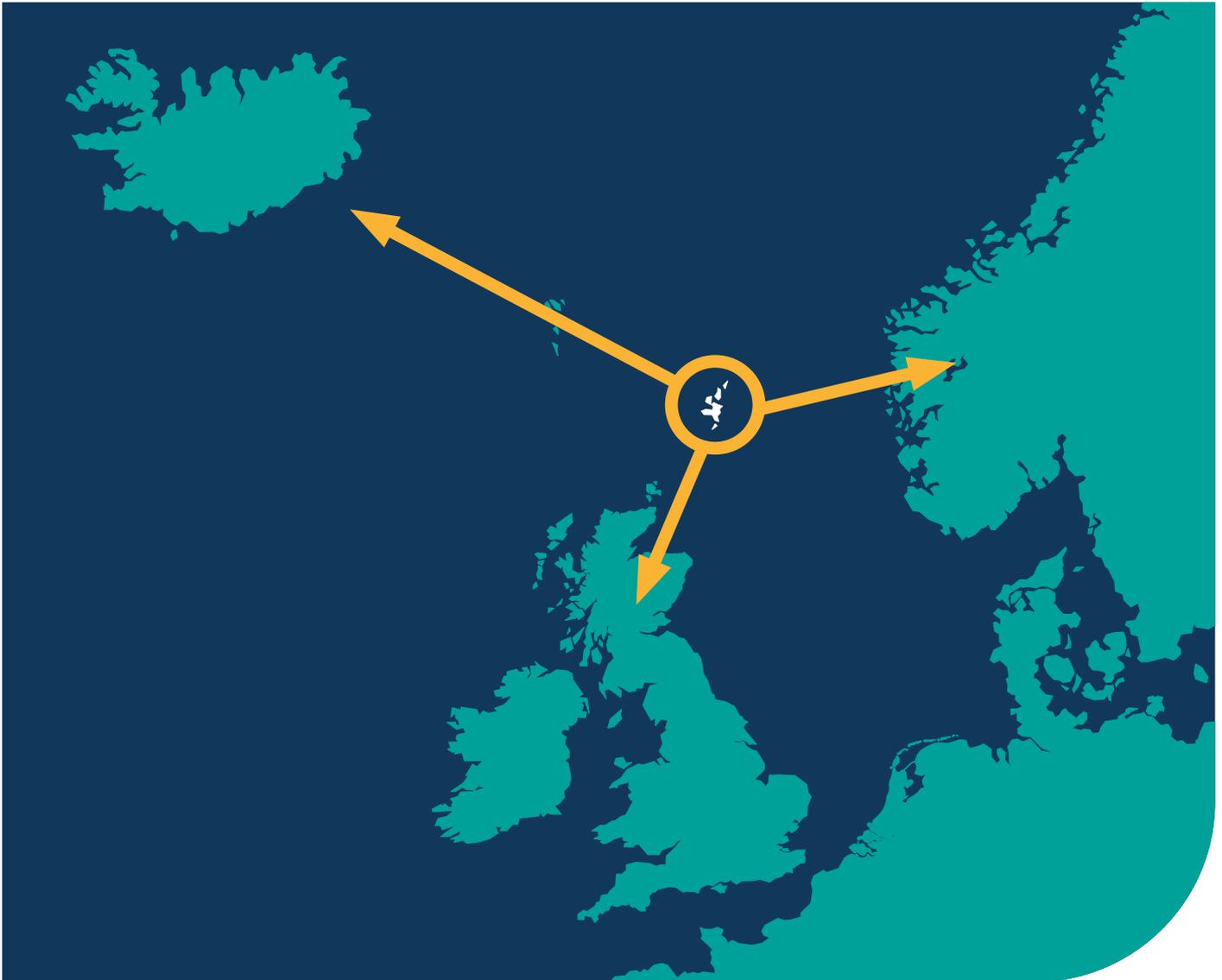


Shetland's Future



Shetland
Islands
Council

Summary



Shetland is unique.

It is Scottish and British, of course, and so inevitably it looks south. However Lerwick is closer to Torshavn in the Faroe Islands than it is to Edinburgh, and closer to Oslo and to Copenhagen than it is to London, and so Shetland also looks to its north, west and east.

As much as it is a Scottish and British island, Shetland is a Nordic island and a North Atlantic island.

Understanding Shetland's geographic place in the world is central to understanding Shetland's political, social and economic place in the world. And it is central to understanding the identity of Shetlanders. We are Scottish, and British, and Nordic but we are Shetlanders first.

Our geography, our history, and our vision of the future, gives us a very clear understanding of our worth and our value.

We understand the value of our waters

It is our waters which result in us landing more fish in Shetland than in England, Wales and Northern Ireland combined, which provide around one-quarter of all Scottish salmon, and which give the world over 80% of Scotland's mussels.

© Euan Myles



We understand the value of our land

It is the position of our land which has led to SaxaVord Spaceport becoming Europe's only fully licensed vertical launch spaceport, taking Shetland from being a Scottish, British and Nordic actor, to being a truly global one.

We understand the value of sea and land together

It is what makes the proposed Dales Voe ultra-deep water quay the UK's optimal location for securing more of the growing decommissioning sector and the developing offshore renewable sector.



© John Coutts



And we understand the value of our wind

It is our wind which makes Shetland one of the most commercially attractive places in the world to build wind farms on the land (such as Viking, which can power half a million homes on the UK mainland) and in the sea (where the three Scotwind projects could power around 3 million homes).

Summary

However there are two sides to this coin. Shetland understands the worth and value of its industries, but it also understands the obstacles which stand in the way of those industries delivering. Some of these are not unique to Shetland; the cost of living, the cost of heating and the migration of younger people. Not unique, but more pronounced in Shetland than elsewhere.

Shetland's cost of living is considerably higher than in mainland Scotland. Shetland is colder and windier than the rest of the country, and does not have a gas network, so as a result has heating bills twice that of the rest of the country. Shetland has 1.08 jobs per head of working population, yet our young working-age people continue to leave.

Overarching and influencing all of these obstacles, though, is Shetland's infrastructure deficit. Shetland's

remoteness is a gift; a gift of oil and gas and wind and wave, a gift of rugged beauty, bird and marine life. However it is also a drawback. Our Shetland Mainland is surrounded by nine remote islands, serviced by old and unreliable ferries and connected by sluggish internet, or sometimes none at all.

Shetland's key industries - energy, space, fisheries and aquaculture - cannot achieve their full potential for Shetlanders, let alone for Scotland and for the UK, without a substantial and rapid improvement in the islands' infrastructure.

This is a problem for Shetland. However it is at least as much a problem for Scotland and the UK. There are two sides to the coin; but it is your coin as much as it is ours.



Many of Shetland's businesses, large and small, start at a competitive disadvantage because of the **digital deficit** between Shetland and mainland Scotland and Britain. Slow internet access can also be a deal-breaker for a young family choosing a future on our islands or a future down south.



Nearly 100 school pupils, as young as 11, have to stay away from their remote homes during the week because there is **no fixed road link** from their islands to high schools in Brae or Lerwick. Tunnels - prevalent in the rural and island communities of neighbouring countries - could supercharge growth in key industries from space to aquaculture, not to mention allowing for a redesign of key public services and more housing.

