

**OUTCOMES FROM THE CONVENTION OF THE HIGHLANDS AND ISLANDS – 20 FEBRUARY 2017 – SHETLAND-  
UPDATED OCTOBER 2017**

<b>ENTERPRISE &amp; SKILLS REVIEW</b>	<b>SG LEAD</b>	<b>UPDATE</b>
<p>Ministers reiterated that the future of HIE was not in question, with the Review focused on how to strengthen collaboration and enhance the support delivered through HIE and the other agencies to drive economic performance across the Highlands and Islands. Mr Brown reiterated the government's commitment to consider all the points members made. There was general agreement about the need for change and for the positive contribution that a new strategic board could bring. COHI members highlighted the importance of governance through retention of a HIE Board to reflect the distinct social and economic needs of the area and to maintain local decision making including representation from across the H&amp;I. CoHI will continue to be fully engaged in progressing Phase 2 of the Enterprise and Skills Review and members are welcome to engage directly with individual phase 2 projects.</p>	<p>Gillian Dolan</p>	<p><b>On 22 June 2017 the Phase 2 Report was published along with a suite of associated feeder reports for each of the projects. The Phase 2 Report confirmed that an Implementation Board would be established to progress the work of the Review until the Enterprise and Skills Strategic Board was created. The Implementation Board met on four occasions, taking forward key priorities and laying the groundwork for the Strategic Board.</b></p> <p><b>On 31 August, the First Minister announced that Nora Senior has now been appointed as Chair of the Strategic Board. Membership of the Strategic Board is currently being considered with the first meeting scheduled to take place in November 2017.</b></p>

ENERGY	SG LEAD	UPDATE
<p>That COHI notes the consultation on Scotland's Draft Energy Strategy and the publication of the draft Climate Change Plan, and agrees to continue to work in partnership with Scottish Government on shared energy priorities under the Strategy - in particular, fuel poverty and energy efficiency, community benefits from onshore and offshore renewables, island grid connections, pumped hydro storage and bio-energy, as well as oil and gas decommissioning, regulation, skills and innovation.</p> <p>COHI also notes the Scottish Government's intention to establish a new group to continue the work of the now lapsed UK Government's Marine Energy Programme Board - supporting the successful deployment of marine energy and associated supply chain benefits for Scotland.</p>	<p>Katherine White</p>          <p>Janine Kellett</p>	<p><b>The draft <u>Energy Strategy</u> was open for public consultation for 16 weeks, closing 30 May 2017. We received 254 responses from a broad range of stakeholders, stimulating ideas and debate about these critical issues. The results are now being analysed and, with input from the Scottish Energy Advisory Board, will be considered in the development of the final Strategy. We will publish the final <u>Energy Strategy</u> by the end of 2017. The Final Climate Change Plan will be published in early 2018.</b></p> <p><b>The First meeting of the Scottish Marine Energy Industry Working Group is due to take place on 29 November 2017. The group will meet quarterly and will be chaired by Mr Wheelhouse Minister for Business Innovation and Energy]. The purpose of the group will be to ensure Scotland maintains its competitive advantage as the leader in marine energy</b></p> <p><b>The groups aims are to:</b></p> <ul style="list-style-type: none"><li><b>• Provide a platform for technology and project developers, the supply chain, academia and the public sector in Scotland to work together on shared objectives for marine energy.</b></li></ul>

		<ul style="list-style-type: none"> <li>• <b>Agree no more than five industry priorities to secure the future growth of the sector in light of changes in UK Government energy policy, including the forthcoming industrial strategy, and EU exit.</b></li> <li>• <b>Provide advice to Scottish Government and its enterprise agencies on future opportunities for developing the sector in Scotland;</b></li> <li>• <b>Make recommendations on how the Scottish public sector can deliver a more effective pan-Scotland service to the marine energy industry;</b></li> <li>• <b>Represent the marine energy sector in Scotland at a UK and EU level.</b></li> </ul>
<p>The Deputy First Minister and Minister for Business, Innovation and Energy welcome the strong support from COHI members in response to the UK Government consultation on non-mainland onshore wind and will continue to press UK Government on accepting the strong economic and social case for a separate support mechanism for Island Wind, including when the Secretary of State next visits Scotland. UK Minister for Energy should be again invited to attend COHI in the Autumn and Scottish Government</p>	<p>Heather Stewart</p>	<p><b>The June 2017 Conservative Manifesto stated that the UK Government would support wind projects in the remote islands of Scotland, where they will directly benefit local communities.</b></p> <p><b>On 30 August, Richard Harrington; Parliamentary Under-Secretary of State for Industry &amp; Energy met with Mr Wheelhouse, industry and local politicians, where he confirmed the UKG intention to fulfil the May 2017 manifesto commitment. It is intended this will be completed through the Contracts for Difference (CfD) process, but will be subject to State Aid clearance.</b></p> <p><b>A consultation is anticipated for October or November and</b></p>

