

ANNEX E - CONSULTATION QUESTIONS

NUTS boundaries are used for reporting of regional statistics to Eurostat and those statistics are used to inform regional policy. The Scottish Government is proposing to make minimal changes beyond aligning existing NUTS boundaries to Local Authority Boundaries.

Do you have any comments on the Scottish Governments proposals for NUTS

2 regions?

Comments

As the recognised leading development agency for the island of Cumbrae, Cumbrae Community Development Company Ltd (CCDC) has encouraged all residents, businesses, groups and clubs to find out for themselves about this issue and the consequences of removing Arran and the Cumbraes from the Highlands & Islands NUTS 2 area [UKM6] and placing them in South West Scotland [UKM3]. We are hopeful that you have received a large volume of responses from Cumbrae, which underlines the local opposition to the proposed change.

In all of this there is one irrefutable fact: Cumbrae is an island. Therefore it logically belongs in the same EU administrative area as the rest of Scotland's Islands, with the same access to EU funding specifically targeted to address disparity *throughout* the EU via the Convergence Objective and associated funds (Structural Funds and LEADER). We note that loss of access to Convergence funding is not "acceptable" as a reason for zero change, but we feel that there is potential for far more troubling consequences of a long-term nature.

The whole Highlands & Islands NUTS 2 area, including Cumbrae and Arran, is challenged by the unique combination of peripherality, insularity, low population density, a widely dispersed enterprise base and low GDP. Ageing population and out-migration are also an issue for the entire area, and the former is a particular concern for Cumbrae. Furthermore, Highlands & Islands Enterprise (HIE) recognises Cumbrae as a "fragile" area and works with CCDC to strengthen the community and to make it more sustainable through its Community Account Management Programme. This involves having access to the expertise of an Account Manager from the Strengthening Communities Team, and has meant that a dedicated Local Development Officer (LDO) (HIE funded) has been in place since 2010; this contract was recently extended through to December 2013. An LDO network with other development officers exists *throughout* the Highlands & Islands area, giving access to shared ideas, training opportunities and peer support. Of particular value is the sharing of experience with other *island* LDO's, as the challenges of insularity are quite distinct (remoteness, travel problems etc) from those of most of the mainland LDO's.

CCDC does understand that the EU statisticians are looking for ease of comparability across areas within Scotland, but this fails to take account of a spectrum of special circumstances and considerations. Comparability by head count should not be of paramount importance – nor should aligning NUTS 2 with Local Authority boundaries. Cumbrae and Arran are a perfect NUTS 2 level fit with the Highlands & Islands area owing to their unique geographical, socio-economic, and cultural circumstances. There is more simple commonality with the other islands of Scotland than with the south-west mainland area, designated UKM3.

We feel that a change *now* will in due course change EU policy with potentially serious consequences impacting upon regulatory and funding regimes as they relate to Cumbrae and Arran, leaving them as the ONLY islands of Scotland not part of H&I NUTS 2. While Skye is now connected via bridge to the mainland, it will still benefit from the solidarity of membership with the rest of the H&I area: a bridge does not change its essential character, based as it is on centuries of history and culture as an island. Cumbrae and Arran are no different, and equally proud of their heritage.

Continuation:

Article 174 of the Lisbon Treaty states that “*in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion.*”

*In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions. Among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and **island**, cross-border and mountain regions.”*

The present NUTS 2 area is contiguous with existing HIE delivery and boundaries. If Cumbrae and Arran are removed from the current geography this will have implications for service delivery, necessitating special treatment of our island communities within the new classification: therefore increasing bureaucratic administration and running the risk of failure to deliver on Article 174.

In closing, there are compelling reasons to maintain the *status quo* on this issue – far stronger than any arguments to change for the sake of statistical simplification. CCDC is therefore urging the Scottish Government to make no change to the NUTS level 2 area in respect of Cumbrae and Arran.

Do you have any comments on the Scottish Governments proposals for NUTS 3 regions?

Comments

NONE

Eurostat have requested we consider merging the Highlands & Islands with North Eastern Scotland to create a new area that’s closer to the recommended population thresholds. The Scottish Government plan to request that these areas should be allowed an exemption under Article 3 (5) of the NUTS Regulations, i.e. because of particular geographical, socio-economic, historical, cultural or environmental circumstances, especially in the islands and the outermost regions.

Please provide any evidence in favour of or against an exemption under Article 3 (5) of the NUTS Regulations for Highlands & Islands and North Eastern Scotland NUTS 2 areas?

Comments

NONE

Eurostat have suggested that the Scottish Governments proposals for NUTS 3 should include merging Moray with Argyll & Bute Local Authority to create an area that meets their recommended population ranges.

Please provide any evidence in favour of or against an exemption under Article 3 (5) of the NUTS Regulations for the proposed Moray and Argyll & Bute NUTS 3 areas?

Comments

NONE