With an average age of over 32 years, our **ferry network lacks the resilience** to offer a reliable lifeline, meaning that patients cannot attend hospital appointments when the weather is inclement, those who live alone cannot be reached by visitors.



And, even if our transport and digital infrastructure was up to scratch, allowing for the sort of population growth we seek, **we require investment to rebalance our housing market** to ensure that the new workforce can be accommodated.

Over the next 10 years, Shetland needs nearly 1,000 more homes, of which almost 400 need to be market housing.

Shetland's Industry

Energy

Oil and gas; carbon capture and storage; onshore and offshore wind; tidal. Some of it is happening in other parts of Scotland, but **it's all happening in Shetland.**

Food and drink

Whitefish, pelagic fish like mackerel, mussels and salmon; lamb and beef; whisky, gin and beer. Some of it is happening in other parts of Scotland, but **it's all happening in Shetland.**

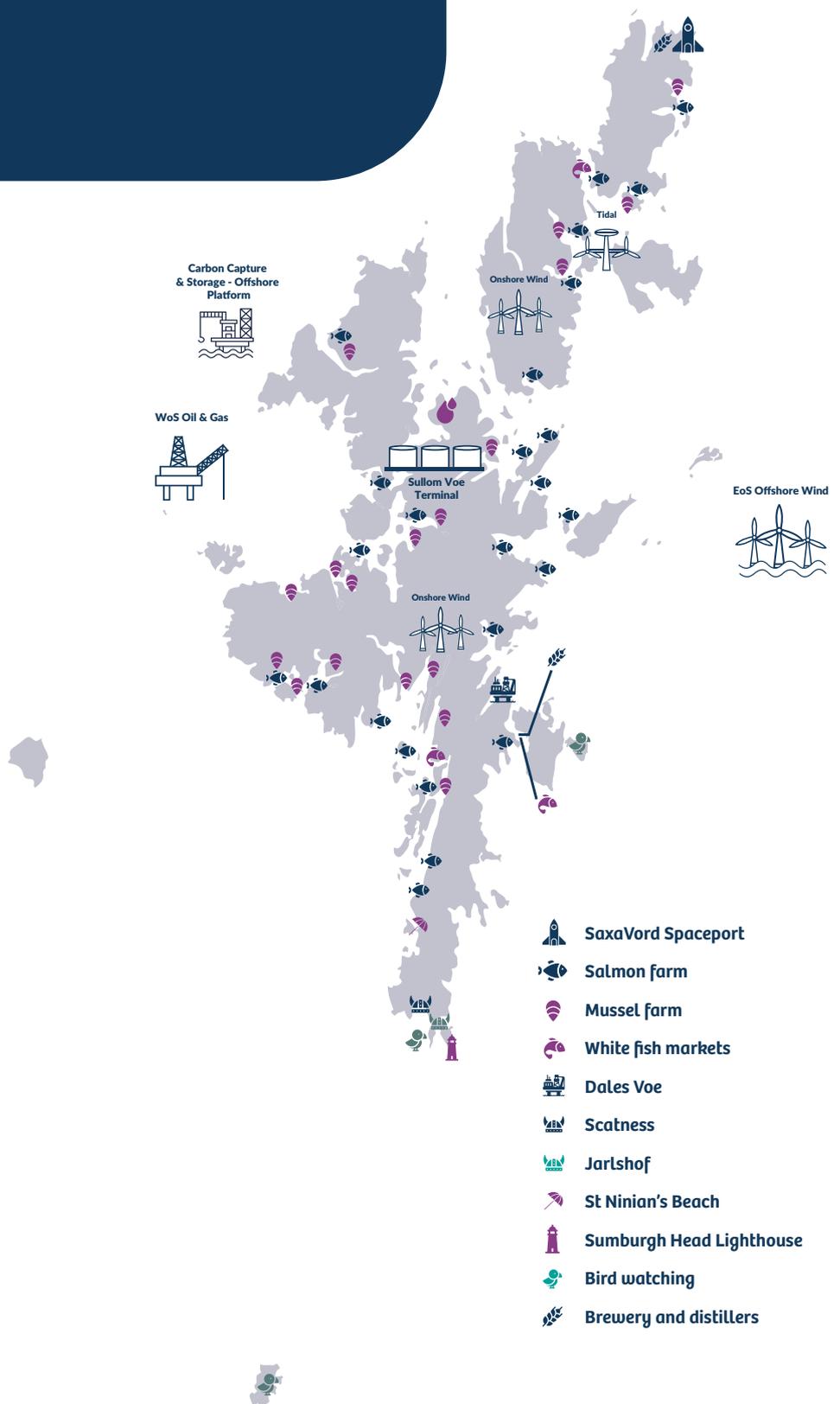
Tourism

Cruise ships, archaeology, Viking festivals, television, birds and beaches. Some of it is happening in other parts of Scotland, but **it's all happening in Shetland.**

And space, of course

Some development in other parts of Scotland, but only fully licensed here in Shetland.

Scotland's growth industries are Shetland's growth industries. And Scotland won't grow unless Shetland grows.



In 2024, over **100 cruise ships** visited Shetland, bringing an estimated **125,000 visitors**

Non cruise-ship visitors estimated at a further **85,000**

Shetland's population is around **23,000** visitors outnumbered residents by **9-to-1**



There is no better metaphor for the height of Shetland's ambition than the SaxaVord Spaceport. The spaceport is on Unst - the most northerly part of the UK, it shares a latitude with Alaska, Siberia and the southern tip of Greenland.

Saxavord is Europe's first fully licensed vertical orbital launch site and has the capacity to perform 60% of all of Europe's orbital launches. It has the highest potential payload of any launch site in the UK and will host the globally significant Pathfinder launch, led by Lockheed Martin and backed by the UK Space Agency, designed to monitor weather and forecast potential natural disasters.

SaxaVord is the place for space.

It is the place for people, too. SaxaVord could create 140 jobs on Unst (a huge number for a sparsely populated island), more than 200 across Shetland, and over 600 across Scotland. Many of the locals are retained ex-military personnel or former oil and gas workers, making the spaceport as important in its back yard as it is in low earth orbit.

This is a high-tech, high-growth, high-opportunity sector. It is part of Shetland's future, part of Scotland's future and part of the UK's future.

But there are two sides to the coin. Unst is an island off an island off an island. It takes two ferry journeys to reach, and in 2024 sailings to Unst were cancelled an average of once every week. This is far from ideal given the complex logistics of moving rockets and other large and heavy equipment.

As is the case elsewhere in the islands, but particularly on Unst, the need for more housing will become increasingly urgent as SaxaVord's operations grow.

Furthermore, capacity in the electricity grid remains a key issue - the spaceport has had to run up to eight diesel generators in the past, to cope with peak activity, which is high in carbon and high in price. SaxaVord has now reduced this to two generators, but grid improvements remain necessary.

SaxaVord Spaceport is nationally important infrastructure, connected by inadequate local infrastructure.



- Capacity for 60% of Europe's launches
- 600 jobs
- £10m GVA
- Agreements with:
 - Lockheed Martin
 - Rocket Factory Augsburg
 - Astra
 - Hylimpulse Technologies
 - Skyora
 - Latitude
 - Orbex



“Because of the importance of the space economy to the UK, I think there's a very strong argument to be had to persuade the UK and Scottish governments to support tunnels to Unst”.

