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# Scotland's Rural College

### Case studies of island repopulation initiatives

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# **Rural Policy Centre**

# Case studies of island repopulation initiatives

January 2020

**Research Report** 

Leading the way in Agriculture and Rural Research, Education and Consulting

# Case studies of island repopulation initiatives

Rural Policy Centre Research Report

Jayne Glass, Rob Mc Morran, Sarah Jones, Carly Maynard, Marcus Craigie, Ashleigh Weeden

Rural Policy Centre, SRUC

January 2020

Research Deliverable 3.4.1 in the Scottish Government Strategic Research Programme (2016-2021)

# **Executive Summary**

The Scottish Government has recently made several policy commitments to stem rural depopulation and attract more people to live and work in rural and island communities. This report presents Scottish and international examples of successful policy interventions to support repopulation of island and remote rural communities, which could be piloted in similar communities in Scotland.

The report considers examples from six countries, including Scotland. The initiatives that are considered include:

Country	Initiative(s)	Main funding source(s)
Scotland	Argyll and Bute Rural Resettlement Fund	Public (Argyll and Bute Council)
Scotland	Orkney Gateway Homes, Empty Homes Officer and Property Matchmaker Scheme	Public (Orkney Isles Council)
Ireland	Arranmore Offshore Digital Hub and the #cominghome campaign	Public/private partnership (Donegal county council and Three Ireland)
Denmark	Friederikshavn experience economy and Settlement Service	Public (Friederikshavn municipality)
Faroe Islands	Vágur experience economy based on tourism, adventure and sports	Public (Vágur municipality) and community (crowd funding/crowd sourcing)
USA	Maine Island Fellows programme	Private (donations) and public (federal and other grants)
Canada	Fogo Island Inn and the Shorefast Foundation social enterprise	Private (individual benefactor)
Canada	The Coasters Association employment and youth recruitment and retention initiative	Public (CEDEC – Community Economic Development and Employability Corporation – and university bursaries)

The research involved a desk-based review of available documentation and an interview with a key contact with knowledge of each initiative or group of initiatives. Five topics are considered for each case study: the extent of the depopulation/repopulation challenge; key initiative(s) put in place to tackle the challenge; key successes; key challenges; and future plans and lessons for Scotland.

The case studies include a range of initiatives focussed on: attracting new residents to island communities and supporting their integration; improving the facilities/opportunities available to island communities to instil a sense of pride and greater attachment to place to encourage residents to return and/or not leave; diversifying the economic base to attract new, often mobile businesses; improving skills and employability; and providing adequate housing for new and/or returning residents.

The evidence from each case study revealed six cross-cutting themes which provide learning points for Scotland:

# 1. Financial resources are crucial

Across the case studies, success has depended heavily on a sound financial resource base from which to deliver projects over the short and long-term. The initiatives are supported financially via a range of models, including private donations and private investment, upfront grants from public-private partnerships, public funding at the municipal level, and crowd funding. In Scotland, private funding may be of growing importance in a political context which encourages investment by landowners and other businesses in local communities.

# 2. Holistic initiatives with a suite of measures are important

The case studies suggest that single, standalone initiatives will not address depopulation on their own. Across the case studies, there was a strong focus on complementary initiatives to promote the attractiveness of a region, raise awareness of opportunities, promote integration and, importantly, ensure availability of appropriate housing for new residents. In addition, wider factors play an important role in ensuring new residents stay in a remote/island community. Across the case studies, the availability of housing was a common theme.

# 3. Support from the community is key

While there is no 'one size fits all' combination of initiatives, successful approaches tend to have strong 'bottom-up' aspects (i.e. the receiving community has had a central role in designing and/or implementing the initiative, or the initiatives are place-based with significant community support). Nevertheless, it is important to note that all of the successful initiatives described in this report have also required 'top-down' support from a range of public agencies and other organisations to be successful.

# 4. New/returning residents and visitors need to integrate well to ensure they stay

Several of the case studies describe emphasis on welcoming and integrating new/returning residents and visitors so they become attached to the place. On one level, the focus is on ensuring new residents have the skills and understanding of the local community and economy to feel settled and welcome. On another level, initiatives seek to increase the diversity of the population. Overall, there appears to be a balance to be struck between encouraging young people to return (e.g. after university) and targeting new residents from other regions and/or countries. Those coming from other places, with no prior knowledge or experience of the receiving community, become more embedded with access to support.

# 5. Enabling a diverse economy presents opportunities

There are several examples of initiatives that have enabled a more diverse economic base to ensure people from across different job sectors can reside in remote/island regions. Of particular note is the focus on attracting people who are travelling/seeking new places to work temporarily ('digital nomads') and providing high quality digital services for them.

