Shetland Inter-Island Transport Study

Socio-Economic Baselining & Future Planning Horizon

On behalf of **Shetland Islands Council**

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1 Introduction

1.1 Overview

1.1.1 The Shetland Inter-Island Transport Study is intended to set out a thirty-year plan for the future inter-island transport services in the Shetland Islands (covering air, ferry and fixed links). In order to provide a robust underpinning for the objective setting and subsequent option development and appraisal, the first stage of this study is focussed on developing a thorough baseline of the islands and routes / services in-scope. This paper if focussed on the baselining the economy of each island and assessing the future planning horizon and will supplement a series of other baselining papers.

1.2 Economic Baselining

1.2.1 In developing a thirty-year plan of the Shetland inter-island transport network, it is important to ensure that the plan reflects the current economic realities of the island. The aim of the first section of this paper is to consider the key economic variables in relation to each island, namely population & demographics; economic activity / employment; industrial structure; housing; car ownership; education; health; and service provision amongst others.

1.2.2 The findings will be allied with other elements of the work to explore the extent to which current transport connectivity is influencing and / or constraining economic activity.

1.3 Future Planning Horizon

1.3.1 Having defined the baseline position in each island, the second part of this report will consider the potential future development of each community. This is a challenging exercise given the relatively short-term nature of economic planning, the small communities in question and the paucity of data. However, the aim for each island will be to understand the extent to which there are major (in the context of the Shetland Islands) economic or land-use developments or contractions which could impact on the demand for transport and / or provide a social case for enhancing the overall level of transport provision.

1.4 Structure of Report

1.4.1 This report will consist of a further four chapters, as follows:

- Chapter 2 will consider the data available to inform this study and the inherent issues with data at such a detailed spatial scale.
- Chapter 3 will provide a very brief overview of the Shetland Islands economy as a whole, with a view to providing context for the chapters which follow.
- Chapters 4-12 will review the baseline economic position in each island.
- Chapter 13 will consider the future planning horizon. This will be specifically focussed at the island level, although consideration will be given to wider issues which may have an impact on economic development at a Shetland level.

2 Data

2.1 Overview

2.1.1 The availability of robust disaggregated socio-economic data is a perennial challenge when carrying out island based research. With this in mind, it is important to set out the key data sources used and their comparative strengths and weaknesses.

2.2 Data Spatial Geography

2.2.1 It is important to understand at the outset that there will be very limited official data available at the island level. For a number of the islands, the populations are so small that they are not are not defined in a geographically independent way, instead being grouped together into clusters. In addition, even where the data geography does support analysis at the island level, a number of datasets (BRES for example) require minimum numbers of respondents per classification if they are to be reported. As a result, it is often difficult to draw definitive conclusions at the island level.

2.2.2 In preparation for this task, we have reviewed the geographical definition of data in the Shetland Islands and the relevant primary data sources. The figure below provides an overview of the geographic definition of different datasets relevant to this study.

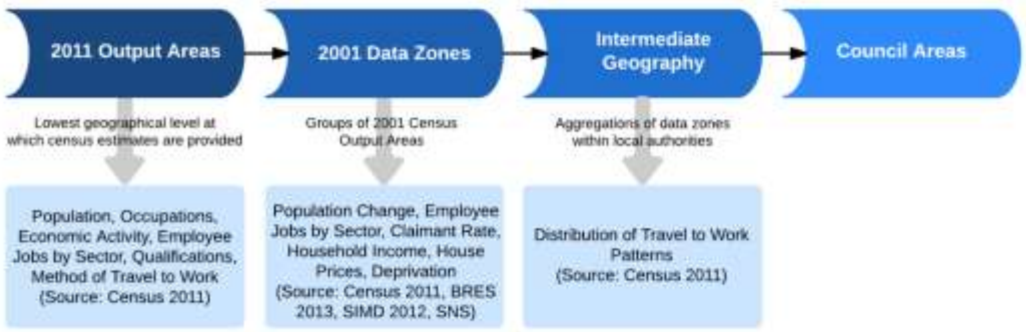


Figure 2.1: Data Used for Analysis by Different Geographic Levels

2.2.3 The key point of note is that island specific data for the majority of the Shetland Islands outwith Mainland is only available at the **Output Area level**. Whilst such data are valuable, providing insights on the key economic indicators at the time of the 2011 Census, the information only represents a single point in time and is becoming somewhat dated. Nonetheless, Output Area data will form the basis of this research.

2.2.4 There is some information for the islands available at the datazone level, but this is generally aggregated, either through combinations of islands or combining an island with sections of the mainland. Only Yell has a set of self-contained datazones, with all of the other islands sharing at least one datazone with another island or the mainland. In addition, on Yell, the BRES data, which would perhaps be of greatest interest at this level, can only be reported for minimum employment concentrations of 100. Working on the premise that 'no data is better than bad data', we have omitted the majority of data at the datazone level unless there is a clear case for using it.

2.2.5 The distribution of travel-to-work patterns is only reported at the intermediate geography level, which, given the size of datazones, is highly aggregated in the wider Shetland Islands context. Nonetheless, these data have been used to plot employment densities, which is likely to highlight the criticality of Sullom Voe and Lerwick to the Shetland Islands labour force.

2.2.6 Council area information will be used to provide a wider overview of the current economic conditions of the Shetland Islands more generally.

Weaknesses with Published Datasets

2.2.7 It should also be noted that there are a series of weaknesses in the island context in relation to published data sources:

- In the majority of islands, the economic output / productivity will be significantly understated as the data do not generally take account of voluntary and community work, which is integral to the communities in question.
- In a similar vein, many islanders, particularly in the smallest islands, fulfil multiple jobs.
- Islands of this nature are also generally very fragile and a single major change (e.g. a factory closing down) can have a significant impact on the likes of employment, travel-to-work patterns and even population. As Output Area data are from 2011, a number of changes will have occurred in the islands, particularly the smallest and most fragile. We have attempted to account for this through using local datasets and consultation with key stakeholders.
- The Scottish Index of Multiple Deprivation (SIMD) attempts to record deprivation objectively across the country and is generally a highly valuable dataset. However, the concept of 'deprivation' is perhaps somewhat different in the outer-isles context, whilst a number of documents state the under-reporting of deprivation due to the small numbers involved and the stigma attached to poverty for many.
- The population data for Shetland do not account for the often large itinerant population concentrated in the oil industry and, in recent years, those involved in the construction of the Total Gas Plant.

2.3 Additional Data Sources

2.3.1 The national datasets have been supplemented by a series of local research papers, including:

- Shetland in Statistics;
- Community Profiles (provided for all islands except Skerries (in any detail at least));
- The Shetland Islands Regional Accounts;
- The Shetland Islands Council Local Plan;
- The Shetland Partnership Community Plan;
- Island based Local Development Plans; and
- A range of other relevant local research.

2.3.2 Consultations were also held with Shetland Islands Council Economic Development and Highlands & Islands Enterprise, who also peer reviewed this paper.

3 The Shetland Islands Economy

3.1 Overview

3.1.1 In advance of considering the island-specific aspects of the Shetland economy, this chapter reviews the current structure and performance of the Shetland Islands economy. It should be noted that this chapter is intended to be very high level, setting the context for the following discussion on the individual islands which are the subject of this study.

3.2 Shetland Islands Economic Profile

3.2.1 This section provides an overview of the Shetland Islands based principally on Census data.

Demographics & Population

Population Trends

3.2.2 The population in Shetland in mid-2014 was 23,230, with the majority of residents concentrated in the main settlement of Lerwick. The figure below shows the change in population between 2008 and 2013 in both the Shetland Islands and Scotland as a whole.

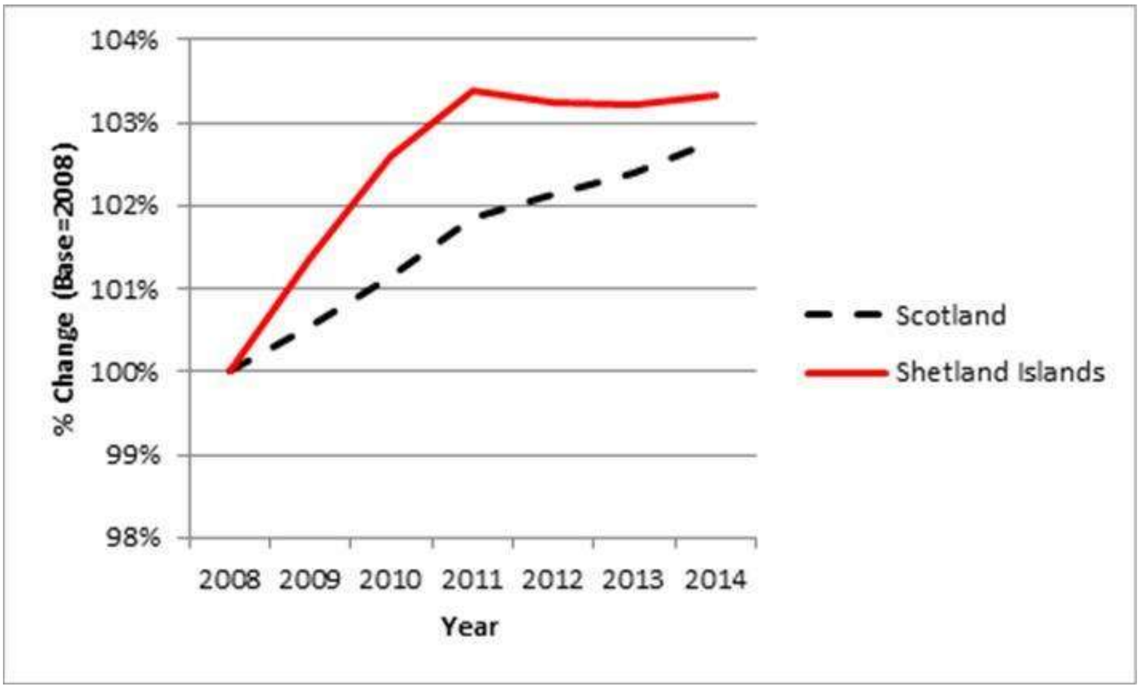


Figure 3.1: Population Change 2008-2014 (Source: NRS 2014)

3.2.3 The population of the Shetland Islands has increased steadily since 2008, exceeding the national average throughout that period. There was sharp increase between 2008 and 2011, with a relative plateauing thereafter.

3.2.4 It is important to note that official population figures do not reflect the often large itinerant population based in Shetland. This has historically been connected with the oil industry but the recent Total Gas Plant construction project has significantly increased this itinerant population. The total itinerant population in recent years has been estimated to be in the region of 2,450, or around 10% of the permanent resident population.[1] Whilst this is not reflected in official figures, it has put pressure on a variety of local services, including the ferry services (both in terms of capacity and staff retention).

3.2.5 The other key trend in recent years has been the increasing centralisation of the population in and around Lerwick. The extent to which the outcome of this study should be seeking to support in addressing this is an important question.

Key Point: The Shetland Islands overall has an increasing population, with recent rates of increase exceeding the Scottish average. However, the concentration of the population in and around Lerwick has also significantly increased, making service delivery in the islands off the mainland more challenging, A key question is the extent to which this study is seeking to support initiatives to redress the population balance in favour of the islands.

Age Profile

3.2.6 The age breakdown of the Shetland population is shown in the figure below:

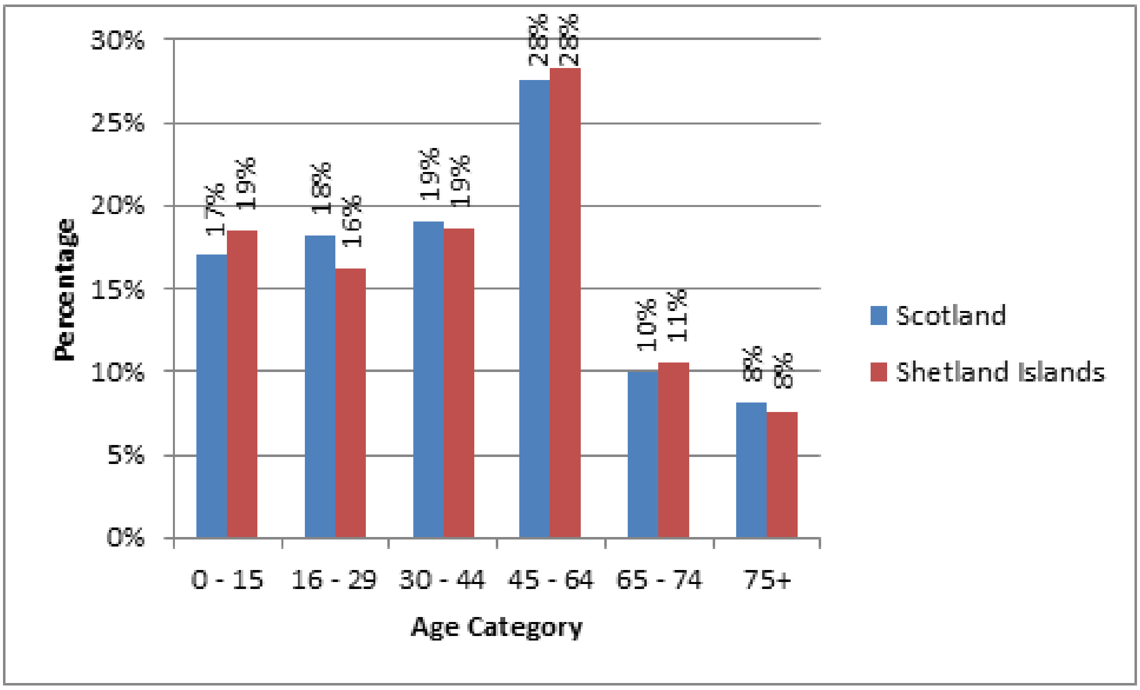


Figure 3.2: Population Age Breakdown (Source: NRS 2014)

3.2.7 As can be seen from the above figure, the age profile of the Shetland Islands is broadly consistent with the Scottish average. Whilst the age profile overall is balanced, the key challenge is retaining younger members of the population, particularly in the islands where there is a clear trend towards an ageing population.

Key Point: The Shetland Islands have a similar age profile to that of Scotland as a whole. However, the key challenges remain population retention amongst the younger cohorts and the ageing population in the islands and the implications of this for service delivery.

Economy & Labour Market

Economic Activity

[1] Housing Land Audit (Shetland Islands Council, 2014), p.2.

3.2.8 Members of the working age population (defined as 16-74 by the ILO) who are in or actively seeking work are defined as being economically active. The economic activity rate, expressed as the ratio between the number of economically active people and the total number of people aged 16 to 74, is an important barometer of an area's economic wellbeing. Areas with high economic activity rates tend to perform better than areas with lower rates. The table below shows the economic activity rate in the Shetland Islands and compares it to the Scottish average.

Table 3.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

3.2.9 The economic vibrancy of the Shetland Islands is highlighted above – the islands have an economic activity rate well in excess of the Scottish average. This likely reflects both the high quality jobs which have been on offer in the recent year as well as the continued 'work' in the community beyond the state retirement age. Shetland also has a higher proportion of residents in full time employment and an unemployment rate half that of the Scottish average.

Key Point: The high economic activity rate and low unemployment in the Shetland Islands points to the economic vibrancy of the area.

Occupations

3.2.10 The figure below identifies the range of occupations of residents aged 16-74 in employment in the Shetland Islands and Scotland as a whole.

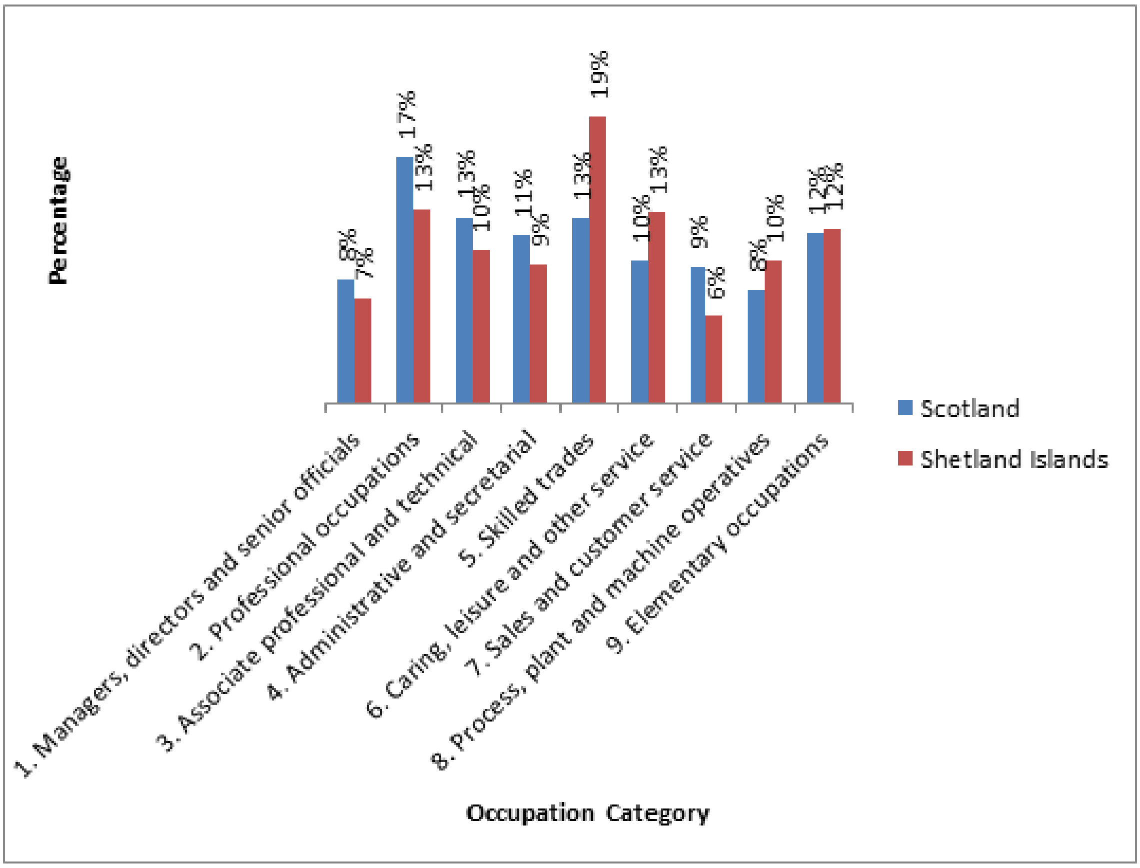


Figure 3.3: Occupation Category (Census 2011)

3.2.11 As would be expected given the industrial base of Shetland, the islands have a high concentration in 'skilled trades', 'process, plant & machine operatives' and 'elementary occupations'.

Key Point: The Shetland Islands have a large industrial workforce well-suited to the current and anticipated future needs of the islands' economy.

Unemployment

3.2.12 The Figure below shows the percentage of the working population claiming job seekers allowance (JSA) over the period 2000 to 2014 in both the Shetland Islands and Scotland as a whole.

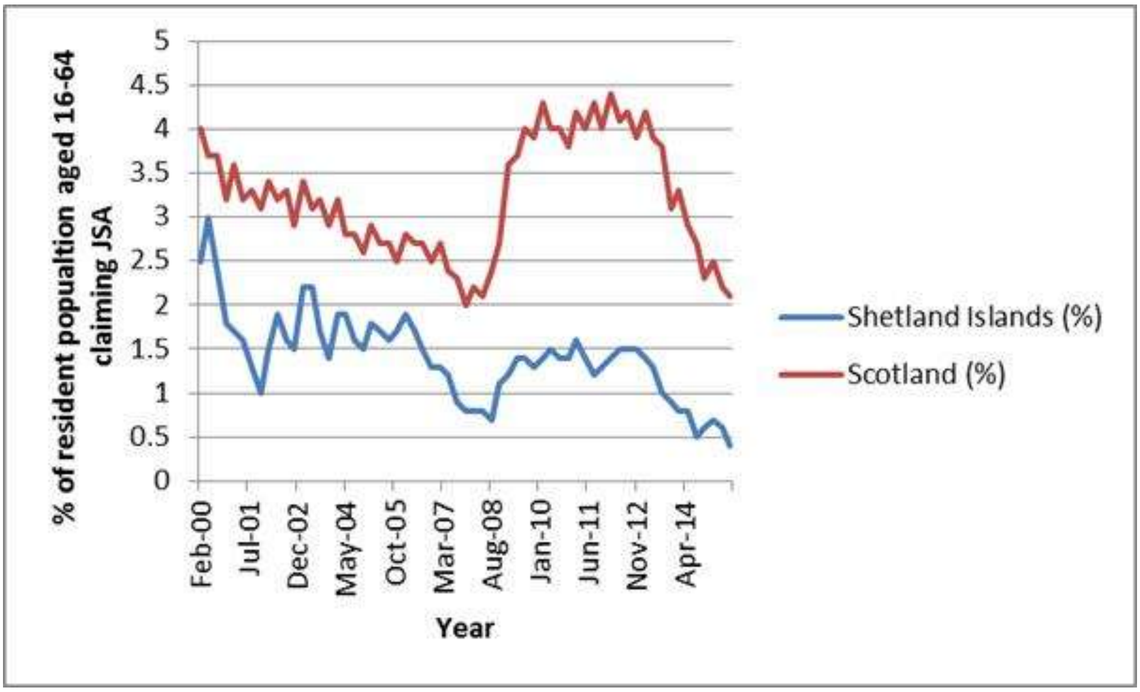


Figure 3.4: Percentage of the population claiming Job Seekers Allowance (Source: Nomis)

3.2.13 The Shetland Islands have consistently demonstrated a lower level of unemployment than the Scottish average, likely a factor of both the strong economy and the high levels of economic activity and employment typically associated with island communities. Indeed, even during the worst period of the recession, Shetland never recorded a level of unemployment higher than the lowest Scottish average over the entire period.

3.2.14 A key labour market issue that is not however picked up by the unemployment figures is that of 'under-employment' where an individual would like to either work in a higher paid job or work longer hours. This is likely to be a prevalent issue on islands off the mainland, where numerous members of the community will often hold down multiple jobs.

Key Point: The buoyancy of the Shetland economy is demonstrated in its very low levels of unemployment, although the figures do potentially mask under-employment, particularly in the outlying islands.

Earnings

3.2.15 The tables below show the median gross annual pay for workers living and working in the Shetland Islands as well as Scotland as a whole.

Table 3.2: Median Gross Annual Pay for All Workers – Resident Analysis (Source: Annual Survey of Hours and Earnings)

	Shetland Islands	Scotland
2010	22,766	20,764
2011	22,600	20,634
2012	23,359	21,013
2013	22,640	21,522
2014	24,642	21,770

Table 3.3: Median Gross Annual Pay for All Workers – Workplace Analysis (Source: Annual Survey of Hours and Earnings)

	Shetland Islands	Scotland
2010	27,750	25,082
2011	27,897	25,358
2012	27,983	25,907
2013	28,036	26,444
2014	28,720	26,969

3.2.16 The tables above highlights the above average levels of pay enjoyed in the Shetland Islands, much of which is associated with the oil industry and high value jobs in fishing and aquaculture. However, whilst wages are relatively high, the cost of living in Shetland is also higher, particularly in islands off the mainland.

Key Point: Average wages in Shetland significantly exceed the national average from both a resident and workplace perspective. However, this does mask the higher cost of living in the islands and differences between the 'haves and have nots'.

Cost of Living

3.2.17 Whilst the above paragraphs establish the relatively high average wages in Shetland, it is important to understand that the cost of living is higher, giving rise to income inequality between the Shetland Islands and the mainland, and within the islands themselves.

3.2.18 HIE recently commissioned research into the required minimum income standard for remote and rural Scotland. The aim of the research was to calculate how much it costs for people to live at a minimum standard in remote and rural Scotland. It built on research elsewhere in the UK on the Minimum Income Standard (MIS), which is based on the minimum budgets required by various types of household.

3.2.19 The research considered living costs in remote rural Scotland in the context of the fragility and sustainability of local communities, and the desirability of pensioners, working-age adults and families with children, on a range of incomes, to be able to live satisfactory lives there. The key finding was that the minimum income that households require for an acceptable standard of living in Shetland is well above the rest of the UK, and in many cases higher than other areas of rural Scotland.

3.2.20 Factors driving additional costs for households in Shetland compared to the rest of the UK include:

- higher prices in supermarkets and other stores than those charged in urban areas;
- longer commuting distances compounded by higher petrol prices;
- higher heating costs driven by lack of access to mains gas and the severe climate;
- the additional cost of occasional trips to the mainland;
- delivery charges for goods ordered from elsewhere; and
- for pensioners, additional costs of buying clothes and other goods through catalogues.

3.2.21 Moreover, remote small settlements in Shetland can have additional costs associated with, for example:

- additional ferry costs for inter-island travel;
- the additional cost of buying groceries in more expensive local stores (or from the mainland is there is no local shop); and
- higher heating bills associated in some cases with older housing.

3.2.22 In the most remote parts of Shetland, households depending entirely on local shopping can expect to spend 25%-30% more overall than in Lerwick.

3.2.23 The table below sets out the MIS for the Shetland Islands compared to UK urban areas:

Table 3.4: Examples of Minimum Weekly Household Budget Requirement, Excluding Rent & Childcare

	UK Urban	Lerwick	Most Remote Part of Shetland
Single Person	£198	£264	£345
Couple with Children	£463	£597	£769
Pensioner Couple	£238	£300	£334

3.2.24 It is clear from the above table that the cost of living in the Shetland Islands, particularly in the most remote areas where income is lower, is significantly in excess of the UK average. The cost of living in remote areas also significantly exceeds that of Lerwick.

Key Point: Whilst average wages are relatively high in the Shetland Islands, the cost of living is also higher, particularly in more remote islands like the Outer Isles, Unst and Fetlar.

Qualifications

3.2.25 The level of qualifications held by the population of an area is seen to be an indicator of economic performance. Areas with a high proportion of well qualified people tend to perform comparatively better (in terms of occupational classification, average wages etc.) than areas characterised by low educational attainment.

3.2.26 The figure below shows the highest level of qualification attained by the population in the Shetland Islands compared to Scotland as a whole.

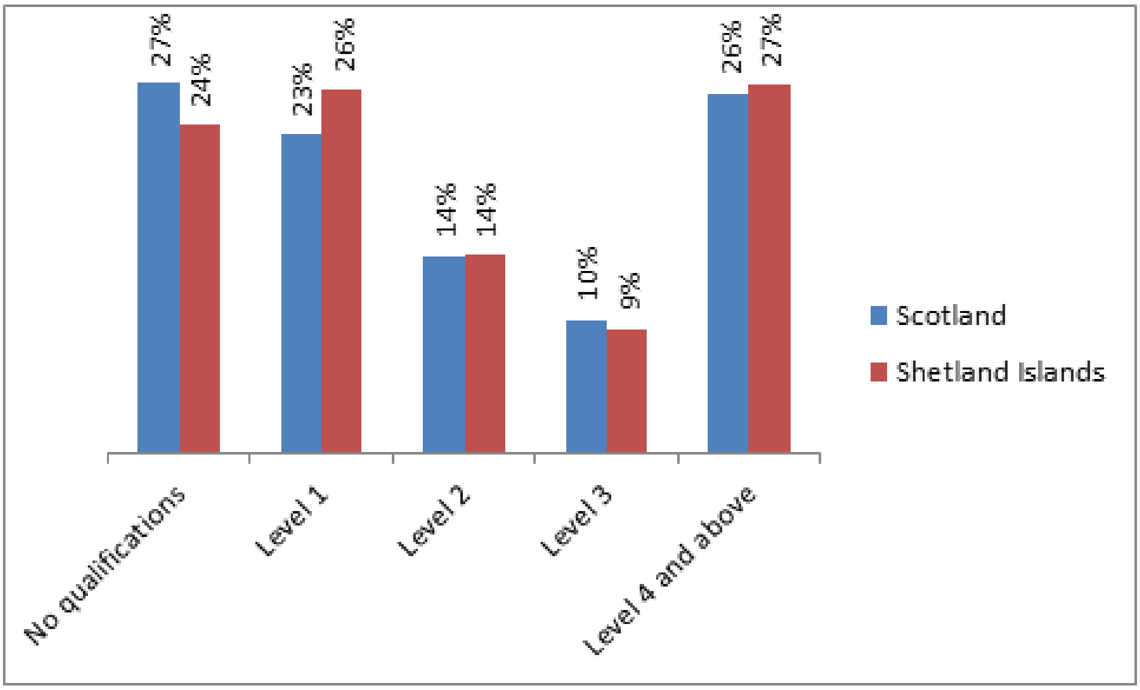


Figure 3.5: Highest Level of Qualification (Source: Census 2011)

3.2.27 Overall, the qualifications breakdown for Shetland is comparable to that of Scotland, with slightly fewer residents in Shetland having no qualifications and slightly more with Level 4 and above. In addition, islanders are also likely to have a higher level of vocational and trade skills which are not in all cases formally recorded through official qualifications.

Key Point: Shetland has a comparatively high level of educational attainment and highly skilled workforce.

Car Ownership

3.2.28 Car ownership rates for the islands and the Scottish average are shown in the figure below.

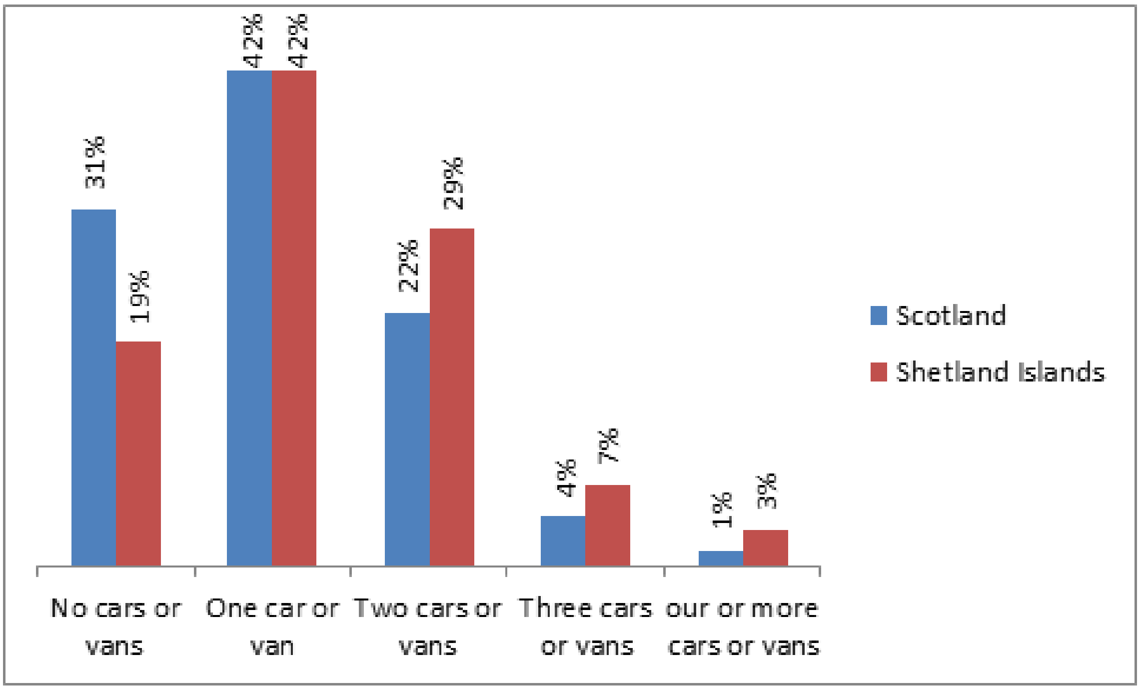


Figure 3.6: Car Ownership as Percentage of Total Households (Source: Census 2011)

3.2.29 Given the low population densities and limited public transport, car ownership in the Shetland Islands is unsurprisingly much higher than for Scotland as a whole. It is also likely a reflection of the relatively high wages in the Shetland Islands. 39% of Shetland households own more than one car, which compares with the Scottish average of 27%.

Key Point: The Shetland Islands have a high level of car ownership, which is likely to be a current and future driver of ferry use.

3.3 Regional Accounts 2010-11

3.3.1 Shetland Islands Council commissioned a set of Regional Accounts for the islands in 2010-11 based broadly on the input-output approach. This is highly valuable for this study as it quantifies the structure of the islands' economy. The four principal objectives of the study were:

- To construct regional accounts for Shetland in 2010-11 that are consistent with recognised Input-Output accounting conventions and formats.
- To compile a Shetland occupational employment by industry matrix compatible with the core regional accounts.
- Analyse the regional accounts and related data and provide comment on the current structure and recent performance of the Shetland economy/
- Compare and analyse the results of the above with the 2003 regional accounts to understand economic changes over that period.

3.3.2 Input-output tables and their derivatives are well suited to island economies given their comparatively small and contained nature. Helpfully, this set of regional accounts was produced before construction of the new gas plant at Sullom Voe commenced construction, as a scheme of this scale would significantly distort the figures.

3.3.3 In the interests of brevity, this report only includes the key findings from the regional accounts. However, background reading, assumptions used and the full set of seven accounts can be found in Dyer et al *An Analysis of the Shetland Economy based on Regional Accounts for 2010-11*.

Economic Activity in Shetland

3.3.4 The regional accounts estimate that in 2010-11, total output in Shetland was £1,091.4 million, whilst Gross Regional Domestic Product (GRDP) was £484.9 million, comprising of £317.3 in employment income and £167.9 million in gross profits. This implies a rate of growth of 3.5% per year in real terms, which represents a cumulative increase of 27% between 2003 and 2010-11.[2] The Shetland economy significantly outstripped the UK economy over the same period, which grew at an average of 1.28% between Q1 2003 and the end of Q2 2011.[3]

3.3.5 Employment is estimated to have grown at 2% per annum, a 15% increase between 2003 and 2010-11. There was a 26% growth in tax take between 2003 and 2012, an average growth rate of 3.4% over this period. Whilst growth overall has been strong, wage growth has been somewhat constrained, with the ratio of wages to output decreasing from 37% to 29% over the period.[4]

Key Point: The Shetland economy has shown strong growth in output, employment, taxation and productivity between 2010-11, outstripping the performance of the UK and Scotland as a whole over this period.