Frank Strang, CEO of SaxaVord Spaceport

Shetland's Industry

Shetland's waters are a precious resource. They boast a rich and vibrant seafood sector that plays a critical role in the local economy. Shetland has earned a reputation for producing some of the finest seafood in the world, and the numbers tell the story:

- Annually there are more fish landed into Shetland than the whole of England, Wales and Northern Ireland combined
- Shetland produces over 80% of Scotland's farmed mussels
- Shetland produces almost one-quarter of the UK's largest food export – Scottish salmon

With a family-owned fishing fleet of over 200 vessels, fishing stands as a cornerstone of Shetland's economy. The local fleet lands over £130m of fish annually, and the industry is estimated to account for a third of Shetland's economic output.

Investment in new fish markets, piers and vessels are testament to the importance of the fish catching sector, which supports the livelihoods of many islanders, preserves traditional ways of life, and fosters a sense of community.

By prioritising sustainable practices, Shetland ensures the long-term health of its marine ecosystems, securing its position as a leader in the global seafood market.



“The future of our fishing industry relies on pristine waters and sustainable fishing practices, but fishermen now feel that their decades of investment and centuries of culture are threatened by offshore windfarms, in a way they have never felt endangered before. They are being squeezed off of prime fishing grounds to make way for the largest marine experiment – offshore wind. We appeal to government to find a way whereby renewable food production and renewable energy both have the space to succeed”.

Sheila Keith, Executive Officer of Shetland Fishermen's Association

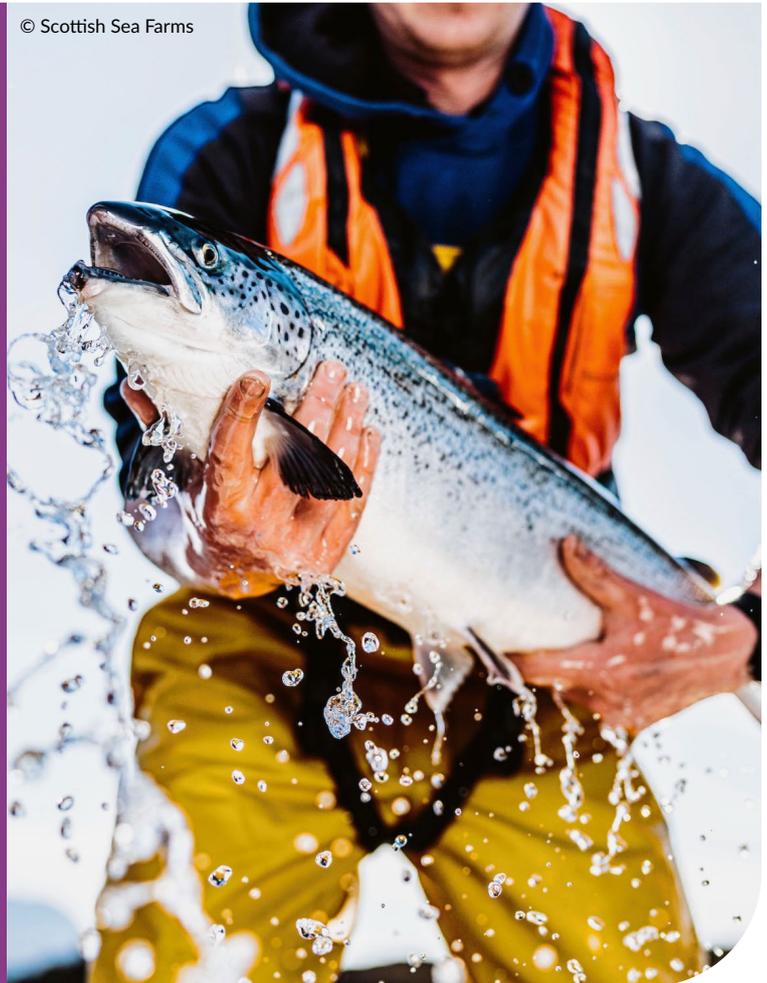


“We’d love to expand in Shetland. The waters here are outstanding, as are our local relationships. But I can’t pretend that the infrastructure makes that easy. It’s difficult to get our people on the islands, it’s difficult to get our product off the islands, and in terms of farm size we’re well behind other markets now”.

Anne Anderson, Head of Sustainability & Development at Scottish Sea Farms



© Scottish Sea Farms



There are nearly 150 shellfish farms in Shetland, producing sustainable jobs for local people and sustainable mussels for menus all over the world.

And there is a reason why salmon farmers want to expand in Shetland; our colder, faster flowing waters make cultivating high quality salmon much easier for an industry which has to work hard to offset the impact of climate change.

Shetland’s aquaculture dominance is no accident - our waters are the perfect environment for the curation of mussels and salmon.

This is a high-tech, high-growth, high-opportunity sector. It is part of Shetland’s future, part of Scotland’s future and part of the UK’s future.

But there are two sides to the coin. Fishing and fish farming are competitive global industries. Shetland’s product makes Scotland and the UK world-leading, but there is no shortage of other countries which want to catch us. They have better transport links and better digital links, which are giving them better facilities and better opportunities.

Our fishing and fish farming assets are nationally important infrastructure, connected by inadequate local infrastructure.

Shetland's Industry

Shetland has been at the centre of the UK's energy production for half a century, and will remain there for centuries to come. Oil - the start of the energy revolution - peaked fairly early. In 1984, nearly 450m barrels went through Sullom Voe Terminal; 40 years later, the terminal processed less than 10% of that. In this sense, the energy transition away from oil started long ago.

The Shetland Gas Plant, next to the oil terminal, is still producing nearly 20,000 barrels of oil equivalent per day.

Oil and gas gave Shetland, Scotland and the UK revenues, a supply chain, and industrial skills which will be as useful in the next 50 years as they have been in the last.

For the next quarter century, Shetland's oil and gas fields can continue their production, but by deploying carbon capture and storage techniques can be significantly decarbonised. The production of blue hydrogen from

natural gas is predicted to meet one-third of the UK's energy needs by 2050, and Shetland has the power to contribute more than 10% of it.

Beyond that phase of the transition, Shetland's proposed offshore wind sites and the opportunity for green hydrogen production at scale could power every home in Scotland,

