

**MINISTERIAL ENGAGEMENT BRIEFING: Ms. Mairi Gougeon**

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<i>Engagement Title</i>	Rural Affairs and Islands Committee appearance in relation to the 2022 National Islands Plan Annual Report.
<i>Venue</i>	<b>The Fairfax Somerville Room (Committee Room 5)</b>
<i>Date and Time of Engagement</i>	Date(s): 24 May 2023 Time(s): 09.00 – 10.30 am
<i>Background/ Purpose</i>	Cabinet Secretary Mairi Gougeon has been asked to attend the Rural Affairs and Islands Committee to provide evidence in relation to the latest National Islands Plan Annual Review.
<i>Annexes</i>	<b>ANNEX A: PAGE NUMBERS</b> <b>ANNEX B: SPEAKING NOTE</b> <b>ANNEX C: ANNUAL REPORT</b> <b>ANNEX D: NATIONAL ISLANDS PLAN</b> <b>ANNEX E: ISLANDS BOND</b> <b>ANNEX F: CARBON NEUTRAL ISLANDS</b> <b>ANNEX G: ISLANDS PROGRAMME</b> <b>ANNEX H: POPULATION (STRATEGIC OBJECTIVE 1)</b> <b>ANNEX I: SUSTAINABLE ECONOMIC DEVELOPMENT (STRATEGIC OBJECTIVE 2)</b> <b>ANNEX J: TRANSPORT (STRATEGIC OBJECTIVE 3)</b> <b>ANNEX J-a: FERRIES</b> <b>ANNEX K: HOUSING AND FUEL POVERTY TRANSPORT (STRATEGIC OBJECTIVE 4 AND 5)</b> <b>ANNEX L: DIGITAL CONNECTIVITY (STRATEGIC OBJECTIVE 6)</b> <b>ANNEX M: HEALTH AND WELLBEING (INCL NCS) (STRATEGIC OBJECTIVE 7)</b> <b>ANNEX M-a: CHILD POVERTY</b> <b>ANNEX M-b: BAIRNS' HOOSE</b> <b>ANNEX M-c: PRIMARY CARE – RURAL POLICY</b> <b>ANNEX M-d: SEXUAL ASSAULT RESPONSE COORDINATION SERVICE</b> <b>ANNEX N: ENVIRONMENT/BIOSECURITY(STRATEGIC OBJECTIVE 8)</b> <b>ANNEX O: CLIMATE/ENERGY (STRATEGIC OBJECTIVE 9)</b> <b>ANNEX P: COMMUNITY EMPOWERMENT (STRATEGIC OBJECTIVE 10)</b> <b>ANNEX Q: ARTS CULTURE AND LANGUAGE (STRATEGIC OBJECTIVE 11)</b> <b>ANNEX R: EDUCATION (STRATEGIC OBJECTIVE 12)</b> <b>ANNEX S: NATIONAL PLANNING FRAMEWORK 4</b> <b>ANNEX T: ICIA'S</b> <b>ANNEX U: ISLANDS GROWTH DEAL</b> <b>ANNEX V: OTHER GROWTH DEALS</b> <b>ANNEX W: YOUNG ISLANDERS NETWORK</b> <b>ANNEX X: CROFTING</b> <b>ANNEX Y: ISLANDS DATA</b>

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Official Support	<p><u>In person official support:</u> <b>[redacted] – section 38(1)(b) Personal data relating to a third party</b> - Carbon Neutral Islands Project Lead</p> <p><u>Virtual official support:</u> <b>[redacted] – section 38(1)(b) Personal data relating to a third party</b> Head of Island Policy and Communities <b>[redacted] – section 38(1)(b) Personal data relating to a third party</b> National Islands Plan Team Leader <b>[redacted] – section 38(1)(b) Personal data relating to a third party</b> Repopulation and Island Communities Policy Manager</p>
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## ANNEX B: SPEAKING NOTE

*[redacted] – section 25(1) Information otherwise accessible*

## ANNEX C: THE 2022 NATIONAL ISLANDS PLAN ANNUAL REPORT

- The Islands (Scotland) Act 2018 requires that a report is presented to Parliament each year setting out the progress made towards delivery of the National Islands Plan. The third Annual Report, covering 2022, was published in March 2023.

### TOP LINES:

- **The third annual report on our delivery of Scotland’s National Islands Plan for 2022 marks a key milestone in the implementation of the five-year Plan, ensuring that island communities are kept informed of progress towards its delivery.**
- **Across the board, a number of commitments have either been fulfilled or are on their way to being met.**
- **In many instances, the fulfilment of certain commitments was envisaged to occur over the five year lifetime of the Plan itself.**
- **The Islands (Scotland) Act 2018 requires that a report is presented to parliament each year setting out the progress made towards delivery. The 2022 Annual Report fulfils that requirement, outlining where progress has been made towards each specific commitment of the National Islands Plan, and detailing projects and resource spend where appropriate.**

### BACKGROUND:

- As required by the Islands Act, and after an ambitious consultation exercise, the National Islands Plan was published in December 2019.
- The National Islands Plan provides a framework for action in order to meaningfully improve outcomes for island communities. The Plan sets out 13 Strategic Objectives and over one hundred commitments, which must be delivered over the five-year lifetime of the Plan. The historic Islands (Scotland) Act 2018 introduces a number of measures ensuring that there is a sustained focus across Government and the public sector to meet the needs of island communities now and in the future.

### Implementation Route Map

- Within the National Islands Plan, Scottish Government committed to publishing a detailed Implementation Route Map (IRM) that addresses each of the 13 Strategic Objectives and accompanying commitments listed in the Plan.
- The IRM was revised for 2022 (published 26 Sept 2022) to take a more action focused approach and now details how each as yet unfulfilled commitment will be delivered.
- Last year, the draft IRM was put out round all policy areas with responsibility for a commitment within the National Islands Plan and they were asked to draft an action detailing how they were going to fulfil their commitment(s), over the remaining years of this National Islands Plan. It was then reviewed by the Islands Team, Deputy Director and the Cabinet Secretary and published accordingly.

- This year, the commitments that were fulfilled in 2022 will be removed from the IRM. A draft 2023 IRM has been sent sound the same policy areas for them to consider whether the actions they identified for fulfilment of their commitments need to be updated for this year. Once all policy areas have signed off on their actions, the IRM will follow the same review process as last year. Islands Team – Deputy Director – Cabinet Secretary.
- The IRM is currently being updated for 2023 and will be published shortly.

## **Q&A**

### **Q. What progress has the National Islands Plan made in 2022?**

**A.** Five new commitments have been fulfilled in 2022. However, it is important to note that many of the commitments in the Plan can only be considered fulfilled at the end of period of its lifetime due to their ongoing nature. It would be incorrect of us to ever class these as fulfilled before the end of the 5 year span of this National Islands Plan and so each year, we report on the action that has been taken against these commitments in that particular year.

## ANNEX D: THE NATIONAL ISLANDS PLAN

- Published on 27 December 2019, the National Islands Plan aims to provide a framework for action in order to meaningfully improve outcomes for Scotland's island communities.
- The Plan sets out 13 Strategic Objectives which are practical, common sense, but will also be critical to improving the quality of life for island communities.
- As required by the Act, the National Islands Plan will be fully reviewed in 2023-2024 to make sure it is fit for purpose. This will help us develop islands policy which truly improves outcomes for communities.
- This together with a revised National Islands Plan in 2024-2025 will help to ensure that we continue to deliver our ambitions and to realise our vision for thriving, sustainable and successful island communities.

### TOP LINES:

- **Our islands are profoundly important - they contribute hugely to our culture, heritage, environment, identity, landscape, economy and society. We want them to thrive and the National Islands Plan provides the ambition and the tools to do so.**
- **The Islands (Scotland) Act 2018 introduces a number of measures ensuring that there is a sustained focus across Government and the public sector to meet the needs of island communities now and in the future.**
- **The sustainability of Scotland's islands is vitally important, and our National Islands Plan provides a framework for action in order to meaningfully improve outcomes for island communities.**

### BACKGROUND:

#### The National Islands Plan

- As required by the Islands Act, and after an ambitious consultation exercise, the National Islands Plan was published in December 2019.
- The National Islands Plan provides a framework for action in order to meaningfully improve outcomes for island communities. The Plan sets out 13 Strategic Objectives and over 100 commitments, which must be delivered over the five year lifetime of the Plan.

#### The National Islands Plan Delivery Group

- The National Islands Plan Delivery Group supports implementation of the National Islands Plan, and ensures that work is driven forward in a collaborative way that truly involves island communities.
- The group meets regularly to examine progress and help identify critical priorities in order to work towards meeting the commitments within the National Islands Plan.

- The group also hold a key role in regularly reviewing the Implementation Route Map and will be convened in the coming months to consider the latest version of this following its imminent publication.
- Membership of the group comprises Scottish Government, local authorities, Third Sector representation, community groups, Bòrd na Gàidhlig, COSLA, Mobility and Access Committee for Scotland, relevant academics and subject experts.

The Islands Strategic Group

- The Islands Strategic Group was established to ensure greater involvement of the relevant councils in helping design solutions to the challenges islanders face.
- Membership of this group comprises the Cabinet Secretary for Rural Affairs and Islands, Council Leaders and Chief Executives across all Local Authorities with islands. The group meets quarterly.

**Q&A**

**Q. How was the National Islands Plan developed?**

**A.** The Plan was developed with the input of island stakeholders – especially islanders themselves. Following an extensive consultation exercise in 2019, partners were asked to comment on a draft Plan before the final iteration was published on 27 December 2019.

**Q. How are islanders and relevant stakeholders kept informed of progress?**

**A.** The implementation of the National Islands Plan is supported by both the Islands Strategic Group and the National Islands Plan Delivery Group. The Islands Strategic Group was established to ensure greater involvement of the relevant councils in helping design solutions to the challenges islanders face, whilst the Delivery Group ensures that work is driven forward in a collaborative way that truly involves island communities.

**Q. What budget is available to support the implementation of the National Islands Plan?**

**A.** The Islands Programme is investing £25.8 million of Infrastructure Investment Plan capital funding over five years to ensure delivery of the National Islands Plan, by supporting a range of areas, including tourism, infrastructure, innovation, energy transition and skills - informed by our learning of how island communities have responded and adapted to COVID-19.



## ANNEX E: ISLANDS BOND

- In our [A Fairer, Greener Scotland Programme for Government 2021/22](#), we announced a commitment to develop an Islands Bond fund, providing up to £50,000 each for up to 100 households by 2026, by providing financial support for island residents to remain in their community, or to encourage people to move there.
- The decision to withdraw the Islands Bond was taken in June 2022 following advice sent to the Cabinet Secretary for Rural Affairs and Islands in a submission dated 8 June 2022.

### TOP LINES

- **Withdrawing a policy is not a decision that any Government takes lightly.**
- **Consultation with communities who are directly impacted by the introduction of new policies or strategies is a crucial part of policy development.**
- **Taking this decision demonstrates our continued commitment to listen to island communities, so we can ensure that policy is delivered in collaboration with them.**
- **Far from being a wasted effort, the engagement on the Islands Bond has provided invaluable opportunities to discuss the challenges, and opportunities for addressing these at a local level.**

### BACKGROUND

#### Withdrawing the Islands Bond Policy

- During the consultation period in 2021 and in early 2022, we engaged closely with communities and stakeholders to investigate what sort of impact the Bond policy may have - both positive and negative.
- This allowed us to gather input on how we can help to address depopulation at an island level.
- Furthermore, resources that would have supported the Islands Bond this financial year will better deliver change through supporting this more strategic approach.
- We withdrew the Islands Bond and are focusing on the delivery of more localised solutions. The very approach suggested by communities, stakeholders and Island MSPs.
- Responding to the announcement, Liam McArthur said **QUOTE** “*Mairi Gougeon deserves credit for ditching the unworkable Island Bond plan and I look forward to working the Minister on more realistic proposals that can deliver the objectives of supporting and sustaining our island communities*”. (Liam McArthur’s website, 21 August).
- We remain fully committed to addressing our population challenges, and will deliver this through a collaborative plan aimed at responding to the key drivers of depopulation.
- This cross-sectoral approach responds directly to feedback received from islanders through our engagement on the Bond.

#### Funding for the Islands Bond

- The challenging fiscal environment means we need a realistic public spending framework for the years ahead.

- These are very challenging times, with the cost of living crises, the impact of the pandemic and the fallout from Brexit being felt acutely across all of Scotland. This means we have had to make some difficult funding decisions.
- The Capital Spending Review sets the broad parameters for Scottish Budgets to 2025-26 as best can be done at this time.
- Whilst the CSR sets out high-level multi-year spending parameters, it does not provide the Scottish Government with the authority to spend public funds. Annual budgets will continue to be set through the annual parliamentary budget Bill process and the annual budget will be based on the latest fiscal information.
- The investment that was planned for the Islands Bond for this financial year will now support our Practical Policy Tests, which in turn will inform our future funding requirements so that we can tackle the depopulation challenges across our islands.
- The £300,000 allocated to the Islands Bond in the 2022/23 financial year was redirected to support projects that will deliver on priorities identified by our island communities. These projects will help to inform our future funding requirements so that we can tackle the depopulation challenges across our islands.
- This work complements the support provided to deliver on the National Islands Plan which will see a total of £8.3 million invested in critical infrastructure projects. This continues our record of delivering significant investment in key island-based projects.

## **Q&A**

**Q: Why did the Government decide not to progress with its Islands Bond policy, given that island respondents to the consultation were “fairly evenly split between those in favour and those opposed” and non-island respondents were “strongly in favour”?**

**A.** Withdrawing a policy is not a decision that any Government takes lightly. Whilst the island respondents to the online consultation were fairly evenly split, that online consultation was not our only engagement.

We engaged extensively with local authorities, stakeholders, and island residents to discuss the Islands Bond, and the feedback was very clear; whilst a renewed focus from the Scottish Government on the population challenges being faced across our islands is to be welcomed, the Islands Bond was not the answer, and a more strategic focus on the drivers of depopulation would be far more beneficial.

**Q. Which budget line was the £5 million previously allocated to the Islands Bond scheme reallocated to?**

**A:** The £300,000 allocated to the Islands Bond in the 2023/24 financial year supported projects that will deliver on priorities identified by our island communities. These projects will help to inform our future funding requirements so that we can tackle the depopulation challenges across our islands.

This work complements the support provided to deliver on the National Islands Plan which will see a total of £8.3 million invested in critical infrastructure projects. This continues our record of delivering significant investment in key island-based projects.

## **ANNEX F: CARBON NEUTRAL ISLANDS**

- The Carbon Neutral Islands (CNI) project is a SG programme for government commitment that is supporting six islands (Yell, Hoy, Raasay, Barra, Islay and Great Cumbrae) to progress towards becoming fully carbon neutral by 2040.
- The CNI project has carried out in depth carbon audits for the six islands and is leading to six community climate change action plans. We will now develop climate change investment strategies and start taking action to decarbonise the islands.
- The CNI project will start to support specific concrete decarbonisation projects informed by the island's community climate change action plans.

### **TOP LINES:**

- **The Carbon Neutral Islands project will embrace the opportunity for island communities to lead the way in realising Scotland's climate change ambitions. Directly supporting 6 islands in their journey towards carbon neutrality by 2040, this will not only benefit the environment, but support local economies, facilities and general wellbeing through investment in communities.**
- **The project is intended to benefit all Scottish islands, not only those included directly as part of the project. This will be through knowledge exchange and sharing of good practices stemming from implementation of the Carbon Neutral Island project.**
- **The project has built communities into its delivery to ensure that islanders have a say in how they wish to decarbonise.**
- **Each island has a dedicated Community Development Officer (CDO) to support implementation on the ground. I am delighted that a number of them are young islanders who have been able to return to their home island. They have been critical in ensuring the voice of the community is fed into the project.**
- **The CDOs in collaboration with Community Energy Scotland and external consultants (Adler and Adler and Aether) have carried out carbon audits in order to identify an emission baseline for all six islands. These audits have included all socio-economic sectors of the island and have provided useful data to the island communities enabling them to take more informed decisions regarding their carbon neutrality plans**
- **A carbon audit has been completed on each island looking at emissions from energy, transport, waste, land and agriculture. Marine was also looked at and where appropriate further validation of this data will be carried out this year..**
- **The 2023/24 financial year will focus on implementation of the Climate Change Action Plans and the development of investment strategies aimed at leveraging finance streams to support the project.**
- **The CNI project will also start to develop a replicability strategy aimed at sharing good practices to other islands.**
- **The CNI project has also worked with international partners. Sharing knowledge with the Water and Energy Agency in Malta to inform the development of its own offshore wind policy. This showcases the**

**international impact and reputation of Scotland when it comes to renewable energy policy and how a project like CNI can promote Scotland's influence worldwide.**

**BACKGROUND:**

- Scotland has declared a climate emergency and has stepped up its climate action and commitments. These are amongst some of the most ambitious in the world, calling for net – zero greenhouse gas emissions by 2045.
- Small low-lying islands are under threat from climate change and predicted sea-level rise. Climate change is expected to increase instances of flooding and coastal erosion, whilst simultaneously negatively affecting water supply, food production, health, tourism, and accelerating habitat depletion. Additionally, the majority of island economies are highly dependent on outside sources for food, fuel, and even employment, which together increase the economic fragility of many islands.
- There are opportunities for island communities to lead the way in showing how to realise our climate change ambitions. The Carbon Neutral Islands project provides the perfect opportunity to demonstrate the low carbon energy potential of islands as hubs of innovation in relation to renewable energy and climate change resilience, whilst positively impacting on the island economy, facilities and general wellbeing by allowing for reinvestment in the community.
- In 2022 we have carried out and published an extensive mapping exercise that contributed to the knowledge of carbon accounting and emissions reductions on our islands.
- In January 2023 we published a progress report setting out the steps to support the islands included in the project as well as how the latter will benefit all other Scottish islands

**Q&A**

**Q. How were the six islands chosen to be part of the project?**

**A.** The six carbon neutral islands have been selected through a collaborative process with members of the CNI External Technical Working Group, which includes members from the six island local authorities and other external stakeholders.

Whilst we are fully aware that each island is unique, we attempted to come up with a group of 6 islands that not only matched the agreed criteria, but also provided a mix of population size, geography and past climate trajectory. For the CNI project to deliver on its promise of sharing learning and good practice to “all” Scottish islands, it was crucial to have a suitable mix included.

**Q. Why are only six islands included in the project?**

**A.** The project is intended to benefit all Scottish islands, not only those included directly as part of the project. This will be through knowledge exchange and sharing of good practices stemming from implementation of the Carbon Neutral Island project. The six islands will act as catalysts for net zero action across all Scottish islands.

**Q. How will the other islands benefit from the Carbon Neutral Islands project?**

**A.** The success of the CNI project will depend on the extent to which the good practices developed on the six islands will be effectively shared on the remaining islands in Scotland and, where possible, also on the mainland. Now that we have carried out audits and have community climate change action plans we can reflect on the process so far and start to understand and distil the good practices so far. We can then start developing a replicability strategy aimed at sharing such good practices to other islands in Scotland in the best possible way.

Furthermore, as much as Scotland is leading the way when it comes to climate policy, we can always learn something from our neighbours, especially from islands in Europe and their journey towards carbon neutrality. It is with this in mind, that we are developing an ambitious internationalisation strategy for the Carbon Neutral Islands project, aimed at providing a unique opportunity for our islanders to learn not only from good practices on other Scottish islands, but also further afield.

**Q. What practical difference will it make for an island to be a carbon neutral island in the context of the CNI project?**

**A.** Islands have already benefited in a number of ways. First, they have received support in carrying out an in-depth climate accounting exercise, or completing any exercise that had already been developed in the past. Second, they received support in developing, or completing, a community informed climate plan that responds to the interests of the island stakeholders and community in order to ensure that the voice of the island community drives the decarbonisation process. Third, they will receive support in developing an investment strategy for the implementation of the community informed climate plan. Fourth, in this financial year they will start receiving support for projects and activities on specific decarbonisation projects.

Overall, joining the Carbon Neutral Island does not pose any specific burden on an island and its community. The project aims to work for and with the community at the pace and in the way the community considers most appropriate.

## **ANNEX G: THE £25.8 MILLION ISLANDS PROGRAMME**

- As announced on 31 January 2023, we are investing £4 million across the islands through the Islands Programme in 2023/24 to ensure delivery of the National Islands Plan, by supporting a range of areas, including tourism, infrastructure, innovation, energy transition and skills.
- However, our commitment to the Islands does not just include investment from this portfolio directly, but through other funding that we have committed across Scotland.

### **TOP LINES**

- **Scottish Government remains fully committed to the delivery of the National Islands Plan, and I engage regularly with my colleagues across portfolios to ensure that we are working collaboratively on delivery of all thirteen strategic objectives. Funding for islands is not restricted to my portfolio, but reaches across government to transport, housing, health, digital connectivity and beyond.**
- **The Islands Programme is an important element of the delivery of the National Islands Plan, and I am happy that we will continue to deliver this strand of funding in the coming financial year.**

### **BACKGROUND**

- The Islands The 2023/24 Islands Programme (IP) was launched on 31 January 2023, with an application deadline of 21 April 2023. It is being delivered in partnership with local government via a competitive bid process with the six island Local Authorities as lead applicants.
- The funding is part of the £25.8 million Islands Programme, established to support the implementation of the National Islands Plan.
- Support and feedback is being provided by Scottish Futures Trust. This includes advice on how unsuccessful projects might be supported to apply for funding in future years, by adjustments to elements of the applications, improving detail or focus in their applications, or whether an application to other programmes would be more appropriate.
- Applications to the IP have been subject to scrutiny and assessment by the Islands Programme Investment Panel which has made recommendations on projects to be funded. The panel is selected from Scottish Government and a range of partner organisations who have experience of panel assessments and/or infrastructure spending.
- Applications were assessed against the eligibility criteria, the aims and objectives of the IP, and within the broader context of strategic priorities, evidence of ability to be delivered using grant offered in 2023/24, and anticipated outcomes from the project.
- The following table provides a breakdown of the geographic allocation of the IP funding for the current financial year:

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Local Authority	Island(s)	Project Name	Amount
Highland Council	Canna	Canna Hub	£298,900
Argyll and Bute Council	Mull	Enabling Infrastructure for Worker Accommodation	£700,000
Argyll and Bute Council	Tiree	Tiree Community Care Hub	£450,000
Shetland Islands Council	Shetland Mainland	Shetland Home Co Expansion Project	£653,613
Shetland Islands Council	Shetland Mainland	Growing Space Nesting	£75,202
Shetland Islands Council	Shetland Mainland	Hymhus – The Bigton Regeneration Hub Phase 1	£71,005
North Ayrshire Council	Cumbræ	Garrison House Regeneration Scheme	£730,998
North Ayrshire Council	Arran	Dyemill Bike Park	£220,625
Orkney Island Council	Orkney Mainland	Kirkwall Bridge Street Regeneration	£200,000
Comhairle nan Eilean Siar	Lewis	Stornoway Campus	£250,000
Comhairle nan Eilean Siar	Eriskay and South Uist	Acarsaid Harbour Development	£382,307
Comhairle nan Eilean Siar	Lewis	An Taigh Mor	£78,350
Comhairle nan Eilean Siar	Harris	Seallam! Hebrides People Visitor Centre	£55,000
Total			£4,166,000

**Details of approved projects**

**£298,900 - Canna Hub, Canna - Highland Council**

This project will redevelop a former coal store beside Canna pier to create a reception hub and accessible facilities to support the sustainable growth of the island's economy. The building will help support the increasing number of visitors that form a major part of the island's economy. The building will also act as a consultation and treatment room for use by NHS health workers so that residents can attend appointments in private.

**£700,000 - Infrastructure for Worker Accommodation - Mull, Argyll and Bute Council**

This application is for phase one site infrastructure to enable delivery of accommodation for workers and will meet clearly evidenced community need for worker accommodation with essential positions currently being left unfilled. The



project makes a significant contribution in delivering on the place-based priorities of the Isle of Mull community to meet housing need, that will in turn accelerate local growth and resilience.

**£75,202 - Growing Space Nesting Shetland Mainland - Shetland Islands Council**

This project, run by Community Development Company Nesting, aims to transition a section of its vacant land into a community growing space and park for skills building, food growing and volunteering. It will address the identified local demand for a community growing space and increase regular access to affordable, fresh produce, featuring options for shared, publicly accessible outdoor and undercover growing to allow the production of fruit and vegetables. Based on local priority, Growing Space focusses on increasing community empowerment and resilience, promotes sustainable socio economic and environmental growth in Shetland, and is an example of working to achieve the Scottish Government's Net Zero Ambitions.

**£450,000 - Tiree Community Care Hub - Tiree, Argyll and Bute Council**

This project centres on the modernisation and reconfiguration of the Tigh a Rudha care home. It acts as a catalyst to better meet the current and anticipated future care needs of the island community and will support Tiree's population retention and growth plans. Tigh a Rudha, a critical part of the island community and currently providing essential care and support to elderly residents, will be transformed into a modern and flexible Community Care Hub which will also provide onsite key worker accommodation, and intermediate, end of life and respite care facilities and GP beds.

**£730,998 - Garrison House Regeneration Scheme, Cumbrae - North Ayrshire Council**

The Garrison House Regeneration Scheme seeks to restore, re-purpose and enhance the Garrison House complex in Millport, Isle of Cumbrae. Garrison House is a significant asset to the island and an important hub for both residents and visitors. The project will secure the building fabric for future generations, improve accessibility, improve the availability of and access to services, and increase its energy efficiency and resilience to climate change. Work will include a comprehensive conservation scheme, a new gym accessible to all and provision of a changing places facility to address the lack of both on the island.

**£220,625 - Dyemill Bike Park, Arran - North Ayrshire Council**

Arran High School Mountain Bike Club propose to build, manage, and maintain an accessible, inclusive, and safe, all-weather environment to grow and develop the Island's cycling community, inspiring Arran to cycle. The facility will provide the opportunity for residents and visitors to engage in cycling in many forms. With this new facility the Island's cycling community will benefit from being able to grow and develop local competition and event opportunities in addition to providing a safe and accessible area for coaching and skills development.

**£695,000 - COPE Ltd – Shetland Home Co Expansion Project, Mainland Shetland - Shetland Islands Council**

This project is designed to grow the reach and impact of COPE's Shetland Home Co, a re-use centre that sells furniture, electrical goods, and homeware among other items. The participants who work at the Shetland Home Co are breaking down barriers and stigmatisation and show that people with a learning disability can sustain employment. Electrical goods that cannot be sold are processed and stripped down to components for recycling. The project will support the circular economy, Scotland's Net Zero ambitions and positively impact on individuals with learning disabilities - one of the most disadvantaged groups in the labour market.

**£71,005 - Hymhus, The Bigton Regeneration Hub Phase 1, Mainland Shetland. Shetland Islands Council**

This application is for Phase 1 of the renovation of Hymhus to provide an inspirational hub for arts and health. The measures will improve sustainability and meantime use, allow for a more flexible renovation plan and a continued income stream for a key community asset which provides a warm space, works to address social isolation and hosts therapeutic services. It will secure the future of the community asset, and ensure the longer-term sustainability of the building.

**£250,000 - Stornoway Campus, Lewis - Comhairle nan Eilean Siar**

The planned works are to redevelop UHI Outer Hebrides to enhance the high-quality learning and training facilities and enable innovative approaches to digital and distance learning. This will involve transforming Stornoway campus to increase the attractiveness of the campus and, through the integration of new technologies, enable a greater degree of outreach to more remote learners and island businesses. A range of mobile facilities and equipment will further support equality of opportunity and enable outreach capability in Uist and Barra. The Islands Programme funding will support Mobile Equipment and Facilities and Immersive Classroom Technology.

**£382,307 - Acarsaid Harbour Development Eriskay and South Uist - Comhairle nan Eilean Siar**

This application is to enhance the currently constrained harbour facility at the local authority owned pier at Acarsaid on the East coast of Eriskay, by introducing an enlarged concrete deck pier (extending the life of the facility by 50 years) and extending the in-demand pontoon. This will improve vessel unloading, address berthing demand and will minimise idling times for unloading and steaming time to more distant berths, reducing fuel consumption and emissions. Improved berthing will encourage additional employment, provide vessel space for shellfish landings to local processors and help develop local, national, and international markets for the highest quality seafood produce.

**£200,000 - Kirkwall Bridge Street Development - Mainland Orkney, Orkney Islands Council**

The focus of this application is a rapid first phase to establish new activity within The Bridge Street Development Project in Kirkwall which occupies a prime location in one of the most historic parts of the town but is vacant brownfield site with derelict warehouse buildings. The project responds to the urgent pressures and risks of decline, ensuring that Kirkwall town centre does not fall into a self-perpetuating state of decline. Plans are to create a reusable steel framed multioccupancy food and drink hospitality and leisure business environment. With an estimated project cost of £4,650,000 the Phase One Project represents a significant investment in the regeneration of Kirkwall's town centre.

**£78,350 - An Taigh Mor, Lewis - Comhairle nan Eilean Siar**

This application is to progress the design of An Taigh Mòr, a Grade 2 listed building, to RIBA 4 and building warrant stages, planning interpretation in detail and for preparing tender documents to renovate, extend and fit out the building for future use. The preservation and redevelopment work will ultimately enable the local community to deliver the project aims of successfully interpreting its links to the Flannan Isles, providing space for community use of a size and nature not available elsewhere locally and increase opportunities for the community to engage with its history, language, and culture in an appropriate setting. Focussing on community needs as well as visitor demand, the provision of rural facilities for heritage and wellbeing activities will increase employment opportunities and participation in community projects.

**£55,000 - Seallam! Hebrides People Visitor Centre, Harris - Comhairle nan Eilean Siar**

This application is to complete RIBA Stage 3 and 4 work to enable the refurbishment and extension of the existing facilities at the Seallam! Hebrides People Visitor Centre to be upgraded to provide a much-needed quality attraction in South Harris, which is community owned and run. The facility is already creating and sustaining local jobs, building partnerships across islands and once complete will kick start the economic regeneration of Northton township, creating transformational and critical infrastructure for South Harris.

**Q&A**

**Q. Why was a competitive bid process chosen for the 2023/24 delivery of the IP?**

**A.** My officials have considered both the merits and challenges of the direct allocation and competitive bid models. Delivery through a simplified and streamlined bid model allows the Islands Programme to continue to operate as a strategic programme to help improve the outcomes for island communities, whilst addressing the key concerns of our local authorities and delivering on the 13 Strategic Objectives of the National Islands Plan.

The continuation of local authorities as lead applicants builds partnerships across communities, the public, private and third sector, whilst delivering national strategy and policy across our islands.

With the support of my officials and their colleagues in the SFT, this method allows lessons learned to be shared to support collective improvement across islands. The assurance and review of the programme under this model helps inform future plans for the Islands Programme and the National Islands Plan.

**Further justification for adopting the streamlined competitive bid model**

- The streamlined competitive bid model allows the key recommendations from the RAINE Committee to be implemented, whilst ensuring that the Islands Programme continues to deliver critical local infrastructure in a strategic way which supports the delivery of the National Islands Plan.
- The use of this model allows Scottish Government to maintain strategic oversight to ensure long term outcomes, whilst ensuring greater community involvement and continued collaboration with LAs as lead applications.
- The use of direct allocation also has several drawbacks:
  - Firstly, it goes against the wishes of some island communities who prefer funding to go direct to them – as indicated in the National Islands Plan consultation.
  - Secondly, the funding may be scattered across a multitude of projects with little strategic or long-term focus. This results in a potential loss of oversight for Scottish Government to ensure that the strategic objectives of the National Islands Plan are being delivered.
  - Finally, there may be discontent from local authorities with smaller populations who will receive a smaller allocation of the funding. We have recently experienced this with the Islands Cost Crisis Emergency Funding which was directly allocated based on the COSLA approved population formula, with some LAs disappointed with what they perceived to be an ‘unfair’ allocation.

**Q. How does the 2023/24 delivery of the Islands Programme take into consideration the recommendations given by the RAINE Committee?**

**A.** For financial year 2023/24, the IP will be delivered through a streamlined competitive bid process, with local authorities as key applicants. My officials have reflected on the feedback provided by our local authority partners which has resulted in the following adaptations to the 2022/23 process:

- Our review of previous years and the evidence the Committee has heard have helped inform timescales for 2023-24. The 2023/24 Islands Programme will be launched in early 2023, with the aim of announcing awards in early May 2023 - two months earlier than in 2022-23.
- The application form will be simplified; it will be significantly reduced in length with applicants asked to reduce background information to allow for a more streamlined application and to avoid duplication across sections.
- The SFT will continue as delivery partners for the Islands Programme and provide additional support for our local authority partners. SFT are working with my officials to devise a workshop which will bring local authority officials together to

learn and share information and approaches with the aim of improving the coherence and strength of future applications to capital programmes generally.

- As per the recommendation of the Committee, my officials are considering additional island based non-conflicted potential members with infrastructure investment experience. They will work towards increasing the number of Investment Panel members based on islands or who have extensive island specific investment skills.