Sectoral Analysis

3.3.6 The regional accounts classified economic activity into 31 sectors, establishing the contribution of each to output, value added and employment. The table below shows the top five economic sectors in Shetland according to various criteria. A key point to note from the table is the importance of the public sector to both total wages and employment.

Table 3.5: Top Five Economic Sectors in Shetland by Various Criteria

Total Output (£m)	Value Added (£m)	Wages (£m)	Profits (£m)	Employment (FTEs)
Aquaculture	Aquaculture	Construction	Aquaculture	Public Admin
Fish Processing	Construction	Schools	Other Services	Retail
Construction	Land Transport	Health	Land Transport	Construction
Fish Catching	Fish Catching	Public Admin	Fish Catching	Health
Public Admin	Other Services	Social Work	Retail	Other Services

3.3.7 The report explains that, assessed in terms of output, the structure of the Shetland economy appears relatively stable, with four of the top five contributors to the region's output the same as in 2003, whilst three are common with 1996-97. However, there has been a general decline in the impact of construction and Sullom Voe, although these may be reversed to some extent by work to support the construction of the gas plant. Aquaculture has been a substantial growth sector, whilst fish processing is also an important and relatively stable

[2] Dyer, G. et al *An Analysis of the Shetland Economic Based on Regional Account for 2010-11* (Shetland Islands Council, 2012)., p. 6.

[3] UK GDP Since 1955 (Office for National Statistics, 2013).

[4] Dyer, G. et al, p. 7.

sector.[5] Overall, Shetland's industry concentration ratio for the five largest sectors has decreased slightly from 50% of **total output** in 2003 to 46% in 2010-11, suggesting that the economy has become more diversified in recent years.[6]

3.3.8 Sectoral contributions to **value added** tell a somewhat different story. Aquaculture remains the largest sector, yet it contributes relatively less to GDRP than output. In contrast, although not exceedingly large in terms of output, land transport and other personal services generate 13% of Shetland's GDRP, a significant proportion.[7]

3.3.9 Given the importance of fishing & aquaculture overall, particularly to the islands included in the scope of this study, it is worth briefly dwelling on it in more detail. A recent report has investigated the overall value of the fishing and aquaculture sector the Shetland economy – the study found that the seafood sector in Shetland contributes:

- £351 million in direct output;
- £106 million in gross value added;
- £584 million in gross impact on the Shetland economy;
- £35.1 million in wage income;
- Over 900 direct FTE jobs, with around 2,400 FTE jobs supported within the wider supply chain

3.3.10 The report states that the prospects for the seafood sector over the coming years look positive, so much so that the authors believe it will be the largest and most influential sector for Shetland over the next 20 years. This is highly positive in the context of this study, where a number of the islands have significant aquaculture (e.g. Yell), pelagic and whitefish interests (e.g. Whalsay and Skerries).[8]

Key Point: The economic structure of Shetland has been relatively stable over a number of years. However, there has been a decline in the industry concentration ratio, which suggests a more diversified economy is emerging.

The seafood industry is of critical importance to the community, both now and in the future, particularly in islands like Yell, Whalsay and Skerries.

Employment

3.3.11 **Employment** growth between 2003 and 2010-11 was largest in the public sector (which is the largest employer overall), although this was in part due to the reclassification of certain industry sectors. Excluding public administration, the largest increases in employment shares are observed in marine engineering (2.2), food and drink processing (1.7) and other personal services (1.5). On the debit side, the declines in employment have been in technical and professional services (-3.7), schools (-3.2), ports & harbours (-3.1) and social work (-2.8).

3.3.12 Over two thirds of the labour force in Shetland is employed in service sectors, with manufacturing jobs representing an additional 19% and primary sectors the remaining 10%.

[5] Ibid., pp. 10-11.
[6] Ibid., p. 12.
[7] Ibid., p.13.
[8] Shetland Seafood Sector Community Impact Study (SSQC, 2015), p. 5.

Unsurprisingly, "skilled trades" is the largest occupational group on Shetland, although the islands have significant representation in occupational categories.[9]

Key Point: Shetland has a balanced employment profile across all nine occupational groups, although it not unexpectedly has a concentration of employment in skilled trades and a higher than average representation of jobs in the primary sector overall.

Multipliers

3.3.13 Input-output multipliers measure the expected change in total output after an increase in final demand for output from the relevant sector. Multipliers are an important issue as they identify the potential impact of stimulating one or more sectors directly and indirectly through transport related investment. The table below shows the sectors with the largest Type I multipliers in Shetland in each of the last three years for which regional accounts have been produced.

Table 3.6: Sectors with Largest Type I Multipliers in Shetland, 1996-97 to 2010-11

	1996-97	2003	2010-11
1	Agriculture	Agriculture	Communications
2	Fish Processing	Fish Processing	Wholesale
3	Communications	Other Food & Drink Processing	Electricity, Gas & Water
4	Other Manufacturing	Communications	Oil Terminal
5	Oil Terminal	College Education	Sea Transport

3.3.14 The table above shows the strong multiplier effect in Shetland from spending on modern technology related to communications. The Sullom Voe oil terminal and sea transport are new / re-entries in the 2010-11 dataset.[10]

Trade & Exchequer Balance

3.3.15 In making a case for the funding of the Council ferry and air service, it is important to understand that those services are enablers of economic activity and, in the Shetland context, facilitate the islands' substantial trade balance. The table below shows Shetland's imports, exports and trade balance and the difference between 2003 and 2010-11:[11]

Table 3.7: Imports, Exports and Industry Trade Balance in Shetland 2010-11

	Imports (£m)	Exports (£m)	Trade Balance (£m)
Value	365.3	496.4	131.1
Change since 2003 (real terms)	-4.4%	180%	
Annual Growth rate (real terms)	-0.6%	8.8%	

[9] Dyer, G., p.15.
[10] Ibid., pp. 22-23.
[11] Ibid., p.37.

3.3.16 It is notable from the above table that the Shetland Islands run a substantial and rapidly growing (nominal) trade surplus, in sharp contrast to the UK as whole which consistently runs a trade deficit. Moreover, a decline in the level of imports and sharp increase in the level of exports means that the Shetland Islands has witnessed an ever strengthening position in this respect. The islands are a net contributor to the Scottish economy.

Key Point: The Shetland Islands run a significant (nominal) trade surplus and are a large net contributor to the Scottish economy.

3.3.17 Overall, the review of the regional accounts has demonstrated the strong economic performance of the Shetland Islands over a long period. Growing output, employment, GDRP and a robust trade performance underline the important of the islands to the Scottish economy. The islands outwith the Shetland Mainland are an important contributor to this robust economic performance. Key examples include supply a pool of commuters to Shetland Mainland businesses and supplying fish which are processed there, thus creating employment and contributing to Shetland's strong export performance.

3.3.18 Similarly, mainland based organisations support the work and life of the islands. They include service providers (notably the public sector, trades and wholesalers) as well as inbound commuters.

3.3.19 Thus, the operation of a frequent, reliable and affordable inter-island transport service is integral to ensuring that the strong economic performance of Shetland continues and that the rewards are shared fairly across the archipelago.

3.4 Summary

3.4.1 It is clear from the above profile that the Shetland Islands overall are in reasonably good economic health, notwithstanding the issues of the higher cost of living and some local inequality. However, the situation is somewhat different on a number of the islands, where more stark socio-economic challenges are faced.

3.4.2 The main settlement of Lerwick plays a pivotal role for access to employment, services and also access to the ferry service to Aberdeen and Kirkwall. The town is also a through route to Sumburgh Aiport, with buses being hubbed through there. A key point is that very few of the current inter-island ferry services sail into Lerwick itself. The locations of the mainland landfalls mean additional time to get to/from Lerwick, so the ferry is only one part of the overall journey to/from Lerwick (albeit a vital one).

3.4.3 The following chapters provide an economic baseline of the each of the nine islands included in the scope of this study.

4 Bressay

4.1 Overview

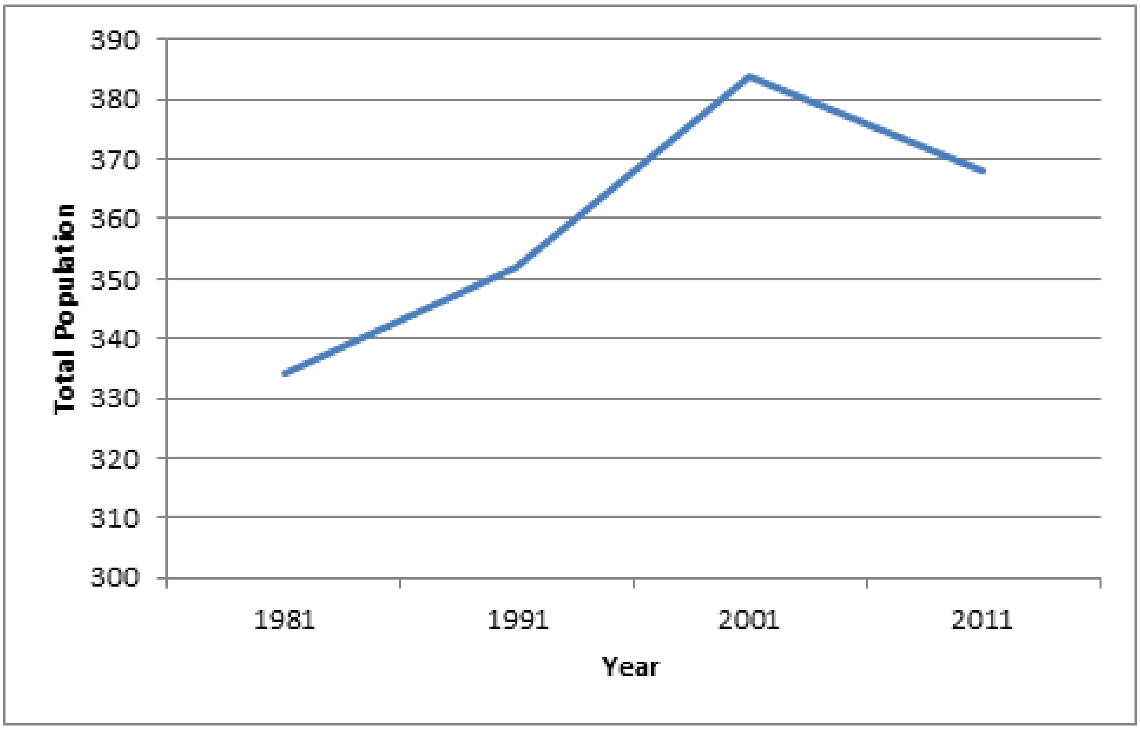
4.1.1 The island of Bressay is 7 miles long by 3 miles wide and is separated from Lerwick by the sheltered Bressay Sound. Rough grazing covers most of the island, and the coast is formed of steep cliffs and beaches.[12]

4.1.2 In many respects, Bressay benefits significantly from its proximity to Lerwick and the access to services that this provides. However, geographic proximity and good transport links can be something of a double edged sword for the island, with a constant challenge to prevent economic leakage and maintain local services.

4.2 Demographics & Population

Population Trends

4.2.1 Bressay's population increased between 1971 and 2001 but has recently been in decline. The population of Bressay recorded in the 2011 Census was 368 but is now believed to be only marginally more than 300. The figure below shows the population of the island as recorded in the Census between 1981 and 2011.



[12] Lerwick and Bressay Community Profile (Shetland Islands Council, 2011), p. 3.

Figure 4.1: Bressay Total Population (Census 1981 - 2011)

4.2.2 As shown in the figure, Bressay experienced a steady increase in its population between 1981 and 2001 rising from 334 to 384 before a slight fall to current levels in 2011. The recent closure of the island's primary school is likely to have a negative impact on the island's population over the next few years.

Key Point: Despite strong population growth towards the end of the 20th century, Bressay has experienced a recent decline in population, something which the recent closure of the school may accelerate. During our consultation with HIE, they expressed a concern that the island is becoming increasingly fragile.

4.3 Industrial Structure

4.3.1 As with the majority of the outlying islands, Bressay has limited on-island industry. The island labour force is principally geared towards opportunities in Lerwick. There is a fishmeal plant on the island, a small shop and a spa facility and some tourism accommodation. Small scale agriculture is the island's only other major industry.

4.3.2 A Bressay Development Company was formed in recent years, principally with a view to realising the opportunities associated with tourism. Their initiatives are ongoing.

4.3.3 Unfortunately, the Maryfield Hotel, the largest single hotel on Bressay has recently gone out of business, weakening the island's overall tourism infrastructure.

Key Point: There is limited on-island activity on Bressay, with the majority of residents being geared towards the Lerwick jobs market. The fishmeal factory is likely to be the largest single private sector employer. There has been an overall downturn in services in the island in recent years.

4.4 Economy & Labour Market

Economic Activity

4.4.1 The table below shows the economic activity rate of Bressay residents:

Table 4.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Bressay	77%	17%	45%	10%	3%	1%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

4.4.2 The profile for Bressay is broadly comparable to the Shetland Islands as a whole. This is perhaps unsurprising given that Bressay is 'commuter island' with much of the resident employment located in Lerwick.

Key Point: Bressay has a very high economic activity rate (akin to that of Shetland as a whole), although the majority of full-time employees are likely to commute to Lerwick

Occupations

4.4.3 The table below shows the proportion of Bressay residents employed in each occupational category, as well as that for the Shetland Islands and Scotland as a whole.

Table 4.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Bressay	6%	17%	14%	8%	19%	10%	5%	11%	9%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

4.4.4 Overall, the breakdown of occupational category for Bressay residents is broadly comparable to that of Shetland as a whole. The island has a notably higher concentration of employees in 'professional occupations', which is a result of its close proximity to Lerwick. As with Shetland generally, Bressay has a higher concentration of employees in 'skilled trades' and 'process, plant & machine operatives'.

4.4.5 The figure below compares the change in the proportion of Bressay residents employed in each occupational category between 2001 and 2011.

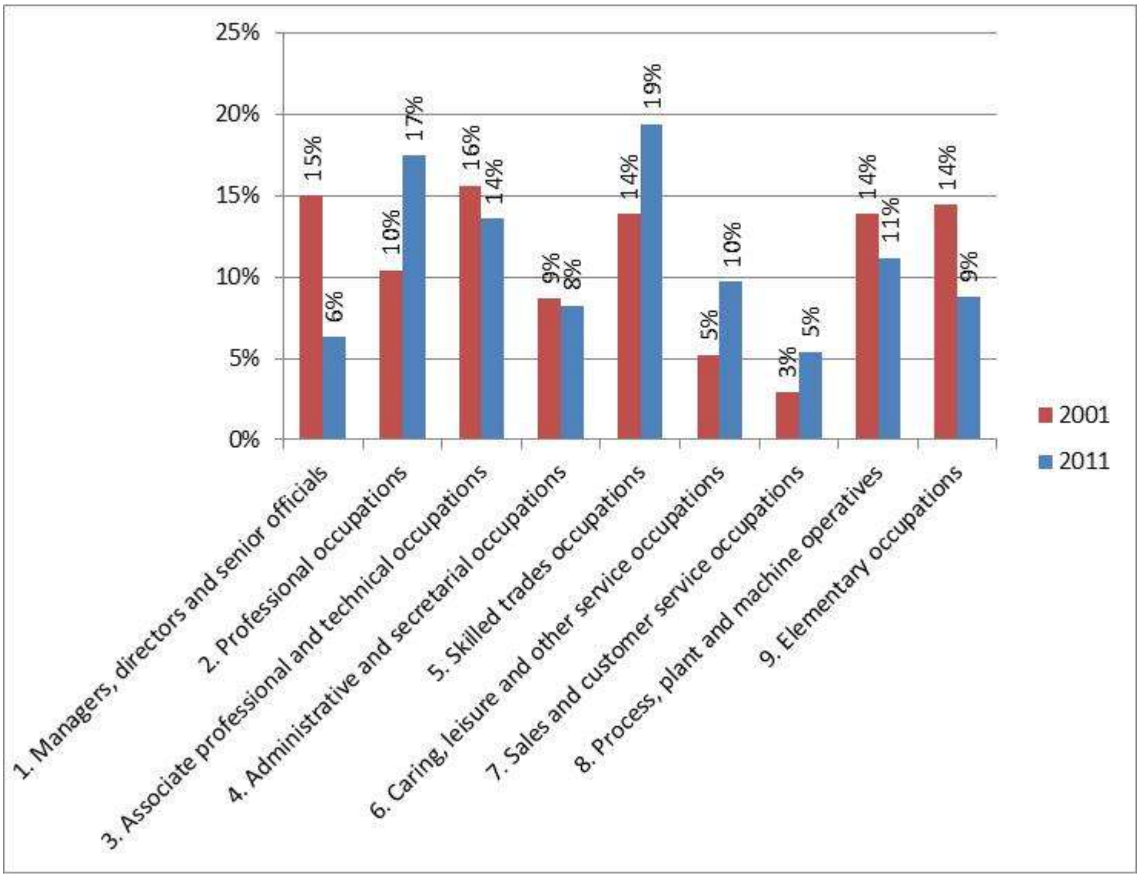


Figure 4.2: Number of people in each Occupation Category on Bressay (Census 2001 and Census 2011)

4.4.6 While there has been a decline in some sectors over this period (managers, directors and senior officials and elementary occupations), other sectors have seen an increase (professional occupations; skilled trade occupations; caring, leisure and other services; and sales and customer service occupations).

Key Point: Bressay residents share a similar occupational profile to the Shetland Islands as a whole, although the proximity of the island to Lerwick means that there is an above average proportion of residents employed in white-collar jobs.

Qualifications

4.4.7 In terms of qualifications, there is a lower proportion of Bressay residents with no qualifications and a higher proportion of people with qualifications at Level 4 and above on the island compared to both Shetland and Scotland as a whole.

Table 4.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Bressay	20%	23%	8%	11%	37%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

4.4.8 The Figure below compares the proportion of Bressay residents in 2001 and 2011 with each qualification level:

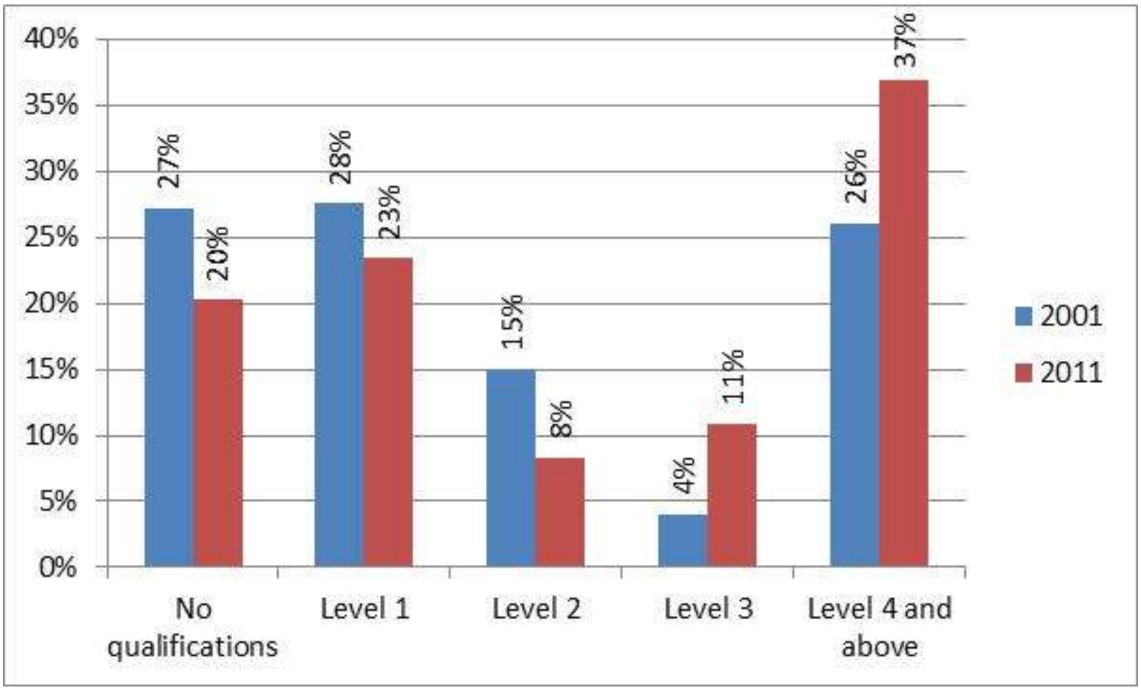


Figure 4.3: Highest Level of Qualification (Source: Census 2001 and 2011)

4.4.9 The figure above shows that the educational profile of Bressay improved between 2001 and 2011, with a decline in the number of people with no qualifications (from 74 to 63) and a growth in the number of people with Level 3 and Level 4 qualifications (from 11 to 34 and 71 to 115 respectively) over this period.

Key Point: Bressay residents show relatively high levels of educational attainment, a position which improved markedly between 2001 and 2011.

4.5 Household Travel

4.5.1 This section considers household travel patterns in terms of car ownership and travel-to-work patterns.

Household Car Ownership

4.5.2 The table below shows household car ownership on Bressay and compares it to the Shetland and Scottish averages.

Table 4.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Bressay	16%	51%	28%	4%	1%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

4.5.3 A greater proportion of people on Bressay own a car (84%, n=146) compared to Shetland (81%) and Scotland as a whole (79%), with the majority (51%, n=89) owning just one vehicle (which is lower than the island average). Between 2001 and 2011 there was a very slight decline in the number of households with no car or van although absolute numbers are small, falling from 32 in 2001 to 28 in 2011.

Key Point: Bressay has a relatively high level of household car ownership, even in the Shetland context. However, one-car households dominate. This may reflect car sharing / parking the car at the ferry terminal for the morning commute to Lerwick

Main Mode of Travel-to-Work

4.5.4 The Census provides the main mode of travel-to-work. However, it is important to note that this is the mode used for the longest leg of a journey and will therefore underestimate the total number of people who use the ferry for commuting purposes.

4.5.5 The figure below shows the main mode of travel to work for residents of Bressay as reported in the 2001 and 2011 Censuses.

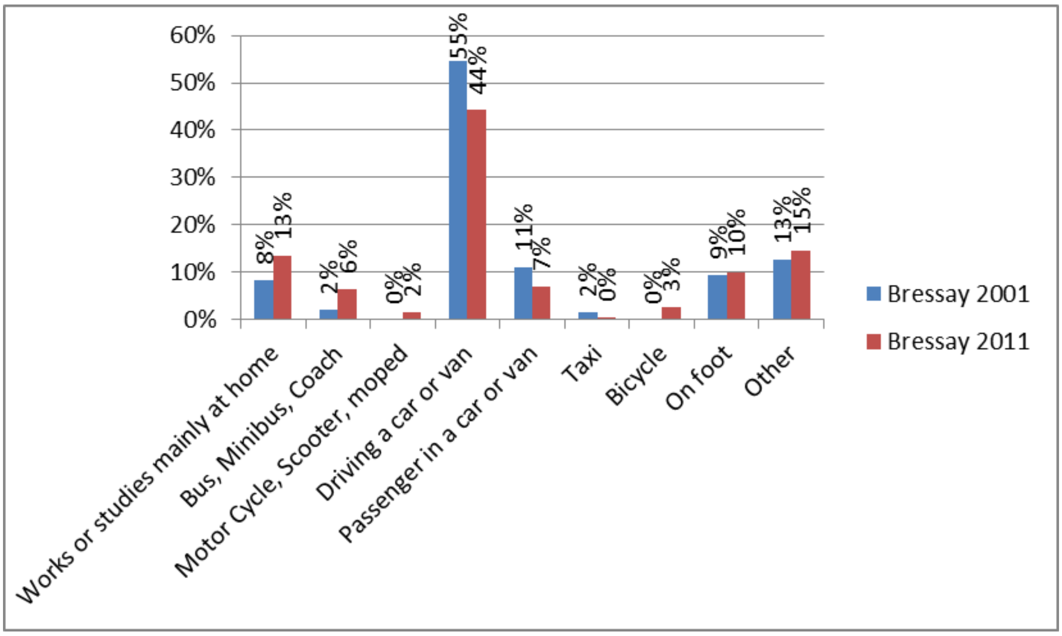


Figure 4.4: Main Mode of Travel-to-Work, Bressay (Source 2001 and 2011 Census)

4.5.6 There may be some confusion with the manner in which results were reported for Bressay in the Census. Whilst the private car dominates (66% in 2001 and 51% in 2011), it is likely that a number of the vehicles are either taken onto the ferry or parked at the terminal. The 'Other' category is likely to reflect those who selected ferry as their main mode, which has demonstrated a 2% growth over the Census period.

4.5.7 Another point of particularly note is the 5% increase in the number of residents who now work at home, which likely reflects the enhanced digital connectivity of the island between Census periods.

Key Point: The private car is the dominant mode of travel-to-work for Bressay residents, although the extent to which the car is taken on the ferry is unclear. Ferry use remains prevalent and is growing. The proportion of Bressay residents who work at home has grown significantly, likely reflecting enhanced digital connectivity.

4.6 Housing

4.6.1 In Bressay in 2006, there were 176 properties of which 135 (77%) were privately owned and 41 (23%) were local authority or housing association. Bressay has a higher overall proportion of social housing than a number of the other islands in this study.

4.6.2 However, the evidence suggests that the probability of obtaining a council or housing association home is very low. House sales have also been very low at one or two per annum, which also suggests that the property market is static and perhaps even stagnant.[13]

Key Point: The lack of readily available social housing on Bressay and the relatively static property market suggests that housing could be a constraint to growth on the island and could have been a factor in the decline of its population.

4.7 Health

Provision & Doctor Registrations

4.7.1 Medical provision for Bressay is provided by Lerwick Health Centre.

4.8 Education

Provision & School Rolls

4.8.1 Primary and nursery school provision was formerly available on Bressay. The figures below show the number of pupils attending Bressay Primary School and Bressay Nursery School since 1981.

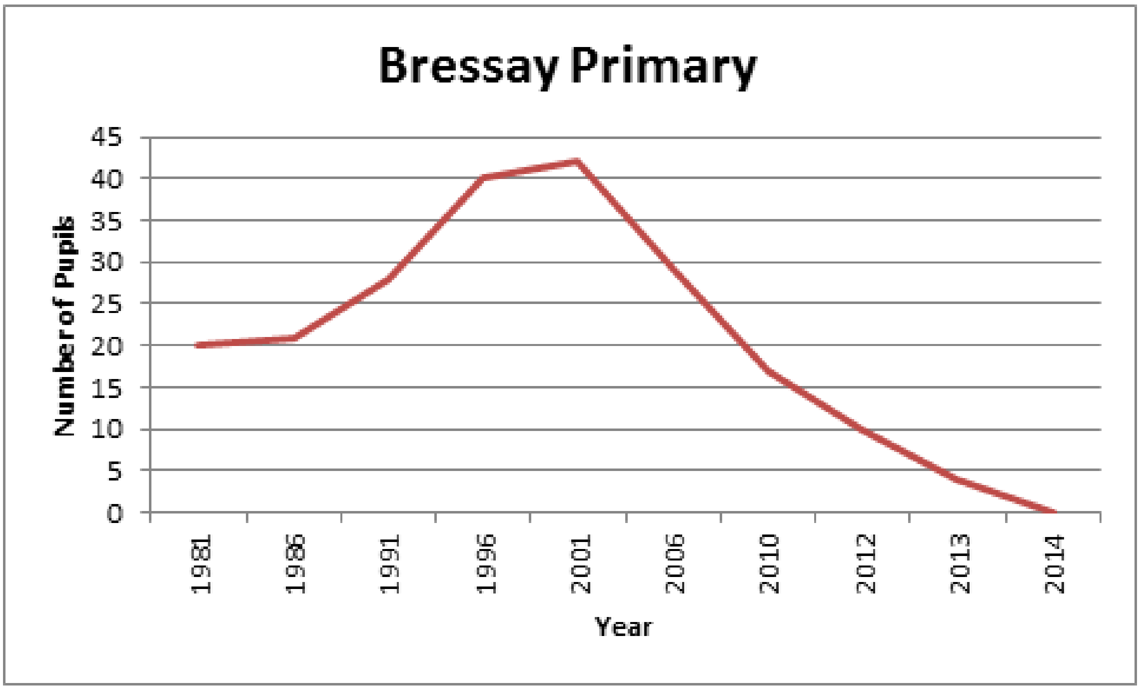


Figure 4.5: School Roll for Bressay Primary School 1976-2014 (Source Shetland in Statistics 2014)

[13] Lerwick and Bressay Community Profile (Shetland Islands Council, 2011), p. 26.

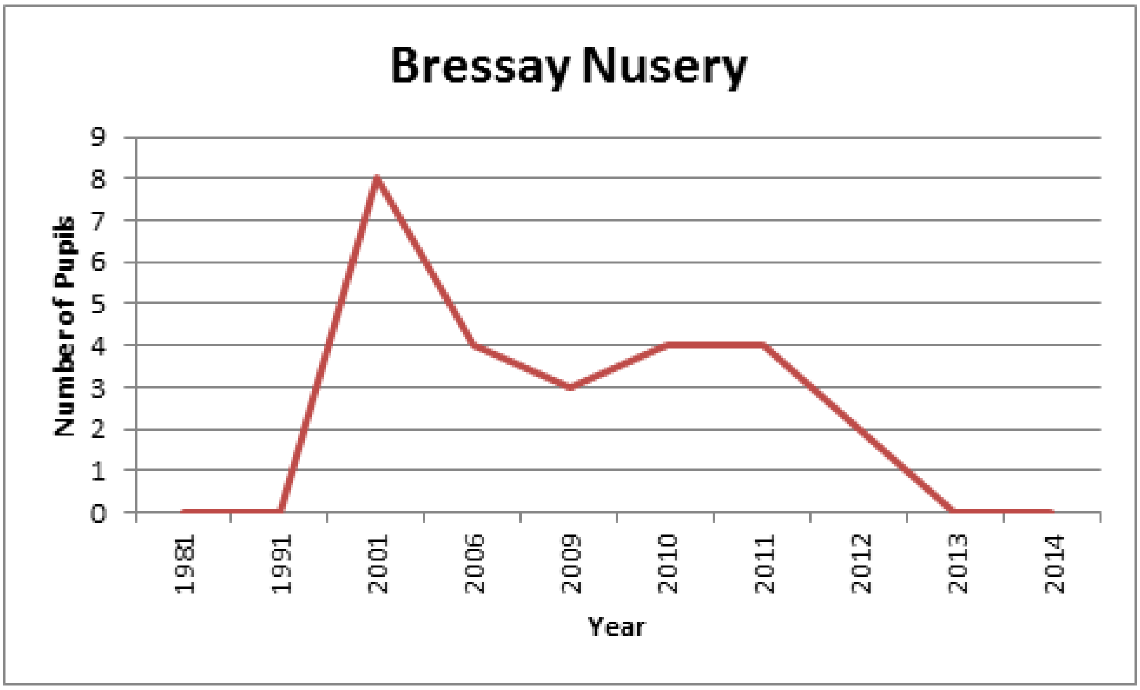


Figure 4.6: School Roll for Bressay Nursery School 1981-2014 (Source Shetland in Statistics 2014)

4.8.2 There were significant increases in the Bressay primary and nursery school rolls in the 1980s and 1990s, corresponding with the increase in total population. However, there has been a steady decline in pupil numbers since 2001, driven in part by parents making placing requests for Lerwick schools. There were a total of 19 placing requests made by parents of children who could attend the school over the period 2009/10-2013/14[14]. As a result of this decline, Shetland Islands Council decided that both the primary and nursery school provision on the island be discontinued with effect from 4th July 2014. As a consequence of this, from 20th August 2014, Bressay pupils now attend Bell's Brae Primary School in Lerwick.

Key Point: Bressay is the only one of the nine islands in this study where on-island nursery and primary provision is not available. Whilst the rationale underpinning the closure of the school was perhaps sound, there is a potentially longer-term impact in terms of the attractiveness of the island for in-migrants.

4.9 Digital Connectivity & Service Provision

4.9.1 Bressay has benefitted from the initial roll-out of high-speed fibre broadband, providing it with high quality internet connectivity.[15]

4.9.2 There is a small shop on Bressay and a spa centre on the island. Neighbouring Noss is a big attraction and there is some tourist accommodation on the island, although the closure of Maryfield Hotel has weakened the capacity of the island in this respect.

4.9.3 There is a post car in Bressay operated by the Royal Mail and fares cost between 60p and £3.25. There is also a shopper service operated by John Leask & Son that travels to the Co-Op, costing 90p return (not including the ferry fare).[16]

[14] See Children's Services Proposal Paper, Shetland Islands Council, September 2013, http://www.shetland.gov.uk/education/documents/BressayProposalPaper2013FINAL.pdf

[15] http://www.hie.co.uk/about-hie/news-and-media/archive/digital-scotland-coverage-for-shetland-islands-approaches-half-of-all-premises.html#sthash.wg5dzHXU.5xPHZ3ft.dpbs

[16] Lerwick and Bressay Community Profile (Shetland Islands Council, 2011), p. 26.

5 Fair Isle

5.1 Overview

5.1.1 This chapter sets out the socio-economic baseline of Fair Isle. As a small community, very little data are available at the island level, although the *Shetland South Community Profile* has captured some valuable views on the issues facing islanders.