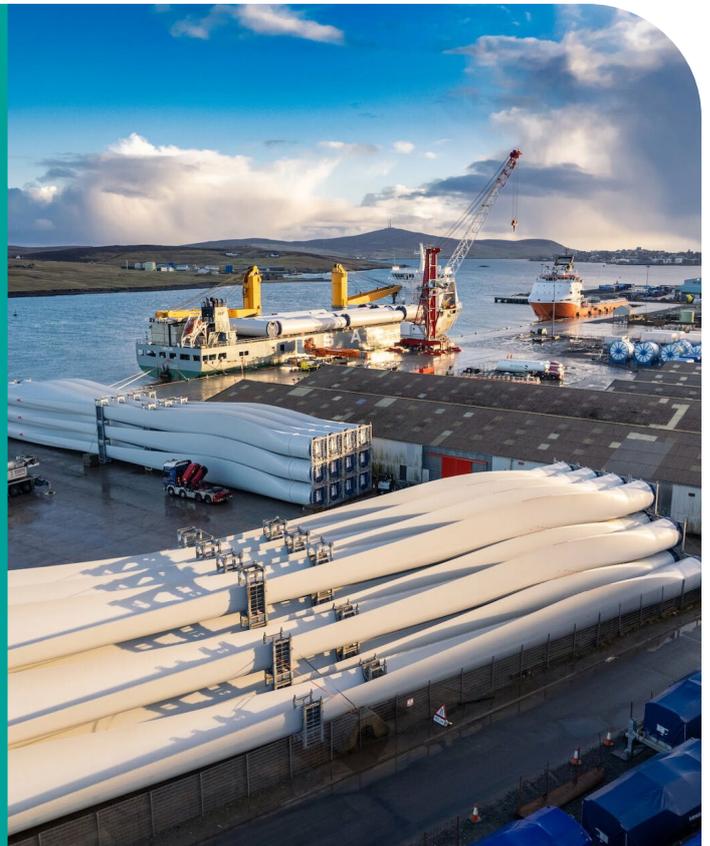
On land, we deal not with potential but with reality. The Viking wind farm, with its 103 turbines taking up a vast portion of Shetland's Mainland north of Lerwick, produces around 10 times the energy requirement of Shetland, being sent through an HVDC cable to power homes in Scotland and the UK.

The UK's energy transition is Scotland's energy transition, and Scotland's energy transition is Shetland's energy transition.

Now and in future, Shetland will give Scotland and the UK:

- around 700MW of onshore wind, enough to power around 800,000 homes
- includes the 443MW Viking - one of Britain's largest onshore wind farms
- nearly 3GB offshore wind at three Scotwind sites, enough to power over 3 million homes

Shetland will be producing roughly 70 times its own peak load requirement, for the benefit of householders in Scotland and the UK.





“We have applied to Marine Scotland for a licence for a capital dredging project, which will be the key to future quayside developments. The investment will support the fishing, cruise, and energy sectors and increase our capabilities to handle larger vessels.”

Captain Calum Grains, Chief Executive of Lerwick Port Authority



The energy transition offers opportunities beyond the production of energy. Lerwick Port Authority has two quayside yards, decommissioning expired oil platforms. With investment in further deepening the harbour, the Port estimates that the work it could attract in decommissioning rigs and assembling offshore turbines could be worth £230m to the national economy, with a supply chain worth £1.6 billion and another 100+ valuable jobs.

This is a high-tech, high-growth, high-opportunity sector. It is part of Shetland’s future, part of Scotland’s future and part of the UK’s future.

But there are two sides to the coin. Shetland is the premier destination for onshore and offshore renewables because it is the windiest place in the country; more wind means more profitability. We are pleased to be in demand, but too often we feel exploited. It is inherently iniquitous for the most profitable home for wind energy to also constrain the most expensive homes to heat, with the highest fuel poverty in the country.

Our wind energy assets are already highly profitable, critical national infrastructure, with no resultant investment in local infrastructure and little benefit for the people most impacted by development.

Shetland's Infrastructure

Scotland's economy is moving up and out. Many of the growth industries in 21st century Scotland take place in remote areas.

Remote and rural areas have the clean water sources, the proximity to agriculture and the land mass to service the food and drink sector, with distilling and salmon farming being obvious examples.

Tourists will always visit Scotland's beautiful cities, but increasingly they also come here to experience rural and island life and this is a trend which we expect to continue.

Our land and sea has the wind the country needs to power the renewable energy revolution.

And we don't expect to see a spaceport in the central belt anytime soon.

Remote, rural and island Scotland holds the key to the country's economic future, and nowhere has more potential to supercharge so many sectors of the future economy than Shetland.

However not all potential is realised. Some potential remains only theoretical if the conditions for its fulfilment are not in place. And we cannot pretend that the conditions for the fulfilment of Shetland's potential are in place.

Shetland's industries - present and future - are suppressed by Shetland's infrastructure.

Our transport connections, particularly those between our islands, are no match for those of our competitors in other countries, pursuing the same economic and social goals.

Our digital connections are nowhere near the standards required for a place which wants to pursue a high-tech green industrial revolution.

In truth, even if Shetland did have the transport and digital infrastructure our growth industries need, supporting the reversal of depopulation and the inward migration our islands want, we simply would not be able to give them a home.

"There are two sides to the coin. Scotland and the UK wants Shetland to realise its potential in space, in fisheries, in aquaculture and in renewables. But unless Scotland and the UK is prepared to shoulder its share of Shetland's infrastructure deficit, it will not enjoy its share of the benefits of Shetland's industrial surplus."

Cllr. Emma Macdonald, Political Leader,
Shetland Islands Council





© Andrew Simpson

Shetland's Infrastructure

A successful Shetland in the 21st century is predicated entirely on three P's - people, prosperity and property.

Shetland must keep its young people, of working age, to ensure that it can mitigate the pressure on its health system, support its children and its elderly people and, critically, provide a workforce for its growth industries.

Those growing industries need to feel that Shetland is the place for them to invest, to ensure that the islands' people feel they have a prosperous future.

But those two Ps - people and prosperity - are only two legs of the stool. The third is property. If Shetland's housing stock is either insufficient in number or type of accommodation available, there is nowhere for the people to live and therefore no basis on which the prosperity can be attracted.

We have a total of 11,000 homes in Shetland, across all tenures. There is a lack of private rented options.

Evidence shows that we need nearly 1,000 more homes over the next 10 years. Over and above this, and to realise Shetland's potential, the workforce requirement of the energy industry alone exceeds 2,000 additional on-island jobs; they will all need somewhere to live.

Moreover, we need to improve the quality of the homes we have. Around one-third of Shetland's housing is classed as being in urgent disrepair, with around two-thirds in some level of disrepair. At least three-quarters - and perhaps up to 90% - of our homes have an EPC rating of D or less, which would fail the Scottish Government's proposed new minimum requirement. With high levels of fuel poverty in Shetland, a focus on energy efficiency is needed.

We - Shetland - need these homes. But so does Scotland and so does the UK. Our growth industries are your growth industries.

Did you know?

