

**MINUTES of MEETING of ARGYLL ISLANDS STRATEGIC GROUP held in the COLUMBA
CENTRE, BOWMORE, ISLE OF ISLAY
on THURSDAY, 29 AUGUST 2019**

Present: Councillor Robin Currie (Chair)

Councillor Mary-Jean Devon
Councillor Anne Horn
Councillor Jean Moffat

Councillor Elaine Robertson
Councillor Alastair Redman

Attending: Fergus Murray Head of Development and Economic Growth
Shona Barton, Area Committee Manager
Stuart Green, Corporate Support Manager
Paul Wheelhouse, Scottish Minister for Energy, Connectivity and the Islands
Don Morrison, Islands Team, Scottish Government

1. WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting and extended a warm welcome to the Scottish Minister for Energy, Connectivity and the Islands, Mr Paul Wheelhouse, and his team. General introductions were made.

Apologies for absence were intimated on behalf of Councillors Jim Lynch, Sir Jamie McGrigor, Aileen Morton and Len Scoullar.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

3. MINUTE OF PREVIOUS MEETING OF THE ARGYLL ISLANDS STRATEGIC GROUP HELD ON TUESDAY, 28 MAY 2019

The Minute of the previous meeting of the Argyll Islands Strategic Group held on Tuesday, 28 May 2019, was approved as a true record, subject to the following amendment:-

Item 1 – Welcome and Apologies

To replace the sentence “There were no apologies for absence intimated” with “Apologies for absence were intimated by Councillor Mary Jean Devon”.

4. UPDATED KEY PRIORITIES OF ARGYLL ISLANDS STRATEGIC GROUP

The group gave consideration to a report highlighting the list of priorities which had been updated to reflect discussion and decision at their meeting on 27 February 2019. It was noted that the list of key priorities would provide the focus of the groups work plan.

Discussion took place in respect of digital connectivity and the difficulties faced by island communities due to the challenging technology and geography which in turn adversely affects the population not only on the islands but throughout Argyll and Bute. The possibility of exploring with the windfarm companies who operate throughout the area the ways in which they could work with companies such as ALI Energy to alleviate fuel poverty was also highlighted, with the Head of Development and Economic Growth suggesting

that the Argyll and Bute Renewable Energy Alliance (ABRA) may be a useful source of information and assistance. Further discussion was had in relation to community benefits from onshore wind farms and the legalities of this. Mr Wheelhouse advised that the Scottish Government did not have the necessary powers to introduce a tax or levy on renewable energy and suggested that the group have a look at the newly updated good practice principles on the practice of Community Benefit.

Lengthy discussion took place in respect of housing provision and in particular for those with essential key worker status. Members of the group highlighted that this issue impacts on the provision of other essential services on the islands. Further discussion took place in relation to second home ownership which has seen the younger demographic struggle to find affordable housing and has resulted in young families leaving islands to set up home in more urban areas. Mr Wheelhouse advised that this has been a huge theme throughout the consultation process for the Islands (Scotland) Act, and further advised that as the Islands Plan unfolds the Scottish Government would be looking at how best to take this issue forward. Mr Wheelhouse confirmed that he would raise the issues addressed by the group with his colleague, Mr Kevin Stewart, Scottish Minister for Local Government, Housing and Planning.

Mr Wheelhouse advised of a Ministerial Task Group on Population which is being chaired by Fiona Hyslop, which would look at population challenges and migration issues. He advised that he was on this group by his association with the Islands and it was widely recognised that housing plays an important part in dealing with population decline. He suggested that officers of the Council may wish to start thinking on how they could liaise with this group going forward.

Decision:

The Argyll Islands Strategic Group agreed to approve the amended priorities (Appendix 1) as discussed and amended at their meeting on 27 February 2019.

(Reference: Report by Executive Director with responsibility for Development and Economic Growth, dated 29 August 2019, submitted.)