**Q. Will indicative multi-year allocation be provided to local authorities?**

**A.** Subject to Scottish Government and UKG budget announcements, we will work towards providing indicative multi-year allocations of the Islands Programme for the remainder of the Programme life (to 2025-26). By definition these can only be indicative as the actual allocation will be subject to the annual budget setting process, in line with priorities and plans and based on the latest fiscal information.

**Q. How do you respond to local authority claims of a cluttered funding landscape?**

**A.** The Committee will appreciate that the timetabling and amendments to other funding stream schedules are sometimes outwith our control. For example, in 2022 we saw the long delay in opening the UK Government's Levelling-Up application portal which impacted local authorities workload and resources.

However, within these constraints, my officials are working to create timescales for launching the Islands Programme in future years which, where possible, will provide greater lead in time to accommodate other external pressures.

My officials will continue to collaborate with our local authority colleagues to minimise future deadlines during particularly busy periods of the year. For 2023-24 my officials will work to ensure where possible that there are no conflicting deadlines which might impact the draft application deadline.

**Q. Will the Scottish Futures Trust continue to support the Islands Programme?**

**A:** The Scottish Government appointed SFT in early Summer 2021 to provide expertise, resource and capability to help lead the delivery aspects of the Islands Programme. As a centre of infrastructure expertise, SFT has provided clear guidance for participation and an assurance approach to realise the objectives of the Islands Programme. Decision making throughout rests with Scottish Ministers.

SFT continue as delivery partners for the Islands Programme and provide additional support for our local authority partners. This includes support to complete applications, building on positive feedback from the Investment Panel and 2022-23 applicants.

**Q. How can Argyll and Bute Council and Highlands Council might be supported to develop their own island plans like North Ayrshire Council?**

**A.** I am heartened by the positive feedback regarding the Islands Officer Pilot Project that we have undertaken in collaboration with HIE and North Ayrshire Council. My officials will ensure that the learning and good practices are captured from this project, and are exploring possibilities as to how Argyll and Bute Council and Highlands Council might be supported in a similar way.

**ANNEX H: POPULATION (STRATEGIC OBJECTIVE 1)**

- Population decline is projected to mainly be in the West and South West of the country. Rural and island areas tend to have an older age profile. They have some of the highest proportions of people aged 65 and over, and some of the lowest proportions of the other age groups.
- Areas with the greatest decrease in population aged 0 to 15 were mainly rural and island areas. The five areas (Argyll and Bute, Na h-Eileanan Siar, Inverclyde, North Ayrshire, and Dumfries and Galloway) which had the greatest decrease in the population aged under 16, also had the greatest decline in the population aged 16 to 64.

**TOP LINES**

- **Scotland is facing a set of long-term demographic challenges: an ageing population, a declining birth rate, uncertainty about migration in light of Brexit, and geographical population imbalances (with depopulation in many remote and rural areas in the West, and sustained population growth in other areas in the East)**
- **Scottish Government is committed to promoting inclusive growth and creating opportunities for all to ensure a vibrant, sustainable and productive rural economy, and we recognise that addressing the challenges around population change will be essential to delivering this.**
- **There is no quick fix for the challenges leading to depopulation and we must work with regional, local and community partners to ensure that we collectively deliver a sustainable solution to the challenges facing our island populations.**
- **SG has committed through CoHI and the Ministerial Population Taskforce developing an Addressing Depopulation Action Plan to be delivered in 2023, with Cab Sec RAI agreeing to lead on a rural and islands component of this plan. An action plan to support repopulation of rural and island communities is also a National Islands Plan Commitment.**
- **Furthermore, the Addressing Depopulation Action Plan is a specific commitment within the FM's Policy Prospectus: ‘...begun to address community depopulation challenges, including through tailored, community-driven migration solutions which support local economies and public services, through an Addressing Depopulation Action Plan’.**

**BACKGROUND**

- Delivering on the National Islands Plan, we will develop a strategic plan aimed at providing the policy framework to enable population retention and repopulation across rural and island communities.
- The Action Plan will have three key components:
  - Mainstreaming Depopulation;
  - Rural and Islands Depopulation; and
  - Urban Depopulation.
- This plan is due to be published in Autumn 2023.

Practical Policy Tests

- The feedback gathered through our engagement on the Islands Bond since October 2021, (including meeting over 100 island residents across 12 island communities in spring 2022), has been used to shape a range of tests to help inform policy in an islands context.
- Supporting the development of the ADAP, we commissioned a number of “Practical Policy Tests” in 2022/23. These “Tests” were a series of projects addressing for example on-island infrastructure challenges, culture, heritage, skills and childcare provision. These projects are informed by the feedback from the Islands Bond engagement and through our ongoing engagement with rural and island stakeholders.

### Rural Visa Pilot

- The Migration Advisory Committee (MAC) in 2019 recommended the UKG pilot a scheme to attract and retain migrants in remote areas, highlighting that the current immigration system was ‘not very effective’ in doing so.
- Throughout 2022, Scottish Government worked with local authorities, key business sector organisations, and our independent Expert Advisory Group on Population and Migration to design a Rural Visa Pilot proposal to facilitate migration to remote and rural communities.
- The pilot would represent a new, community-driven approach to local migration modelled on successful immigration schemes in Canada, which would allow rural and remote communities to attract migrants in line with their distinct needs.
- The proposal was endorsed by a clear majority in the Scottish Parliament during a parliamentary debate on Scotland’s Population in September 2022, and has received widespread support from stakeholders; this includes the MAC, who described it “sensible and clear in both scale and deliverability”.
- Following publication of the proposal, I wrote to the Home Secretary, Suella Braverman MP, requesting the UKG agree to trial the Rural Visa Pilot – to date no formal response has been received.
- We urge the UKG to work with Scottish Government, local authorities and employers, to deliver this solution which addresses the urgent need for targeted migration solutions, expressed by Scottish rural and island communities during the development of the proposal.
- The proposal was developed by a working group which constituted twelve local authorities and nine business partners. The working group met four times between March and August 2022. The organisations involved were as follows:

<b>Local authorities</b>	<b>Business partners</b>
Argyll & Bute	Angus Growers
Comhairle nan Eilean Siar	Grampian Growers
Dumfries & Galloway	National Farmers Union Scotland
East Ayrshire	Scotland Food & Drink
East Lothian	Scottish Islands Federation
Highland	Scottish Rural Action
Moray	Seafood Scotland
North Ayrshire	Highlands and Islands enterprise
Orkney	South of Scotland enterprise



Perth & Kinross	
Scottish Borders	
Shetland	

- The scheme was deliberately designed to be applicable to communities across the UK, by selecting Travel to Work Areas as the choice of geographical unit as a means to identifying pilot areas.
- Due to the integrated settlement support offered to incoming migrants and the focus on a community-driven scheme which responds to local need, the objective of the scheme is to promote and support long-term integration within our remote, rural and island communities.
- The scheme does not require new immigration powers to be devolved to Scotland. As proposed, the scheme would only require a discrete route to be set up through UK Visas and Immigration, for any applications to the scheme to be reviewed by the Home Office.
- The UKG position is that “the points-based immigration system works in the interest of the whole of the UK” and that Scottish Government should do more within devolved competence to address these challenges.

## Q&A

### **Q: When will the Scottish Government publish its Addressing Depopulation Action Plan?**

**A.** The Ministerial Population Taskforce has committed to publishing the Addressing Depopulation Action Plan in Autumn 2023, which will include a place-based focus on a mixture of rural, island, and select urban locations across Scotland which are experiencing depopulation.

The Scottish Government is committed to taking a genuine partnership approach to the development of the Action Plan, and will continue to engage closely with local authorities, COSLA, agencies and local communities throughout summer 2023, prior to its publication.

### **Q: Why did the Government decide not to progress with its Islands Bond policy, given that island respondents to the consultation were “fairly evenly split between those in favour and those opposed” and non-island respondents were “strongly in favour”?**

**A.** Withdrawing a policy is not a decision that any Government takes lightly. Whilst the island respondents to the online consultation were fairly evenly split, that online consultation was not our only engagement.

We engaged extensively with local authorities, stakeholders, and island residents to discuss the Islands Bond, and the feedback was very clear; whilst a renewed focus from the Scottish Government on the population challenges being faced across our islands is to be welcomed, the Islands Bond was not the answer, and a more strategic focus on the drivers of depopulation would be far more beneficial.

**Q: What are the Scottish Government’s “Practical Policy Tests” referred to in its response to the Islands Bond consultation?**

**A:** The feedback gathered through our engagement on the Islands Bond since October 2021, (including meeting over 100 island residents across 12 island communities in spring 2022), has been used to shape a range of tests to help inform policy in an islands context.

Supporting the development of the ADAP, we commissioned a number of “Practical Policy Tests” in 2022/23. These “Tests” were a series of projects addressing for example on-island infrastructure challenges, culture, heritage, skills and childcare provision. These projects are informed by the feedback from the Islands Bond engagement and through our ongoing engagement with rural and island stakeholders.

## **ANNEX 1: SUSTAINABLE ECONOMIC DEVELOPMENT (STRATEGIC OBJECTIVE 2)**

- Each Strategic Objective in the National Islands Plan has a hugely positive impact for sustainable economic development across Scotland's islands.
- Support for our island economy sectors is mainstreamed and therefore sectoral support lies across many Portfolio areas - all of which contribute to the Wellbeing Economy.
- The quality of jobs and work in rural and island communities is crucial to economic growth, and it is vital, therefore, to ensure that Fair Work and Community Wealth Building are at the heart of our inclusive and sustainable growth agenda.

### **TOP LINES**

- **Successful delivery of NSET for island communities is about ensuring that NSET delivers the cross-sector confidence required to sustain island populations, and enable them to thrive.**
- **Through NSET delivery, we committed to mainstreaming Community Wealth Building as a practical model, to deliver a tangible Wellbeing Economy at a grassroots level, which is vitally important for all our islands.**
- **The principles of a Wellbeing Economy cannot be achieved through simply redistributing wealth, they need to be hard-wired into everything we do.**
- **This approach will lay the groundwork for a more equitable and resilient economy across all of Scotland.**
- **Through these approaches, NSET will unlock fresh opportunities for the key economic drivers on islands, such as renewables, marine activities, agriculture and crofting, fishing, tourism and the food and drink industry.**
- **The Islands Programme is investing £25.8 million of Infrastructure Investment Plan capital funding over the period of this Parliament to ensure delivery of the National Islands Plan.**
- **As part of the Emergency Budget Review, we announced funding specifically aimed at supporting island communities – our £1.4 million Island Cost Crisis Emergency Fund.**

### **BACKGROUND**

- The Islands (Scotland) Act 2018 introduced a number of measures ensuring that there is a sustained focus across our islands' economic sectors; across Government and the public sector, in order to meet the distinct and specific needs of island communities now and in the future.
- Rural and island communities already face the highest levels of fuel poverty and the Scottish Government is very aware that the cost of living in rural and island communities is higher than ever as a result of the current cost crisis
- We know that the cost crisis is hitting hard in rural areas where people often have lower incomes, where they face greater day to day costs and where spending on essentials like heating, housing and transport is higher.
- Island communities face a challenging demographic and are amongst some of the fastest ageing areas in Scotland. Although Scotland overall has seen a rise in

the working age population over the past decade, the trend amongst many councils with island communities has been one of decline.

- There is no quick fix for the challenges leading to depopulation and we are committed to working with regional, local and community partners to ensure that we collectively deliver sustainable solutions to the challenges facing our island populations using all the levers available to the Scottish Government, and with NSET delivery at the heart of this approach.

### **ADDRESSING DEPOPULATION THROUGH NSET DELIVERY**

- As stated in NSET, population challenges are being faced in many rural and island communities, and addressing these challenges will be vital to ensuring these communities can realise the ambitions of this strategy.
- NSET states that we will progress the actions from Scotland's Population Strategy aimed at attracting, welcoming and supporting those who choose to make Scotland their home to help address rural and island population challenges and sectoral skills shortages in the labour market.
- NSET ambitions build significant new opportunities for nature-based businesses and jobs across Scotland, particularly in rural and island areas, through a nature-positive economy that will both support and require working aged populations in rural and island communities.
- As such, delivery of NSET, and the development of our Addressing Depopulation Action Plan, due to be published in 2023, must be taken forward in a collaborative manner given the interdependence of economic transformation and a more balanced population.
- As we progress the Rural and Islands Component of our Addressing Depopulation Action Plan, it will be crucial that this interdependence is fully understood to ensure both a strong, sustainable economy, and a healthy, sustainable population in our rural and island communities.

### **SKILLS ACTION PLAN**

- The Skills Action Plan for Rural Scotland (2019-21) set out our strategic approach to support the rural economy by addressing skills shortages, and talent retention and attraction.
- The Plan prioritises activities most aligned with supporting recovery and with the Climate Emergency Skills Action Plan and Just Transition Commission.
- An evaluation of the Plan is underway and will help inform the direction of any future support.

### **SUPPORT FOR SKILLS AND BUSINESS**

- As part of a wider review of supporting businesses being taken forward as part of the National Strategy for Economic Transformation – we are reviewing delivery of the support for rural businesses in light of the difficult funding environment.
- We continue to invest in our entrepreneurs and businesses across Scotland, including through the support provided to the Enterprise Agencies.
- To support skills development in rural and island communities we have recently awarded just over £1.3 million from the National Transition Training Fund for upskilling and reskilling projects which support fair work principles.

### **LAND BASED LEARNING REVIEW**

- We set up a Commission to review learning in our land-based and aquaculture sectors.
- The Commission has provided independent, evidence-based recommendations and advice on how to attract more people into these sectors and improve learning pathways
- It will consider how to provide opportunities and qualifications through early years, school, college, university and work-based learning for more people, and specifically more women and young people, to work with and on the land, particularly in green skills.

### **ISLAND COMMUNITIES IMPACT ASSESSMENTS**

- An Island Communities Impact Assessment (ICIA) must be carried out in relation to a policy, strategy or service which is likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities).
- The duty to carry out an ICIA came into force on 23 December 2020 for 71 relevant authorities, including local authorities with islands, public bodies and Scottish Ministers.
- An ICIA for NSET was published on 1 March 2022.

### **COMMUNITY WEALTH BUILDING**

- The internationally recognised Community Wealth Building (CWB) model of economic development acts as a tool or framework against which our local authorities can work with the private, third and community sectors to help deliver a genuine, tangible wellbeing economy.
- The model is a strategic one – designed to add value and influence the activities of the landscape of partnerships we already have in place - maximising the return for *existing* as well as any new investment.
- At the heart of the CWB approach and our ethos is a recognition that redistribution of wealth, while necessary to tackle poverty head on and in the short term, only goes so far. The model is designed to tackle long standing systemic challenges facing local economies by considering the ways in which wealth is generated, circulated and distributed, and in so doing tackle structural inequality.
- We are taking a broader view of what it means to be a successful economy, society and country and putting people and the planet at the heart of our economy - moving beyond more traditional attitudes and simplistic measures of prosperity.

### **COST OF LIVING CRISIS – ISLANDS**

- The stark rise in energy prices, and the associated negative effects on the cost of living is creating a new set of challenges for rural and island communities.
- We know these communities already face the highest levels of fuel poverty, which are being further impacted by the current energy crisis.
- We are very aware that the cost of living is higher than ever as a result of the current crisis. We have limited powers in this arena and must continue to press the UKG to take further action.

## **AGRICULTURE**

- Agricultural sectors are facing fresh challenges with respect to price increases of feed, fertiliser and fuel due to Covid, EU Exit and the ongoing developments in Ukraine.
- In response we established a Food Security and Supply Taskforce on 17 March, which will monitor, identify and respond to any current and potential disruption to the food and drink supply chain resulting from the impact of the war in Ukraine.
- The Taskforce will also seek to recommend, any short, medium and longer term actions that can be taken to mitigate impacts, resolve supply issues and strengthen food security and supply in Scotland.
- We are also continuing to support RSABI by providing £50,000 of financial support. The charity provides emotional, practical and financial assistance to people living and working in Scottish agriculture. Officials are in ongoing discussion with the charity around the cost of living crisis facing people living and working in agriculture.
- The Scottish Government funded Farm Advisory Service (FAS) offers a significant amount of quality advice and support on a range of topics, the vast majority of which is free to the user and we would encourage businesses to get in touch.

## **ANNEX I-a: HIGHLY PROTECTED MARINE AREAS (HPMAs)**

**16 May:** Rhoda Grant leads a Members' debate commending the Skipinnish protest song and calling on SG to revisit the policy.

**12 May:** Elspeth Macdonald, speaking at the Skipper Expo, calls on SG to 'stop and rethink' saying the proposals are 'causing great concern and anxiety all around Scotland's coast'.

**09 May:** Scottish Crofting Federation has taken a firm stance against HPMAs, emphasising the importance of low-impact fishing and seaweed harvesting for crofters in coastal and island communities.

**05 May:** The National: Ariane Burgess publishes an article arguing that HPMAs are vital for future of fisheries

**04 May:** Douglas Ross begins his questions at FMQs on HPMAs, focussing on need to provide definitions of 'communities' and 'vehemently oppose'.

**03 May:** Scottish Conservatives launch an online campaign asking people to back their plans to 'save coastal communities'.

**03 May:** Conservatives led a debate calling on SG to reconsider HPMA proposals. Media report this is to drive a wedge between SNP and Greens.

**02 May:** Beatrice Wishart led a members debate on HPMAs.

**02 May:** Ms McAllan and Ms Gougeon met with coastal and island MSPs to discuss HPMAs.

**02 May:** Rachel Hamilton and Kate Forbes appear on GMS discussing HPMAs with Forbes indicating she would have scrapped them if she had become FM.

**27 Apr:** Media reports that Argyll and Bute Council has joined Comhairle nan Eilean Siar in opposing SG's HPMA plans.

**26 Apr:** Karen Adam MSP (Banff and Buchan) wrote to Ministers and the NZET Committee warning of local opposition to HPMA plans.

**24 Apr:** The Herald: reports that HPMAs will not be imposed on communities, including front page coverage of interview with Ms McAllan

**18 Apr:** Various media report warning from aquaculture industry that HPMAs will cause job losses

**17 Apr:** Consultation on the draft Policy Framework, Site Selection Guidelines and supporting impact assessments closed (launched 12 Dec 22). Analysis of approximately 4,350 responses is underway.

## **TOP LINES**

### **Our commitment to designate Highly Protected Marine Areas (HPMAs) in Scotland's seas marks a step change in the protection of our marine environment.**

- It is an unavoidable truth that we are in the midst of a climate and nature crisis and we must be prepared to take action commensurate with the scale of that challenge. However, it is also true that as we tackle the climate emergency, we must do so via a fair and just transition which empowers communities and shares in the benefits of a green economy.
- The evidence tells us we have to do more to protect our marine environment which is the basis on which many of our vital marine industries are built.
- The IPCC's Synthesis Report, published on Monday 20 March 2023, issued a dire warning of the consequences of climate change, should we fail to act. The impacts

of climate change are already being observed in Scotland's seas and the report highlights the importance of a healthy marine environment in helping to combat climate change.

**Our seas must remain a source of prosperity for the nation, especially in our remote, coastal and island communities.**

- It is vital that those communities help shape the creation of these areas which is why we chose to consult early on in the process.
- We will continue to engage directly with coastal and islands communities before any sites are proposed.
- I recognise there is considerable strength of feeling on this issue – from those who support it and those who have concerns. We have begun analysing responses and will consider these very carefully as we develop next steps. I recognise the value that Scotland's fishing and aquaculture sectors play in contributing to our economic prosperity.
- We want island and coastal communities to thrive and be able to benefit from their huge natural assets. That is why we are proposing that essential lifeline services such as communications, transport and energy infrastructure for our island and coastal communities should not be impacted by the creation of HPMAs.
- The Cabinet Secretary for Net Zero and Just Transition has committed to visiting coastal and island communities in the coming months to hear directly from those people who may be affected.
- We will work with island and coastal communities throughout the site selection process to ensure their concerns and views are listened to and understood.
- This Government will not steamroll through or impose on any community a policy that it is vehemently opposed to.
- I say to all those who have expressed opposition that we are willing to engage and listen so that we can get to the agreed outcomes together.
- By being properly designed and located we believe HPMAs can provide long term benefits for our island and coastal communities.

**UK AND OPPOSITION POSITIONS**

**Even the UK Government recognises the need for action to protect our seas.**

- In March, the UK Secretary of State for the Environment, Food and Rural Affairs, Therese Coffey, called HPMAs a "vital step forward" [QUOTE]: "Highly protected marine areas are a vital step forward in enabling our ecosystems to thrive, increasing climate resilience and ensuring we have a healthy and productive marine environment for generations to come."
- The UK Minister for Biosecurity, Marine and Rural Affairs, Lord Benyon said [QUOTE]: "Not only will the first of these Highly Protected Marine Areas protect important species and habitats, but they will propel the UK forward in our mission to protect at least 30% of the global ocean by 2030."

**Tory hypocrisy on marine protection is staggering.**

- The Tory group 'Conservative Friends of the Ocean' are strong advocates of Highly Protected Marine Areas.
- Their patrons include 16 of their MPs - led by Penny Mordaunt – and including Environment minister Rebecca Pow, Youth minister Mims Davies, Industry



minister Nusrat Ghani, Home Affairs Select Committee Chair Tim Loughton, and also Lord Ian Duncan.

**In their manifestos every opposition party supported the creation of new marine protected areas.**

- ***Scottish Conservative 2021 manifesto*** (page 41) “We will review the current Marine Protected Areas in Scottish waters, with a view to expanding their extent, and pilot the introduction of Highly Protected Marine Areas. We will promote sustainable fishing and effective stock management.”
- ***Scottish Labour 2021 manifesto*** (page 84) “We will also support a plan for ocean recovery with at least one tenth of Scotland’s Seas fully protected, and a further 20% highly protected, from destructive and extractive activities by 2030. We will develop Regional Land Use Frameworks by 2023, with input from a wide range of stakeholders to set out regional land use priorities and funding requirements.”
- ***Scottish LibDem 2021 manifesto*** (page 24) “As other industries compete for the use of marine space we will seek to balance the competing demands of different users including aquaculture, marine renewables and marine protected areas so that all interests can be accommodated...” (page 38) We will start a Marine Recovery Plan to restore more of our seas, encourage marine biodiversity and boost eco-tourism businesses alongside traditional maritime industries. Designate new marine protected areas where this is backed by scientific evidence.”

**SITE PROPOSALS**

**We have not proposed any HPMA sites yet.**

- We are at the very early stages of developing HPMAs and are yet to consider where they might be located as part of a separate process.
- Stakeholders from both coastal and island communities and marine industries will be engaged throughout the site selection process to ensure their concerns are heard and considered.
- Once draft site proposals have been developed there will be a further round of consultation on these before any final sites are actually designated.
- It is essential we select sites on the basis of best available scientific evidence, taking into account socio-economic factors affecting the resilience and viability of marine industries and coastal communities.
- I cannot stress enough that no sites have been selected and people suggesting otherwise are putting out misinformation which is causing unnecessary concern to communities.

**Site proposals will be spread across Scotland’s seas, from West to East Coast, incorporating both inshore and offshore waters.**

- Those suggesting that HPMAs will only be in the coastal region are wrong and misleading people. We want to protect and restore a wide range of our precious habitats ensuring ecological coherence.

**The current devolved settlement fails to give Scotland the levers we need to fully tackle the challenges we face.**

- We do not currently have legal powers to designate and protect HPMAs. We are consulting on proposed new legal powers, to be introduced through primary legislation, to allow Scottish Ministers to designate HPMAs in inshore waters.
- We have also asked the UK Government to provide equivalent powers for Scottish Ministers to designate sites in Scottish offshore waters. But to date they have not met with us and indicated they are not in a position to do so.
- I can be clear that we will not seek to designate the full 10 percent in inshore waters if the UKG do not give us the powers for offshore. We need to protect a range of habitats across the wide variety of our seas.

## **ENGAGEMENT WITH STAKEHOLDERS**

### **Stakeholders are being engaged at all key stages of development of policy and site selection for HPMAs.**

- It has always been our intention to develop these ambitious proposals in close collaboration with those impacted by them – in particular, people living and working in our island and coastal communities. That's why we have chosen to consult right at the beginning of the process.
- In total we have had over 40 meetings with stakeholders already and the Cabinet Secretary will continue engaging directly with our coastal and island communities before finalising next steps.
- For example, prior to the consultation, we met with over 20 stakeholder groups representing a wide range of marine industries and users. These meetings included fisheries organisations such as Scottish Fishermen's Federation and the Scottish Creel Fishermen's Association, aquaculture groups such as Salmon Scotland, environmental NGOs such as Scottish Environment Link, community representatives such as Coastal Communities Network, and COSLA.
- Feedback from the meetings helped to shape policy development and inform our overall approach.
- We ran ten online information sessions from February to April to help anyone wishing to provide a response to our consultation.
- We also provided additional, targeted events, with regional fishing industry groups, such as the Western Isles Fishermen's Association and the North East White Fish Forum.

### **The Scottish Government is listening to the concerns from marine users and industries.**

- Socio-economic factors affecting the resilience and viability of marine industries, such as the fishing industry, and the coastal communities which depend on them will be taken into account.
- Our coastal and rural communities are a major beneficiary of the natural capital that our seas provide, and HPMAs will help to ensure a resilient marine environment that can continue to provide for future generations.
- The HPMA site selection process will include opportunities for third party proposals and we will encourage all stakeholders to engage in this process.
- We mustn't forget that there are those that support HPMAs – not every consultation response is a negative, and we have seen some community based NGOs support the concept, recognising that there may be different ways of delivering.

## **DEFINING COMMUNITY OPPOSITION OR CONSENT**

**The shape of a community depends on the local situation and the people affected by proposals. This will be different in different places.**

- Before affected communities can be defined we need to develop site proposals.
- It would be wrong to pre-empt the definition of a community by setting out the parameters here today which could risk excluding some voices who should be heard.
- For example, a fisher may live in one location, forming part of that community, but, in fact, regularly work fishing grounds many miles away. Until we have specific site proposals it will be difficult to say how someone like that may be impacted.
- So understanding those communities will be built on who is affected, not, necessarily, on proximity to the sites.
- We will use the best available approaches for engaging people impacted by the proposals. We are already making every effort to ensure everyone affected has a voice in this process, and we will continue to go beyond the statutory requirements to discuss and develop proposals with people affected by them.

## **BENEFITS OF HPMAs**

**Studies have shown that removing human activities can have benefits for both the marine environment and the people who rely on it**

- HPMAs will be a major advance in conserving and enhancing Scotland's marine biodiversity and achieving good environmental status for our seas by affording high levels of protection to marine ecosystems through limiting or prohibiting specific human activities that may have negative impacts.
- Indeed our own research tells us that the nature in our seas is being harmed by human activity, including the effects of climate change. And the sea is critical to helping us manage climate change, but it's ability to do that is reducing so we need to protect it urgently.
- Scientific studies indicate that fish stocks can increase in HPMAs, providing spill over benefits for fishers and making sure there are sustainable levels of fish and other marine products to be derived and benefitted from our seas. For example, a study by Lenihan et al in California has shown spill over benefits with increased stocks of spiny lobster.
- People will be able to enjoy and appreciate the ecosystems HPMAs protect by undertaking recreational activities such as swimming and kayaking that are non-damaging. Again, those suggesting otherwise are wrong.

**The experience of Lamlash Bay no take zone, shows us the benefits for both the marine environment and the people who rely on it.**

- Based on studies coordinated by the community group, it has been noted that since protection, commercially important species such as the king scallop and European lobster have increased in size, age and density.
- The 2008 designation of the Lamlash Bay no-take zone off the coast of Arran, was as a result of campaigning by local community group, Community of Arran Seabed Trust (COAST).

## **NEED FOR HPMAs**

**Our proposals for Highly Protected Marine Areas, like similar developments across the EU, are intended to offer a greater level of protection to our most precious marine life, allowing key species and habitats to recover, helping to tackle climate change, benefiting nature and supporting our blue economy.**

- Evidence tells us that once in place, HPMAs will make a positive impact in addressing both ecosystem recovery and biodiversity enhancement, helping to support a sustainable future for Scotland.
- The ecological evidence surrounding HPMAs shows that in temperate waters they deliver greater conservation benefits than those seen in other types of MPA.

**Despite the significant progress we have made to improve the state of our marine environment the evidence tells us we need to do more**

- The Scottish Marine Assessment 2020 showed that a number of marine species were in decline. If we do not address biodiversity loss, there is a risk that the marine environment will not remain resilient enough to provide the resources and benefits we gain from it for the long term.
- The most recent assessment under the UK Marine Strategy showed that, across the UK, 11 out of the 15 ecosystem components failed to achieve Good Environmental Status – a measure of the health of our seas. That is clearly not acceptable and we need to act urgently to tackle that.
- Without a healthy environment, we cannot tackle the impacts of climate change and we undermine the very asset on which our marine industries are built.

**Scotland is not alone in recognising the need for providing higher levels of protection for the marine environment through the introduction of HPMAs**

- The EU is working towards a minimum of 30% of the sea protected, with a minimum of one third of that being strictly protected (i.e. 10% of EU seas should be strictly protected by 2030).
- The UK Government has recently announced it will designate three pilot HPMA sites in English waters later this summer.
- Comparable levels of high protection are found in various places such as California, New Zealand and Australia.

## **SUPPORTING THE FISHING INDUSTRY**

**Scottish Ministers remain committed to supporting Scotland's fishing sector, which plays such a key role in contributing to our economic prosperity - especially in remote, rural and island communities.**

- If we do not take action in the marine space, there is a risk that the marine environment will not remain resilient enough to continue to provide the resources and benefits that we gain from it for the long term.
- My colleague Mairi Gougeon recently launched the third round of the £14m Marine Fund Scotland, aimed at supporting innovative and sustainable organisations in line with our Blue Economy Vision
- The real threat to the Scottish fishing industry is the continuing adverse impacts of Brexit and UK Government immigration policies – such as disproportionate

Skilled Worker Visa requirements - which not only fail to address Scotland's distinct demographic and economic needs, but which also risk labour shortages, vessel tie-ups, and acute financial hardship.

- Climate change will keep on impacting marine fish and fisheries for decades to come, thus requiring climate-ready adaptation measures to mitigate threats and, wherever possible, utilise opportunities.
- Marine Scotland Science is actively engaging in international collaborations aiming to integrate climate change into fisheries management in order to achieve climate resilient fisheries. Achieving resilience will require both short-term tactical advice tools such as climate-informed stock assessments, and long-term strategic advice such as management plans.

### **THREE MILE LIMIT**

**The Scottish Government has no plans to introduce an arbitrary 3-mile limit restricting trawl or dredge activity in our inshore waters.**

- Instead of a blanket approach, we believe it is necessary to instead develop an approach that takes account of the complex ecology and habitats.

### **SPATIAL MANAGEMENT**

**The Scottish Government recognises there is an increasing 'squeeze' on our marine space and the concerns from marine industries in regard to displacement.**

- This is why a Blue Economy approach in Scotland is needed. There are two elements Scottish Government will actively pursue to aid this developing conversation.
- The first is working with industries on how we can best strategically engage to join together multiple strands of engagement so we are not discussing these in isolation.
- The second, and related, is how we then more purposefully take forward collective reporting across multiple programmes of work.
- The programme of work to develop a "National Marine Plan 2" will integrate these elements and seek to address the increasing competition for marine space, exploring opportunities for a clearer prioritisation and decision-making framework to guide different interests and sustainable use of Scotland's marine space.
- A new prioritisation framework will ultimately be met with some challenges across the sectors, however NMP2 will seek to address such challenges through establishing a framework that seeks to give greater clarity to marine users around issues such as coexistence, compensatory measures and opportunities for safeguarding specific activities.

## **ANNEX I-b: MARINE GENERAL**

### **AQUACULTURE**

#### **TOP LINES**

- Aquaculture is a significant employer in our Highland and Islands, directly supporting 2,391 jobs in 2020. Aquaculture and its wider supply chain is estimated to support 11,700 jobs across Scotland in 2018.
- We are supporting a sustainable future for this industry through our forthcoming Vision for Sustainable Aquaculture. The Vision will align with our blue economy objectives and set out this Government's ambitions for the sector, with an enhanced emphasis on environmental protection and community benefit.
- The aquaculture regulatory review sits alongside ongoing work to strengthen environmental protection and community benefit as committed to in the Bute House Agreement.
- We accepted the recommendations of last year's independent review of aquaculture consenting in principle, and we are working with our delivery partners at pace to ensure improvement and streamlining of the administration of the finfish farming consenting process, while maintaining high environmental standards.
- I have established and chair the Scottish Aquaculture Council, which provides strategic advice on the delivery of our commitments and have been encouraged by the commitment of members and I am grateful for their contributions.
- A new Consenting Task Group (CTG) has been formed to take forward and pilot key recommendations from the independent review of aquaculture consenting.
- The CTG is focused on ensuring improvement and streamlining the administration of the finfish farming consenting process, while maintaining high environmental standards. This is not about deregulation – but a more efficient, transparent, and coordinated consenting regime.
- I asked the Scottish Science Advisory Council (SSAC) to consider the use of science in aquaculture consenting, in response to concerns raised in Professor Griggs' report.
- The SSAC published that report at the end of April, which was discussed extensively with Scottish Aquaculture Council members at the beginning of May.
- An extensive oral update on the progress of the regulatory review was provided at my recent evidence session with the Rural Affairs and Islands Committee on 10 May 2023.