5.1.2 Fair Isle lies about 20 miles south-west of the imposing Sumburgh Head. Just five kilometres long and three kilometres wide, it is mostly surrounded by cliffs, rising over 100 metres at Sheep Rock and almost 200 metres on the heavily indented west coast. The National Trust for Scotland took over ownership of the island in 1955 and prospective in-migrants must apply to the Trust for residency. Facilities include a shop & Post Office, the high quality bird observatory with accommodation, museum, pier and marina.

5.2 Demographics & Population

5.2.1 Fair Isle has the fourth smallest population in the Shetland Islands, recorded at 68 in the 2011 Census, but reported as being as low as 55 in June 2015.[17] With such a small population, it is important to bear in mind that official data will be of limited value given both time-lags in reporting and the often informal nature of employment on such islands.

Population Trends

5.2.2 The figure below shows the population of Fair Isle between 1981 and 2011.

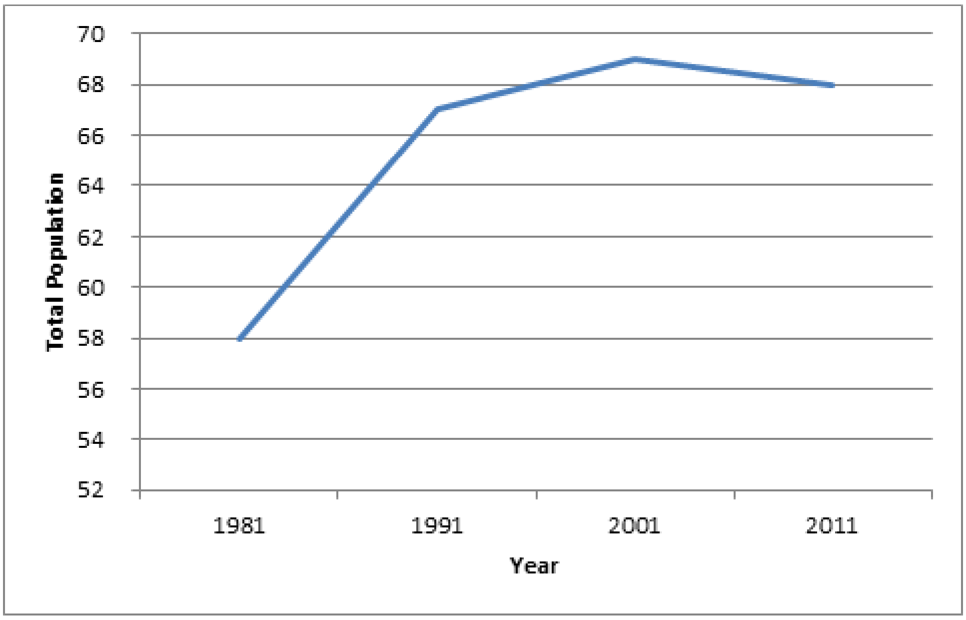


Figure 5.1: Total Population (Census 1981 -2011)

5.2.3 Fair Isle demonstrated strong growth between 1981 and 2011, with the population increase by 10 people, almost 20%. However, as explained, the population in 2015 had declined to 55, three people less than lived on the island in 1981. Increasing the population was an important element of the recent development plan published for the islands.

[17] http://www.shetlandtimes.co.uk/2015/06/29/plan-to-boost-fair-isle-community

Key Point: Fair Isle's population had shown relatively strong growth between 1981 and 2011, but the cumulative growth was wiped out between the 2011 and 2015, with the population now down to 55. Fostering population growth is a key element of the island's development plan and addressing the transport issues facing Fair Isle is deemed to be an important element of this plan.

5.3 Economy & Labour Market

5.3.1 Measuring the scope & scale of the economy & labour market of small islands is typically a very challenging task. This is because islanders will typically hold down more than one job (and often several jobs in the smallest communities) and are mainly self-employed or volunteering, with much of this activity not reported in official statistics and datasets.

Industries

5.3.2 Fair Isle's industrial base is largely limited to tourism, crofting and the 'cottage-industry' knitwear for which it is famed. The community is highly cohesive and works closely together to ensure economic sustainability.

5.3.3 In terms of tourism, the island is renowned for providing a warm welcome to visitors, with the close relationship between islanders and the National Trust being a key part of the offer. The island is one of the best places in Britain to see rare migrant birds, and the new Fair Isle Bird Observatory, which opened in 2010, significantly enhances this experience (and at the same time providing high quality accommodation). The George Waterston Interpretive Centre also offers a chance to find out about the man who helped to shape the future of the island immediately after World War 2.[18]

Economic Activity

5.3.4 The table below shows the economic activity rate of Fair Isle, comparing it with the Shetland and Scottish averages.

Table 5.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Fair Isle	67%	14%	24%	29%	0%	0%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

5.3.5 Overall the economic activity rate on the island (67%, n=34) is lower than the Shetland (78%) and Scotland as a whole. These data must however be treated with caution because, as previously indicated, islanders hold down multiple jobs, many of which will not be recorded in official data. In communities of this size, it is likely that nearly all individuals are economically active in one way or another.

[18] Shetland South Community Profile (Shetland Islands Council, 2011), p. 15.

5.3.6 As may be expected given the island's relative isolation and limited industrial base, a larger proportion of Fair Isle residents (29%, n=15) are self-employed compared to that of Shetland and Scotland. It can be the case that high levels of self-employment in small economies reflect the lack of alternative opportunities as much as economic dynamism. There is also a higher proportion of retired residents and a higher proportion within the 'other' category (10%, n=5), with the latter likely to be a result of the island's association with the National Trust and tourism industry.

5.3.7 Between 2001 and 2011, there was a growth in the proportion of economically inactive residents on Fair Isle although absolute numbers are obviously small, growing from 7 in 2001 to 17 in 2011 (see the figure below) .

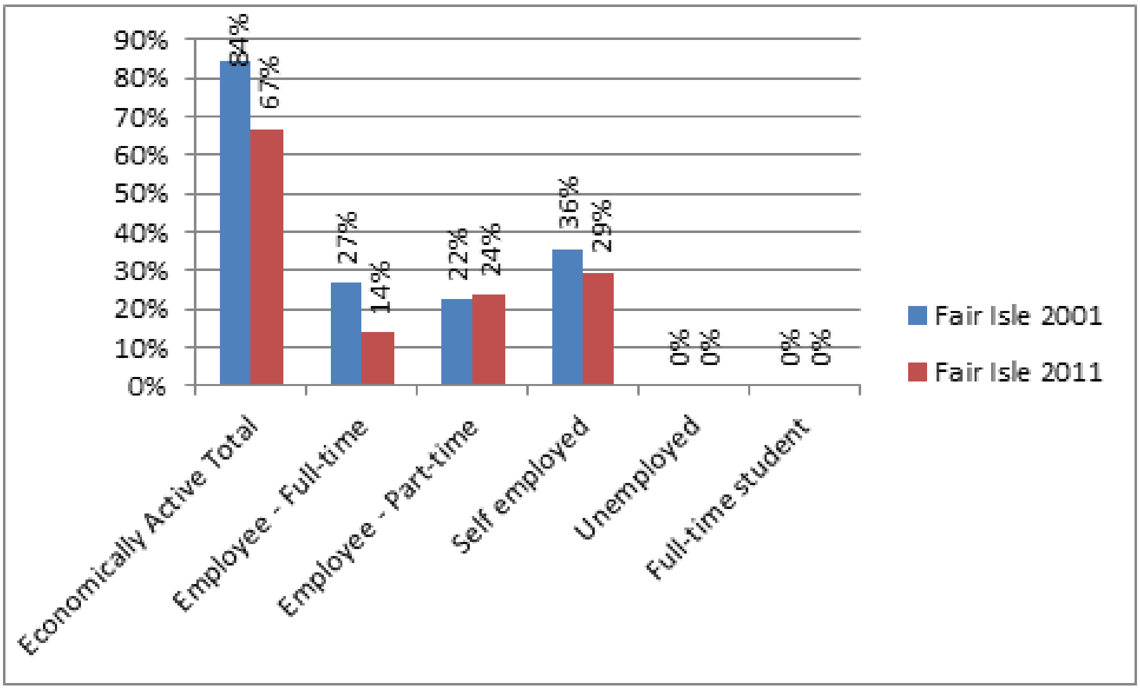


Figure 5.2: Economic Activity Rate (Source: Census 2001 and 2011)

5.3.8 The key point of note from the above figures is the increasing number of retirees and permanently sick / disabled (albeit the absolute numbers are small). This suggests that the Fair Isle population is ageing as well as declining. This is a major threat on an island of this nature, where a sufficient number of able bodied individuals are required to fulfil a variety of functions (e,g firefighters).

Key Point: The Fair Isle population is both ageing and declining. Addressing this issue and raising overall economic activity rates is essential to the future sustainability of the island.

Occupations

5.3.9 The table below shows the proportion of the population employed in each occupational category on the island as well as the Shetland Islands and Scotland as a whole.

Table 5.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Fair Isle	12%	15%	9%	12%	26%	12%	3%	9%	3%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

5.3.10 The official data are of limited value in this category given the multiple jobs held by islanders. However, taking the data at face value suggests that Fair Isle has a well above average proportion of residents in the higher occupational categories, which hints at the high level of self-employment / sole-proprietor businesses. The island also has a large number of people working in skilled trades, likely crofting and traditional knitwear.

Key Point: The occupational structure of Fair Isle reflects the predominance of self-employment and cottage industries on the island.

Qualifications

5.3.11 In terms of qualifications, there are a lower proportion of people on the island with no qualifications and a higher proportion of people with level 4 and above compared to Shetland as a whole.

Table 5.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Fair Isle	9%	23%	4%	11%	53%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

Key Point: The Fair Isle population is highly qualified / skilled, which is clearly beneficial in a community where each individual needs to have a wide array of talents. The high qualification levels hint at the pattern of in-migration amongst the more highly skilled cohorts.

5.4 Household Travel

5.4.1 The evidence collected during the collation of the community profile suggests that access deprivation is one of the most critical issues affecting Fair Isle.

Car Ownership

5.4.1 Car ownership rates on the island are shown in the table below: Table 5.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Fair Isle	27%	38%	27%	8%	0%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

5.4.2 As shown a smaller proportion of households on Fair Isle own a car (73%, n=19) compared to Shetland (81%) and Scotland as a whole (79%). Between 2001 and 2011, there was an increase in the number of households with no car or van although absolute numbers are small, rising from 2 in 2001 to 7 in 2011. Where islanders do own a car, this will predominantly be for use on the island, as there is very limited capacity for cars on the ferry.

Key Point: Car ownership is lower in Fair Isle than elsewhere in Shetland, with those who do own a car likely making mainly on-island trips.

Main Mode of Travel-to-Work

5.4.3 The Figure below shows the main mode of travel to work for residents of Fair Isle as recorded in the 2001 and 2011 Census:

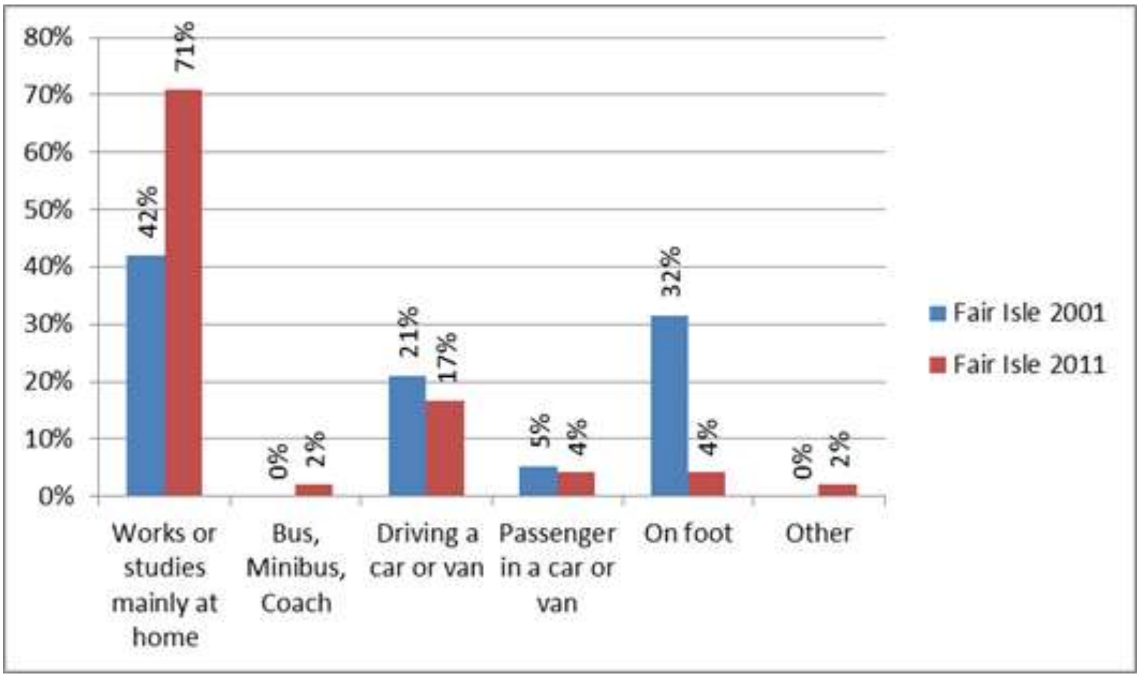


Figure 5.3: Main Mode of Travel to Work (Census 2001 and 2011)

5.4.4 Perhaps unsurprisingly given the island's relative isolation, working mainly from home is by far the most common travel to work option, with 71% (n=34) of residents in 2011 opting to work at home, an increase of 29% (n=16) compared to 2001. Driving is the next most common mode, with fewer numbers opting to travel by bus or walk. Home working has grown significantly between 2001 and 2011, mainly at the expense of people travelling to work on-foot.

5.4.5 The Community Profile does suggest that access to services, employment and income in Fair Isle constrained due to its transport difficulties, thus giving rise to deprivation overall.[19] This remoteness also has a knock-on impact in terms of fuel poverty, although Fair Isle is self-sufficient in terms of electricity generation.

Key Point: There has been a significant growth in home working in Fair Isle between the last two Census periods. However, access deprivation is a key issue for islanders.

5.5 Housing

5.5.1 Fair Isle is owned by the National Trust for Scotland and anyone who wishes to move there must apply to the Trust. The 2011 Census noted that Fair Isle has 26 households. The *Community Profile* suggests that housing in Fair Isle is in relatively low demand, although it is believed that consultation is required to identify the island's future housing need.

5.6 Health

5.6.1 Shetland generally has a good life expectancy and this is borne out in the Shetland South area (which includes Fair Isle).

Provision & Doctor Registrations

5.6.2 Levenwick Medical Practice is the main surgery for Shetland South, with 2,645 patients registered with the practice, 85% of the Shetland South population. There is a community nurse based on Fair Isle and a doctor from the centre visits the island regularly. Medical and Allied Health Professionals (e.g. physiotherapists) provide a visiting service to the islands on a routine scheduled and *ad hoc* basis.

5.6.3 Access to some services on Fair Isle is clearly different to what is currently available in the rest of the Shetland South area. The Fair Isle Health Needs Assessment 2009 found that islanders had concerns about access to emergency care in treating potential life-threatening conditions such as an individual suffering a heart attack. The islanders are keen to explore different tele-communication / video-link methods and administrative solutions to alleviate concern about access to GP visits and medical advice, especially in poor weather. Residents were also concerned about limited social care services on Fair Isle, but were willing to explore alternatives to current provision.[20] A number of the health concerns were partially alleviated through the opening of a health centre on the island.

Key Point: Health indicators for Fair Isle are generally good, although there are concerns over various aspects of health provision consistent with other rural communities.

5.7 Education

Provision & School Rolls

5.7.1 There is a nursery school and primary school on Fair Isle, with secondary education undertaken at either Sandwick Junior High School or Anderson High School in Lerwick. Having a local primary school is often critical to the sustainability of an island. The figures below show the change in the number of children enrolled at Fair Isle Primary School and Fair Isle Nursery School since 1981. As shown, there has been a gradual decline in the number of

[19] Shetland South Community Profile (Shetland Islands Council, 2011), p. 21.
[20] Shetland South Community Profile (Shetland Islands Council, 2011), p. 29.

primary school children since 2001, with just 5 children enrolled in the Primary School in 2014 and now children in the nursery.

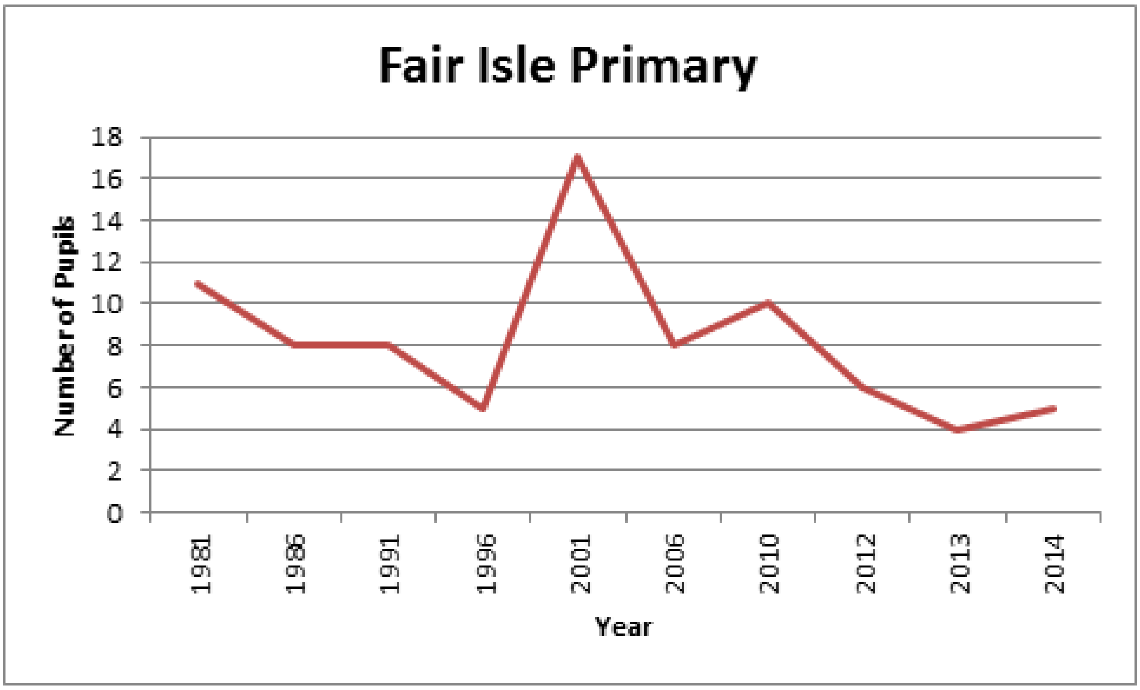


Figure 5.4: School Roll for Fair Isle Primary School 1981-2014 (Source Shetland in Statistics 2014)

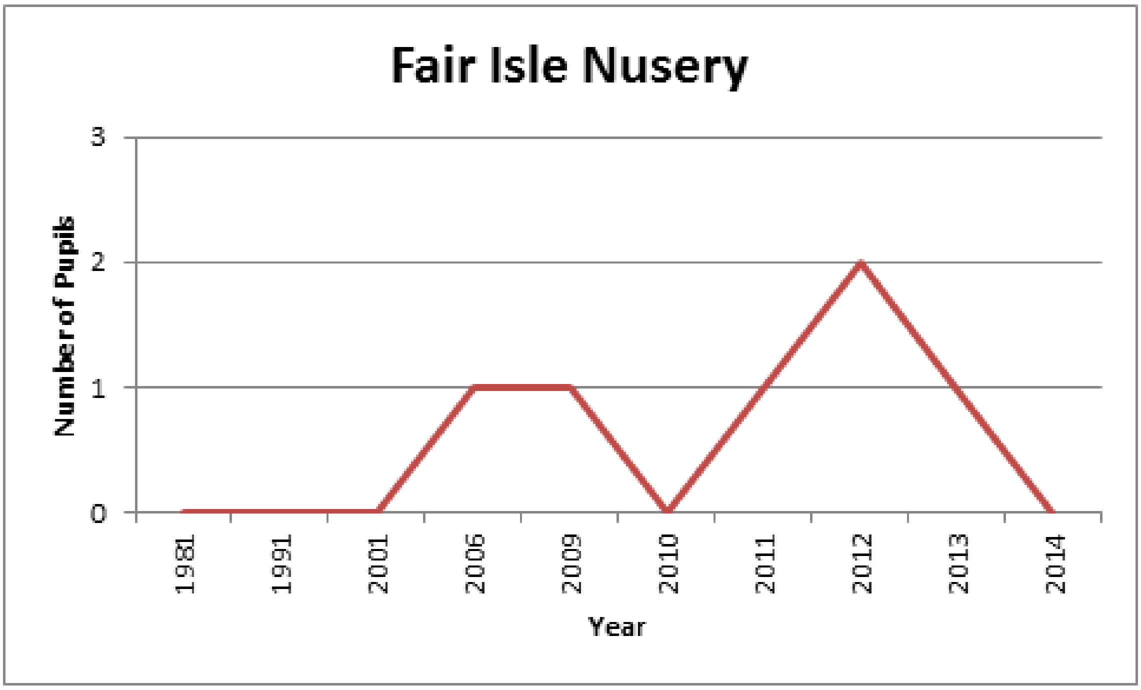


Figure 5.5: School Roll for Fair Isle Nursery 1981-2014 (Source Shetland in Statistics 2014)

Key Point: The roll at Fair Isle primary school and nursery has declined in recent years, which is in keeping with the general decline and ageing of the population.

5.8 Digital Connectivity

5.8.1 Broadband coverage and mobile phone signal in Fair Isle is relatively poor, an issue the *Community Profile* suggests residents want to see improved.[21] HIE suggested in our consultation with them that enhanced digital connectivity would be an important 'pull' factor in bringing ex-islanders back.[22] Improvements to broadband are just one of a number of infrastructure upgrades being considered as part of the island development plan.

[21] Shetland South Community Profile (Shetland Islands Council, 2011), p. 34.

[22] HIE Consultation

6 Fetlar

6.1 Overview

6.1.1 Fetlar is 7 miles long by 5 miles wide and is considered one of the most beautiful islands in Shetland and indeed Scotland – it is nicknamed the 'the garden of Shetland' for its verdant landscapes and rich wildflower habitats. The island has a number of local services but also a strong reliance on neighbouring Yell for certain key services.

6.2 Demographics & Population

Population Trends

6.2.1 The figure below shows the population of Fetlar as recorded in the Census between 1981 and 2011:

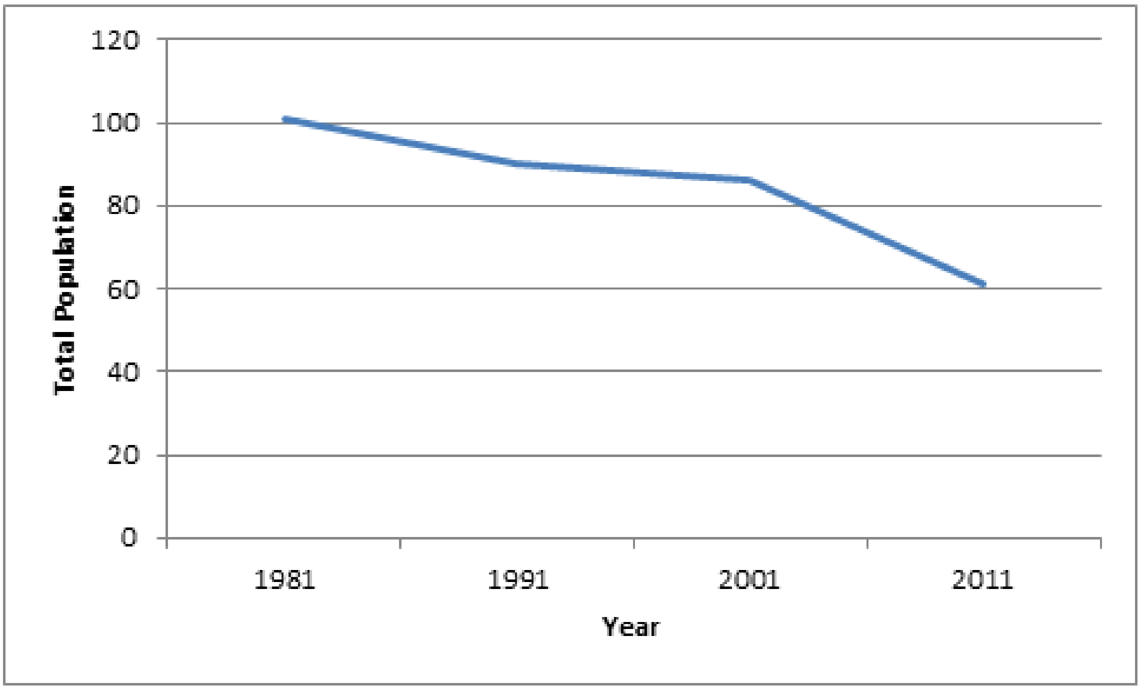


Figure 6.1: Total Population (Census 1981 - 2011)

6.2.2 The 2011 Census recorded a population of 61 on Fetlar, making it the third least populous island in the Shetland archipelago. In the 30 years prior to the Census, the population of Fetlar declined considerably but this decrease has been checked to some extent in recent years, partly as a result of the initiatives of Fetlar Developments Ltd who are delivering the regeneration plan for the island.

6.2.3 HIE has collected recent population data for Fetlar. There had been a reverse in the negative trend after 2011 with population increasing to 81 residents by 2013. However, the negative trend has resumed since then, to 69 inhabitants in January 2014 and 64 residents in May 2015. The population declined further through 2015, reaching 59 by the end of August 2015. HIE note that current thinking in development circles is that 100 residents would likely represent a viable population for the island. As well as overall totals of residents, the age profile is an especially important issue for Fetlar. Like many of the HIE islands, the population is ageing as younger people leave the island to seek opportunities elsewhere.

6.2.4 The North Isles communities are concerned across the board that official population statistics are overly pessimistic. This is particularly the case in terms of birth rates, where birth rate figures omit births recorded in Aberdeen, which is known locally to have constituted a large proportion of births to North Isles families in recent years.[23]

6.3 Economy & Labour Market

Economic Activity

6.3.1 The economic activity rate for Fetlar and the Shetland and Scottish average is shown in the table below:

Table 6.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Fetlar	69%	9%	31%	24%	4%	0%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

6.3.2 The economic activity rates on Fetlar are below that of Shetland as a whole). As with Fair Isle, there will be significant amount of unrecorded work, with a number of people holding down more than one job. Self-employment, particularly in agriculture is also significant. However, the evidence gathered from the Community Profile and consultation suggests that there is a shortage of economic opportunities on Fetlar.

Key Profile: Fetlar currently has a shortage of viable economic development opportunities, an issue the Fetlar Development Plan is seeking to address.

Occupations

6.3.3 The table below shows the occupational profile of Fetlar:

[23] Community Profile, North Isles (Shetland Islands Council, 2011), p. 11.

Table 6.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Fetlar	0%	14%	7%	3%	41%	3%	0%	14%	17%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

6.3.4 Overall, there are a smaller proportion of people employed as managers, directors and senior officials and a higher proportion within the skilled trade occupations on Fetlar compared to Shetland as a whole. Whilst we must again caveat the accuracy of the data, the occupational profile does point towards the predominance of skilled trades like agriculture to the island economy

6.3.5 Agriculture is the main sector in Fetlar (crofting – cattle & sheep), with tourism in the summer months also playing a large role. However, the median income in Fetlar is amongst the lowest in Shetland. In addition, the island has been struggling even in key sectors, with HIE explaining that the B&B, camping bod and only self-catering let on the island all now closed down. The shop has also recently closed down, which is a further blow to the island.

6.3.6 Aquaculture, a key industry in the North Isles, has been limited by a lack of sheltered voes and, at present, there are only licenced sites off Hamars Ness and smolt rearing in Papil Water.[24]

6.3.7 There are also four ferry jobs specifically dedicated to Fetlar residents, which is a key source of local income, supplementing the other public sector employment opportunities on the island.

Community Views

6.3.8 Fetlar Developments Ltd, are delivering a community-driven Development Plan. However, there remains a view that additional job opportunities are needed to help further boost the island's population, particularly in IT, construction and in industries where remote working is possible. There is also view that tourism needs to be more widely promoted. [25]

Key Point: Fetlar has limited economic opportunities, with the bulk of employment concentrated in agriculture, small scale tourism and the public sector.

Qualifications

6.3.9 The table below shows the level of qualifications of Fetlar residents and the level of change between the 2001 and 2011 Census:

[24] Community Profile, North Isles (Shetland Islands Council, 2011), p. 19.
[25] Community Profile, North Isles (Shetland Islands Council, 2011), pp. 19-20.

Table 6.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Fetlar	26%	13%	13%	9%	38%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

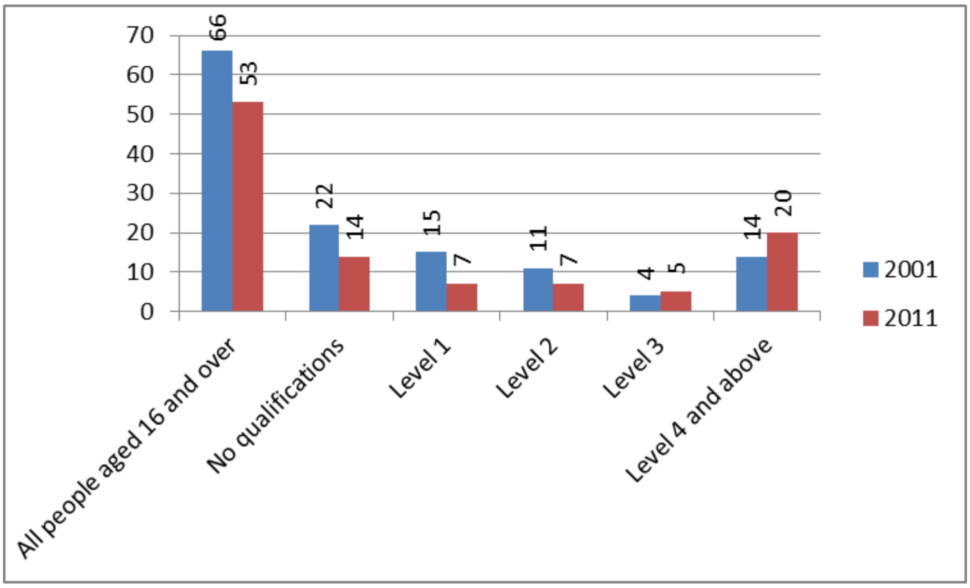


Figure 6.2: Highest Level of Qualification (Source: Census 2001 and Census 2011)

6.3.10 There is a slightly higher proportion of people on the island with level 4 and above compared to Shetland as a whole. However, it should be emphasised that the absolute numbers in each case are small. Between 2001 and 2011, despite a fall in the overall number of people aged 16 and above, the number of people with Level 4 qualifications and above on the island increased from 14 to 20.

Key Point: Fetlar has a relatively well-qualified population (albeit small in absolute numbers), which is important if the island is to progress and deliver its development plan.

Social Enterprises & Volunteering

6.3.11 Fetlar has nine active community groups, including the critical development company (Fetlar Developments Ltd).[26]

6.4 Household Travel

Car Ownership

6.4.1 Car ownership rates on the island are shown in the table below:

[26] Community Profile, North Isles (Shetland Islands Council, 2011), p. 14.

Table 6.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Fetlar	29%	32%	32%	3%	3%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

6.4.2 A smaller proportion of households on Fetlar own a car (71%, n=22) compared to Shetland (81%) and Scotland as a whole (79%). This is somewhat surprising given the reliance on neighbouring Yell for accessing a number of key services.

Key Point: Fetlar has comparatively low levels of household car ownership.

Main Mode of Travel-to-Work

6.4.3 The figure below shows the main mode of travel to work for residents of Fetlar as recorded in the 2001 and 2011 Census:

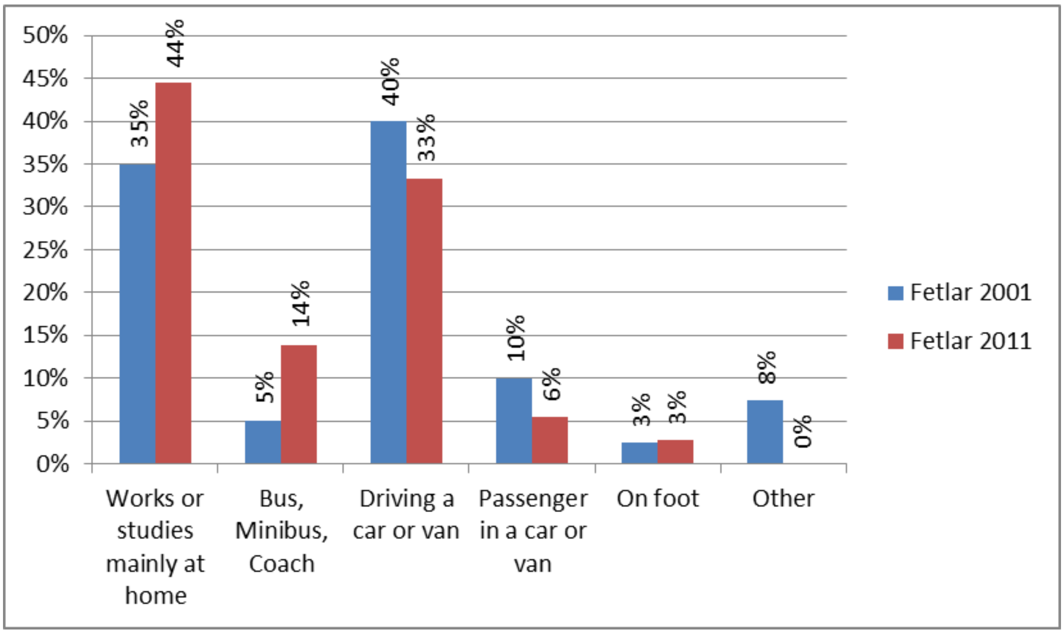


Figure 6.3: Main Mode of Travel to Work (Census 2001 and 2011)

6.4.4 Working or studying mainly at home is again the most common option, with 44% (n=16) of Fetlar residents choosing this option in 2011, 2 more than that in 2001 (35%, n=14). Driving is the next most common option, with 33% (n=12) choosing to drive to work. The number of people using the bus has increased, which may relate to the electric bus procured by the community or dial-a-ride services. The reduction in 'Other' suggests that, in 2011, no island residents were using the ferry to commute to work.