5. ADDRESS BY THE MINISTER FOR ENERGY, CONNECTIVITY AND THE ISLANDS

Mr Wheelhouse provided a brief update in relation to the findings of the recent consultation on the Islands (Scotland) Act. He advised that one of the big themes was transport infrastructure on the islands. Mr Wheelhouse advised that whilst it had been important to recognise the successful points of RET, it was equally as important to realise the additional pressure this placed on the transport infrastructure. He advised that the Government, working together with Transport Scotland and local authorities were keen to provide a coherent public transport service and advised that the Scottish Government programme was due to be released next week. He spoke of the current issues with ferry infrastructure, particularly in relation to Fergusons Ship Yard and the building of vessels 801 and 802 and advised the situation was improving.

Mr Wheelhouse also gave an update in relation to digital connectivity and advised that they were coming towards the end of the current investment programme. He spoke of the discrepancies in areas, and advised that the Government could only invest in the areas where there was no commercial investment plan in place. He provided further information

in relation to the R100 programme and the R100 follow-on programme to tackle the final 5% of predominantly rural premises to achieve near universal coverage by the end of 2021; rates relief assistance for investors of 10 years and the launch of the Scottish Government's 5G strategy.

In relation to energy, Mr Wheelhouse advised of the heavy investment planned for energy efficiency measures; the passing of the Fuel Poverty (Scotland) Bill; the work of the Scottish Marine Energy Industry Working Group; the re-carbonising of heat; the development of off shore wind plans, which may bring employment opportunities for islanders and the continued support to CS Wind UK at Machrihanish.

The Chair thanked Mr Wheelhouse for the information provided.

Decision:

The Argyll Islands Strategic Group agreed to note the information provided.

6. ISLAND (SCOTLAND) ACT

(a) National Islands Plan and Islands Impact Assessment Consultation

The group gave consideration to a report outlining the Council's response to the National Islands Plan and Islands Impact Assessment Consultation, which relates specifically to the duties detailed in Part 2 and Part 3 of the Islands (Scotland) Act.

Decision:

The Argyll Islands Strategic Group agreed to note the response, as detailed in Appendix 1 of the report, which was submitted to the consultation and formed the Council's formal response.

(Reference: Report by Executive Director with responsibility for Development and Economic Growth, dated 29 August 2019, submitted.)

(b) Update by the Minister for Energy, Connectivity and the Islands

Mr Wheelhouse provided a brief update on the extensive works undertaken by his team, together with Strathclyde University to deliver the consultation on the National Islands Plan and the Island Communities Impact Assessment. He advised that they had run 57 events over 40 islands in a bid to get parity between islands and to ensure that as many were represented as possible. Mr Morrison of the Scottish Government's Islands Team agreed to forward the link to the individual reports, which were available for each event. Mr Wheelhouse advised that the consultation exercise would inform the National Islands Plan which is to be laid before Parliament by 4 October 2019. He advised that the Islands (Scotland) Act requires that the National Islands Plan is reported on annually and reviewed after five years.

Discussion was had in relation to the retrospective nature of the Islands Communities Impact Assessment tool and to the provision contained within the Act that allowed communities to request additional powers. Mr Wheelhouse advised that the Government were in the process of developing guidance for local authorities and Ministers for responding to requests of this nature.

Decision:

The Argyll Islands Strategic Group agreed to note the information provided.

7. ISLANDS TRANSPORT FORUM

The group gave consideration to the minute of the previous meeting of the Islands Transport Forum held on 9 May 2019. The Head of Development and Economic Growth provided a brief verbal update on the subsequent meeting of the Forum which took place on 21 August 2019 and advised that he was pleased to see the recognition of the importance of ferries and port infrastructure in the National Transport Strategy. Discussion was had in relation to the new Islay vessel design, with members of the group pleased to note that, as this is a similar size to the Finlaggan, the infrastructure already in place at Kennacraig, Port Askaig and Port Ellen could accommodate it. Mr Wheelhouse confirmed that budget discussions were taking place and that he was trying to enhance the engagement with stakeholders, trade unions and communities in this regard. Further discussion took place in respect of the annual increase in capital funding, the role of the National Infrastructure Commission; the Aviation Strategy and the current arrangements with Transport Scotland in relation to the Tayvallich to Jura Passenger Ferry.