#### **Q&A**

**Q. Will the regulatory review consider how local communities can benefit from aquaculture developments and how their views can be considered in the consenting process?**

**A.** 100% of net revenues from Scottish Crown Estate marine assets out to 12 nautical miles have been passed directly to Local Authorities to fund expenditure that specifically benefits coastal communities since 2019.

Local Authorities make decisions on how to use these revenues to benefit their communities which can include investment in housing projects.

The Consenting Task Group work has a strong focus on early engagement in the application process, with an aim of trialing a new process with a focus on pre application discussions- bringing together developers, regulators and local communities.

- This approach should help to deliver meaningful engagement with communities, improve relationships and communities' understanding of the consenting process, and risks and opportunities involved with individual fish farm applications.
- The current system does allow for local communities to contribute their views to a planning application for consideration, however I am hopeful that this work will enhance that.

## **BLUE ECONOMY**

### **TOP LINES**

- **The Blue Economy Vision sets out six long-term Blue Economy outcomes across environmental, economic, and social benefits for our marine environment, for people and our economy. The outcomes describe our high-level ambition for transformative change in the way we see and use our oceans.**
- **Delivering Scotland's Blue Economy Approach sets out a status review against the six Blue Economy outcomes, as well as how existing actions and commitments across the Scottish Government contribute towards the outcomes.**
- **An assessment of our current position is a vital first step if we are to identify where new or different actions are needed to deliver transformative change.**
- **Following publication of the Vision, and during the development of Delivering Scotland's Blue Economy Approach, we identified that Scottish Government is due to produce a series of outputs that will include recommendations for actions relevant to marine sectors and communities, and the marine environment. These include the Environment Strategy, the Biodiversity Strategy and Future Scenario Modelling by the First Minister's Environment Council (FMEC).**
- **Considering these upcoming outputs and reflections on how we can best achieve our Blue Economy Vision we will not develop a suite of specific actions or commitments within a bespoke Blue Economy Action Plan, but instead a focus on:**
  - **Stakeholder engagement on Blue Economy topics through workshops on the National Marine Plan, Future Fisheries Management, Highly Protected Marine Areas, amongst other topics**
  - **Mainstreaming a Blue Economy approach across individual Scottish Government policy areas (e.g. Aquaculture, Energy, Fisheries,**

**Transport) through the co-development of policy and project guidelines and support tools**

- **Establishing a Blue Economy Governance Structure and programme board**
- **Building national ownership of the Blue Economy agenda across other public sector bodies, communities, and businesses**
- **Identifying opportunities to leverage funding to support the transition to a Blue Economy Approach**

## **BACKGROUND**

- Sustainable development, and the need to balance economic, social, and environmental interests has always been at the heart of our ambition.
- The Blue Economy Vision fulfils part of the 21/22 PFG commitment to develop a Blue Economy Strategy and subsequent delivery plan which will set outcomes up to 2045.
- It shows our commitment to develop a Blue Economy approach to support a green recovery and just transition, with sustainable growth of the Blue Economy underpinned by environmental protection.
- The Blue Economy Vision also sits alongside other existing high-level government strategies, including, the Environment Strategy, The National Plan for Scotland's Islands, and the National Planning Framework.
- The Blue Economy is a holistic, marine stewardship approach and is an emerging internationally recognised approach to managing marine resources in a sustainable way.
- The Blue Economy Vision makes clear that there are difficult choices ahead to deliver our aspirations for the sustainable management of Scotland's seas and coasts by 2045. Any update to the National Marine Plan will address similar challenges, and we will work together to ensure our decision-making processes are evidenced and transparent and to consider potential co-dependencies, synergies, or trade-offs between different interests.



## ANNEX J: TRANSPORT (STRATEGIC OBJECTIVE 3)

- The National Transport Strategy (NTS) is for all of Scotland, recognising the different needs of our cities, towns, remote and rural areas and islands. The NTS, alongside the Strategic Transport Projects Review (STPR2), adopts a targeted approach, aligning with local needs and recognising regional differences.
- The Islands Connectivity Plan (ICP) will replace the Ferries Plan published in 2012 but will be broader in scope, taking account of aviation, ferries and fixed links, and onward and connecting travel. Most of the work on the various elements of ICP is expected to be undertaken during 2023.
- Since 2007, this Government has invested over £2 billion in the Clyde & Hebrides Ferry Service, the Northern Isles Ferry Service and ferry infrastructure.

### NATIONAL TRANSPORT STRATEGY (NTS)

#### TOP LINES:

- The National Transport Strategy (NTS), published in February 2020, sets the vision for our transport system to 2040: ‘We will have a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors’.
- Our vision is underpinned by four interconnected priorities: to reduce inequalities, to take climate action, to help to deliver inclusive economic growth and to improve our health and wellbeing.
- We published our [first annual Delivery Plan](#) (for 2020-22) in December 2020, and out [second annual Delivery Plan](#) (for 2022-23) in June 2022. The third Plan will be published later this year.
- We continue to engage with partners through the NTS Delivery Board, chaired by Minister for Transport and Councillor Macgregor of COSLA, and through the NTS Business Group.
- We continue to monitor progress on delivery of the NTS. Our [annual monitoring report](#) (published June 2022), shows headline indicators and secondary measures over the short, medium and long term. The next report will be published later this year.

#### BACKGROUND

##### NTS Delivery Plans

**NTS Delivery Plans set out the actions being taken to deliver our shared vision, which are consistent with the Climate Change Plan Update and helping to ensure transport is accessible to all**

- The actions in the Delivery Plan are underpinned by the Sustainable Travel Hierarchy and the Sustainable Investment Hierarchy, prioritising walking, wheeling, cycling and shared transport options, in preference to single occupancy car use, and aim to reduce the need to travel unsustainably

- The first Delivery Plan (2020-22) was published in December 2020, bringing together Scottish Government actions to help achieve our vision for the first time. Within the context of the uncertainty caused by the COVID-19 pandemic, we remained focused on delivering our priorities, which are central to achieving a green recovery and a just transition to net zero greenhouse gas emissions.
- Our second Delivery Plan (covering 2022-2023) was published in June 2022 alongside the first monitoring and evaluation report. This sets out the practical actions which are underway, or due to begin, across Scottish Government which will deliver the vision, providing a coordinated overview to our transport investments and projects.
- While the Delivery Plans focus on actions being taken by the Scottish Government, a collaborative approach across all involved will be crucial to ensure successful delivery.

### NTS Monitoring

#### **We continue to report on performance in tackling the challenges and achieving the NTS outcomes**

- We produced an annual monitoring report (published June 2022), showing headline indicators and secondary measures, disaggregated by protected characteristics, geography and socioeconomic status, where possible, and showing trends over time. This presents understanding and evaluation of progress of the NTS over the short, medium and long term and ensure we can routinely monitor and report on progress towards its outcomes at a national, regional and local level. The next report will be published later this year.
- We will produce an annual report on progress of the NTS in early summer each year, with the first report due in 2023.
- We will produce a three-yearly evaluation report (due 2024), including the above but also looking at drawing together data from additional sources, and qualitative/case study data from our stakeholder groups and transport partners. This will be a larger report, focusing on a wider set of data, to provide a comprehensive overview of the NTS's performance to date against the outcomes and vision it has set out to achieve.
- We will feed existing targets and strategic objectives into the overall performance monitoring, such as achieving net zero by 2045 and our road safety targets
- We will show the links between the NTS and the National Performance Framework and the UN Sustainable Development Goals.

### NTS Engagement with Partners

#### **Successful delivery of the NTS is dependent on a collaborative approach and we all have a role to play in effectively delivering on the vision and outcomes**

- The NTS and its Delivery Plans draw on the latest evidence and were developed using a collaborative approach involving a wide range of partners. We intend to continue this positive engagement with a wide range of individuals, businesses and third sector organisations.
- A consultation on the draft NTS was published on 5 February 2020, with views invited from across Scotland and the responses played a key role in informing its content.

**The NTS Delivery Board, co-chaired by Minister for Transport and COSLA, brings together senior representatives across the transport sector to be accountable for the successful delivery of NTS.**

- The Board was established in October 2020 and current membership includes Regional Transport Partnerships, which must produce Regional Transport Strategies aligned with NTS, and Local Authorities.
- The Board held its seventh meeting in February 2023 focusing on NTS monitoring and evaluation; Demand Management Research; Scottish Emission Targets (Climate Change Committee Report) and Strathclyde Bus Strategy.
- The next meeting will be held in June 2023.

**The NTS Business Group and People's Panel provided the mechanism for engagement and policy development on all four of the NTS priorities.**

- The NTS Business Group was established in 2021 and includes representatives from transport businesses and their representative organisations. The group's purpose is to share experiences and expertise and to support the delivery of the four NTS priorities, but particularly to help to deliver inclusive economic growth. The group's insights are shared with the NTS Delivery Board where updates are provided and recommendations for future policy development are considered and taken forward. The most recent meeting was held in January 2023.
- The NTS People's Panel met on four occasions, from October 2021 to January 2022, to discuss the four key priorities and to strengthen our evidence base and identify possible policy initiatives. The [findings from the People's Panel](#) were published in October 2022.

**Strategic Transport Projects Review**

**The second Strategic Transport Projects Review (STPR2) will inform the Scottish Government's transport investment programme in Scotland to 2042 and will help to deliver the NTS vision, priorities and outcomes for transport.**

- We have set out 45 recommendations for future investment in Scotland's strategic transport network in the second Strategic Transport Projects Review, published on 8 December 2022.
- STPR2 will set out how the recommended investments will contribute to Net Zero, Inclusive Growth and our vision for a sustainable, inclusive, safe and accessible transport system helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors.
- Embedded in STPR2 is the Sustainable Investment Hierarchy, which prioritises reducing the need to travel unsustainably. This is followed by focussing on maintaining and safely operating existing assets, then making better use of existing capacity before considering targeted infrastructure improvements.
- The STPR2 recommendations support the measures set out in our route map to reduce car kilometres by 20% by 2030 and represent a major piece of work by this Government to make all of Scotland more sustainable.
- STPR2 is an ambitious plan for investment for to 2042, however it is not a funded plan and is subject to the funding allocations agreed by Parliament each year through the annual budget process.

- The consultation closed on 15 April 2022. The number of responses received was 424, comprising of 159 individuals, 165 organisation and 100 non-disclosed responses. The consultation response, particularly relating to the level of support for the individual recommendations, has also fed into the prioritisation process.
- The final STPR2 Report and associated impact assessments were published on 8 December 2022.
- A Delivery Plan to provide further insight on the prioritisation of the STPR2 recommendations will follow later this year.

**The regional approach taken for STPR2 has produced a set of 45 recommendations tailored to address the range of transport challenges across Scotland, including those in the Highland and Islands.**

- We have developed plans for new infrastructure proposals working closely with our STPR2 Highlands and Islands working group (chaired by Randal Robertson, Director of HITRANSi). This has helped formulate a range of draft transport proposals which address some of the major transport issues faced by region.
- Of most specific to the region, are proposals for further investment in the Highland Mainline and the proposals to look at the new fixed links across the Sounds of Barra and Harris, in the Western Isles.
- Other proposals that will have specific benefits to the region, include, recommendation for increasing active travel and improving the quality of “places” including speed management and behavior change, measures to integrate journeys at ferry terminals and a ferry vessel renewal and replacement programme, as part of the progressive decarbonisation of the fleet.
- In addition, investment in port infrastructure, the ongoing development of a masterplan for Inverness railway station and efforts to get more freight on to rail are key elements of our proposals for the Highlands and Islands.
- There are also 29 other STPR2 recommendations, covering active travel, behavior change, bus and road infrastructure investment that will have benefits for this region.

**The Scottish Government’s draft route map to 20% Reduction in Car KMs was published in January 2022, and following public consultation, the finalized route map will be published in the coming months.**

- Our draft route map (13 Jan) sets out how we will reduce car kilometers by 20% by 2030 – a truly world-leading commitment, demonstrating our level of ambition in meeting Scotland’s statutory targets.
- We understand that there is no one size fits all, but we believe the route map contains a range of car-use reduction options for everyone, including businesses, to consider.
- We do not expect car use to reduce equally for all, including some businesses, those in rural and island areas, and those who rely on cars for mobility or other reasons, but for those who are able to change their travel behavior we want to recognise and enable that.
- The scale of the challenge means that the route map sets out a broad combination of system-level interventions, including infrastructure, incentives and regulatory actions, taking into account the needs of people in rural and island areas and people on low incomes to help ensure a just transition to net-zero.

- This is a national ambition – it does not mean car use in rural and remote areas is expected to drop at the same rate as towns and cities.

**We are supporting continued development public electric vehicle charging networks through development of Electric Vehicle Charging Strategies and Expansion Plans.**

- Scottish Government has provided over £65 million to develop the ChargePlace Scotland public electric vehicle charging network, which covers all of Scotland.
- Transport Scotland and the Scottish Futures Trust are currently supporting local authorities to develop regional Electric Vehicle Charging Strategies and Expansion Plans covering all of Scotland.
- Last year we launched our Electric Vehicle Infrastructure Fund which will provide £30 million of public funding to enable £60 million of public and private investment in growing public charging networks across Scotland.
- The Fund will target public funding at areas where commercial investment in electric vehicle charging is not viable, which will focus on issues like rurality and directly support island communities.
- Through the Energy Savings Trust, Scottish Government continues to provide support for consumers moving to zero emission vehicles, these initiatives are now specifically targeted at rural and island communities.

**We are investing in Active Travel projects to facilitate and encourage people to walk or cycle for shorter everyday journeys as an alternative to driving**

- The Scottish Government budget for 2023-24 has confirmed record funding for Active Travel of £189.2 million.
- This includes the Cycling Walking Safer Routes grant of £35 million that goes directly to local authorities on a pro rata basis with Na h-Eileanan Siar receiving £170,000, Shetland £147,000, Argyll and Bute £551,000, Orkney £144,000 and The Highlands Council £1.52 million. Projects delivered last year include 20 mph zones around 10 Orkney schools.
- We are investing in ambitious on and off-road segregated walking and cycling routes, safer junctions and improved design of place. This is because public feedback and evidence shows speed and volume of traffic deters people from walking and cycling.
- Programme for Government of 2021 committed that at least £320 million, or 10% of the total transport budget, will go on active travel by 2024-25.
- An Active Travel Transformation Project has been considering how best to ensure the delivery model for active travel can evolve to match the policy ambition and the significant increase in budget from 2024-25.
- The record budget for 2023-24 includes a transformation programme of around £20 million to enable transformative delivery at pace and scale; bids were received from Island Councils, and announcements will be made shortly.
- In 2023-24, through our established programmes, including Cycling and Walking Safer Routes, Places for Everyone and the National Cycle Network, we will continue to support infrastructure projects that contribute to the transformation of our towns, cities and villages and the delivery of our 2030 vision for place and people-focussed communities that enable active travel modes to be the default choice for daily journeys.

- Sustrans Scotland receive over £50 million each year to deliver the Places for Everyone active travel infrastructure programme, where several projects are being delivered in the islands ranging from the £21 million Skye network to smaller schemes across the Western Isles, Orkney, Jura and Islay.
- Orkney Islands Council and Highland Council also now benefit from additional funding from Sustrans for embedded officers who support the local teams to develop active travel strategies, plans and bids for funding of these.
- Our free Bikes for Children Who Cannot Afford One pilot ran in Shetland and was supported by a number of groups, provided eight cycles to eligible children, and was funded until March 2023. A national scheme is being put in place currently and will ensure that all island communities are covered, and that all eligible children of school age receive a free bike.
- We grant funded Cycling UK to run the Rural Connections programme which supports people in Shetland, Orkney, and other island communities to cycle, walk and wheel for everyday journeys, leisure and adventure. The programme offers a wide range of cycling and walking activities for all abilities, and is being funded as part of our UCI Cycling World Championships response.
- Transport Scotland has funded the Smarter Choices Smarter Places (SCSP) programme, managed by Paths for All, where through the SCSP Local Authority Fund almost £600,000 in grants were awarded for sustainable travel behaviour change projects across all Scottish Islands in 2022-23. Through this fund The Highland Council received £214,000, Orkney Islands Council received £70,000, and Shetland Islands Council received £50,000. A further £5 million SCSP Open Fund has been open to all third sector organisations and community groups across Scotland for grants of between £5,000 and £100,000.

**The Islands Connectivity Plan (ICP) will replace the Ferries Plan published in 2012 but will be broader in scope, taking account of aviation, ferries and fixed links, and onward and connecting travel.**

- Most of the work on the various elements of ICP is expected to be undertaken during 2023.
- The ICP will consist of a number of elements with a short document setting out the Government's strategic objectives and policies for island connectivity, based on supporting delivery of the NTS and the National Islands Plan, and informed by the outcomes of STPR2.
- The intention is to develop the strategic ICP document for all islands through stakeholder engagement during the first half of 2023 and then publish a draft for formal public consultation later in 2023. This document aims to set a vision for Scottish ferries, outline good practice/standards for delivery of ferry services in Scotland which will support local authority delivery plans and Identify benefits ICP will deliver to communities and wider economy.
- The ICP will also include the following delivery plans for CHFS (Clyde & Hebrides Ferry Service) and NIFS (Northern Isles Ferry Service) and the CMAL fleet:

**Draft Long-Term Plan for Vessels and Ports**

- An advance copy of the draft Long-Term Plan for Vessels and Ports for CHFS and NIFS was shared with key stakeholders. A further version of the draft Plan is now being prepared in light of stakeholder responses. This will be issued in a

public consultation currently planned to commence in June for completion by end of August 2023.

- The draft Long-Term Plan for Vessels and Ports covers those services for which Ministers are responsible, however it acknowledges that Councils face their own challenges with vessels and ports and are developing their own plans.

#### **Community Needs Assessments**

- Following the approach used in the Ferries Plan, refreshed Community Needs Assessments (CNAs) will be undertaken to establish communities' transport connectivity needs, identify transport dependencies and propose options to address any gaps in service provision. The plan is to commission a series of assessments during 2023.

#### **Fares policy review which will also connect to the Fair Fares Review**

- Issues related to fares will be explored as other parts of ICP continue to be developed. Work continues with the Fair Fares Review as well as managing inflation impacts on ferry fares.

#### **Carbon Reduction Plan**

- A draft plan is due to be completed by summer 2023; to inform the next Scottish Government Climate Change Plan due in late 2023. An expanded section on decarbonisation was included in the draft Long-Term Plan for Vessels and Ports. This element of the ICP should be completed by the end of 2023.

#### **Onward and Connecting Travel**

- A scoping document with key themes and a draft action plan is being developed in the first half of 2023, with stakeholder engagement to begin in summer. This is likely to be an ongoing activity.
- The ICP and its associated delivery plans will be supported by statutory impact assessments, market assessments, a financial plan and a monitoring, review and evaluation plan. Initial scoping and screening work on the range of impact assessments is underway.

## **ANNEX J-a: FERRIES**

**14 May:** [Various] “CalMac ferry passengers stranded overnight on Isle of Arran” – ferry service cancelled due to fog.

**09 May:** Various media reports Islanders 'could ration ferry spaces' without 'emergency intervention', following open letter to Transport Minister from Mull and Iona Ferry Committee.

**09 May:** [Various] Daily Express reported “Islands betrayed by ferry failure”. The Scottish Government has once again come under fire over ferries after it was revealed that an Orkney route will be disrupted for at least another fortnight, The Sun reported “Ferries a 'national scandal'”. The failure to deliver new ferries for islanders was last night branded a "national scandal".

**06 May:** BBC news reported, “A new delay has prevented a chartered catamaran ferry from entering service with CalMac” – regarding the MV Alfred.

**01 May:** Various media reports, including The Herald, “All passengers safe and well on land after ferry runs aground off Orkney” and Press and Journal, “Probe under way following 'major' incident on ferry”.

**30 Apr:** Various media reports that CalMac have a bill of £1.6m for crew costs relating to Glen Sannox and Hull 802.

**29 Apr:** MV Pentalina ran aground on Sat 29 April. All crew and passengers were safe. The vessel is owned and operated by Pentland Ferries.

**20 Apr:** BBC reports that Pentland Ferries' MV Pentalina has been granted a temporary passenger ship safety certificate and has returned to Orkney, a key step in CalMac's charter of relief catamaran [MV Alfred] which has been delayed while MV Pentalina has been in dry dock.

**20 Apr:** Various reports on acceptance of MACA request to the MoD to assist on the Corran Ferry route.

## **TOP LINES**

- **The Scottish Government recognise the impact that delays and disruption have regrettably had on our island communities and we are committed to investing in our ferry services.**
- **We recognise that every cancelled sailing can have a significant impact and continue to work with operators and CMAL to improve reliability and resilience across our networks.**
- **Delivering six new major vessels to serve Scotland's ferry network by 2026 is a priority for this government.**
- **Scottish Ministers have taken action to ensure the completion of two ferries by Ferguson Marine (FMPG), following the completion of a due diligence assessment carried out on forecast costs.**
- **A strict value for money case has been made for completing the Glen Sannox (801) but not for vessel 802, The Cabinet Secretary for Wellbeing, Economy has provided written authority to enable work to continue. He also made clear his expectation that the management of the yard would continue to scrutinise and bear down on future costs.**

## **BACKGROUND**

**Since re-election, this government has:**



- Bought and deployed an additional vessel in the MV Loch Frisa;
- Chartered the MV Arrow to provide additional resilience and capacity;
- Commissioned two new vessels for Islay;
- Commissioned two new vessels for the Little Minch routes;
- Progressed investment in key ports and harbours; and
- Confirmed additional revenue funding for the operation of Local Authority ferry services.

## **FERRY DISRUPTION**

**I recognise the impact that delays and disruption have regrettably had on our island communities and I am committed to investing in our ferry services.**

- We recognise that every cancelled sailing can have a significant impact and continue to work with operators and CMAL to improve reliability and resilience across our networks.
- Regrettably there are communities who have been more greatly impacted than these average figures show and we fully recognise the need to improve reliability and confidence in services.
- Delivering six new major vessels to serve Scotland's ferry network by 2026 is a priority for this government.
- Should there be cancellations to CalMac services due to weather or technical issues then a full refund will be provided to the customer, as I'm sure we all would expect.
- CalMac also work with Local Resilience Partners during situations like that on Arran to ensure the welfare of anyone requiring assistance is met. CalMac staff went to great lengths to ensure the safety and wellbeing of passengers was met.

**While I understand the calls to support businesses through disruption, our focus rightly has to be on building resilience into the ferry network.**

- I have previously noted the calls for compensation, but any such scheme would need to be carefully considered and would require stark choices to be made about funding priorities set against efforts to provide resilience in the network.
- For example, the £9 million cost of the charter of the MV Alfred is only partly funded by the performance deductions from CalMac of around £1m to £2m per year.
- We are also proactively working with NorthLink on potential additional capacity on services to Orkney.
- It would be unreasonable to expect Scottish Government to consider compensation for the outages on a private service such as Pentland Ferries.

**There have been ongoing technical issues with vessels resulting in delays to the annual overhaul programme and cancellation of sailings.**

- Whilst the MV Hebridean Isles remains out of service, CalMac have decided to delay the annual overhaul of the MV Finlaggan serving Islay. This means a 2 vessel service will remain in place until the MV Hebridean Isles can provide relief when she returns to service.
- This is not just about transport performance in itself. It's about delivering the confidence needed to sustain island populations.

- Ferry operators prioritise food supplies during disruption. They are part of the local resilience partnership, and remain in contact with local communities and hauliers.
- Statistics show that in 2022 of the 171,403 scheduled sailings across the CHFS network 11,301 (6.6%) were cancelled. Of these, 1,830 (1.1%) were cancelled due to technical issues.

### **FARES FREEZE**

**The Scottish Government believes that the fares freeze is the right thing for our island communities and it is hoped that by not increasing fares by CPI it will go some way to encouraging tourism this Summer as island businesses continue to recover from the pandemic.**

- Fares beyond October are being actively considered and decisions will be taken as soon as possible to allow bookings to be made over the winter.

### **CREWING FOR MV GLEN SANNOX (Hull 801)**

**Transport Scotland continue to work closely with CalMac, CMAL, and Fergusons to align recruitment of crew with vessel deployment plans.**

- Fourteen senior crew positions, such as vessel Masters and key engineering roles, have been recruited for MV Glen Sannox and are undertaking essential commissioning, documentation and other tasks at the yard as various elements of the vessel systems are brought to life.
- Phased employment of key crew members well in advance of delivery is a normal process for all new vessel.
- The costs to date released in the FoI and reported in the media include salaries, pensions, specialist training and other expenses.
- The crew, who have been deployed to the yard, are paid for by the Scottish Government, (yard owners), as part of the build costs of the vessels.
- CalMac will become responsible for the costs of the staff once the vessels are delivered to CalMac.
- The Transport Minister has spoken directly to CalMac on this matter and received assurances these are the legitimate costs incurred in bringing a vessel into service.
- Further phases of crew recruitment for essential engineering, technical and other roles are underway and will be confirmed in the coming weeks and months to align with the vessel delivery schedule and commissioning requirements.

### **MV PENTALINA – PENTLAND FERRIES**

**I understand that the MV Pentalina had reported a suspected engine fire and had become grounded near to the berth in St Margaret's Hope where the RNLI attended and all passengers were safely removed to shore.**

- Ministers were quickly made aware of the incident and kept informed of developments throughout by Scottish Government resilience teams, who were also closely involved in discussions with local resilience partnerships in Orkney.
- Pentland Ferries have currently advised that services are cancelled until at least 21 May. The Maritime Coastguard Agency (MCA) is conducting a survey.
- The option of increasing NorthLink sailings remains under review.
- There has been no request to return the MV Alfred and there is no clause in the commercial arrangement to enable this. We will carefully consider all options once we understand the length of any outage.

**Maritime Safety is a matter reserved to the UK Government through the MCA.**

- It will be for the UK MAIB to confirm the process and take forward an investigation into this incident.
- We await the outcome of any investigation and actions to prevent any recurrence.
- Officials will continue to work with NorthLink ferries, who have already been proactive in reaching out to hauliers and monitoring capacity available across their routes. They have this week moved to their increased sailings on the Pentland Firth of 3 return trips.

**Any suggestion that pressure was put on the MCA to issue a safety certificate for MV Pentalina by Ministers is completely wrong.**

- Neither Ministers nor Calmac were involved in the process and to suggest they would seek to interfere with matters of safety is disingenuous.
- And given their important focus on maritime safety, it is wrong to suggest that the MCA would succumb to such pressure.

**CHARTER – MV ALFRED**

**This Government provided funding to CalMac Ferries to enable the charter of the MV Alfred to provide additional resilience for a 9 Month period.**

- The vessel has already carried out successful berthing trials at a number of ports. She is currently operating a “turn up and go” service on the Ardrossan/Brodick route.
- The vessel has successfully completed berthing trials at Ullapool, Lochmaddy and Port Askaig.
- The commencement of the charter began on 27 April. This had been delayed due to MV Pentalina being issued with a restricted passenger certificate by the MCA.
- This delay was regrettable but not unexpected and was outwith Transport Scotland’s or CalMac’s control. Neither Ministers or officials had any involvement or influence over the MCA approval process – nor would it have been appropriate for that to be the case.
- The decision to offer the MV Alfred for charter rather than MV Pentalina was taken by Pentland Ferries as a commercial company.
- It will be crewed and operated by Pentland Ferries under a Time Charter. Terms and conditions for crews are a matter for them as the operators, but CalMac confirms they are receiving the Living Wage.

**NEW VESSELS**

**We are accelerating replacement of major vessels in the ferry fleet.**

- CMAL announced the contract signing with Cemre Marin Endustri AS on 11 January and have now completed the remaining agreements, including builders refund guarantees.
- These ferries are intended for deployment on the Little Minch routes to Lochmaddy and Tarbert, delivering dedicated services to communities in the peak season rather than the shared vessel operation currently in place.
- This will create the opportunity for significantly increased capacity and resilience for the communities of the Western Isles throughout the year.

- The new vessels will also allow consideration of options to deploy Vessel 802 on an alternative route, including potentially alongside her sister ship, the MV Glen Sannox, to provide additional capacity to and from Arran in the peak season.

**It is important that everyone with an interest in future ferry services feels they can engage with the development of routes, vessels and services.**

- The previous engagement on the two Islay vessels was extensive and as open as possible to individual, community and stakeholder views – we have taken forward what people told us then into this process.
- But obviously if there is more that we can do to enhance engagement, and learn from this process, then we will of course act on that.

**In line with relevant procurement legislation, an open tendering process was led by CMAL as the procuring authority.**

- The bid received from this yard represented the best value for money in terms of quality and price.
- The two vessels currently in construction at the Cemre yard are progressing well and remain on time and within budget. Steel cutting has taken place - a very welcome milestone for this vital project, which brings us another step closer to adding new ferries to the fleet serving the Clyde and Hebrides. CMAL's confirmation of signing of the contract and agreement of the builders refund guarantees for the additional two vessels with Cemre following the recent procurement exercise is also welcome news.

**CMAL Contracts for 4 Islay Class Vessels being Constructed in Turkey**

- As part of the contract, CMAL could not have stipulated that only Scottish or UK suppliers could be used as the Regulations require them to treat economic operators equally & without discrimination and restrict them from artificially narrowing competition by unduly favouring or disadvantaging any particular economic operator.
- It is of course for the shipyard to determine which subcontractors are used to provide equipment and services in the construction of the 4 new ferries for CalMac.

**It is wrong to say that no Scottish suppliers are being used. The stabilisers for the vessels are being produced in Fife. These are a critical component for the vessels and have a contract value of around £750k per ship.**

- With regard to the steel this is specific marine grade steel and was originally to be procured from Ukraine. Due to the tragic events in that country, the yard has had to procure this from China.
- 58 companies, overseas or based in England, are also set to provide products and/or services for the new build vessels. 40 of these companies have signed agreements, with the remaining 18 companies obtaining signed agreements as the shipyard build programme progresses.
- CMAL is currently compiling information to quantify and publicise the elements of the contract and quantum that will be delivered by Scottish and wider UK based suppliers.

**While Ferguson Marine did not bid on these vessels, we are fully committed to supporting the yard.**

- Efforts continue to secure a sustainable future, including a pipeline of future work, to help protect jobs and commercial shipbuilding on the Clyde.
- Given our investment programme for ferries, there will be future opportunities for the yard in building new vessels to serve our islands.

**We will consider future vessel contracts from public agencies on a case-by-case basis and whether any might be legally open to direct award.**

- Direct award of contracts is only legal in strictly limited circumstances under public procurement rules.
- Procurement constraints mean that a direct award of the Islay ferry contract to Ferguson Marine would not be possible

**Assessment of new vessel options for routes across our networks is led by CMAL, Transport Scotland and the relevant operator.**

- As part of the design process CMAL appoint naval architects and technical consultants to consider and advise on vessel and route specific issues.
- Various hull forms, propulsion options, fuel types, and onboard arrangements are considered and assessed as part of the design process.
- Engagement with communities, businesses and representative groups is essential, and it is maintained throughout the process.
- Regular engagement and public webinars, including Q&A sessions, are used to be as transparent and open as possible to community and stakeholder views.
- The Ferries Communities Board previously highlighted to the Rural Economy & Connectivity Committee that the Islay consultation process was a model that should be built upon moving forward. This view was echoed by Islay's own Ferry Committee.

## **SECOND HAND TONNAGE**

**We continue to task CMAL and the operators to identify and present suitable second hand tonnage options for charter or purchase to support the existing fleets.**

- Significant effort is put in to these considerations and assessments, which remain commercially sensitive until the time contracts are agreed. I would like to thank CMAL, CalMac and Serco for their continued support in this work.
- NorthLink and CalMac have successfully chartered the MV Arrow for maintenance and resilience cover in the last few years and we continue to consider if and when this would be appropriate in future.
- In the last six months CMAL have made offers to purchase two second hand major vessels which have unfortunately been unsuccessful.
- Securing appropriate second hand vessels in a limited and competitive market remains challenging and any offers are considered carefully for value for money and affordability.

## **LOCAL AUTHORITY FERRIES - GENERAL**

**We recognise the challenge for local authorities that have responsibility for ferries, and have provided more than £136m over the last 5 years to support the running of these services.**

- We committed, in the recent budget announcement to continue to fully fund the operation of local authority ferries in 2023-24. Officials are speaking with the four local authorities involved to agree funding.
- Revenue funding distribution for 2023-24 will be confirmed as soon as possible.
- We are aware of the growing need for local authorities to replace ageing ferry fleets and infrastructure, and while responsibility for funding replacement infrastructure does remain wholly with the councils, we are committed to continuing engagement.
- Further work, initiated by the former Deputy First Minister, is ongoing to support both Shetland and Orkney in developing their fleet replacement plans, recognising the challenges these islands face.

