



OFFICIAL REPORT
AITHISG OIFIGEIL

DRAFT

Rural Economy and Connectivity Committee

Wednesday 25 October 2017

Session 5



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Wednesday 25 October 2017

CONTENTS

	Col.
ISLANDS (SCOTLAND) BILL: STAGE 1	1
SUBORDINATE LEGISLATION	39
M8/M73/M74 (30mph, 40mph and 50mph Speed Limit) Regulations 2017 (SSI 2017/286)	39
Railway Closures (Exclusion) Scotland) Order 2017 (SSI 2017/280)	39

RURAL ECONOMY AND CONNECTIVITY COMMITTEE
29th Meeting 2017, Session 5

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

*Gail Ross (Caithness, Sutherland and Ross) (SNP)

COMMITTEE MEMBERS

- *Peter Chapman (North East Scotland) (Con)
- *John Finnie (Highlands and Islands) (Green)
- *Rhoda Grant (Highlands and Islands) (Lab)
- *Jamie Greene (West Scotland) (Con)
- *Richard Lyle (Uddingston and Bellshill) (SNP)
- *Fulton MacGregor (Coatbridge and Chryston) (SNP)
- *John Mason (Glasgow Shettleston) (SNP)
- *Mike Rumbles (North East Scotland) (LD)
- *Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

- Daibhidh Boag (Bòrd na Gàidhlig)
- Camille Dressler (Scottish Islands Federation)
- Fraser Grieve (Scottish Council for Development and Industry)
- Rachel Hunter (Highlands and Islands Enterprise)
- Shona MacLennan (Bòrd na Gàidhlig)
- Iain MacMillan (University of the Highlands and Islands)
- David Richardson (Federation of Small Businesses)
- Ranald Robertson (Highlands and Islands Transport Partnership)
- Stephen Whiston (Argyll and Bute Integration Joint Board)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

The Adam Smith Room (CR5)

Scottish Parliament

Rural Economy and Connectivity Committee

Wednesday 25 October 2017

[The Convener opened the meeting at 10:00]

Islands (Scotland) Bill: Stage 1

The Convener (Edward Mountain): Good morning and welcome to the 29th meeting in 2017 of the Rural Economy and Connectivity Committee. I remind everyone present to ensure that their mobile phones are on silent, please. No apologies have been received.

Agenda item 1 is the fifth evidence session on the Islands (Scotland) Bill. We will hear from two panels this morning, and the first panel is now with us. I welcome Camille Dressler, chair of the Scottish Islands Federation; Rachel Hunter, area manager for Shetland with Highlands and Islands Enterprise; David Richardson, development manager, Highlands and Islands, for the Federation of Small Businesses; and Fraser Grieve, regional director for the Highlands and Islands with the Scottish Council for Development and Industry.

We will go through a series of questions. For those of you who have not done this before, you do not need to push any buttons on the panel in front of you. The sound gentleman will pick up when you want to speak and will activate your microphone. If you want to come in on a question, look at me, and I will bring you in. The secret is not to do as some people do, which is to continue to speak and look in the opposite direction. If you are going on a bit long, I might want to reduce your time, so I will catch your eye to ask you to come to an end.

The first questions this morning come from Rhoda Grant.

Rhoda Grant (Highlands and Islands) (Lab): Good morning. Does the bill meet the witnesses' expectations and, indeed, their aspirations?

Camille Dressler (Scottish Islands Federation): We are delighted that the islands will be considered in this way. To us, island proofing is the same as rural proofing. We have slight concern about rural proofing, because we do not think that it has been done very well, and we would like island proofing to be done as well as possible. The concept is essential for the wellbeing of the islands.

Rachel Hunter (Highlands and Islands Enterprise): Highlands and Islands Enterprise welcomes the bill. As you are aware—the clue is in our title—we are ambitious for the highlands and also for the islands across the region. We think that the bill could help to harness the islands' natural resources and influence greater innovation and enterprise while sustaining and enhancing island communities.

Fraser Grieve (Scottish Council for Development and Industry): There are some really welcome things for us, particularly the development of an islands plan. It is a matter of ensuring that it is long term enough to allow the economic potential of the islands to be realised. In many ways, island proofing should not be necessary. It should be incumbent on all public bodies and all legislation to consider the impacts on every part of the country anyway. It is important to consider where solutions will be different for island communities, which are essentially remote communities attached to other remote communities, as well as considering the particular amplification of the challenges that they face as a result.

The Convener: I will not leave David Richardson out. Would you like to say anything, or are you happy that everyone has reflected your views?

David Richardson (Federation of Small Businesses): Broadly speaking, we think that the bill is a good idea. It will help people to have a better understanding of the aspirations of, and the issues faced by, the island businesses that we surveyed across all islands—and we got some very interesting results.

Yes, by definition, islands are bodies of land in the middle of the sea, so they are different. However, as Fraser Grieve alluded to, remote areas of the mainland also face the same sorts of issues. We tried to find out what the differences are. We think that there is a case for an islands bill.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): Fraser Grieve made particular reference to island proofing and public bodies. Should what we are trying to do have any implications for private bodies?

Fraser Grieve: That is an interesting question. There are certainly issues around the delivery of some services. For instance, there have been issues around delivery charging, and there are issues around broadband provision and the service level that people in the islands get.

That should be considered as an aspect of the islands plan. I am not talking about helping to maintain the islands as the rest of the economy grows; I am talking about what can be done to

transform them so that they can really utilise their assets and strengths, and to put them ahead, which is where they can be. It should not be a catch-up game, which is often the case with remote and rural areas. What are an island's unique assets and strengths, and how do we amplify them so that we are not comparing like with like but are enabling islands to progress at a faster pace, where they have the strengths to do so?

Camille Dressler: I want to make a small but important point about article 174 of the Lisbon treaty, which recognises the permanent geographical constraints facing islands, mountainous regions and sparsely populated areas. We made a representation to the Scottish Parliament on that issue some years ago. I would like us to be clear that that principle is very important: islands have those particular geographical constraints, which will never go away—you will not be able to build a bridge to every island. That is why it is so important to have an islands bill.

The Convener: Just for balance, I note that we have heard in our evidence sessions that there are rural communities that feel as remote as islands.

Camille Dressler: They still do not have the same—

The Convener: Although they are not islands, ferries might still be needed to get from A to B. The problems are faced by many areas.

Rhoda Grant: Will the bill empower islands, or will it just change the attitudes of people in public bodies in relation to legislation and how islands are dealt with? Will there be more co-production, or will people think that they should treat islands in a different way? Will islands be allowed to start making decisions for themselves?

Camille Dressler: Let me give an example. Going back to the principles that were expressed in the Scottish rural parliament on having a holistic and proactive approach to development, our view is that development should be top led but very much bottom fed. If the bill allows islanders—the communities of people who live on islands—to inform and comment on policies and find ways to make them better, that will lead to greater wellbeing in the islands generally.

Rachel Hunter: I am from Shetland, and I am thinking about the example of the ZCC act—the Zetland County Council Act 1974—which talks about the waters around Shetland. No development can take place within 12 miles without a works licence. That gives the Shetland community a basis for negotiation. That is really important: the Shetland community feels that it is empowered and has influence over what happens in its waters. The creation of a marine licensing

scheme seems to have been broadly welcomed by other island and coastal communities across the region.

Rhoda Grant: Is the bill sufficient to empower communities? That is what I am trying to get at. Do we need to strengthen the bill to create more empowerment, or is there enough in there?

Rachel Hunter: We need to consider other legislation that has come into force. For example, part 2 of the Community Empowerment (Scotland) Act 2015, which came into force in December 2016, is revolutionising community planning, ensuring that communities are engaged in developing locality plans and local outcomes improvement plans.

It is difficult. I do not have a crystal ball, so I do not know how the bill will impact in the future, but I think that, with island proofing and island impact assessments, there will be more thought about and consideration of island issues and challenges and that the development of a national islands plan will help to focus public bodies on island needs and challenges.

The Convener: I do not know whether Fraser Grieve wants to say something. Will the witnesses give me a pretty good steer with a nod of the head if they want to say something? When I look at some witnesses, they look away as if they do not want to answer the question. A bit of a steer would help.

Fraser Grieve: One of the challenges will be engagement, on which the success or failure of the bill will depend. The approach will not work if there is a tick box at the end of a form to say whether the islands have been considered. Issues such as whether a solution is right, whether there is a better way of delivering it, whether the body is the right one to deliver it and whether it would be better to deliver it locally have to be looked at. Part of that will not come out until the islands plan is developed and we see what it looks like. As a starting point, the bill sets the discussion going, and that is always helpful.

David Richardson: We believe that smaller businesses should be at the centre of the thinking, because they will drive the economy forward and will help communities and islands to achieve their full potential. The issue is how that takes place. There should be more consultation and proper discussion when things are being put through, rather than having a tick-box exercise. The Government, public agencies and communities should think about what is right for the business community because, ultimately, everything stems from that.

John Finnie (Highlands and Islands) (Green): Good morning, panel. We have already received a lot of views about what should be in the bill and

what should or could be in the plan. Does the bill take sufficient cognisance of different labour markets? I am thinking in particular about the labour markets between the mainland and the islands and perhaps even within island groupings.