### 6. There may be unintended consequences

In the case studies, there are several examples of unintended consequences of the initiatives (both positive and negative). For example, although place-based initiatives that are well-supported by local communities tend to last over time, a negative unintended consequence can be the considerable reliance on volunteers and individual communities actors/leaders in their success. The range of initiatives that focus on promoting the attractiveness of islands tend to transform aspects of island life that may be seen as negative (e.g. remoteness, limited services) into more positive narratives about the cultural and environmental richness of these places. Similarly, the emphasis on interaction between residents and visitors has led to positive experiences and learning outcomes.

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# Introduction

In the Programme for Government (PfG) 2019-20, the Scottish Government recognises that rural Scotland makes a vital contribution to our national economy and that many young people wish to stay in the rural areas where they grew up. The Programme acknowledges that: "...we need to do more to stem rural depopulation and attract more people to live and work in rural and island communities. We will develop an action plan to support repopulation of our rural and island communities and work with partners to test approaches using small scale pilots in rural Scotland."

Following on from the Islands (Scotland) Act passed in 2018, Strategic Objective 1 of Scotland's Proposed National Islands Plan relates to '*Population Levels*' and is "*To address population decline and ensure a healthy, balanced population profile*".

Through Objective 5.3ii of Research Deliverable 3.4.1 of the Scottish Government Strategic Research Programme (2016-2021), this report presents evidence from examples of successful policy interventions to support repopulation of island and remote rural communities, which could be piloted in similar communities in Scotland.

Two case studies focus on interventions already in place in Scotland and five case studies look to other countries for insight and ideas. Each case study focuses on island and remote rural populations. The case studies have been chosen to ensure a mix of national contexts while also ensuring a high degree of policy transferability in terms of the national and regional contexts and specific relevance to policy development in Scotland.

Additionally, private sector involvement (and specifically job creation and business development support) is a feature in a number of the case studies. The case studies in this report are:

- 1. Scotland: Argyll and Bute Rural Resettlement Fund
- 2. Scotland: Empty Homes Officer and an Island Marketing Campaign in Orkney
- 3. Republic of Ireland: Arranmore Offshore Digital Hub
- 4. Denmark: Friederikshavn
- 5. Faroe Islands: Vágur, Suðeroy
- 6. Maine, USA: The Island Institute's Island Fellows Programme
- 7. Canada: Repopulation and community revival initiatives

For each case study, the following aspects are considered:

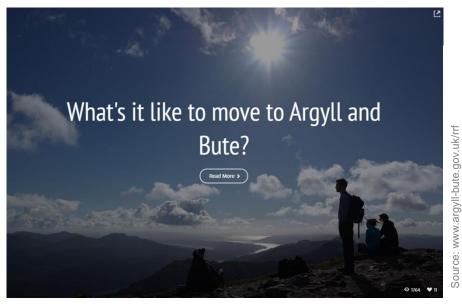
- The extent of the depopulation/repopulation challenge
- Key initiative(s) put in place to tackle the challenge
- Key successes
- Key challenges
- Future plans and lessons for Scotland

Information for each case study has been gathered via desk-based review and interviews with key contacts in the respective areas.

# 1 Scotland: Argyll and Bute Rural Resettlement Fund

# 1.1 The extent of the depopulation/repopulation challenge

With a population of 88,166<sup>1</sup> dispersed over 691,000 hectares, Argyll and Bute is the second largest and third most sparsely populated local authority area in Scotland (13 people per sq/km). The coastal region has a widely dispersed population, including 23 inhabited islands (more than any other local authority) which are home to 17% of the population. The region has a high level of self-employment (12.3%)



compared to the rest of Scotland (8.2%), evidencing the entrepreneurial nature of the population. In 2011, 75.6% of the working age population were economically active (similar to the Scottish level of 76.9%) and unemployment was lower than the national average<sup>2</sup>.

The population in 2011 (88,166) was 3.4% lower than in the 2001 census (91,306), with Argyll and Bute one of only four local authorities to record a reduction over this time period. The level of population change varied considerably across the region, with Oban, Lorn and the Isles experiencing a 4.3% increase, whereas Helensburgh and Lomond (-7.5%), Bute and Cowal (-4.8%) and Mid Argyll, Kintyre and Islay (-3.6%) all experiencing decreases. Population projections by Argyll and Bute Council suggest a continued population reduction of 7.2% from 2010 to 2035<sup>3</sup>. The region has a comparatively high number of second homes, in part due to the accessibility of the area from the Central Belt, resulting in relatively high house prices. Recent analysis of the Scotland's Sparsely Populated Areas (SPAs) shows this decline is likely to be most severe in the most sparsely populated parts of Argyll and Bute, with this analysis projecting a total decline for the region over the 2011-2046 period of over 30% of the population<sup>4</sup>.