## **CORRAN - LOCAL AUTHORITY FERRY**

**We look forward to the outcome of the initial assessment by the MOD which will assist in identifying possible next steps. We will continue our close engagement with the Highland Council throughout this process.**

- We absolutely recognise the unavailability of the Corran Ferry is causing major disruption for communities, businesses and visitors to the area.
- The Highland Council has made contact with the Scottish Government regarding Military support. Scottish Government will liaise with The Highland Council to consider how this is taken forward. There is a structured process to follow for military assistance and decisions on next steps will be for MoD.
- Full costings are not known at this time and will be established as part of the formal requesting process before sending to MoD.
- As indicated previously, the Minister for Transport would be happy to visit Lochaber to learn more about The Highland Council's plans for the Corran Ferry, as they have ultimate responsibility for any decisions on maintenance, upgrades, or options to replace ferries.
- The previous Deputy First Minister announced in the budget process that the Scottish Government would provide full revenue funding to Councils who run their own ferry services.
- Officials are in discussions with the Highland Council about these costs.
- CMAL are also continuing to work with the Council on improving shoreside infrastructure and the resilience of the service in the longer term.

## **ANNEX K: HOUSING AND FUEL POVERTY (STRATEGIC OBJECTIVES 4 AND 5)**

### **HOUSING**

- The [National Islands Plan survey](#), published in July 2021, explores perceptions of island life in relation to the strategic objectives set out in the National Islands Plan. The survey highlighted dissatisfaction with housing among respondents, with perceived poor availability of housing – and affordable housing – in many islands. In contrast, the majority of island groups reported high proportions of holiday and second homes.

### **TOP LINES**

- **We recognise that good quality, affordable housing is essential to help attract and retain people in Scotland’s remote and rural communities.**
- **We are committed to delivering 110,000 affordable homes by 2032 of which 10% will be in our remote, rural and island communities and are making available £3.5 billion this Parliament for affordable housing across Scotland.**
- **Between 2016-17 and 2021-22 we have now supported the delivery of almost 8,000 affordable homes in rural and island areas.**
- **We know that a small number of homes can make a big difference to rural and island communities, and our £30m Rural and Island Housing Fund plays an important role in offering support to community groups and others and complementing delivery through our mainstream programme by Councils and Registered Social Landlords.**

### **BACKGROUND**

#### **Housing Need and Demand**

- As the statutory housing authority for their area, local authorities are responsible for assessing housing need and demand and setting out how the requirement for housing will be met through their Local Housing Strategies and Strategic Housing Investment Plans, including the location and size and type of housing required.
- The HNDA is undertaken at the local level allowing for consideration of local information and circumstances that go beyond the national projections and housing numbers. These include, tenure, size, type and location of housing as well as considerations such as affordability and specialist provision.
- Local authorities are required to consult widely to help inform Local Housing Strategy priorities and outcomes and we encourage local residents, including young people, to participate in this process and share their views.
- The Scottish Government works closely with local authorities in their role as strategic housing authorities who are best placed to make local decisions which reflect the particular nature and characteristics of their local area.

### **Remote, Rural & Islands Housing Action Plan**

- We are committed to developing a Remote, Rural and Islands Housing Action Plan to help attract and retain people in these communities and our aim is to publish it in Spring.
- We Recognise that building affordable housing in rural areas presents different challenges than urban areas. The development of the Action Plan provides a vital opportunity for new collaborative working to pull together create solutions and address the challenges of delivering more homes in the right places for our rural and island communities.
- Officials have been engaging with a wide range of stakeholders to help inform the development of the Remote, Rural and Islands Housing Action Plan including national agencies including Highlands and Islands Enterprise, South of Scotland Enterprise, local authorities, community groups, and rural housing enablers. Officials also met with Rural Youth Project.
- Cabinet Secretary for Social Justice wrote to Local Government, Housing and Planning Committee in December providing an update on this work and informing of the priority work strands being taken forward.

### **£25m Affordable housing initiative**

- Opportunity, equality and community are vital to everyone no matter where they live, and we recognise that a tailored approach is needed for our rural areas.
- Good quality affordable housing is essential to attract and retain people in rural communities, particularly in areas where key workers are needed. That's why we are making available up to £25 million available in a dedicated fund to make affordable homes for key workers, and others in need, such as those working in the public sector and emergency services.
- The five year initiative, set out in the Scottish Government's priorities for the next three years, will enable local authorities and registered social landlords to acquire or lease properties which can be used to provide homes to meet the needs of their communities.
- Tackling empty homes is a priority for the Scottish Government and this initiative will build upon the work of the Scottish Empty Homes Partnership which has helped bring more than 8,000 homes into use as warm, safe and secure housing.
- Details for how the initiative will operate are being developed and will be included in the forthcoming Remote, Rural and Island Housing Action Plan.

### **Regulation of Short-term lets**

- Short-term lets can offer people a flexible and cheaper travel option, and have contributed positively to Scotland's tourism industry and local economies across the country.
- However, we know that in certain areas, particularly tourist hot spots, high numbers of lets can cause problems for neighbours and make it harder for people to find homes to live in.
- Licensing schemes are now operational, allowing local authorities and communities to take action to manage issues more effectively, helping to ensure short-term lets are safe and the people providing them are suitable.
- Powers to designate control areas also allow local authorities to manage high concentrations of short-term lets and help them ensure that homes are used to best effect in their areas.



- We consider the legislation is appropriate for the whole of Scotland, including island and rural communities, and offers considerable flexibility to local authorities on how it is implemented.

### **Second Homes**

- We've already put in place additional measures that can support local areas to manage the numbers of second homes and short-term lets such as the introduction of short-term let control areas and the increase in LBTT Additional Dwelling Supplement to 6% that helps first time buyers compete more fairly with buy-to-let investors or those buying second homes.
- We've committed to ensuring local areas have the tools and powers they need to take action to make the best use of existing housing stock.
- On 17 April we announced a joint public consultation with COSLA on giving local authorities the power to increase council tax on second homes and empty homes, as well as considering whether the current non-domestic rates thresholds for self-catering accommodation remain appropriate.
- Our aim is for everyone in Scotland to live in safe, secure and warm homes. We are committed to increasing the supply and availability of homes for living in, whether this is in the rented sector or home ownership, and this consultation marks an important step forward.
- This is the first joint consultation with COSLA, recognising that local authorities have an essential role in considering the right balance in their local areas, taking into account local needs.
- The consultation and partial impact assessments are now online. The consultation will be open for 12 weeks until 11 July and we would encourage members of the public and interested groups to contribute.

### **Q&A**

#### **Q. Can you provide an update on progress with the delivery of the Remote, Rural and Islands Housing Action Plan?**

**A.** The former Cabinet Secretary for Social Justice, Housing and Local Government wrote to the Local Government, Housing and Planning Committee in December 2022 to provide an update on priority work strands

I understand that the Minister for Housing intends to write to the Local Government, Housing and Planning committee shortly with a further update.

#### **Q. What is the Scottish Government doing to increase the number of homes in rural areas?**

**A.** There are many ways in which the Scottish Government is supporting the delivery of new homes in rural areas across Scotland. We have set an ambition to deliver a further 110,000 affordable homes by 2032, with at least 70% of these for social rent and 10% in our remote, rural and island communities. We are working towards this target now that previous 50,000 affordable homes target has been delivered. This long term ambition is unprecedented and underlines our commitment to delivering more affordable homes.

Between 2016-17 and 2021-22 we have now supported the delivery of almost 8,000 affordable homes in rural and island areas.

In the first year of this Parliament we have already delivered more than 1,600 affordable homes in rural and island areas across Scotland.

We will continue to take action to ensure that these homes are high quality, and that they help to create strong and vibrant places.

As well as providing grant to registered social landlords to deliver homes for social rent, mid-market rent and low-cost home ownership, grant is available to incentivise local authorities to deliver more council homes.

Our Low Cost Initiative for First-Time Buyers helps households access home ownership where it is affordable for them, and the £30 million Rural and Islands Housing Funds have the primary aim of increasing the supply of long term affordable housing of all tenures in rural and island areas.

We want self-provided housing to become a mainstream housing option. We want to scale up opportunities for self-provided housing so people have more choices about the kinds of home they want to live in. This is an important way to help young people to stay in the rural areas they grew up in, if they want.

**Q. How are you ensuring that these homes are in the right place and for the right people?**

**A.** It is the responsibility of local authorities through their Local Development Plan and Local Housing Strategy to determine the appropriate housing required in their area, informed by their Housing Need and Demand Assessment. A HNDA is undertaken every 5 years and estimates current and future need for housing. The HNDA evidence base informs an LHS that set out the local authority's priorities and plans for the delivery of housing and housing related services.

In preparing an LHS, local authorities are required to including information on issues and challenges for housing and housing related services in rural areas including an explanation for how these are being addressed and will be addressed in future.

The Scottish Government expects a local authority to reflect the identified need and priorities it has identified in its Local Housing Strategy through its Strategic Housing Investment Plan. The SHIP is prepared annually and details the affordable housing proposals that the local authority is proposing to take forward. The Scottish Government reviews all SHIPs, taking into account the extent to which they deliver LHS outcomes.

The Scottish Government supports the delivery of these priorities through grant support. The process was agreed with COSLA and takes into account the four indicators of affordability, deprivation, rurality and homelessness

## FUEL POVERTY

**ISSUE:** The [National Islands Plan survey](#), published in July 2021, explores perceptions of island life in relation to the strategic objectives set out in the National Islands Plan. Whilst most respondents said that they could afford to keep their home warm, a significant minority could not and some had to choose between food and heating. The majority of island residents also reported that their heating bills had increased in the past year.

### TOP LINES:

- **The Scottish Government will be maintaining our investment of £64 million in Area Based Schemes this year. These local schemes and projects deliver energy efficiency improvements for households living in or at risk of fuel poverty.**
- **We have allocated over £550 million as part of our Area Based Schemes targeting communities most at risk of fuel poverty since 2013. This has helped 104,000 households to make their homes warmer and more energy efficient.**
- **Area Based Schemes(ABS) are designed and delivered by local councils, in conjunction with utility companies and local delivery partners. Local schemes target communities facing high levels of fuel poverty to provide energy efficiency measures to a large number of Scottish households.**
- **ABS funding enables local delivery partners to offer measures at no cost or a reduced cost to owner occupiers and private landlords with fewer than four properties (grant-in-kind). Typically, this includes insulation (fabric first) but since 2021 the ABS programme has been extended to include heating, microgeneration and battery storage.**
- **Over the last three years we have provided funding to enable over 3,000 fuel poor households in Island council areas to benefit from energy efficiency improvements.**
- **ABS funding allocated to the six 'island local authorities' as per the Islands Act was just under £10.7m in 23-24 or 17% of the total budget. This compares with £11.4m in 22-23, £12.2m in 21-22; £10.9m in 20-21; £9.6m in 19/20; and in 2018/19, we awarded £9.5m in grant to these authorities.**
- **The six island local authorities are: Argyll and Bute Council; Comhairle nan Eilean Siar; Highland Council; North Ayrshire Council; Orkney Council; Shetland Council.**

### BACKGROUND:

#### **Delivery of ABS projects in rural/remote rural areas**

- We recognise that the costs of delivering energy efficiency measures are higher in many rural areas, in particular in remote rural and island areas.
- Councils can apply an uplift of 11% where necessary to help meet increased delivery costs in rural areas.
- Research for the Scottish Government found evidence for additional living costs for households in remote rural Scotland that typically add 15-30% to a household budget, compared to urban areas of the UK. We have therefore increased the

value of our uplift for remote rural and island communities to reflect costs that are 22% greater on average

	Flats	Mid and End Terrace	Semi-detached	Detached
<b>Rural areas (off-gas)</b>	£1,000	£1,100	£1,200	£1,550
<b>Remote rural &amp; Islands</b>	£2,000	£2,100	£2,400	£3,100

- Councils serving remote rural/island communities can now provide grant-in-kind worth up to £21,600 for those in extreme fuel poverty living in a detached property. These councils can also apply a higher maxima of grant-in-kind for zero/low carbon heating measures of £9,000 (this uplift reflects greater delivery costs in remote areas)

#### **Western Isles/ Comhairle nan Eilean Siar - delivery issues**

- Western Isles council (Comhairle nan Eilean Siar, (CNES)) spent very little of their £1.7 million grant allocation for 2022/23 (approximately £10,000 for the year).
- In April 2022, the council's previous managing agent (Tigh Innse Gall) ceased operations and made around 20 staff redundant due to the ending of their contract with the council. The council have not yet appointed a replacement managing agent or commissioned contractors to deliver their local scheme.
- In April CNES issued a tender for new contracts to deliver their scheme. Pending the award of this contract, local consultants have been hired to commission and deliver a small number of measures to households (as the work will be below the procurement threshold).

#### **Warmer Homes Scotland**

- The current Warmer Homes Scotland contract is drawing to a close and new applications for the scheme have now ended to allow for the current customer journeys to be completed before the end of the contract. The successor scheme begins in October 2023 and expands significantly on the offer of the previous scheme with a greater focus on deep, whole-house retrofit and zero emissions heating where this is not detrimental to the fuel poverty objectives.
- The primary objectives of the WHS successor scheme are to support households in, or at risk of, fuel poverty through the heat transition and to remove poor energy efficiency as a driver of fuel poverty for these households.
- There are 9 installers in Island areas from a total of 27 for the current contract, and we offer a guaranteed national service which will be monitored by service levels built into the contract. The new contract will also aim to encourage improvements to local supply chains through community benefit targets included in the contract with installers being procured ahead of the contract start commencement.
- Eligibility for WHS was expanded from 1 August 2022.
- Officials carried out a programme of engagement to inform design of the new eligibility criteria with a view to widening the criteria to enable more households in fuel poverty to benefit from the assistance available under the scheme.
- This included a series of workshops with relevant policy areas, obtaining input from external stakeholders including the Scottish Fuel Poverty Advisory Panel and

EST, and ensuring the proposed criteria are as effective as possible in targeting households in fuel poverty.

- Eligibility criteria for the new scheme will be reviewed on an annual basis, in collaboration with the Scottish Fuel Poverty Advisory Panel and other relevant stakeholders, with the next review point to be February 2024.

### **IMPACT OF PRICE CAP**

**Ofgem's new price cap of £3280 per year for an average household only strengthens the case for the UK Government to reverse its plan to increase the energy price guarantee to £3,000.**

- If the price cap rises to £3,000 in April, there will be around 980,000 fuel poor households (39%) in Scotland. This will be an increase of 120,000 households from estimates under the £2,500 price cap.
- With the energy price guarantee increasing by £500 and the Energy Bills Support Scheme coming to an end, the average household could expect to pay around £900 a year more for their energy costs.

### **HEATING AND FUEL POVERTY**

**The Fuel Insecurity Fund is there to support anyone at risk of self-disconnection, or self-rationing their energy use, regardless of tariff type, or the kind of fuel they use to heat their home. We doubled the Fuel Insecurity Fund to £20 million this year, 2022/23, our December Budget Statement confirmed we will be protecting this £20 million to continue providing support to those in greatest need in 2023/24.**

- Officials are considering advice to Ministers at present on 2023/24 allocations.
- Our **Winter Heating Payment** replaces DWP's **Cold Weather Payment** and will provide a stable, reliable annual £50 payment which will help around 400,000 low-income individuals with their heating expenses each winter.

### **ALTERNATIVE HEATING FUEL**

**We have also been calling on UK Government for increased support for consumers reliant on alternative heating fuels.**

- The support announced for alternative fuel users remains inadequate – especially since £200 does not come close in reflecting the price increases of heating oil and LPG costs seen in the past few months.
- These one-off payments are merely a temporary fix rather than a permanent improvement.
- Many consumers in rural and remote areas of Scotland rely upon heating oil to heat their homes and already have to contend with higher living costs than those living in more central areas of Scotland.

### **PRE PAYMENT METERS**

**Households who are struggling with their bills should not be forced on to prepayment meters.**

- The UK Government needs to ensure that suppliers must exhaust all possible options, including offering meaningful support to struggling households to manage their debt.
- We have repeatedly called for additional, targeted support for vulnerable households, many of which use prepayments meters and are already struggling to pay their bills and heat their homes.
- Many households with no option to spread the costs across the year will be forced to self-disconnect during the coldest months of the year. The additional charge of 2% applied to prepayment meters will only increase those numbers.

### **THE SCOTTISH AFFAIRS COMMITTEE**

- Held its first evidence session as part of its 'Cost of living: impact on rural communities in Scotland' inquiry on 27 February. This session heard evidence from two key stakeholders, Energy Action Scotland and the Poverty Alliance, to examine the impact of rising energy costs on rural, remote and/or isolated communities in Scotland.

### **ISLANDS COST CRISIS EMERGENCY FUND**

- The 2022/23 £1.4 million Islands Cost Crisis Emergency Fund was set-up last December so that islanders most impacted by the cost crisis could access additional help.
- Islands already experience higher costs of living (around 20-65 per cent higher than the UK average, according to some estimates). High fuel costs, a colder climate and the lack of consumer choice is also intensifying the impact of the cost crisis.
- This fund was provided directly to island Local Authorities on a 100% population basis, as approved by COSLA, in order to support them to take urgent action to help households through the cost of living crisis. The criteria and reporting processes required were minimal to lessen the impact on the workloads of Local Authorities colleagues.
- In order to respond to the specific needs of islands communities, and acting in the spirit of the Islands (Scotland) Act 2018, the Island Cost Crisis Emergency Fund aimed to complement action carried out by Local Authorities within their respective geographical areas.
- In developing the Fund, we engaged widely with our island stakeholders, from civil society organisations to local authorities themselves and our own colleagues in government.
- The funding was used to support Food Bank Grants, Love Local Cards (food vouchers) and free school breakfasts.

### **Q&A**

#### **Q. How does your current spend support the cost crisis?**

**A.** Rural and island communities already face the highest levels of fuel poverty. I am very aware that the cost of living in rural and island communities is higher than ever as a result of the current cost crisis. We have limited powers in this arena and must continue to press the UKG to take further action.

The £1.4 million Islands Cost Crisis Emergency Fund was delivered to support those on islands facing even more significant cost of living challenges. This fund was provided directly to island Local Authorities on a 100% population basis, as approved by COSLA, in order to support them to take urgent action to help households through the cost of living crisis. The criteria and reporting processes required were minimal to lessen the impact on the workloads of Local Authority colleagues.

The Fund was very well received by all parties and used to support the likes of Food Bank Grants, Love Local Cards (food vouchers) and free school breakfasts.

**Q. Will the Islands Cost Crisis Emergency Fund run in the current financial year?**

**A.** At the Islands Strategic Group in March 2023, Council Leaders asked the Scottish Government to explore options for continuing support for their communities as the cost crisis becomes more entrenched. Funding has been ring fenced to support another round of the fund and I look forward to being able to provide you with more detail in due course.

## ANNEX L: DIGITAL CONNECTIVITY (STRATEGIC OBJECTIVE 6)

**ISSUE:** The Reaching 100% (R100) policy commitment was to ensure that all homes and business could access superfast broadband by the end of 2021. This was achieved as every premises could either access superfast broadband through commercial means, via the R100 contracts or the Scottish Broadband Voucher Scheme (SBVS). This is sometimes misunderstood, with people assuming that everyone would be connected to superfast broadband by this date. While the Scottish Government had put in place measures that would allow people access to superfast broadband, not everyone took advantage of this opportunity.

### TOP LINES

- **We are making substantial investments in Scotland’s digital infrastructure, despite responsibility for broadband being reserved to the UK Government.**
- **Our 100% superfast commitment ensured that everyone who wanted a superfast broadband connection by the end of 2021 could access one.**
- **While the R100 contracts will continue to rollout in the years ahead, thanks to the R100 Scottish Broadband Voucher Scheme and continued commercial build, we delivered our policy commitment.**
- **Our R100 contracts are now largely full fibre, delivering fibre to the premises (FTTP) connections on the ground while UK Government are still at the planning stage.**
- **This far exceeds our superfast commitment, delivering gigabit capable connectivity – over 30 times faster than superfast.**
- **This technology future proofs our connectivity but, alongside Scotland’s topography, means the build is complex and will take time.**
- **We will continue to work closely with BT to identify opportunities to accelerate this work, where and when possible.**

### BACKGROUND

#### Ofcom Coverage

- Ofcom’s Connected Nations report shows that full fibre is now available to over 1 million homes in Scotland, with coverage now standing at 41% which is on a par with England.
- Gigabit-capable broadband access has also increased from just 10% in January 2020 to 62% in March 2023.
- This increase is undoubtedly influenced by the work we are doing using devolved levers to remove barriers to infrastructure deployment.
- For example, we have **extended rates relief** on newly lit fibre by a further 5 years to 2034 – the longest period of rates relief in the UK - and have **extended permitted development rights** within the planning system to support infrastructure deployment.



### **R100 contracts**

- The R100 contracts are now largely full fibre, **delivering gigabit-capable connectivity** at pace across rural Scotland. This far exceeds our superfast commitment.
- Sixteen (16) new **subsea fibre cables** have been laid to 15 Scottish islands through the R100 North contract – providing gigabit capable, future-proofed, resilient connectivity to island communities for decades to come. This is in addition to the 20 subsea fibre cables previously delivered through the DSSB programme.
- As of 28 February 2023, the contracts have delivered 20,277 connections – including 5,819 in the North contract area, which includes the vast majority of Scotland's islands.
- As of 1 April 2023, the R100 Scottish Broadband Voucher Scheme (SBVS) has also delivered 3,076 superfast broadband connections across Scotland – including 1,817 in the North contract area.

### **S4GI**

- Through the **Scottish 4G Infill (S4GI)** programme, we are investing £28.75 million to deliver future-proofed, 4G mobile infrastructure and services at 55 mobile “notspots” – providing connectivity in rural and island areas.
- 49 masts are now live and delivering 4G services across rural Scotland, with further build activity and site activations in the pipeline to complete programme delivery this summer.

### **Q&A**

**Q. Why does the Scottish Government continue to claim that every household and business in Scotland could access broadband speeds of at least 30 Mbps by the end of 2021, when several thousand properties across Scotland still cannot?**

**A.** Our R100 Scottish Broadband Voucher Scheme ensured that every home and businesses in Scotland had the ability to access a superfast broadband connection by the end of 2021. However, the R100 SBVS is a demand-led scheme, meaning it is ultimately up to tenants and owners as to whether or not they seek to secure a connection through this route.

R100 is continuing our strong track record of delivery – including the Digital Scotland Superfast Broadband programme connecting 950,000 premises to superfast broadband, 36 new fibre optic cables linking Scottish islands to the rest of the world and our Scottish 4G Infill programme delivering 55 new 4G masts. All of this has significantly enhanced Scotland's digital infrastructure – demonstrating and underpinning our future economic ambitions.

**Q. When so much of the R100 contract build has yet to be delivered, how can the Scottish Government claim it is delivering at pace for the people of Scotland?**

**A.** The R100 programme is a huge civil engineering undertaking which requires the construction of new spine infrastructure, comprising many miles of new ducts and cables. It is far exceeding our original superfast commitment by delivering gigabit-capable connections across rural Scotland, despite telecoms legislation being reserved to the UK Government.

The investments we are making through the R100 contracts and R100 Scottish Broadband Voucher Scheme are future-proofing Scotland's digital connectivity for decades to come. Of course, this – alongside Scotland's challenging geography – means that build is complex and will take time. However, we will continue to work closely with our delivery partner Openreach to identify opportunities to accelerate this work, where and when possible.

**Q. Can the Minister provide any update regarding the Scottish Government's latest engagement with the UK Government to deliver its Project Gigabit commitment?**

**A.** The Scottish Government has already secured £28.5m of Project Gigabit funding, which is being used to extend and enhance R100 contract coverage across rural Scotland.

In March 2023, we engaged with broadband infrastructure providers to gain vital market insight. In April 2023, the Scottish Government launched a Public Review to collect updated information from suppliers about their delivered and planned build across Scotland.

However, this information can only be most effectively used if UK Government commits a sufficient level of funding to ensure that gigabit connectivity is delivered to **all** of Scotland's communities.

## **ANNEX M: HEALTH AND WELLBEING (INCL. NCS) (STRATEGIC OBJECTIVE 7)**

- Strategic Objective 7 in the National Islands Plan commits that the Scottish Government will improve and promote health, social care and wellbeing on our islands.

### **TOP LINES**

- We are aware that people in rural areas can experience a number of challenges in relation to their mental health and wellbeing, due to factors such as geographical isolation and transport issues.
- The Scottish Government is helping people in rural areas maintain good mental health and wellbeing and encouraging connections within communities by:
- Having a specific focus on rural communities within the Communities Mental Health and Wellbeing Fund for Adults. This has seen a number of projects funded in rural areas such as the Freedom Project in the Western Isles and the Lyth Arts Centre work in Highland.
- Funding the National Rural Mental Health Forum, providing £50,000 each year since 2016 to support its work. The Forum focuses on exchanging knowledge, experience and learning about mental health and wellbeing in rural areas, enabling it to better understand and support rural communities. The Forum openly shares ideas and good practice, building an evidence base which feeds into policy.
- In partnership with the Forum we are working to ensure rural communities have equal and timely access to mental health support and services, and are supporting efforts by NHS Boards to promote the use of digital access to services for rural communities.
- The Rural Forum are supporting innovative practice through, for example, the Rural Community Engagement Project which promotes mental health recovery for people who face additional inequalities, including refugees and asylum seekers, young carers and the LGBTI+ Community, through community engagement and support approaches in Dumfries and Galloway, Perthshire, and the Highlands.

### **BACKGROUND**

- On 21 April, the Cabinet Secretary for NHS Recovery, Health and Social Care announced a further £15 million for the Communities Mental Health and Wellbeing Fund for adults to meet the demand for local grassroots mental health and wellbeing projects in 2023/2024. This brings the total investment over the last 3 years to £51 million.
- Early intervention and prevention are key priorities for the Scottish Government in taking forward our approach to mental health and wellbeing.
- The Fund was launched in October 2021, in recognition of the vital role that local 3rd sector organisations play in supporting mental health and wellbeing within local communities.

- The Fund supports grass roots community groups in building resilience and tackling social isolation, loneliness and the mental health inequalities made worse by the pandemic and, more recently, the cost crisis.
- With £21 million provided in 2021-22 and a further £15 million in 2022-23, this additional £15 million funding for 2023/2024 brings our total investment to £51 million over 3 years.
- In the first two years approximately 3300 grants were made to local organisations across Scotland to support a wide range of grassroots community projects including those based around peer support, physical activity, arts and crafts activities, social interaction and befriending, with a strong emphasis on the key themes of prevention and early intervention, suicide prevention and addressing social isolation.
- The Fund has a particular focus on social isolation and loneliness with 1026 projects funded on this topic in year 1. It supports a range of 'at risk' groups facing social isolation, such as older people and those facing geographic disadvantage (such as rural areas), as well as LGBTI and minority ethnic communities. For example, the Village Café, in Ceres, Fife, Good Companions Lunch Club provides company, stimulus, good homemade food and a friendly environment to overcome loneliness and isolation for older people who are "stuck" in their own homes due to transport difficulties.
- In the first two years of the Fund £530,408 was distributed to the three main island groups – Orkney, Shetland and the Western Isles – and in the first year this supported 58 community projects and initiatives. Additionally, other local authority areas, such as Argyll and Bute, which includes parts of the Inner Hebrides, also received allocations from the Fund
- The Fund has a particular focus on responding to the cost crisis and supporting those facing socio-economic disadvantage, providing support to organisations such as to the Orkney Charitable Trust Project. This project provides positive activities for single parents who have needed to access the foodbank, so they can gain access to activities and services that poverty would create a barrier to.
- The Fund has also been included as a commitment within the [Best Start, Bright Futures child poverty delivery plan 2022-26](#) given the strong links between poor mental health and poverty.
- Year three funding will make a big difference to communities across Scotland, enabling them to build on the examples of good practice supported so far and providing them with further opportunities to re-connect, revitalise and promote good mental health and early intervention for those in distress.
- Funding is distributed through a grant to the 32 local Third Sector Interfaces (TSI) across Scotland who deliver the Fund locally to grassroots community organisations, in partnership with others including Health and Social Care Partnerships, local councils and people with lived experience.

### Mind to Mind

- In May 2022 the Scottish Government announced the launch of Mind to Mind, a new site to support the mental wellbeing of the general population in Scotland, including for rural and island communities. We want Mind to Mind to contribute to a national discussion to normalise mental health and wellbeing, giving people the

courage and skills to open up, share their stories and reach out to others around them.

- Mind to Mind showcases advice from people with lived experience of mental health and wellbeing challenges and related professionals. The campaign highlights the practical things people can do to help them improve their mental wellbeing and resilience and signposts to a range of trustworthy resources. Those who need additional or urgent support are signposted to the appropriate helplines and resources.
- We will continue to further develop content on Mind to Mind and identify further resources we can signpost people towards.

### The Caledonian System

- We remain committed to investing in interventions which provide evidence of being able to change the attitudes of offenders.
- The Scottish Government and Community Justice Scotland are currently exploring practical options to safely and sustainably deliver the Caledonian System to the Islands.
- However, consideration must be given to the impacts of the COVID-19 pandemic on the operation of the Caledonian System, our ability to assess and evaluate during this period, and what lessons might be learned to further enhance the overall programme and ensure those areas already delivering the project are supported
- The Caledonian System is an integrated approach to addressing domestic abuse. It combines a court-ordered programme for men, aimed at changing their behaviour, with support services for women and children.
- It is a direct alternative to custody and to other high tariff community disposals given after an accused has been convicted of a domestic abuse related offence.
- 19 local authority areas now deliver the Caledonian System on a court mandated basis, which accounts for approximately 75% of the population.
- We have invested more than £22m (since 2011) in the innovative, accredited, Caledonian System court-mandated programme – to ensure more male perpetrators of domestic abuse address and challenge harmful behaviours.
- We want men to desist from all forms of violence against women and girls and perpetrators of such violence to receive a robust and effective response.

### National Care Service

- This Government remains committed to delivering a NCS to improve quality, fairness and consistency of provision that meets individuals' needs.
- High quality community health and social care support helps creating thriving communities and a thriving economy across Scotland.
- We have heard repeatedly from people with lived experience that the current system must change to drive up standards to a consistent level across the country.
- The NCS will provide national leadership, oversight and standards to ensure consistency and fairness and sustained improvement in people's services
- Local Care Boards will be obliged to meet national standards whilst having the flexibility to achieve this in ways most suited to their communities.

- The Scottish Government is committed to engaging in a co-design process with people with lived experience of accessing and providing community health and social care support. This will include representatives of Island Communities and rural areas.
- A programme of co-design engagement events is being planned through the summer, of which the majority will be in rural areas or islands.
- We understand there is often a need for a different approach for people living in island and rural areas. The National Care Service will help ensure that is delivered.
- A full range of impact assessments, including the Island Communities Impact Assessment and Fairer Scotland Duty Assessment, have been carried out on the NCS Bill in line with our statutory duties and commitments.
- The Impact Assessments published were specific to the provisions with the NCS Bill. We anticipate further impact assessments will be required as the policy and secondary legislation are developed.
- We are committed to engaging representatives of Island communities in future impact assessments to ensure the impact on Island communities is fully considered.
- We have started engagement with Island Local Authorities to address any impacts of a National Care Service on island communities and are planning further engagement with island stakeholders as a priority in the near future.
- Recruitment and retention are concerns impacting all areas of Scotland. We are aware of the specific barriers to recruitment in rural and island areas and are working across Government on long-term, sustainable solutions.
- Consideration of the effectiveness of a single island model will form part of the co-design process as part of assessing the effectiveness of such a model in delivering the over-arching aims of the NCS, National Islands Plan and Local Government reform.

#### National Mission on Drugs

- The aim of the National Mission is to reduce drug deaths and improve the lives of those impacted by drugs. This is articulated in our outcomes framework published in the National Mission plan on 9th august 2022. The second year of the mission focus on implementation and delivery of the plan.
- The Scottish Alcohol and Drug Partnership (ADP) annual survey provides information on the activity undertaken by each ADP and evidences the progress of the national mission.
- The commitment to provide £250 million of additional funding over the lifetime of this Parliament to reduce the number of drug-related deaths in Scotland and improve lives has continued and gone directly to local areas via local Alcohol and Drug Partnerships. Island Boards have received approximately £1.7 million of this investment, including implementation of the Medication-Assisted Treatment (MAT) Standards, Residential Rehabilitation and Lived and Living Experience panels.
- The Corra Foundation administer funds on behalf of the Scottish Government to support the delivery of the national mission through third sector and grass root organisations. Three projects in the Islands received funding totalling £175,000 in 2022/23.

## **Q&A**

**Q: How is the Scottish Government's commitment to working in partnership reflected in the Communities Mental Health and Wellbeing Fund for adults?**

**A:** The Communities Mental Health and Wellbeing Fund for adults is distributed to and administered by the 32 regional Third Sector Interface (TSI) organisations across Scotland. In each region the TSI, along with their local planning partners – the Health and Social Care Partnership, Community Planning Partners, the Local Authority and Integrated Authority – and people with lived experience, manage and make decisions about the local process for applying for grants and applications for support from the Fund by local, grassroots community groups.

**Q: What is the Scottish Governments commitment to continuing support for the Communities Mental Health and Wellbeing Fund for adults beyond the second year of the fund – 2022 to 2023?**

**A:** On 17<sup>th</sup> April 2023, Michael Matheson, MSP, Cabinet Secretary for NHS Recovery, Health and Social Care announced a further £15m for the Communities Mental Health and Wellbeing Fund for adults in 2023 to 2024. This brings a total investment of £51m in the fund since its launch in October 2021.

