

ADDRESSING OUR POPULATION CHALLENGES

1.0 INTRODUCTION

- 1.1 The purpose of this report is to allow the Council to consider two possible options in relation to responding to our population challenges in Argyll and Bute with the preferred option to pursue a themed approach focused on housing.
- 1.2 A paper entitled '[Population and Fragile Communities](#)' was presented at COHI in October 2020, where it noted that the acuteness of the population decline challenges faced in Argyll and Bute, the Outer Hebrides and Caithness and Sutherland and the islands in the North Ayrshire Council area requires a targeted, inter-agency policy response.
- 1.3 A Population Working Group, a sub-group of the COHI Senior Officers' Group, has been formed, comprising of officials from the Scottish Government's Population and Islands Teams, Argyll and Bute Council, Comhairle nan Eilean Siar, Highland Council, North Ayrshire Council and Highlands and Islands Enterprise (HIE). This Working Group has begun exploring what an inter-agency response could be to address the acute population challenges for the identified areas within the Highlands and Islands.
- 1.4 It would be prudent that any proposal to develop a more localised approach to population issues, will align with Scotland's first [National Population Strategy](#), the National Islands Plans and the associated implementation route map that has specific actions relating to population. This paper outlines the concept definition and overarching principles of establishing a Repopulation Zone(s) and an alternative approach specifically for Argyll and Bute that identifies taking a thematic approach across our region (Option 2 as detailed in the paper) with a focus on housing which is considered to be a major barrier to retaining and growing our population.

2.0 RECOMMENDATIONS

2.1 The Committee are asked to:

- Note the content of this report.
- Consider the two options outlined in the report and agree the preferred option, which is **Option 2**, which is to take forward a pilot project based on taking a thematic approach to addressing our population challenges with a focus on addressing our overall housing needs across Argyll and Bute.
- Agree to communicate this preferred approach at the next COHI meeting on the 25th of October 2021 and press COHI and the Scottish Government on the importance of addressing our population challenges across Argyll and Bute as quickly as possible.

3.0 DETAIL

- 3.1 Argyll and Bute's population, in common with a number of council areas of Scotland, is expected to fall across most areas of the region. While the situation is complex the principle cause of this is due to an ageing population with insufficient in migration to compensate for a falling birth rate. In response to this situation and other population pressures experienced across Scotland the Scottish Government has published its own population strategy. COHI has responded to this critical issue by setting up its own population working group to work with the Government and examine options to address the situation we now find ourselves in. This report looks at a couple of these options.
- 3.2 **OPTION One** - The Head of the Scottish Government's Population Team has suggested taking forward the concept of Repopulation Zone pilot area(s) across named Authorities in the COHI area. This approach would involve identifying specific parts of Argyll and Bute that would act as a pilot to inform future actions that can be taken forward to address our population challenges.
- 3.3 The overarching principle of these Repopulation Zones is a place-based approach with a methodology to focus interventions on specific identified Argyll and Bute geographies. A model dealing with area characteristics and profile, commissioned by HIE, has been developed with The James Hutton Institute on area profiling and area clusters. Each zone would be place-based and have the ability to develop approaches and pilot innovation appropriate to its own needs. It is anticipated, however, that there would be issues of commonality across each zone and that a governance structure is developed to provide direction, share experience across zones and provide a co-ordinated approach with the national strategy.
- 3.4 For a Repopulation Zone pilot area(s), it is anticipated that initial areas of strategic focus to give the best opportunity to make an impact will be in relation

to:

- **economy and jobs:** recognising that high quality economic opportunities and jobs are a key component in sustaining population and that each locality requires a diverse mix of sectoral jobs and opportunities.
- **infrastructure** (including digital connectivity): recognising that strong infrastructure, especially accessible housing¹ and workplace options, are a prerequisite for a well-functioning economy and for holding population within a local economy. Similarly, a shift to a post-COVID more home-based work environment can only be achieved if the appropriate physical and digital infrastructure are in place.
- **public services and community:** population decline has a direct impact on the sustainability and cost of public services. The retrenchment of public sector finance and the centralisation of activity can have disproportionate impacts in communities already challenged by population loss and the impacts of rurality.