Key Point: There has been an increase in home working across Fetlar, which is consistent across the majority of Scottish islands. No island residents were using the ferry for commuting in 2011 (unless their response is subsumed within another answer).

6.5 Housing

6.5.1 Housing is a key issue in Fetlar and the North Isles more generally. In the 2006 SIMD, Fetlar / Unst was ranked 9th out of 30 Shetland wards for housing. 74% of housing on the island is private sector, with a further 26% social rented housing. The proportion of social housing in Fetlar is significantly higher (almost double) that of Yell and Unst. New builds are very limited in number.[27]

6.5.2 There is generally felt to be a shortage of houses overall in the North Isles, particularly larger houses and one or two bedroom social rented properties.

6.5.3 The Community Profile suggests that Fetlar residents would like more control over the lettings system on the island and are also exploring the possibilities for a social lettings policy on the island. There is also a demand within the community for more 'gateway housing' that could supply incoming residents with the opportunity to gauge the suitability of island life before embarking on an outright purchase or renovation. Overall, it is felt that more properties are required to make Fetlar sustainable in the long-term.[28]

Key Point: The lack of appropriate housing is deemed to be a problem on Fetlar.

6.6 Health

Provision & Doctor Registrations

6.6.1 Fetlar residents have access to an on-island nurse, but no GP, whilst they also have to travel to Yell to go to the dentist. Consultations are arranged via the Yell surgery. Members of the Fetlar community have expressed keenness to trial GP consultations through VC link in order to increase availability to medical advice, as well as to make savings.[29]

6.7 Education

Provision & School Roles

6.7.1 There is a nursery school and primary school on Fetlar. Secondary education is available at the Anderson High School in Lerwick, where pupils from S1 onwards, board during the week. Placing requests can also be made for Baltasound Junior high school on Unst, with pupils attending Baltasound travelling each day by ferry. The figures below show the change in the number of children enrolled at Fetlar Primary School and Fetlar Nursery School since 1981.

[27] Community Profile, North Isles (Shetland Islands Council, 2011), p. 36-37.
[28] Community Profile, North Isles (Shetland Islands Council, 2011), p. 37
[29] Community Profile, North Isles (Shetland Islands Council, 2011), p. 45

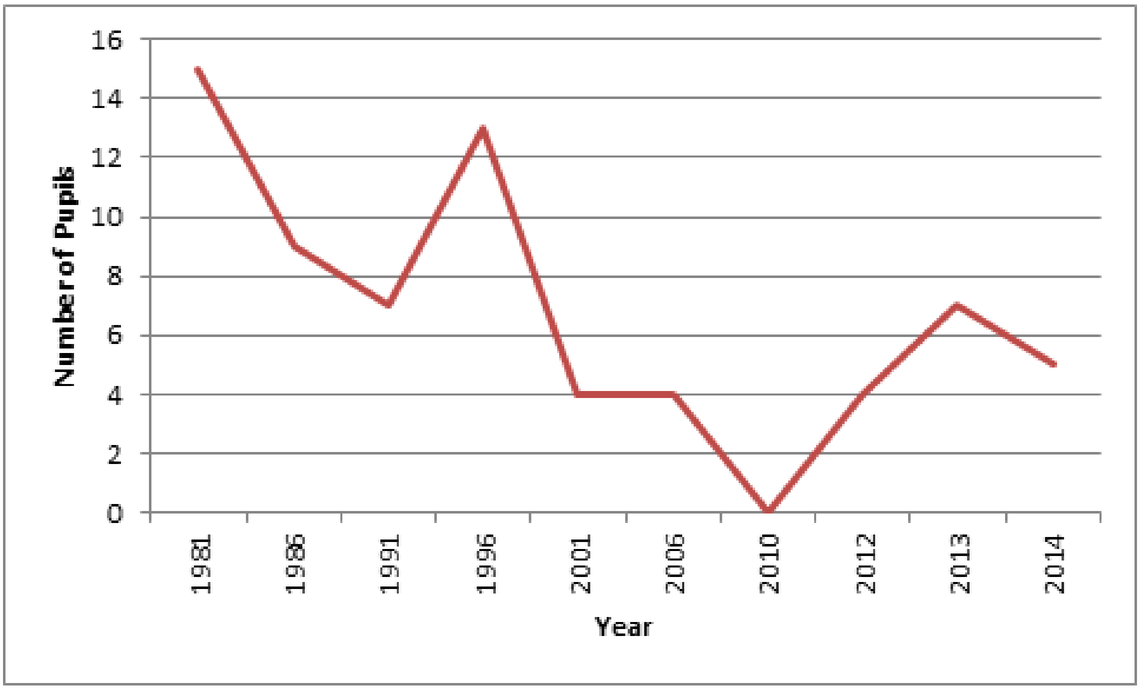


Figure 6.4: School Roll for Fetlar Primary School 1981-2014 (Source Shetland in Statistics 2014)

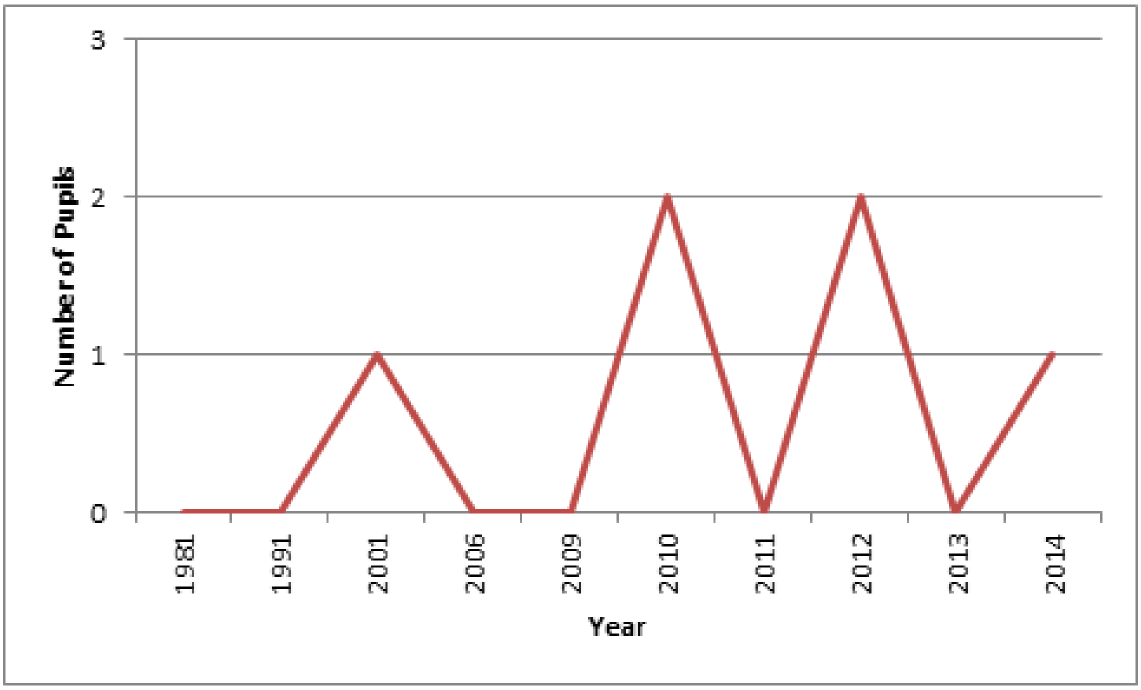


Figure 6.5: School Roll for Fetlar Nursary School 1981-2014 (Source Shetland in Statistics 2014)

6.7.2 Following a gradual decline up to 2010, the number of primary school children enrolled at the school has increased in recent years, although numbers remain small, with just 5 children attending the primary school in 2014. The nursery is in a similarly fragile position.

6.7.3 HIE explained that the recently improved ferry service has helped to retain children in the island, as secondary age children go to Baltasound Junior Secondary on Unst rather than Lerwick and can return to the island in the evening.

Key Point: Fetlar continues to have an on-island primary school and nursery, which is critical for the island. However, the roll in each is very low.

6.8 Digital Connectivity & Service Provision

6.8.1 Until 2009, Fetlar residents had access to only 0.5 megabytes of internet access, which has been improved to 3 megabytes following a pilot wireless broadband project initiated by the Council. This broadband capacity makes it possible for people to work remotely on Fetlar.[30]

6.8.2 Fetlar has one shop but there is no police station, care centre, leisure centre or petrol station.

[30] Community Profile, North Isles (Shetland Islands Council, 2011), p. 25.

7 Foula

7.1 Overview

7.1.1 The island of Foula lies 20 miles to the west of Walls on the Shetland mainland. The island, which is still lairded, is about 2.5 miles long by 3.5 miles wide.

7.1.2 It should be noted that the data available for Foula is very limited, as it is not even defined within its own output area.

7.2 Demographics & Population

Population Trends

7.2.1 Foula is the second smallest of the Shetland Islands, with a population of just 38 in 2011. As shown in the Figure below, the population of the island has remained relatively stable between 1981 and 2011.

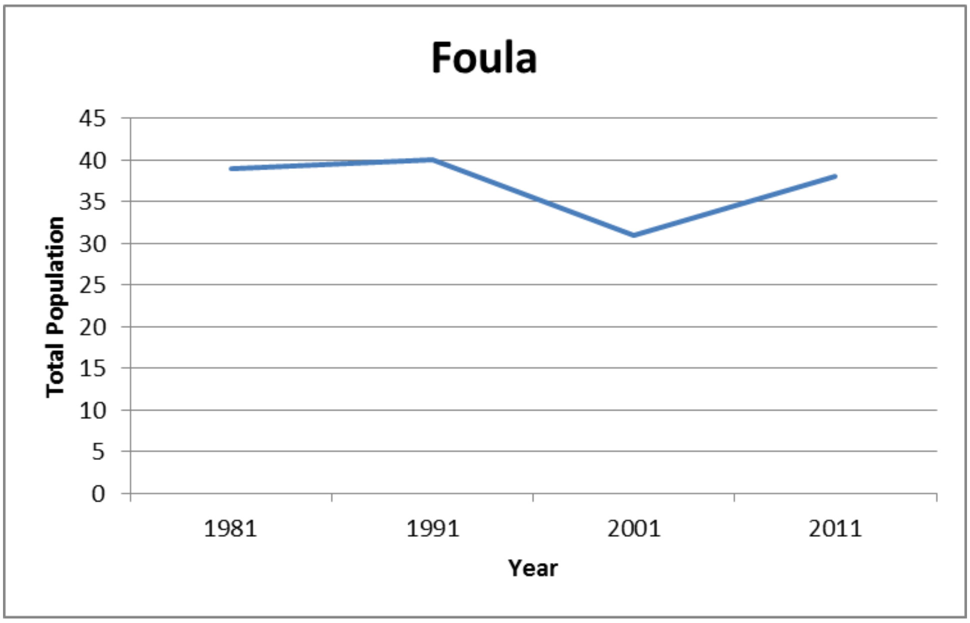


Figure 7.1: Population (Source Census 2001 and 2011)

7.2.2 The West Mainland Community Profile explains that the population of Foula is developing relatively well, with the island showing signs of maintaining and slowly increasing its population. This has been achieved mainly through community efforts and partnership with agencies to develop transport links and the community electricity scheme. Whilst the community have welcomed this population increase, it is still viewed as extremely fragile and is reliant on many inter-connecting factors, for example the potential removal of fire cover for Foula, which would have a highly negative impact on the lifeline air service.[31]

7.2.3 Like Fair Isle, the ageing population is a challenge in terms of maintain key services.

Key Point: The population of Foula is small but has been relatively resilient over the years, despite limited on-island opportunities.

[31] West Mainland Community Profile (Shetland Islands Council, 2011), p. 10.

7.3 Economy & Labour Market

Employee Jobs by Sector

7.3.1 Employment remains a key issue within Foula. For example, the island presently maintains a small number of full and part-time posts, the vast majority of which are in the service sector such as education and healthcare. There are some part-time posts associated with seasonal visitor provision and temporary employment opportunities but these are typically short-lived.[32]

Key Point: Employment opportunities on Foula are limited, with employment concentrated in public sector posts, small scale crofting and seasonal tourism.

7.4 Housing

7.4.1 Lack of housing provision on Foula has been raised as a key issue and specifically lack of social housing despite requests from residents for more social housing. Interestingly, it is felt that the only option for new / additional housing on Foula is self-build, which presents its own challenges in terms of significantly higher build costs because all goods have to be imported. Lack of housing is seen to have a highly negative impact on many areas including population expansion and the sustainability of the community. Indeed, due to a lack of housing, one current member of the community is leasing holiday accommodation which reduces visitor accommodation opportunities and also reduces the capacity of Foula to accept short-term visitors.[33]

Key Point: The shortage of housing stock in Foula is a key constraint on population sustainability and growth.

7.5 Health

Provision & Doctor Registrations

7.5.1 There are no formal healthcare facilities on Foula. Service provision for the dentist, doctor, nursing and allied health professionals remains a challenge.

7.5.2 Indeed, the service offered by NHS 24 to the island has at times provided extremely frustrating for some residents. It is noted that NHS 24 do not grasp the isolated geographic challenges of Foula and this therefore can result in incorrect advice and unhelpful delays. Limitations in air ambulance cover is also a concern for the Foula residents.

Key Point: Health provision on Foula is limited, although this is perhaps to be expected given the remoteness of the island. The main need of the island appears to be enhanced emergency cover.

7.6 Education

Provision & School Rolls

7.6.1 Foula has a single primary school, which had a roll of four in 2014.[34] A key recent issue was the lack of a teacher but this position has now been filled. There are no formal adult education facilities on Foula. There is also a nursery on Foula, although there were no children attending in 2014.

[32] West Mainland Community Profile (Shetland Islands Council, 2011), p. 17.
[33] West Mainland Community Profile (Shetland Islands Council, 2011), p. 31.
[34] Shetland in Statistics, 2014, p. 36.

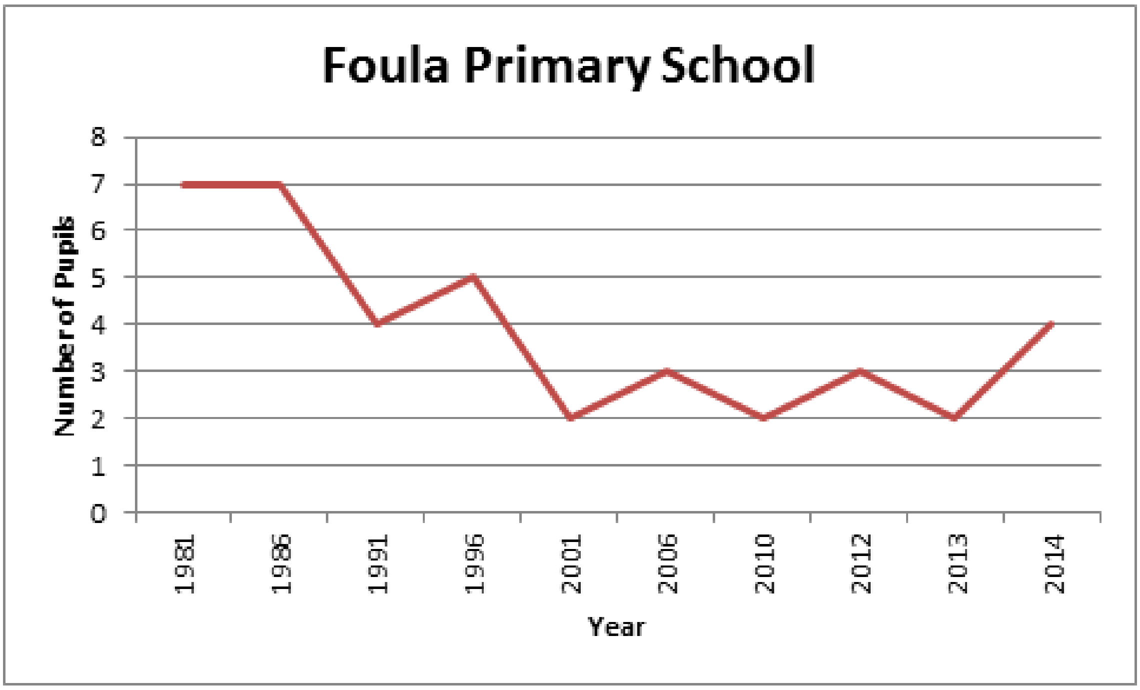


Figure 7.2: School Roll for Foula Primary School 1981-2014 (Source Shetland in Statistics 2014)

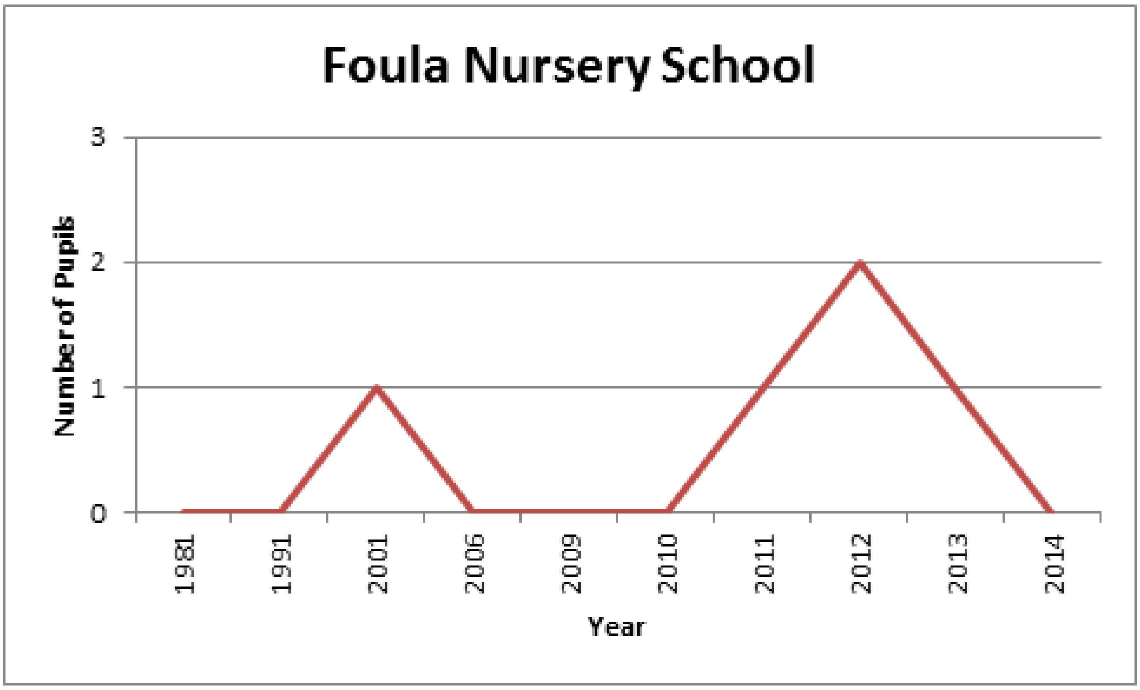


Figure 7.3: School Roll for Foula Nursery School 1981-2014 (Source Shetland in Statistics 2014)

Key Point: Foula retains its primary school and recently attracted a teacher to go and live on the island. The school roll has increased over the last two years.

7.7 Digital Connectivity & Service Provision

7.7.1 There is a broadband exchange on Foula (512 KBPS max).[35] This is a much lower level of broadband than in the Shetland Islands and Scotland generally. Mobile phone coverage is also very poor. The Community Profile explained that there are aspirations for improved broadband in Foula, whilst there may also be an opportunity to site a mobile signal relay on the island, which would provide full mobile cover for the island, West Mainland and the oil fields to the West of Shetland.[36]

7.7.2 The cost of living is higher on Foula than elsewhere on Shetland due to the added expense of either flying or shipping in materials, fuel, food and supplies. This often has a detrimental impact on the island and adds to the challenges for the local population. Access to services and social events is also highly restricted.[37]

7.7.3 Local roads on Foula are also felt to be inadequate. Whilst the community accept their single track road, it is felt that it is in very poor condition, with verges encroaching, drains blocked, passing places not marked and there are issues with cattle grids. The road is also not gritted during winter and it is felt that the road is not fit for purpose for taking tractors and other heavy loads on.[38]

7.7.4 There is no ambulance cover on Foula and emergency medical response is challenging.[39] There is also no taxi service on Foula, with the community working together to provide transport to the airstrip or ferry terminal.[40]

7.7.5 The Foula Electricity Scheme, a community owned renewable energy scheme, has the potential to provide substantial benefit to the community through cheaper electricity and provision of insulation, energy reduction initiatives and storage heating provision. This could assist in population retention but also draw new people to Foula interested in sustainable living.

7.7.6 Foula Heritage and the Foula Ranger Service are important elements of the island's visitor offer.

7.7.7 There is no shop on the island, although a postal service is provided.

Key Point: The lack of on-island services is a challenge for Foula residents, although this is not a new issue and has not had a noticeable impact on the population level (although it may be a deterrent to in-migration).

[35] West Mainland Community Profile (Shetland Islands Council, 2011), p. 19.
[36] West Mainland Community Profile (Shetland Islands Council, 2011), p. 21.
[37] West Mainland Community Profile (Shetland Islands Council, 2011), p. 20.
[38] West Mainland Community Profile (Shetland Islands Council, 2011), p. 20.
[39] West Mainland Community Profile (Shetland Islands Council, 2011), p. 21.
[40] West Mainland Community Profile (Shetland Islands Council, 2011), p. 21.

8 Papa Stour

8.1 Overview

8.1.1 Papa Stour is currently the least inhabited of the Shetland Islands, with a population of 15 spread across nine households.

8.1.2 It should be noted that the data available for Papa Stour is very limited, as it is not even defined within its own output area.

8.2 Demographics & Population

8.2.1 Papa Stour's population peak period (in modern times at least) occurred after a call for residents in the 1970s. A hippy colony was founded on the island and population peaked at 33. However, the population steadily declined over the decades but Papa Stour is now showing signs of population retention and recovery, although the it remains extremely fragile. Substantial community and partnership efforts have also had positive outcomes in terms of population retention. A key issue facing Papa Stour is that of 'absent landowners', residents who feel forced out of the island due to relatively poor transport links and lack of employment opportunities. It has been estimated that four or five people fall into this category.

Key Point: Papa Stour has a very small and fragile population, although there have been some recent signs of improvement. There is a problem with absentee landowners, who own property on the island but rarely live there as a result of poor connectivity and job opportunities.

8.3 Economy & Labour Market

8.3.1 Employment in Papa Stour remains a key issue as opportunities are presently limited. The island supports one full-time post and two part-time posts, all in the service sector. There are a very small number of private businesses in Papa Stour including crofting and hostel provision, with the hostel also selling goods to the mainland.[41] There used to be a drug and alcohol rehabilitation centre on the island, but this closed in 2010.[42]

8.3.2 The crofting sector is key overall to the island. Sheep form the backbone of the agricultural economy but a diversity of livestock are kept, including cattle, pigs, goats, chickens, ducks and geese. Vegetables are grown too, often in the shelter of circular walls, such plots being known as 'plantie scrubs'. Fishing is still conducted but on a relatively small scale.[43]

Key Point: The Papa Stour economy is almost wholly dependent on small scale crofting and a handful of public sector jobs.

8.4 Housing

8.4.1 Housing on Papa Stour is viewed somewhat differently. It is felt that people should have to buy into the island as a sign of commitment and as a way to help slow the sometimes transient nature of new residents. There is a small number of vacant properties on Papa Stour which could be brought back into circulation. Interestingly, it is felt on Papa Stour that new social housing may have a negative impact.[44]

[41] West Mainland Community Profile (Shetland Islands Council, 2011), p. 18.
[42] http://www.shetlandtimes.co.uk/2010/09/16/papa-stour-project-to-close-support-accommodation-service
[43] https://en.wikipedia.org/wiki/Papa_Stour
[44] West Mainland Community Profile (Shetland Islands Council, 2011), p. 31.

8.5 Health

Provision & Doctor Registrations

8.5.1 There are no formal healthcare facilities on Papa Stour. Health care provision is felt to be generally good but social care can sometimes be an area of concern.[45]

8.6 Education

Provision & School Rolls

8.6.1 Papa Stour Primary was previously mothballed but was recently reopened and had only one child in 2014.[46] There are no formal adult education facilities on Papa Stour.

8.7 Digital Connectivity & Service Provision

8.7.1 There is a broadband exchange on Papa Stour (512 KBPS max).[47] This is a much lower level of broadband than in the Shetland Islands and Scotland generally.

8.7.2 The cost of living is higher on Papa Stour than elsewhere on Shetland due to the added expense of either flying or shipping in materials, fuel, food and supplies. This often has a detrimental impact on the island and adds to the challenges for the local population. Access to services and social events is also highly restricted.[48]

8.7.3 There is no ambulance cover on Papa Stour and emergency medical response is challenging.[49]

8.7.4 There is no shop on the island, although there is a Post Office at the pier.

8.7.5 Papa Stour has a local history group and the Norse ‘stofa’ (a timber building, the only of its kind in the UK) is located on the island.

[45] West Mainland Community Profile (Shetland Islands Council, 2011), p. 33.
[46] Shetland in Statistics 2014, p. 36.
[47] West Mainland Community Profile (Shetland Islands Council, 2011), p. 19.
[48] West Mainland Community Profile (Shetland Islands Council, 2011), p. 20.
[49] West Mainland Community Profile (Shetland Islands Council, 2011), p. 21.

9 Skerries

9.1 Overview

9.1.1 The Skerries are an outlying archipelago in the north east of the Shetland Islands. The community is made up of around 70 people living on the two main islands with a smaller number of individuals with second or holiday homes.

9.2 Demographics & Population

Population Trends

9.2.1 The population of Skerries in 2011 was 74, and the current population is believed to be under 60. The figure below shows the change in the population between 1981 and 2011.

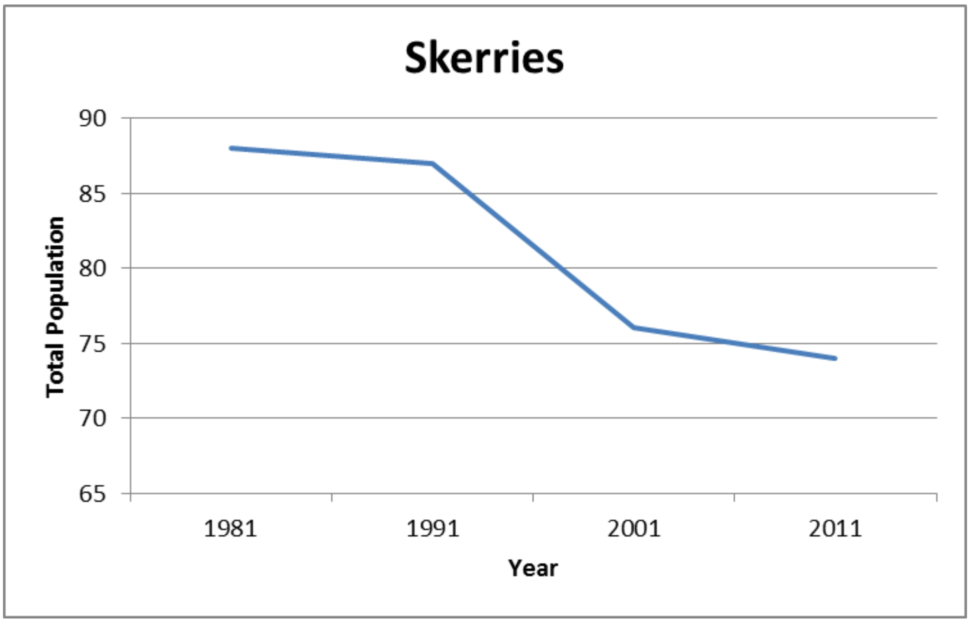


Figure 9.1: Population 1981 -2011 (Source: Census)

9.2.2 Overall, the population of Skerries declined by 16% over this period, dropping from 88 in 1981. The island is facing significant pressure with the recent loss of the salmon farm and fish processing unit (see below).

Key Point: The Skerries population has been in steady decline since 1981 and is now believed to number less than 60. This poses a significant threat to the future sustainability of this group of islands.

9.3 Economy & Labour Market

Economic Activity

9.3.1 The table below sets out the economic activity rate for Skerries:

Table 9.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Skerries	72%	22%	24%	26%	0%	0%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

9.3.2 Economic activity rates on Skerries are below that of Shetland as a whole, although marginally higher than Scotland, although this position may have declined since 2011. As may be expected on a small island, there is a relatively high proportion of self-employed (26%, n=15) and retired individuals (19%, n=11) compared to Shetland as a whole. As with other small islands, the official economic activity rate likely underestimates the scale of the informal economy and volunteer work.

Key Point: Skerries has a relatively low economic activity rate (although perhaps underestimated by the official figures), a problem likely exacerbated by the closure of the salmon farm and processing plant.

Occupations

9.3.3 The Skerries have typically had a dependence on fishing and aquaculture for their livelihood. There was a community salmon farm in the islands employing six people, which was bought over and subsequently closed in early 2015, at a cost of six jobs. The loss of this farm led in turn to the closure of the small processing factory on the islands. There remain a couple of whitefish and shellfish boats resident to the islands, but the loss of the salmon industry was a significant blow to the community.

9.3.4 There is very little formal economy outwith fishing. The land is not particularly fertile, although there is some small scale agriculture. Commuting has now become important to the island chain, with many residents leaving on a Monday and returning on a Friday, putting further pressure on local services.

9.3.5 We have not included the Census data on occupations here as the loss of the salmon factory is likely to have changed the profile of the Skerries significantly.

Qualifications

9.3.6 The table below shows the highest level of qualification attained by the population on the island compared to the Shetland Islands and Scotland.

Table 9.2: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Skerries	43%	25%	3%	5%	25%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

9.3.7 As shown, there is a higher proportion of people on the island with no qualifications (43%, n=28) compared to Shetland as a whole (24%). Between 2001 and 2011, there was a slight decline in the number of people with no qualifications and a slight increase in those with Level 4 and above. The low level of qualifications could be an issue for island sustainability, as residents are now competing for jobs in the more service orientated mainland economy.

Key Point: The number of people with qualifications in Skerries is very low, which could present a challenge in terms of competing for jobs in the wider economy.

9.4 Household Travel

Car Ownership

9.4.1 The proportion of households with access to a vehicle on Skerries is broadly comparable to that of Shetland as a whole, with car ownership levels on the island remaining relatively stable between 2001 and 2011.

Table 9.3: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Skerries	19%	32%	26%	16%	6%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

Main Mode of Travel-to-Work

9.4.2 The figure below shows the main mode of travel-to-work for Skerries (reported as the island of Housay in the data):

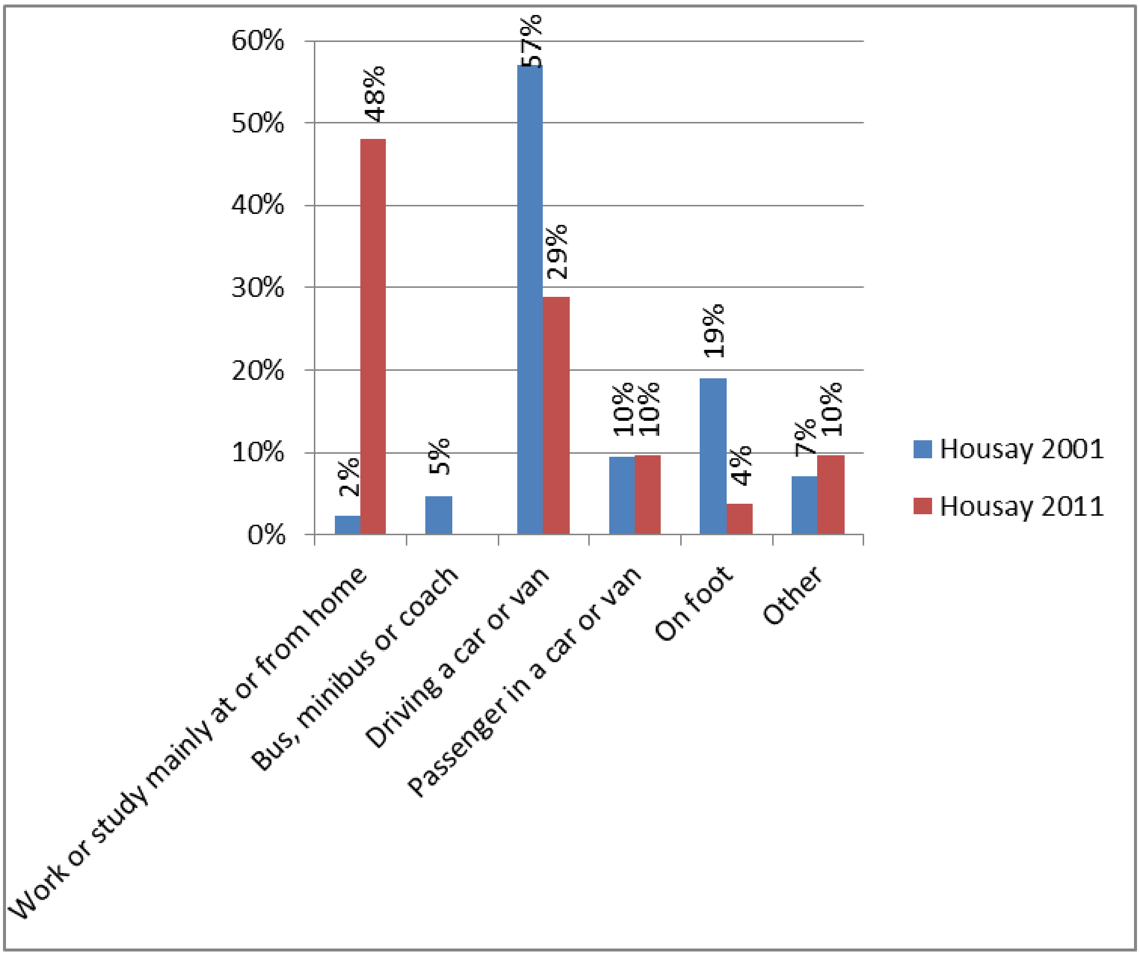


Figure 9.2: Main Mode of Travel-to-Work, Skerries, 2001 and 2011 (Source 2001 & 2011 Census)

9.4.3 The standout figure from the above graph is the 46% increase in working from home on Skerries, with an increase in ferry / air based travel as defined by the 'Other' category. However, it should be noted that the above figures will have changed as a result of the decline of the salmon industry in the island.