**Q: How is good practice and the lessons being learned through the Communities Mental Health and Wellbeing Fund for adults being captured and shared with rural and island communities?**

**A:** Scottish Government officials collect data and compile monitoring and reporting summaries on interim and year end outcomes from the Communities Mental Health and Wellbeing Fund for adults from each Third Sector Interface organisation.

Monitoring and Reporting Summaries are published each year on the Scottish Government website and shared through the national network meetings and other forums.

An independent evaluation of the Fund is underway and expected to report by the end of June 2023.

**Q: How is the Scottish Government supporting sharing good practice and innovation on mental wellbeing in island communities?**

**A:** The Scottish Government continues to support the National Rural Mental Health Forum. The Forum focuses on exchanging knowledge, experience and learning about mental health and wellbeing in rural areas, enabling it to better understand and support rural communities. The Forum openly shares ideas and good practice, building an evidence base which feeds into policy.

## **Q&A**

**Q: How would the Men's Programme be delivered in the Islands context?**

**A:** The Men's Service is a programme of work lasting at least two years comprising preparation and motivation sessions; a groupwork programme of 26 sessions and post group work. However in the Islands context, it may be suitable to deliver the Caledonian on a 1:1 basis.



## **ANNEX M-a: CHILD POVERTY**

### **TOP LINES**

- **Tackling poverty and protecting people from harm is one of three critical and interdependent missions for the government – alongside our focus on the economy and strengthening public services.**
- **We recognise the pressure on household budgets which is why last year and this, we have allocated almost £3 billion to support policies which tackle poverty and protect people as far as possible during the ongoing cost of living crisis. The First Minister called an anti-poverty summit on 3 May to listen to the views of a wide range of partners, particularly those at the sharp end of the cost of living crisis and with direct experience of poverty, about what they believe needs to be done.**
- **The summit confirmed that poverty and the cost of living crisis is the biggest challenge facing this country – one that has been exacerbated by some of the UK Government's actions and inactions.**
- **We have already acted to support families in various ways including, the game-changing Scottish Child Payment, free childcare for all 3 and 4 year olds and eligible 2 year olds, free bus travel for under 22s, universal free school meals for p1-5 pupils, and tripling our Fuel Insecurity Fund to £30 million in the year ahead.**
- **Tough choices will need to be made about existing budgets. We have to be hard-headed and realistic about what can be done - and then we have to focus on making it happen. The debate must now be about tax, targeting and tough choices and we will not shy away from the decisions needed to reduce poverty.**
- **Tackling poverty is a moral, social and economic imperative and this Government is committed to doing everything it can to provide help to those who need it, within the scope of our powers and budget.**
- **It is only with the full economic and fiscal powers of an independent nation that Ministers can use all levers other governments have to tackle inequalities.**

### **BACKGROUND**

- **We recognise that many of our rural and island communities face different challenges and barriers, and have unique assets that can be brought to bear in tackling child poverty.**
- **SG commissioned research into rural and island child poverty and are acting on the findings, taking targeted action to tackling child poverty in rural settings, focusing on unique solutions rooted in these communities.**
- **This will follow the pathfinder approach, supporting local actors to test different community based solutions, building partnerships, improving data and monitoring of actions.**
- **Building on the commissioned research, we are working with Improvement Service and have created a Rural and Island Child Poverty Network to enable the sharing of best practice and data. Insights from that network and wider intelligence supporting better understanding of local data will allow smarter targeting of resources to those most in need.**

- The Scottish Government recognises the particular challenges faced by our rural and island communities, compounded by the cost of living crisis, and we are already taking a range of action. This includes:
- Providing £11.6m through the Community Led Local Development Fund in 2022/23 to support over 380 community led projects strengthening the resilience and sustainability of grassroots rural community groups and businesses, and supporting local actions to address poverty. This includes over 120 projects directly or indirectly addressing child and fuel poverty.
- Place-based interventions are being further strengthened by the Poverty Alliance, who have been commissioned to build capacity within Local Action Groups, supporting more effective and sustainable solutions to directly address poverty within their local community.
- The £1.4m Islands Cost Crisis Emergency Fund – to support those on islands facing even more significant cost of living challenges.
- We are committed to delivering on our target of 110,000 affordable homes by 2032, of which at least 70% will be available for social rent and 10% will be in our remote, rural and island communities, as part of this we are developing a Remote, Rural and Islands Housing Action Plan, to be published in Spring this year.
- Building on the soon to be published research into the place-based Anchor Project, we will look to amplify and widen the positive impact of this project for Whole Family Wellbeing through non-stigmatised, multi-agency and multidisciplinary support, exploring how this can be adapted and implemented in other rural and island communities.
- Working with partners to explore innovative solutions to barriers faced by our rural population in accessing affordable transport, including scoping the potential for Demand Responsive Transport *[specifically in Highland and the Shetland Islands]*.
- We are further driving forward actions that will help address poverty in rural and island communities through the Scottish Rural Network:
- supporting rural and island communities to develop local assets into community ownership that can support jobs and skills development;
- supporting community outreach in the Uists to support communities access services, benefits and learning opportunities that will help address cost crisis; and improving understanding of child poverty in rural and island Scotland by establishing a rural local child poverty network.

## ANNEX M-b: BAIRNS' HOOSE

- Our [22/23 Programme for Government](#) commitment states that we will “Set out the next steps in ensuring access to Bairns’ Hoose services for all children identified referred for support.” This replaces the 2021-22 Programme for Government 2021-22 commitment that, we aim to ensure that all eligible children who are victims or witnesses to abuse or violence will have access to a ‘Bairns’ Hoose’ by 2025, as presented in the National Islands Plan Annual Report 2022.
- Bairns’ Hoose is key action in the Scottish Government’s [Keeping the Promise Implementation Plan](#) and [‘Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022 to 2026.’](#) It helps to achieve national ambitions to plan and deliver services which improve outcomes for children, young people and families, including action to [Keep the Promise](#), deliver holistic whole family support, and realising Scotland’s [Vision for Justice](#).
- Ministers have subsequently approved a revised delivery timeline adopting a three-phased approach over 2023 – 2028. This allows time to build in the learning and evaluation needed to ensure that the Bairns’ Hoose model is achieving the correct outcomes ahead of national rollout; and ensures alignment with other key policy objectives.

### TOP LINES

- **Bairns’ Hoose provides Scotland with an opportunity to provide a genuinely child-centred, trauma -informed approach to delivering justice, care and recovery for children who have experienced trauma, including, but not only, child sexual abuse.**
- **Implementation of the Bairns’ Hoose is a key action identified in our Keeping The Promise Implementation Plan, and in our 22/23 Programme for Government we committed that every child referred will have access to the services of a Bairns’ Hoose.**
- **This will be based on the requirements of the United Nations Convention on the Rights of the Child (UNCRC), and in line with the Scottish Government’s policy programmes of Keep The Promise and Getting it right for every child (GIRFEC), which recognise that all children must receive the right help at the right time.**
- **We are approaching a significant milestone in the journey towards Bairns’ Hoose in Scotland with the publication of key documents in spring, including national Bairns’ Hoose Standards which will be tested in Pathfinder partnerships later this year.**
- **We continue to support the rollout of the Scottish Child Interview Model, with over £2m of Scottish Government funding. The new Scottish Child Interview Model for Joint Investigative Interviews will be a key element embedded within the national Bairns’ Hoose model, which will continue to ensure that interviews are conducted with the best interest of the child as a primary consideration.**

## BACKGROUND

### Delivery

- We will begin a phased approach to implementation of Bairns' Hoose with a Pathfinder phase where these National Standards will be tested in multi-agency partnerships.
- This allows time to build in the learning and evaluation needed to ensure that the Bairns' Hoose model is achieving the correct outcomes ahead of national rollout; and ensures alignment with other key policy objectives.
- Applications for Pathfinder partnerships will open in June.
- The standards will provide a blueprint for delivery and support consistent national implementation of Bairns' Hoose which will be driven by the National Bairns' Hoose Governance Group.
- Engagement with islands communities will continue through the Pathfinders phase to inform the ICiA and shape Bairns' Hoose development.

### Publications

- Our approach to Barnahus will be based on the European Barnahus Quality Standards. This should be flexible enough to allow local authorities to tailor Barnahus to suit local circumstances whilst also ensuring a degree of national consistency for all children eligible for its services.
- National Bairns' Hoose Standards will be published on 31st May.
- Close collaboration across agencies and between local partnerships is a pre-requisite for development, implementation and evaluation of the approach.
- The Standards will set out what Bairns' Hoose will mean in reality for the children and young people and their families as well as for the professionals who will work to support with them throughout their journey to justice and recovery.
- The standards will also be based on the requirements of the United Nations Convention on the Rights of the Child (UNCRC), and in line with the Scottish Government's policy programmes of Keep The Promise and Getting it right for every child (GIRFEC), which seek to recognise that all children must receive the right help at the right time.
- Also on 31st May we will be publishing our Bairns' Hoose Project Plan Review and Pathfinder Delivery Plan, Children and Young People Participation and Engagement Plan and revised Vision, Values and Approach, and launching a bairnshoose website.

### Joint Investigate Interviews

- Bairns' Hoose will build on the momentum of the new Scottish Child Interview Model for Joint Investigative Interviews, which is being introduced nationally from 2021 to 2024 and will be seen as the 'justice room' of the Bairns' Hoose.
- A working group has been established under the national governance group for joint investigative interviews to look at this issue for implementation of the Scottish Child Interview Model, applying the principles detailed in the SG published Island Communities Impact Assessments. We will take learning from their findings to apply in our development of a national Bairns' Hoose model.

- The new Scottish Child Interview Model will deliver an interview process that secures the child's best evidence at the earliest opportunity and minimises the risk of further re-traumatisation.
- This is a ground-breaking approach to interviews for vulnerable child victims and witnesses which currently being rolled out across Scotland.
- A key aim of the new Scottish Child Interview Model – which has been developed and assessed by Social Work Scotland, local authorities and Police Scotland in a series of pilot projects - is to protect children and reduce stress when recounting their experiences.
- Continuous improvement in the quality and professionalism of these interviews can lead to their increased use as a child's evidence in chief in criminal proceedings.

## **Q&A**

### **Q: How will plans ensure access for those in island and more remote areas?**

**A:** Ministers have agreed that overarching principles are essential, with flexibility for local delivery partners to adapt the model for their local context and recognising the challenges of delivery in island and rural settings.

### **Q: Will all the services, including forensic medical examinations be provided under one roof of the Bairns' Hoose?**

**A:** Child-centred and trauma-informed healthcare is at the heart of the current paediatric services that are provided to children and young people in Scotland who experience child sexual abuse. The national pathway for clinicians supporting children who have experienced child sexual abuse was published in November 2020 and makes it clear that the wellbeing of the child is paramount through each step of the process.

Where travel can be avoided, it absolutely should be. However, because of the specialist skills required for the examination of children and young people who have experienced sexual abuse, travel to the nearest centre of expertise where there are dedicated facilities and appropriately trained staff, may be required to ensure the best outcomes for the child or young person.

### **Q: Why will the Scottish Government not meet its 2021-22 PfG commitment to ensure access to a Bairns' Hoose for all eligible children by 2025?**

**A:** Our 22/23 Programme for Government refreshes our commitment that every child referred will have access to the services of a Bairns' Hoose.

Our reframed phased approach takes account of stakeholder feedback to take a measured approach to national implementation which facilitates learning lessons along the way and allowing sufficient time for local development.

This also allows time to build in the learning and evaluation needed to ensure that the Bairns' Hoose model is achieving the correct outcomes ahead of national rollout; and ensures alignment with other key policy objectives. Further details of the

timescales will be made available in our revised project plan which will be published this spring.

## **ANNEX M-c: PRIMARY CARE – RURAL POLICY**

### **TOP LINES**

- **Work is ongoing to finalise the business case for the establishment of the National Centre for Remote and Rural Health and Social Care. If approved, the Centre will be delivered by NHS Education Scotland (NES), with initial focus on Primary Care in remote, rural and island communities, and will play a key role in maintaining a rural focus on Recruitment and Retention, Education and Training, Research and Evaluation, Leadership and Good Practice; this relates to Strategic Objective 7 within the National Islands Plan Implementation Route map- Improve and Promote Health and Wellbeing**
- **The Scottish Government is working on a Transport to Health delivery plan which has commitments against transport and healthcare across the work of Health and Social Care and Transport Scotland; this relates to Strategic Objective 7 within the National Islands Plan Implementation Route map- Improve and Promote Health and Wellbeing.**
- **The Scottish Government has committed to a review of the Patient Travel Reimbursement Scheme Guidance. The review will consider the scope and arrangements for provision of financial support for patient travel across Scotland.**
- **The review is a substantial exercise for the Scottish Government and NHS Boards and, regrettably, remains delayed due to ongoing prioritisation of the remobilisation of services. It will be taken forward as soon as possible.**
- **Financial support for travel remains available for patients and authorised escorts, according to eligibility criteria and medical requirements.**

### **BACKGROUND**

#### National Centre

- A commitment to create a National Centre for Remote and Rural Health and Social Care is contained within the Programme for Government (2021-22):
- “We will also ensure that our islands and rural areas are not left behind as we work to improve health services by creating a centre of excellence for rural and remote medicine and social care, with scoping work starting this year.”
- In 2020 the Remote and Rural General Practice Working Group made a recommendation to establish: “a National Centre for Remote and Rural Health and Social Care, to foster and promote innovation and excellence within Scotland and internationally.”
- The context for this recommendation was twofold. First, the ongoing irretractable issues facing health and social care services in remote, rural and island communities. In Primary Care, challenges for recruitment and retention have a wider range of impacts and are harder to solve in remote and rural areas. There are a greater number of C2 practices in rural areas, and recent reports of dental surgeries are closing and closing lists.
- Second, the Remote and Rural General Practice Working Group was established in response to rural and remote General Practice concerns regarding the 2018 GP Contract and the feeling that rural issues had not been fully understood in the

development of the policy. Establishing the Centre therefore demonstrates ongoing support and commitment to this sector.

- In 2022, NES were requested to complete a business case and delivery plan for the Centre and funding of £90,000 was approved for this. A first draft of the business case received on the 30th June 2022, with a final version received on the 31st August 2022. This has now been reviewed and refined through engagement with colleagues across SG Health and Social Care and DG Net Zero to ensure that the aims, outcomes and activities are aligned with Scottish Government priorities, and mitigates risk of duplication.
- The Centre will focus in the first 2 years on Primary Care. Scoping and progressing the Centre to other areas of Health and Social Care will be dependent on evidence of impact, needs of the wider system, and available funding. KPIs and evaluation activities will be developed, feeding into review points at the end of years 1 and 2. These will be decision points for continued funding, future deliverables and scope.
- The Centre is anticipated to be established in 2023 and will measurably improve the sustainability, capacity and capability of the remote, rural and island Primary Care and community-based workforce and the vital services they deliver to support people living in Scotland.
- With regard to the development of the National Centre for Remote and Rural Health and Social Care, this relates to Strategic Objective 7 within the National Islands Plan Implementation Route Map. Specifically, the development of the National Centre links with Commitments 2 and 3:
  - Identify and promote good practice, especially as regards the improvement of services in islands and other remote areas.
  - Work with stakeholders to develop propositions for a national centre for excellence in remote, rural and island health and social care.
- It is the intention that The National Centre will provide a resource to support Boards and Health and Social Care partnerships in their responsibilities to provide rural health and social care. The centres remit includes sharing and multiplying effective innovative practice across rural areas in Scotland.

#### Transport to Health Delivery Plan

- Following the 26th January 2023 meeting between the previous Cabinet Secretary for Health and Social Care and MACS, a commitment was made for a Transport to Health Delivery Plan be developed, with a draft to be shared with MACS by the end of February. The previous Cabinet Secretary was clear, that this Plan should be developed with a cross-Scottish Government approach.
- A delivery plan has now been developed by Officials. The draft delivery plan sets out a proposed plan of work against the 27 recommendations MACS made within their 2019 report Transport to Health, assessing work done to date and the current landscape. The Delivery Plan contains actions relating to the ongoing Scottish Ambulance Service Patient Transport Service review, NHS duties that are within the Transport (Scotland) Act 2019, NHS Board duties within the NHS Delivery Plan, and work to be taken forward within Accessible Travel. With regards to the National Islands Plan Implementation Route-map, this relates to Strategic Objective 7. Specifically, the development of the Transport to Health Delivery Plan relates to the following commitment:



1. Work with NHS Boards, Local Authorities and Health and Social Care Partnerships to ensure that there is fair accessible health and social care for those on islands.
- It is important to note that Transport to Health does not operate in isolation and transport planning is done at a local and regional level to best deliver efficiencies, including towards net zero. Transport to Health has been incorporated into the NTS, Islands Plan and Accessible Travel framework. There are well established mechanisms for transport planning with good quality stakeholder engagement. These existing frameworks are the preferred route for inclusion of Transport to Health needs.
  - Additionally, within the The Re-mobilise, Recover, Re-design Framework (RRR) was published in 2020, and set out the approach for Health Boards to safely and gradually prioritise the resumption of paused services following the Covid-19 pandemic.
  - The current Recovery and Renewal phase of the framework focuses on driving delivery at pace, of existing work across NHS Scotland over the next 12-18 months and includes 10 Drivers of Recovery including:
    - i. Improved access to primary and community care to enable earlier intervention and more care to be delivered in the community;
    - ii. Provide the Right Care, in the Right Place, at the right time through early consultation, advice and access to alternative pathways, protecting inpatient capacity for those in greatest need;
    - iii. Optimise use of digital & data technologies in the design and delivery of health and care services for improved patient access.
  - The NHS Scotland Delivery Plan Guidance 2023/24 includes actions for boards related to transport to health in the short and medium term. NHS Boards should give consideration to transport needs in the planning and delivery of services including consideration of how best to work with Regional Transport Partnerships (RTPs) and transport officers from local authorities, and Boards must ensure Patients have access to all information on any relevant patient transport (including community transport) and travel reimbursement entitlement.
  - On the 14th March 2023, a submission was sent to the previous Cabinet Secretary for Health and Social Care, and the previous Minister for Transport. This submission detailed the progress to date, and assessment of options and risks for taking forward the Transport to Health Delivery Plan. However, due to the ministerial transition, approval is still outstanding. It is anticipated that a new submission would be issued to the current Cabinet Secretary for NHS Recovery, Health and Social Care the week commencing 24<sup>th</sup> April 2023. It is the intention, that once ministerial approval has been given, the Plan would then be shared with MACS in advance of a meeting to discuss the Plan in more detail.

#### Review of the Patient Travel Reimbursement Scheme

- The Scottish Government provides guidance to NHS Boards for patient travel expenses and individual boards are responsible for developing and applying their own policies. NHS Boards manage and develop these policies within their baseline budgets.
- There are three schemes in operation:

- The Patient Travelling Expenses Scheme is a Scotland-wide means tested scheme where patients on qualifying benefits are reimbursed reasonable travel costs for attending hospital for treatment
- **The Highlands and Islands Travel Scheme (HITS)**, recognises the difficulties and expense involved in travelling to and from hospital for those who live in remote communities. This Scheme reimburses the travel costs of everyone in the Highlands and Islands area required to travel more than 30 miles to a hospital by road or 5 miles by air or land, less the first £10 (unless in receipt of certain benefits)
- In addition, all Health Boards have the discretion to reimburse patient travel expenses where it is viewed to be an extension of treatment costs and deemed to be clinically necessary.
- The cost of travel for an escort can also be included where there is a medical requirement for an escort. All patients aged 16 and under automatically qualify for an escort. In the first instance, costs for only one escort would be eligible. However, where there is a medical need for more than one escort this can be covered. For example, where a patient will require more than one carer, all carers may be eligible to travel as escorts to receive care-related training and advice.
- NHS Boards manage and develop local policies in line with the overarching Scottish Government guidance and the cost of patient travel expenses reimbursement is met from within their overall baseline budgets. While Boards are required to make best use of resources, all Boards are required to have patient care and safety at the centre of all decisions made. There is no time limit on costs so eligible costs will be covered regardless of treatment duration. Where fuel costs are eligible for reimbursement, for consistency, Boards use HMRC fuel advisory rates. These are based on cost of fuel at the pump and HMRC update these quarterly.
- In recent years, concerns have been highlighted by Members on fairness in provision of support. In particular this has focused on travel funding for patient escorts (raised by Alasdair Allan MSP and Rhoda Grant MSP– certain groups of patients should have automatic entitlement to a funded escort), and arrangements for patients outside of the Highlands and Islands who have to travel very long distances (raised by Emma Harper MSP – anyone travelling over a certain distance should have travel costs reimbursed).
- The Scottish Government has committed to undertaking a comprehensive review of the guidance and will be a substantial exercise for the Scottish Government and NHS Boards. The review was planned to take place at the start of 2021 but was delayed due to the pressures arising from COVID-19. Since then, it has been delayed due to prioritisation of other work across Boards and Scottish Government, including ongoing NHS recovery and remobilisation

## ANNEX M-d: SEXUAL ASSAULT RESPONSE COORDINATION SERVICE

- The Forensic Medical Services (Victims of Sexual Offences) (Scotland) Act 2021, commenced on 1 April 2022. The Act provides a statutory duty for health boards to provide forensic medical services for people who have experienced rape or sexual assault.
- The Scottish Government has allocated £16.2 million between 2017/18 and 2023/24 to support the development of Sexual Assault Response Coordination Service (SARCS) in every health board area, for people who have recently experienced rape or sexual assault, offering a healthcare assessment and Forensic Medical Examination (FME), where needed.
- People aged 16 or over can “self-refer” for a FME through NHS 24 (i.e., they do not have to make a report to the police first). They also have a right to request the sex of the examiner involved in their care.

### TOP LINES

#### **We are committed to supporting rural and island health boards to deliver a sustainable service**

- The FMS Act provides for health boards to cooperate in the planning and provision of services to support the delivery of person-centred care.
- This means that someone can attend a SARCS out with their own health board area if that is closer to them.
- It is recognised people in island and rural communities may still need to travel to access SARCS that provide specialist care by a specifically trained workforce.
- There are clearly practical issues in providing a specialist service, with appropriately trained staff, where there are so few cases in a year.
- Argyll and Bute Health and Social Care Partnership has an agreement in place with NHS Greater Glasgow and Clyde to provide this service to people from their locality, at a brand new SARCS in Glasgow called Archway. In 2022, 10 people from Argyll and Bute attended Archway for a forensic medical examination. The Argyll and Bute Health and Social Care Partnership is engaging directly with the local Rape Crisis Scotland Centre to hear their views about the provision of SARC services to that area.
- Rape Crisis Scotland are a key partner in the Violence Against Women and Girls Committee of the Argyll and Bute Integrated Joint Board – who are responsible for the commissioning of services in that area.
- The Scottish Government retains a keen interest in how these discussions progress, through the existing Integrated Joint Board governance structures.
- *[redacted] – 30 (b)(i) Free and frank provision of advice*  
A forensic medical examination is arranged by appointment only. People would not routinely arrive and have to wait for a forensic suite to become available.
- Scottish Government funding has supported the creation of SARCS in each of the island health boards, so that adults do not need to travel to the mainland for an examination, unless they choose to do so.

- NHS Education for Scotland training materials are available on-line so that it can be accessed anywhere in Scotland.

**Health boards in the North of Scotland are working together to committed to delivering a trauma informed pathway of care for children in remote areas who have experienced sexual abuse**

- Child-centred and trauma-informed healthcare is at the heart of the current paediatric services that are provided to children and young people in Scotland who experience child sexual abuse.
- National standards and guidelines require child sexual abuse examinations to be carried out in appropriate facilities, by specialist trained clinicians within a short timeframe.
- For children from Orkney and Shetland, this service is provided for within NHS Grampian. Children from Western Isles receive this service in NHS Greater Glasgow and Clyde.
- Where travel is required, this is planned with children's services and every effort is made to ensure travel is undertaken in a child-centred and trauma informed way.
- In the North region, access to expertise in child sexual abuse examinations is provided through three dedicated sites in NHS Highland, Grampian and Tayside.
- The Lord Advocate has approved a proposal to commence a test of change to utilise remote technology to support the examination of children in rural and island communities who may have experienced physical abuse and neglect.
- NHS Orkney and NHS Highland are working together to recruit clinicians to the test of change which is supported by Scottish Government funding.
- Due to the highly technical and complex nature of child sexual abuse examinations, there are no plans to extend this test of change to children who have experienced this type of abuse.
- The SARCS National Strategic Network is committed to working with health boards to continuously improve services for children who have experienced sexual abuse and their non-abusing families or carers.

## **BACKGROUND**

- The Rape Crisis Scotland (RCS) centre in Argyll and Bute has written to Councillors about the need for residents there to travel to NHS Greater Glasgow and Clyde to access a SARCS.
- NHS Highland has delegated the delivery of this service to the Argyll & Bute Integrated Joint Board, who have a Service Level Agreement with NHS Greater Glasgow & Clyde to provide this service to residents in their locality, as it is less travel time to the Greater Glasgow & Clyde SARCS than to the nearest SARCS in Inverness.
- The Head of Primary Care in the Argyll & Bute Health and Social Care Partnership (HSCP) is engaged with Rape Crisis Scotland.
- On Monday 13 March, Holyrood magazine published a positive article about the impact of SARCS in providing a health centred response to rape and sexual assault. However, it also includes a quote from Sandy Brindley (Chief Executive of RCS) about the 'geographical gap'. She said "as a general rule people shouldn't be travelling significant distances."

Funding for Violence Against Women and Girls

- Our Delivering Equally Safe fund is providing £19 million per year to 121 organisations to help implement Equally Safe, Scotland's strategy to prevent and eradicate all forms of violence against women and girls.
- A priority area of the fund is working with those in remote or island communities.
- We are funding ten organisations and partner agencies who provide services to Scotland's Island communities just under £3 million through the Delivering Equally Safe Fund. These organisations include Women's Aid Orkney, Western Isles Rape Crisis Centre, Shetland Rape Crisis and Argyll and Bute Violence Against Women and Girls Partnership.
- This funding includes the support for the resourcing of a collaborative project between three VAWG Partnerships in Shetland, Orkney and The Western Isles. This will enable a collective approach, support multi-agency working NPF4 and develop a joined up, person centred pathways within each partnership.

Strategic Funding Review for Violence Against Women and Girls

- The Independent Review of the Funding and Commissioning of Violence Against Women and Girls (VAWG) Services is chaired by Lesley Irving and will report by June 2023.
- The principal aim of the review is to develop a more consistent, coherent, collective and stable funding model that will ensure high quality, accessible specialist services across Scotland for women, children and young people experiencing any form of VAWG.
- The Scottish Government will consider the recommendations of the review once the process has been completed in June 2023.

## **ANNEX N: ENVIRONMENT/BIOSECURITY (STRATEGIC OBJECTIVE 8)**

- We recognise that climate change poses particular challenges for our island communities, for example through coastal change and greater dependence on lifeline transport networks and supply chains.
- The natural environment underpins our economy, including our jobs, health, the food we eat, the water we drink, and our ability to address the global climate emergency

### **TOP LINES**

- **The natural environment underpins our economy, including our jobs, health, the food we eat, the water we drink, and our ability to address the global climate emergency.**
- **Biodiversity is the best chance we have to adapt to climate change and ensure we can continue to enjoy nature’s benefits, on which we all depend.**
- **We are already investing in nature-based solutions across our islands, like peatland restoration and tree planting, to tackle climate change and biodiversity loss and create green jobs.**
- **Our £65 million Nature Restoration Fund allows multi-year, multi-partner projects, and recent investment also includes £0.5m for ‘Species on the Edge’ project. Both of these initiatives include Island-based projects.**
- **Our ambitious new biodiversity strategy sets out goals to halt nature loss by 2030 and reverse it by 2045, and a long-term vision of what our natural environment needs to look like in 2045 in order to reverse biodiversity decline.**
- **We will need high level strategic leadership across all of Scotland, alongside responsible public and private investment to achieve our outcomes, and an inclusive whole-of-society approach which engages communities, business and decision makers alike.**
- **We are committed to connecting, expanding and improving areas managed for nature, with an ambitious commitment to protect 30% of our land for nature by 2030. This target has already been exceeded in our seas.**
- **We have embedded Nature Networks within NPF4 to ensure nature-positive development, to link areas which are important for biodiversity within and across urban, peri-urban and rural areas, and to allow nature the space to adapt to Scotland’s already changing climate.**
- **We are committed to ensuring a nature network within every local authority in Scotland within this Parliament, and will continue to support the essential work that local authorities across Islands and the whole of Scotland are taking in tackling the twin crisis.**
- **As one of the five main drivers of biodiversity loss, the Scottish Government takes the control of invasive non-native species (INNS) seriously and we work with a range of partners to minimise their negative impacts.**
- **Our new strategy includes priorities on preventing the release and spread of non-native species – particularly in vulnerable areas, such as islands, where they can cause damage to native species and habits. We look forward to continued working with Island communities to address INNS.**

#### Additional general lines on INNS

- The refreshed GB INNS Strategy was published on 27 February. It will enable continued collaboration between the devolved governments to tackle the introduction and spread of invasive species and the harms these can cause to native wildlife, our natural environment and our economy.
- Scotland's flagship INNS management project, the Scottish Invasive Species Initiative (SISI), was recently awarded over £2M from the Scottish Government's Nature Restoration Fund so that it can continue its important work tackling invasive non-native species alongside rivers and water courses across the Highlands.

### **BACKGROUND**

#### INNS Biosecurity Projects

- Funding has been provided through the Scottish Government's Nature Restoration Fund (NRF) for two island-based biosecurity projects:
  - the RSPB-led stoat eradication project on the Orkney Islands; and
  - the RSPB/NatureScot-led Biosecurity for LIFE project which aims to eradicate invasive predators such as rats on Scotland's seabird islands and prevent these species from reaching our seabird islands in the first place (this project has received over £430,000 in funding from the NRF).
- The Shiant Islands are home to over 60,000 pairs of puffins, around 8,000 razorbills and 9,000 guillemots. The islands were declared rat free in 2018 marking the successful completion of the Shiant Isles Recovery Project coordinated by the RSPB, with support from the EU's LIFE programme, NatureScot and the landowner.
- The Scottish Government is providing funding to support the work of the new Non-Native Species Inspectorate within the Animal and Plant Health Agency (APHA). The inspectorate is being piloted for three years and currently its work is focused on gathering data across different sectors including zoos, pet shops, the horticultural and ornamental plant trade, angling and recreational boating in relation to the introduction of invasive non-native species (INNS), volumes of movements of INNS and the degree of compliance with existing legislation. It is also focused on raising awareness of the impacts of INNS and increasing compliance with legislation. The inspectorate currently employs nine inspectors who operate across the whole of GB including Scotland.

#### Circular Economy

- Zero Waste Scotland provides arrange of support across the Highlands and Islands to help build a circular economy. This includes:
  - Chairing Highland Adapts, Highlands regional adaptation partnership. This focuses on working on the role CE has in adaptation, including trade off synergies.
  - Working in collaboration with HIE to deliver a regionally focused Fuel Change Highlands and Islands Challenge. A focused development programme getting young people engaged with climate action.
  - Delivering workshops and follow-up support on the circular economy with Highland Council and Shetland Islands Council.

### Aquaculture

- There is a need to understand climate change impacts on the marine environment as the resource upon which much of the Blue Economy relies.
- Our forthcoming Vision for Sustainable Aquaculture will set out our ambition for the aquaculture sector to play its part in Scotland halting biodiversity loss and by 2030, and restoring and regenerating biodiversity by 2045 in our marine and freshwater environments.
- Climate change has the potential to impact the structure and function of marine ecosystems and amplifies the threat of other human impacts such as unsustainable fishing, marine plastics, and other pollution.
- All marine sectors of the Blue Economy will be impacted by climate change with regional and sector specific risks and opportunities.
- Changes in the depth and latitudinal distributions, migration and spawning behaviours of fish are being detected, many of which can be related to warming sea temperatures and will continue to have implications for fisheries management across international boundaries.
- The Marine Climate Change Impacts Partnership, the primary independent source of marine climate change impacts evidence and adaptation advice in the UK, provides information on impacts on anticipated impacts on aquaculture, which helps set the context for future policy development.

### **Q&A**

#### **Q. Is the farmed fin fish sector adequately prepared to handle a changing environment?**

**A.** The sector is highly innovative and is seeking to address the key environmental challenges it faces.

- We work collaboratively through the Farmed Fish Health Framework with regulators, fish vets and the sector to better understand impacts of climate change on the sector and develop adaptation.
- Although we have seen high mortality associated with unusual micro jellyfish blooms and gill damage, it is too soon to say if it is a trend.
- We funded an initial study into Harmful Algal Blooms monitoring with a view to assisting the sector develop predictive monitoring and possible adaptation.
- Marine Scotland Science is supporting a PhD investigating the use of automated imaging technologies (Imaging Flow Cytobot) to generate early warnings of harmful algal events for the farmed fish industry
- The Sustainable Aquaculture Innovation Centre, on behalf of the Farmed Fish Health Framework – is focusing on training and standardising operating procedures on HABS reporting to improve predictive monitoring as the first step towards mitigation.
- SAIC and the sector is also supporting work on highly innovative work on mitigation development which we hope will come to fruition in coming years – but solutions will not be achieved overnight.