The Head of Development and Economic Growth agreed to circulate the minute of the meeting of the Forum held on 21 August 2019 once it becomes available.

Decision:

The Argyll Islands Strategic Group agreed to note the minute of the previous meeting of the Islands Transport Forum held on 9 May 2019 and the subsequent information provided.

(Reference: Minute of the previous meeting of the Islands Transport Forum, held on 9 May 2019, submitted.)

8. VESSEL REPLACEMENT AND DEPLOYMENT PROGRAMME

The group gave consideration to a report providing an update on the current position of the Vessel Replacement and Deployment Programme which is now being finalised for consideration by Ministers and it is hoped that it will be published in the Autumn. Mr Wheelhouse provided an update in relation to the new Islay ferry, which is to be built upon completion of vessels 801 and 802 and the legal action against the Government on Northern Isles Procurement, which he advised had been helpful in establishing a legislative process and clarifying state support for ferries.

Councillor Elaine Robertson advised of a recent decision of the Oban, Lorn and the Isles Area Committee to write to CMAL in support of the communities wish to commission smaller vessels and the introduction of a more frequent sailings timetable to better support existing infrastructure both in Oban and Mull. She enquired as to whether it would be appropriate to copy Mr Wheelhouse into the correspondence with CMAL and he confirmed he was happy to be included.

Decision:

The Argyll Islands Strategic Group agreed to note:-

1. the update provided; and
2. that Mr Hadfield of Transport Scotland would be in attendance at the next meeting of the group.

(Reference: Update Report by Transport Scotland, dated 29 August 2019, submitted.)

9. ARGYLL AIR SERVICES PSO TENDER

The group gave consideration to a report highlighting the successful tender process for the Argyll Air Services Public Service Obligation (PSO) contract.

Councillor Mary Jean Devon asked that the thanks be recorded of the scholars and their families on the islands of Coll and Colonsay together with her own, to the Head of Development and Economic Growth and his team, for their efforts to secure this service.

Decision:

The Argyll Islands Strategic Group agreed to note that the new contract for Argyll Air Services will commence with the operator Hebridean Air on 16 September 2019 and will operate for a period of 4 years until 15 September 2023 for the sum of £2,048,828.

(Reference: Report by Executive Director with responsibility for Development and Economic Growth, dated 29 August 2019, submitted.)

10. SCOTTISH GOVERNMENT ISLAND LIAISON DIRECTORS UPDATE

The group gave consideration to an update from the Scottish Government Islands Liaison Team on the links between Argyll and Bute Council and the appropriate Scottish Government policy teams on issues discussed at their previous meeting on 28 May 2019. These included the provision of financial assistance for athletes based in the islands to attend mainland events and the way in which fuel poverty targets are set for island areas, in particular around equity of outcomes for residents of island communities.

Decision:

The Argyll Islands Strategic Group agreed to note the information provided.

(Reference: Update by Scottish Government Island Liaison Directors, dated 29 August 2019, submitted.)

11. QUESTION AND ANSWER SESSION WITH THE MINISTER FOR ENERGY, CONNECTIVITY AND THE ISLANDS

A number of questions had been submitted and it was agreed that questions from those in attendance would be taken first. This minute reflects the order in which discussion took place.

Jenni Minto, Islay Community Council asked:-

Islay is a success story but that success is in danger of being eroded due to a lack of public investment in the island's infrastructure: from lack of affordable housing to minimal bus service to constant issues with our life line ferry service; and everything in between.

I recognise that the Scottish Government has invested in the rural and island communities across Scotland but I believe that Islay, given its massive contribution to the exchequer, is being short changed. How can you ensure that Islay will get that needed investment?

The islands bill has been introduced to ensure islands are not disadvantaged when compared to the mainland. However islands are not treated equally with each other. For example in local government if Islay was part of the Western Isles our population would equate to 3 Councillors, one for every 1000 voters. Currently we have one third of three - so one!

In a mixed Region like Argyll & Bute, how can you ensure our island voice is heard?