Key Point: There has been a substantial increase in the number of people working from home in Skerries, which suggests that daily commuting options and on-island work is limited.

9.5 Housing

9.5.1 There are limited data available on housing in Skerries, although house prices are believed to be low and the property market slow.

9.6 Health

Provision & Doctor Registrations

9.6.1 Medical cover for the Skerries is provided by the Whalsay Health Centre. As shown in the Figure below there has been a gradual increase in the number of patients registered with the centre since 2010, with numbers reaching a peak in 2013 at 1,148, although it is noted that these figures also include patient figures for Whalsay (which will be dominant overall).

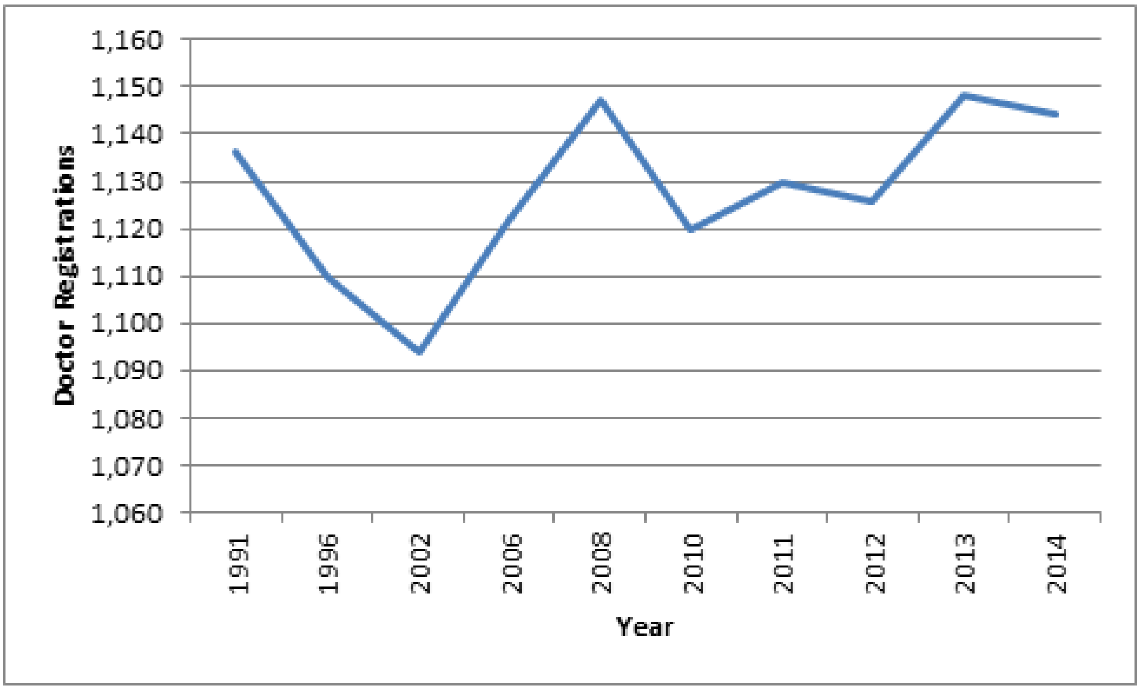


Figure 9.3: Doctor Registrations Whalsay Health Centre (Source: Shetland in Statistics 2014)

9.7 Education

Provision & School Roles

There is a nursery and primary school on Skerries. Skerries Secondary school was closed in July 2014, with pupils based at Skerries now continuing their secondary education at Anderson High School in Lerwick – this was seen to be a significant blow to the community. The figures below show the number of pupils attending each school between 1981 and 2014.

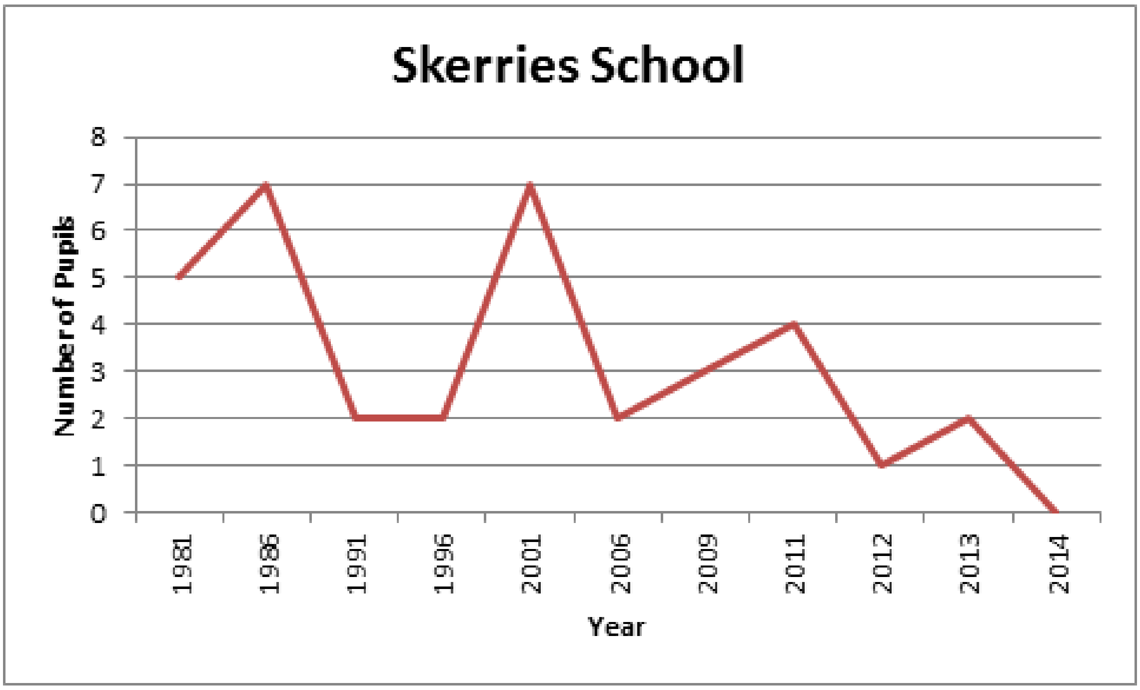


Figure 9.4: School Roll for Skerries Secondary School 1976-2014 (Source Shetland in Statistics 2014)

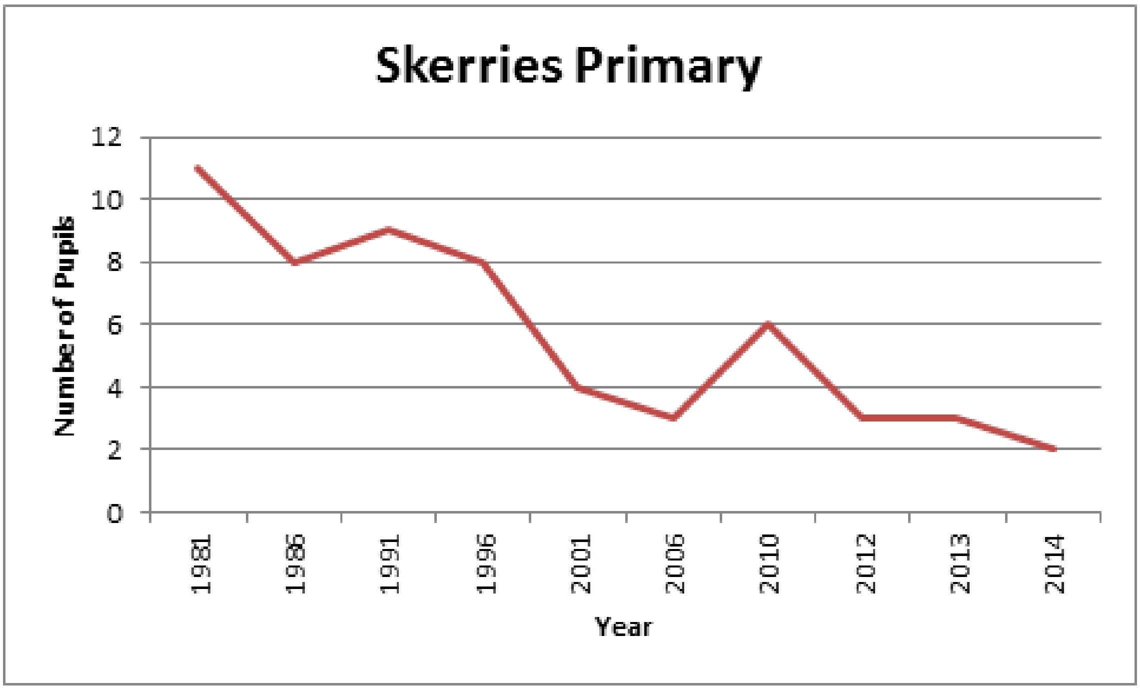


Figure 9.5: School Roll for Skerries Primary School 1981-2014 (Source Shetland in Statistics 2014)

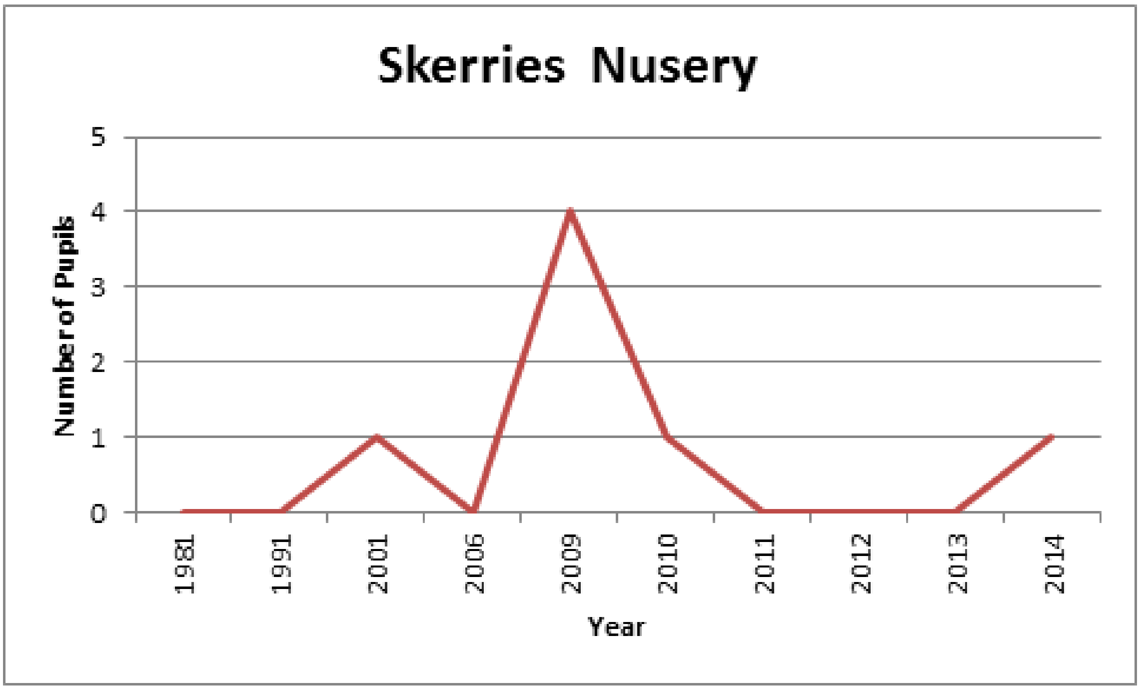


Figure 9.6: School Roll for Skerries Nursery School 1981-2014 (Source Shetland in Statistics 2014)

Key Point: There has been a gradual decline in numbers at both primary and secondary school level, with just 2 children enrolled at the Primary School in 2014. The declining school rolls, closure of the high school and general population decline present a serious threat to the future sustainability of the island chain.

9.8 Digital Connectivity & Service Provision

9.8.1 Skerries has relatively poor digital connectivity, with 0.5 MBPS max.

10 Unst

10.1 Overview

10.1.1 Unst is the most northerly populated island in the UK. It is roughly 12 miles long by 5 miles wide with an intricate landscape of heathery hills, peat bog, farmland, cliffs and beaches, with the island being renowned for its unique geology and wildflower habitats. Unst's population has significantly decreased in the last two decades owing to a number of significant closures on the island, none more so than the RAF Saxa Vord radar base, which closed in 2006.

10.1.2 The ferry crossing from Gutcher in Yell to Belmont in Unst takes 10 minutes. The largest settlement on the island is Baltasound, with the other main settlements being Uyeasound in the south and Haroldswick & Norwick in the north. The island has a police station, care centre, health centre, coastguard, fire & emergency service, two working piers and a marina.[50]

10.2 Demographics & Population

Population Trends

10.2.1 Unst had a population of 632 in 2011. The Figure below shows the population of Unst as recorded in the Census between 1981 and 2011. During this period, the population of the island declined by 45% from a high of 1,140 in 1981.

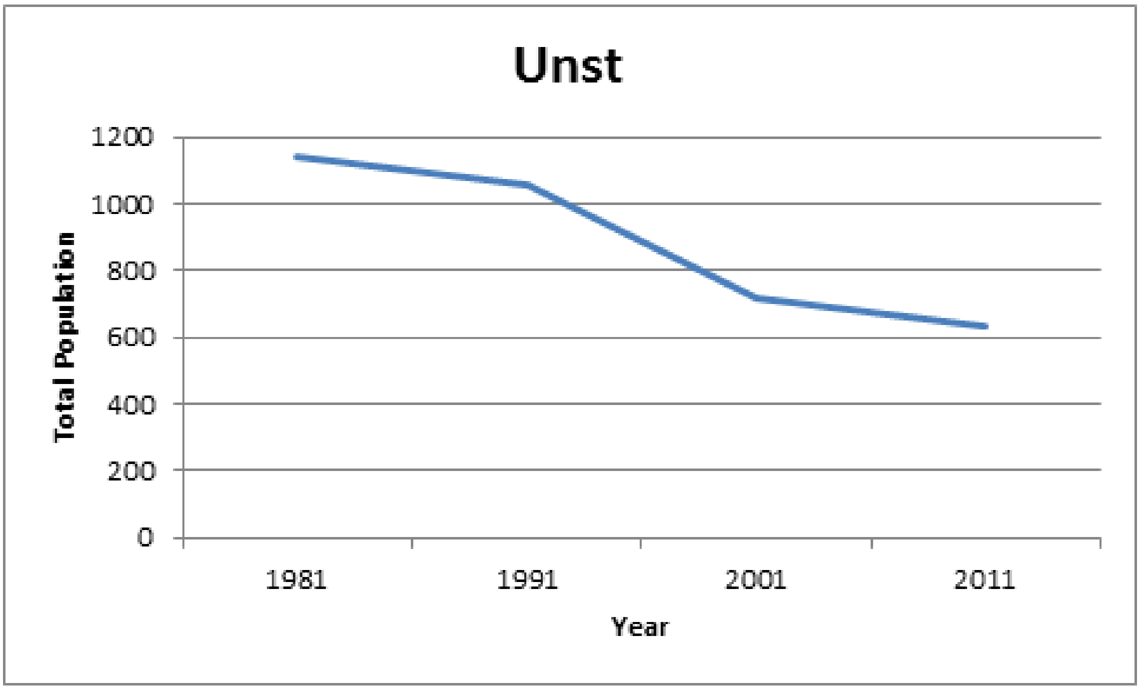


Figure 10.1: Total Population (Census 1981 - 2011)

10.2.2 As noted above, the closure of the RAF base at Saxa Vord led to a significant decline in the population of Unst, a loss accentuated by the out-migration of younger families and children. However, population on the island has now largely settled at around the 600-650 mark.

10.2.3 The North Isles communities are concerned across the board that official population statistics are overly pessimistic. This is particularly the case in terms of birth rates, where birth rate

[50] Community Profile, North Isles (Shetland Islands Council, 2011), p. 6.

figures omit births recorded in Aberdeen, which is known locally to have constituted a large proportion of births to North Isles families in recent years.[51]

10.3 Economy & Labour Market

Economic Activity

10.3.1 The table below shows the economic activity rate on Unst and compares it with the Shetland and Scottish averages:

Table 10.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Unst	70%	20%	36%	10%	4%	1%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

10.3.2 Economic activity rates on Unst are below that of Shetland as a whole and have been negatively impacted by the closure of RAF Saxa Vord, with a number of young and economically active families leaving the island. The economic activity rate is nonetheless broadly healthy. Compared to Shetland as a whole, there is a slightly higher proportion of retirees on the island (21%, n=102), with numbers of the latter growing from 65 (13%) in 2001 to 102 (21%) in 2011.

Key Point: The economic activity rate in Unst declined with the closure of RAF Saxa Vord and the out-migration of a number of young and economically active families from the island. Nonetheless, the picture overall remains relatively healthy.

Occupations

10.3.3 The table below shows the proportion of the population employed in each occupational category on the island as well as the Shetland Islands and Scotland as a whole.

[51] Community Profile, North Isles (Shetland Islands Council, 2011), p. 11.

Table 10.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Unst	6%	12%	7%	7%	25%	18%	3%	11%	10%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

10.3.4 Overall, the breakdown for the island is broadly comparable to that of the Shetland Islands as a whole, although there is a slightly higher proportion of people within the skilled trades (25%, n=78) and caring, leisure (18%, n=57) occupation categories.

10.3.5 The figure**Error! Reference source not found.** below compares the proportion of the population employed in various occupational categories in 2001 and 2011.

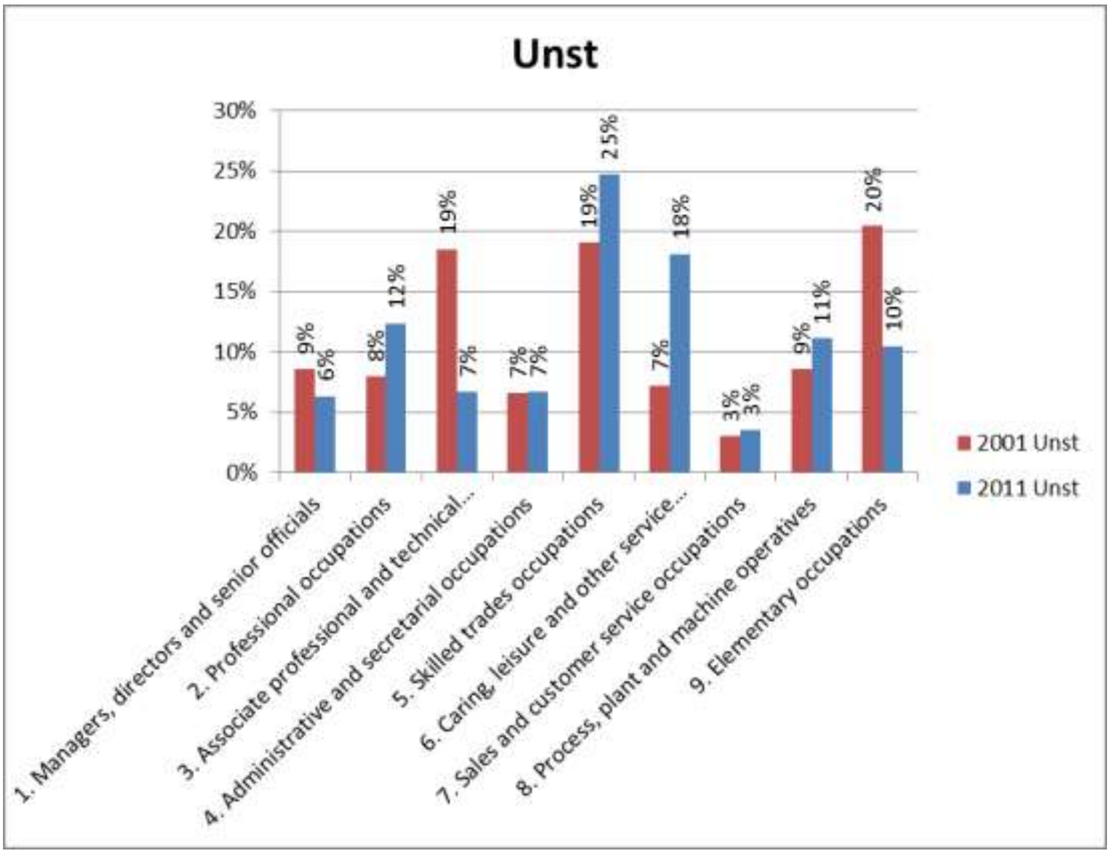


Figure 10.2: Occupation Category (Census 2001 and 2011)

10.3.6 As shown above, there has been a decline in the proportion of people within the professional and technical and elementary occupations and an increased in skilled trade and caring occupations. This at least part reflects the impact of the RAF withdrawal and the ageing population.

10.3.7 The main sector of employment in Unst is public administration (both local and central, with a number of individuals commuting daily to Lerwick on the 0705 ferry, Yell and Sullom Voe. Jobs in the public sector include schools, ferries, care ad community work (social care provides one of the best paid employment sectors on the island, particularly for women). Aquaculture is the second largest employer followed by wholesale, catering and retail.[52]

10.3.8 Since the rundown and departure of the RAF from Unst in 2006, the island has witnessed a loss of 175 FTE posts.[53] The island's economy stagnated considerably following this and, whilst significant support was provided by the Council and HIE, the overall employment remains lower, the net loss believed to be in the region of 130 jobs.[54]

10.3.9 A number of micro businesses have been established on the island in the last five years, particularly in the arts & crafts sector. Currently, Unst has ample hotel accommodation thanks to the Saxa Vord resort (some 25% of all of Shetland's holiday accommodation), although bed & breakfast accommodation is more limited. Unst is distinctive in that the tourism economy is, overall, relatively well developed.[55]

Community Views

10.3.10 There is a feeling in the Unst community that the tourism industry will be central to the island's prosperity in years to come. Support is seen to be needed to lengthen the tourist season and make better use of available accommodation. There is also a suggestion that the arts & crafts industry should be supported through better marketing & branding, and through a possible craft or heritage trail.

10.3.11 There is an ongoing view that it is difficult to recruit people into employment on the island and that more needs to be done to create job opportunities on Unst and thus encourage in-migration. The community view is that this should be aligned with enhanced vocational training and a greater commitment in the Council towards remote working for employees.[56]

Key Point: There are seen to be a number of opportunities in emerging sectors such as tourism and food & drink. The public sector continues to play a key role.

Qualifications

10.3.12 The table below shows the level of qualifications of Unst residents compared to that of Shetland and Scotland as a whole.

Table 10.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Unst	30%	28%	11%	7%	25%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

[52] Community Profile, North Isles (Shetland Islands Council, 2011), p. 17.
[53] Assessment of Public Impact to Unst 1999-2007 (AB Associates).
[54] Community Profile, North Isles (Shetland Islands Council, 2011), p. 17.
[55] Community Profile, North Isles (Shetland Islands Council, 2011), p. 18.
[56] Community Profile, North Isles (Shetland Islands Council, 2011), p. 19.

10.3.13 There are a higher proportion of people on the island with no qualifications compared to Shetland as a whole. Between 2001 and 2011, the proportion of the population with no qualifications remained relatively stable but there was an increase in those with Level 4 and above, from 91 (18%) in 2001 to 132 (25%) in 2011. Overall, Unst is not a significant outlier in terms of qualifications

Key Point: Unst residents have qualifications broadly similar to the Shetland and Scottish averages, although there are a slightly higher number of people with no qualifications.

Social Enterprises & Volunteering

10.3.14 Unst has around 50 active community groups / social enterprises, including a childcare service and a development company (the Unst Partnership). Volunteering and the third sector are critical to the functioning of the island economy, supporting a wide range of venues & events and promoting the tourism industry in the island.[57]

10.4 Household Travel

Car Ownership

10.4.1 Car ownership levels on Unst are slightly below that of the Shetland Islands as a whole with 22% of households not owning a car or van compared to the Shetland average of 19%.

Table 10.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Unst	22%	41%	27%	6%	4%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

Main Mode of Travel-to-Work

10.4.2 The figure below shows the main mode of travel-to-work for Unst residents:

[57] Community Profile, North Isles (Shetland Islands Council, 2011), p. 14.

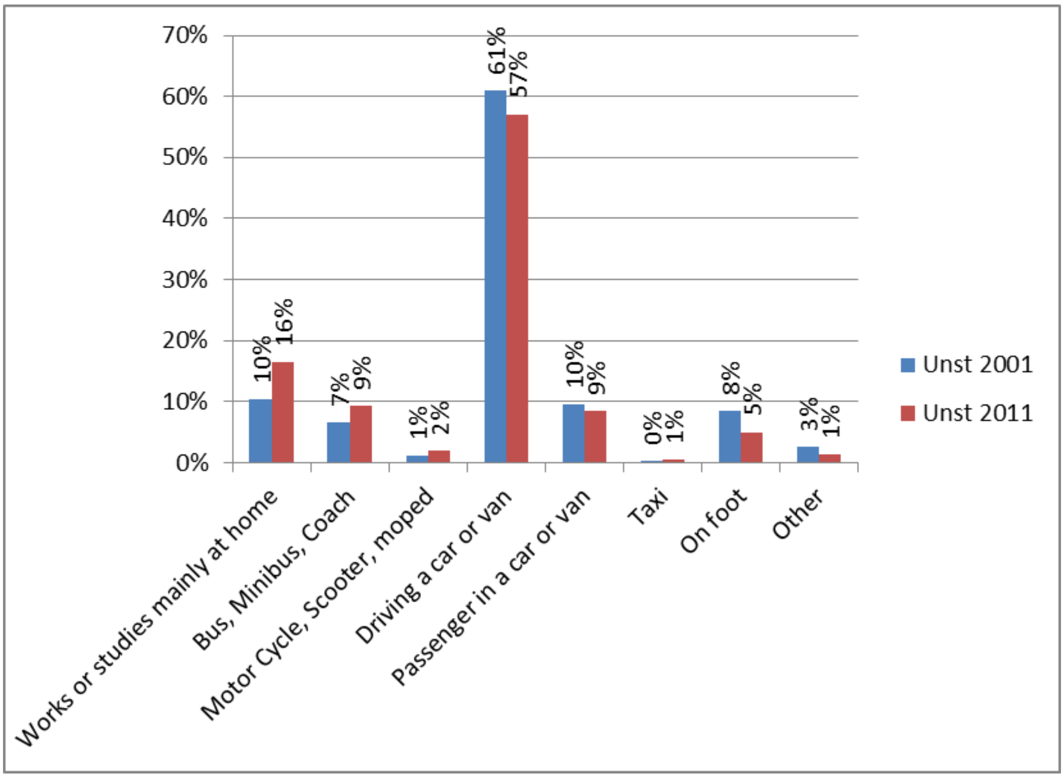


Figure 10.3: Travel to Work Mode (Source: Census 2001 and 2011)

10.4.3 Driving is the most common travel-to-work mode on the island, with 57% of Unst residents driving to work. This likely reflects the out-commuting to Yell and Shetland mainland. However, the proportion choosing to drive has fallen since 2001, with greater numbers now travelling by bus and working at home, with 16% choosing the latter in 2011 compared to 10% in 2001.

10.4.4 The restoration of fares to the Bluemull Sound route may reduce the overall level of commuting.

Key Point: Unst has broadly similar levels of car ownership when compared with the Shetland average, whilst the private car dominates the travel-to-work market.

10.5 Housing

10.5.1 Housing is a key issue in Unst and the North Isles more generally. In the 2006 SIMD, Unst / Fetlar was ranked 9th out of 30 Shetland wards for housing. 84% of housing on the island is private sector, with a further 16% social rented housing. The proportion of social housing in Unst is slightly higher than in Yell but lower than in Fetlar. New builds are very limited in number, although any North Isles new builds are generally concentrated in Yell.[58]

10.5.2 There is generally felt to be a shortage of houses overall in the North Isles, particularly larger houses and one or two bedroom social rented properties.

10.5.3 The community view in Unst is that there is inadequate housing in the south end of the island, particularly Uyeasound, which is proving a barrier to recruitment. Although it is broadly acknowledged that there is good housing availability overall, many feel the accommodation is on the 'wrong type', either being too small for larger families or not attractive to those wishing to move to Unst for a 'rural experience'. Many also feel that the cost of building houses and

[58] Community Profile, North Isles (Shetland Islands Council, 2011), p. 36-37.

the identification of suitable land for building is also off-putting. Private rental housing is also felt to be in need of investment, which is leading to small families taking larger houses and blocking mobility.[59]

Key Point: The availability of housing on Unst is reasonably good (although there are some local issues) but there are concerns that housing is of the 'wrong type' for retaining and attracting families.

10.6 Health

Provision & Doctor Registrations

10.6.1 Medical cover for Unst is provided by the Unst Health Centre. The figure below shows the number of registrations for the centre between 1991 and 2014.

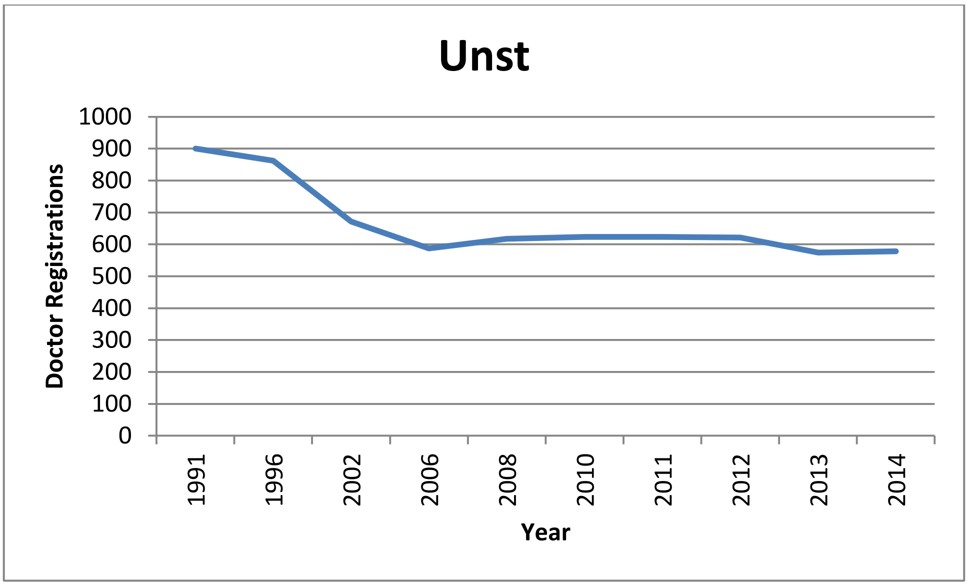


Figure 10.4: Doctor Registrations Practice Total (Source: Shetland in Statistics 2014)

10.6.2 As shown there has been a gradual fall in the number of patients registered from a peak of 900 in 1991 to 578 in 2014, again reflecting the downward adjustment of the economy following the loss of RAF Saxa Vord.

10.6.3 The Unst Health Centre is based in Baltasound and serves the whole island. There is no midwife based in Unst, who instead travels up to the island from Lerwick. Regular visits are also made from a podiatrist and a counsellor. The Health Centre offers the following services:

- well men / woman checks;
- acupuncture;
- minor surgery;
- wart clinic;
- health screening;
- counterweight programme; and

[59] Community Profile, North Isles (Shetland Islands Council, 2011), p. 37

- ante-natal care.[60]

10.6.4 Community views in Unst can be summarised as follows:

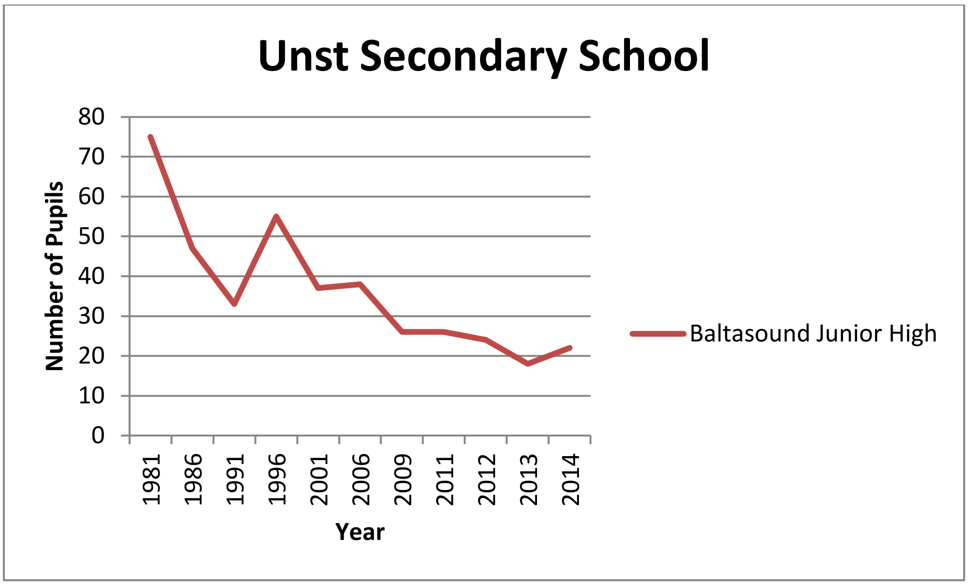
- there is a general view that healthcare provisions is to a very high standard at the Unst Health Centre, with short waiting times and good availability of appointments;
- many are concerned that there is no dedicated midwife in Unst, whilst podiatry provision is also seen to be poor;
- there is no dental service in Unst – an issue the Community Council has been lobbying on for a number of years; and
- There is a general concern that the island should retain much valued services at a time of cutbacks, particularly physiotherapy.[61]

Key Point: Healthcare in Unst is seen to be of a high standard, although there is a community concern about the lack of some resident specialist services.