- 3.5 For this option, the suggested focus was originally to be on Coll and Tiree, however, this isn't considered to be a large enough area for any interventions to provide a meaningful impact and therefore Kintyre would also be looked at.
- 3.6 One suggestion is to employ a 'Settlement Officer' for a year, to assist with the repopulation zones approach. It is proposed that appropriate local authorities host this post, with 50% of the employment costs being met by HIE. The Executive Director, responsible for Economic Growth and the Head of Development & Economic Growth have agreed to provide this funding of circa £22.5k (subject to the council's job evaluation and resultant grade for this post).
- 3.7 **Option Two** - In preparing this report for Council an alternative option was developed as there was concerns that taking forward a place based special report limited to a few areas of Argyll and Bute would not be able to deliver the transformation change that is considered necessary to address this major issue for Argyll and Bute. This option would involve employing a settlement officer to examine the issue of housing across Argyll and Bute which is considered to be major barrier to retaining and attracting people to our region. It is important to establish that this option would look at all housing issues (costs, legislative barriers, land supply, finance, infrastructure) affecting our local communities and not simply confined to the provision of social rented housing. This option would be subject to agreement with HIE on available funding for the post.
- 3.8 With regard to other immediate actions the following have been identified by the Population Working Group as a suite of activity that could be progressed in the short-term, both to deliver action-orientated momentum and to act as a precursor to the establishment of Repopulation Zones.
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- i) **Live Local – Work Global: Public Sector Jobs Dispersal**
It is an opportune time to collaborate with the Scottish and UK Governments on a 'live local – work global' recruitment culture, aimed at delivering a more equitable spread of the public sector workforce. The benefits of having higher numbers of government and public sector employees located in areas such as Argyll and Bute would have a direct impact on population.
- ii) **Influence Key Partners to ensure Core Infrastructure and Housing Provision**
Infrastructure underpins population and talent attraction challenges. Digital, housing, business property, transport and Argyll College UHI/UHI all have particular roles. This issue has been identified by the Scottish Government with the establishment of Smart Clachan pilots in the Outer Hebrides and Argyll and Bute. Allied to this is the potential to develop and integrate creative solutions to digital connectivity whereby public sector investment in specified regions provide an advantage through excellent broadband and mobile connectivity.
- iii) **Development of New Interventions**
Interventions aimed at attracting and retaining new people to places, especially the young. Previous examples include Argyll and Bute Council's **Rural Resettlement Fund**. However, it is apparent from the cluster approach that one single intervention is not enough; for real impact a package of measures is required – hence the Repopulation Zone approach
- iv) **Grow Access to Higher Education (HE) and Further Education (FE)**
In 2017 (as an example year) 25% of school leavers entering Higher Education did so outside of Argyll and Bute. For Further education the figure is 81% of those entering FE do so outside of Argyll and Bute. Once graduated, most become immersed in jobs, relationships, housing etc. and remain outside the region. Although it is inevitable that young people will want to leave Argyll and Bute to experience city life, the fact that young talent from our area may be disproportionately fuelling urban economies across Scotland needs to be addressed. It is therefore critical to grow the number of (in particular) degree courses available in the region to either retain or attract students. There is also a necessity to build on UHI's/Argyll College UHI's ability to offer blended learning supported by local outreach facilities across all parts of the region (aligns with the development of the proposed STEM Hubs within the Rural Growth Deal, Rural Skills Accelerator Programme).
- v) **Evidence Gathering**
Evidence and hard facts are essential to back-up the need for new policies and investment. In the case of Argyll and Bute, preliminary research into population forecasts has highlighted that all areas are facing significant

population loss by 2030. With a focus in the first instance on smaller communities, it may be easier to monitor the impact of any interventions proposed. The effects of population loss are compounded by an increase in the older population and the pressures this will have on care services, transport, housing etc. In addition, there will need to be an agreement on a reasonable time period to be given to enable any transformational change within the Repopulation Zone pilot area(s), such as a three to five year period.