David Richardson: Our survey showed that 38 per cent of the businesses that employ staff are being held back because they cannot find sufficiently skilled staff. That is a real issue. We also know that 41 per cent of businesses in the Highlands employ at least one person from the European Union. I presume that that applies to the islands as well.

Staffing is a critical issue. Thank goodness that we have low unemployment, but there is a lack of housing, so it is difficult to import staff. I am not sure whether the bill meets those needs, but they need to be addressed.

Rachel Hunter: I concur with David Richardson's point about staff in island communities. We also find that succession is another issue facing businesses in island communities. Obviously, we want younger people to come in and be employed by businesses, but who will lead those businesses in the future? We have an ageing demographic, and island populations are ageing faster than the Scottish average. A particular challenge and area of work that HIE is involved in is supporting businesses with succession, leadership, management and development in the future.

Fraser Grieve: There are a number of issues. Access to labour and talent and upskilling the workforce are real issues. Many small businesses do not need one person to do one job; they need one person to do three or four jobs. How do we ensure that those skills are available locally? There is a real difficulty with average wages being lower than the national average. Businesses have to take that on board and do far more to improve their offer. They will simply not be able to attract people if they are not able to pay wages that people can afford to live on.

There are real issues around access to housing and public transport in island communities. There is a small travel-to-work area for many businesses in those areas, and it is almost impossible to get to work without a private car. What should we do to address those infrastructure points?

The challenge is that those problems are faced not just by island communities but by people across the piece. Thankfully, we have low unemployment, but we have high underemployment, and we need to do a lot more to address and improve that situation. I recently did a business survey that showed huge business optimism of 70 per cent, but less than 50 per cent of those businesses planned to invest over the

next year. If businesses cannot invest when they feel optimistic, how do we help them to improve their profitability and drive up the wages that will sustain and attract more people into the island communities?

10:15

John Finnie: A recurring theme is what the purpose of the bill is. Do you see addressing those particular issues as being that purpose, or is that for the plan?

Fraser Grieve: It is more for the plan. For us, the bill puts an onus on the consideration of the islands' needs to get the thinking to take place. The solutions for island communities are different. In many places, there is no private sector housing developer that will suddenly move in and build the housing to meet their needs—the need is for two houses there, three houses there. How do we help to shape and develop a solution? The bill puts the onus on bodies to consider the needs of the islands and to develop a plan to bring in solutions that are appropriate for each island community.

Camille Dressler: With competitive tendering, if an electric bulb needs changing in an NHS surgery in Barra, would the NHS call an electrician in Barra? It would not; it has to bring in whoever has the tender, who is generally based in Glasgow or elsewhere. That is ridiculous and is one of the things that we would like the bill to change.

We would like the focus to be on the Office of Gas and Electricity Markets, utilities and other commercial bodies to make sure that they understand the issues of islands. Fuel costs, renewables and broadband are all issues that have a massive influence on our economies and the bill could be very useful to get the bodies to understand how the delivery of services has to be island proofed.

John Finnie: I will roll a couple of questions together. Is the panel's view that the bill will support economic growth? Has the consultation engaged sufficiently with small and micro businesses and the self-employed?

David Richardson: The bill will help, but there has not been enough consultation in the past—there needs to be far more. The strategic objective that came out of our research is that the priority that people want in the next 10 or 20 years is to retain more young people—that goes to HIE's heart—and attract young families to move in. With the ageing population and the decline in population in some areas, the only way to ensure success in everything else is to encourage new blood—that should be the bill's primary aim. To do that, you have to tackle the broadband issue and all the issues that have just been raised.

Camille Dressler: That is essential. There has been so much frustration about the big companies not understanding the islands. Maybe the Government has not understood the islands either; on the broadband issue, the tender for delivery completely ignored the islands. In many cases, we have had to create our own broadband community businesses. It has got to be done across the board, but the devil is in the detail—how will it be done?

I have just come back from the European rural parliament in Holland. There was a very good example from Finland, which has a rural policy board that brings together policy makers and people from a wide section of the population, including NGOs. It would be really useful to look at that as a model for how the bill could be implemented. One of our frustrations as a grass roots-led NGO is that we never get a seat at the table, so how can we bring to the table the voices of the small communities that are our members? That is a question for the committee.

Rachel Hunter: On consultation, other members of the panel will know that HIE does a six-monthly survey of the HIE business panel, which includes 1,000 businesses around the region.

HIE account manages businesses in communities right around the region. We account manage 233 businesses and community enterprises on islands, which account for 40 per cent of our portfolio even though only 20 per cent of the Highlands and Islands population is based on islands. We disproportionately account manage a very high number of businesses and community enterprises on islands and we have a very close relationship with them.

They tell us that the problems and challenges that constrain growth are the same wherever you go. It is about timely, affordable, reliable transport infrastructure; it is about superfast broadband and enhancing digital and mobile connectivity; and, as other members of the panel said, it is about access to young people to help to attract young people to the islands and retain them.

One of the key barriers to that is housing and HIE has just completed a survey that looks at the housing market in the Highlands and Islands. It is interesting to note that there is a high proportion of young people who are what we call “young and stuck”, which means that they are aged 26 or over and they are in full-time employment or are self-employed, but they are not the main householder or the spouse of the main householder because they are living with family or others. We would expect them to be home makers and to be creating the households of the future, but they do not have the opportunity to do that because of a lack of housing in their area. The top 12 areas—

the hotspots—with a high proportion of young and stuck individuals are in the Highlands.

The Convener: There are other members who want to come in, but that is a good place to leave that issue at the moment.

John Mason (Glasgow Shettleton) (SNP): The islands plan has been mentioned already. The bill says only that there will be a plan and, apart from a bit on timescale and consultation, there is not much detail. Are you comfortable with the concept of an islands plan—is it a good idea? Should there be more in the bill about the islands plan and about what the contents of that plan might be, or are you happy to leave the bill with no detail whatsoever? What about the timetable and the fact that it would have to be laid within 12 months of the legislation? Are you comfortable with that?

The Convener: Those are difficult questions. I expect that you will all have an opinion on those three things.

Camille Dressler: The idea of a plan is always good, but the plan must be fairly general and not too prescriptive because we do not want it to be a straitjacket. You need something in the plan that looks like the smart island initiative, which we have signposted in our submission. It basically shows how, if you allow them to be, the islands can be the leader in the low-carbon revolution and in sustainability. Those two principles underpin a lot of things that derive from them. The point is to give enough flexibility in the plan so that it can be responsive and modified.

John Mason: Would you put it in the bill that the plan must include sustainability, or would you leave the bill as it is?

Camille Dressler: Sustainability must be the underpinning principle.

John Mason: Do you mean that it should be underpinning principle of the plan?

Camille Dressler: Of course.

John Mason: But would you put that in the bill?

Camille Dressler: It would be essential.

John Mason: I am not sure whether we are understanding each other. Are you saying that it is essential that it is in the plan?

Camille Dressler: The concept of sustainability has to underpin the plan and, therefore, it needs to be in the bill.

John Mason: Okay. I have got that.

The Convener: The timing was the other thing. Is a year enough time to draw up the plan?

Camille Dressler: If the consultation is done in a proper and effective manner, I do not see a problem. Again, it is in the detail. How is the consultation going to be done? If there is something like the rural parliament, in which grass-roots and community organisations are consulted, I do not think it will be a problem.

The Convener: We have heard evidence sessions on various islands—we have been to Orkney, Mull and the Western Isles—where it appeared that a certain amount of consultation and pre-planning had gone on, but some of the islands may not be at that advanced stage. Is that one of John Mason's concerns?

John Mason: I am not sure that I am concerned about it. Let us hear from all the panel and I might come back in after that.

Rachel Hunter: In HIE we support the concept of an islands plan. We think that the focus should be on outcomes rather than activities and that there should be a clear vision and ambition in the plan. Islands should have a say in what they want to look like in five to 10 years' time. Also, the plan should track key indicators and metrics so that it demonstrates that progress is being made.

On the issue of sustainability, all islands are striving for sustainable economic growth, which should certainly underpin the premise of the plan. A lot of engagement work has already been done in island areas through the development of community local outcome improvement and locality plans and we should make sure that there is due cognisance of that work.

On the question of whether a year is enough time, there is challenging geography and a lot of voices want to be heard; it would depend on how much resource is put into it, but I think that it would be a challenge.

David Richardson: I think that the plan is right. Something that links policies and strategies in a more co-ordinated approach is good. It could be useful for identifying blockages in the current national system and solutions to those. However, it must not be prescriptive.

In our survey, to which I keep referring, we grouped islands—Shetland and Orkney, Argyll and so on. It is interesting that we found big differences in the answers between different islands. One size will not necessarily fit all nationally or in the islands; there has to be local determination. I keep coming back to the point that it is important that businesses are consulted. As an organisation, we can say that X per cent say this and Y per cent say that, but that should be supported by real-life case studies in which people go out and talk to businesses and get into the nitty-gritty with them. That is important.