10.7 Education

Provision & School Rolls

10.7.1 Currently, there is one school on Unst which provides both primary and secondary education. There were formerly three primary schools on the island but Uyeasound Primary School and Haroldswick Primary School were closed in 2011 and 1997 respectively due to declining numbers. The figures below show the number of pupils attending each school between 1981 and 2014.



[60] Community Profile, North Isles (Shetland Islands Council, 2011), p. 44
[61] Community Profile, North Isles (Shetland Islands Council, 2011), p. 45

Figure 10.5: School Roll for the Baltasound Junior High School on Unst 1976-2014 (Source Shetland in Statistics 2014)

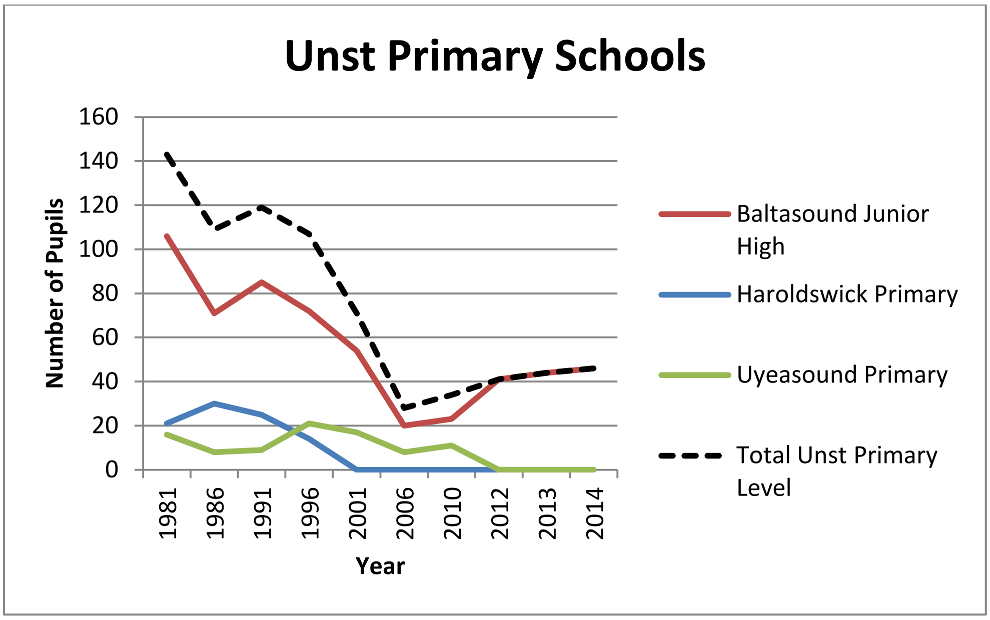


Figure 10.6: School Roll for Primary Schools on Unst 1981-2014 (Source Shetland in Statistics 2014)

10.7.2 As shown there has been a gradual decline in the number of secondary school pupils, with just 22 pupils enrolled at Baltasound Junior High in 2014. The number of primary school pupils has increased from 28 in 2006 to 46 in 2014. As with the wider trend in population, the loss of RAF Saxa Vord has reduced the number of children on the island (as can be seen by the steep decline in numbers in 2006).

Key Point: The school roll in Unst declined sharply with the closure of RAF Saxa Vord, but has recovered slightly since 2006.

10.8 Digital Connectivity & Service Provision

10.8.1 There are internet exchanges at Baltasound (8,000 KBPS max) and Uyeasound (activate 512 KBPS).[62]

10.8.2 Unst has three shops, a police station, care centre, health centre and leisure centre. The island has four functioning piers. Hagdale Learning Centre in Unst provides VC link facilities for local residents. Childcare is provided by social enterprise North Isles Childcare, which is currently meeting demand, although there are questions over the long-term viability of their premises.[63]

[62] Community Profile, North Isles (Shetland Islands Council, 2011), p. 24.
[63] Community Profile, North Isles (Shetland Islands Council, 2011), p. 24.

11 Whalsay

11.1 Overview

11.1.1 The island of Whalsay takes in the communities of Symbister, Isbister, Brough and Skaw. Whalsay is five miles long by two miles wide, with the main hub of activity around Symbister harbour, the base for the pelagic and whitefish fleet which the island depends on for its economic wellbeing. Crofting is the other main industry on Whalsay and is concentrated in the other settlements on the island.[64]

11.2 Demographics & Population

Population Trends

11.2.1 Whalsay is the largest of the islands in Shetland in terms of population. Between 1981 and 2011 the population of the island grew by 22%, rising from 1031 in 1981 to 1061 in 2011, as is illustrated In the figure below:

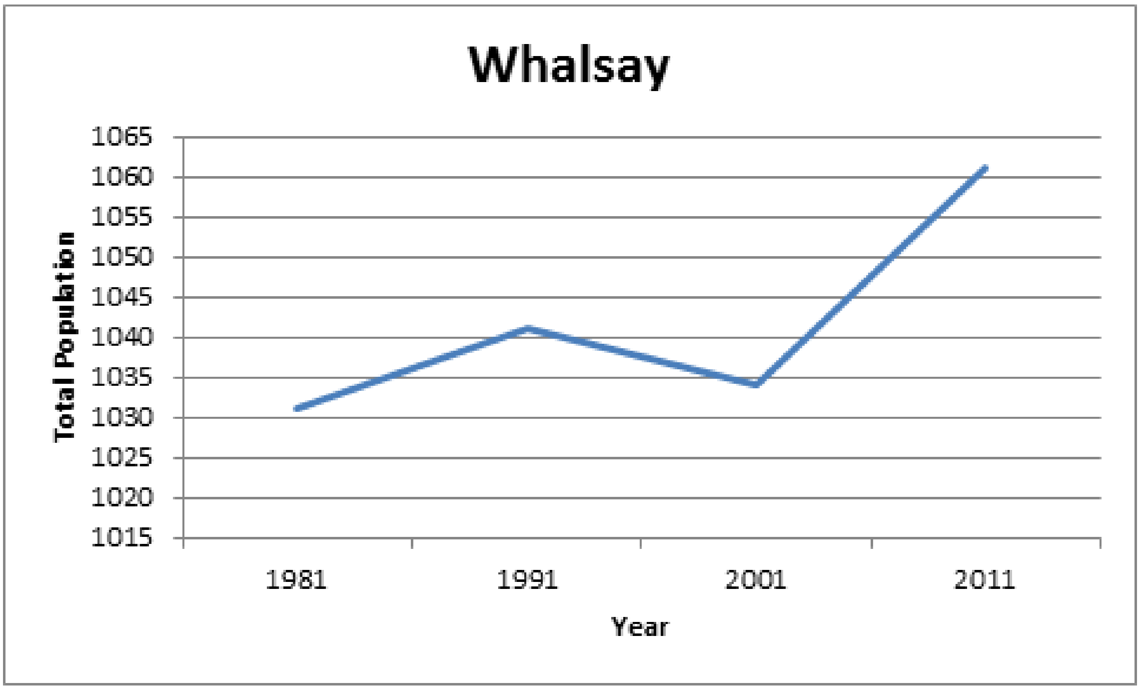


Figure 11.1: Total Population (Census 1981 - 2011)

11.2.2 The success of Whalsay as an island and the ability to commute to the mainland has ensured that its population has remained relatively stable and strong (typically around the 1,000 mark). There is however a concern that younger islanders are leaving to take up positions elsewhere, which is believed to be caused by both limited ferry capacity and a lack of affordable housing.

Key Point: Whalsay has a very healthy and growing population, although islanders do have concerns that limited ferry capacity and a lack of affordable housing are causing out-migration amongst younger cohorts.

[64] Whalsay Community Profile (Shetland Islands Council, 2011), p.4.

11.3 Economy & Labour Market

Economic Activity

11.3.1 The table below shows the economic activity rate in Whalsay:

Table 11.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Whalsay	70%	16%	34%	16%	2%	2%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

11.3.2 Whalsay has a lower economic activity rate than the Shetland Islands as a whole, with a slightly higher proportion of retirees. However, the economic activity rate overall is healthy and likely understates the work that people defined as economically active undertake in family businesses.

Key Point: Whalsay has a relatively healthy economic activity rate, although there are a higher proportion of retirees amongst the population than on Shetland as a whole.

Occupations

11.3.3 The table below sets out the occupational profile of Whalsay:

Table 11.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Whalsay	4%	12%	10%	7%	28%	13%	5%	12%	10%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

11.3.4 There is a slightly higher proportion of people employed within the skilled trade occupational category on Whalsay compared to Shetland as a whole. This is likely to be accounted for by the large fishing industry and its spin-offs.

11.3.5 However, while skilled trades accounts for the highest proportion of employee jobs, the number employed in this category declined between 2001 and 2011 and there was a corresponding increase in the professional and care services, as is illustrated in the figure below:

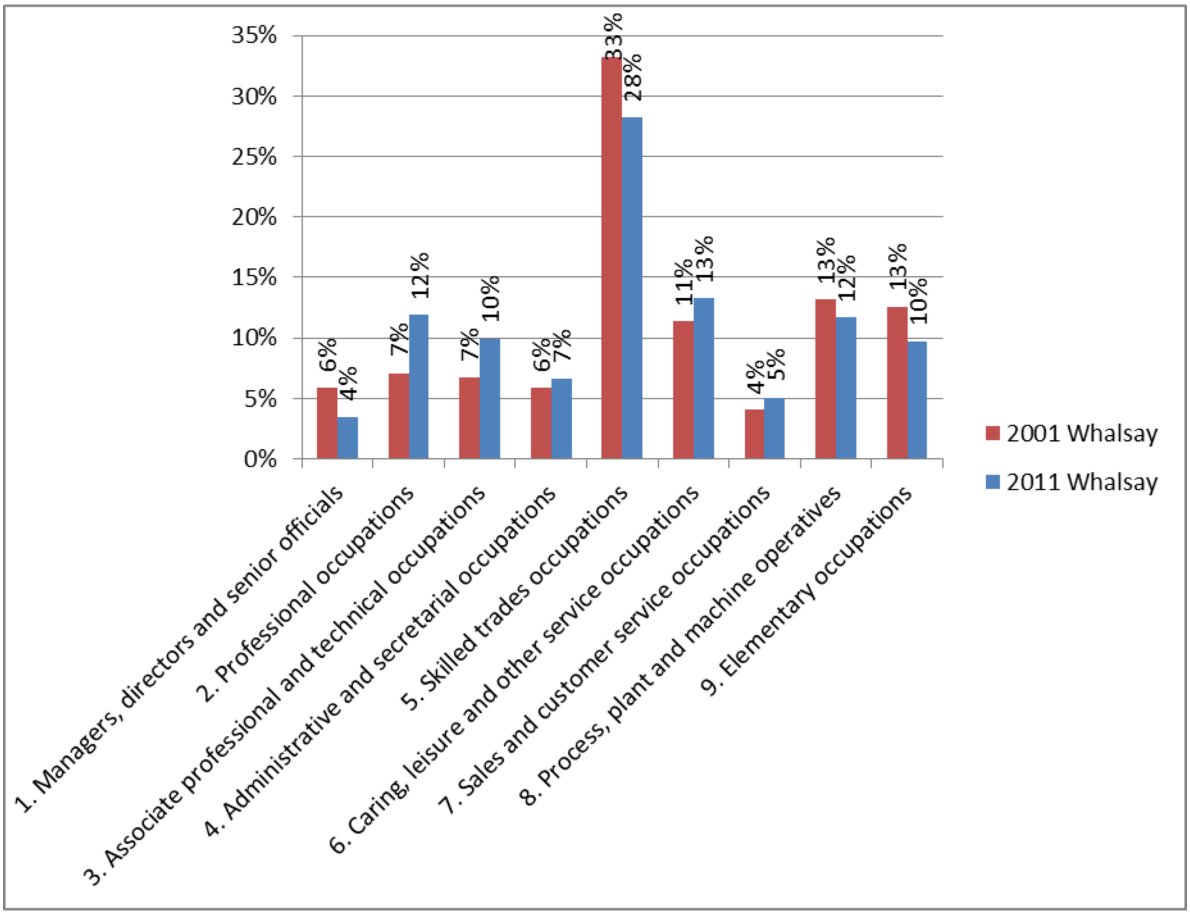


Figure 11.2: Occupational Categories (Census 2001 and 2011)

11.3.6 The Whalsay Survey noted a list of about 80 businesses (many of which are part-time) plus six local rented accommodation / B&Bs.[65] There are thirteen non-private organisations such as the island care home, school and leisure centre. The main income generator for the island is fishing, with the six vessel pelagic fleet and, to a lesser extent, the whitefish fleet. However, the closure of the Whalsay fish factory in 2012 means that the community outwith the pelagic fleet is now relying more on service related work, much of which is public sector.[66]

11.3.7 Commuting to the mainland (principally Lerwick and Sullom Voe) is essential for the island economy, although capacity constraints on the ferry are believed to inhibit this to some extent.

[65] Whalsay Survey 2010.

[66] Whalsay Community Profile (Shetland Islands Council, 2011), p.11.

11.3.8 The island has a rich cultural heritage associated with fishing, boating, traditional music, crafts and archaeological sites. It also has the UK's most northerly 18 hole golf course.[67] There is however little in the way of tourism, which is more of an aspiration for the island.

Key Point: Whalsay has a healthy economy, although it is quite dependent on the fishing industry for its economic wellbeing.

Qualifications

11.3.9 The table below shows the highest level of qualification attained by the population on Whalsay compared to Shetland and Scotland as a whole.

Table 11.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Whalsay	34%	25%	9%	9%	23%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

11.3.10 As shown, there are a slightly higher proportion of people on the island with no qualifications and a lower proportion of people with level 4 and above compared to Shetland as a whole. This is unsurprising given the importance of fishing, where much of the training and learning is on-the-job.

Social Enterprises & Volunteering

11.3.11 The Whalsay community is seen to be very tight knit, partly because the majority of the population is clustered around Symbister. There are roughly 40 active community groups operating on Whalsay, spanning from childcare related groups through to sports and crafts organisations.[68]

11.4 Household Travel

Car Ownership

11.4.1 The table below shows the profile of car ownership on Whalsay and for Shetland Scotland as a whole.

Table 11.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Whalsay	11%	39%	34%	12%	5%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

[67] Whalsay Community Profile (Shetland Islands Council, 2011), p.9.
[68] Whalsay Community Profile (Shetland Islands Council, 2011), p.8.

11.4.2 Car ownership rates on the island are slightly above the Shetland average, with just 11% (n=41) of households with no access to a car compared to 19% across Shetland as a whole). This represents a decline on 2001 levels when 16% (n=59) of households on the island had no access to a vehicle. The high and increasing levels of car ownership point at the importance of commuting for Whalsay residents.

Main Mode of Travel-to-Work

11.4.3 The figure below shows the main mode of travel-to-work for Whalsay residents:

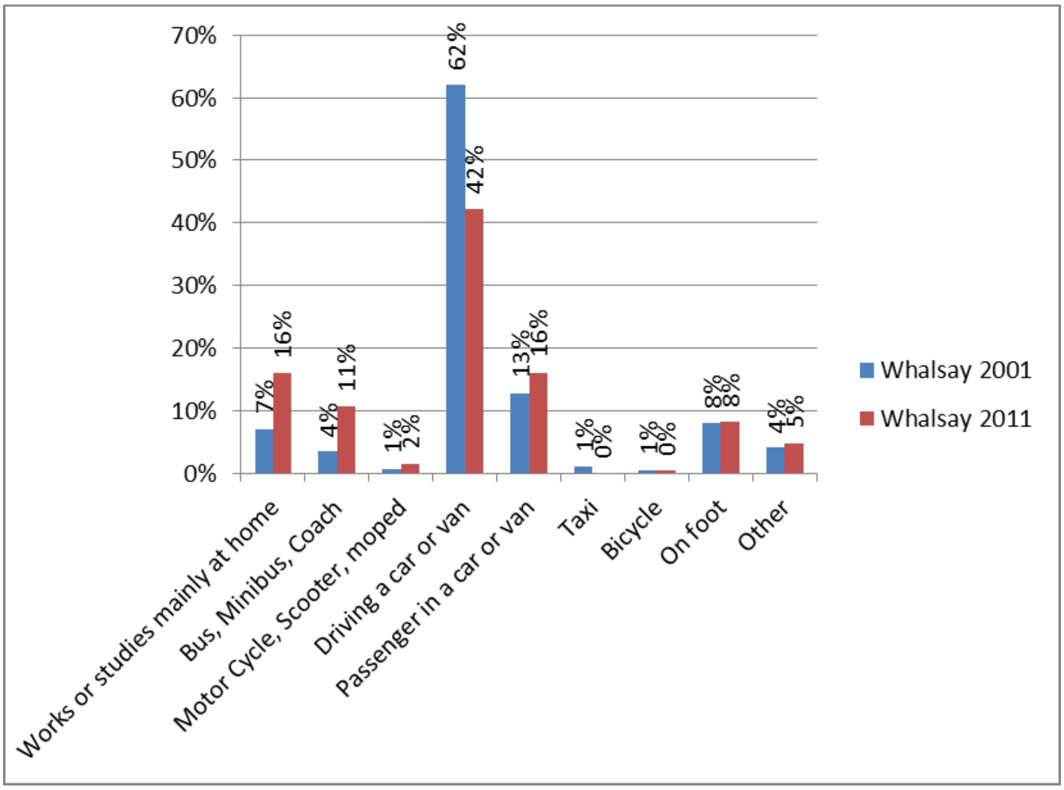


Figure 11.3: Travel to Work Mode (Census 2001 and 2011)

11.4.4 Driving is the most common travel to work mode on Whalsay, with 42% of the population on the island getting to work by this mode. This points towards the high levels of commuting on the island. The increasing level of car sharing and bus use suggests that either the cost of travel (including taking the car on the ferry) and / or capacity on the ferry are an issue for islanders.

11.4.5 As with other islands, there has been a significant increase in the number of people working from home.

Key Point: Whilst the private car dominates travel-to-work for Whalsay residents, it is clear that either or both the cost of taking the car on the ferry / driving generally and capacity issues are restraining car use. As with other islands, the number of residents working from home has increased.

11.5 Housing

11.5.1 The Whalsay housing stock is made up of 13.6% social housing and 86.4% private housing, which is in keeping with Yell, the other island in the archipelago with a population of over

1,000.[69] New house building has been at a low level and there is seen to be a shortage of houses for individuals & couples as well as social housing.[70]

Key Point: There is seen to be a shortage of the types of housing that will assist in attracting new people onto the island.

11.6 Health

Provision & Doctor Registrations

11.6.1 Medical cover for Whalsay is provided by the Whalsay Health Centre which also provides cover for the Skerries. As shown in the figure below, there has been a gradual increase in the total number of patients registered with the centre since 2010, with numbers reaching a peak in 2013 at 1,148.

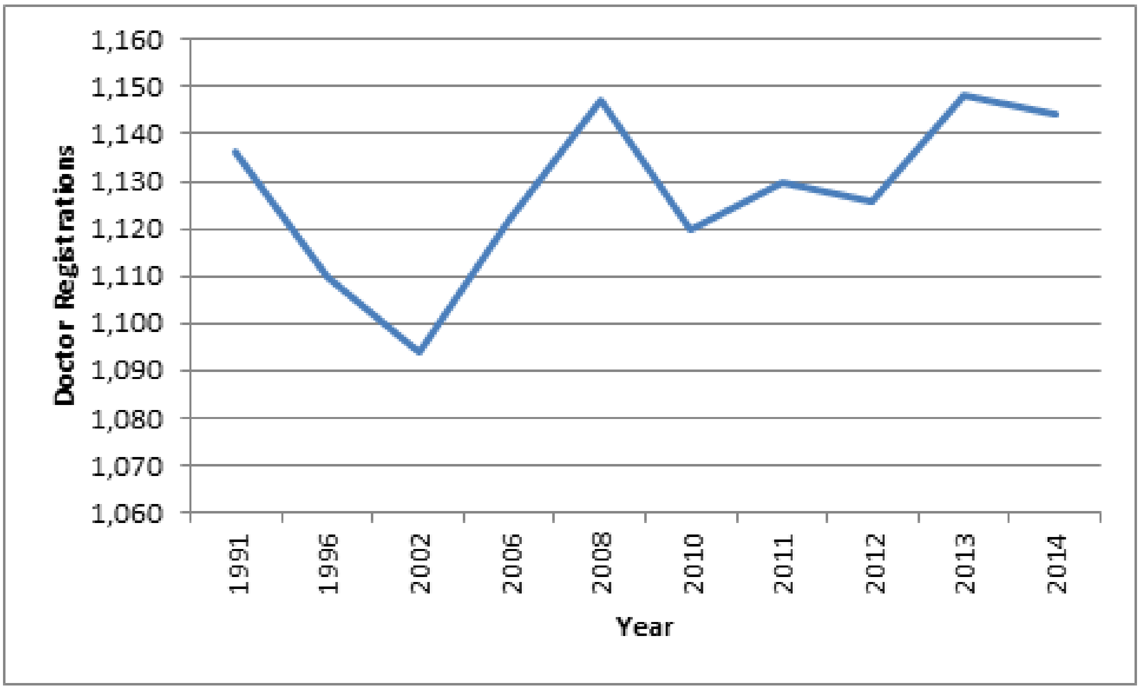


Figure 11.4: Doctor Registrations Whalsay Health Centre (Source: Shetland in Statistics 2014)

11.7 Education

Provision & School Rolls

11.7.1 There is currently a Junior High School in Whalsay catering for P1-P7 in the primary department and S1-S4 in Symbister House. There is also a separate nursery next to the primary department offering places to all 3-4 year olds, with the playgroup catering for 2-3 year olds in Symbister Hall.[71]

11.7.2 The figures below show the number of pupils attending the school for nursery, primary and secondary school provision between 1981 and 2014.

[69] Whalsay Community Profile (Shetland Islands Council, 2011), p.23. – note this is a 2006 estimate.
[70] Whalsay Community Profile (Shetland Islands Council, 2011), p.24.
[71] Whalsay Community Profile (Shetland Islands Council, 2011), p.17.

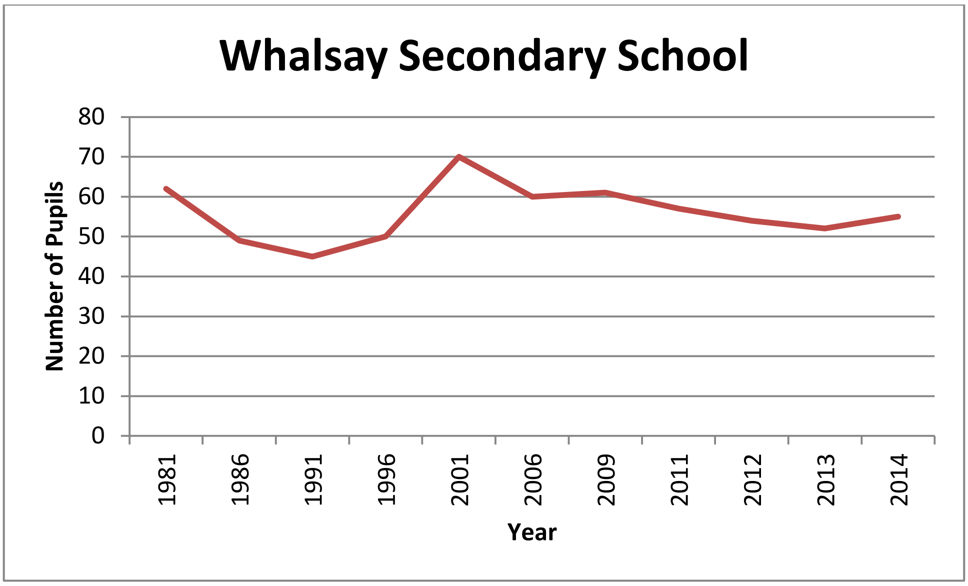


Figure 11.5: School Roll for Whalsay School secondary provision 1981-2014 (Source Shetland in Statistics 2014)

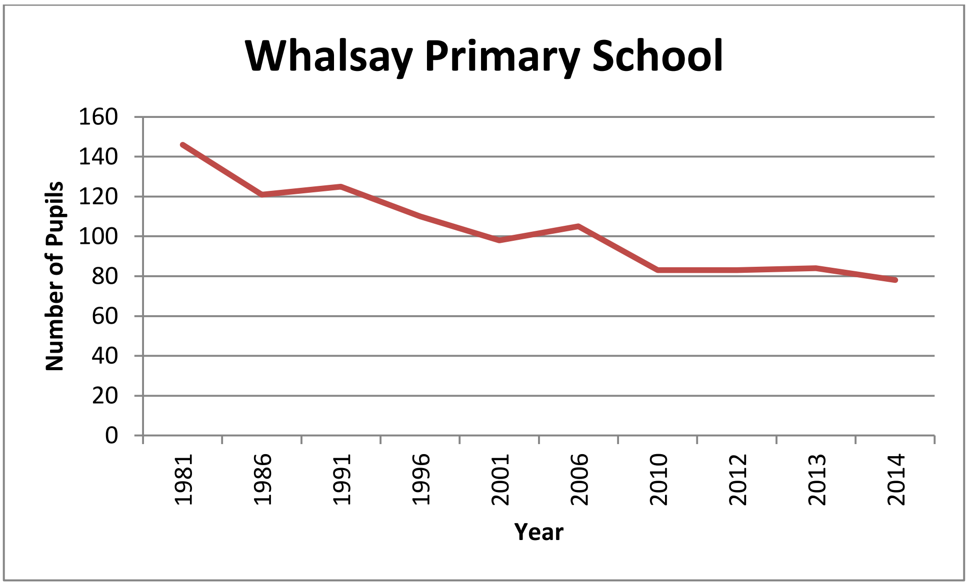


Figure 11.6: School Roll for Whalsay School primary provision 1981-2014 (Source Shetland in Statistics 2014)

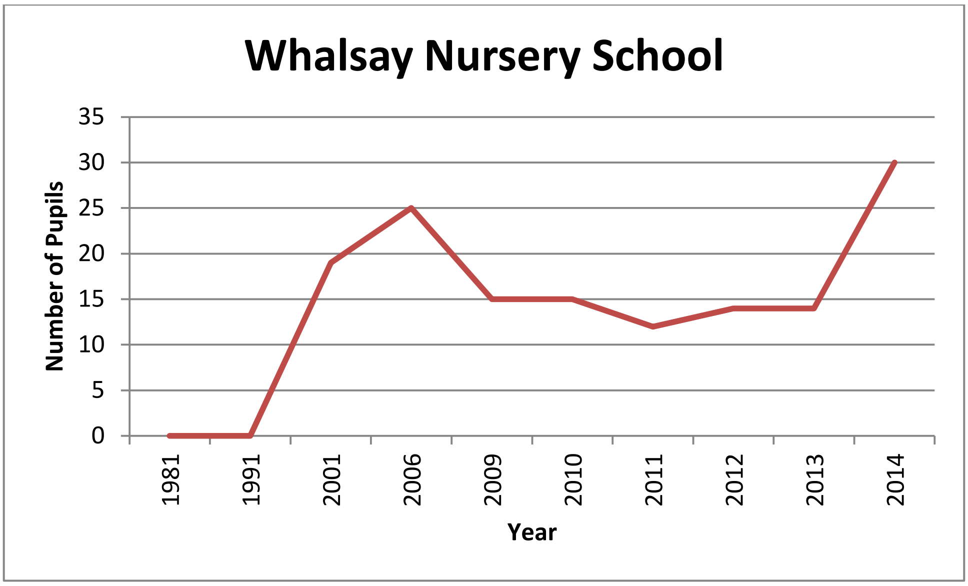


Figure 11.7: School Roll for Whalsay School nursery provision 1981-2014 (Source Shetland in Statistics 2014)

Key Point: Whilst school rolls have generally been in decline since the 1980s, there are promising signs for the island, with a doubling of the number of children in the nursery between 2013 and 2014.

11.8 Digital Connectivity & Service Provision

11.8.1 There is only one internet exchange in Symbister (8,000 KBPS max).[72] However, high-speed fibre-optic broadband will be delivered to Symbister in late 2015 / early 2016.[73]

11.8.2 Whalsay has one junior high school and nursery, three shops (one of which incorporates the post office), a police station, care centre, health centre (with dental practice) and leisure centre. The Whalsay Learning Centre, operated by Shetland College, uses the clubroom in the leisure centre to deliver learning opportunities for the community. The island also has access to a weekly mobile banking service. Childcare provision is seen to be very limited and constraint in terms off residents taking up jobs and / or further education.[74] A small marina is located within Symbister harbour.

11.8.3 Whalsay has a coastguard rescue station and retained fire station, staffed by up to 12 personnel on a retained duty system. A planning application for a new fire station has recently been lodged.[75]

[72] Whalsay Community Profile (Shetland Islands Council, 2011), p.13.
[73] http://www.hie.co.uk/regional-information/digital-highlands-and-islands/can-i-get-it.html#
[74] Whalsay Community Profile (Shetland Islands Council, 2011), p.13.
[75] Whalsay Community Profile (Shetland Islands Council, 2011), p.20.

12 Yell

12.1 Overview

12.1.1 Yell is Shetland's second biggest island. The island is roughly 17 miles long by seven miles wide with a population of around 1,000. The ferry crossing from Toft on the mainland to Ulsta in South Yell takes 20 minutes. Yell is covered in large stretches of uninhabited, peaty moorland and has a long and varied coastline. The main settlements are Burravoe in the south, Mid Yell in the centre of the island and Cullivoe in the north. The island has a police station, care centre, coastguard, fire & emergency service, health centre (and dental practice) and several piers / marinas.[76]

12.1.2 Yell has, overall, remained in the 15% least deprived communities in Scotland, but the island is amongst the most deprived within the Shetland Islands context, with 13% of the Yell population categorised as income deprived in 2008.[77]

12.2 Demographics & Population

12.2.1 Yell has one of the larger and more stable populations in Shetland, remaining broadly steady at between 950 and 1200 since 1961.

Population Trends

12.2.2 Yell is the second largest of the Shetland Islands in terms of population. Between 1981 and 2001 the population of the island fell by 15%. The figure below shows the change in population on the island between 2001 and 2013.

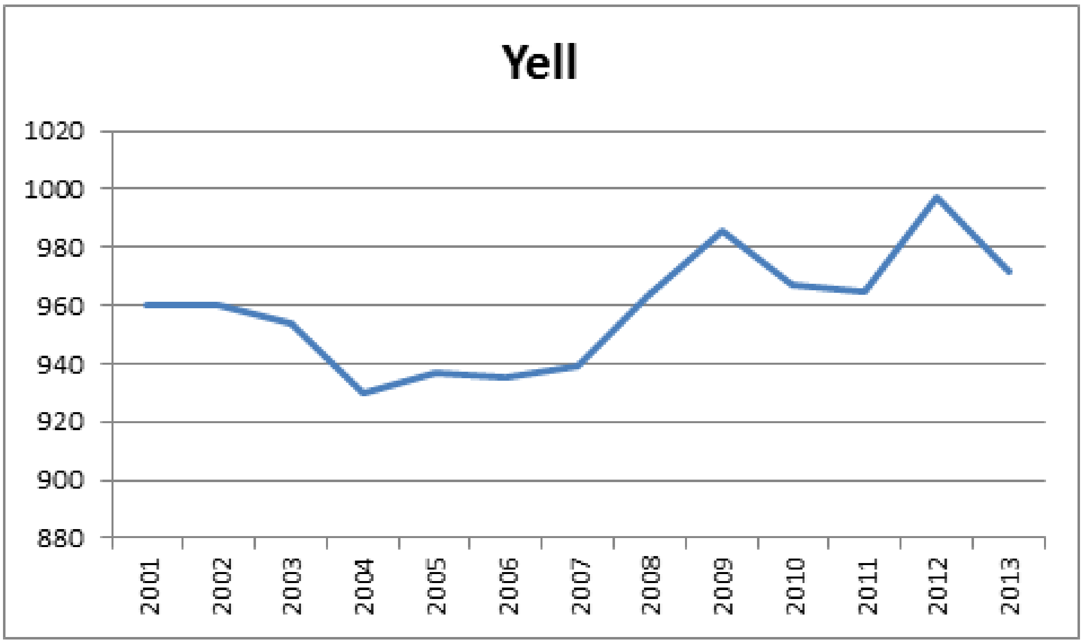


Figure 12.1: Total Population (Source: SNS)

12.2.3 As shown in there has been a slight increase over the 2001-2013 period, although absolute figures are small, rising from 960 in 2001 to 972 in 2013.

[76] Community Profile, North Isles (Shetland Islands Council, 2011), p. 6.
[77] Community Profile, North Isles (Shetland Islands Council, 2011), p. 24.