- We have also worked with SAIC to explore the current capacity for measuring dissolved oxygen with the aim of understanding what monitoring is currently carried out and where gaps in the data exist.

## **ANNEX O: CLIMATE/ENERGY (STRATEGIC OBJECTIVE 9)**

- Our island communities are leading the way on the journey to net zero. It is critical that we work with them in the face of the climate emergency.

### **TOP LINES:**

- The draft ESJTP sets out our vision that, by 2045, Scotland will have a flourishing, climate friendly energy system that delivers affordable, resilient and clean energy supplies for Scotland's households, communities and businesses.
- The draft document was published on 10 January 2023 and is open for consultation until 9 May. We are encouraging a wide range of responses to the consultation to ensure everyone has an opportunity to help design Scotland's energy transition.
- We are committed to delivering an energy transition that is fair for everyone. This means the people most likely to be impacted must have a voice in determining their future.
- The just energy transition needs to meet the needs of different communities and workers, and deliver on the opportunities offered by different geographies and infrastructure assets.
- The draft ESJTP makes clear that we encourage developers to offer community benefits and shared ownership opportunities as standard on all renewable energy projects – including repowering and extensions to existing projects.
- The energy transition presents strategic opportunities for the Highlands and Islands. The natural advantages offered by unparalleled wind, wave and tidal resources have made the region attractive to developers, and the past 20 years have seen significant growth in on and offshore wind and notable advances in marine energy.
- The final version of the Energy Strategy and Just Transition Plan will be published once we have conducted a thorough review of the consultation responses and engaged with the full range of stakeholders.
- An Island Communities Impact Assessment is being carried out as we work towards finalising the document.
- The Community and Renewable Energy Scheme (CARES), delivered by Local Energy Scotland (LES) on behalf of the Scottish Government, behalf provides advice and support – including funding – to communities across Scotland, including our rural and island communities, looking to develop renewable energy, heat decarbonisation and energy efficiency projects.
- The Scottish Government is committed to supporting the growth of community energy through the Community and Renewable Energy Scheme (CARES), which aims to help communities engage in and benefit from the energy transition to net zero.
- CARES is delivered by Local Energy Scotland (LES) – a consortium of organisations led by the Energy Saving Trust – who are contracted to deliver this service on behalf of the Scottish Government until 2025.

- **The current CARES contract commenced on 1 April 2021 and will run for a period of 4 years. It puts a strong focus on decarbonisation, particularly how we heat our buildings, as the driver for community-led action.**

## **BACKGROUND**

- The 'Let's Do Net Zero: Community Buildings Fund' provides a rolling programme of support to communities, charities and faith organisations across Scotland to decarbonise their buildings and reduce energy bills. This support takes a whole building retrofit approach covering energy efficiency measures, zero emissions heat installations and additional small-scale generation where there is a clear benefit to the community organisation in terms of energy bill reduction.
- CARES is also providing a package of support to some of Scotland's more remote and rural off grid communities to help them upgrade their energy systems and decarbonise their energy supplies, via the 'Let's Do Net Zero: Off Electricity Grid Communities Fund', with the aim of making them more resilient and sustainable in the future.
- The CARES Community Heat Development Programme, launched in December 2022, works with community organisations and groups of householders, including those located on islands, to help develop their ideas for locally generated, low and zero carbon heat project ideas. Using expert advisors, successful applicants receive advice and support to assess the feasibility of their project and advice on next steps, including any potential routes for further funding.

### Network (Grid) Investment

- There is a clear need for significant new network investment to ensure that our infrastructure does not become a barrier to net zero.
- We welcome Ofgem's recent decision to accelerate some strategic transmission investments. These projects should be taken forward at the earliest opportunity to relieve constraints and maintain our system security.
- The planning system has a crucial role to play and that is why we have engaged extensively with the UK Government in seeking devolution of the necessary powers to Scotland to ensure a modernised grid consenting regime that is fit for purpose.
- Scottish Government has called on UKG and OFGEM to reform the connections process to allow projects to connect when they're ready to do so.

### Orkney

- The Scottish Government has called for Ofgem to unlock investment in transmission infrastructure and secure the abundant renewable resource that exists across the Scottish Islands, for over a decade.
- The decision to approve a transmission connection to Orkney follows the approval for the Western Isles (1.8GW) in December 2022 and Shetland (600MW) in July 2020.
- These transmission links will not only support continued growth of renewables but will also create a host of wider economic and environmental benefits across the island groups.

- SSEN submitted its “Strategic Wider Works” application (“needs case”) to Ofgem during 2018 to build subsea cable links from Orkney to the mainland transmission network. On 16 September 2019 Ofgem published its decision to approve the needs case to build a 220MW subsea cable transmission link from Orkney to the mainland, on the condition 135MW of generation should come forward with sufficient certainty. The consent of Faray Wind Farm in December 2022 means that those conditions have now been met.
- Transmission Owners and their supply chain face an unprecedented delivery challenge in delivering the network required to meet our net zero and interim targets.
- In December 2022 Ofgem approved the need for 26 transmission projects worth over £19bn required to meet 2030 targets.

#### Western Isles

- The Western Isles 1.8 GW HVDC Link was approved by Ofgem in December 2022 as part of its Accelerated Strategic Transmission Investment (ASTI) Framework decision.
- Scottish and Southern Energy Networks (SSEN) Transmission have been developing proposals to provide a transmission connection to the Western Isles for over 10 years, with the 1.8 GW HVDC link replacing previous proposals for a 600 MW HVDC link.
- Scottish Government welcomed the decision to approve the need for a 1.8GW connection to the Western Isles.
- Developing these abundant resources can help unlock the islands’ potential to supply low-cost renewable electricity for the benefit of consumers across Scotland and Great Britain, as well as many social, community and economic benefits.
- The approval of the need for the link was an important milestone for communities and developers who have been waiting for decades to unlock the abundant renewable resources on the islands.

#### **Q & A**

##### **Q. What are the Scottish Government’s key focus areas for the future of the energy system?**

**A.** We are committed to ensuring there is a fair and just transition for the energy sector. Our priority is therefore to prepare for Scotland to deliver this. The draft ESJTP sets out the steps needed, focusing out to 2030.

To meet our climate change ambitions, we must expand and scale up our renewable energy generation capabilities. We need to ensure we have the infrastructure and supply chains developed to support this.

We also need to reduce our dependence on oil and gas and change the way we use energy. We will take forward action to make our homes and buildings more energy efficient and to convert heating systems to zero emissions. We will establish the infrastructure required for low and zero-emission energy for transport, such as electric vehicle charging points.

We must also work closely with the UK Government. Critical areas where the UK Government must take action include electricity market reform, support for carbon

capture and storage, action on energy affordability, and the development of new market mechanisms to support clean energy technology deployment.

**Q. What role does community energy have to play in Scotland's future energy system?**

**A.** Community energy has the potential to play a pivotal role in achieving a just transition. In addition to supporting progress towards national emissions reductions targets, improved energy security, and a more inclusive and democratic energy system, community energy projects have the potential to deliver transformational socioeconomic benefits. These include strengthened local economies and supply chains; opportunities for education, training, and employment; and action on fuel poverty.

We want to make sure the opportunities for community energy are realised and that the benefits flowing to communities are maximised. That is why we continue to invest in our flagship Community and Renewable Energy Scheme (CARES), which provides advice and support – including funding – to communities across Scotland looking to develop renewable energy, heat decarbonisation and energy efficiency projects.

We have a target for 2GW of community and locally owned renewable energy by 2030. As of December 2021, there is an estimated 896 MW of operational community and locally owned renewable energy capacity. This is a progression of 45% towards Scottish Governments 2030 target.

## **SCOTWIND**

### **TOP LINES**

- **ScotWind will deliver a new era in Scotland's offshore wind industry, representing the world's largest commercial round for floating offshore wind and breaks new ground in putting large-scale floating wind technology on the map at Gigawatt scale.**
- **It will provide several billion pounds more in rental revenues once projects become operational, to be invested for the benefit of the people of Scotland.**
- **Each ScotWind application was required to include a Supply Chain Development Statement setting out its supply chain goals and committing developers to meet those goals through the various stages of their projects.**
- **As the world's largest commercial round for floating offshore wind, ScotWind puts us at the forefront of the global development of offshore wind and represents a massive step forward in our energy transformation.**
- **I welcome the commitment of developers, who through these statements have pledged investment of £28 billionn in the Scottish Supply chain.**
- **In Scotland, nearly 100% of our net electricity demand already comes from renewable sources and we are focused on reducing energy demand and accelerating the deployment of renewable energy.**

### **BACKGROUND**

**We recognise that the option fees generated are a huge vote of confidence in Scotland's offshore wind opportunities.**

- A total of £56 million will be paid by the successful applicants in option fees and passed to the Scottish Government for public spending.
- This is in addition to the initial awards announced in January who will pay around £700 million in revenues to the public purse.
- The three projects' initial supply chain commitments indicate an average of £1.2 billion investment in Scotland per gigawatt (GW) of capacity built
- Updating the total estimates suggesting that each of the 20 projects could go on to deliver £1.4 billion investment in Scotland, which will help create thousands of jobs.
- That's not to mention annual multi-million-pound payments once projects start operating.

**BIDDING PROCESS**

**The ScotWind leasing round was designed and administered by Crown Estate Scotland to focus on quality and deliverability of bids.**

- Applications were assessed in line with published criteria. This includes project information such as concept, budget and delivery, and developer information such as capability, experience, and financial resources.
- The projects offered option agreements are those that best demonstrated their ability to deliver.
- Crown Estate Scotland made the decisions on the companies to be awarded the status to develop projects around the coast.
- CES (rather than Scottish Ministers) were (and remain) the competent authority for determining the design and terms of ScotWind leasing.

**Expansion of our offshore wind generation capabilities in the coming years provides a fantastic opportunity to support an energy transition which not only delivers on our climate obligations, but which ensures a fair and just transition for the sector and wider industry.**

- As it stands now, all projects have signed their option agreements and commenced engagement with the Scottish Government and statutory consultees in preparation to start the consenting process.
- Projects from ScotWind are expected to submit consent applications to Marine Scotland in 2023/24 and we would expect to see construction from 2027 onwards.
- In the last year we have increased resources within our marine consenting team to meet the demands of offshore wind expansion and established a specific streamlining team to identify efficiencies in licencing and consenting processes.
- Our reformed planning system, including our National Planning Framework 4, will play a vital role in responding to climate change and in helping to deliver the infrastructure needed to achieve our net zero ambitions.

**SCOTWIND REVENUES**

**As the world's largest offshore wind leasing round, ScotWind puts us at the forefront of the global development of offshore wind and represents a massive step forward in our net zero transformation.**

- Ministers are considering how the ScotWind revenues should be invested to maximise the benefits for the people of Scotland.

- Given the scale of ScotWind and the vital importance of achieving a just transition to net zero, it is right that the appropriate consideration is given.
- We have already made clear that a key priority for the investment of ScotWind revenues will be to tackle the twin climate and biodiversity - crises and this Resource Spending Review delivers on that commitment.
- This investment includes £210 million of ScotWind legacy investment in 2026-27 to secure lasting benefit for communities from this revenue in the context of Scotland's climate change ambitions, our commitment to tackle the biodiversity crisis and Scotland's green recovery from the COVID-19 pandemic.
- Once these offshore wind projects are operational, we will receive billions more in rental revenues, which will be invested back into Scotland, benefitting our communities and our economy.

### **UNDERSELLING OF LEASE RIGHTS**

#### **Comparing ScotWind with the option fees raised in both UK waters and further afield is not a like for like comparison.**

- Indeed, as Crown Estate Scotland pointed out **[QUOTE]**: *“Comparing ScotWind to processes in other countries is comparing apples and pears as a range of factors such as seabed, supply chain, and grid all influence pricing... Taking these three into account, the 20 ScotWind projects now total up to 27.6GW with initial supply chain commitments indicating an average of £1.4billion investment in Scotland per gigawatt of capacity built.”*
- The leasing fees reflect the challenging conditions for many projects in Scotland – in particular the depth of water that requires the deployment of more advanced, and more expensive, floating wind turbines.
- The process undertaken has produced a leasing round focused on quality and deliverability of bids, and the long term prize of supply chain investment which promises to transform the Scottish economy over decades.
- Scottish offshore wind projects are often further out to sea and in deeper waters compared to other locations in the UK and beyond, and may require the deployment of floating technology, which is still untried at large generating volumes and therefore likely to require more investment to construct.
- This is compounded by higher grid connection costs, a point we continue to raise with Ofgem and the UK Government and push for a fairer solution that recognises the renewable capability of Scotland.
- The process undertaken has produced a leasing round focused on quality and deliverability of bids, and the long term prize of supply chain investment which promises to transform the Scottish economy over decades and to provide the energy transition required to achieve Net Zero by 2045.

### **WORKING WITH STAKEHOLDERS**

#### **We will continue to work with all stakeholders to ensure a collaborative approach in the development of ScotWind projects.**

- Stakeholders will continue to be fully engaged in the consenting process for individual projects.
- Potential applicants have a duty, through the licensing and consenting processes, to work with affected marine users, including fishing representatives, when taking forward project plans.

- Treating affected marine users fairly as we work through this process is a key aspect of securing a just transition for all as we progress towards net zero.

## **FISHING**

**Fishers and their representative organisations are a key stakeholder and representatives have been engaged in the Sectoral Marine Planning process through representatives on our steering groups and through consultation.**

- The ScotWind clearing process has resulted in three new projects identified in the Plan Option (NE1) near Shetland amounting to a stated ambition of 2.8GW of new generation potential.
- During the development of the sectoral marine plan for offshore wind on which ScotWind leasing is based, we undertook extensive engagement with fishers' representatives including meetings up and down the coast and islands of Scotland. This resulted in significant reduction in the lease area east of Shetland (NE1).
- Our sectoral planning process seeks to avoid or minimise impact from offshore wind development to the environment and other marine sectors through evidence and extensive stakeholder engagement.
- Following the ScotWind lease awards, which have higher capacities, than the assumptions used in the original spatial plan - we are considering all the projects as part of our iterative plan review (IPR) process. Fisheries representatives will be a key stakeholder in the IPR steering groups soon to be established.
- Treating affected fishers fairly as we work through this process will be a key aspect of effecting a just transition for the fishing sector as we progress towards net zero through the development of offshore wind in Scottish Waters.
- These new projects will now be subject to the same rigorous planning and consenting process as the other ScotWind projects and we encourage the fishing sector to continue to actively engage with those processes to ensure all views are considered.

## **COMMUNITY BENEFITS FROM RENEWABLES**

- Community benefits from, and shared ownership of, renewable energy developments have a key role to play in engaging communities and delivering lasting economic and social benefits as part of our just transition to net zero.
- The powers to mandate community benefits from renewable energy are currently reserved to the UK Government. Despite this, the Scottish Government continues to work with communities and renewable energy businesses to maximise community benefit through our Good Practice Principles (GPPs).
- Our longstanding GPPs set out national standards to support community benefit and shared ownership opportunities as standard on all new renewable energy projects – including repowering and extensions to existing projects. The guidance promotes the equivalent of £5,000 annually per installed megawatt for onshore developments, although some businesses will choose to offer a more flexible benefits package.
- Information submitted to the voluntary Community Benefits Register indicates that Scottish communities received over £194 million from renewable energy projects



between 1990 and 2022; including £25 million over the past 12 months. This will continue to rise as we realise our ambitions for growth over the coming decades.

- We are in the process of reviewing our guidance for offshore renewable energy developments to ensure that the opportunities from our ScotWind and INTOG programmes are realised and that the benefits flowing to communities are maximised.
- Support is available through our Community and Renewable Energy Scheme (CARES) to help communities make the most of community benefits and explore offers of shared ownership.
- It is vital that communities are strongly engaged and involved in agreeing the best approach for their area, one which fits their long term needs and aspirations.

## **CLIMATE CHANGE ADAPTATION**

- We recognise that more needs to be done to improve our resilience to the changing climate and. We are continuing to deliver on the 170 policies and proposals set out in the 2019 Adaptation programme.
- Alongside this, we are developing an ahead of our updated statutory adaptation programme, which will be published in draft for public consultation early next year.
- As part of this delivery we are investing in Scotland's resilience to climate change with an extra £150 million to local authorities for flood risk management in addition to the existing £42 million per annum.
- We are also investing £12 million for coastal change adaptation over this Parliament and we published accompanying coastal change adaptation guidance in February.
- Through the Adaptation Scotland Programme, we have supported the Outer Hebrides Community Planning Partnership's (OHCPP) Climate Change Working Group (CCWG) since 2019 to develop adaptation planning activities on the islands. During 2022 we helped the group to develop a Climate Rationale, and an accompanying Case for Action.
- The OHCPP board has now welcomed and approved both documents, setting a positive direction of travel for the OHCPP to move from evidence gathering, capacity building and awareness raising activities to focus on developing and delivering adaptation actions, and accessing resources to enable a safer, healthier and flourishing Outer Hebrides.

## **COASTAL CHANGE ADAPTATION AND EROSION**

- We recognise the important role natural features play protecting the coastline from erosion and sea level rise.
- The future is uncertain but we know that we are locked-in to sea level rise beyond 2100, even in a low emissions scenario, and our coastline will need space to move
- The [Dynamic Coast](#) project helps us identify where the greatest risks from coastal change erosion are this decade and into the future.
- We must use the research results and take an adaptive planning approach to build resilience to coastal change now.
- A four year coastal change adaptation capital budget of £11.7m is being distributed to councils from 2022-23.
- Argyll and Bute, Highland, Orkney and Shetland Councils and each received £160,000 in 2022-23.

- Comhairle nan Eilean Siar will receive £150,000 in 2023-24. In addition for case studies, Highland will receive £83,000 and Orkney £66,000 in 2023-24.
- We are working across policy areas to join up our approach to better manage coastal change and enhance natural features along the coast.
- NPF4 supports the long-term resilience of our coastal areas providing a framework for protecting communities from the impacts of coastal change.

## **CLIMATE ACTION HUBS**

- Climate Action Hubs are community led organisations with staff employed to work with communities in their area to understand the climate emergency and enable them to tackle and adapt to climate change. They facilitate peer-to-peer learning, work with groups to develop projects and identify funding, as well as building climate solutions into local plans.
- The Highlands and Islands Climate Action Hub continues to support island communities across Orkney, Shetland and the Highland Council area, raising awareness of the climate emergency and increasing the level of climate activity.
- An application from Climate Hebrides CIC to create a Climate Action Hub covering the Outer Hebrides has been received and is currently being assessed. The aim of the hub will be to maximise community climate action in the Outer Hebrides, sharing learning and capacity building. The Hub would work with Community Land Outer Hebrides to fully engage with their membership organisations and community groups within their estates and would work closely with the Carbon Neutral Islands. They have also proposed funding Gaelic translation.
- Climate Action Hub applications are being developed to cover Argyll and Ayrshire and are expected later this year.

## **Q&A**

### **Q. What support is available to communities to maximise community benefits and shared ownership opportunities?**

- The Scottish Government's Community and Renewable Energy Scheme (CARES) is available to help community groups identify the needs and aspirations of their community, or to support the securing and setting up of community funds.
- Local Energy Scotland developed a Community Benefits Toolkit, which guides community groups through the process, from initial contact to creating a legacy, monitoring and review.
- Support is also available via CARES to help communities develop community action plans or seek independent financial advice in relation to shared ownership opportunities.
- Since its inception in 2010, CARES has offered advice to over 900 organisations and supported over 600 community and locally owned renewable projects throughout Scotland, offering funding of over £58 million to date.

### **Q. What are the Scottish Government's plans to increase CARES funding?**

- The current CARES contract commenced on 1 April 2021 and will run until 2025. It puts a strong focus on decarbonisation, particularly how we heat our buildings, as the driver for community-led action.

- We have commissioned independent research (being carried out by Regen) to consider a range of models for community energy and their potential contributions to Just Transition Outcomes.
- This will help inform the future direction of community energy policy and the support provided through CARES.
- We expect to receive the outputs from the research in June.

**Q. Will the Scottish Government mandate the provision of community benefits/shared ownership?**

- Mandating community benefits and offers of shared ownership through energy regulation is reserved to UK Government.
- Community benefit schemes and shared ownership opportunities are voluntary arrangements between the renewable energy developments and communities that sit outside of the planning and licensing processes.
- The draft Energy Strategy and Just Transition Plan makes clear that we will continue to engage with the UK Government to consider mechanisms for maximising community benefit from renewable energy developments and offers of shared ownership.
- These could potentially include powers to make such benefits and offers of shared ownership mandatory, subject to full consultation.

**Q. How will the UK Government's consultation on 'community benefits from transmission network infrastructure' OR 'improving local partnerships and community benefits from onshore wind' affect Scottish communities?**

- We continue to call on the UK Government to consider mechanisms for maximising community benefit from renewable energy developments and offers of shared ownership.
- We are considering the detail of this consultation and will ensure that Scotland's interests are represented where required.

## **ANNEX P: COMMUNITY EMPOWERMENT (STRATEGIC OBJECTIVE 10)**

- PfG Commitment 2021/22: *We will review the Community Empowerment (Scotland) Act 2015, to consider how we can give local communities more of a say over how local public assets are used – whether that is taking on the ownership or management of land or buildings, delivery of services to members of their community, or greater engagement with the public sector to have more say in how services are delivered, assets are used and resources are allocated.*

### **TOP LINES**

- The review of the Community Empowerment (Scotland) Act 2015 was launched by Tom Arthur, then Minister for Public Finance, Planning, and Community Wealth at the Loch Ness Community Hub on 21 July 2022.
- The manifesto commitment to review the Act will ensure it remains fit for purpose and will consider how we can give local people even more of a say in the things that matter to them in their community.
- The review of the Community Empowerment Act builds on the tremendous success achieved since the Scottish Government brought this landmark legislation in, with more and more local people having their voices heard about public service outcomes, and ever greater amounts of our public owned land and buildings moving over to community control.
- We will ensure it is fit for purpose and to consider how we can give local people more of a say in the things that matter to them in their community.
- The findings will inform how community empowerment can be strengthened to ensure we give local communities and organisations greater powers over their own future.

### **COMMUNITY ASSET TRANSFER**

- Asset transfer has been around for a long time but since it was put on a statutory footing in January 2017, based on the information we have, 352 asset transfer applications have been made and 203 have been agreed. However, many more are still in progress as the length of time from application to final outcome depends on a number of factors.
- Although there are 95 organisations on the statutory relevant authority list, the majority of requests are to local authorities – around 80% in each of the last three years. This includes sports and recreational facilities from various councils and for example nursery services from Edinburgh City Council, and land to build three affordable houses from Dumfries and Galloway Council.
- That said, transfer of assets from other organisations include ownership or lease of forests, parks and woodlands and community hubs – for example includes ownership for a foodbank from NHS Lanarkshire and a shop and recycling enterprise from Highlands and Islands Enterprise.
- We know that the application process can be time consuming and confusing at times and that's why the Statutory Guidance on asset transfer

for both community groups and relevant authorities is available and well used to navigate through the whole process.

- It's also important that communities have someone to discuss the pros and cons of asset transfer before embarking on an application. That why we fund expert support from the Community Ownership Support Service (COSS) who provide free advice, training courses and good practice guides, toolkits and case studies. Also COSS focus work on targeting communities in high Social Index of Multiple Deprivation postcodes, and also to address accessibility barriers such as language, disability, and transport.
- A recent example is their Managing Risk in Asset Transfer Guide (pub. Dec 2020) developed to help public bodies manage the risks associated with transferring assets to communities. Scottish Government published our own Statutory Guidance on Considering Social Value in Asset Transfer, in September 2021 which adds further guidance on this. There are clear benefits from community ownership and any challenges can be reduced when risks are identified, assessed and managed.
- Glasgow Caledonian University's evaluation published in July 2020 highlighted that many relevant authorities are not meeting their statutory annual reporting duties by June each year. To support the quality and consistency of annual reporting we have produced and shared a new Asset Transfer Reporting Template with the 95 Relevant Authorities, and encourage them to complete it and return to SG every June.
- We have also established a National Asset Transfer Action Group to consider the report's findings and recommendations, with representatives from national, regional and local areas. Since 2020, the group has met 6 times, and are supporting us with the review of the Community Empowerment Act.

## **BACKGROUND**

- Asset Transfer legislation came into force on 23 January 2017 and is designed to encourage and support ownership and control of public assets by communities. It should be considered by community organisations and public authorities in situations that recognise the public benefits that community use will bring.
- Asset Transfer can be a powerful tool for communities to drive change and achieve their own goals and can help to develop the local economy, provide activities and services, and boost community identity. It also provides a stable base and income for community bodies, allowing them to develop new initiatives and support other groups.

## **PARTICIPATION REQUESTS**

### **TOP LINES**

- Scotland's communities are well acquainted with engaging public authorities on the things that matter to them in their community in one form or another for many, many years. It should not be necessary to introduce legislation to start meaningful dialogue between the two, but the introduction of Participation Requests legislation on 1 April 2017 ensures that communities must be listened to.

- It can change the dynamics as the legislation helps to start a dialogue that might not otherwise happen where communities can influence policy and service development and challenge decisions or propose alternatives which could ultimately improve the desired outcome.
- We know that since April 2017, based on information provided by some, but not all of the 77 public service authorities, 75 participation requests have been made.
- The majority of those were submitted by community councils and received by local authorities (95% in 2017-2018 and 100% both in 2018-2019 and 2019/20). In 2020/21 all participation requests were received by local authorities but only 40% submitted by community councils. In 2021/22 44% were submitted to local authorities, reflecting lower numbers reported post Covid.
- This includes community participation for pier safety issues, local road improvements, the future of local police offices and improvements to community halls.
- We know from Glasgow Caledonian University's evaluation report laid before parliament in April 2020 that the legislation is working as intended but we take on board their recommendations on monitoring, raising awareness and supporting marginalized groups.
- That's why we fund the Scottish Community Development Centre (SCDC) to support harder to reach groups and those experiencing inequalities to provide expert advice, training courses, workshops on the participation request process, sign-posting to other support agencies, and awareness raising sessions throughout Scotland. SCDC has also developed a Participation Request Resource Toolkit which includes features to support accessibility including a voice over to support users with visual or hearing difficulties, case studies, an illustrative guide, and also a template to ease the process. Accessible and e-reader versions have also been made available.
- The report also tells us that due to the low number it is too early to determine whether an appeals process may be needed and recommends investigating how an appeals process might work. This is something that can be monitored and considered as activity increases.
- The report also highlighted that many public service authorities are not meeting their statutory annual reporting duties by June each year. To support the quality and consistency of annual reporting we have produced and shared a new Participation Requests Reporting Template with the 77 Relevant Authorities.
- To help navigate the process we have produced Statutory Guidance on participation requests for both Community Participation Bodies and public service authorities.

## BACKGROUND

- Participation Request legislation (Part 3 of the Community Empowerment (Scotland) Act 2015) came into force on 01 April 2017.
- Participation requests provides a mechanism for **Community Participation Bodies** to seek dialogue with public service providers on their own terms. It help people start a dialogue about the things that matters to their community; to have

their voice heard in policy and service development, through contributing to decision-making processes, and to challenge decisions and seek support for alternatives, which improve outcomes.

- The Scottish Government was statutorily required to evaluate Part 3 of the Act within three years of its enactment. This was laid before Parliament in April 2020 following an evaluation by Glasgow Caledonian University researchers on that is, how participation requests were being implemented, how they improve community and public authority engagement, and how they tackle inequalities and improve community empowerment.
- It shows **that the legislation is working as it was intended. Findings from the report show that it is too early to determine whether an appeals process may be needed as numbers are still low.**

## **PARTICIPATORY BUDGETING**

### **TOP LINES**

- **The impressive scaling up of participatory budgeting in Scotland over the last few years has seen it go from a handful of events in 2015 to thousands of people engaging in PB activity by 2021.**
- **Supported by the Scottish Government's £6.5 million Community Choices Fund, since 2016 this has enabled over 122,000 voters to have a direct say on the dispersal of more than £6.6 million, with around 47,000 people attending events across the country.**
- **We continue to work with COSLA to help local authorities reach the target of having at least 1% of their budget subject to participatory budgeting, giving tens of thousands of people a say in how over £100 million will be spent.**
- **We value the work of the National Participatory Budgeting Strategic Group in supporting the implementation of PB and building capacity across Scotland to ensure best possible practice.**
- **We will work with the group to deliver on the new PB Strategic Framework with a particular focus on health and wellbeing, education, housing and climate justice guided by the Framework's indicators for success.**

### **Q&A**

**Q. How is the Community Empowerment Act helping communities throughout Scotland?**

**A.** The Act creates new rights for community bodies and places new duties on public authorities. It strengthens the voices of communities in the decisions that matter to them.

**Q. How will the Act ensure that all our communities are empowered?**

**A.** Our funding supports programmes that tackle inequality directly as well as promoting inclusive growth. The Act requires public bodies to focus on reducing socio-economic inequalities and to encourage equal opportunities.

We have revised and updated the National Standards for Community Engagement. These provide best-practice principles for all sectors to make sure their engagement with communities is inclusive and effective.

**Q. Will you monitor and review the impact of the Act?**

**A.** *A Fairer Scotland (publ. September 2021)* included a commitment to review the Community Empowerment Act. The review was launched by Tom Arthur, then Minister for Public Finance, Planning, and Community Wealth, at the Loch Ness Community Hub in July 2022, and work is currently underway to look at the different parts of the Act and their impact on improving outcomes for people and communities.

We will consult with our partners, our stakeholders, and most importantly our communities as we progress this work and once we have gathered this information, we will look to implement any necessary changes.

We have already evaluated parts of the Act, including parts 3 and 5 which concern Participation Requests and Community Asset Transfer. These evaluations are helping us understand the impact of the legislation and the learning will help inform our policies going forward.

**Q. How do community Asset Transfer Requests help improve community empowerment?**

**A.** Asset Transfer Legislation is designed to encourage and support the ownership and control of assets by communities, and is for consideration by community organisations and relevant authorities in situations that recognise the public benefits that the community use will bring.

**Q. How can community groups be meaningfully involved in local funding decisions?**

**A.** Since 2016 Participatory Budgeting has enabled over 122,000 voters to have a direct say on the dispersal of more than £6.6 million, with around 47,000 people attending events across the country.

This programme is delivered in partnership with local authorities, communities and third sector organisations, and implemented across policy areas from policing to health and social care, transport and education.

Participation Requests are helping people become more actively involved in decisions about public sector outcomes.



## LOCAL GOVERNANCE REVIEW

### TOP LINES:

- National and local government share a commitment to subsidiarity and local democracy.
- The Local Governance Review is an important opportunity for national and local government and the community sector to thoroughly explore how best to transform local democracy.
- Ensuring that decisions are taken as close as possible to those they affect the most is at the heart of our approach to public service reform in Scotland.
- We welcome the work which has already gone into council proposals (10) for alternative governance arrangements at the local level including two from island authorities.
- We also welcome the way in which the community sector helped to mobilise the involvement of over 4,000 people in our *Democracy Matters* conversation about the future role of communities in decision-making. We expect to recommence the conversation later in 2023.
- We look forward to islanders helping to shape decision-making arrangements, which can work well in island settings and offer the greatest potential to improve the issues they care about most, such as economic development, housing and repopulation.

## BACKGROUND

### Single Island Authority

- I'm delighted that integrated public authority model reforms are beginning with island communities on the Western Isles and Orkney who have long held ambitions for a place based approach to local decision making.
- I'm also pleased that both Shetland and Argyll and Bute Councils are observers in this discussion.
- We are in the early stages of exploring single island authority type models with both Orkney and the Western Isles Councils after the FM and DFM confirmed they wished to move ahead with the reform prior to the leadership contest.
- Senior Officials from SG, relevant councils, COSLA and the health boards held a constructive opening discussion on 9<sup>th</sup> May. All parties will now work towards an in person workshop to begin a period of intensive policy development.
- Both Shetland and Argyll and Bute councils have requested to be observers of relevant discussions at this time. Shetland's position remains that they do not wish to pursue an SIA at this time.

### Democracy Matters

- A joint statement with COSLA at the end of the last parliament was accompanied by new *Democracy Matters* material which outlines how ambitious new community decision-making arrangements could work in Scotland's towns, villages and neighbourhoods.

- The material includes many of the questions which will need to be answered if these ambitious new arrangements are to meet people's aspirations to tackle inequalities, enhance human rights and reflect the principles of open government.
- We will work with COSLA to agree how best to take forward a second phase of widespread community engagement.

