

Islands Community Impact Assessment (ICIA) for the Islands Growth Deal Summary

INTRODUCTION

- 1.1 An Island Communities Impact Assessment (ICIA) is a potential requirement arising from the Islands (Scotland) Act 2018. Section 8 states that a Relevant Authority must prepare an ICIA in relation to a policy, strategy, or service, which, in the authority's opinion, is likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities) in the area in which the authority exercises its functions.
- 1.2 It is arguable that the Islands Growth Deal Programme is not a 'policy, strategy, or service' and as such does not fall within the requirements of the ICIA duty. However, the delivery of the Growth Deal programme, and the projects within it, has scope to have different impacts across our island areas. In addition to this, the three partner local authorities within the Islands Deal (Orkney Islands Council, Shetland Islands Council, and Comhairle nan Eilean Siar) have stated they wish to demonstrate leadership in the adoption of ICIA's, and that from the point of view of best practice, it would be desirable to carry out an ICIA for the Islands Growth Deal Programme as a whole.
- 1.3 The approved ICIA for the Islands Growth Deal is summarised within this document. This follows the template provided by Scottish Government and has been developed in line with the ICIA toolkit. This identifies several areas where individual projects within the Growth Deal could consider how to maximise impact across the island groups. It also identifies several recommendations at Programme level.
- 1.4 The ICIA further highlights that many of the risks that will face the island authorities as they seek to successfully deliver the Growth Deal Programme are by virtue of our island location.
- 1.5 The ICIA has been consulted on and shared with Project Leads, who have been asked to take account of the findings and recommendations in Business Case development and project implementation.

SUMMARY OF FINDINGS

- 2.1 The Islands Growth Deal consists of 16 proposals which will deliver an investment of £50 million each from the Scottish and UK Governments, and an anticipated £235 million from project partners, subject to final approval of robust Business Cases. It includes three joint-island innovation-focused proposals in the areas of low carbon technologies, creative industries and wellbeing, and skills and talent attraction. These projects will undertake activity in all three island groups and deliver benefits across all communities.
- 2.2 The impacts are solely on Orkney, Shetland and the Outer Hebrides due to the scope of the programme. Therefore, there is no potential difference in the islands compared to mainland Scotland. However, there is a risk of benefits not being felt across all communities within the islands' (of place, interest and age bracket). The geography of the islands may provide barriers for some residents to be able to access jobs, skills & training, business space, academic facilities, and other investments and outcomes being supported through the Deal. It is also important that benefits arising from the energy transition, another proposed outcome of the Deal, reach all parts of our island communities.

- 2.3 The main risk is that the economic benefits of the Growth Deal will be concentrated on certain parts of the island groups. This is challenging given many projects are capital projects which are already determined and tied to a particular location.
- 2.4 There are some projects or programmes within the Growth Deal where there is more scope to mitigate against this. A number of these are already considering this in the development of their Business Cases and it has also been a feature of the requirements for the Business Cases to consider inclusive growth, equalities, and the Fairer Scotland Duty.
- 2.5 All the projects or programmes within the Islands Growth Deal have scope to positively impact some of our island communities more than others.
- 2.6 It should be noted that Growth Deal projects have considered inclusive growth, equalities and undertaken a Fairer Scotland assessment as part of the Business Case development, meaning that cognisance is being given in the development and implementation of the Growth Deal to groups with protected characteristics, and who may experience barriers to participation in the labour market. These exercises have already picked up areas that are pertinent to the ICIA process (for example, the challenges of accessing affordable childcare in some island areas to enable participation in labour market, skills or training opportunities).
- 2.7 The projects have been categorised as follows:

1. Projects which cannot be developed or delivered differently, but where there may be supply chain benefits or learning (for example, on hydrogen production or innovative housing provision) that can benefit all parts of the islands. The following are large, standalone, capital projects which are very location-specific and are located close to the larger towns on the 3 island archipelagos:

- Scapa Flow Strategic Asset, near Kirkwall.
- Outer Hebrides Energy Hub, in Stornoway.
- Dales Voe Ultra Deep-Water Port, near Lerwick.
- Knab Redevelopment, in Lerwick
- Orkney Research and Innovation Campus, Stromness

2. Projects which will positively impact in more remote and rural parts of our islands due to directly investing in infrastructure, creating jobs and economic opportunity in these areas:

- Spaceport 1, North Uist
- Outer Hebrides Food & Drink Programme, Eriskay, Harris and South Uist in first instance.
- Outer Hebrides Destination Development, North Uist, Harris, rural Lewis (Calanais and Uig)
- Shell-Volution, largely R&D focus but will benefit mussel production sites across Shetland. Also potential for learning to be applied to the Outer Hebrides.