<p>will continue to seek reassurance over the Secretary of State’s commitment to co-chair, with Scottish Ministers, future meetings of the Scottish Islands Renewables Delivery Forum.</p>		<p><b>will consider the CfD mechanism as a whole, but will cover aspects of Remote Island Wind’s inclusion in this process including the delivery of benefits to the local communities.</b></p> <p><b>Scottish Government officials are working with BEIS to provide information and advice on the projects and benefits for the local community.</b></p>
<p><b>DIGITAL</b></p>	<p><b>SG LEAD</b></p>	<p><b>UPDATE</b></p>
<p>COHI members welcomed on-going work by HIE and plans to revise and update the Scottish Government's Digital Strategy and the acknowledged need for further progress at pace. COHI recognised successes to date, residual and emerging challenges and opportunities, and the potential benefits of adopting the “outside-in” model which more effectively focuses investment on the “hardest to reach” communities.</p> <p>Members also agreed three priorities for action were: building on current activity to increase business capability and confidence in using the connectivity which exists to unlock economic potential across the Highlands and Islands, including the specific skills required for infrastructure upgrades; inviting OFCOM and private sector providers to a future COHI meeting to</p>	<p>Gareth Wells</p>	<p><b>1. SG officials have contacted mobile providers ahead of a formal invite to attend a future CoHI session.</b></p> <p><b>2. It may not, however, be possible to invite BT to attend a CoHI session. SG will be entering procurement for the Reaching 100% Programme when CoHI next convenes. Inviting BT to attend could impact on SG’s drive to encourage competition and attract other providers.</b></p>

<p>reinforce the importance of dealing effectively with rural connectivity issues; and the status of communities with severe connectivity challenges was also recognised as a focus for ongoing COHI consideration.</p>		
<p><b>HOUSING</b></p>	<p><b>LEAD</b></p>	<p><b>UPDATE</b></p>
<p>Highland and Islands authorities, working in a collaborative and integrated way with utilities and all parties within the sector, to maximise the opportunities made available from the More Homes Scotland approach and deliver as much affordable housing as possible in the Highlands and Islands over the next 4 years. This includes highlighting where the Scottish Government can help to reduce blockages in the system and where housing can help foster community sustainability. Consideration was requested for roll out of loans for self-build properties and examination of subsidy levels for council house building compared to Registered Social Landlords.</p>	<p>Steven Paterson</p>	<p><b>In 2016 the SG committed to delivering 50,000 completed affordable homes by March 2021 supported by over £3 billion in funding. All local authority areas in the H&amp; I are benefiting from this increased opportunity with long term Resource Planning assumptions announced which give certainty for the remainder of the Parliament.</b></p> <p><b>A £10 M infrastructure loan fund has been secured by Highland Council through a City Regional Deal commitment. The remaining authorities have access to a wider Infrastructure Loan Fund as part of the More Homes Scotland approach and are working with local officials to prioritise constrained sites for submission to that fund.</b></p> <p><b>Communication with Scottish Water has improved to ensure the development programme is successful with effective planning in place and appropriate infrastructure in place for future development.</b></p> <p><b>An early review of the self-build loan fund pilot has determined that the fund should be expanded Scotland wide.</b></p>

		<p><b>The self build loan fund pilot is due to end in March 2018. A review of this scheme has already begun and findings and outcomes from that review will be shared in due course.'</b></p> <p><b>Around 30 submissions have been made to the £ 30 M Rural and Islands Housing Fund from Highland &amp; Island areas. Available to support community organisations, development trusts or private landowners, amongst others, feasibility funding is available to help communities assess their housing need and grant &amp; loan funding available towards a successful application. This widens the scope of rural communities to provide affordable housing directly.</b></p> <p><b>Further to the working of the subsidy review group in 2015, the affordable housing supply programme (AHSP) subsidy levels were increased in line with the recommendations of the group. There are no plans to review the subsidy levels again at this time. However these figures are benchmarks rather than fixed grant amounts and importantly this means there is flexibility to approve additional subsidy above these levels to enable higher cost council projects to proceed.</b></p>
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<b>TRANSPORT &amp; TECHNOLOGY</b>	<b>LEAD</b>	<b>UPDATE</b>
<p>COHI endorsed HIAL work on what air services in the Highlands and Islands should look like in the future, taking account of local, national, international and technological developments in wider transport and energy infrastructure. Proposals - which are affordable, deliverable, sustainable and demonstrably better for passengers - should be developed.</p>	<p>Gary Cox</p>	<p><b>HIAL are leading and are at the early stages of a longer term project. Initial paper on options for way forward to be produced in Spring 2018. Given some of the technological changes that will be made, this is probably a 5 – 10 year project.</b></p>