

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

ISLANDS (SCOTLAND) BILL

SUBMISSION FROM HIGHLANDS AND ISLANDS ENTERPRISE

Highlands and Islands Enterprise (HIE) welcomes the opportunity to respond to this important Bill. HIE is an ambitious organisation with a unique remit which integrates economic and community development, reflecting the specific needs and opportunities of this region. Operating across more than half of Scotland's land mass, we aim to build our future by helping create a highly successful and competitive region in which increasing numbers of people choose to live, work, study and invest.

The region incorporates some 93 inhabited islands across six local authority areas. Figures from the 2011 Census show that these islands are home to 103,801 people, around 3% more than in 1961. While the population as a whole has changed only marginally, the underlying trend is much more complex. The populations have become increasingly centralised on the larger islands such as mainland Orkney and Shetland, and, to a slightly lesser extent, on Lewis and Harris in the Outer Hebrides. In contrast, populations have declined on many of the smaller islands, vulnerable to out-migration and a lack of good quality infrastructure and access to services. While some of these smaller islands have started to see a reversal of fortune and have experienced more recent population growth, others still face declining populations which has implications for the viability of local services including schools, transport links, retail provision and other public services.

Research undertaken by HIE in 2015 to explore the attitudes and aspirations of young people found particularly high levels of pride and affinity among young people from island communities, and a strong cohort committed to remaining in these areas, or returning, if there are opportunities to do so. While there is a sense that staying in the region requires compromising on career opportunities, young people do value the additional benefits the quality of life has to offer. However, they still see high quality jobs and opportunities for career progression as fundamental in their decision to stay or return. Other constraints include the cost of living, the cost of travel, and access to housing, all of which are particularly acute in our island communities. Parity in terms of digital and mobile connectivity was also extremely important in meeting the expectations of young people from, and with an interest in living in, the region's islands.

It is important to recognise that many of the challenges faced by island communities: demographic change; transport links; access to services and employment opportunities; and higher costs of living are also faced by remote and rural mainland communities who require a similar degree of attention and focus.

1. The Bill creates a duty to publish a national islands plan and lay it before the Scottish Parliament. What are your views on this provision?

The development of such a plan would ensure the maintenance of focus on island issues and encourage public bodies to take a collaborative approach to maximising the impact of interventions in island areas. We agree that the focus of the plan should be on outcomes rather than activities and should essentially be a sub-set of the outcomes in the National Performance Framework. It should set out what success looks like in 5-10 years time and core indicators should be tracked including population, demographic balance, connectivity, economic diversification, education provision and transport services. In addition, it will be important to ensure that the plan is developed in consultation with key public sector partners, and draws heavily on existing community planning documents such as the Local Outcome Improvement Plans and Locality Plans for island areas.

The plan should cover a period of at least five years – an entire parliamentary term, and be subject to review at three year interludes.”

2. The Bill will require Scottish Ministers and certain Scottish public authorities, to prepare island impact assessments. Do you agree with this provision? How do you think it should work in practice?

Yes we agree with this provision. The island impact assessment should clearly assess the impact of interventions and policy on the outcomes in the National Islands Plan e.g. the impact on population, demographic balance, connectivity, economic diversification, education provision and transport services etc. The impact assessment should recognise and take into account the reduced economies of scale in island communities, the higher cost of living, and the higher cost of doing business as well as delivering public services.

Island impact assessments should not unreasonably delay implementation or impact on the delivery of a service, therefore we believe that assessments should be undertaken as early as practicably possible during a change process.

In order to bring about change it will be important to ensure that the island focus taken by public bodies is open to external scrutiny. The establishment of a Scottish Parliamentary Committee with responsibility for islands would ensure that public bodies could be called to account and encouraged to explain the way in which they flex their interventions to ensure island-based residents receive an equitable level of service from their providers.

3. The Bill proposes to protect the Scottish Parliamentary constituency boundary of Na h-Eileanan an Iar (the Western Isles) from change. Do you agree with this?

Yes. Such protection would give this island archipelago parity with the other two island constituencies. The establishment of a unitary island authority in 1975 was a hugely important step in turning round the fortunes of the Outer Hebrides. Enshrining that distinctive identity in legislation would ensure that representation at both local authority and parliamentary level benefit from a coterminous boundary.

4. The Bill proposes to make an exception to the rules for local government electoral wards to allow areas with inhabited islands to return 1 or 2 members (instead of the usual 3 or 4). What are your views on this proposal?

We agree with this proposal. Ensuring appropriate political representation in sparsely populated areas can be very challenging. Consideration should be given to ensure that distinct communities have a voice which can inform and engage local government decision making.”

5. The Bill will provide a regulation-making power for the Scottish Ministers to create a marine licensing scheme for coastal waters. Do you agree with this power? Do you have any comments on how it should be used?

We agree with this power. It will enable local authorities such as the Western Isles or local authorities with islands within their geography to have more influence over the developments in, or on, the waters around their coastal communities, and to share in potential benefits, should they so wish. For developments of national or strategic interest, we would encourage dialogue and input from all levels of Government to ensure consistency of approach, particularly when dealing with private sector developers. This will ensure that decisions are made in both the local and national interest.

6. Does the Bill achieve its aims and are you in favour overall? Is there anything else that you feel should be included or excluded from the Bill?

Due to the significant role that the activity and operations of some private sector businesses have on infrastructure development on island economies, we would suggest that consideration should be given to extend the duty to undertake island impact assessments to private sector bodies whose activities have a significant impact on island and remote rural economies.

As mentioned previously it is important to recognise that many of the challenges faced by island communities, demographic change, transport links, access to services and employment opportunities and higher costs of living are also faced by remote rural mainland communities.

7. Do you have any comments on the bill in relation to human rights or equalities?

Due to small and scattered populations, datazones in many island and remote communities tend to be geographically large, and as such incorporate households living in very diverse socio-economic conditions. Poverty at individual household level therefore can be very hidden, and this is exacerbated by the high cost of living on islands. Evidence from the recent report, *A Minimum Income Standard for Remote Rural Scotland: a Policy Update November 2016* , tells us that a minimum acceptable standard of living in remote rural Scotland typically requires between a tenth and a third more household spending than in urban parts of Scotland. The high cost of living is due in part to the high levels of fuel poverty and inefficient housing stock which is compounded by the poor, damp climate, particularly on islands in the far north and west of Scotland. This can be clearly evidenced from the latest Scottish House Conditions Survey which tells us that Island Authorities (and

Authorities with Islands) make up the top five places on the Scottish fuel poverty league table.

In common with many remote rural areas in Scotland , island economies have high levels of occupational segregation (the clustering of men and women in particular roles) and this is exacerbated by lack of childcare facilities. Commercial childcare facilities which enable working parents to work full-time are difficult to sustain in small island communities due to the lack of economies of scale.

The Islands (Scotland) Bill should be a key in driving new and innovative ways of promoting enterprise, delivering services and tackling inequalities.

Highland and Islands Enterprise
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¹ <http://www.hie.co.uk/regional-information/economic-reports-and-research/archive/a-minimum-income-standard-for-remote-rural-scotland---a-policy-update.html>

² <http://www.gov.scot/Topics/Statistics/SHCS/keyanalyses>

³ <http://www.gov.scot/Publications/2015/02/9989>