4.0 CONCLUSION

- 4.1 Addressing our population challenges is a top priority of the council and we have been taking forward a series of actions to help address this issue. The situation is highly complex however, and the council recognizes that, on its own, it cannot find a comprehensive solution. Consequently, we have been working with partners, including the Scottish Government, in order to help find solutions that can be implemented quickly and effectively. This includes developing the concept of Repopulation Zones targeted at specific parts of Argyll and Bute informed by recent research work undertaken by The James Hutton Institute on behalf of HIE.
- 4.2 It is intended that as a pilot a Settlement Officer would be employed, for a year in the first instance to deliver the suggested repopulation zones. In preparing this report this option (**Option 1**) is not considered by the council to be a sufficient response as it does not address repopulation issues across much of Argyll and Bute. Of particular concern is that this option only focuses on relatively small areas of our region that in itself will not be able to bring about the required transformational change required. An alternative option (**Option 2**) has consequently been developed that would look at taking a thematic approach with a focus on housing as a major barrier to retaining and attracting people to our region. Given this looks to address a key population challenge across Argyll and Bute this is considered to be the preferred option to be taken forward, subject to support being agreed by HIE to facilitate the settlement officer post.
- 4.3 Further actions are highlighted in the report and it is also recommended that the urgency of the situation regarding our population challenges be also communicated to COHI on the 25th of October together with the need to take forward additional and also meaningful actions as soon as possible.
- 4.4 Ongoing officer collaboration and engagement with the Scottish Government representatives on the COHI Population Working Group, and UK Government as appropriate, is considered critical to the continued development of this work. It is essential that the work is progressed collaboratively to avoid overlap, duplication and confusion.

5.0 IMPLICATIONS

5.1 Policy

The overarching vision of Argyll and Bute Council's Economic Strategy 2019-2023 is that Argyll and Bute's

	economic success is based on a growth population.
5.2 Financial	50% of the salary and on costs of a Settlement Officer post for 12 months (circa £22.5k)
5.3 Legal	All appropriate legal implications will be taken into consideration.
5.4 HR	Economic Growth officers will be taking this work forward in close liaison with staff in the Projects and Regeneration Team who are involved with the delivery of the place-based agenda and the National Islands Plan with all Argyll and Bute island communities.
5.5 Fairer Scotland Duty	The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented.
5.6 Equalities	All activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations.
5.7 Socio-economic Duty	A growing working age population needs to be aligned with appropriate service provision to assist in the removal of socio-economic disadvantages for vulnerable residents.
5.8 Islands	The Council considers that our population challenge needs to be addressed across our whole area including our island communities.
5.9 Risk	Action has to be taken now to prevent the population decline projections for 2030 for Argyll and Bute becoming a reality.
5.10 Customer Service	None.

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Appendix 1. Repopulation Zone: Concept Definition and Overarching Principles

Overview:

The Scottish Government's national [population strategy](#) is focused on achieving a more balanced population across Scotland. To ensure linkages between this national strategy and localised approaches to population issues, it was agreed at the Convention of the Highlands and Islands in March 2021, there needed to be development of a concept and framework around *Repopulation Zones*. This need has been further strengthened in the SNP manifesto, which included a commitment to investigate the Repopulation Zones concept to help make Scotland's communities more sustainable.

Principles of a Repopulation Zone

Repopulation zones should follow these guiding principles:

- **Boldness in economic transformation.** Repeating investment that has gone before is no longer enough to drive change, especially in light of COVID recovery and the transition to net zero. Radical ideas are needed for local investment and to attract and retain people in communities.
- **A person-centered approach.** People and place are key in building sustainable communities. Local engagement and an understanding of local need and demand will be key to achieving success.
- **Consider the impact on vulnerable families.** Attracting young working age people with, or may have, a family will be important for the long-term sustainability of our communities. COVID has also impacted our most vulnerable families and people, with the inequality gap increasing. Therefore, repopulation zones must consider be equal and fair for all and ensure all people can thrive in our communities.
- **Evidence-driven.** Data and evidence must be used to identify zones and what interventions will be used.
- **Policy flexibility.** While there are a number of policy interventions that are already supporting our fragile communities, in being bold and transformational, zones must be allowed to flex current policies and frameworks to attract and sustain communities.

What is the potential role of a Repopulation Zone?