12.2.4 The North Isles communities are concerned across the board that official population statistics are overly pessimistic. This is particularly the case in terms of birth rates, where birth rate figures omit births recorded in Aberdeen, which is known locally to have constituted a large proportion of births to North Isles families in recent years.[78]

Key Point: Yell has a relatively stable population, supported by good access to job opportunities and local services.

12.3 Economy & Labour Market

Economic Activity

12.3.1 The table below shows the economic activity rate amongst Yell residents and those of both the Shetland Islands and Scotland as a whole.

Table 12.1: Economic Activity Rate (Source: Census 2011)

	Economically Active Total	Employee: Part-time	Employee: Full-time	Self-employed	Unemployed	Full-time student
Yell	70%	18%	43%	8%	1%	0%
Shetland Islands	78%	17%	48%	9%	2%	2%
Scotland	69%	13%	40%	7%	5%	4%

12.3.2 The economic activity rate on Yell is below that of the Shetland average with a far higher proportion of retirees on Yell (21%, n=145) compared to Shetland as a whole (13%). Therefore, whilst the island clearly has a stable population, it is also an ageing one.

Key Point: Whilst Yell has a stable population, it is also an ageing one, which is reflected in the proportionally lower economic activity rate and higher number of retirees relative to the Shetland Islands generally.

Occupations

12.3.3 The table below shows the proportion of the population employed in each occupational category on the island of Yell:

[78] Community Profile, North Isles (Shetland Islands Council, 2011), p. 11.

Table 12.2: Occupation Category (Census 2011)

	Managers, directors and senior officials	Professional occupations	Associate professional and technical	Administrative and secretarial	Skilled trades	Caring, leisure and other service	Sales and customer service	Process, plant and machine operatives	Elementary occupations
Yell	7%	12%	12%	6%	21%	13%	4%	13%	12%
Shetland Islands	7%	13%	10%	9%	19%	13%	6%	10%	12%
Scotland	8%	17%	13%	11%	13%	10%	9%	8%	12%

12.3.4 The breakdown for the island is broadly comparable to that of the Shetland Islands as a whole, with higher rates in the skilled trades, process, plant and machine operatives and caring, leisure and other services and comparatively smaller numbers in professional occupations. This likely reflects both the significant out commuting to mainland Shetland and the overall ageing population.

12.3.5 The figure below compares the proportion of the population of Yell employed in various occupational categories between 2001 and 2011..

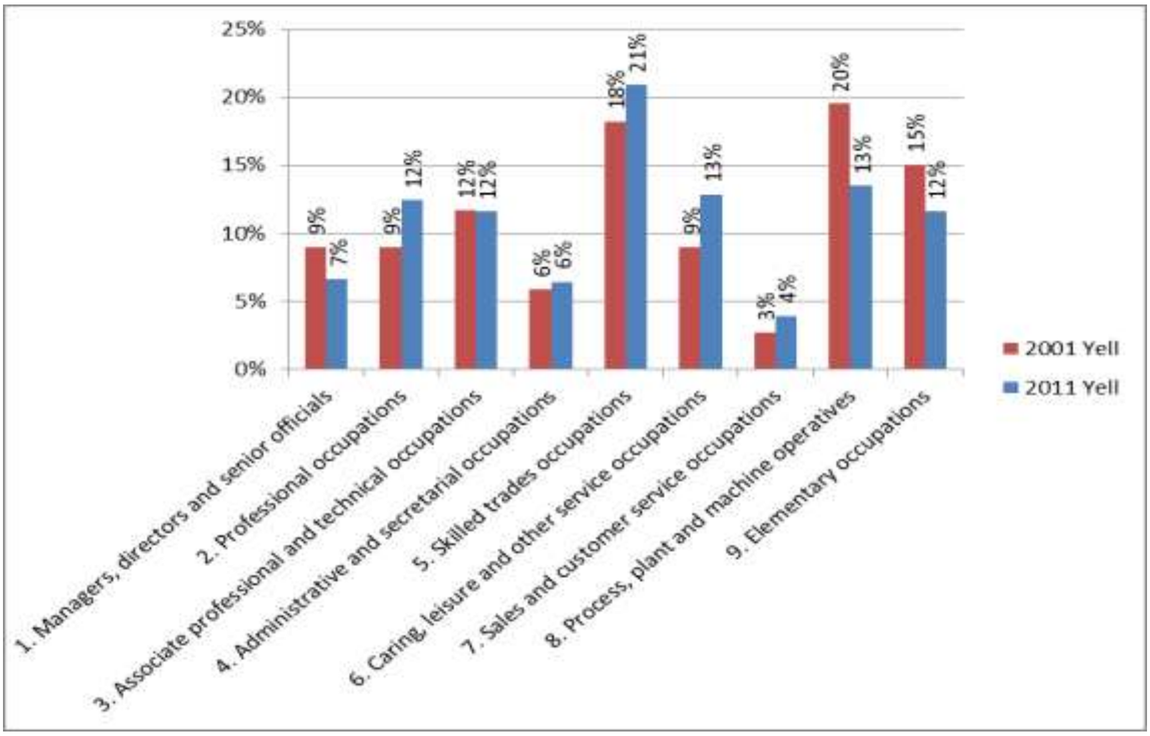


Figure 12.2: Proportion of people in each Occupation Category on Yell (Census 2001 and 2011)

12.3.6 Over this period here has been a growth in the number of people in professional, skilled trade, and caring occupations and a decline in process plant and machine operatives and elementary occupations. This ties in with the overall profile of the island.

12.3.7 Yell is a more prosperous island than its neighbours across the Bluemull Sound, with a growing employment base and a higher median wage than Unst & Fetlar. This may owe in part to the easier commuting distances (and single ferry crossing) to higher value employment centres like Lerwick and Sullom Voe.[79] Agriculture is the main sector of employment in Yell but, with declining agricultural income, aquaculture and other industries are becoming increasingly important, with people diversifying into new activities. A considerable number of people in Yell are employed in the service sector and transport. [80]

Community Views

12.3.8 The Yell community is generally seen to be content with the low levels of unemployment, although, like Unst, there is a feeling that more vocational training and apprenticeships in traditional trades are required. There is also a feeling that additional support to realise the full potential of the tourism industry is also necessary, particularly in terms of the perception that Yell is 'just somewhere to drive through on the way to Unst'.

Key Point: The Yell economy is relatively healthy, with a number of indigenous businesses in the valuable aquaculture sector, good commuting opportunities and a strong public sector presence.

Qualifications

12.3.9 In terms of qualifications, there is a slightly higher proportion of people on the island with no qualifications compared to Shetland as a whole. However, between 2001 and 2011 the number of people with no qualifications has declined (from 267 to 236) and those with Level 4 and above have increased (from 123 to 215).

Table 12.3: Highest Level of Qualification (Source: Census 2011)

	No qualifications	Level 1	Level 2	Level 3	Level 4 and above
Yell	30%	26%	11%	6%	27%
Shetland Islands	24%	26%	14%	9%	27%
Scotland	27%	23%	14%	10%	26%

Social Enterprises & Volunteering

12.3.10 Yell has around 50 active community groups / social enterprises, including a childcare service and four development companies. The island is also the base for the Centre for Creative Industries, a social enterprise operating throughout Shetland to provide educational opportunities in crafts & the arts. Volunteering and the third sector are critical to the functioning of the island economy, supporting a wide range of venues & events and promoting the tourism industry in the island.[81]

12.3.11 Yell is also home to the Bluemull Development Company, which was formed in 2009 following the completion of the 'Initiative at the Edge' project, which ran between 2004 and 2008. The

[79] Community Profile, North Isles (Shetland Islands Council, 2011), p. 18.
[80] Shetland Local Plan, Yell, 2004.
[81] Community Profile, North Isles (Shetland Islands Council, 2011), p. 14.

newly formed company is a social enterprise and community development company which exists to support development in the communities of Unst and Yell.[82]

12.4 Household Travel

Household Car Ownership

12.4.1 The table below shows the household car ownership for Yell and the Shetland and Scottish averages.

Table 12.4: Car Ownership as a Percentage of Total Households (Source: Census 2011)

	No cars or vans	One car or van	Two cars or vans	Three cars or vans	Four or more cars or vans
Yell	15%	38%	33%	10%	4%
Shetland Islands	19%	42%	29%	7%	3%
Scotland	31%	42%	22%	4%	1%

12.4.2 Car ownership levels on Yell are significant in excess of the Shetland and national averages, with just 15% of households on the island not having access to a car compared to 19% in Shetland. Between 2001 and 2011 car ownership levels on the island increased, rising from 80% (n=333) in 2001 to 85% in 2011 (n=356)

Main Mode of Travel-to-Work

12.4.3 The figures below shows the main mode of travel-to-work for Yell residents:

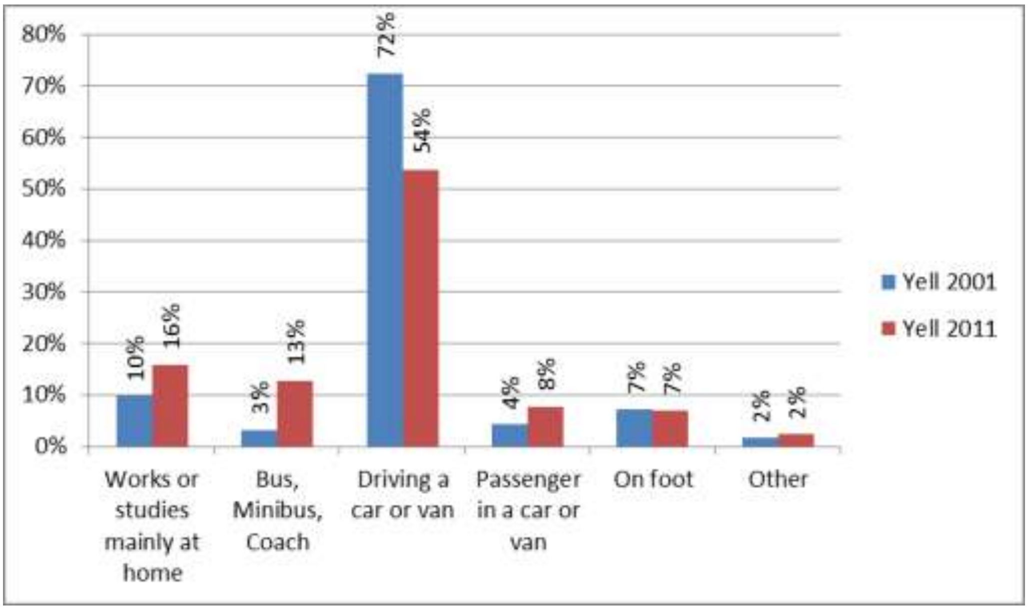


Figure 12.3: Travel to Work Mode (Census 2001 and 2011)

12.4.4 Driving is the most common travel to work mode on Yell, with 54% (n=329) of the population in 2011 choosing to drive to work. However, the proportion electing to drive has declined

[82] Community Profile, North Isles (Shetland Islands Council, 2011), p. 14.

since 2001 and over the same time period there has been an increase in the proportions taking the bus to work (from 15 to 78) and working at home (from 45 to 97).

Key Point: Yell has very high levels of household car ownership and a significant proportion of its residents travel in a car to work. This reflects the importance of commuting to the island, particularly to Sullom Voe and Lerwick. The amount of people working from home has increased, which is common across all nine islands.

12.5 Housing

12.5.1 The figure below shows the change in mean house prices between 2008 and 2013 for Shetland and Yell.

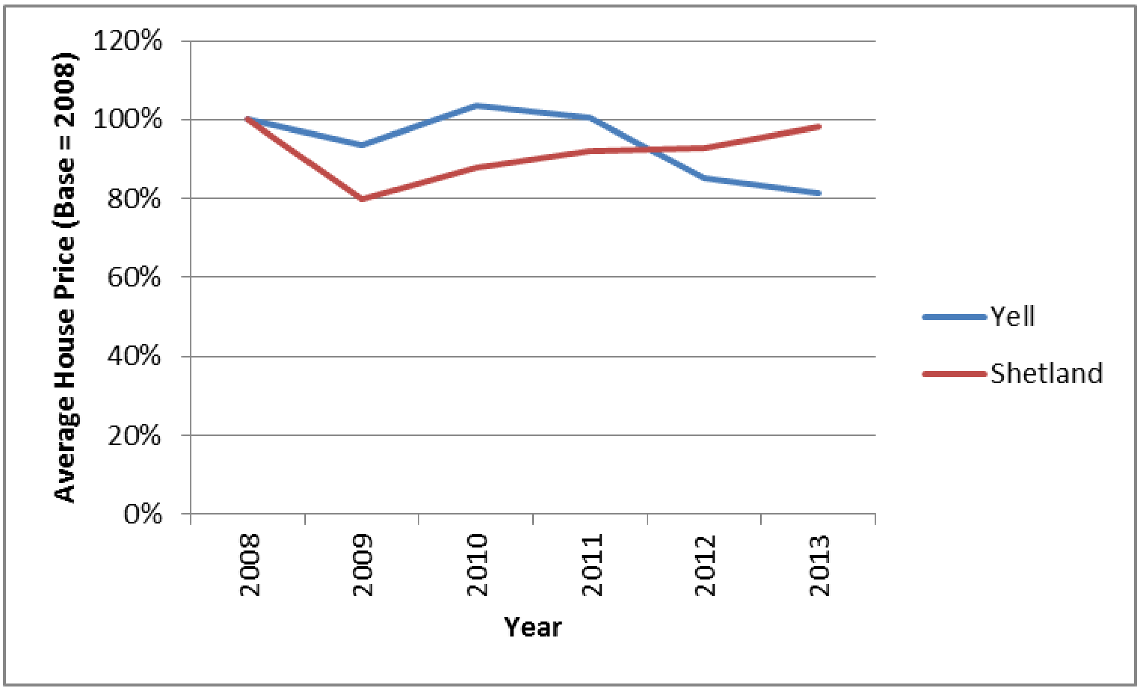


Figure 12.4: Mean House Price on Yell 2008-2013 (Source: SNS)

12.5.2 While house prices in Shetland as a whole have gradually increased since 2009, house prices in Yell have been declining since 2010, dropping from £72,500 to £59,000 in 2013.

12.5.3 Housing is a key issue in Yell and the North Isles more generally. In the 2006 SIMD, Yell was ranked 8th out of 30 Shetland wards for housing. 87% of housing on the island is private sector, with a further 13% social rented housing. The proportion of social housing in Yell is lower than in both Unst and Fetlar. New builds are very limited in number, although any North Isles new builds are generally concentrated in the island.[83]

12.5.4 There is generally felt to be a shortage of houses overall in the North Isles, particularly larger houses and one or two bedroom social rented properties.

12.5.5 The Community Profile suggests that there is a frustration in Yell that the lack of demonstrated need for housing in Yell is taken to indicate that there is no need. It is argued that because only limited housing is currently available, many young people choose to place their name on

[83] Community Profile, North Isles (Shetland Islands Council, 2011), p. 36-37.

the housing register for locations in Central Mainland because they know their chances of securing a property are higher.[84]

Key Point: The availability of housing on Yell and the North Isles generally is seen to constrain the growth of the community.

12.6 Health

Provision & Doctor Registrations

12.6.1 Medical cover for Yell is provided by the Yell and Fetlar Medical Practice which is based in Yell. As shown in the figure below, there has been a general increase in the total number of patients registered at the practice (including those resident in Fetlar) since 2008, although numbers have fallen slightly in the most recent period.

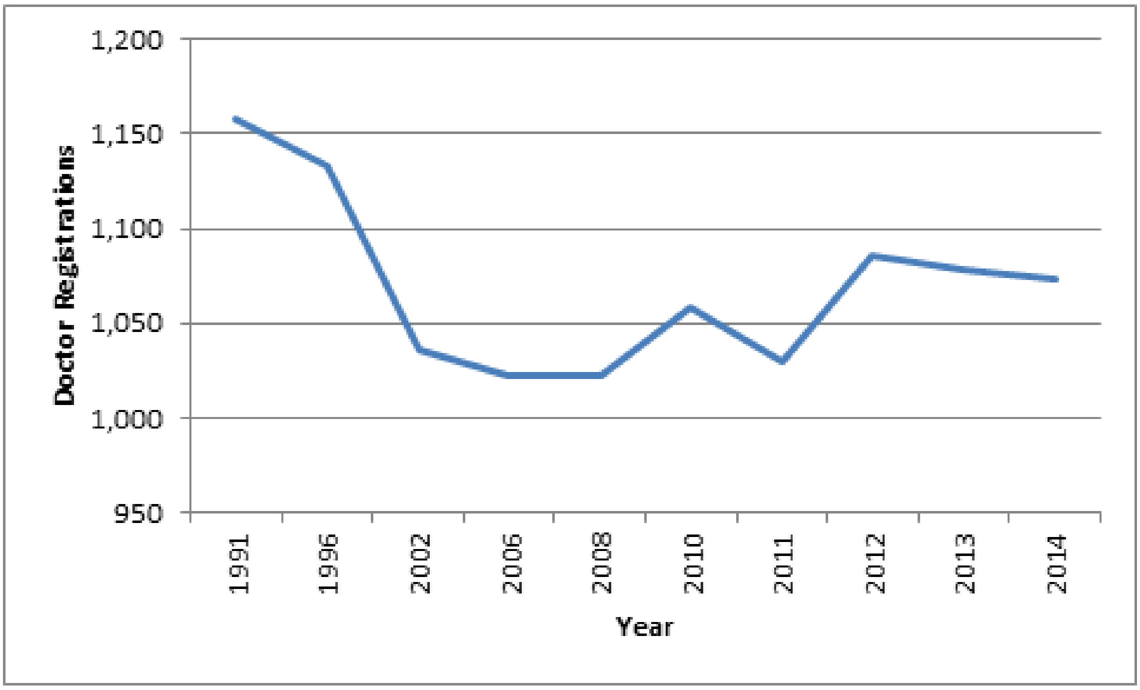


Figure 12.5: Doctor Registrations Practice Total (Source: Shetland in Statistics 2014)

12.6.2 The Yell Health Centre is based in Mid-Yell, where is is teamed with a locum dentist services. The GP surgery has an FTE job-share GP; a 1/3 FTE associate GP; a 1 & 1/4FTE equivalent practice nurse; one double duty community nurse / midwife, as well as 1.5 FTE equivalent community nurses. Once a week, the following services visit Yell once a week:

- podiatry;
- physiotherapy;
- counselling; and
- health visiting.

12.6.3 In addition, there is a psychiatry visit once per month.

[84] Community Profile, North Isles (Shetland Islands Council, 2011), p. 37

12.6.4 Collectively, the surgery and dentists offer the following services to both Yell & Fetlar residents who want to travel in for sessions:

- smoking cessation;
- counterweight;
- chronic disease management;
- wound dressings;
- well man / woman checks;
- smears; and
- immunisations & travel checks.[85]

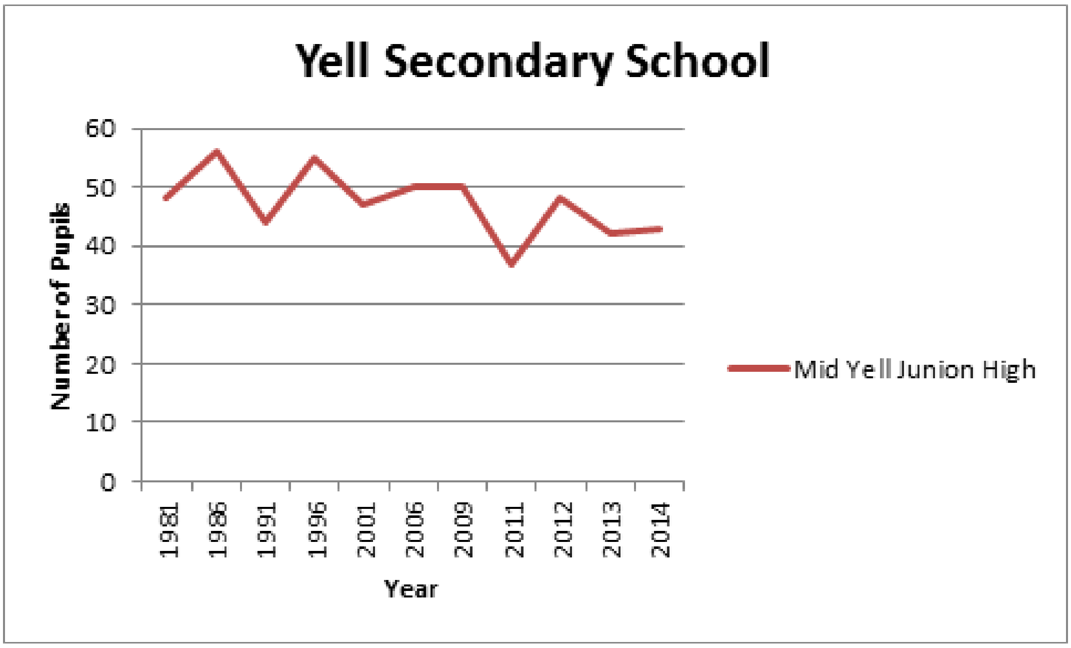
12.6.5 The Community Profile explains that, in general, Yell residents are highly satisfied with the level and range of health services offered on the island. The community is keen to ensure that dentistry provision is made permanent and full-time.[86]

Key Point: Health provision in Yell is of a very high standard.

12.7 Education

Provision & School Rolls

12.7.1 There are two primary schools on Yell (Cullivoe Primary School and Burravoe Primary School) and one school which provides both primary and secondary education (Mid Yell Junior High). The figures below show the number of pupils enrolled at each school since 1981.



[85] Community Profile, North Isles (Shetland Islands Council, 2011), p. 44
[86] Community Profile, North Isles (Shetland Islands Council, 2011), p. 45

Figure 12.6: School Roll for Secondary Schools on Yell 1981-2014 (Source Shetland in Statistics 2014)

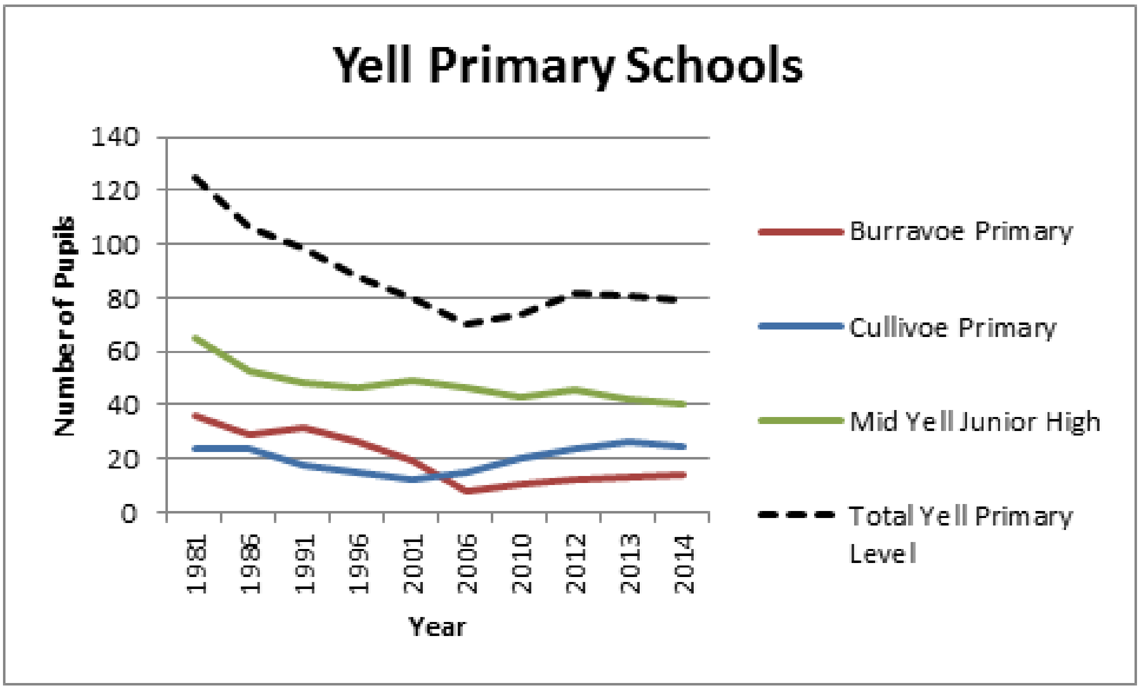


Figure 12.7: School Roll for Primary Schools on Yell 1981-2014 (Source Shetland in Statistics 2014)

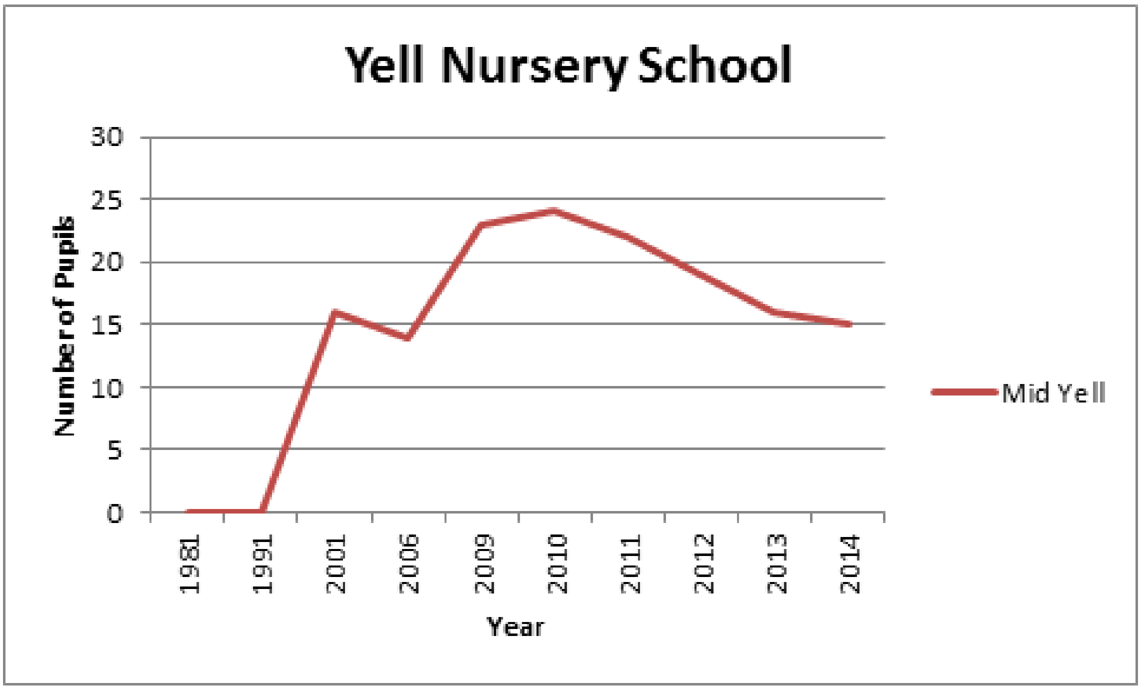


Figure 12.8: School Roll for Nursery Schools on Yell 1981-2014 (Source Shetland in Statistics 2014)

12.7.2 Over the 1981-2014 period, primary and secondary school admissions have declined by 36% and 26% respectively, which is in keeping with the ageing population on the island. Nursery rolls did recover slightly in the mid-noughties but have declined slightly.

Key Point: School roles have declined over the last 25 years or so, which is in keeping with the ageing population on Yell.

12.8 Digital Connectivity & Service Provision

12.8.1 There are internet exchanges at Burravoe, Gutcher and West Sandwick (512 KBPS) and one in Mid Yell (8,000 KBPS max).[87]

12.8.2 Yell has four shops, a police station, care centre, health centre (and dental practice) and leisure centre. The Sellafirth Business Units complex in Yell provides remote working opportunities and a VC link through the Bluemull Development Company. Yell has a weekly mobile banking service. Childcare is provided by social enterprise North Isles Childcare, although it is suggested that demand outstrips supply.[88]

[87] Community Profile, North Isles (Shetland Islands Council, 2011), p. 24.

[88] Community Profile, North Isles (Shetland Islands Council, 2011), p. 24.

13 Future Planning Horizon

13.1 Overview

13.1.1 This chapter considers the future planning horizon for the Shetland Islands and specifically the nine islands serviced by the inter-island transport links which are the subject of this study. The initial focus is on some of the issues / trends which could affect Shetland as a whole. Following on from this, we consider the Local Plan and Community Plan to assess their implications for the future.

13.1.2 Having done this, we then consider each island in turn in an attempt to establish the longer-term planning horizon.

13.2 Shetland Wide Issues

13.2.1 This section considers issues which have been raised through our research and consultation with key stakeholders and which may have an impact on the demand for inter-island transport in years to come.

Economic Adjustment

13.2.2 Shetland has one of the strongest economies in Scotland and, as has previously been explained, is a significant net contributor to the Scottish economy. However, there are potentially a series of economic headwinds facing the islands.

13.2.3 At the macroeconomic level, the well-publicised recent collapse in the oil price is likely to have an impact on the islands. The role of oil in the Shetland story is well-known and the industry contributes significantly both directly and indirectly to the island economy. Whilst the price of oil may recover, there remain a series of downward pressures on the price, which may delay or lead to the cancellation of new developments in the west of Shetland fields. There are also likely to be at least short to medium-term job losses, such as those announced at Sullom Voe in early October 2015 (although these are partially related to reduced winter manning).[89]

13.2.4 In addition to the oil related issues, the construction of the Total Gas Plant has led to a short-term distortion of the economy. The voracious demand of the construction project for labour has, it is believed, led to significant 'demand-pull inflation' and labour shortages across key sectors. The project has also offered significant job opportunities for islanders (particularly in proximate locations like Yell and Whalsay). The plant is currently in the commissioning stage and it is likely that the economy will have to readapt to a lower equilibrium (potentially fewer jobs and lower wages) over the coming years. This could have a negative impact on islanders financially. However, it may although it may assist in rebalancing the economy and addressing skill shortages across a range of sectors. That will include aquaculture and fisheries, which will continue to be a key part of the Shetland economy. These and other activities point to the need for inter-island transport planning to take full account of the needs of freight as well as passengers.

Key Point: The performance of the Shetland economy has been very strong in recent years and indeed there are signs that it has been overheating. There is likely to be a forthcoming period of adjustment, as low oil prices impact on oil-related activity, whilst the completion of the Total Gas Plant will impact on overall employment and potentially lead to a downward adjustment in wages. This economic adjustment could pose a threat to the islands in-scope on this study, although it may ease the tightness of local labour markets.

[89] http://www.shetnews.co.uk/news/11536-around-260-jobs-set-to-go-at-sullom-voe

Renewables

13.2.5 Shetland is blessed with significant natural resources and there is major project in place to erect one of Scotland's largest onshore windfarms. The Viking Wind Farm is a joint venture between the Shetland community and Scottish & Southern Energy. The project received planning consent in April 2012, confirmed on appeal in February 2015.

13.2.6 The wind farm will consist of 103 wind turbines up to 145 metres tall and will be set in the Central Mainland of Shetland. The consent allows a potential output of up to 457 megawatts, which would make it the third largest wind farm in Scotland. The energy provided is expected to be enough to power 335,000 homes, larger by a quantum than the total number of homes in the islands. Around 140 people will be employed in construction (potentially softening the impact of Total Gas Plant completion) with 35 permanent jobs created. Crucially, as a result of the community shareholding, the islands are likely to benefit from a royalty of around £1.85 million annually, this in addition to the direct economic benefits of the windfarm.[90] It should be noted however that there remains significant community opposition to the project, whilst the recent changes in UK government support for onshore windfarms may also be a threat to this development.

13.2.7 Whilst the project is of huge significance in its own right, it will also address the most significant impediments to renewable energy development on the islands, the lack of a high voltage connector cable with the Scottish mainland. This connection is expected to be delivered through the Viking Energy project and would provide scope for additional renewables projects in Shetland, including smaller developments in North Yell and South Unst. In Yell, there are plans for an array of 17 very large turbines, which presents a significant opportunity for the island.[91]

13.2.8 Tidal energy is also an important opportunity for Shetland and an array of five tidal turbines is currently being installed into the Bluemull Sound.[92]

Key Point: The realisation of a high voltage connector cable between the Shetland Islands and the Scottish mainland could offer significant opportunities in the renewable energy sector for Shetland, including in communities like Yell and Unst, which have ambitions in this area.

Broadband

13.2.9 Evidence from island and rural locations across the UK has demonstrated the role that broadband and good quality mobile phone coverage can play in supporting population retention, business development and spatially balanced economic development. For example, recent research undertaken by PBA found that, in various islands in the Clyde & Hebrides, there was a marked increase in the number of people working from home between the 2001 and 2011 Censuses, with numerous start-up businesses establishing markets beyond their immediate locale.

13.2.10 Broadband access is clearly important to future employment opportunities. However, it also affects quality of life and decisions on where to live. An increasing amount of public services are delivered online as part of the move towards efficient government. Downloading and watching films is becoming a more important part of home entertainment, while participation in social media is now important to most younger family members in particular.

13.2.11 The Shetland Islands already have relatively high quality broadband but the Council is considering further opportunities in relation to superfast broadband.

[90] http://www.vikingenergy.co.uk/the-project

[91] http://www.shetnews.co.uk/newsbites/11345-wind-farm-consultation

[92] http://www.shetnews.co.uk/news/8709-bluemull-sound-to-get-array-of-five-tidal-turbines

13.2.12 Superfast broadband was introduced into the islands recently and it is anticipated that coverage will extend to 75% of Shetland homes by 2016.[93] However, islands outwith Shetland mainland will remain less well connected and a business case is currently being prepared for the wider roll-out of broadband, which it is believed could be transformative (the aim is ultimately to bring all areas up to city standard).