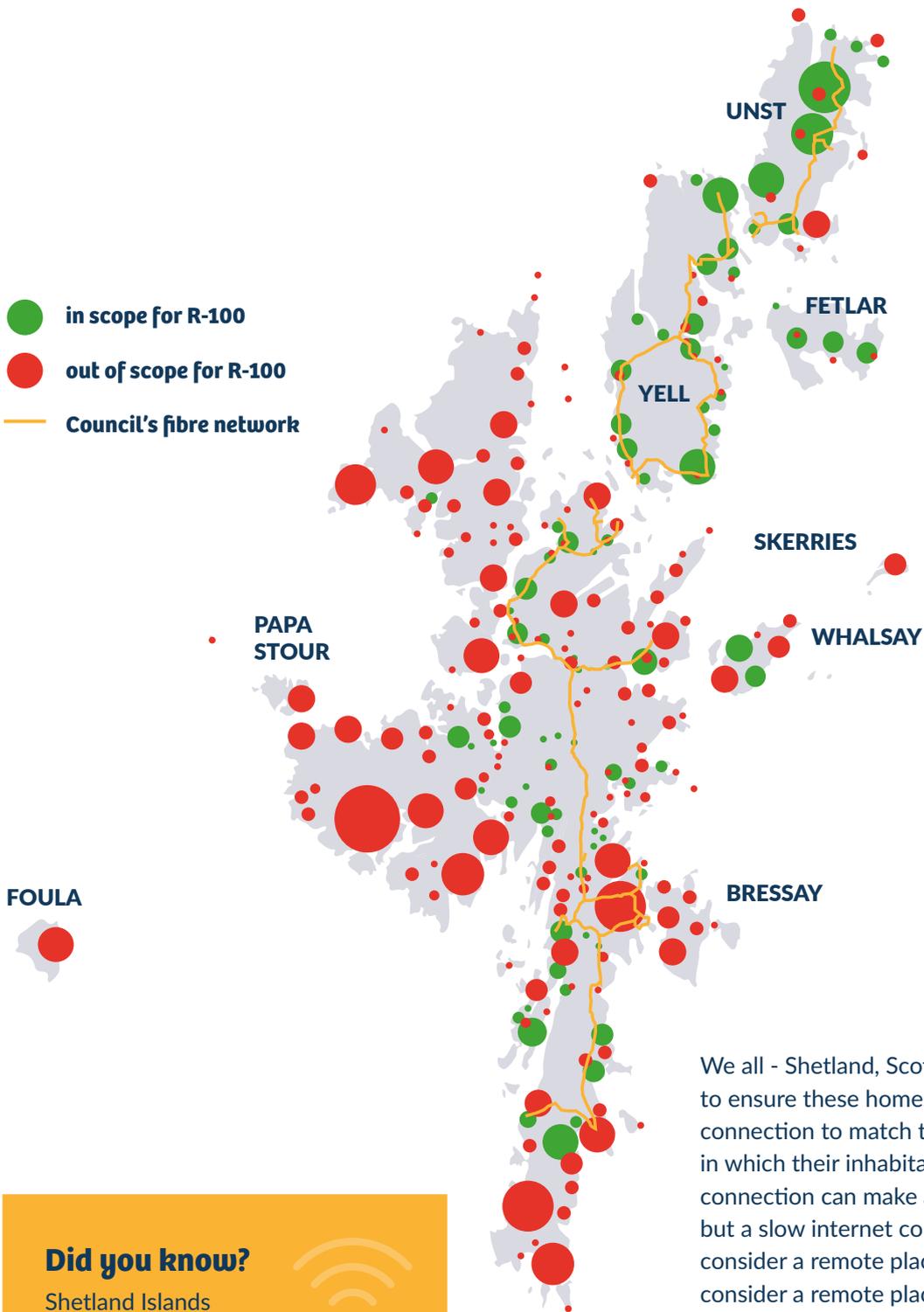
The Knab is a peninsula full of potential and like the rest of Shetland, it is teeming with optimism and overflowing with opportunity. The redevelopment of the site, following the relocation of Anderson High School, will create a vibrant, thriving space which has community at its heart, contributing to Shetland's plans for a net zero future, which both energises the islands and propels the country's renewables revolution. The Knab will have

- new, energy efficient housing
- more residential accommodation in existing buildings including former Janet Courtney Hostel
- public spaces where residents will be encouraged to take full advantage of the community and environment they inhabit

Shetland needs more of the same.



- in scope for R-100
- out of scope for R-100
- Council's fibre network



Did you know?

Shetland Islands Council built its own superfast broadband network in the North Isles and Shetland's Mainland. With direct capital funding from the Scottish and/or UK government, we could do it again, connecting the 14% of homes left behind by R100.

We all - Shetland, Scotland and the UK - also need to ensure these homes have a 21st century digital connection to match the 21st century industries in which their inhabitants will work. A fast internet connection can make a remote place feel close, but a slow internet connection can make a family consider a remote place unliveable and a business consider a remote place uninvestable.

Digital connectivity is a race and Shetland is losing. The Scottish Government's R100 programme is so named because it will provide 100% of homes in Scotland with broadband up to 30 Mbps. But even at full scope, R100 will reach only 86% of Shetland's homes.

Shetland's homes are not all easy to reach, and the R100 rollout prefers fruit to hang lower. However Shetland, Scotland and the UK all need superfast broadband for homes in Shetland, and ultrafast or gigabit broadband for some businesses in Shetland. Our growth industries are your growth industries.

Shetland's Infrastructure

Shetland watches the progress of our neighbours closely - Scotland, our neighbour to the south, Norway, our neighbour to the east and the Faroe Islands, our neighbour to the west. Those three nations share similarities in their geography, all are characterised by the presence of remote, rural and island areas. The populations and industries of these remote, rural and island areas depend on fast, safe and reliable transport links.

The similarities, though, stop there. The Faroe Islands decided that tunnels should form the backbone of their transport links; they have 19 road tunnels with a further 16 in planning. Norway has over 900 road tunnels.

Here in Scotland, we don't do tunnels. Yet.

Shetland Islands Council has commissioned Stantec UK Ltd, who will work alongside partners Mott MacDonald and COWI, to complete an Inter-island Transport Connectivity Network Strategy Strategic Business Case and Outline Business Case, together with an associated Implementation Route Map. The purpose of the study is to objectively and holistically determine the case for investment in inter-island transport infrastructure, covering the medium and longer term. The Strategic Business Case establishes the 'Case for Change', the Transport Planning Objectives and sets out a long list of

options, and the Outline Business Case will determine the preferred option for each of the eight islands. The Implementation Route Map will establish a sequential and costed plan for the network, enabling elected Members to determine a 'preferred option' for each island and identified a preferred 'network option' and implementation route map.

However, in Norway and in the Faroe Islands, tunnel development has been led by central governments, not small but ambitious local authorities and communities. They understand that tunnels are critical national infrastructure; a necessary condition to allow their key industries - which also include fisheries, aquaculture and renewables - to fulfil their potential.

Tunnels could produce more than merely an economic dividend. They could also bring with them an environmental dividend, with a lower whole life carbon footprint than ferries (part of a transport network which accounts for over half of Shetland's carbon emissions). And they could bring a social dividend, with safe, fast, reliable crossings encouraging more people to live and work in Shetland.

Scotland and the UK need Shetland's infrastructure to be able to cope with Shetland's industrial growth. We cannot do this alone.

Shetland Islands Council has commissioned The Inter-island Transport Connectivity Programme, which will deliver a robust Strategic Business Case and Outline Business Case for the inter-island transport network, upon which decisions can be taken on future connectivity options between Shetland's islands.

Shetland Islands Council has commissioned Stantec UK Ltd, who are working alongside partners Mott MacDonald and COWI, to complete this work.

