

Cabinet Secretary for Rural Affairs and Islands  
Mairi Gougeon MSP



Scottish Government  
Riaghaltas na h-Alba  
gov.scot

T: 0300 244 4000  
E: scottish.ministers@gov.scot

Finlay Carson MSP  
Convener of Rural Affairs, Islands and Natural  
Environment Committee

[rural.committee@Parliament.Scot](mailto:rural.committee@Parliament.Scot)

19 August 2022

Dear Finlay,

### **Islands Bond Update**

I am writing with an update on our proposed Islands Bond policy, in advance of the publication of the consultation analysis and our official response on 19 August 2022.

To seek views on the Islands Bond proposal, an online public consultation was undertaken alongside 19 stakeholder engagement sessions and a further 12 on-island in-person events. An engagement session was also held with the [National Islands Plan Delivery Group](#) whose membership consists of representatives from all six island Local Authorities and other key islands stakeholders including Highlands and Islands Enterprise, Ferries Community Board, Development Trust Association Scotland, and Scottish Futures Trust.

Consultation respondents were fairly evenly split between those in favour and those opposed to the Bond, although it should be noted that those in favour of it were largely non-islanders. Island respondents raised several concerns, and many were not convinced that the proposed approach would achieve the objective of reversing population decline. However, islanders did welcome the greater focus on the importance of addressing population decline, as well as the commitment to work with communities to develop local solutions.

The delivery of the Islands Bond has been very carefully considered following this feedback, and within the context of our wider focus on addressing depopulation.

At the meeting of the Convention of the Highlands and Islands (CoHI) in March 2022, I announced that the Scottish Government would be progressing with our National Islands Plan commitment to develop an Action Plan to address the challenge of depopulation, with a view to a draft publication in winter 2023.

This commitment will deliver against the [National Islands Plan](#) which has a specific focus on addressing population decline and ensuring a healthy, balanced population profile in our rural and island communities.

Therefore, based on the feedback of islanders, instead of delivering the Islands Bond, we intend to support the delivery of Practical Policy Tests to inform the Action Plan to Address Depopulation. We intend to utilise the information, learning and suggestions gathered through the Islands Bond consultation and engagement to shape these 'tests'.

My officials will now drive this work forward over the next 12 months by delivering interventions that respond to unique island needs. In this way, we will produce an Action Plan that will be shaped in close collaboration with island communities.

Fuller details of the Practical Policy Tests that will form part of the Action Plan will be available in due course.

The Islands Bond was never intended to be a silver bullet to address our island population challenges. Rather, it was just one element of our wider work across all Scottish Government to support island communities. The 2022 Islands Bond consultation, along with our continued engagement with islands through our delivery of the National Islands Plan, has provided invaluable feedback, helping us to better understand the challenges and opportunities in greater detail. We will continue to work with local authorities, our island communities and other island stakeholders to address these.

The Scottish Government remain fully committed to supporting our islands. Significant investment has already been made in key island-based projects, such as our £1.3 million contribution towards the rebuild of the Fair Isle Bird Observatory, and the £550K transformational Kerrera Road project.

Furthermore, we are investing £8.3 million this year to support delivery of the National Islands Plan and critical infrastructure projects based on local priorities. This is of course alongside further Scottish Government investment for transport, housing, digital connectivity and other key areas that support the sustainability of our islands.

Scottish Government support for islands, and progress made towards delivery of the National Islands Plan, is recorded in our annual report, presented to parliament each year. The first of these was the [National Islands Plan: annual report 2020](#), published 23 March 2021. The most recent report was the [National Islands Plan: annual report 2021](#), published 23 March 2022.



**MAIRI GOUGEON**