John Mason: Can I take it from what you are saying that you are happy with the very general commitment that there will be a plan? You do not feel that the bill should be too prescriptive about it.

David Richardson: I do not think that it should be. It is about linking the policies and strategies of different organisations.

John Mason: Should the bill say that there will be that linking of strategies in the plan?

David Richardson: Yes. The bill should be written in such a way that HIE, for example, which might have export set as a priority—which is the right strategy for the Highlands and Islands as a whole—would be able to recognise that on some islands business survival and continuity are much more important than exporting a widget to somewhere else.

John Mason: So we would not put exports in the bill.

David Richardson: No. It must enable those organisations to have flexibility so that they can have different approaches to different islands and things.

The Convener: Although Fraser Grieve is last, I will give him a chance to be first by giving a short, concise answer. That would be appreciated.

10:30

Fraser Grieve: I will be as concise and brief as I can be.

The development of a plan is very welcome, and a year is an absolutely sufficient period because, at the end of that time, the document will not be finished and put on a shelf—it has to evolve. For me, the plan is about saying that we are putting a duty on people to think about the needs of the islands. We can spend a year developing the plan and then say, "This is our plan and, when you are considering the islands, this is what you have to do."

Rachel Hunter touched on issues to do with metrics. There absolutely have to be measurables, but there is always a danger that the islands get lost in spreadsheets. If an island loses a doctor, that could mean that it loses its entire health service. It is important, particularly for isolated and island communities, to think about people and how we develop continuity to ensure that there will be replacements for such professionals. We have to plan for the long term as well as having short-term actions.

John Mason: You mentioned health in particular. Should the bill say that the plan must deal with health, or should we just assume that it will deal with that?

Fraser Grieve: For me, the sustainability of island communities relies on all the issues such as health, housing, transport and skills. In developing a plan, it will naturally have to consider all those aspects anyway, so I do not particularly feel a need to have that in the bill.

John Mason: So you would not even put a requirement to consider sustainability of population in the bill.

Fraser Grieve: If there was not a need to think about the sustainability of the islands, the bill would not be necessary. I am not wedded to that being mentioned, because the whole purpose of the bill and of looking at the issue is to do with the sustainability of the islands.

The Convener: I see that Camille Dressler wants to say something. I will let her in at a later stage, but I would like to bring in Gail Ross, because there are a few more questions on the issue that we are discussing.

Gail Ross (Caithness, Sutherland and Ross) (SNP): Good morning panel. How could the national islands plan address some of the challenges that are faced by businesses on the islands? We talked about depopulation, and that discussion moved on to housing. If the plan addresses housing, how far into that should it go? There are issues to do with access to land, the price of land and the planning system. There are various factors in why affordable housing, or even housing full stop, is not available. I was particularly taken by Rachel Hunter's point about the young and stuck. We have also heard that the cost of getting materials to the islands to build houses can be at least 40 per cent higher than the cost on the mainland. There are also issues to do with delivery charges. How could such issues be addressed in the plan, if they can be?

Camille Dressler: I was going to add earlier that, on a small island such as the one that I represent, the issue is not only economic sustainability but social sustainability. There are 30 people on the Isle of Rum, 35 people on the Isle of Muck, 105 people on Eigg and 12 on Canna, although that is going down to six. Without social sustainability, those islands will die. Economic sustainability is linked with social sustainability.

That means that access to housing and health services is dependent on a transport strategy that meets the aims and aspirations of the islands. The road equivalent tariff has done a lot, but we are working with Caledonian MacBrayne on how we can have a freight service that is fit for purpose, which is fundamental. There is an RET system for cars and passengers, but we have to have one for freight. It is not for us to say how that will be delivered. It is for all of us to work together with

the committee, Transport Scotland and the ferries division. It is a complex issue.

David Richardson: I am not an expert on legislation by any stretch of the imagination, but it seems to me that it is a lot to ask one bill to look at broadband, housing and everything else. On the other hand, if the bill gets people talking about those issues and focusing on island problems, that is a very good thing. It is more a case of getting going a discussion that is focused on the islands than it is of saying, "There is an issue with broadband across Scotland," or, "Housing is a problem in Scotland." The plan should focus on the needs of specific islands. It is a case of getting minds focused.

Stewart Stevenson: I want to pick up on Camille Dressler's reference to Caledonian MacBrayne. We will look at island proofing later; my question is more generic.

The list of bodies that are covered in the schedule to the bill includes—at number 13—David MacBrayne Ltd, but it does not include Caledonian MacBrayne. I am a bit uncertain about why that is the case. It is clear that a number of the Government's companies are included, including David MacBrayne, but the subsidiaries of those companies are not. Certain councils are included, but not the companies that are owned by those councils. For example, Orkney Islands Council has an interest in six companies, which are involved in housing, towage, farming and ferries. Do we need a more generic approach that embraces all the bodies that are listed in the schedule and all the bodies that they control? The specific example of Caledonian MacBrayne came up, and it is not on the list. Only the owner of CalMac—David MacBrayne—is on the list.

The Convener: That is quite a specific question. Who would like to tackle it? Someone is going to have to give Stewart Stevenson an answer.

Stewart Stevenson: They do not have to.

Camille Dressler: I am happy to say yes, Caledonian MacBrayne should definitely be covered, but we are aware that Caledonian MacBrayne does not operate the ferry services for Shetland and Orkney. All the ferry companies that serve the islands must be included—all the relevant bodies need to be covered.

Stewart Stevenson: That was partly what was in my mind when I asked about private companies earlier.

Gail Ross: Camille Dressler was quite right to talk about social aims, but should the economic aims of the bill be more explicit? Does the bill have, or should it have, any economic aims?

Rachel Hunter: As David Richardson indicated earlier, having a sustainable economic base is the life-blood of an island. In the islands, we have high levels of employment, but if people cannot find a job, they just leave, which impacts on the sustainability of the services and the remaining populations. That is certainly the case in Shetland, where we have very high levels of employment, but when there is nothing going, people just leave, which has an impact on other services. Having a strong and sustainable economy should be a key ambition of the islands plan and the bill.

David Richardson: I will again refer to our survey: 88 per cent of businesses said that their islands were good places to do business, but it is clear that, for them, the lifestyle, the culture and the community were what held them. Twenty per cent had considered moving to the mainland for business purposes and, in the Western Isles, the figure was 29 per cent. At the back of business owners' minds is always the question, "Is my business sustainable on this island? Can I continue?" There is always the potential that they will walk, so it is very important that the bill addresses the economic question.

As to whether there is enough in the bill by way of economic aims, I do not know. It is what is between the lines rather than what is explicitly in the bill that matters.

The Convener: Before we move on to the next section, I want to ask a question that was brought up during one of our visits. Somebody said that if the islands plan started off by saying that there should be no reduction in the current population and, indeed, that the aim should be to increase populations on islands, everything else in the plan would flow from that. Do any of the witnesses have views on that? Do you think that it is a reasonable assumption that there should be no reduction in island populations?

David Richardson: Yes—the whole point about economies is that they need to be sustainable and based on a diverse and vibrant population and, for that to be the case, it is necessary to have a cross-section of age groups and a growing population. A population that is declining is going backwards. We need to sustain the post office, the grocery shop and so on.

The Convener: So a growing population on the islands or at least a sustainable population would probably be the driver for everything else in the bill. I will bring in Fraser Grieve and then Rachel Hunter, and then I want to move on to the next section of questions.

Fraser Grieve: A growing population is important. We have seen the growth of some island populations—the demographics can change quite considerably. It is about striking a balance

and making sure that there are the right number of working age people and that there are opportunities for young people.

The importance of transport links has been touched on. It is not just about the sustainability of the economies; without transport connectivity, it is very hard for businesses to grow. They might be able to sustain themselves with the population that is there, but how do we help them to grow?

Rachel Hunter: I echo what has been said already—it is about demographic balance as well. It is about making sure that we have people of all ages, right from the very young to the very old, in islands. That is what enhances island life. HIE did some research in 2015 looking at the attitudes and aspirations of young people across the Highlands and Islands. When we looked at young people living in or wanting to return to the islands, we found that young people really value the quality of life there. They recognise that they may have to compromise a little on career progression, but the islands offer a good quality of life and are great places to bring up children—those things more than compensate for the potential lack of career progression that they might face.

Mike Rumbles (North East Scotland) (LD): First, I will just say that I am not trying to hide from people behind all this sound equipment—it would be nice to see the panel properly, but there we go.

I want to drill down on island proofing. It is a big part of the theme. With previous witnesses, we have explored the idea of how to ensure that island proofing is meaningful and avoid it being a tick-box exercise. There is a list of 60-odd public bodies—a duty will be put on them to "island proof", whatever that means. That is what I am trying to find out from you. How would you wish island proofing to operate in practice?

Fraser Grieve: For me, it is about trying to change the question, sometimes. As public sector reductions take place and services are being cut, if there are not enough pupils to attend a school, for example, instead of thinking, "Do we need to close that school?" we should start going the other way and ask, "How do we attract more kids?"