13.2.13 Fetlar currently works on radio-based broadband system and a similar option is being considered for Fair Isle.

Key Point: High quality digital connectivity is of fundamental importance to the economic future of the Shetland Islands (both mainland and the outlying islands). Evidence from Shetland and other islands & remote mainland areas across the UK suggests that high quality broadband reduces the distance to market and provides significant opportunities for new business start-ups and remote working. This in turn can encourage population retention and growth. Whilst there may be a downturn in trip-making per head of the population, there may be a growth of the population overall and a rebalancing of the age profile of that population (as has been seen in the Western Isles).

Remote Working

13.2.14 Tied to the issue of enhanced digital connectivity is the potential for increased remote working. This is an aspiration which has been expressed through consultation in all of the islands being considered as part of this study. Full-time or part-time remote working (with the other portion of the week being spent in a 'fixed' location) is seen as an important opportunity for the islands, particularly those most distant from Lerwick.

13.2.15 At present, there is significant commuting from the likes of Yell, Whalsay and Skerries, with the latter often being multi-day commuting. Remote working could potentially reduce the overall level of commuting, increase the disposable income of islanders and promote population retention / in-migration. It could also help reduce the increasing centralisation of employment opportunities and services in Lerwick, which is perceived negatively amongst islanders.

13.2.16 The implications for the inter-island transport system are twofold. On one hand, the overall volume of travel would likely be reduced. However, remote working, allied with other positive developments, may assist in population retention and attracting in-migration, thus increasing the overall size of the market.

Key Point: Increased remote working and reducing the concentration of economic activities in Lerwick could assist in population retention in growth, particularly in the most remote and fragile islands. Allied with improved broadband, there is the potential to hold down a Lerwick job (for example) without the need for daily long-distance commutes.

Education

13.2.17 It should also be noted that the Council's *Blueprint for Education* proposes a reduced number of secondary schools including the closure of some island schools. It is our understanding that this policy has now been implemented but it is worth noting that any future loss of island schools could have a longer-term impact on population sustainability.

Key Point: The retention of island schools is an important element in maintaining and growing the population.

[93] http://www.shetlandtimes.co.uk/2014/10/15/superfast-broadband-arrives

13.3 Shetland-Wide Industry Sectors

13.3.1 This section briefly considers the future industrial structure of Shetland as a whole in the years ahead. The analysis is largely informed by a recent HIE report considering *Worker Accommodation Demand* in Shetland. The purpose of this section is to consider the future economic structure of Shetland and the potential implications for the islands.

Fisheries

13.3.2 The fisheries sector is of critical importance to the Shetland Islands, as previously evidenced by the regional accounts. The fishing sector overall is in good health and there are promising signs for the future in the likes of aquaculture, pelagic and whitefish. Importantly, the fishing sector has not been distorted in the manner of the wider economy by the Total Gas Plant project – wages remain competitive and the Shetland product carries a premium.

Key Point: The fisheries industry will continue to play the central role in the Shetland economy over the strategy period.

Oil & Gas

13.3.3 The oil industry has been the enabler of the rapid investment in Shetland over the last 40 or so years. Whilst a mature industry, there remain significant opportunities for Shetland in this field. Of particularly relevance is the West of Shetland (WoS) licencing areas, which are seen to be the big growth area from exploration and production (E&P). The recent HIE study noted that there expected to be sufficient oil & gas activity to keep the Sullom Voe terminal open to 2040, which is of critical importance to Shetland generally and proximate islands like Yell and Whalsay. Indeed, the creation of a new Gas Sweetening Plant (BP) at Sullom and the new Total gas plant for the Laggan / Tormore field has given rise to new opportunities for Shetland as a whole.

13.3.4 In addition, there are other players considering options for using Shetland as the WoS area is believed to account of 50% of new UK reserves (in 2007), which is equivalent to £942, barrels of oil equivalent (boe). As well as the direct benefit to Shetland, all of this activity stimulates additional onshore activity for e.g. port & harbour facilities, fabrication, transport operators, hotels etc.[94]

13.3.5 However, whilst the hydrocarbon industry will continue to be a key source of income, employment and GVA for Shetland, it is important to acknowledge that it is a mature industry, whilst the collapse in world oil prices which occurred in 2014 is bringing into question the short-term viability of E&P activities in several fields. The UK Department of Energy & Climate Change is forecasting a significant reduction in oil production over this strategy period, declining from 42 million tonnes of oil equivalent in 2014 to 32 million in 2020 and 19 million in 2030.[95]

13.3.6 The Total Gas Plant will also offer relatively secure and high-paid employment.

Key Point: The oil & gas industry will continue to be a critically important industry over the strategy period, with the West of Shetland fields suggesting performance in the oil industry will be strong over the next 30 years. However, it is a mature industry and will gradually run down over the next 30 years, whilst there are also significant headwinds at present in terms of the sustained low oil price, which is impacting on E&P activity.

[94] *Worker Accommodation Demand in Shetland* (HIE, 2015), pp. 3-4.
[95] *UKCS Oil & Gas Production Projections* (Department of Energy & Climate Change, 2015), pp. 1-4.

Decommissioning

13.3.7 Decommissioning is a relatively young sector, but it has a market which offers huge long-term potential, with consultees noting that there will be an estimated £40 billion of investment anticipated over the next 40 years. In addition, a successful decommissioning industry will also help to cushion Scotland against the gradual rundown of activity in the oil and gas sector, absorbing surplus employees / business output and providing an ongoing income stream for ports and harbours.

13.3.8 Decom North Sea, the industry body, has attempted to forecast decommissioning activity to 2040, the results of which are shown in the figure below:

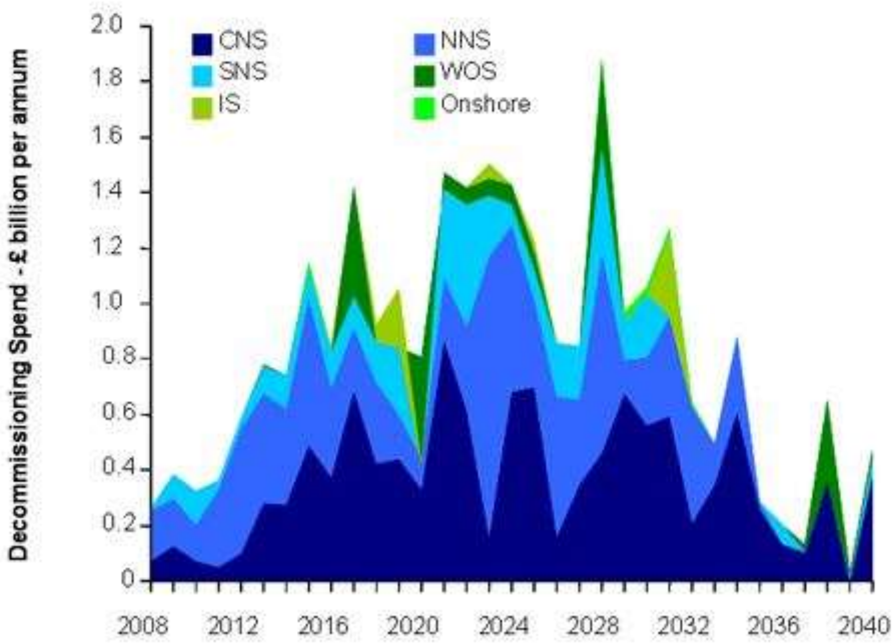


Figure 13.1: Decommissioning Spend (£Billion Per Annum)[96]

13.3.9 As can be seen from the above figure, the peak of decommissioning activity is likely to occur in the 2020s, driven principally by decommissioning in the Central and Northern North Sea. Shetland is well-placed to attract some this business, with Lerwick identified as one of a handful of Scottish ports with the capabilities to potentially accommodate single-lift (with trans-shipment by barge) or reverse installation decommissioning.

13.3.10 Lerwick Port Authority (LPA) has made significant investment at the Greenhead Base and Dales Voe and now has high quality infrastructure for decommissioning. In addition, Shetland has a highly skilled and well-established supply chain which could support this industry. However, this will be a very competitive field, with Norway and north-east England already recording a number of successes in this area.

Key Point: Decommissioning offers a significant opportunity for the Shetland Islands, but it will be a highly competitive market. The timing of decommissioning remains somewhat uncertain at this stage but it is anticipated that the peak of decommissioning could be in in the 2020s. This may be pushed back further by the low price of oil, which may lead to fields becoming exhausted less quickly.

[96] http://www.decomnorthsea.com/market2.cfm?main_ID=5

Renewable Energy

13.3.11 Renewable energy is another potential growth area for Shetland. The HIE report explains that the industry is still in its infancy but there could be major development of onshore wind (Viking and other projects in Yell, West Mainland and South Mainland, as well as in Lerwick) and tidal & wave devices. However, the report explains that wave & tidal may not develop to any significant extent until beyond the next ten years, whilst renewable energy development generally may be constrained until an inter-connector is provided. The recent switch of UK government subsidies away from onshore wind power is also a threat in this respect. Overall, however, renewable energy is a key area of future growth for Shetland.

Key Point: Renewable energy is a key area of future growth for Shetland, but unlocking this potential will require the realisation of the inter-connector project and a favourable policy environment.[97]

Tourism

13.3.12 The tourism sector in Shetland is in its relative infancy and is to some extent constrained by both distance and the cost of getting to the islands. Whilst the industry currently generates around £16 million per annum (2012/13), it is seen to have potential for further growth given the range of attractions, events and activities available in Shetland. The reduction of hotel block booking once the work at the Total plant is complete will assist this industry.[98]

Key Point: Tourism has significant growth potential but is starting from a very small base.

Creative Industries and Food & Drink

13.3.13 HIE note that creative industries are a growth sector nationally with evidence of increased activity and potential in Shetland. There has been a resurgence of interest and activity especially in textiles and other crafts, which is supported by new developments and activities such as Mareel (the new arts centre), with a UHI Chair of Creative Industries having been established in Shetland. The range and quality of craft goods being produced has grown significantly and the annual craft fair was the largest ever in 2014. Food & drink is also an important growth area for Shetland, with several niche firms such already established or currently being set up.

13.3.14 Both creative industries (particularly at 'cottage industry' level) and food & drink are important in the islands and offer opportunities for nice, differentiated and high value product lines. However, as with tourism, this remains relatively small-scale in nature.[99]

Key Point: The creative industries and food & drink sectors offer growth opportunities for Shetland, particularly in the islands. However, these are again relatively small scale industries.

Public Sector

13.3.15 As evidenced by the Regional Accounts, the public sector has been and continues to be a key employer and source of income. This is particularly the case on smaller islands where local authority employment on the ferries, education, health services etc is critical to island sustainability. However, recent reductions in public expenditure has weakened public sector employment (some 500 jobs have been lost in recent years) and there is little expectation that this will increase again.

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[97] *Worker Accommodation Demand in Shetland* (HIE, 2015), pp. 6.
[98] *Worker Accommodation Demand in Shetland* (HIE, 2015), pp. 6.
[99] *Worker Accommodation Demand in Shetland* (HIE, 2015), pp. 7.

Key Point: The public sector in Shetland is relatively large and of critical importance for employment & income, particularly in smaller islands. Public sector employment will continue to play a key role in the years ahead, but there is unlikely to be much in the way of employment growth.

Summary

13.3.16 There no published economic forecasts on the future of the Shetland Islands and, even if there were, the economy is highly exposed to a range of external factors such as the global oil price and trends & legislative changes in the fisheries market. Nonetheless, we have attempted to set out the potential opportunities and threats facing the islands in the bullets below:

Opportunities

- All elements of the Shetland fisheries industry continue to remain steady / grow, with new technology such as e-auctions allowing a quicker and more productive route to market.
- The oil price recovers to the extent that it makes E&P in WoS fields economical over the strategy period. This in turn ensures a positive future for Sullom Voe.
- Decommissioning activity comes forward in the 2020s and Shetland wins its target share of that work.
- Shetland benefits from investment in a connector, which allows for the realisation of the proposed and other additional renewable energy projects.
- Tourism and creative industries demonstrate strong growth – this could be driven by enhanced digital technology offering better access to customers and improved marketing.
- The public sector enters a period of stability. Remote and home working becomes more widespread.

Threats

- There is a sharp reduction in average wages following the completion of the Total project.
- The fisheries industry suffers from increased competition, new regulations which inhibit performance and / or general loss of market share.
- Sustained low oil prices lead to the cancellation of E&P projects, with knock-on impacts for onshore activities.
- Decommissioning comes on stream later than anticipated or the work is lost to other areas of Scotland or other North Sea countries
- The connector to Shetland is not provided, inhibiting renewable energy projects.
- Tourism and creative industries do not grow at the anticipated rates.
- Ongoing public sector spending reductions.

13.4 Shetland Islands Council Local Development Plan

13.4.1 The Shetland Local Development Plan (LDP) 2014 was adopted by the Council on 26th September 2014 and is the established planning policy for the islands. The Shetland LDP sets out a Vision and Spatial Strategy for the development of land in the Shetland Islands over the next 10-20 years. It is therefore an important indicator of what level and types of development may come forward on the islands and the potential implications for the inter-island transport services.

Proposed Development Sites & Applications

13.4.2 Shetland has opted for a developer-led allocations based system. Between March 2010 and April 2012, the 'Call for Sites' process invited developers and landowners to submit potential development sites for consideration. Many landowners have come forward with their aspirations for development but without detailed plans. Therefore these areas have been assessed as 'sites with development potential' and will progress to an allocation status through the Action Programme when more detailed proposals are established.

13.4.3 A function of the Plan is to meet the requirements of the Local Housing Strategy (LHS) in providing a generous and developable land supply for housing. The Plan has identified sufficient land throughout Shetland to meet the requirements of the LHS. The Plan is also required to identify land suitable for other uses such as industry.

Areas of Best Fit

13.4.4 In 2004, the Community Planning Board agreed on seven localities for Shetland (localities with implications for this study are highlighted in red):

- North Isles
- Whalsay & Skerries
- North Mainland
- West Mainland (although this includes Foula & Papa Stour)
- Central
- Lerwick & Bressay
- South (although this includes Fair Isle)

13.4.5 The localities provide a basis for service planning at a local community level. The Areas of Best Fit (AoBF) have been identified to provide a focus for growth within and adjacent to the largest community in each locality and the large islands in Shetland, whilst recognising the dispersed settlement pattern of Shetland. Within AoBF amenities such as schools, shops, employment and essential infrastructure are all readily available through a range of sustainable transport options; and will support large, medium and small scale developments.

13.4.6 Each locality has an AoBF and these have been identified as (AoBFs with implications for this study are highlighted in red):

- Baltasound (Unst)
- Mid Yell (Yell)
- Symbister (Whalsay)
- Brae
- Aith

- Scalloway
- Lerwick
- Sandwick

13.4.7 Whilst areas outwith the AoBFs are not excluded from development, the focus of development is generally on areas with existing transport links and facilities.

Key Point: The AoBFs identified in the Local Plan suggest a concentration of development (from an island perspective) on Unst, Yell and Whalsay.

13.4.8 The individual island profiles contained in section 13.5 below set out the identified 'sites with development potential' for each community.

Housing

13.4.9 Housing applications and completions in the islands have been in single-digits in recent years, with very little social housing constructed in the islands. In terms of housing, the Local Plan states that new developments should, where possible, be concentrated in AoBFs (mandatory for developments in excess of 50 units or two hectares).

13.5 Shetland Partnership Community Plan

13.5.1 The LDP is supplemented by the Shetland Partnership Community Plan 2013-2016. This plan brings together the public, private and third sectors with a view to developing a plan which will support in delivering the local authority's Single Outcome Agreement (SOA). However, it should be noted that the plan horizon is relatively short, running only up to the end of 2016.

Key Community Plan Outcomes

13.5.2 Community Planning in Shetland aims to make the islands the best place to live and work by helping create communities which are wealthier & fairer; learning & supportive; healthy & caring; safe; and vibrant & sustainable. In order to frame the priorities for the Community Plan, a scenario planning exercise was undertaken in 2011.

13.5.3 The Community Plan is very much pan-Shetland but, under the economic growth outcome, there are a series of proposed actions which could support the islands, namely:

- Create an implement a Renewable Energy Development Plan.
  - This could assist islands such as Yell and Unst which have aspirations in the renewable energy field.
- Create a working group and develop a five year plan to attract people to Shetland to live, work, study and invest.
  - An larger population overall would enhance the prospect of island communities in attracting new in-migrants.
- Commitment to deliver Next Generation Broadband to at least 75% of the Shetland population by 2016

- Whilst this is unlikely to reach the islands in this wave of the rollout, the long-term opportunities presented by broadband are significant, as already illustrated by the significant increase in working from home in recent years.[100]

13.5.4 The realisation of the Community Plan overall would make the Shetland Islands a more attractive place to live work and invest, with an uplift in population potentially promoting life in the islands.

Key Point: The realisation of the short-term goals of the Community Plan and the longer-term intentions entailed within it would offer significant opportunities for the islands included within this study.

13.6 Future Planning Horizon – Island Communities

13.6.1 This section considers the future planning horizon of the nine island communities. It is based on a review of allocations within the LDP, actions in Community Development Plans and the findings of consultations with the Council and HIE. The purpose of this section is to set out the key issues which may impact on travel demand to and from the nine islands over in the medium to long-term. We have also tried to set out factors which could impact on positive or negative growth scenarios for each island (although it should be noted that this is very uncertain).

13.6.2 Each of the nine islands which are the subject of this study face different challenges and opportunities. However, it is important to acknowledge that the five islands with the sub-100 population (Fair Isle, Fetlar, Foula, Papa Stour and Skerries) are inherently more vulnerable than the larger islands and the mainland. Bressay is also facing challenges but its proximity to Lerwick provides it with a range of opportunities that the smaller islands do not perhaps have access to. The more fragile communities are overall very vulnerable to small changes in the prevailing economic circumstances and small losses of population.

The Outer Isles

13.6.3 A further key point with the Outer Isles is that the distance of the transport connections and low population means that transport services are relatively infrequent. This places an increased emphasis on service reliability. If a flight or sailing is cancelled, it can be a significant length of time to the next departure (scheduled or rescheduled). Reliability is also important in terms of transport integration and in allowing secondary school children to get home at the weekends. The Lerwick – Aberdeen ferry service is also infrequent and thus the reliability of infrequent inter-island connections is critically important.

Bressay

13.6.4 The picture on Bressay is somewhat mixed. The recent decline in the population of the island and the loss of local services has damaged the sustainability of the island to some extent.

13.6.5 However, the Bressay situation is somewhat different from other islands in that a number of the recent changes have been driven by the centralisation of services in Lerwick. This is a good example of the double-edged sword of good transport connectivity – ie whilst proximity to Lerwick has impacted on local services, it also ensures Bressay residents have access to a much wider range of jobs and local amenities, whilst still obtaining the benefits of island life. Whilst the Community Plan has a longer-term objective to reduce the centralisation of services in Lerwick, it is likely that Bressay will become ever more dependent on the island capital. This has implications for the ferry service in that, assuming a relatively fixed population, ferry carryings can at least be expected to be stable, if not increasing over time.

[100] Shetland Partnership Community Plan (Shetland Partnership, 2013), p. 19.

13.6.6 In terms of on-island opportunities, HIE explained that a Bressay Development Company has recently been formed, with a focus on opportunities in the likes of the tourism and creative industry sectors.

13.6.7 An opportunity of more strategic importance for Bressay would be the potential expansion of the port of Lerwick to the east side of the harbour (i.e. Bressay). The harbour is currently relatively constrained in terms of expansion capacity on the Lerwick side and thus Bressay presents an opportunity, albeit the land on that side of the harbour is not owned by Lerwick Port Authority. However, in order to realise any significant expansion of the port, it is likely that a fixed link would be required between the mainland and the island, as working around a ferry connection would not be ideal (and is one of the cited reasons for the failure of the floating drydock previously located on the Bressay side of the harbour).

Sites with Development Potential

13.6.8 There are two identified sites with development potential in Bressay – these are set out in the table below:

Table 13.1: Sites with Development Potential[101]

Ref	Site Address	Current Use	Potential Future Use	Comment
BR001	East Ham, Bressay	Residential	Housing	This site is proposed for small scale housing development
BR002	Ham, Bressay	Crofting	Mixed Use	This site is proposed for small scale housing development

Key Point: Whilst Bressay has faced a number of recent challenges, its proximity and excellent connectivity to Lerwick offers a wide range of opportunities for the island. There are also plans for more local development on Bressay. Over the piece, demand for transport between Bressay and the mainland is likely to be at least steady, if not increasing over the plan period

Opportunities

- Proximity to Lerwick married with attractiveness of island life may help to sustain and grow population.
- The Bressay Development Company may realises= sought after growth in tourism and creative industries sector.
- A fixed link could open up opportunities for expanding the port of Lerwick to the east side of the harbour.

Threats

- The centralising effect of Lerwick may continue to draw population from Bressay, undermining sustainability.
- Developments in the tourism and creative industries may not materialise as planned.

[101] Shetland Local Development Plan (Shetland Islands Council, 2014), p. 76.

Fair Isle

13.6.9 The Fair Isle Development Plan has set out a number of ambitious projects to secure the future of the island. The aim is to reverse the recent population decline and address the issue of an ageing population and the threat which that poses to the sustainability of services.

13.6.10 The plan's proposals for developing the island include attracting up to 10 new people to the island in the next three to five years (growing the population by almost 20%), as well as creating and improving properties in the isle. There are also plans to upgrade and future-proof the island's electricity supply, whilst the islanders are working with Community Broadband Scotland to improve digital connectivity. Fair Isle will also continue to be attractive to tourists, particularly those visiting the high quality bird observatory on the island.

13.6.11 Whilst there are a range of ambitious plans for Fair Isle but the Development Plan and numerous consultations over the year have highlighted the current transport connectivity of the island as a key constraint. The capacity limited air service coupled with the long, exposed and relatively uncomfortable ferry crossing is seen to be a deterrent to growing the population and attracting investment into the island. It can be argued that this issue requires to be resolved if the objectives of the development plan are to be delivered.

Sites with Development Potential

13.6.12 There are no designated sites with development potential on Fair Isle.

Key Point: There are ambitious plans for the development of Fair Isle, principally aimed at putting the population on a more sustainable footing (in terms of both absolute numbers and the age profile). However, current transport connectivity is seen to be a significant inhibitor to realising this growth.

Opportunities

- The Fair Isle Development plan may assist in the realisation of population growth and the attraction of new younger families.
- Tourism may continue to grow on the island, particularly in relation to the observatory.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.

Threats

- The population level may fail to recover undermining key services.

Fetlar

13.6.13 Fetlar has found itself in an increasingly precarious position in recent years. In order to address this, the Fetlar Development Company was setup and published a Community Development Plan to support the growth of the island. The Plan sets out a series of short to medium-term actions, which are intended to assist population recovery and promote economic development. These include:

- The funding and construction of three 'gateway houses', providing potential in-migrants with the opportunity to experience Fetlar life before committing to the island.
- Securing of land and funding for a growing project plus classes in horticulture and food preparation. This would support the growing of local produce and reduce the external supply chain dependence to a small degree.

- The development of partnership working with other North Isles development companies, promoting joint working and initiatives like the 'Go North for Growth' tourism project.
- Exploring the feasibility of an income generating turbine for the island.
- Securing and further developing the island's broadband, offering more opportunities for remote working and hence population retention.
- Investigation of options for a small scale spinning mill on Fetlar, with the capability to handle organic yarn.
- Encourage more people to join the locally retained firefighters.
- Lobby for the retention of the island nurse and upgrades to the island airstrip to ensure emergency evacuation.[102]

13.6.14 The realisation of the proposals put forward in the Community Development Plan would assist in checking population decline and potentially encourage growth through fostering on-island opportunities, retaining key services and promoting remote working. Fetlar's transport connections will be an important enabler of the plan. The frequency of ferry services appears reasonable although there may be specific issues around sailing times.

Sites with Development Potential

13.6.15 There are no designated sites with development potential on Fetlar.

Opportunities

- Enhanced broadband and digital connectivity may provide potential for remote working and home-based businesses.
- Public sector employment may remain stable.
- The population could increases and the average age could be reduced.
- The initiatives of the Fetlar Development Company may be successful, particularly in tourism and creative industries.

Threats

- The population of the island may continue to decline as residents move away to Lerwick and elsewhere.
- There may be further public sector spending reductions.
- The Fetlar Development Company may not realise its objectives.

Foula

13.6.16 Given the geography, population and industrial base of Foula, there is unlikely to be any significant developments on the island over the period of the plan. The key for Foula is likely to be maintaining the population base, lowering the average age of residents and retaining key services. Transport connectivity will be an important element of this, particularly in terms of the cost of accessing services and the amount of time on the mainland in any given day.

[102] Fetlar Community Development Plan (Fetlar Development Company, 2012), pp. 12-13.

However, transport is only one of a number of complex factors which will shape the island's future.

Sites with Development Potential

13.6.17 There are no designated sites with development potential on Foula

Key Point: There is unlikely to be a significant change in the transport needs of Foula over the plan period, although improved accessibility to key services and increased time on the mainland could assist in sustaining and developing the population.

Opportunities

- The population may remain stable and could be supported by ongoing public sector employment in the island.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.

Threats

- Public sector spending reductions and / or a lack of economic opportunities in the island could threaten sustainability in the long-term.

Papa Stour

13.6.18 Like Foula, there is no planned development for Papa Stour – the key for this island will again be retaining and growing the existing population. The connectivity of Papa Stour may appear relatively good considering the population, but exploration of the issues islanders have with the current ferry service will be an important element of this study.

Sites with Development Potential

13.6.19 There are no designated sites with development potential on Papa Stour.

Key Point: There is unlikely to be any major change in the demand for travel amongst Papa Stour residents, although reviewing and resolving the issues have with the current ferry service will be an important element of this study.

Opportunities

- The population may remain stable and could be supported by ongoing public sector employment in the island.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.

Threats

- Public sector spending reductions and / or a lack of economic opportunities in the island could threaten sustainability in the long-term

Skerries

13.6.20 The Skerries have faced in a number of economic difficulties in recent months, principally in relation to the closure of the salmon farm and associated processing facilities. However, the

Council explained that they are a resilient community and are likely to recover from the recent issues.

13.6.21 The consultations identified a significant proportion of weekly out-commuting from Skerries to the mainland. A key issue to be explored in this study is the extent to which transport connections can either facilitate additional on-island industry or, more realistically, support affordable day commuting to the mainland. Community ownership of the ferry service was previously considered but never progressed, a further issue to be explored in this study.

Sites with Development Potential

13.6.22 There are no designated sites with development potential on Skerries.

Key Point: There is little in the way of proposed development in Skerries and the island chain is currently going through a challenging period. The key issue with regards to transport connectivity is the extent to which day commuting to the mainland can be supported and / or whether current connectivity is preventing valuable on-island opportunities materialising.

Opportunities

- The Population may remain stable and could be supported by ongoing public sector employment in the island.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.
- Improved connectivity to Lerwick and / or economic development on the island could support growth in the population.

Threats

- The lack of opportunities on the island, coupled with the recent downturn in the island fisheries industry could lead to an ongoing decline in population and could threaten key services.

Unst

13.6.23 As explained previously, Unst suffered significantly as a result of the closure of RAF Saxa Vord in 2006, with series of other economic blows preceding this. In order to provide an economic direction for the community, the Unst Partnership was setup in 2000 and has overseen a series of initiatives promoting the island.

13.6.24 The most recent plan runs from 2014-17, but sets out the long-term direction of travel for the island. The three key objectives for the above plan period are:

- The securing of next generation community broadband for the North Isles;
- Development of a waste management facility on Unst.
- Development of renewable energy options for the island.[103]

13.6.25 These plans supplement ongoing work in marketing & promotion, tourism and the Halligarth Visitor Centre project.

[103] Unst Growth & Business Plan 2014-17 (The Unst Partnership, 2014), pp. 10-15.

13.6.26 The efforts of the Partnership and the community generally have helped to stabilise the island following the economic traumas of the last 10-15 years.

13.6.27 HIE explained that the economy is nonetheless still relatively narrow, although there has been some diversification into tourism (including internal Shetland day-tripping), whilst the UK's most northerly whisky / gin distillery is planned at the Saxa Vord site, which would complement the Shetland Valhalla Brewery on the islandwith Cooke Aquaculture employing around 100 people between Yell and Unst. Food & drink is also a key growth sector for the island.

13.6.28 HIE noted that the restoration of fares to the Bluemull Sound has been an issue for Unst residents, reducing the amount of commuting, business and leisure undertaken in neighbouring Yell.

AoBF

13.6.29 Baltasound has been identified as an AoBF and should be the focus of any future growth in the Unst.

Sites with Development Potential

13.6.30 There are no designated sites with development potential on Unst.

Key Point: Unst has had its economic challenges in recent years but has now stabilised to some extent, albeit with a smaller population. There are also promising signs of diversification in the local economy, with tourism and food & drink being key growth industries. The work of the Unst Partnership may also stimulate population growth, although the reintroduction of fares onto the Bluemull Sound has been an issue for the island. Good transport connectivity will be important in ensuring the realisation of the stated opportunities in Unst.

Opportunities

- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.
- Public sector employment may remain stable.
- Unst could successfully realise opportunities in renewable energy, tourism and creative industries.
- The ferry service continues to make mainland employment opportunities commutable.
- Aquaculture may continue to demonstrate strong growth.

Threats

- The failure to realise the numerous opportunities for the island and / or a reduction in public sector spending could lead to a loss of population and could put pressure on key services.

Whalsay

13.6.31 Whalsay is currently a strong and stable island. The ability to commute to the mainland for work on a daily basis provides diversity in an economy dominated by the fishing sector. However, there have been long-term concerns (stretching back to the STAG appraisal for the island which commenced in 2005) about the extent to which lack of capacity on the ferries is constraining the island's growth. This is a key issue for this study to explore.

13.6.32 The cost of commuting is also seen to be a key issue for islanders, particularly amongst younger people. The consultation with HIE suggested that those in the 16-30 age group are now frequently leaving the island to live on the mainland, leading to a 'missing generation'. HIE also explained that the recent cuts in the ferry services, particularly at the weekend, have exacerbated this issue.

AoBF

13.6.33 Symbister has been identified as an AoBF and should be the focus of any future growth in the Whalsay. Given the relative prosperity of the island, it is possible that there may be developments around the Symbister in the years ahead.

Sites with Development Potential

13.6.34 There are no designated sites with development potential on Whalsay.

Key Point: Whalsay is an island with a strong and stable population and economy, although like all islands, it does have problems in terms of connectivity. It is argued that capacity issues on the ferry, combined with the cost of travelling and the reduced weekend timetable post-cuts have had a cumulative negative effect on the island, leading to the out-migration of younger people.

Opportunities

- The fishing industry, particularly in the pelagic sector, may continue to experience strong growth.
- The ferry service continues to provide effective connectivity to employment opportunities on the mainland and at Sullom Voe.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.
- Public sector employment may remain stable.

Threats

- A downturn in the fishing industry could have a highly negative impact on the island.
- The post-Total economic readjustment could have a negative impact on the island.
- Public sector spending / employment reductions may impact negatively.
- Sustained low oil prices may negatively impact on employment in the oil industry.
- Lack of capacity / frequency on the ferries could reduce opportunities to work on the mainland and could lead to families leaving the island.

Yell

13.6.35 Like Whalsay, Yell has a stable population, with good commuting opportunities to relatively local jobs in Sullom Voe.

13.6.36 The Council believes that Yell has a positive future, given its stable population and involvement in key high value sectors such as aquaculture, whilst it also has good on-island services. The realisation of the proposed windfarm development on Yell and improved broadband would contribute to this positive picture overall. Despite the positives, the distance of Yell from the job and leisure opportunities in Lerwick does put a certain pressure on the island.

13.6.37 Aquaculture is a key sector locally. – Cooke Aquaculture employs a large number of people and has expanded its operations in Yell recently. The Cullivoe Ice Plant produces 30 tonnes of ice per day. Yell is also home to Sellafirth Business Park, which hosts Global Yell (spread across two units) and the Shetland Gallery. Currently, there is only one unit vacant at Sellafirth Business Park and HIE is aware of interest from local businesses in occupying this final unit.

13.6.38 HIE note that a key constraint facing Yell is a lack of housing (of the 'right' type at least) and visitor accommodation, although plans are afoot to convert the old junior high into accommodation.

AoBF

13.6.39 Mid Yell has been identified as an AoBF and should be the focus of any future growth in the Yell. Given the relative prosperity of the island, it is possible that there may be developments around the Symbister in the years ahead.

Sites with Development Potential

13.6.40 There are four identified sites with development potential in Yell – these are set out in the table below:

Table 13.2: Sites with Development Potential[104]

Ref	Site Address	Current Use	Potential Future Use	Comment
NI001	Ulsta, Yell	Grazing	Housing	This site is proposed for small scale housing development
NI002	Ulsta, Yell	Grazing	Housing	This site is proposed for small scale housing development
NI003	Setter, West Yell	Croft	Housing	This site is proposed for small scale housing development

Key Point: Yell is in a relatively favourable position overall, with a stable population, reasonable industrial mix and good connectivity. Maintaining and potentially improving this level of connectivity in years to come will be of importance to the island.

Opportunities

- The current strong economic base continues to perform well.
- The aquaculture sector may continue to grow and could create new job opportunities for the island.
- The ferry service continues to provide effective connectivity to employment opportunities on the mainland and at Sullom Voe.
- Enhanced broadband and digital connectivity could provide potential for remote working and home-based businesses.

[104] Shetland Local Development Plan (Shetland Islands Council, 2014), p. 77.

- Public sector employment may remain stable.
- The provision of a connector for Shetland could allow the island to realise its renewable energy potential.

Threats

- The post-Total economic readjustment could have a negative impact on the island.
- Public sector spending / employment reductions may impact negatively.
- Sustained low oil prices could negatively impact on employment in the oil industry.
- The lack of appropriate housing stock could limit population growth and economic development.