Zones would be identified with an understanding that repopulation is not a solution in itself. Instead, zones with the aim of reversing population decline - through improved retention and attraction – should view population growth as a *result* of positive, structured regeneration in local places. Strategic population growth of places should be deeply grounded around economic opportunity and regeneration.

It should accept that, whilst aiming to address historic decline, the goal of zones should not be to recreate or return any exact levels or spatial spread of historic population in a particular area. Instead, it should be to support the creation of sustainable populations and communities into the future. Sustainable populations will be different for different areas and zones would need to consider what success looks like. A potential option may be the development of a sustainability index to demonstrate change and the positive impact the interventions are having.

Question – does the above role of the zone feel right? Do we need to be explicit as to what exact issues it is looking to address and why the option of a repopulation zone would be considered over other policy interventions?

What is a Repopulation Zone?

A Repopulation Zone would likely be identified through a multi-agency approach between Scottish Government, local government, partners (such as Highlands and Islands Enterprise) and the community as an area that is experiencing acute population decline.

Each designated zone would have clear outcomes it would be aiming to achieve and set out the actions to achieve those outcomes,

Population issues are complex and therefore, the determinants are different and multi-faceted for each individual place. Jobs, infrastructure (both physical and digital) and access to services such as health and education are fundamental to building sustainable places where people can live, work, raise a family, and make long-term contributions to a community.

How should a Repopulation Zone be identified?

Zone areas would not be decided upon levels and pace of population decline alone.

Instead, zone locations should be determined by local authorities and communities in collaboration with enterprise partners through a holistic range of strategic indicators. This would include economic indicators of relevance to that place (and its neighbouring areas if needed) – e.g. consideration should be given to the local job market, employability levels, emerging sectors, where opportunities exist for regenerative growth, and how market forces have shaped historic cycles of depopulation in a specific area.

It would also include demands on public services and projected patterns of inward migration to identify why some populations may need to grow and the level of growth required. Critical to the identification of areas of focus would also be local place-based knowledge held at Local Authority and community level.

There would be no definition of the size of Repopulation Zones. This will be for the agencies involved to decide. However, zones should be of relative small size to ensure targeted support and success.

The process of identifying repopulation zones would follow as such:

- Identify the drivers of population decline – e.g. natural change / increased outward migration
- Identify the actions to stem / reverse trends – including the value / role of preventative action - (i.e. negative impacts will cost more than timely preventative measures)
- Consider the timescale to achieve the change needed
- Links to strategic / statutory processes

An improvement tool or framework could be created for Local Authorities to help identify a repopulation zone. This would build on measurement frameworks that already exist (such as the wellbeing economy measuring framework, the James Hutton Institute framework for inclusive growth and Local Demand and Needs Assessment for planning, health inequality data and National Records of Scotland sub-national population data). However, each of these current data sources are working in isolation and so a new tool would bring together a suite of measurements to set out the population and demography of areas.

Depending on the outcome of this tool, potential interventions will be suggested by the repopulation zone tool for Local Authorities and/or community groups to pilot and test. This may range from building more houses, to further strategic regeneration to the need for further attitudinal data. As already mentioned however, addressing acute population issues requires long-term generational change impacting on many areas so radical and transformative action must be considered.

Measuring and Evaluating

Once interventions are identified, measuring success and evaluation will be important. Improvement methodology should be followed, where activity is monitored and interventions changed as required. Evaluation will be key and should be captured to allow for best practice to be shared in other parts of the Local Authority, regionally and nationally.

Consideration of Impact on other areas.

Alignment with other national policies will be important. NPF4, Local Place Plans, Housing to 2040, COVID recovery, community wealth building and health services would all play a role in the success of Repopulation Zones as would local policies such Local Development Plans and so development of zones and the concept must be cognisant of the impact on other policies.

Repopulation Zones would require resource, both staffing and financial. Both national and local government would have to agree that addressing areas of acute population issues is a top priority and provide resources to tackle these. This will be difficult to achieve with other policy commitments and discussions around prioritisation will need to take place. Funding streams may already be available (such as the Place-based Investment Programme) but where not, other options must be explored.

Consideration will also need to be given as to what impact a repopulation zone will have on other areas in Scotland, either neighbouring or similarly fragile communities as we would be keen to avoid any issues around displacement and populations from fragile communities moving to another.