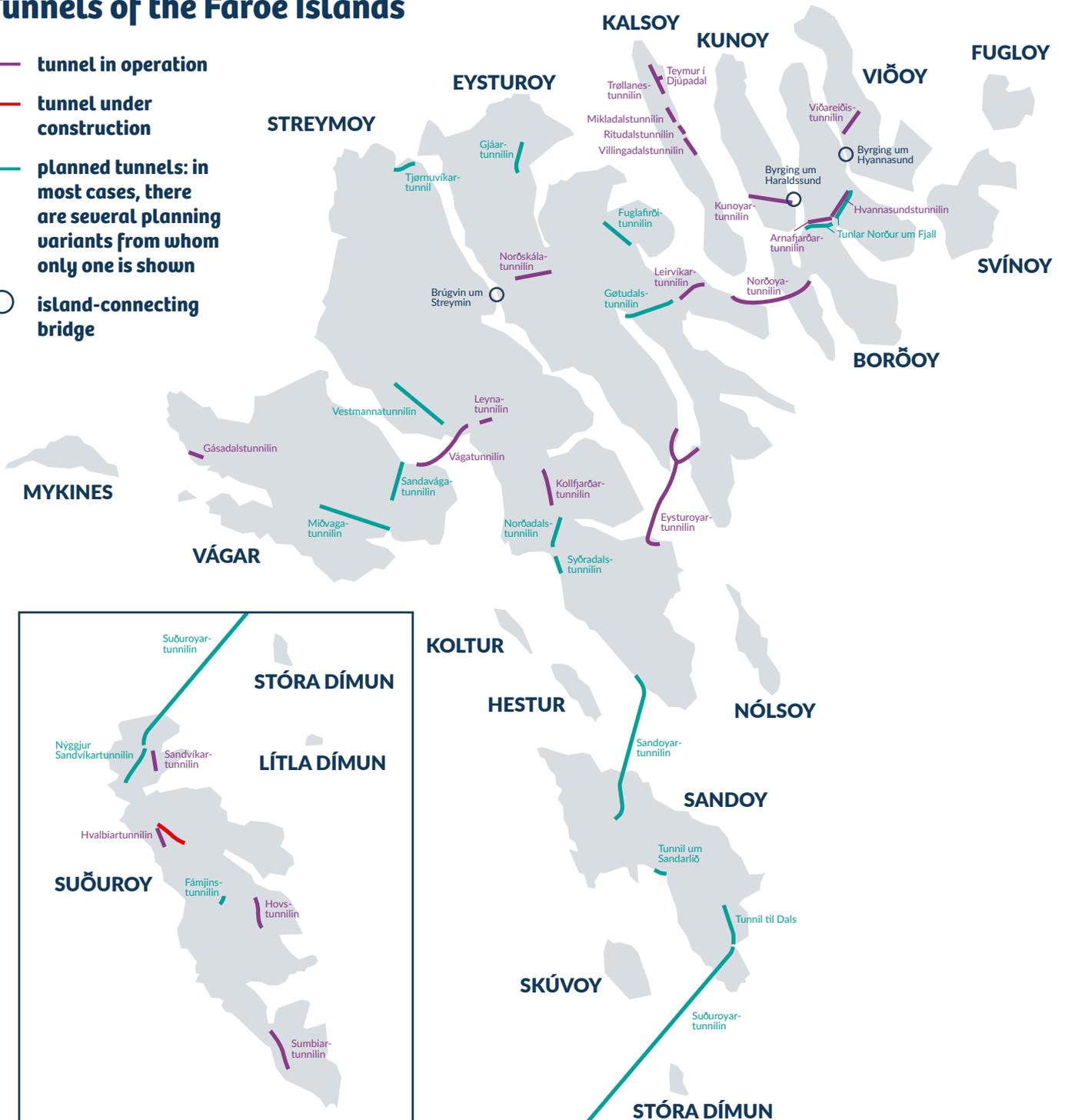
COWI  **Stantec**

M
MOTT
MACDONALD



Tunnels of the Faroe Islands

- tunnel in operation
- tunnel under construction
- planned tunnels: in most cases, there are several planning variants from whom only one is shown
- island-connecting bridge



Shetland's Infrastructure

Even if Shetland builds tunnels, ferries are likely to play a role in Shetland's inter-island transport network for some time to come.

There are some inhabited Shetland islands from which commuters will continue to use ferries to get to work. From which patients will continue to use ferries to get to medical appointments and from which children will continue to use ferries to get to school. From which supplies and produce will continue to go back and forth on a ferry.

Shetland's fleet of 12 ferries, run by the local authority, sail around 70,000 a year, carrying roughly 750,000 passengers. This would be fine if those ferries were not already operating well beyond their intended life. Unreliable in poor weather and highly carbon-emitting, the average Shetland ferry is 32 years old.

The age and condition of this fleet represents a material risk to the future of lifeline services, and in turn a material risk to the habitability of the remote islands of Shetland.

Replacing the entire ferry fleet is, in theory, the responsibility of Shetland Islands Council alone. However, there are two sides to the coin. If Scotland and the UK expect to share the benefits of Shetland's critical industries, their governments must surely expect to share the costs of Shetland's critical infrastructure.

This cannot wait. We have already crossed the Rubicon.



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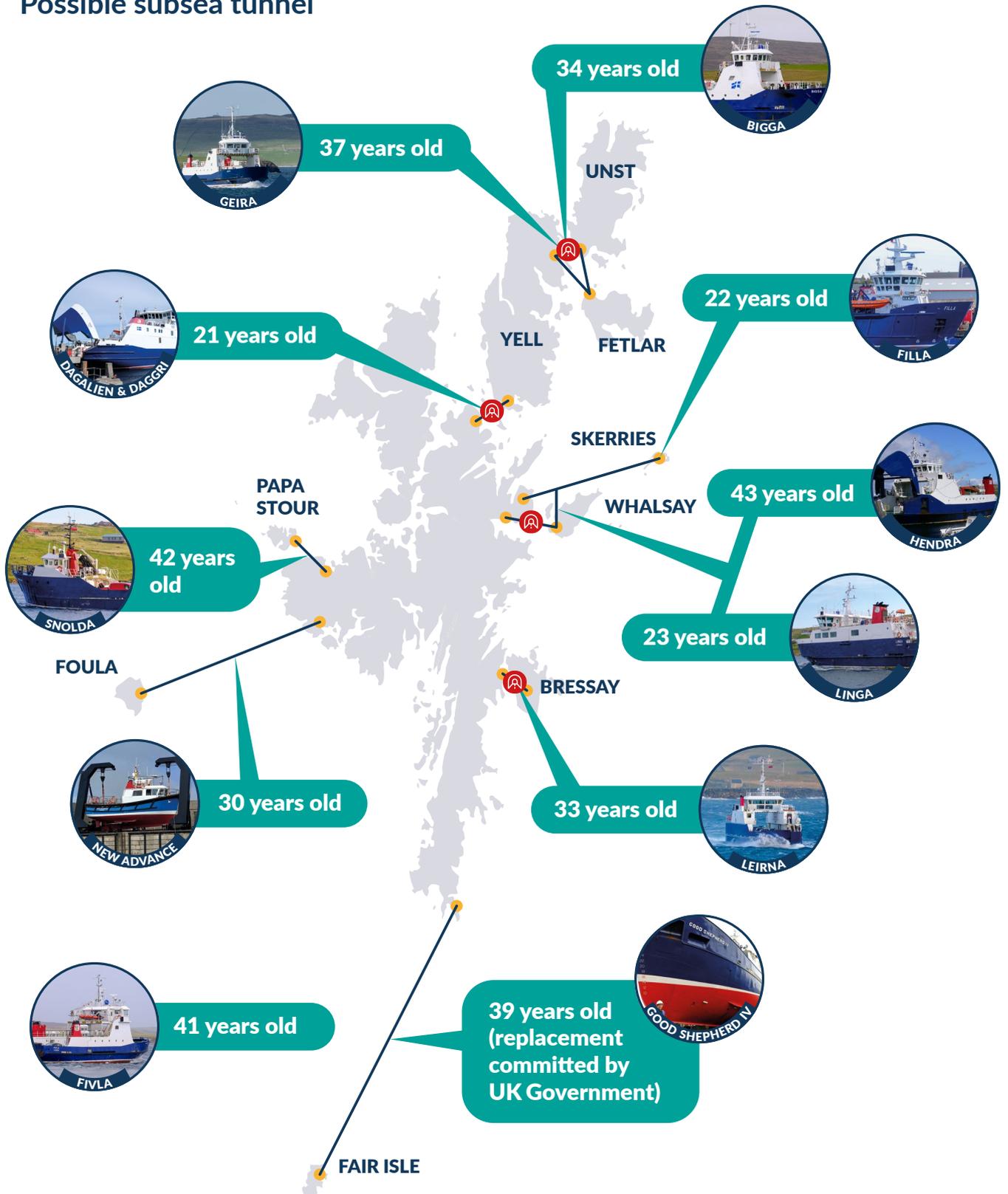
CMAL
average age



>32

SIC
average age

 Possible subsea tunnel



Shetland's Sustainability

Shetland is extraordinary. We have extraordinary industries, both actual and potential.