The challenge of population decline is further exacerbated by a rapidly ageing population, with the working age population projected to decrease by 14% by 2035 (from 2011 levels) and the over 65 component to increase by nearly 40%<sup>5</sup>. As a result, the region faces a growing challenge of increasing service requirements and a declining proportion of economically active residents, requiring some of the highest net migration requirements of anywhere in Scotland to maintain their population. Combined, these factors led to growing political interest in

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<sup>&</sup>lt;sup>1</sup> 2011 census figures.

<sup>&</sup>lt;sup>2</sup> ONS Annual Population Survey 2012-2013 data, NOMIS, October 2013.

<sup>&</sup>lt;sup>3</sup> See <u>https://www.argyll-bute.gov.uk/rrf</u>

<sup>&</sup>lt;sup>4</sup> See <u>https://www.hutton.ac.uk/sites/default/files/files/research/srp2016-</u>

<sup>21/</sup>RD3.4.1%20Note%20WP1-3%20web%20-%20published.pdf

<sup>&</sup>lt;sup>5</sup> See <u>https://www.argyll-bute.gov.uk/rrf</u>

developing direct support for encouraging in-migration of individuals and business to the region (with similar approaches having been undertaken in Ireland previously). Argyll and Bute Council does not have a specific re-settlement policy, however encouraging in-migration and population retention is a major aspect of all council regional development and economic strategies.

# 1.2 Key initiative(s) put in place to tackle depopulation/repopulation and their origins

The Argyll and Bute Rural Resettlement Fund (RRF) was launched by Argyll and Bute Council in October 2016, with the aim of incentivising economically active young people (including self-employed people) and their families to take up employment in the region and to encourage micro and small and medium sized enterprises to relocate to the region. This aim directly reflects the challenges outlined above and specific objectives of the Local Outcomes Improvement Plan, Local Development Plan and Strategic Economic Development Plan. The RRF was established with a budget of £500,000, with £10,000 allocated for marketing, with the grant eligibility criteria developed by the council's Policy and Resources Committee. Three specific grants were made available:

- i. a personal relocation grant up to £5,000;
- ii. a self-employment relocation grant up to £5,000; and
- iii. a business relocation grant of up to £10,000.

The RRF grants operated on a first come, first served basis and were administered within the council's existing Economic Growth division by existing staff, many of whom had experience of administering other funding streams, including LEADER, the European Maritime and Fisheries Fund and EU Structural Funding. The council staff developed the eligibility criteria and maintained thorough evidence on claims and procedures throughout the process<sup>6</sup>.

To be eligible, applicants were required to be: i) based outside the region at the time of the application; ii) aiming to relocate permanently to Argyll and Bute; iii) not obtaining relocation expenses from a new employer in the region<sup>7</sup>; iv) not in debt to Argyll and Bute Council; and v) applying for the grant within three months of relocation and starting new employment in the region. Business grant applicants were required to have been trading for at least two years with at least one employee and less than 250 employees (paid at least the Scottish Living Wage) and an annual turnover of over £80,000. They also had to be able 'to demonstrate sustainability and growth potential with a business plan'. As with individual applicants, businesses were required to be located outside of the region, aiming to relocate permanently to Argyll and Bute and not yet committed to their relocation and set-up costs (and able to identify the specific costs they are seeking support for). Notably, business applicants were not eligible if buying an existing business located within the region or if already self-employed prior to their move. To mitigate the financial risk of applicants receiving grant funds and subsequently leaving the region, the awards were disseminated on a spend and claim basis,

<sup>&</sup>lt;sup>6</sup> An internal audit report noted a high mark for evidence and procedures.

<sup>&</sup>lt;sup>7</sup> In some cases it was possible within the eligibility criteria to supplement (top-up) relocation expenses obtained from a new employer where the funds obtained were below the grant threshold to bring the total amount obtained to the grant threshold of £5,000) subject to a clear rationale being provided and the funds being used specifically for moving costs.

with 25% of the grant award also retained until the applicant had resided in the area for one year.