We need to think about how to change the sustainability of the public services that are delivered on islands rather than saying, "Do we need to cut these things to meet the current population?" It is about trying to look at the longer term and to make sure that it is not just about meeting the needs of today's population. We need to ask whether the move that is being made by the public body or the business or whoever will adversely or positively impact on where we want that island to be in five, 10, 15 or 20 years.

Mike Rumbles: I think that there is a slight misunderstanding. What I am trying to get at is

that the bill puts a legal responsibility on these 60-odd public bodies. How do you want island proofing to operate? In other words, should somebody in headquarters, in an office in Glasgow or Edinburgh, think, "Oh, well, I've looked at that and I've ticked that box because I've thought about the islands and asked a few questions"?

Physically, what do you want an organisation to do, whether it be Scottish Water or any other body on that list? What do you physically want them to do? To give an example, should there be a requirement on each of those public bodies to consult people in the islands before they make decisions? That is just one example.

The Convener: That is a specific question. I might let Fraser Grieve back in at the end if we have time but I will move straight to David Richardson to answer that because he was nodding furiously.

David Richardson: Absolutely. We think that island proofing might be more effective in relation to considering economic strategy but when it comes to impact assessments it is often, as Mike Rumbles says, a tick-box exercise. Very seldom do people get out of their offices in Glasgow or Edinburgh or wherever else they might be and actually talk to real people.

People often come to us and say, "We want to talk to businesses, but how do we go and talk to a business?" You actually knock on the door, you go into the business and say, "Can I speak to you?" It is very simple, but not enough of it happens. It is a matter of getting out there, meeting people on islands and actually talking to them. You might have to spend a couple of days doing it, and there will be a bit of cost, but the benefit that you get is massive compared with sitting reading boring reports on a bit of paper. That is what needs to happen.

10:45

Rachel Hunter: We think that there should be a clear link from island impact assessments to the national islands plan and the outcomes. They should consider the interventions that the islands plan seeks to undertake, and the potential impacts relating to population or demographic balance. The island impact assessment should clearly assess whether any interventions, policies or strategies will have a negative impact.

The impact assessment should not just be a tick-box exercise. Public bodies should be starting to think creatively about how they mitigate negative impacts. For example, Fraser Grieve spoke earlier about how, if one doctor moves out of a small island, the whole public health system can crumble. In that particular case, the public body could perhaps examine creative ways in

which health services could continue to be delivered on that island. It is not just about doing a tick-box exercise; it is about asking public bodies to think creatively. We all have resource pressures, but how can we deliver services more innovatively and creatively in island areas?

The Convener: It appears that you are talking about positive discrimination to make islands work better.

Camille Dressler: That is one of the things that we were trying to visualise. It is a difficult point. First, we should ensure that whatever consultation is done is not tokenistic. A good example arose in the Highland Council education department, which tried to impose a complete change in our education system in the small isles. The council said, "But we have consulted you." Yes—two days before the changes were due to be made. We need proper, meaningful consultation. There should be a list of stakeholders, and people should make use of those stakeholders—they should knock on their doors, phone them or email them, or they should do a survey. Many tools are available that can be used.

We should perhaps also ensure that some of the bodies to be island proofed are actually doing something about that. I am thinking about the National Trust for Scotland. How many surveys and plans has it made to ensure that Canna will not remain depopulated? It makes another plan, puts it on the shelf, and nothing happens—the island continues to be depopulated. You should give teeth to that island proofing, so that action follows the consultation.

Fraser Grieve: This is just about public bodies and others giving some thought as to the potential negative impacts and to whether their services can be delivered by other public bodies, if they have had discussions about that. It is a matter of showing evidence that they have properly considered the positive and negative impacts of what they are doing, and what mitigating factors there might be.

Jamie Greene (West Scotland) (Con): We have heard some fascinating comments this morning. It is interesting, as we are starting to round up these evidence sessions and bring things together. Given the expertise around the table, I would like to focus on the economic potential of the bill, specifically around business.

The majority of the authorities listed in the schedule to the bill are so-called public authorities, public services, public bodies, government departments and so on, and very little is mentioned about the private sector utilities companies, telecommunications businesses and so on that have a substantial part to play. That follows on from what Stewart Stevenson said.

Does island proofing, as it is currently written in the bill, actually address any of the economic issues that affect islands?

I open that question out to the panel.

The Convener: It would be logical for David Richardson to answer that first, then I will bring in Rachel Hunter, as I did not let her in on the last question.

David Richardson: I will give you a case study on the utility front. In June 2016, someone from a business in Barra phoned up and said that they had been without an EE signal for three months because, basically, the kit was out of date and could not be repaired. Having a phone signal is an essential utility now: CalMac might not be sailing and it would be unable to let passengers know; doctors and so on would not be able to find out what was going on if there was an emergency. We wrote to the chairman of EE and also to the press—we got *The Times* and the BBC involved. As a result, the matter was resolved fairly quickly. The question is, should such a situation require the involvement of the FSB, or should there be another mechanism by which you can contact someone when things go wrong with your broadband or some other crucial utility?

In Islay this year, a green cabinet was installed right beside someone's house, but—for no good reason—the person's business, which was 200 yards away, was not wired in. His ADSL line was switched off, which meant that he had no broadband at all. All his bookings—he had a boat company—went to pot and he could not trace them. He was also a member of the local lifeboat service, and he could not get a signal for that. Again, he had no means of ensuring that he was wired in quickly. We intervened and got the situation sorted out in good time.

Why are we having to intervene in those situations? I am not sure how the bill can help in that regard, but that issue needs to be addressed. How can island communities or individuals put things right? Who do they contact in these situations?

Jamie Greene: On that point, the companies that provide those services are not listed in the bill, so there is no duty on them whatsoever to island proof any decisions that they make.

David Richardson: You can raise that as a question. I am simply giving case studies. I do not know the answer to the point that you raise.

Rachel Hunter: Because of the significant impact that some of the utility companies, logistics companies and transport companies have on island life and infrastructure development, Highlands and Islands Enterprise suggests that consideration be given to extending the island

impact assessment duty to those large corporate organisations.

Earlier, I wanted to make the point that we do not want island impact assessments to be something that holds up development or policy in island areas. We do not want an island impact assessment in a remote area to be done six months after the time of the proposal. They have to be swift and they must be incorporated up front in any business case or decision-making process.

The Convener: The Scottish Islands Federation talked about the possibility of having an islands office. Is the suggestion that such an office could address the problems of small businesses that David Richardson mentioned?

Camille Dressler: An island desk staffed by people who understand the issues of the islands well and who consult a range of stakeholders might be a short cut.

However, one of the problems in the bill is that the utility providers are not listed as bodies that need to engage in island proofing, but it is important that they be included in that. In our submission, we say that transport providers, utility providers, Ofgem and so on should be involved in island proofing because they have a great impact on our lives.

John Finnie: I absolutely understand what has been said about utilities companies and telecommunications companies. I am not sure whether it would be competent for Scottish legislation to say that those companies should become involved in island proofing, given that we are talking about reserved issues. It might be possible for an act only to express a hope that they should do so. However, even if it were possible, would doing so give people an unreasonable expectation? I note that there are frustrations with such companies in urban areas as well. Of course, regardless of the fact that it might be difficult to shape the policies of a multinational corporation, if such a duty were placed on public bodies in Scotland, that might set a direction of travel that would encourage those corporations to at least consider doing the same thing. Do you agree?

David Richardson: The problem is that, because islands have small isolated communities, they are bottom of the list when it comes to fixing things that have gone wrong, and when decisions are made to close banks or whatever, they get rid of the ones in the remote communities first, which has a huge impact on the viability of those communities. I do not know what you chaps in Parliament can do about that with legislation; I do not know enough about what you can and cannot do.

If we are developing the sustainability of the islands and encouraging more young people to stay there, we must have good communications with the mainland, and so on. We have to have those things, so if the bill can help with that, that will be great.

The Convener: Fraser Grieve is going to come up with a solution.

Fraser Grieve: Maybe not.

I do not think that islands are at the bottom of the list, but there is, at times, a lack of recognition of the importance of things. A mobile communications operator's mast that goes down might be the only mast in an area. If a road is shut for maintenance, there might be no detour available, or the detour might take people on the full tour of the island, which might be very pretty, but is not very helpful. A bus that does not appear on time might be the only bus that day. We need recognition of the impact that failure to deliver a service will have on an island community that it would not have on a mainland or urban community.

We also need recognition that many of the challenges that are faced by island communities are faced by other communities, but the islands are also reliant on those communities and delivery of services in other parts of Scotland. For example, Orkney is reliant on the A9 to Thurso or Aberdeen harbours allowing ferry connections. We need to make sure that those connections are considered in terms of their own areas and of their consequences for the islands.

Jamie Greene: This might be a technical point, but it is probably worth noting that the very first body that is listed as having duties under the bill is the Scottish Administration and Scottish ministers. One would assume that "Scottish ministers" also means the relevant executive agencies, directorates, and so on. However, that might be a question we can ask the bill team. That might cover all the relevant bodies, such as those that deal with roads.