Our extraordinary energy industry has been centred on oil and gas, and has the potential to transition to nationally and internationally significant renewable energy development.

Our extraordinary fisheries and fish farming industries are already nationally and internationally significant, but have the potential to be even bigger and even better.

Our extraordinary space industry is in its infancy, but its potential is sky high.

The question is why? Why do we want to lead the way in renewable energy? Why do we want to produce more fish? Why do we want to go to space?

The answer is very simple: people. Shetland is only sustainable as a habitable group of islands if we have people. We will only have people if we have industry. And we will only have industry if we have infrastructure.

We know how this story could end. Shetland's population increased by nearly one-third in the 1970s after the discovery of oil and gas. But along with that industry came infrastructure. The industry helped the infrastructure, and the infrastructure helped the industry. People stayed in Shetland. People came to Shetland.

This time, there is a difference, because the infrastructure is not ready for the industry. People may not be able to stay, or come, in the numbers we would want, because our digital connections are too slow, our transport connections are too unreliable and our housing is too scarce.

Those people Shetland still attracts, despite these hurdles, will join our existing residents in their concern about the cost of living, particularly the cost of heating the home.



The average annual bill for UK households is estimated at

£1,738

Shetland households is estimated at

£4,178



1 in 3

households live in fuel poverty



1 in 4

households live in extreme fuel poverty

9.6°C
SHETLAND

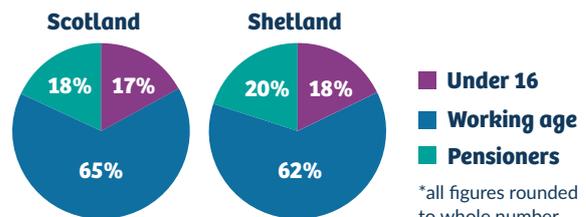


10.7°C
SCOTLAND



12.4°C
UK

*based on Met Office data from 1981-2010



Population change since 2019
 ↑ Scotland 4% ↓ Shetland 1%

'Concern' is a mild adjective to describe the feelings of people here when it comes to energy bills. Shetlanders are angry; many feel exploited. They look down at the kitchen table at the biggest energy bill in the country, then out of the window at the biggest windfarm in the country, and they ask "what's in it for us?"

Renewable energy development in Shetland will only be sustainable when Shetland Islands Council, the Scottish Government and the UK Government can offer a credible answer to that question. We believe that answer must be based on a reimagining of what 'community

benefit' means, particularly in relation to offshore wind developments.

In 2022, three offshore wind developers paid a total of £56 million in option fees to build offshore wind farms in Shetland's eastern waters. Of that £56 million, precisely £0 stayed in Shetland. These same farms are expected to generate £12 million per year. Precisely £0 will stay in Shetland. This is simply unjust.

We believe there should be three 'benefit baskets' arising from offshore wind revenue:

**National
Wealth Fund**

The Scottish Government, through Crown Estate Scotland, should be entitled to a share of revenue for a national wealth fund, which would be able to reinvest in renewables infrastructure projects.

**Regional
Infrastructure Fund**

The local authority should be entitled to a share of revenue to build vital local infrastructure including transport, housing and climate mitigation, which will benefit industry and local people alike.

**Local
Energy Fund**

The local authority should be entitled to a share of revenue for the purpose of reducing energy use through home retrofitting, and reducing energy cost through a mechanism agreed with government, developers and suppliers.

"This is the greatest injustice for our islands...It is an absolute shocker and will be for generations to come, that our islands are responsible for generating such a wealth of power that actually keeps the lights on across this country and may, at some point, keep the lights on beyond this country, and yet we have pensioners and others in fuel poverty."

Kate Forbes MSP, Deputy First Minister and Cabinet Secretary for the Economy (speaking in Lerwick)



Shetland's Sustainability

“A lot of people on our islands are asking “what’s in it for me?”, and frankly it can be a difficult question to answer. It’s very difficult for local people to look at a windfarm which produces cheaper power for homes far away, when the homes right next to it pay so much.

“We need to shift the balance of fairness. We are not asking for everything, but we are making clear that we believe the rules need to change so that the social and economic benefits to the host communities match the social and economic costs imposed on those host communities.

“This would be good for us, of course, but it would also be good for Scotland, and for the UK, because, to be frank, continued local opposition to wind development will eventually bring wind development to a halt.”

Cllr Emma Macdonald, Political Leader, speaking at the opening of the Viking Wind Farm

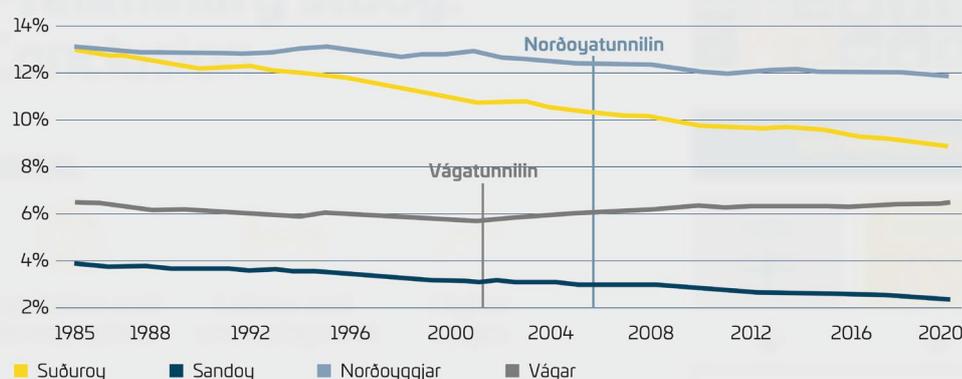


Reimagining community benefit is a centrepiece of Shetland’s sustainability. To fulfil our potential, for the benefit of Shetland, Scotland and the UK, these islands need to be cheaper to live in and easier to get around. People will stay, then. People will come, then.

This is not theory. We know it, because our neighbours in the Faroe Islands have already done it.