During the life of the scheme (which was closed in May 2018) there were 208 enquiries logged and 111 applications submitted, with 79 grants awarded. The majority of applications (101) were to the personal relocation grant with 73 personal relocation grants approved and nine withdrawn. The self-employed grant received 10 applications with six approved (amounting to just over £28,000 in awards) and two withdrawn, with no successful grant applications for the business relocation grant. In total, £342,753.46 had been paid in claims by September 2018 (with £2,700.60 still to be claimed). The council's Policy and Resource Committee approved redirection of the remaining funds (£147,246) to support the growth of small and medium sized businesses that reflect the emerging vision and key themes of the Argyll and Bute Rural Growth Deal. Overall over half of the enquires received relating to the grant were ineligible either because they had already moved into the region and taken up employment, or were looking for support to start a business having already relocated to the region.

Throughout the life of the RRF, Argyll and Bute Council have promoted the fund across a variety of platforms. This included working with partner organisations, including Highlands and Islands Enterprise and Community Planning Partnerships, to engage their support in promoting the fund. Additionally, the RRF was promoted at recruitment events, local businesses known to be recruiting were contacted directly about the fund, and all local estate agents were provided with information and posters about the fund. Specific marketing techniques were also employed, including case studies of families who had successfully moved to the region shared on the council website, awareness raising through the BBC series 'Country Council', an advertising feature in The Herald and promotional campaigns through Instagram and Facebook.

# 1.3 Key successes

The RRF has been successful in disseminating funds to 79 separate successful applicants, where at least one member of the household had a local employment offer, with a total of 193 new residents (including 56 children) having relocated to Argyll and Bute with the support of the RRF<sup>8</sup> (or an additional 2.4 residents per grant), with the majority still living in the region. Eighteen of the 79 successful applicants relocated to an island community, resulting in 53 new inhabitants to island communities across Argyll and Bute. In remote and sparsely populated areas, even low numbers of young families was seen as having a disproportionately important impact on long-term community viability. The six successful self-employed applicants included fencing contractors, a baker and an engineer.

Based on an economic impact assessment<sup>9</sup> of the fund undertaken by Argyll and Bute Council, the RRF resulted in net employment gains of 74.61 Full Time Equivalent (FTE) jobs in Argyll and Bute and an estimated 77 FTEs in the rest of Scotland. Additionally, 56 applicants relocated with partners who may also have gone into employment – which was not accounted for in this study. The net Gross Value Added (GVA) of the RRF was estimated at £1.95 million for Argyll and Bute and £2 million for the rest of Scotland. The economic assessment assessed

<sup>&</sup>lt;sup>8</sup> For case studies of families who successfully relocated the region with the support of an RRF grant see here: <u>https://www.argyll-bute.gov.uk/rrf</u>

<sup>&</sup>lt;sup>9</sup> Economic Impact Assessment of the Rural Resettlement Fund (RRF) Report to the Argyll and Bute Council (Policy and Resources Committee) 2019.

applicant feedback which showed that while a variety of factors were important in influencing in-migrants, the financial support available from the RRF was an important factor as it helped make the move financially possible, with applicants indicating high satisfaction levels with the RRF process.

During the life of the RRF and following the scheme's closure, the fund also generated significant positive publicity for the council, including through social media and a strong online presence, the BBC and the national press. This was enabled in part by input from a council marketing officer in post at the time who supported the development of participant case studies.



Applicants' stories promoted on www.argyll-bute.gov.uk/rrf

# 1.4 Key challenges

A factor limiting the impact of the RRF has been the lack of uptake of the business relocation grant, with low numbers of enquiries and no business applications progressed. The RRF therefore failed as a stimulus for business relocations, with the exception of five self-employed people. This is likely to have been due to the funding limit of £10,000 for a business relocation grant being insufficient to encourage existing SMEs to move to the region<sup>10</sup>. This was partly addressed by the Policy and Resource Committee redirecting the remaining funds to assist the growth of SMEs (see above). Additionally, businesses were required to have been trading for one to two years as opposed to moving in and starting a new business (as business start-up funding was not available to existing residents). All of the seven enquiries for business relocation grants were either already committed to relocation, already located as a start-up within the region, or purchasing an existing business already located within the region – making them ineligible. These factors also limited the eligibility of applicants to the self-employed grant (with 10 of the 39 applicants funded).

A further challenge during the implementation of the RRF was the high number of enquiries to the scheme, which required significantly more staff resource commitment than anticipated during the life of the fund. The funding was not linked to any additional further support for additional staff time within the council, with costs subsumed into the existing council budget

<sup>&</sup>lt;sup>10</sup> The Business Gateway and other Economic Growth staff noted in the 2018 progress report on the RRF that the offer of £10k to move an established business into Argyll and Bute to meet the specific RRF grant criteria is insufficient.

and existing staff required to establish and administer the fund during the funding period, with both the establishment period and assessing grant applications requiring significant staff time.