David Richardson mentioned that there are similarities between the problems that are faced by businesses in rural communities and on islands. We have heard a lot about those similarities. You said that you have done some work on specific differences, which we have not teased out of you. What can you share on that to enlighten us?

David Richardson: We asked businesses whether they feel that doing business on the islands makes them different to businesses in remote parts of the mainland, and 88 per cent of them said that they feel that their problems are different. They mentioned what the differences are and, with the obvious exception of ferries—two

mainland areas, Knoydart and Scoraig, can also be reached only by ferry—everything that was mentioned also impacts on mainland businesses. It is a matter of degree: sometime the impacts are more, but sometimes they might be slightly less.

The problems that are faced by the various islands also differ: Skye faces very different problems from those faced by Shetland or the Western Isles. One might argue that Skye's problems are more similar to those that are faced by Lochalsh or north-west Sutherland.

It is a matter of degree when it comes to the problems that businesses face. The one thing that came out clearly is that islanders feel different because they are on islands.

Jamie Greene: One of the problems that I have with the islands impact assessment provision is that it does not link to any plan or overarching strategy in the bill—it just talks about creating an assessment and reporting on that assessment. Rachel Hunter has mentioned the link between strategy and policy. Could the bill be beefed up to ensure that the islands impact assessments relate to specific objectives? Perhaps Rachel could answer that.

The Convener: I am going to let in Rachel Hunter. We are quite short on time, so I would appreciate a concise answer. I would like to get on to two other issues, briefly.

11:00

Rachel Hunter: The island impact assessments will not make sense unless there is a clear link to the aspirations and outcomes in the national islands plan, which will be based on communities' aspirations.

The Convener: We can leave that there. I ask Stewart Stevenson to lead the next questions and to roll them up.

Stewart Stevenson: I will do that. Essentially, the questions, which relate to costs, are directed at Rachel Hunter, but that does not debar others from saying something, if they wish to do so.

Do the administrative costs in the financial memorandum make sense? Are they proper? Will the costs be different in different public bodies? I suspect that some of the questions are almost rhetorical. Might other costs arise that the bill simply does not address?

Rachel Hunter: It is difficult to answer for other public bodies. Because HIE is very much embedded in island communities, our operating costs are partly for engaging with local businesses. We do not have a particular view on the numbers in the financial memorandum, but from what I can see, they are realistic.

Stewart Stevenson: That is fine. That is a good enough answer.

The Convener: Does anyone else have any views on the financial memorandum?

Witnesses indicated disagreement.

The Convener: I will allow Fulton MacGregor to ask a question. I ask the witnesses to give very concise answers. I will give each of you a chance to answer the question.

Fulton MacGregor (Coatbridge and Chryston) (SNP): I want to ask a brief question about the elephant in the room. What impact do you think the Brexit process will have on the bill? I was particularly interested in David Richardson's earlier response in which he talked about EU nationals being important to the islands. The convener said that answers should be very brief, but what thought have you given to that?

Fraser Grieve: Brexit will certainly have a major impact on island communities in particular and, obviously, everywhere else. Access to labour, fisheries and designated protections have particular impacts on the islands, so it is really important that they are considered as part of the process.

David Richardson: The tourism industry is vital to most islands, and tourism depends on staff; the industry is very much a staff service. Currently, many island people do not want to work in the tourism industry because of the conditions. We have to raise the profile of tourism as a career because we do not know what will happen to the workforce, which is the key issue.

Fulton MacGregor: How might Brexit impact specifically on implementation of the bill?

Rachel Hunter: I am not sure what impact Brexit will have on the bill, but we know from the businesses that we have surveyed throughout the Highlands and Islands that the current lack of a stable economic climate is hindering investment because there is so much uncertainty. However, there are differences in opinion among sectors: the fisheries community, for example, has broadly welcomed the Brexit vote. There are differences among business communities.

The Convener: Camille Dressler will have the last word on the matter.

Camille Dressler: As members can guess from my accent, I am one of the foreign nationals who will be affected by Brexit. Many people like me have moved to the islands in the past 10 years, and they feel that their lives might be completely destroyed by Brexit. That is why I wanted to bring in the principle in article 174 of the Lisbon treaty, which is a very important principle to repatriate to Scotland and the United Kingdom.

My concern is that the UK Government does not have a territorial cohesion policy such as the EU has. Our discussion with the islands commission of the Conference of Peripheral Maritime Regions of Europe has shown that we have an island policy at Europe level, but what will happen to that once Brexit happens?

We feel that islands are naturally interested in making contact not only with other islands in this country but with our counterpart islands in Europe. We have already started to work on the clean energy for EU islands initiative. What will happen to that policy, for which a massive amount of money is being set aside? I will leave it to members to consider that.

The Convener: There were a number of questions there. This is an opportune moment to bring the discussion to a close. I thank Fraser Grieve, David Richardson, Rachel Hunter and Camille Dressler for giving evidence and for their time. The session has been very useful.

11:06

Meeting suspended.

11:10

On resuming—

The Convener: We continue with our second panel. I welcome, from Bòrd na Gàidhlig, Shona MacLennan, the chief executive, and Daibhidh Boag; Ranald Robertson, the partnership director at the Highlands and Islands transport partnership; Iain MacMillan, the principal of Lewes Castle College, which is part of the University of the Highlands and Islands; and Stephen Whiston, the head of strategic planning and performance at the Argyll and Bute integration joint board.

I advise those of you who were not here for the first panel that you do not need to touch any of the technology that is in front of you; when your turn comes, your microphone will be made live. I ask you to catch my eye and nod, and I will do my utmost to bring you in at an appropriate moment. On a time management issue, I also ask you to keep an eye on me so that I do not have to cut you off in mid-flow—I will try to give you a wee warning that I want to move on to the next person.

The first questions will come from Rhoda Grant.

Rhoda Grant: Does the bill meet your aspirations and expectations?

Shona MacLennan (Bòrd na Gàidhlig): Taing, a chathraiche—thanks, convener. We very much welcome the emphasis on an islands bill and the recognition of the special assets that there are in the Scottish islands. We suggest strengthening the bill by putting at its very heart what it aims to do,

which we view as being to secure sustainable communities in the islands. That was the case with the Gaelic Language (Scotland) Act 2005, which set up Bòrd na Gàidhlig; it stated at the outset that its aim was to secure the status of the Gaelic language. We refer to that a lot in our work, and such a statement would help anyone who was involved in developing the plan or in ensuring that the impact assessments were carried out to effect that aim. Having such a statement in the bill could strengthen it considerably.

Stephen Whiston (Argyll and Bute Integration Joint Board): I echo that from the viewpoint of health and social care. The bill is about sustaining our most remote and fragile communities, and we welcome its requirement to look at island proofing, building on what we have done to date.

Rhoda Grant: Do you think that the bill will empower island communities or change the way in which Government organisations and the like treat islands? From the top down, such organisations will need to have regard to how they deal with islands. Could that empower islands to start influencing how decisions are made?

Ranald Robertson (Highlands and Islands Transport Partnership): I caught the end of the previous evidence session.

Early on, when I first glanced through the bill, I picked up on the fact that the first agency that is listed is the Scottish ministers. I was immediately prompted to check whether the provisions extend to Transport Scotland, which delivers critical services to our island communities, and I received clarification that they do—the provisions that apply to the Scottish ministers extend to the Government agencies. That means that the bill, coupled with other measures, particularly community empowerment, can only empower our island communities. It will take them much closer to being able to influence the specification of services that are essential to them and give them a much clearer pathway to influencing those processes and decisions.

Time and attention will probably be needed to get the impact assessment right, but having the impact assessment means that there will be an awareness around spending decisions—awareness not just of the impact on the island where the decision is being taken, but the impact on other islands. The Scottish Government is funding 32 ferry services, and a spending decision to develop one service may have an impact on others. A more holistic view will be taken as we develop our planning and policy frameworks.

11:15

The Convener: That answer is interesting, because one question that arose on our Western Isles visit was whether Transport Scotland should be a separate consultee.

Rhoda Grant: When we work with islands, we assume that we island proof for the Western Isles or Orkney or Shetland, for example. There are mainland and island authorities, not just island authorities, and it is becoming clear that individual islands have issues. The question is how to have a bill that meets the aspirations of island groups but which also meets the aspirations of individual islands, which can sometimes be at odds with the island group. Does the bill allow for that, or will that detail have to go elsewhere?

Daibhidh Boag (Bòrd na Gàidhlig): I return to the previous question about the power of communities. Bòrd na Gàidhlig works closely with the Gaelic community across the whole of Scotland, but islands have particular importance to the Gaelic language. In the Western Isles, for example, the majority of people speak Gaelic, with different percentages of Gaelic speakers in islands within the group. Gaelic is very important across the whole of the western seaboard, and empowering those communities is critical for the Gaelic community to grow.

On Shona MacLennan's point about the bill's overall purpose, it is important to make clear that the viability and sustainability of the economic activity of islands is critical. It is critical to our work of growing the Gaelic language to have economically viable communities in those islands who can continue to speak Gaelic.

The Convener: I will take supplementary questions from Jamie Greene and Gail Ross to widen out that point and bring in other witnesses.