Impact on population

Relative population size in regions with ferry connections, 1985-2019

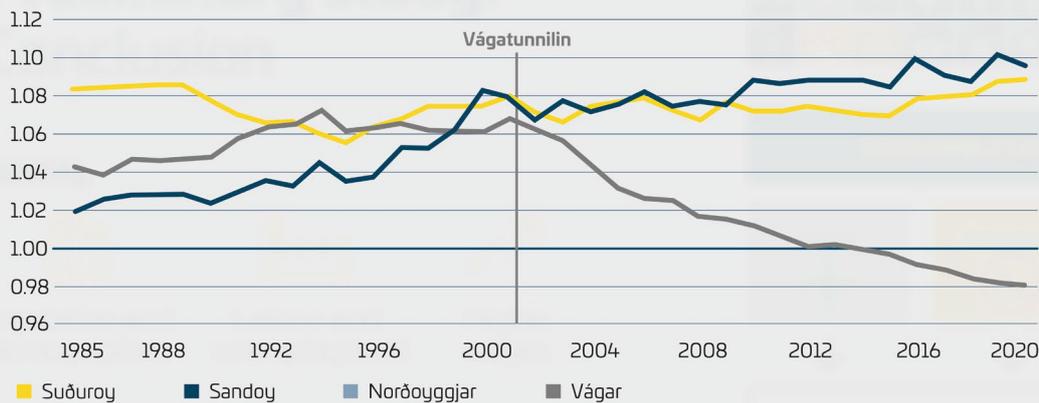


● Regions with ferry connections tend to decline compared to the rest of the Faroes

Islands with ferries have declining populations; tunnelled islands experience population stabilisation or increase

Impact on relative average age

Relative average age in selected regions, 1985-2020 Faroes in total = 1.00

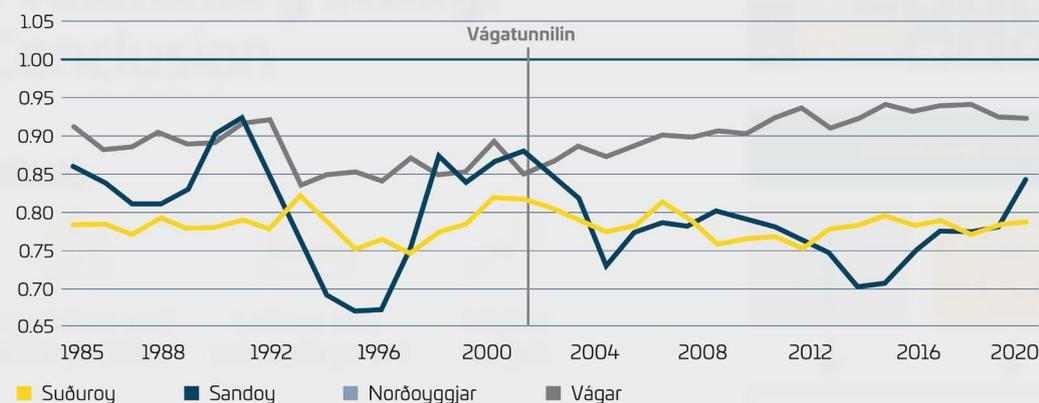


- The average age of Vágur was also increasing until the tunnel connection. After the tunnel came the average age went from being 6% higher to 2% lower than the total population.

Islands with ferries have ageing populations; tunnelled islands encourage younger people to live on them

Impact on income per capita

Relative income per capita, 16-66 years old, 1985-2019 Faroes in total = 1.00



- The relative income in Vágur was until 1992 around 90% of the national average, after which it fell to 85%. Since the tunnel opened it has steadily increased to around 93% of the national average.

Islands with tunnels have faster income growth (Norooyggjar drop in 2010 due to closure of large fish factory)

Graphs taken from "Removing the Island Barrier: Socio-economic impacts of tunnels" by Landsverk, 2022

Shetland's changing place



- 875**  King Harald annexes Shetland
- 1194**  King Sverre places Shetland under direct rule
- 1266**  Norway's cedes Isle of Man to Scotland
- 1346**  England takes control of Isle of Man
- 1472**  King James III given Shetland by father-in-law, King Christian of Norway. Shetland retains administrative autonomy, and its own Parliament
- 1500s**  Norway attempts to regain control of Shetland; Norway and Denmark unite, with Danes in control; Denmark attempts to control Shetland
- 1603**  Union of the Crowns
- 1611**  Norse law stops operating on Shetland
- 1667**  Danish ambassadors agree with English ambassadors to remove claim to Shetland
- 1707**  Acts of Union bring Shetland into Great Britain
- 1832**  Constituency of Orkney and Shetland created
- 1866**  Isle of Man obtains Home Rule, then becomes Crown Dependency
- 1888**  Zetland County Council created
- 1962**  Zetland County Council members visit Faroe Islands, which had gained autonomy from Denmark following 1946 referendum; report proposes Atlantic Islands Convention (this has never been established)
- 1960s**  Policing and water merged with Orkney, Caithness and Sutherland; local government merger resisted and Shetland retains Council
- 1968**  SNP annual conference calls for a legislative assembly for Shetland
- 1971**  Oil discovered in waters east of Shetland
- 1974**  Zetland County Council Act receives Royal Assent, creating additional powers including over Shetland's waters
- 1976**  Council officials investigate direct devolution from Westminster to Shetland, outside of the proposal for devolution from Westminster to Scotland
- 1977**  Shetland MP Jo Grimond proposes Commission on Shetland's relationship with any Scottish Assembly to which Shetland has voted No
- 1977**  Shetland Islands Council commissions a report by the Nevis Institute, chaired by Lord Kilbrandon, on Shetland's constitutional options. The Shetland Report produces nine options, ranging from the status quo to independence
- 1978**  A referendum is held on the Grimond proposal - 90% agree on a 72% turnout
- 1979**  Scotland votes yes to devolution, but not in sufficient numbers to meet the 40% threshold. Shetland votes No by 73% to 27%.
- 1980**  The Shetland Movement forms, advocating greater autonomy
- 1997**  Shetland votes 62%:38% in favour of a Scottish Parliament
- 1999**  Shetland elects Tavish Scott MSP in its own Holyrood constituency
- 2012**  Scott submits "Shetland Should Decide Its Own Future" paper to UK government constitutional consultation
- 2013**  Scott suggests Shetland could seek Crown Dependency status, like the Isle of Man, winning unanimous support at Scottish Liberal Democrat conference
- 2013**  Shetland, Orkney and Western Isles publish "Our Islands, Our Future", which includes proposal for seabed control and revenues paid to the Crown Estate to be trained on the islands
- 2014**  UK Government publishes "Framework for the Islands", setting out direct working arrangements between the three local authorities and Westminster
- 2014**  Scotland votes no to independence by 55%:45%. Shetland's No vote is 64%.
- 2014**  Scottish Government publishes "Empowering Scotland's Island Communities"
- 2015**  The Smith Commission recommends the Crown Estate's assets in Scotland are transferred to the Scottish Parliament. It also recommends further devolution of assets to local authority areas who seek it, such as Shetland.
- 2016**  The Scotland Act puts Smith's recommendations in force
- 2018**  The Islands (Scotland) Act is passed. Section 21 provides for an Additional Powers Request which Scottish Ministers can "not unreasonably refuse to grant". The Section has not yet been used.
- 2019**  Scottish Crown Estate Act is passed. It does not devolve assets to the islands, contrary to Smith's recommendations.
- 2020**  Shetland Islands Council motion, exploring options for political and financial self-determination, passes by 18 votes to 2.
- 2023**  The Islands Growth Deal, jointly funded by Scottish and UK governments, is signed.