Mr Wheelhouse advised that the Scottish Government were taking an equity and rights based approach to the National Islands Plan, as they had a duty to deliver services that reflect the needs of islanders without discriminating against other islands. He added that it was recognised that it's not a one size fits all situation.

Addressing the question of the number of councillors in wards with inhabited islands, Mr Wheelhouse advised that this was a matter for the Local Boundary Commission, who he believed were taking a flexible approach as it was about addressing local demand. The Chair, Councillor Currie advised that the Local Boundary Commission are meeting with the Council in October. Mr Wheelhouse advised that he would provide further detail on what the regulation means in practice.

Chris Abell, Islay resident asked:-

"Transport Scotland allows CalMac to operate a scheme whereby certain commercial hauliers are able to block book space on the Islay Ferry months in advance. Islay residents are outnumbered at least 10 to 1 by visitors on the Islay ferry. CalMac claims that Transport Scotland insists that every ferry passenger must be treated alike and that they are not permitted to issue Islay residents with an Islay ferry card to give residents reasonable travel priority as a matter of Transport Scotland policy. Islay residents are outcompeted for ferry space by freight which has priority booking and by tourists by sheer weight of numbers. It will sometimes take Islay residents a week or more to reach Kennacraig 30 miles away from the time that they make a decision to travel, and even then they will not be likely to travel at the time of their choosing.

What changes to Transport Scotland policy will the Minister make to ensure that the reasonable travel needs of island residents are given appropriate priority in an oversubscribed and overcrowded "lifeline" service by the use of a resident's ferry card or similar scheme?"

Mr Wheelhouse advised that discussions with Calmac were currently ongoing in respect of the issues raised. He advised that the issue relates to a contract that is inflexible and restrictive and prohibited a distinction between locals and visitors. He further advised that Calmac are looking to expand their saved spaces policy and also offered some

information on the club car solutions running in other areas. In relation to the freight issues, Mr Wheelhouse agreed to take this forward and feedback the outcome of his discussions.

Councillor Mary-Jean Devon spoke of the freight charges which affect delivery costs to the islands. She outlined the discrepancies since RET and asked the Scottish Minister to bear this in mind during the upcoming review of RET. Mr Wheelhouse confirmed that this would be taken into consideration.

Jura Community Council submitted the following question:-

Our primary school, Small Isles Primary, has just recently lost a classroom teacher and is about to lose the joint Head Teacher also. A new Principal Teacher started in April and all of these individuals are struggling to find a house/home on the island. The Principal is currently in short-term let on Jura until April where he will then be technically homeless and have to move on - this will be an issue as there are no long-term lets available on the island. In order to accommodate a new Head Teacher and any other teacher, there needs to be housing. There are currently plans for 10 units to be built in Craighouse village, the finish date is not certain but likely to be end of 2020 at the earliest and there is no guarantee of a house being allocated for a teacher. There is a house for sale on the island, in good condition, currently on the market for O/O £180k, with a very sympathetic seller, we are planning to contact WHHA to make a request for them to purchase this house as part of the housing stock on Jura and also see if this could then be labelled as an 'education' house, this is where we require assistance. We believe that an education house will always be needed on Jura. The teaching model favours teachers to be located on the island especially when winter ferry timetables are reduced and weather can affect teachers getting onto the island, having at least one teacher, minimum, living here, reduces the risk for school operation. Connections to Islay can prove difficult and can result in teachers being stuck. We would like to request an education house and identifying the house for sale is a quick solution for either Principle or Head with the hope of one of the other units or any WHHA unit that comes up, be available for a second teacher through a lettings policy or other means of scoring.

Mr Wheelhouse advised that he would get back to Jura Community Council with his thoughts on innovations for housing once he had had an opportunity to speak with Mr Stewart.

Councillor Horn enquired about how the consultation on the Ferry Review was taking place. Mr Wheelhouse advised that he would look into the methodology of the consultation and get back to the group in due course.

12. DATE OF NEXT MEETING

The Argyll Islands Strategic Group agreed that their next meeting be held on Tuesday, 21 January 2020. Venue to be confirmed.