Jamie Greene: Ranald Robertson raised the very important point that Scottish ministers are, first and foremost, responsible for island proofing. As a result of that, therefore, all subsequent Government agencies and directorates that fall under a minister are also liable, to use that word.

Does that go down to the lowest common denominator in the way that the agencies operate? For example, Calmac is listed indirectly under David MacBrayne, but another private ferry operator is not listed and, therefore, has no direct need to island proof. Would such an operator be covered by the fact that they are given subsidies or awarded contracts by public agencies, such as Transport Scotland? I am trying to explore how deep the liability goes.

Gail Ross: I am interested in island impact assessments. The point has been made that decisions made on the mainland can affect island

communities. A bus company that shall remain nameless changed its timetable and did not meet the ferry from Orkney any more. Should such an issue be included, given that island impact assessments are not only about things that happen on the island?

The Convener: I am sure that you have not narrowed down which bus company that is.

Ranald Robertson: We know who it is.

Gail Ross: I think that we all do.

Ranald Robertson: On the contractual aspect of a Government-funded service, my understanding is that that does not apply, as the duty is on the contracting body—although I could be wrong.

In our written evidence, we suggested that, similar to the national living wage pledge, there might be some value in Government procurement encouraging a requirement to complete island impact assessments where there is Government finance. That is not just where there is a direct Government contract, because significant public funding also goes into air services, which, on paper, sit entirely on the commercial side.

There could be value in that, but I do not know how that might apply when we are looking at bus companies, and I am conscious of the proposed transport legislation that will be considered by the Parliament. It becomes very difficult to include mainland bus services as part of an islands bill and, in a similar fashion, I recognise that Scoraig or Knoydart would be very difficult to include in that.

Perhaps we need to ensure that other aspects of legislation link appropriately to one another. There is an opportunity with the transport bill that will come before Parliament to perhaps consider a hierarchy in the importance of different transport services with regard to their function of being strategic in providing important lifeline links to other services. There is also an opportunity to encourage better links. We have had frustrating experiences with new ferry services that do not connect with trains and so on.

Shona MacLennan: We also responded to the consultation and highlighted that, when contracts or policies are being made, the challenges that remote areas endure should be considered as part of a socioeconomic duty, rather than purely on a financial poverty basis. That links to transport and to this bill, too.

John Mason: The bill says that there will be a national islands plan and that there will be consultation, but it does not go into any detail. A statement has already been made to the effect that there should be something at the beginning of

the bill about sustainable communities and that, therefore, that would feed through.

First, do you agree that a national islands plan is a good idea? Secondly, and perhaps more important, should there be more detail in the bill about what should be in the plan? I think that the previous panel got a bit confused about this: at the moment, we are discussing not what is in the plan, but what should be in the bill about the plan. Also, is the 12-month timescale realistic for bringing the plan into place?

Iain MacMillan (University of the Highlands and Islands): The initial answer to the question is yes, the development of a national islands plan is a good thing. It would be difficult and not too helpful to be too prescriptive in the bill about what the plan should be. However, as was mentioned in the previous session, there is a need to keep it focused on the key outcomes that the Government wants for the islands.

John Mason: Is sustainable development the kind of outcome that you mean?

Iain MacMillan: At a fairly high level, it is. There is a danger that, if the plan is too prescriptive, it becomes a tick-box exercise because of the nature of that prescription. There is a need for the plan to outline where we want to be in five or 10 years' time and what the direction of travel should be. It is important that the plan enables conversations to take place between the bodies involved and the communities, so that there can be open dialogue between the agencies on policy changes and what their service changes are. Dialogue is what will determine how successful it will be in future, so the bill and the plan should facilitate that dialogue.

The Convener: I will bring in Shona MacLennan and Stephen Whiston, because the issue of planning and how detailed it should be is fundamental.

Shona MacLennan: Under the Gaelic Language (Scotland) Act 2005, we have a responsibility to develop a national Gaelic language plan every five years, so our experience relates quite closely to the idea of having an islands plan every five years. We go through consultation with all our stakeholders and we present that to ministers for consideration.

Such plans give a great focus to what we want to achieve for a specific thing—in our case, it is Gaelic language and culture, and in this case it will be the islands. What are the overarching aims? Our plan is not a detailed document. Instead, it sets the strategy direction. We are currently on the third iteration or draft. In our two previous plans, we focused on what we wanted to see happening, and research has shown that those plans have definitely brought improvements.

We have kept our plans at a high level. In the current iteration, we propose that we also have a delivery or implementation plan that sits alongside the high-level strategic plan, and perhaps something similar could be developed for the islands plan. That is not written down in legislation; it is just a different approach that we are taking.

John Mason: I am not familiar with the 2005 act. Does it give detail on the plan or is it like the bill?

Shona MacLennan: It is like the bill. It says that a plan will be prepared within a certain period, states a process for approval and says how we will go on to do the next one. It is very similar in that way.

Having just been through the process of developing the third plan, I would say that a period of 12 months would be very tight. We started the development process for the third plan in March 2016 and submitted it to ministers in June 2017—and we had had two plans already. We are also members of the convention of the Highlands and Islands, and a lot of discussions about the economy, housing, transport, health and education are happening there, so a body of work is already going on that may feed into the islands plan. That might enable it to be done within 12 months, but I think that that period is tight.

The Convener: John, maybe we can get an answer from Stephen Whiston on the time issue that Shona MacLennan has mentioned.

John Mason: The 12 months? Yes—I am happy to hear from him.

Stephen Whiston: We view that as ambitious given the points that Shona MacLennan made, the number of agencies that are involved in bringing things together and our communities' understanding of how it all fits together.

In health and social care, we have a three-year strategic plan, and our vision is mapped out for that. Our consultation process was compressed and we are still going through iterations of people understanding what that means, even with us establishing local planning forums for health and social care and bringing that up to the right maturity level. That is where we come to the difficult balance of communities' expectations and aspirations as opposed to health and social care need and how we need to transform and support communities in delivering that. When we match that with the other agencies' plans, it becomes complex, to say the least. We need to consider whether we are aligning things in the correct way, because transport infrastructure and cultural development absolutely impinge on all those areas.

To do the work within 12 months is ambitious. Can it be done? Anything can be done with the right level of resource and focus, but I would suggest that you might want to revisit that unless you are going to put in more resources.

John Mason: Do you think that health, which is your side, should be mentioned in the bill or are you relaxed that we can just assume that it is in the plan?

Stephen Whiston: The bill covers all public bodies, so health will be picked up within that. I do not think that there should be a specific mention of health.

From the information that we have presented, you will know about the way that we provide health across 23 inhabited islands. We have a resident presence on a few of those islands, but not on all of them. People have very different expectations as a consequence of the legacy around that. If you start to focus on a particular public body or agency, you will raise expectations beyond what needs to be delivered. I use the word “needs” again.

Gail Ross: Thank you for coming. How do you expect public bodies to feed into the development of the plan? To what extent do you expect to consult your stakeholders? Are there any resource implications with the consultation exercise?

The Convener: Gosh—that is a difficult question. Shona MacLennan is directly in the firing line, because she has had experience of that.

11:30

Shona MacLennan: I will approach the question from two angles: how we work in developing a national plan, and the work that we have done in carrying out impact assessments for island communities for the third national Gaelic language plan.

On consultation and building a plan, it is fairly easy to recognise the Gaelic stakeholders, so we have done some work with them and brought them together. However, because the viability and sustainability of the language are dependent on people having jobs, housing, education and all the other things that we have talked about, we have also worked with the public bodies whose role and function it is to deliver and support those services. We consulted them, setting out our ambitions and asking how they can help us to deliver those. That discussion was also about delivering their ambitions, so there is collaboration.

It is not clear to me who will actually draw up the islands plan. One of Bòrd na Gàidhlig's main functions under the act that set it up is to develop a national Gaelic language plan. When the bill says that ministers will develop a national islands

plan, my questions are: “Who?” and “How?” I am not sure that you would want that level of detail to be in the bill, but I recommend exploring how that will actually be taken forward and who will collaborate with all the bodies that are listed so that they know that they have a role in developing impact assessments. They need to know that there is a desire and an ambition among the Scottish ministers to have sustainable island communities, and they also need to know what that means for their strategy and how they deliver services. For example, does it mean working from the outside to the inside? What does the financial modelling mean for issues such as housing? It is hugely ambitious to try to do that within 12 months. That is my perspective on developing a national plan.

For our island impact assessment for the Gaelic language plan, we looked at the high levels of Gaelic speakers in communities in the Western Isles and other west coast islands, which Daibhidh Boag mentioned, and considered what we need to do differently to support those communities, as opposed to the growing communities around Gaelic-medium education in cities and towns. We have said that different approaches are needed, and we have to take those different approaches.

The Convener: I will bring in Iain MacMillan, but I want first to make it clear that the term “island proofing”, which has been used, will come up shortly as a separate section in our questions.