#### Visitor Levy Bill

- As part of the Government's priorities for Scotland announced by the First Minister on 18 April the Scottish Government is committed to delivering, subject to Parliament's agreement, legislation giving councils the power to apply a visitor levy, if they choose to do so.
- If passed the Bill will give local authorities a discretionary power to apply a levy on overnight visitor stays in commercially let accommodation in all or parts of their area. This will be a discretionary power, for a Council to use if it chooses to do so. It will not be a national scheme.
- The proceeds raised from the levy will only be able to be used to fund relevant local activities and services which develop, support or sustain the visitor economy.
- If passed by Parliament we would expect the provisions to come into force as soon as is practicable and reasonable to do so. Taking into account the expected time for Parliamentary scrutiny, and the need for consultation and engagement by a local authority before introducing the levy, it is likely that no visitor levy could be charged until 2026. This is about putting in place measures now that can deliver sustained investment in tourism in the future.
- We share an ambitious vision with the tourism industry (set out in Scotland Outlook 2030, Scotland's national tourism strategy) for Scotland to be the world leader in tourism by 2030. Giving local councils the power to introduce a levy is one tool that can provide the additional resources to meet that vision.

#### Scottish Crown Estate

- Supportive educational and application material has been published for applicants, which includes the requirements to take consideration for the Islands Plan and conduct Islands Impact Assessments where appropriate.
- Officials are currently in the process of reviewing the EOI's.
- Discussions are underway to determine how future applications should be invited and if via a round, when the next one should take place.
- We welcome the progress being made by Crown Estate Scotland with their pilots scheme and look forward to seeing these proposals develop in the months ahead.
- The powers and duties in the Scottish Crown Estate Act 2019 provide further opportunities for island communities. The Act allows for the transfer and/or delegation of management of Scottish Crown Estate assets to other eligible bodies.
- The first round for the transfer or delegation of Scottish Crown Estate management functions ran from 1 November 2021 until 2 May 2022, this allowed for eligible bodies to apply for Scottish Crown Estate management functions to be transferred or delegated to a more local level. The process has requirements for Scottish Crown Estate managers to take consideration for the Islands Plan and conduct Islands Impact Assessments where appropriate.

- On 11<sup>th</sup> April 2023, Orkney Islands Council and Crown Estate Scotland announced details of a project aimed at giving Orkney islanders greater say in decisions about the use of the seabed around them. The arrangement involves both organisations working closely to evaluate new applications for agreements on the seabed surrounding Orkney, ensuring key decisions are informed by the priorities of those who live and work nearby.

## **ANNEX Q: ARTS CULTURE AND LANGUAGE (STRATEGIC OBJECTIVE 11)**

### **TOP LINES:**

- **Our islands are profoundly important – not just to Scotland, but to the whole world.**
- **They contribute hugely to our culture, heritage, environment, identity, landscape, economy and society.**
- **Islands and island communities in Scotland are not only resilient, but also often innovative. Whether it is in the field of community-based solutions in estate management, energy or digital connectivity, health delivery, or in the arts, culture, language and heritage, island communities often pave the way for ideas and solutions that are subsequently delivered on the mainland.**
- **We want all our islands to thrive and the National Islands Plan provides the ambition and the tools to do so.**

### **BACKGROUND:**

- Island communities are passionate about capturing, celebrating and sharing the uniqueness of their island experience.
- Islanders also feel strongly about preserving built heritage and the natural environment, not just for their economic value through tourism, but for the quality of life they support and as a legacy for future generations.
- Scotland's islands are characterised by the richness of their cultural heritage and the culture and creativity generated and experienced by local communities today.
- It is essential that all islanders have an equal opportunity to access culture and the arts so that they can take part in or contribute to cultural life in Scotland in the way that they choose.
- We recognise that Gaelic is important to a number of Scottish islands and this Plan will ensure that Gaelic is maintained and strengthened as a living community language.

### Role of Major Events

- Festivals continue to be one of Scotland's world-leading cultural brands. As such, Creative Scotland provides support annually for many festivals that celebrate the arts of the Highland and Islands.
- EventScotland's existing funding programmes offer opportunities for event organisers to apply for funding on the basis that it meets the programme criteria. Events will be assessed on their merits, and the EventScotland team will look at ways the event will create a positive impact for the host region and Scotland as a whole.
- EventScotland Event applications are assessed in terms of their viability and event management experience as well as the five impact areas; Economic – Tourism and Business; Brand, Identity and Reputation; Media and Profile; Social and Cultural and Environmental Sustainability.

### Celtic Connections

- In 2023, Celtic Connections celebrated 30 years as a cornerstone of Scotland's cultural calendar and celebrate the ethos and artists that have seen the festival become a global phenomenon. 2023 saw 2,100 musicians, many of whom were

from Highland and Islands, at more than 300 events across multiple genres of music. Celtic Connections is the largest winter music festival of its kind and the UK's premiere celebration of Celtic music, promoting traditional and contemporary Scottish culture with more than two-thirds of the shows featuring Scottish artists.

- **[redacted] – section 30(b)(i) Free and frank provision of advice**
- Celtic Connections actively promotes artistic links and cultural exchanges across countries, and helps raise Scotland's profile worldwide as an exciting, cosmopolitan, destination.

#### EventScotland – Actions

- In 2022, EventScotland supported 12 events located in Island communities from its existing National and International programmes, and the Community Cycling Fund including; Shetland Folk Festival, Orkney Food Festival, St Magnus International Festival, Tiree Music Festival, HebCelt, Shetland Wool Week; BWA Tiree Wave Classic, 50th Mull Rally; Fèis Ìle - The Islay Festival, Orkney International Science Festival, Spaceport Community Open Day, and Oban and Kerrera Big Bike Weekend.
- EventScotland is also delighted to be supporting Tall Ships Lerwick as part of an exciting portfolio of sporting and cultural events taking place across Scotland in 2023.

#### Scotland's Year of Stories 2022

- Creating a rich and varied events programme is a central aspect of the Themed Year approach. For Scotland's Year of Stories 2022 there were two events funding programmes – the 'Open Events Fund' (administered through EventScotland) and the 'Community Stories Fund' (in partnership with EventScotland, Museums Galleries Scotland and the National Lottery Heritage Fund) together with one non-funded 'Partner' events programme.
- Across the three programmes more than 350 events/event programmes were delivered with activity taking place in all 32 of Scotland's local authorities, in every calendar month:
  - 21 larger-scale events were awarded funding support through the £600k **Open Events Fund**, supporting established event partners to deliver higher profile, new events and programming across 24 local authorities;
  - 183 organisations were awarded funding support through the £735k Community Stories Fund (in partnership with EventScotland, National Lottery Heritage Fund), which ultimately saw **180** community events and projects (including 1,002 individual events) delivered across all 32 local authorities); and
  - a further 153 unfunded events registered with the Partner Programme, also delivering activity across 32 local authorities.

#### Scotland's Year of Stories 2022 Open Events Fund – Island Specifics

- Supported islands events included SEALL's An Tinne with events across the Isle of Skye, The Scottish Book Trust's Community Campfires events across the Western Isles including in Barra, South Uist, Eriskay, Benbecula and North Uist, Map of Stories events in Orkney and North Uist, Songs from the Last Page's

touring event on Skye and Seanachas – a series of events presented to celebrate the Year by An Lanntair in Stornoway.

- The Edinburgh International Book Festival also delivered an engagement project with young filmmakers in Shetland.

#### Scotland's Year of Stories 2022 Community Stories Fund – Island Specifics

- Supported islands events included 'Tìr Ìseal nan Òran (Tiree: Low Land of Song)' which took place on Tiree, 'Cliabh An T-Shenachais - The Story Creel' which was delivered on Mull and Iona, 'Sgeulaichean Siarach' and 'Ri tac an teine' which both took place on Lewis, and 'Object Stories' and 'Four Corners' which both took place on Uist, Events took place across Orkney, including the launch of the George Mackay Brown Trail in Stromness, 'Untold Orcadian Stories' and 'Orkney, Scotland and Norway: stories in music and verse'.

#### Dandelion

- Unboxed was a major UK-wide programme celebrating creativity and innovation, featuring ten large-scale commissioned projects designed to reach millions on-line and in person, bring people together and showcase creativity across the Four Nations.
- Scottish Ministers appointed EventScotland as the Strategic Delivery Body for the commissioning and delivery of the Scottish UNBOXED project, Dandelion, which was funded by the Scottish Government through EventScotland. In total over 589,000 people took part in live, in-person events and hands-on schools' activities, across 24 local authorities.
- This included every school in Na h-Eileanan Siar taking part in the Dandelion Schools Growing initiative - a huge nationwide experiment into how traditional growing methods compare with 21st-century techniques to shape the food production of the future. Each school was gifted a Dandelion Growing Cube - miniature 1m x 1m indoor farms equipped with growfelt, seeds and LEDs – as a legacy of the project alongside a wide range of creative Learning for Sustainability resources.
- Dandelion's Unexpected Gardens sprang up from the Borders to the Highlands to the Islands as spaces to grow and also places to gather. The Unexpected Garden in North Uist led by Dandelion Partner Taigh Chearsabhagh welcomed over 3600 visitors and participants to its 59 events ranging from film screenings, theatre on the beach, concerts, plant recording, musical veg workshops, potato printing, magic garden drawing and natural dye making
- Dandelion also supported 44 local community organisations around the country to grow their own food and make their own creative Harvest events. From veg-growing community football teams, to cook-ups in community allotments, apple harvesting and pressing, the chance to make seaweed fertiliser or get hands-on with jam and chutney-making – these rooted celebrations of Harvest sprouted across the country including harvest events in Orkney and Skye organised by Stronsay Development Trust, North Ronaldsay Transition and Uigshader Living Forest.
- In addition to the in person attendances detailed above, Dandelion's digital and broadcast content allowed the programme to reach a broader audience who might not have been able to take part in events and activities in person, or the schools programme. Dandelion's digital and broadcast content engaged with 869,960

people and premiered on 11 May 2022 with a specially commissioned film from Heisgeir in the Outer Hebrides, telling the family story of crofter and musician Padruig Morrison and one of Dandelion's Cubes of Perpetual Light.

- The Dandelion Project has now closed, in line with the commissioning status as a fixed term project to deliver across Scotland during 2022.

## **ORKNEY ISLAND GAMES – 2025**

### **TOP LINES**

- I would repeat what Neil Gray said during his March visit to Orkney: that the Scottish Government want to offer what practical support the Scottish Government can and work with the Games Organising Committee, VisitScotland and Orkney Islands Council on the 2025 Games, but also need to be clear that it would be very difficult for the Scottish Government to provide any additional funding.
- The Scottish Government want major events to be spread throughout Scotland. Hosting the multi-sport Island Games in 2025 demonstrates that Scotland remains the Perfect Stage for events, which bring economic and wider societal benefits, as well as bringing the world to Scotland.
- Winning the competitive bidding process for this event builds on a superb last decade for major events in Scotland, having hosted the Commonwealth Games and Ryder Cup in 2014, European Championships in 2018 and Solheim Cup in 2019.
- I understand the Games are facing a number of challenges, including funding pressures due to inflation. I do not underestimate how big the challenges you are facing are, especially as this event is volunteer-led.

### **BACKGROUND**

- The then Minister for Culture, Europe and International Development – Neil Gray – met with Games Chair, Vice Chair, Finance Director and Games Director during 24 March 2023 visit to Orkney.

*[redacted] – section 33(1)(b) Commercial interests*

## **SPONSORSHIP AND HISTORIC ENVIRONMENT**

### **TOP LINES**

- Historic Environment Scotland currently has strong involvement with the Orkney World Heritage Site Gateway and Outer Hebrides Destination Development programme.
- Within the Islands Growth Deal partnerships, HES provides support to key projects in the Western Isles: Slighe Hiort - two new culture and heritage attractions at Uig on the Isles of Lewis (Ionad Hiort) and north-west North Uist near Balemartin (Sealladh Hiort) to celebrate the heritage of the World Heritage Site of St Kilda; Iolaire Centre; and the Calanais Visitor Centre. At Calanais, HES is working with the Calanais Development Trust to improve the visitor centre and tourist management of the Calanais Standing Stones, which is a Property In Care of Scottish Ministers.
- In Orkney, HES is partnering with Orkney Island Council and Highland Island Enterprise on a major Islands Growth Deal project called the Orkney

**World Heritage Gateway. The project proposes improvements to the visitor and tourist offer at World Heritage Sites in Orkney, Ring of Brodgar, Stones of Stenness, and Maeshowe, Skara Brae, as well as Islands-wide digital visitor information and management applications.**

## **ISLAND HERITAGE AND CULTURE PROJECT**

### **TOP LINES**

- **The £240,000 Island Heritage and Culture initiative is a partnership project being delivered in each of the six local authorities with islands to support delivery of our National Islands Plan.**
- **Each delivery partner is managing projects that support and develop socio economic benefits that are derived through opportunities that celebrate local heritage and culture.**
- **The ongoing project was developed in collaboration with local authorities and is delivered either by the local authority themselves or a nominated local charitable body.**
- **Each of the six projects connect directly to local development priorities that utilise the creative talents of islanders in projects that will broaden the audience that the culture of Scotland's islands is exposed to. Projects support and develop socio economic benefits derived from opportunities to celebrate local heritage, culture, language and dialects.**

### **BACKGROUND:**

- There are two key National Islands Plan commitments are targeted and each recipient of grant funding has agreed to invest in and support:
  - our cultural and historic resources, to ensure that both islanders and visitors are encouraged to engage with, and participate in, arts and culture; and/or
  - the development and promotion of the creative talents of islanders, helping to ensure that the culture of Scotland's islands has a wide audience both nationally and abroad.
- A 'one-size-fits-all approach' would have made it difficult for projects to deliver place-based solutions that reflect the contextual nuances, qualities and strengths that a project might look to highlight and celebrate.
- Therefore, delivery partners have undertaken responsibility for ensuring that projects are bespoke and align closely with existing local priorities.

### **PROJECTS:**

**Orkney Digitisation Project, Orkney Islands Council** Orkney has a deep and expansive history, which is immediately apparent to visitors as they explore the archipelago, seeing everything from cairns and cathedrals to gun batteries.

- Orkney Islands Council's museum collection numbers roughly 130,000 items, illustrating all aspects of Orcadian history. More than 70% of this collection is archaeology, which is recognised as a Nationally Significant collection.
- A proportion is displayed at the Council's four museum sites, which attract thousands of visitors every year, and the balance is stored.



- The primary objective of this project is to improve digital connectivity, accessibility and awareness of Orkney Islands Council's collections, museum resources and visitor attractions, by building a new, engaging web site.
- The project is helping to populate the website with content, which has included the identification and procurement of the equipment required to produce high quality media and then the creation of a robust digitisation policy to ensure a consistent quality and that the legacy is secure.
- With the aim of an enjoyable user experience, optimised to encourage repeat visits, and coupled with a more proactive approach to social media, this will generate more public engagement with the Museums Service and increase its profile.

#### **Angus Og Project – Highland Archive Service and High Life Highland**

- The Angus Og Project is utilising the Skye and Lochalsh Archives to bring an exciting, unique and culturally important collection of cartoons back into the public realm by conserving, cataloguing and digitising the collection alongside the production of an exhibition and workshops designed to bring Angus Og to a new and wider audience.
- Angus Og was created by cartoonist Ewen Bain with his adventures based on the fabled Isle of Drambeg in the 'Utter Hebrides', a fictional island based on Bain's experience of life on Skye.
- Angus Og began in the Bulletin and was published in the Daily Record from 1960 through to 1989. There were 158 Angus Og adventures, and the collection of original strips has been donated by Ewen Bain's family to the Skye and Lochalsh Archive Centre.
- The project supports investment in cultural and historic resources, ensuring that islanders are encouraged to engage with, and participate in, arts and culture.

#### **Shetland Culture and Heritage Hub, Shetland Amenity Trust**

- This project is establishing and developing a cultural and heritage hub, and touring art exhibition programme.
- It is hoped that the project, delivered utilising a community asset based delivery approach, can become an important programme of heritage and cultural delivery, supporting Shetland's island communities through the delivery of socio economic benefits at an island-level.
- Community consultation helped inform project development and ensured that project delivery reflected the needs across island communities, and that each of the Shetland islands' heritage, culture, language and dialects are supported and developed in line with community aspirations and priorities.
- Meetings with local stakeholders and an engagement session with volunteers provided an invaluable opportunity to share sector challenges. This included higher energy costs in buildings, Developing the Young Workforce issues, as well as retention and recruitment within small island communities.
- Further developments have included engagement with a recently formed steering group, in partnership with UHI Shetland, and through a recently launched 'Shetlaen Language Plan'.

#### **Outer Hebrides Heritage Trails, Comhairle nan Eilean Siar**

- The Outer Hebrides Heritage Trail project, developed by Comhairle nan Eilean Siar's Heritage Service Team, links closely with the Outer Hebrides Heritage Forum (Comann Dualchas Innse Gall – CDIG).

- The project supports the development of proposals for themed and branded self-guided heritage trails from Barra to the Butt of Lewis – linked to identified economic drivers and existing CDIG venues and facilities that celebrate the unique heritage assets of the local areas, supporting a sustainable flow of visitors and spreading the economic benefits across local communities.
- Engagement with community organisations was critical to better understanding what would assist in the development of the identified Heritage and Cultural assets of the Western Isles and the Outer Hebrides Heritage Forum have been pivotal in development discussions and in maximising the positive impact of the project.

### **Aspiring UNESCO Global Geopark, Arran Geopark**

- The Arran Geopark vision is that the Arran landscape and heritage are conserved, enhanced, and valued for their contribution to people's well-being and Arran's sustainability.
- The project aims to:
  - promote the remarkable landscape and heritage to local people and to visitors;
  - support sustainable local economic development through conservation, education, interpretation, and nature-based tourism;
  - achieve UNESCO Global Geopark status – an international designation recognising landscapes of world-class geological significance; and
  - to collaborate with communities, businesses, and other local stakeholders who share this vision.

### **Opportunities for the Argyll Islands and Increased Visitor Footfall, Culture, Heritage and Arts Assembly**

- On an ongoing basis this project is supporting the development of heritage and cultural initiatives that simultaneously build arts, culture, heritage and language opportunities and engagement for island communities and a vision to increase visitor footfall.
- Delivered by Culture, Heritage and Arts Assembly (CHARTS), a programme of cultural activity is supporting artist and heritage expert-led projects across the islands of Argyll and Bute.
- The Argyll Islands Development project includes networking opportunities through the 'Ràmh Knowledge Xchange' and 'Coastal Cultures', both of which are innovative programmes of placemaking and community engagement using the CHARTS support framework and designed for collaborative working to explore and extend artists' social-engagement practice on islands.
- Development activity has been designed through a collaborative process, and supported through existing infrastructure, positioned to continually guide, inform and enhance the strategic development of CHARTS.

### **World Heritage Sites UK Tentative list**

- Following the announcement on 10 April 2023, I welcome that the Zenith of Iron Age Shetland, consisting of three exceptional Iron Age sites, remains on the World Heritage Tentative List from 2012 and is nearing nomination stage and I look forward to seeing it progress through that nomination process.

- I recognise the great value of the UNESCO World Heritage Convention, and the impact which this celebrated international recognition can offer both to individual sites, as well as to the wider national natural, culture and heritage sectors.
- Scotland is already home to thirteen UNESCO sites/designations, including six World Heritage Sites, two Biosphere Reserves, two Global Geoparks and three creative cities.

## **ANNEX R: EDUCATION (STRATEGIC OBJECTIVE 12)**

### **TOP LINES**

- **Good quality education is a key driver for socio-economic development everywhere and families will often make decisions about where to live based on the presence of good schools.**
- **Through our National Islands Plan Consultation, islanders told us that having a thriving and successful school contributes to an island and its community in multiple ways, from adding teachers and school workers to the island population to using schools for community activities.**
- **While this applies to primary schools, clearly not every island can have a secondary school. However, where present, secondary schools should be equipped and geared to prepare island-based pupils in the same way as on the mainland. Island students need to be put on an equal footing with their mainland and urban counterparts.**
- **Another critical aspect is residential accommodation or hostels and transport to schools for students based on other smaller islands who have to stay away from home during term time.**
- **Education on islands does not finish with primary and secondary schools. All people on islands must have access to further and higher education and wider life-long learning options**

### **BACKGROUND**

- Scotland's first Adult Learning Strategy was published in May 2022. The purpose of creating the strategy is to remove barriers to learning. The immediate focus of the strategy's initial stages of delivery is to engage across the sector and consult further to ensure that the views of adult learners, providers and practitioners are considered before further work is carried out on a number of high-level actions. This will enable a better understanding of how the barriers that adult learners from island communities face can be removed.
- We are working with stakeholders on the development a new youth work strategy, which offers opportunities to promote equality, equity and is inclusive of the needs of all young people.

### **UHI RURAL & ISLANDS COLLEGE MERGER PROPOSAL**

- A proposal has been put forward, by the governing bodies of North Highland College (NHC), Lews Castle College(LCC) ( also known as UHI Outer Hebrides) and West Highland College (WHC) to merge to form one single, incorporated college.
- The merging parties have suggested a "host" model, whereby the LCC and WHC are closed and their property, rights, liabilities and obligations are transferred to NHC.
- LCC is an incorporated college under the Further and Higher Education (Scotland) Act 1992 ("the 1992 Act") and as such requires a statutory instrument, made by the Scottish Ministers, in order to give effect to its closure and any consequential transfer of property, rights, liabilities and obligations. As WHC is not incorporated under the 1992 Act that college will be wound up through non-statutory means which does not require any Ministerial involvement.

- There is currently a ten week Scottish Government consultation running on the proposed merger; this started on 24 February and ends on 5 May. The consultation is seeking views on the merger proposals as a whole to inform the Minister's decision on whether to take forward a statutory instrument to close LCC and transfer the assets to NHC as the 'host' for the merger.

## **Q&A**

### **Q. How is progress towards stretch aims being measured in the islands?**

**A.** The three Island Attainment Advisors are working with colleagues from the island authorities to develop a robust way to measure improvement in closing the poverty related attainment gap in situations where there are no children and young people living in SIMD 1 and 1 or 9 and 10. This will enable a consistent and reliable approach to measuring any improvement and for comparison across island to be made. It is hoped to have this complete by June 2023 and will form part of measuring progress towards stretch aims in the islands.

### **Q. What collaboration is being undertaken to support educational improvement?**

**A.** In Shetland and the Western Isles colleagues from the Children's and Young People Improvement Collaborative (CYPIC) are working alongside Attainment Advisors to collaborate with identified schools on improving outcomes in P4 writing. This has been identified as an area for improvement. The work is undertaken in such a way that schools involved then work with other schools to increase capacity across the local authority.

### **Q. How can teachers in the islands access professional learning?**

**A.** All professional learning being offered by Education Scotland has an online element which can be accessed by all teachers. The island Attainment Advisors work with each other and colleagues in each local authority to offer professional learning on leadership of the Scottish Attainment Challenge. This has been taken up by a number of headteachers across the islands.

### **Q. What impact would the potential merger of the 3 colleges, West Highland College, North Highland College and Lews Castle College (UHI Outer Hebrides) have on the Outer Hebrides?**

**A:** An Islands Communities Impact Assessment is being undertaken and the outcome of this assessment will form part of the advice being put to the Minister for Higher and Further Education; and Minister for Veterans who has the responsibility for making the decision based on the outcome of the consultation and official advice.

## **SCHOOL ESTATE**

### **TOP LINES**

- **It is the statutory responsibility of local authorities to manage and maintain their school estate.**
- **Scottish Government funding through our school building programmes is intended to augment - not replace - local authorities own investment in their school estate**
- **The Scottish Government's £2 billion Learning Estate Investment Programme (LEIP) prioritises schools in need of updating, as identified by local authorities and will benefit tens of thousands of pupils across Scotland.**
- **The first phase of projects to benefit from the LEIP was announced in September 2019 and includes: Comhairle nan Eilean Siar's Barra and Vatersay Community Campus project, North Ayrshire Council's Ardrossan Community Learning and Innovation Hub project and The Highland Council's Tain 3-18 Campus project.**
- **The second phase of projects to benefit from the LEIP was announced in December 2020 and includes: The Highland Council's Broadford Primary School and Nairn Academy projects and North Ayrshire Council's Montgomerie Park Primary School project.**
- **We are currently considering local authorities Phase 3 bids, and we intend to announce the successful projects by June.**

### **BACKGROUND**

- The funding approach for the Learning Estate Investment Programme has been developed with local authorities, and agreed with COSLA, to deliver the best possible long-term value.
- The Scottish Government will support local authorities via an outcomes-based funding model which links funding to keeping the new facilities in good condition, and other key outcomes related to low carbon, digital connectivity and economic growth.
- The Learning Estate Investment Programme follows on from the successful £1.8 billion Scotland's Schools for the Future Programme, which delivered 117 new or refurbished learning facilities across Scotland. Through this programme, the Scottish Government provided significant financial support to the following local authorities:
  - Argyll and Bute - £44.6m towards 4 school projects
  - Comhairle nan Eilean Siar - £4.6m towards 2 school projects
  - Highland - £63.1m towards 5 school projects
  - North Ayrshire - £44.1m towards 2 school projects
  - Orkney - £1.4m towards 1 school project
  - Shetland - £37.2m towards 4 school projects
- We now have a record number of schools in "good" or "satisfactory" condition.
- 1,053 school building projects have been completed during the last 15 years (2007-08 to 2021-22).
- The proportion of schools in "good" or "satisfactory" condition has increased from 61% in April 2007 to 90.4% in April 2022.

- This means the number of pupils educated in schools in “poor” or “bad” condition has fallen from some 257,000 (37% of all pupils) in 2007 to around 58,000 (8% of all pupils) in 2022 – a reduction of 77%.

## **Q&A**

### **Q. When will the Scottish Government announce the successful Learning Estate Investment Programme Phase 3 projects?**

**A.** The Scottish Government are currently considering options for Phase 3 of the Learning Estate Investment Programme, and we will be in touch with local authorities as soon as we have more clarity regarding when the announcement will be made.

## **UNIVERSITIES AND COLLEGE**

### **TOP LINES**

- We currently face the most difficult public spending environment since devolution and as a government we have to make tough decisions about our priorities.
- New pressures on the portfolio since the 2023-24 budget announcement have resulted in the additional £46m uplift announced in the 23/24 budget being identified as a necessary saving. This resets funding for universities and colleges to the previously announced flat cash settlement in line with the Resource Spending Review.
- All parties agreed that this was a price worth paying to ensure teachers received a fair pay deal, and to mitigate disruption to Scotland’s schools with industrial action.
- Dedicated funding for a purpose such as enabling strategic change in the sectors will have to be reconsidered when Government’s financial position allows.
- SFC’s indicative funding allocations announced on 13 April 2023 enables colleges and universities to plan for the next Academic Year 2023/24.
- We continue to spend nearly £2 billion a year on Scotland’s universities and colleges through the SFC alone. This is over and above the c£300m income in Tuition Fees and Tuition Fee Loans that institutions receive from the Student Awards Agency for Scotland.
- I understand that a flat cash settlement will pose challenges for institutions and will therefore continue to work with the SFC and the sectors to achieve sustainability and flexible delivery.
- We remain committed to the long-term success of universities and colleges, despite the challenging spending environment. We have increased the research and innovation funding for universities as well as college estate funding in AY 2023-24.
- Universities and colleges also have a significant role to play in addressing these pressures by prioritising their resources and flexibly delivering provision to learners.

## BACKGROUND

- The 2023-24 Budget allocated nearly £2 billion to Scotland's universities and colleges. This demonstrates our continuing commitment to tertiary education.
- The Scottish Funding Council has been working closely with the college and university sectors to identify the best split of the available resources, taking into account Government priorities and each sector's needs.
- Scottish Funding Council (SFC) has been asked to find around £100m of resource savings in FY 2023-24.
- It was agreed that a portion of the savings would come from the 'Transition Fund' (£26m for colleges and £20m for universities) included in the 2023-24 budget as an uplift.
- The Cabinet Secretary for Education and Skills wrote to the Scottish Funding Council on 2 May to advise that new pressures on the Education and Skills portfolio since the 2023-24 budget announcement have resulted in the additional £46m uplift being identified as a necessary saving.
- This £46m cut in funding has taken both the college and university sector back to the funding levels announced in the Resource Spending Review in May 2022.
- The additional funding was to support strategic change, it was not meant to be more money for each sector's core teaching grants. The sectors were aware of this as SFC may have held initial discussions with them before publishing indicative allocations:
  - Some areas SFC was considering included:
    - supporting institutional transformation planning
    - helping institutions collaborate to deliver their provision
    - a national college estates assessment, and
    - developing a student records system
- Resource funding of over £1,265m in teaching (the same level of funding as last year) has now been allocated, which will provide places for Scottish-domiciled students to study at college or university and will support part-time and full-time courses, including a broad range of provision across all professional technical and academic levels, and apprenticeships.
- SFC has introduced a number of new flexibilities for colleges, including:
  - changes to guidance which will enable colleges to deliver the optimal balance of full-time and part-time provision.
  - Lower minimum activity thresholds (credit targets) have been set for funded allocations as a first step in working with colleges to move towards allocations that more closely reflect anticipated student activity.
- In addition, to recognise semi-fixed costs, a proportion of SFC's funding will not be directly related to the delivery of teaching activity and will therefore not be at risk of recovery (claw back) where minimum thresholds are not met, which was previously the case.
- Taken together these changes signal a more dynamic approach to funding that enables colleges to deliver activity that is right for their region and mission, and responds positively to the asks from the sector for greater financial flexibility.
- College capital funding has increased by over 10% to £82.4m. This is an increase of £7.7m compared with 2022-23, but an increase of £8.8m compared with the Capital Spending Review. £41.5 million is for Dunfermline Learning Campus, in line with the Capital Spending Review.



## ANNEX S: NATIONAL PLANNING FRAMEWORK 4

- Adopted 13 February 2023.
- Forms part of the statutory development plan, along with the LDP applicable to the area, for planning decision making purposes.
- Adoption marks the culmination of an ambitious 3-year process of preparation.
- NPF4 is a crucial document to support the challenges we face in climate and nature and guide land use planning across Scotland.

### TOP LINES

- **National Planning Framework supports various commitments in Strategic Objectives 2 (Sustainable Economic Development), 3 (Transport) and 9 (Climate Change and Energy)**
- **NPF4 is now in force and informs the preparation of local development plans by planning authorities across Scotland.**
- **NPF4 forms part of the development plan for day-to-day decision making by planning authorities.**
- **NPF4 sets out our strategy for working towards a net zero Scotland by 2045.**
- **NPF4 reflects the aims and priorities of the National Islands Plan.**
- **NPF4 identifies a range of challenges and opportunities for islands, supporting a just transition to net zero and creating flourishing communities.**
- **NPF4 is clear that local development plans will be informed by population change, set out tailored approaches to rural housing, and recognising differing needs in remote rural areas.**
- **NPF4 Rural homes policy sets out the circumstances in which new homes in rural areas will be supported and encourages tailored approaches that reflect the reality of living and building in rural Scotland.**

### BACKGROUND

- NPF is a requirement of the Town and Country Planning (Scotland) Act 1997.
- For the first time, NPF4 merges a national spatial plan with national planning policy.
- NPF4 forms part of the statutory development plan and so has an enhanced position and influence on planning decisions across Scotland.
- The adoption of NPF4 signals a shift from policy making to policy implementation and delivery, which is Scottish Ministers' priority for NPF4 moving forward.
- The National Islands Plan Annual Report contains a reference to the NPF4 Revised Draft in its comments about climate change. Those comments apply equally to the adopted NPF4 as the strategy and policies were unchanged following scrutiny of the Revised Draft by the Scottish Parliament.
- The 'development plan' will be informed by non-statutory plans at other scales: Regional Spatial Strategies (RSS) that address strategic development across local authority boundaries; and Local Place Plans (LPPs), community-led plans that focus on places within local authorities' areas.
- Development Planning Regulations laid 24 March 2023, are due to come into force 19 May 2023 subject to Parliamentary scrutiny.

- Final guidance will be published to support the regulations coming into force – we have committed to doing so in Spring 2023 (end of May).

## **Q&A**

### **Q. How is NPF4 policy on rural homes being implemented in the islands?**

**A.** We want our rural and island places to be vibrant and sustainable, and NPF4 encourages development of more high quality, affordable and sustainable rural homes in the right locations that support, sustain and grow these communities.

In rural and island areas, authorities are encouraged to set out tailored approaches to housing which reflect locally specific market circumstances and delivery approaches. Work is ongoing with the preparation of the Rural and Island Housing Action Plan.

We are finalising guidance on the preparation of LDPs that will provide more information for stakeholders on rural housing.

### **Q. When will the accompanying Local Development Plan Regulations and Guidance be provided?**

**A.** Local Development Planning regulations were laid in the Scottish Parliament on 24 March 2023, and are due to come into force on 19 May 2023 subject to parliamentary processes.

We will publish guidance to support the regulations coming into force.

The guidance will assist in the preparation of local development plans, by outlining the legislative processes and offering advice on how LDPs and support implementation of the policies in NPF4, such as on housing, local living and sustainable transport.

### **Q. When will new style Local Development Plans be adopted?**

**A.** We envisage that each planning authority will have a new style LDP in place within 5 years of the Regulations coming into force (2028).

Plans should be developed collaboratively with stakeholders from within and outwith local authorities. They should be based on robust evidence so that they are deliverable, and to support this approach the Evidence Report and Gate Check are new stages in the process.

We expect plans to be progressed at different speeds – relative to the age of their existing plan, the extent of issues to be addressed and capacity of teams.