3. Projects where there may be scope to consider approaches within project development and implementation to ensure maximum impact across all parts of our communities:

- Orkney World Heritage Gateway
- TalEntEd Islands programme
- Orkney Research and Innovation Campus
- Shetland Campus Redevelopment
- Outer Hebrides Campus Redevelopment
- Creative Islands Wellbeing
- Orkney Community Vertical Farm
- Shetland Clean Energy Project
- Islands Centre for Net Zero (Orkney)
- Islands Centre for Net Zero (Outer Hebrides)

RECOMMENDATIONS

- 3.1 Recommendations arising from the ICIA process are summarised in this section.

Programme Level Recommendations

- 3.2 Monitoring and Evaluation of the Islands Growth Deal (as outlined in the Benefits Realisation Plan) should include locational factors along with factors such as age and gender (ie; location of job created, location of students, beneficiary profiles, businesses benefitting from support, etc.) to monitor and ensure activity and benefits are not concentrated in the core centres of population within the three island groups.
- 3.3 Although it is reflected in the Communications Plan, Gaelic should be embedded within the Islands Growth Deal Programme, and project activity / grantees in the Outer Hebrides area should take a bilingual approach where possible.
- 3.4 The Programme Board should seek to consider how learning and good practice gained through the Deal is applied to other areas, sectors, and locations in the islands.
- 3.5 Should Islands Deal investment impact on service design, and be led by a relevant authority, there may be a need for individual projects to undertake a project specific ICIA in future.

Project Level Recommendations

- 3.6 Project Delivery (for some of the Growth Deal projects) should take account of the challenges of geography and accessibility in order to maximise impact. A number of these recommendations have already been highlighted by Project Leads when they have considered equalities and inclusive growth in development of Business Cases. There will be further consultation on these with Project Leads who will be asked to consider these recommendations in project development and delivery.

ICNZ (Orkney), ICNZ (Outer Hebrides), IZNZ (Shetland Clean Energy Project)

- 3.7 Partners in the ICNZ should consider how activity of the ICNZ can impact on fuel poverty in all parts of our islands, and importance should be given to ensuring that none of our communities are left behind in the energy transition and securing associated benefits.
- 3.8 Consideration of our more remote islands and communities should be given in terms of the focus of research activity, trialling, and testing of new approaches as part of the energy transition, and investment in capital decarbonisation projects on the ground.

Talented Islands (Revenue)

- 3.9 It will be important to ensure that programme delivery is not overly focussed on the main centres of population. Work Package leads (UHI, RGU and HWU) should consider flexible approaches to delivery to overcome geographical barriers, costs of travel and distance, and childcare issues, which could all act as barriers to participation in the component parts of the skills, training, workforce and business development proposals being implemented through Talented. A number of these issues are already picked up in the equality impact assessment for the Talented Programme.

Orkney Community Vertical Farm

- 3.10 The opportunity for learning from the Orkney Vertical Farm to be shared across all 3 island groups and to translate to community led growing initiatives, and build resilience in local food supply chains, across the islands should be captured.

Creative Islands Wellbeing (Capital & Revenue)

- 3.11 The capital projects are responding to opportunities where these have arisen. For example, the Old Post Office in Orkney. Consideration should be given to effective use of existing assets in remote and

peripheral communities in the delivery of the revenue programme and associated activity. There may be opportunities to align with the work of academic and other partners in the deal in relation to this.

- 3.12 Similar to the Talented Programme, it will be important to ensure that programme delivery (and therefore benefit) is not overly focussed on the main centres of population. Project Leads should consider flexible approaches to delivery to overcome geographical barriers, costs of travel and distance, and childcare issues, which could all act as barriers to participation in the component parts of the skills, training, workforce and business development proposals being implemented through Talented. A number of these issues are already picked up in the equality impact assessment for Creative Islands wellbeing.

Orkney World Heritage Gateway

- 3.13 The active travel opportunities being taken forward seek to benefit island residents as well as visitors and reflect community consultation in this regard. This should be measured in the monitoring and evaluation of active travel supported through the investment.
- 3.14 A core part of the WHG programme is seeking to reduce the concentration of visitor activity on some key sites within Orkney, spreading the benefits out to other sites of archaeological interest and ensuring that tourism businesses in all parts of the islands benefit from the significant visitor numbers clustered round sites such as Skara Brae and the Ring of Brodgar. Consideration of how this can be practically supported is required to be integrated into the development of the visitor management and coach management applications that are proposed.

Shetland & Outer Hebrides Campus Redevelopment

- 3.15 These proposals already reflect the need to bring learning opportunities into communities, through acquisition of flexible and transportable learning spaces that can be used across the islands. The extent to which the benefit of the investment in the main learning centres at Stornoway and Lerwick impacts across the islands should be measured in monitoring and evaluation of programme impact.

APPROVAL AND PUBLICATION

- 4.1 The Islands Growth Deal Joint Committee approved the ICIA at its meeting of 22 June 2022
- 4.2 The full version of the ICIA is available by contacting amurray@cne-siar.gov.uk