Iain MacMillan: There is a clear role for community planning partnerships and for the convention of the Highlands and Islands, which Shona MacLennan mentioned. It is critical that we are clear about how those different groups will work together to develop the plan. A lot of activity is already being undertaken in community planning partnerships. I understand that that is easier for those of us who are located completely on islands because our focus is completely within the islands, and that it may be a bit more challenging for those in the Argyll and Bute Council and Highland Council areas. We are already very focused on developing our local outcomes improvement plans in the islands, which in effect look towards the same challenges that have been mentioned in relation to the bill and the national islands plan. A body of work has already been undertaken, and it would make sense to use that.

There is always a danger that we might end up tripping over one another because there are so many people involved in developing similar solutions. They might be the same people in different guises. One of the challenges that we face in the islands is that people tend to come to groups wearing a number of hats and carrying different responsibilities, with the result that it is

sometimes hard for them to keep focused on why they are there and who they are representing.

The critical question is who will own and co-ordinate the plan. There are already bodies in existence that should be able to work together to involve all the stakeholders and pull the plan together.

Mention has been made of the timescale being ambitious, but I am afraid that it has to be ambitious. If we take too long over the process, we will not get anywhere particularly quickly.

Gail Ross: Given that the community planning partnerships are already in place and that the local outcomes improvement plans have been completed or are being worked on, do you think that the consultation phase will have any financial implications?

Iain MacMillan: I expect that there will always be financial implications, because we will have to change what we do, although that should be part and parcel of what we are about. I hope that one of the main reasons for our being there is to serve our communities. There is likely to be some additional cost as we move our feet to respond to a different requirement, but there is an increasing alignment of such policies, and I think that the national islands plan can pull all those together for the island areas and give us a clear focus. Although there might be an additional financial requirement initially, the situation should improve over time.

The Convener: That leads us neatly on to the next section.

Mike Rumbles: I want to drill down into the issue of island proofing. You will be aware that the schedule to the bill lists more than 60 public bodies for which it will be a legal requirement to island proof any policy or initiative that they propose. All our witnesses have said that that is great—*island proofing* is marvellous, and it is essential that it is done. However, from this side of the table, it seems that there is a bit of ambiguity about exactly how *island proofing* will be approached by those 60-plus public bodies.

Many witnesses have told us that *island proofing* must not be a tick-box exercise that involves someone in an organisation’s headquarters in Glasgow or Edinburgh, on realising that they have to think about the islands, doing so momentarily and then ticking the box. We know what we do not want, but how do you envisage that the practicalities of *island proofing* will operate? What must happen?

The Convener: Daibhidh Boag will go first on that.

Daibhidh Boag: That goes back to our discussion about the purpose of the bill and the

aim of securing sustainable, economically active populations on the islands. Having that purpose at the start of the process will make it much easier to island proof against that benchmark. When we are talking about a new policy or a new service in education or health, we will have to think about whether it will have a positive or a negative impact on that purpose. It all relates back to the purpose of the bill of having sustainable, economically active island communities.

Mike Rumbles: But how would someone in Edinburgh or Glasgow know what the impact would be on people in the islands?

Daibhidh Boag: The question would have to be asked whether the proposed change in ferry services, schools or the health service would improve or have a negative impact on the sustainability of the economically active population of the island concerned.

We hear difficult stories about population projections for the Western Isles. Island proofing should be about putting in place as many policies as possible that make islands attractive so that people are not only retained in but attracted to the area; the policies should flow towards that. For example, if there is no school in the community, the community will not attract or retain young families. Is there employment? Is housing available?

You talked about private businesses in the earlier session. Some of the businesses are probably quite small scale—hotels, fish farms and so on. Are the policies of the public agencies and private businesses that are around the table aligning to make sure that aquaculture jobs are possible within that community? When we talk about building houses, we need to think about whether they being built in the right place to make sure that everything happens.

Mike Rumbles: If I may, convener—

The Convener: I would like to bring in Ranald Robertson first, in case he has another opinion.

Ranald Robertson: It is not really a different opinion. An island impact assessment should not be a self-assessment. I do not think that self-assessment would be credible or would work. In our evidence, we suggested models such as the two-stage process for the strategic environmental assessment or the equalities impact assessment.

That suggests that there would be a gateway or an office that a body could consult about its policy or plan and which could say that there was no island impact. What that would look like, where it would be based and how the body would ensure that it had the cut-across to be certain that there was no impact requires a bit of thought and attention.

There would be no island impact in an awful lot of areas, so the question could probably be addressed quite quickly. However, people need the skills to do that or a body that could act as a gatekeeper, although I do not know exactly what that would involve or look like.

Mike Rumbles: Yes, that is what I am trying to get at. We all agree that that is what the policy should be—people should be thinking about all these things—but my question is about the practical implications. It is about how somebody sitting in Scottish Water's office in Glasgow or wherever will know whether their initiative will have an impact on one of the islands.

Should an islands office be created? Someone on the previous panel suggested that there should be such an office, which would be staffed by people who know about the islands and could be the first port of call for those 60-odd public bodies. Would that be a practical way of dealing with the issue?

I understand that you are saying that it should not be done by self-assessment, but I am thinking about the practicalities for those 60-odd organisations.

The Convener: Before Ranald Robertson answers that, it would probably be fair to say that we heard last week on a visit to the Western Isles that unless you have actually lived on an island and have experienced the problems of an island, you do not know islands. Perhaps you could bear that in mind in relation to the person or the group that you are thinking about.

Ranald Robertson: As a person who has lived on an island—I am from an island—maybe I am on safe ground.

In all seriousness, we have talked about the preparation of the plan and a lot of the evidence that you have heard has been about co-production as an important element of that. It might well be a co-production of the gateway facility; it might well be that you identify a number of key agencies that would form that and act at quite a high level. For example, the first submission could come in and all those agencies, such as Bòrd na Gàidhlig, Scottish Natural Heritage or the local authorities, could say that they do not see an impact for their areas.

On the question of how the agencies would manage that, how they would consult and how they would engage with people—whether through community planning or something else—there is scope to come up with a concept. It links back to the co-production of the plan itself in any case. You need to think about what an island impact assessment will look like and how that process will work as well as what the plan itself will look like.

Stephen Whiston: If I understand the question correctly, Mike Rumbles is asking about how we will know whether a change in health and social care, for example, will have that domino effect. As we have flagged up, people have clear expectations about what type of health and social care should be provided to their communities, and often those expectations are based on history and the legacy of what has been in place to date and what might change.

11:45

To give a simple example, there might be a change to dental services on an island because of a new policy on public dental services. Will that have a material impact on the viability of that community in the short, medium and long term? The community might access services on the island only very infrequently and in the future they might have to travel to the mainland. Will that change have a significant impact? In terms of health and wellbeing outcomes, you could argue that the impact will be seen 10 years down the line. Some people will not be able to travel for dental services, and that may have a knock-on effect in terms of health and care services. Will it prevent people from moving to the island if they feel that the service there cannot support their health needs? We might argue that the domino effect that will trickle down will be quite small—we might be talking about a very small community, or there might be ways of mitigating that effect. However, the change might be one of the key building blocks that will have a ripple effect. In health and care service terms, we may not necessarily understand that effect, although colleagues involved in some of the community planning discussions may understand it. Nonetheless, we will have to make a tough decision on what is required for that area. Have I picked you up correctly, Mr Rumbles? Is that what you are asking about?

Mike Rumbles: I understand the point that you are making, but who makes the decision? Is it you, sitting in Oban? How do you find out whether the lack of a dentist in Mull, say, will affect the island? Do you just look from your office in Oban and make that decision yourself?

Stephen Whiston: Our approach has always been about engaging with our communities. We develop locality community engagement and co-production processes, and we will continue to do that. To me, the bigger point is that we do that in a silo or in isolation—we engage with the communities that are directly affected, but we will not necessarily be thinking about the broader sustainability aspect at the time

People will be concerned about how they are going to continue to get that service, rather than

the future sustainability and viability of the island. Communities reflect that, and that is where people will say that there is a risk that island proofing will slow down and delay things because they will have to go through a number of hoops, whether those are tick boxes or something else.

Jamie Greene: That leads on very nicely to my questions. You have given a practical example of how the bill may affect your agency. We have a unique opportunity, because each of the panel members represents an agency that will be directly affected and will have to produce island impact assessments when the bill goes live. I am very keen to draw out what onus you each feel the bill places on you in terms of producing those assessments.

As it stands, the assessments apply to the development, delivery and redevelopment of any policy, strategy or service that each agency performs, and they will look at the effect that that will have on an island community and what can be done to improve or mitigate the effect. They are all-encompassing. Specifically on health, how will you produce those island impact assessments for every decision that you make, in order to justify the decision and look at its potential effect on an island? What will happen next, once you have produced the assessment? Will you just present it to the minister and say that it shows the effect that the decision will have on the island, while nothing actually happens to mitigate that effect? What are the practicalities around the island impact assessments, and how can they actually improve life on an island?

The Convener: Health seemed to be the focus of that question. As soon as Jamie Greene had finished asking it, Stephen Whiston looked down, so I am assuming that that was because he wanted to speak.