Planning authorities should set out in their Development Plan Scheme their programme for preparing their LDP, with timetabling information for different stages in plan preparation.

LDPs should take into account the NPF, and any relevant local outcomes improvement plans (LOIPs) and local place plans (LPPs) for the area covered by the plan. They must also have regard to regional spatial strategies and other prescribed considerations.

**Q. How does transport / local living differ for Islands?**

**A.** The Islands of Scotland, along with remote rural areas have a distinct geography and transport needs that differ more accessible rural areas, towns and cities. There needs to be flexibility in how the concept of local living is applied in island, rural and remote areas.

- The planning system plays a role in transport infrastructure investment which supports connectivity and reflects place based approaches and local living.
- Developments should be in locations which support more, better and safer sustainable travel.
- Scotland's diverse urban and rural geographies require flexibility of approach in relation to how movement supports access to daily needs. Local input is of particular importance in rural locations.
- The concept of 'local living' can be applied in rural or remote areas to support improved climate resilience, better housing opportunities, modal shifts in transport, diversity in high streets, digital infrastructure to support home working, and community wealth building.
- We will publish a consultative draft of Local Living and 20 Minute Neighbourhood as planning guidance in spring 2023. The guidance will include ways to support the ability to live well locally.
- NPF4 Glossary under the 'sustainable transport' section is clear that in some locations, particularly in rural areas, where the top three modes have been judged as unfeasible for day to day travel, low emissions vehicles and shared transport options will play an important role.

**Q. When will an update on NPF4 delivery be provided?**

**A.** The implementation and monitoring of NPF4 is now the priority, which will be driven forward through the Delivery Programme, to be updated 6 months after NPF4 adoption.

The NPF4 Delivery Programme will be updated throughout the lifespan of NPF.

**Q. Why is there reference to the revised Draft NPF4 in relation to climate change.**

**A.** The points made in the annual report apply equally to the adopted NPF4.

- Climate and nature are at the forefront of the planning system, whilst also tackling longstanding challenges and inequalities.
- Policy 1 is clear that local development plans must address the global climate emergency and nature crisis, and that when considering all development proposals significant weight will be given to the global climate and nature crises.
- Regional Spatial Priorities are highlighted for the 'North and West Coast and Islands' including to work with assets and natural resources to build a more resilient future for communities; grow the blue and green economy; maximise the

benefits of renewable energy; and support coastal and island communities to become carbon neutral.

## ANNEX T: ISLAND COMMUNITIES IMPACT ASSESSMENT

- The duty to carry out Island Communities Impact Assessments (ICIAs) became a legal requirement for relevant authorities from 23 December 2020 and requires Scottish Government to take island issues into account when developing or reviewing policies, strategies or services.

### TOP LINES

- As part of the Islands (Scotland) Act 2018, The Island Communities Impact Assessments (Publication and Review of Decisions) (Scotland) Regulations 2020 were laid on 3 November and came into force on 23 December.
- Consultation on the ICIA Guidance and Toolkit from 12 October – 9 November 2020. The Guidance was published on 23 December.
- Where it is considered that there is no significant difference for Island Communities, that decision must be published.
- The islands team currently supports colleagues from across the Scottish Government as well as relevant authorities in completing ICIAs. This includes offering island specific knowledge and links to key stakeholders.
- All Scottish Government Island Communities Impact Assessments are published on the Scottish Government website while relevant authorities publish on their own websites.
- To complement the existing guidance, a shortened leaflet and video have been created to introduce beginners to the process of completing an ICIA.
- Links to these resources can be found in the ICIA section: [Empowering our island communities - Community empowerment - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/empowering-our-island-communities-community-empowerment/pages/2.aspx) and an update has been provided to relevant authorities making them aware of the publication.
- Throughout 2022 the Islands Team engaged with over 125 Scottish Government colleagues to support them in completing the ICIA process. We also engaged with relevant authorities 26 times, including the majority of local authority partners.
- The Islands Team are continuing to engage with relevant authorities and there is an open offer for support as it is required.

### BACKGROUND

- An ICIA must be carried out in relation to a policy, strategy or service which is likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities).
- There are 71 relevant authorities, including island Local Authorities and Scottish Ministers that are required to complete ICIAs.
- The duty to carry out Island Communities Impact Assessments has now been in place for over two years, coming into force on 23 December 2020.
- Consultation on the ICIA Guidance and Toolkit took place from 12 October – 9 November 2020. The Guidance was published on 23 December 2020.

**Q&A:**

**Q. How many ICIAs have been completed by the Scottish Government?**

**A.** Any ICIA completed by the Scottish Government will be published and can be found online. We engage regularly across government to support with the process but do not keep an exhaustive list of those completed. However, if there is a specific policy, strategy or service that the member is referring to, my officials would be happy to seek further information.

**Q. Who are the relevant authorities?**

**A.** There are 71 relevant authorities (including Scottish Ministers), a list can be found in the schedule of the Islands (Scotland) Act 2018 [here](#).

**Q. How many ICIAs have been completed by relevant authorities?**

**A.** As with the Scottish Government, all relevant authorities must publish their assessments and they can usually be found on their websites.

**Q. What are the reporting requirements?**

**A.** Relevant Authorities must publish information about the steps they have taken to comply with Section 7 (to have regards for island communities and complete ICIAs) within the reporting period (up to one year, so essentially annually but could be more frequent if they wish).

This report should detail:

1. How you have had regard to island communities in carrying out their functions.
2. Listing ICIAs completed and / or any other actions taken as the authority considers appropriate.
3. Where this information will be published.

There is an annual reporting return template included in the [ICIA Guidance](#). We recently commissioned a request for relevant authorities to share this information with us directly. That request was in addition to normal reporting and will support us in completing our first report on the operation of the Islands (Scotland) Act 2018.

**Q. What are reporting requirements for the Scottish Ministers?**

**A.** Scottish Ministers must report on the National Islands Plan and also how they have complied with their duties under sections 7 and 13. There is an ICIA section in the [National Islands Plan National Report](#)

## **ANNEX U: ISLANDS GROWTH DEAL (ORKNEY, SHETLAND, OUTER HEBRIDES)**

- The Islands Growth Deal is one of 12 City and Region Deals and one of ten Deals in delivery, with two more being at Heads of Terms. The Scottish Government has committed over £1.9 billion to the Deals programme and associated investments across Scotland over the next 10 to 15 years.

### **TOP LINES**

- **The Scottish Government's £50 million investment in the Islands Growth Deal over 10 years will drive sustainable and inclusive economic growth across Orkney, Shetland and the Outer Hebrides.**
- **The Deal is about investing in local people, projects and priorities in partnership with the island authorities and the UK Government to spread the benefits of inclusive economic growth across the three island groups, increasing opportunities for all.**
- **The Deal is an exemplar of effective partnership and co-operation and will build on the islands' existing strengths, help to address economic and demographic challenges, and support the islands in their net zero ambitions.**
- **Infrastructure development will not only boost the islands' growing renewables sector, but also its academic, space, tourism, food & drink and cultural offerings.**

### **BACKGROUND**

- The Full Deal Agreement was signed on 20 January 2023, confirming the projects and governance mechanisms for the Deal.
- The Deal will benefit from £50 million investment from each of the Scottish and UK Governments, and partners expect the Deal to attract further investment of up to £293 million.
- Each of the projects will now finalise their project development, and following approval of their Full Business Cases, begin construction, draw down funding, and then start to deliver the benefits anticipated in the Full Deal documentation.
- One project is in delivery to date: the Islands Centre for Net Zero, which was approved in March 2023.

### **OBJECTIVES**

- Regional partners anticipate that the Deal is likely to create up to 1,300 sustainable jobs aimed at retaining and attracting young talent.
- The Deal's three main themes are: leading the way to a low carbon future; supporting growth and future industries; building thriving sustainable communities.
- The significant investment by the Scottish Government in 13 of those projects and programmes within each of the three themes will be delivered as follows:
  - Low Carbon: £16 million to support three projects, which will contribute to net-zero commitments by supporting energy transition, delivering port infrastructure for decommissioning, and piloting decarbonisation in an island context.

- Growth and Future Industries: £15.5 million to support six projects, through development of significant Island tourism and cultural assets, and innovation in key Space, Food and Drink and Creative Industries sectors.
- Thriving Sustainable Communities: £18.5 million to support four projects, through expansion of existing learning facilities, sustainable housing provision, and investment in a skills programme targeting key sectors including decarbonisation and renewable energy.

## PROJECTS / PROGRAMMES

- The 16 projects and programmes include three joint-island innovation-focused projects/programmes in the areas of low carbon technologies, creative industries and wellbeing, and skills and talent attraction. These three projects will undertake activity in all three island groups and deliver benefits across all communities.
- Further details of each project and programme are set out below:

Themes and Projects / Programmes	Deal Investment £m (SG/UK)	Partner funding £m	Project Description
<b>Theme 1: Leading the way to a low carbon future</b>			
Islands Centre for Net Zero (Orkney led and now in delivery) *	16.5 (0.5/16)	0	Will pilot innovation in island transitions to net zero through research and development and in collaboration with businesses and communities.
Scapa Flow Future Fuels Hub (Orkney)	6.5 (6.5/0)	42.8	Position Scapa Flow as a world-class green energy centre of excellence for marine refuelling.
Outer Hebrides Energy Hub	11 (0/11)	124.5	Establish a modular hydrogen production facility utilising energy from nearby offshore wind.
Ultra-Deep Water Port Dales Voe (Shetland)	9 (9/0)	24	Create the UK's first ultra-deep water port to service the offshore renewables and oil & gas decommissioning sectors
<b>Theme 2: Supporting Growth and Future Industries</b>			
Creative Islands Wellbeing (OH led) *	5.6 (3/2.6)	4.5	Deliver a network of creative hubs for creative practitioners to increase economic sustainability.
Outer Hebrides Destination Development	8 (4/4)	30.7	Support a suite of cultural heritage projects, including a focus on St Kilda, the Callanish stones and the lolaire.
Orkney World Heritage Gateway	6.5 (5.5/1)	5.4	Create a new visitor experience at Orkney's Heart of Neolithic Orkney World Heritage Site.
Orkney Community Vertical Farm	2 (0.5/1.5)	1.7	Establish Orkney as a leader in the design of vertical farming within an island and rural context.
Shell-Volution (Shetland)	4.4 (0/4.4)	2.2	Enable future growth in the low-carbon and sustainable aquaculture sector with a focus on research.



## OFFICIAL SENSITIVE – MINISTERIAL ENGAGEMENTS

Outer Hebrides Food and Drink Programme	1.5 (1.5/0)	2.5	Support multiple investments to improve the capacity and value add of key local food industries.
Spaceport 1 (Outer Hebrides)	1 (1/0)	2.3	Establish the UK's primary suborbital launch site, through a commercial vertical launch service.
<b>Theme 3: Thriving Sustainable Communities</b>			
TalEntEd Islands programme (Shetland led) *	5.9 (4.4/1.5)	0.65	Improve the education and skills across the deal programme particularly in net zero and renewables sectors
Orkney Research & Innovation Campus	8 (0/8)	5.7	Provide facilities for low carbon, marine engineering and associated technology businesses.
Shetland Campus Redevelopment	3 (3/0)	0	Create modern learning and training facilities with a focus on meeting the needs of the space sector.
Outer Hebrides Campus Redevelopment	1.5 (1.5/0)	0.5	Upgrade existing facilities to enhance training opportunities and attract more people to remain/relocate to study.
Knab Redevelopment (Shetland)	9.6 (9.6/0)	45.3	Deliver new homes, student accommodation, a creative hub and high-quality public realm.
<b>Total</b>	<b>100 (50/50)</b>	<b>292.75</b>	

\* Joint-island projects/programmes

### **Q&A:**

#### **Q. How is the City and Region Deals programme supporting the economies of Scotland's islands?**

**A.** The Scottish Government is contributing £50 million to the Islands Growth Deal over 10 years to drive sustainable and inclusive economic growth across Orkney, Shetland and the Outer Hebrides. The Deal is about investing in local people, local projects and local priorities in partnership with the island authorities and the UK Government who are also contributing £50 million, while regional partners will invest up to £293 million. The Islands Growth Deal will spread the benefits of inclusive economic growth across the three island groups, increasing opportunities for all.

The Scottish Government is also contributing £25 million to the Argyll and Bute Growth Deal, £135 to the Inverness and Highland City Region Deal and £103 million to the Ayrshire Growth Deal, which all include projects helping to drive sustainable and inclusive growth across Scotland's islands.

#### **Q. What economic impacts will the Islands Deal deliver?**

**A.** The Deal aims to harness the islands' unique assets to create world class, innovative and globally focussed industries to help address the islands' severe demographic challenges and strengthen the islands' distinct and important contribution to Scotland's economic vitality and international reputation by:

- Creating up to 1,300 sustainable jobs across the three island groups.

- Supporting the islands to be among the first places in the UK to achieve net zero.
- Creating new and internationally significant port infrastructure that will play an important role in supporting Scotland and the UK to achieve net zero targets.
- Strengthening innovation in low carbon technologies, wellbeing research and sustainable food production in partnership with the academic sector.
- Showcasing the islands' outstanding natural environment, heritage, culture and creativity to the world.
- Creating the foundation for an innovation-focused recovery from the COVID-19 pandemic and support inclusive growth across all the Island communities.

**Q. How does the Deal link with SG policies, such as Inclusive Growth?**

**A.** All Deals aim to embed equalities and sustainability into their activities. Every Deal in delivery is required to develop and monitor a benefits realisation plan, measuring both individual project and overall Deal contributions towards inclusive growth.

The Deals have a pivotal contribution to make to Scotland's future economic prosperity and social wellbeing, and the regional nature of the Deals contributes to the central aim of regional economic empowerment in the National Strategy for Economic Transformation.

In addition, we will continue to work closely with our regional partners and economic and skills agencies, to ensure that the strategic principles outlined in our Inclusive Economic Growth, the Wellbeing Economy, Regional Economic Partnerships and the Place Principle policies are informing joined up actions at the local, regional, and national levels.

**Q. The Deal investment is considerably less than the islands' original ask. Why was the investment from government not greater?**

**A.** The funding we committed to the Deal is fully in line with our commitments to Growth Deals in other areas and is, in fact, more generous in terms of spend per head of population, reflecting the unique nature of the Deal and the Islands context. In shaping the Deal package we have taken account of the projects proposed, working with partners to identify those with potential for greatest impact.

**Q. Is the investment split equitably and fairly between the islands?**

**A.** Yes. After discussion with the three island authorities it was agreed that the investment split will result in a total of £33.3 million of SG and UK government funds being invested in Orkney and Shetland, and £33.4 million to Comhairle nan Eilean Siar. The islands partners have confirmed that this is their preferred approach.

**Q. Given current inflation and the fact that the Deal will be delivered over a 10 year period, isn't it possible that additional funding from SG will be required to allow projects to be delivered? Will you provide that funding if it's required?**

**A.** We are committing £50 million to the Growth Deal overall – a significant level of additional investment in our Islands economies. Regional partners designed the

programme and have confirmed they are confident they can leverage the match funding needed to deliver on all aspects of the Deal, given the strength and value of the projects and programmes. We will do all we can to support them with leveraging in that match funding.

**Q. Is the partnership working effectively across the Islands Deal?**

**A.** Very much so. This Deal is an exemplar of close co-operation and partnership working which will maximise the economic potential across the islands.

**Q. Now that Full Deal has been signed, is government involvement complete?**

**A.** No, my officials will continue to work with their counterparts in UK Government and the three island authorities to finalise the design of the 16 projects and programmes, and then to see them implemented. The Deal is a full partnership and we remain committed to seeing the Deal delivering for the people of Orkney, Shetland and the Outer Hebrides.

**Q. How does the Islands Deal align with the Climate Change Emergency?**

**A.** A key aim of the Deal is for the islands to be among the first places in the UK to achieve net zero. The Deal includes the pan-island Islands Centre of Net Zero (ICNZ), which will pilot decarbonisation in an island context, and projects focused on the energy transition and infrastructure for oil and gas decommissioning. In fact good progress has already been made with ICNZ as this project has entered its delivery stage and the first Deal funding was drawn down in Financial Year 2022/23.

**Q. The Deal has a specific low carbon theme, but are there any specific low carbon projects?**

**A.** Yes. There are four low carbon themed projects: the Orkney led pan-island Islands Centre for Net Zero; Scapa Flow Future Fuels Hub; Dales Voe Ultra Deep Water Port; and the Outer Hebrides Future Fuels Hub. Additionally but not exclusively, the Orkney Research and Innovation Campus project (ORIC2) will provide physical space to facilitate further low-carbon initiatives and collaboration, while the Orkney Vertical Farm will pilot the use of renewable technology in vertical farming.

**Q. Having low carbon projects is commendable but how do you ensure that workers have the necessary skills to make that transition?**

**A.** The Talented Islands skills and training programme will create opportunities for education, skills, entrepreneurship and commercialisation particularly around sustainable green jobs, helping develop talent for key industries and providing attractive options for people to stay in or move to the islands.

## **ANNEX V: OTHER REGIONAL GROWTH DEALS**

### **TOP LINES**

#### **City Region and Regional Growth Deals**

- The Scottish Government is working with regional partners to deliver City Region and Regional Growth Deals across the whole of Scotland.
- We have committed £1.9 billion to the programme, which will help drive sustainable, inclusive growth over the long term. The Deals will deliver significant and lasting economic benefits for individuals, businesses and communities across Scotland, creating thousands of jobs and up-skilling local labour markets.
- Ten deals are in delivery: Glasgow City Region, Aberdeen City Region, Inverness and Highland, Edinburgh and South East Scotland, Stirling & Clackmannanshire, Ayrshire, Tay Cities, Borderlands, Moray and Islands (Outer Hebrides, Orkney and Shetland). Heads of Terms for Argyll and Bute and Falkirk have also been agreed, and we are working towards concluding full Deals for these areas.
- Four deals include islands in their geographic scope: Argyll and Bute, Ayrshire, Inverness and Highland and the Islands (Outer Hebrides, Orkney and Shetland).

#### **Argyll and Bute Growth Deal**

- The £70 million Argyll and Bute Growth Deal is one of 12 City and Region Deals and one of two currently at Heads of Terms, with Full Deal expected to be reached late in 2023.
- The Scottish Government has committed to investing up to £25 million in the Argyll and Bute Growth Deal over 10 years.
- The Deal consists of projects and programmes spanning sustainable tourism, digital, business innovation, housing, skills, aquaculture, low carbon and regeneration.
- The Creating a Low Carbon Economy project will complement work undertaken to support the development of a local energy plan for Islay and lead to the implementation of a low carbon local energy network.
- The Rural Skills Accelerator programme will include a mobile STEM Academy which will serve island and remote communities in Argyll and Bute.

#### **Ayrshire Growth Deal**

- The £250.5 million Ayrshire Growth Deal has been in delivery since November 2020. The Deal will be delivered over 10 years and will see transformational investment in projects across Ayrshire to support long-term inclusive growth.
- The Marine Tourism project, included within the Deal, is a development and place project that will see essential infrastructure supporting marine tourism built at three sites – Ardrossan, Arran, and Great Cumbrae.
- The £9.5 million project is funded entirely by Scottish Government investment and is scheduled to move into the delivery phase in late 2023.

#### **Inverness and Highland Growth Deal**

- The Scottish Government is a full partner in the Inverness & Highland City Region Deal, contributing £135 million over 10 years.

- The Deal aims to drive inclusive economic growth across the region through investment in housing, skills, innovation and entrepreneurship, tourism, transport and digital.
- The Scottish Government have invested £3 million in the Science Skills Academy project which has established 5 STEM focussed Newton Rooms aimed at primary and secondary school children across the Highland Council area. This includes a pop-up Newton Room serving the West Coast which spent several months in late 2021 and early 2023 on the Isle of Skye.
- The £1.6 million City Centre Wifi project had provided free open public Wi-Fi system in 17 towns across the Highlands including Portree.
- The £16 million Northern Innovation Hub is a coherent grouping of 12 online projects designed to benefit small and emerging businesses in the Highland Council area including its islands. The project aims to increase competitiveness, boost productivity and result in higher skilled and better paid jobs as well as encourage young people to remain within the region.

**Q&A:**

**Q. How do we assess deal programme projects?**

**A.** Each deal is unique and that is why we have no one set approach to assessing deal proposals. We deal with each Deal on its own merits. Each set of regional partners and each regional geography has access to different economic assets and resources. We recognise each region is unique and assess each set of proposals on their own merit and the potential impact they could have for the individual region.

**Q. How are decisions made to nominate particular proposals?**

**A.** SG is open to discussions around any proposals submitted for consideration. It is up to programme partners to identify their priorities; based on their potential to bring clear and measurable significant long-term contribution to both prosperity and fairness.

Partners working towards Full Deal are expected to develop and submit Outline Business Cases and SG officials offer feedback to help further refine proposals.

**Q. Why is the Inverness and Highland growth deal so Inverness focused and should there be a separate growth deal for the Highlands?**

**A.** The Highland Council developed proposals for the existing Deal and this includes several projects that are or will be delivering across the Highlands including its islands. These include the Science Skills Academy project with five Newton Rooms including a pop-up Newton Room serving the west coast, the Affordable Housing project, Free City Centre Wifi at 17 locations including Portree, the Digital Connectivity project, and Northern Innovation Hub project offering 12 online projects benefitting small and emerging businesses.

The Inverness Castle redevelopment will also encourage increased tourism to the Highlands and Islands, and surplus from the castle's operational revenue generation

will be reinvested in leisure, culture and sustainable tourism services and facilities across the region.

**Q. Why is the funding settlement for the Argyll and Bute Growth Deal low when compared to other growth deals?**

**A.** The Scottish Government have committed to invest £25 million in the Argyll and Bute Growth Deal which equates to £293 per head of population which is in line with the average for the City Deals programme which is £295 per head of population.

## ANNEX W: YOUNG ISLANDERS NETWORK

- The National Islands Plan (NIP) committed SG to: “Create a Young Islanders Network constituted by young people from all Scottish islands that will have a consultative role in the implementation of the National Islands Plan to ensure that the delivery of the Plan fully considers the interests and priorities of young people”.
- The YIN is not intended to supersede or replace existing organisations or networks already operating in our island communities. Its role will be to help build on these and facilitate engagement and collaboration across the islands.

### TOP LINES

- **The Young Islanders Network enables children and young people to make meaningful contributions to the delivery of the National Islands Plan and to their current and future life on islands.**
- **The membership are empowered to set their own agenda based on how they want to address the local and national priorities that matter to them the most.**
- **Young Islanders shared their desire to contribute directly to the governance of the NIP, to support grassroots youth representation and deliver tangible, positive outcomes for their communities.**
- **We listened, and at the YIN launch, I formally invited YIN representation onto the National Islands Plan Delivery Group.**
- **This will ensure that through the Network, the voices of young people are heard and genuinely shape the delivery of the Plan.**
- **Since its launch, the YIN had had an avalanche of demand from agencies and organisations wishing to engage with the Network. YIN delivery partner, Youth Scotland have committed to ‘protect’ the membership from being overwhelmed and becoming a ‘tick box exercise’ for consultation exercises.**
- **To overcome this, the YIN identified Transport and Housing as their initial focus priorities for action, alongside our Carbon Neutral Islands Project.**

### BACKGROUND

- The nucleus of the Network emerged through contributions to the 2019 [NIP Consultation](#), which took place online and through 41 on-island engagements, this resulted in a commitment to deliver the YIN, as published in the 2019 NIP.
- The 2020/21 Programme for Government committed to establishing a YIN for young people from all Scottish islands to ensure their interests and priorities are reflected in our work to deliver the NIP.
- The YIN engages young people from primary school age through secondary school and into young adulthood. This is achieved using existing groups and networks e.g. community-based youth groups, youth forums, the Rural Youth Network, and education settings.
- To support this approach, stakeholders include:
  - Primary school pupils;
  - Secondary school pupils;
  - Youth groups;
  - Further Education and Skills training students;

- Higher Education students (on islands);
- Higher Education students (on the mainland with island connections);
- Young people in work; and
- Jobseekers.

### **Key Engagements to Date**

- Meeting PM at Downing Street on the weekend of the King's Coronation.
- Breakfast Q&A with DFM John Swinney in Stornoway
- Official Launch event in Orkney with Cab Sec Ms Gougeon
- Online Q&A with Angus Campbell, Chair of the Ferries Communities board
- Young person representative present at the NIP delivery group meeting
- Keynote speech delivered by YIN champions at Youth Scotland Big Ideas Weekend 2022 amongst 200 delegates from the youth work sector in Scotland.
- Launch of the YIN.SCOT website
- Residential weekends in Harris, Stirling and Oban have taken place.
- Two YIN champions have been invited to be part of the Islands Programme Investment Panel.
- YIN Transport and Housing challenges launched and in progress.

### **Key stats and figures (incl. investment to date)**

- Total number of Young Islanders directly engaged with the project April 2022 - March 2023: 805
- 26 islands based youth clubs supported through the network.
- 184 Young islanders challenge Hi5 awards, 18 Gaelic hi5 awards and 10 Dynamic youth awards completed.
- Wider reach Approx. 1285 (inclusive of figure above) plus community-based promotion and school engagements which are not recorded across islands.
- Islands with active champions and engagement: Lewis, Harris, Uist, Barra, Eriskay, Vatersay, Skye, Arran, Islay, Tiree, Coll, Mull, Gometra, Iona, Raasay, Hoy, Mainland Orkney, Shapinsay, Stronsay, South Ronaldsay, Eday, Westray, Sanday, Mainland Shetland & Yell
- Number of workers involved from Island orgs : 39 + School staff/ third sector and community-based workers who are not recorded.



## **ANNEX X: CROFTING**

- Crofting delivers real benefits – sustaining agricultural activity; supporting the rural economy; enhancing wildlife and the natural environment; and retaining young people in our remote, rural and island communities.
- The 2021 SNP Manifesto contained a commitment to reform the law and develop crofting to create more active crofts.

### **TOP LINES**

- **Officials, and the Crofting Commission, are addressing the actions contained within the National Development Plan for Crofting, which was published in March 2021.**
- **In 2022/23 the Scottish Government increased the Crofting Commission’s annual budget, which allowed the Commission to expand its residency and land use enforcement work, enabling it to increase its focus on addressing absenteeism and bringing crofts back into productive use, thus creating opportunities for new entrants.**
- **The increase in budget also enabled the Commission to expand its islands-based Development Team. The Development officers are exploring methods to encourage a culture of succession and turnover of crofts, including delivery of a croft availability network, which will also create opportunities for new entrants.**
- **From 2015 to 2023, over £23.7m in Crofting Agricultural Grant Scheme funding has been committed, helping over 3,900 crofters with their croft businesses.**
- **The Scottish Government has a track record of investing to improve croft housing. Since January 2007, the Scottish Government has approved Croft House Grant payments of over £24.2 million helping to build and improve over 1,100 croft homes.**
- **The Commission has reported that there are on average 500 new entrants to crofting each year. From April 2020 to October 2022, there were over 1,000 new entrants, over 40% of whom were female, over 25% were age 40 or under, and over 41% of whom were Islands crofters.**

### **BACKGROUND**

- There are around 21,394 crofts in Scotland - 15,203 tenanted crofts and 6,191 owned.
- Over 33,000 people live in crofting households - approximately 10% of the highlands and islands population.
- Crofting delivers real benefits – sustaining agricultural activity; supporting the rural economy; enhancing wildlife and the natural environment; and retaining young people in our remote, rural and island communities.
- Crofting plays a vital role in maintaining the population in rural and island areas.
- Agricultural production and investment costs are traditionally high in the island and remote rural crofting areas.

## **Q&A**

### **Q. Crofting is vital to many of our island communities. How have you met your commitments to crofters within the National Islands Plan?**

**A.** The Scottish Government is firmly committed to the future of crofting, and recognises the vital role that crofting plays in population retention in our rural and island communities. Each year the Scottish Government approves and provides croft businesses with over £40m. In 2022/23, we increased the budget of the Crofting Commission, which has enabled it to expand its staff resource including its islands-based Development Team. Since 2020, the Commission has employed over 12 individuals from across the crofting counties, six of whom are based on our islands, and remains committed to employing individuals from within the communities it serves.

The Scottish Government published its National Development Plan for Crofting in March 2021. Officials, and the Crofting Commission, are currently addressing the actions contained within the Plan.

We also remain committed to working with the Commission to create opportunities for new entrants. The Commission has reported that there are on average 500 new entrants to crofting each year, many of whom are from the islands, from April 2020 to October 2022, 41% of new entrants were island crofters.

We continue to provide support to all crofters, including island crofters, through such schemes as the Crofting Agricultural Grant Scheme and Cattle Improvement Scheme. We also have the very successful Croft House Grant, which continues to support island crofters and provide assistance towards the building of a new croft house or improving an existing croft house. All island areas receive the higher grant rate of £38k. Since March 2021, we have awarded over £2m in grant funding to help build and improve 69 croft homes, 50 of which were in the islands.

## ANNEX Y: ISLANDS DATA

One of the key barriers to the successful implementation of the National Islands Plan is a lack of island data to allow to measurable outcomes to analyse progress towards the Strategic Objectives.

### TOP LINES

- The National Islands Plan consultation highlighted the lack of robust disaggregated socio-economic data available in relation to our islands.
- The accumulation of better data is key to understanding the specific challenges facing island communities, which in turn will ensure that evidence based decisions and policy are made.
- To achieve the objectives set out in the National Islands Plan, we needed to improve the availability of data held about Scotland's islands. Over the last 3 years, work has been undertaken to progress this including five key projects to provide islands-level data in order to measure the progress against each Strategic Objective in the Plan.
  - Islands Data Dashboard (RESAS)
  - The National Islands Plan Survey (James Hutton Institute)
  - Islands geography data zones (RESAS)
  - Island region population dashboard (National Records of Scotland)
  - Existing data indicators framework (EKOS)

### BACKGROUND

#### Islands Data Dashboard

- In 2020 an interactive dashboard was created using existing data.
- The dashboard presents the data categorised by the 12 strategic objectives.
- This workbook collated all data available at a data zone level.
- Data zones were mapped against islands using a lookup. Some data is not available at a datazone level, so has been inputted at a local authority level instead. Where data was available, this has allowed to understand the demographics, geography etc. of individual islands at an island level.
- This Dashboard will be updated in the current financial year.

#### National Islands Plan Survey

- Development of this dashboard highlighted that not all data required for monitoring purposes was available at island level, and so a large-scale primary data collection took place.
- The National Islands Plan Survey gathered data with a view to collecting information about people's lives against which was used to measure the effectiveness of the Plan.
- In October 2020, 20,000 surveys were posted to adult residents of 76 permanently inhabited islands, with options to complete it on paper, online or by phone, and in English or Gaelic. A total of 4,347 people responded to the survey from 59 islands, giving a response rate of 22%.
- The [National Islands Plan Survey: Final Report](#) was published on 9 July 2021.
- Survey findings highlight that experiences of island life vary considerably by island group and by age groups.

- Respondents feel there is a lack of support for young people to remain, move or return to the islands.
- The data reveals that respondents feel there are a lack of employment, training and higher education opportunities and a lack of childcare options to fit with residents' working patterns.
- Respondents also feel there is a poor variety of housing types, sizes and tenures to meet people's needs and a lack of affordable housing.
- Respondents also have mixed experiences of accessing healthcare services and of speed and reliability of internet connections.
- Some feel there is inadequate infrastructure for the number of tourists their islands attract.
- The National Islands Plan Survey has significantly improved the availability of data held about Scotland's islands. It has provided baseline data against which to measure the effectiveness of the Plan.
- In addition to the survey report, an interactive data explorer (Scottish National Islands Plan Survey (2020): results explorer ([shinyapps.io](https://shinyapps.io)) ) was developed which allows exploration of the data by island region, age group, gender, household income, long term health condition/disability, and household type.
- We will shortly confirm our intentions and proposed timescales for the next iteration of the NIP Survey.

#### Islands Geography Data Zones

- In 2021/2022, further work was conducted on the islands geography to allow existing data to be used to as indicators to monitor each Strategic Objective.
- The key issue was that previously islands geography contained split data zones (those that contain postcodes in different Island regions and both an Island region and part of the Mainland).
- The challenge was to ensure that data zones uniquely mapped onto the islands regions geography developed by the James Hutton Institute which was used as a basis for the islands survey
- In 2022, a reproducible framework was produced that links the Island Subregion Framework to data zones. The new geography allows islands and mainland to be identified separately.
- This now allows island and mainland Scotland comparisons to be used. Most importantly, it allows available data sources to be available at the island level and so existing data can now be used more easily to monitor the each Strategic Objective.

#### Island Region Population Dashboard

- In 2022/2023 National Records for Scotland used the new islands geography to publish annual population data for Scottish Islands.
- The first Island Region Populations dashboard which be made public shortly.

#### Existing Data Indicators Framework

- Concurrently in 2022/2023, EKOS have been commissioned to deliver a list of existing data indicators which can be used to monitor each of the Strategic objectives.

- Using the existing data sources identified in this framework, in conjunction with the new islands geography look-up, will provide a further mechanism to monitor the National Islands Plan.

