early to quantify the outcomes, the Council is confident that completion of the projects in the Inverness and Highland City Region Deal, will lead to the outputs and outcomes that have been set out in the city-region deal agreement. .

However, there are two projects set out below which received advance funding and it is possible to provide some early data on these projects.

Early funding from the UK Government has been spent on a Viewpoint and other improvements at Inverness Castle and an Inverness city centre Wi-Fi project. Both of these projects were designed to enhance the visitor and resident experience of the city centre and promote the economy of Inverness. The Wi-Fi scheme was launched on 6 February 2017 and the Castle viewing platform was opened 17 April, 2017. Both of these projects provide an early indication of what is possible with City Region deals and also provide momentum for the other projects. The WI-FI project has seen numbers grow since its launch.

WI-FI Count	Feb	March	April
New visitors	1152	1025	1149
Repeat visitors	329	715	846
Users (Cumulative)	2943	4683	6678

The castle viewpoint opened to the public on 17th April and had 600 visitors in the first week which was free of charge.

Q.3. What is your understanding of the governance arrangements for City Region Deals, and how well are these arrangements working in practice?

The Highland Council acts as the Accountable body for the Inverness and Highland City Region Deal. Through the Council's Planning, Development and Infrastructure Committee and a Programme Board the Council will amongst other things:

- ensure compliance with the Inverness and Highland City Region Deal;
- approve final project funding allocations;
- scrutinise and monitor progress as well as programme spend;
- ensure delivery of business cases and the implementation plan;
- ensure effective co-ordination between partners;
- ensure the on-going overall alignment of the individual projects within the programme;
- resolving strategic and operational issues between projects;

The joint UK Government and Scottish Government Scottish City Deal Delivery Group will have responsibility for oversight, monitoring and delivery of the Inverness and Highland City-Region Deal.

The Scottish City Region Deal Delivery Group will receive reports from the City Deal Programme Board on a quarterly basis or as and when it requests. The joint Government Delivery Group will receive regular reports from the Programme Board to an agreed process and timescale.

Q.4. Have local residents and businesses been kept informed and involved in the development and activities of City Region Deals?

In addition to the City Region Deal being regularly discussed at Council meetings and being a prominent feature in the local media, the Council has been actively engaged with the business community.

Examples of local consultation have included:

- workshop with Inverness Chamber of Commerce and members
- Highland Economic Forum meeting
- Scottish Council for Development and Industry business breakfast meeting and
- Federation of Small Businesses meeting.

Q.5. Are regions not covered by City Region Deals able to access equivalent funding and support for growth, innovation and infrastructure schemes?

City Region Deal funding is one mechanism to support economic growth, however it is not the only route and regardless of whether a region has access to City Region Deal funding or not; they will be seeking to maximise any and all funding opportunities to deliver growth for their area.

The Council is aware that other cities and regions are developing city region deals or “growth” deals and that these are at various levels of maturity. When we have been asked, the Council has been very willing to provide insights and guidance from its experience to those developing their own deals. This has included the proposed Islands Deal for example. Membership of the Scottish Cities Alliance, a partnership of Scotland’s seven cities and the Scottish Government has also been useful for information-sharing and best practice guidance.

Q.6. Are City Regions Deals supporting a shift towards local decision-making on major investment projects?

We believe that this is an inevitable outcome of city region deals and should be welcomed. However it is acknowledged that there is a balance to strike between national strategic objectives and local priorities. The successful City-Region Deals are those that blend the two.

Q.7. Any other issues relating to City Region Deals which you wish to bring to the attention of the Committee?

The process of developing and refining the Inverness and Highland City Region Deal and been a steep learning curve for all those involved in terms of identifying suitable projects and in satisfying both governments’ requirements in terms of business cases and governance. However it has been a hugely beneficial way of delivering real and meaningful partnership working both with our local public, private and third sector partners but also with the UK and Scottish Governments.

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The Highland Council