Stephen Whiston: Absolutely. We recognise how important health and care provision is across all our communities—mainland rural communities as well as island communities. It is going to be a real challenge for us to manage the expectations around what is meant by island proofing and island impact assessments and how the process will operate in practice.

At the moment, when we introduce service change, we involve and engage our communities. As part of that, we have a range of processes that we follow and assess things against, which I have listed in our submission. The outcome of that engagement is that we say to those communities, “This is what we have found and this is what we would recommend as the change”, which is either in the originally prescribed form or as it has been developed and iterated through that engagement.

I guess that I put my head down a little because I was thinking that I have 23 inhabited islands and you could argue that, on some of them, people access services in an inequitable way compared to way in which people on islands that have resident health and care services access services. That is about scale, geography, history and legacy. We know that we have to change the way that we deliver health and care services and that the people in those communities have very high expectations and aspirations. They are highly concerned about the viability of their communities if there is a domino effect. We will absolutely look at health and care need—that is our biggest concern. I use the word “need” again rather than “aspiration” or “expectation” because, if we do not focus on need, there is no way in which we will have the resources to deal with it. Given the challenges that we are facing, we cannot have that.

We have a health and social care process. On the bigger question about how that affects future sustainability and viability, we need to set that within community planning partnerships or A N Other agency.

Shona MacLennan: I want to offer up our experience because, as well as producing a national Gaelic language plan, we have the function of requiring public authorities to develop Gaelic language plans for their services. That is not the same as doing a Gaelic proofing exercise; it is a more proactive approach that involves asking local authorities how they will support and promote Gaelic through the services that they deliver in their areas. We have a team of officers who work with officers in the public authorities, and we monitor those plans. That is different from proofing, but it is another approach, and it may link to the approach in the islands plan of saying what we expect to see and asking authorities to consider whether policies will fulfil that. That may be a way of measuring them.

John Finnie: Specifically on that point, who polices the plan and is there an enforcement role? I know that that sounds like a heavy term, but if a plan is to be meaningful, there has to be some outcome, and the outcome cannot be that it is put on a shelf and has no relevance. Is there any policing role?

Shona MacLennan: The bòrd has a monitoring role, and the authorities are required to submit reports on progress. We try to work collaboratively with the authorities, but there is an ultimate sanction: the minister can intervene if the view is that an authority has failed. The legislation gives that opportunity.

I should add that there is statutory guidance for the authorities on how to develop language plans. Perhaps the statutory guidance will describe how

island proofing is to be done, implemented, monitored and reviewed. To answer your question, that might be one mechanism that could be used.

Jamie Greene: This is a really interesting point. It is important that we note that nowhere does the bill use the words “island proofing”. We talk about island proofing a lot, and the intention of the bill is to island proof, but part 3 simply says that there must be an island community impact assessment. Indeed, the only line that talks about having regard to island communities says:

“A relevant authority must have regard to island communities in carrying out its functions.”

There is no real island proofing mentioned in the bill. To properly island proof decisions would potentially require huge financial backing. For example, in health, island proofing a strategy would mean that, instead of closing a general practitioner service or a dentist’s surgery, a huge financial investment on the part of an agency would be required. Do you see any financial consequences to the bill, or are the financial consequences just those relating to introducing the impact assessments and not actually delivering properly island-proofed services?

Stephen Whiston: You are right that the term “island proofing” suggests providing a completely equitable playing field in all health and care services in all island communities, so that, for example, people on Bute could look across at Islay and say, “Yes, we have equitable service provision.”

In reality, achieving that would require not only a huge amount of finance, but a huge workforce. Where are you going to find the workforce and resource—in its fullest sense, which includes education, training, interdependencies, partner employment and so on—to deliver that? Those issues make it highly unlikely that that will ever be achieved.

The key issue for us when we conduct our impact assessments concerns mitigations around some of the changes and how we can prevent there being a significant change in service. Again, we operate under legislation that says that, if there is a significant change in service, we have to conduct a full consultation and that there will need to be a ministerial decision. That is particularly the case around health services. We are faced with really difficult choices with regard to transforming health and social care because of issues around our ageing workforce and a lot of other factors that I will not repeat today. However, in a case in which we cannot recruit a GP to an island, we have to conduct an impact assessment that involves mitigation measures that will ensure that that community’s need for GP services is met. That might involve a very different model from what was

previously in place and from what we have put in place in other islands. The proofing element is really more about what the alternative service delivery might be, and that is balanced against the expectations and aspirations of those island communities, which might see some of the changes as threatening the viability of the services.

The Convener: Does anyone else want to pick up on the issue of cost?

Ranald Robertson: I appreciate the point about island proofing, but I am not entirely sure that I agree that island proofing means having the same level of service in every community that people in every urban settlement have. I think that it means that due regard is given to the needs of islands. I should perhaps have been clearer about that earlier.

In our submission, we suggest that there are some high-level issues that seem to be particularly felt by island communities, such as maintaining a sustainable population, fuel poverty and demographic shifts. If we are able to address the key areas that impact on island life and island communities' sustainability, that would be better than focusing too much on the idea of having comparable levels of services in Bowmore and Bearsden. It is important to find the right balance, and it would be good if we could start to see a shift with regard to more sustainable populations. There needs to be a higher average wage in our island areas, because that is a real issue, as is fuel poverty, although that is something that I hear about more from the Orkney community planning partnership and the Outer Hebrides community planning partnership than elsewhere. The nature of the plan, with an annual report and a refresh every five years, means that we can shift our focus as we start addressing some of those big challenges.

The Convener: Stewart Stevenson will ask our next set of questions.

Stewart Stevenson: I will do a wrap-up on costs. We have covered costs relating to consultation, and I think that we have just covered island-proofing costs. The issue boils down to whether the financial memorandum properly addresses the costs that are associated with the bill. Do you feel that it does?

The Convener: Is there enough money for the plan in the bill? Who would like to answer that?

Iain MacMillan: That is a very open question. I would say that the way in which the issues have been laid out suggests that one size fits all, which is really what the bill is looking to challenge. It is extremely difficult to make an assessment of what the costs will be, but I am not comfortable with the assumption that one size fits all and that,

therefore, the costs of one agency will be the same right across the piece.

Other than that, I acknowledge the need to cost the plan and, at the moment, I see no other way in which to proceed. There is always a danger that people will take a one-size-fits-all approach and one of the benefits of the bill and the move towards an islands policy is that it gives us an opportunity to change our mindset so that we no longer take that view of public services.

The Convener: Does anyone else want to comment or does that summarise the position? It appears that no one else wants to comment.

That brings us neatly to the conclusion of our discussion. On behalf of the committee, I thank you all—Stephen, Iain, Ranald, David and Shona—for your evidence, including the written evidence that you submitted. It has been very useful and it will allow us to consider the points that you have raised as we draw up our report.

I will suspend the meeting briefly. I ask members to stay in their seats while we allow the witnesses to leave the room.

12:00

Meeting suspended.

12:01

On resuming—

Subordinate Legislation

M8/M73/M74 (30mph, 40mph and 50mph Speed Limit) Regulations 2017 (SSI 2017/286)

Railway Closures (Exclusion) Scotland) Order 2017 (SSI 2017/280)

The Convener: Item 2 is consideration of two negative instruments as detailed on the agenda. Members should note that no motion to annul has been received and there have been no representations on either instrument. Does anyone want to make any comments?

Richard Lyle (Uddingston and Bellshill) (SNP): I refer to the M8/M73/M74 (30mph, 40mph and 50mph Speed Limit) Regulations 2017, which arise as a result of road improvements that were made on the M8, the M73 and the M74. The regulations reduce the speed limits in some cases from the national motorway speed limit of 70mph to 30mph, 40mph or 50mph. I note that most of the reductions are on the M8, the M73 or the M74, but the A725 and A726 are also affected. Most of the reductions are on slip road exits or entries to the motorways, but certain parts of the eastbound, westbound and circular carriageways of some of the roads are also affected.

I am not against the regulations, but what action will be taken to inform drivers of the change to the speed limits? The limits on certain parts of the motorways have been in place for a number of years. I would like drivers to know that there will be a change, because otherwise the police who go along the motorways may capture drivers who do not know that the speed limit has changed on certain sections. I would like the committee to comment on that.

The Convener: As you are not objecting to the regulations, are you happy for the committee to raise the matter with the minister in writing, stating that we feel that the speed limits should be properly signposted so that people are aware of them? Would that satisfy you?

Richard Lyle: Yes. I would be obliged for that.

The Convener: The other instrument is about the closure of a railway station. I am afraid that I cannot say anything other than that, as it does not exist any more—it has been landscaped into the ground and removed—I assume that no one has any comments.

John Finnie: For the benefit of the casual listener who may hear this, I note that it has been

replaced by a superb piece of infrastructure. I think that it is appropriate to commend the improvement work that has gone on in the area.

The Convener: I absolutely agree. The new station is infinitely better. I am glad that it has been built—as, I am sure, everyone is. However, the other one no longer exists.

Subject to our writing to the minister regarding the speed limits, is the committee happy not to make any recommendation in relation to the instruments?

Members indicated agreement.

The Convener: That concludes our business. Thank you.

Meeting closed at 12:04.

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