# 1.5 Future plans and lessons for Scotland

The RRF has been successful in supporting in-migration and a strong level of interest has been shown in the fund processes and related outcomes. Even small numbers of new families are recognised as having a very significant impact, particularly in more remote island communities. Currently, there is no follow on funding available for continuing or reviving the scheme, reflecting wider funding cuts across the public sector. Furthermore, public funding cuts are also resulting in loss of employment within Argyll and Bute Council – potentially impacting negatively on population retention. The scheme has had clear outcomes and no obvious unintended consequences, with the process suggesting a number of lessons for the future:

- Collation of sufficient information from participants at the application stage for any grant scheme facilitates easier assessment of impacts. This allowed for the development of an economic impact assessment based on existing record of employment obtained, location of new-resident, children and partner/spouse. This allowed for sub-regional breakdown of scheme impacts and assessment of knock-on impacts e.g. family numbers etc.). A further area which was not recorded and would have been of value to the scheme was follow up on the employment gained by partners/spouses.
- **Promotion is an important component of any successful scheme** to ensure a high level of awareness and sufficient uptake and impact.
- Attracting businesses into the area is likely to require a larger grant and/or additional support within the area for business start-ups.
- Resourcing RRF-like schemes requires a significant amount of staffing input and time. As local authorities are under ever-increasing pressure to deliver existing workloads, new schemes may prove challenging to deliver if they are not supported by any additional staff resource funding.
- Direct support for in-migration (e.g. through in-migrant grants) offers scope for increasing in-migration. Nevertheless, wider factors are of major importance in ensuring sufficient opportunities exist for in-migrants, particularly in relation to economic growth and employment creation and the availability of affordable housing for young families.

### Sources

Progress of Rural Resettlement Fund 24<sup>th</sup> May 2018 Argyll and Bute Council Policy and Resources Committee. <u>https://www.argyll-</u> bute.gov.uk/moderngov/documents/s126653/Rural%20Resettlement%20Fund%20May%202018.pdf

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Ishabel Bremner, Economic Growth Manager Argyll and Bute Council.

# 2 Scotland: Empty Homes and an Island Marketing Campaign on Orkney

# 2.1 The extent of the depopulation/repopulation challenge

The Orkney Islands are composed of 70 islands, 19 of which are inhabited for either most or part of the year. In June 2018, Orkney had a population of 22,190, compared with 22,000 in 2017 (+0.9%), with this increase mainly driven by migration. Orkney has an ageing population: between 1998 and 2018, the largest percentage decrease by age category was in the 0-15 year category (-12.8%), whereas the retiree category (65-74) saw the largest increase (+68.9%). The most common age group in 2018 was 45-64 years (6,668) and 16-24 years was the lowest  $(1,897)^{11}$ .

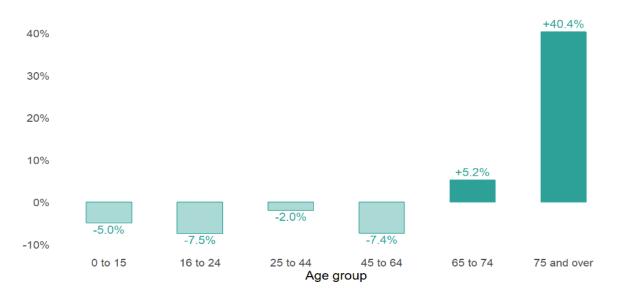
Orkney has the lowest population out of all Scottish council areas. Critically, one third of the Orkney population reside in Kirkwall and a further 2,500 in Stromness. This urbanisation is driven by access to infrastructure and events<sup>12</sup>. The further the Orkney isle from Kirkwall or Stromness, the greater the need for self-sufficiency and the more pressing the depopulation issue that island faces. The smaller Orkney islands have a high turnover of residents, due to a low awareness of island life prior to their moving to the area and limited availability of services, including medical and social care.

Between 2016 and 2026 the Orkney population is predicted to increase by 0.5% to 21,953, whereas the Scottish growth as a whole is predicted to be 3.2%. According to the housing needs and demand assessment, by 2037 the Orkney population will be 22,700<sup>13</sup>. The 65-74 and 75+ age categories in Orkney are expected to grow (see Figure 1), which results in decreasing community confidence and increased community vulnerability, due to a reduced population component likely to have children. These factors are predicted to result in a declining population, in parts of Orkney, with negative implications for workforce, service provision and the economy<sup>14</sup>.

<sup>&</sup>lt;sup>11</sup> National Records of Scotland. (2019). *Orkney Islands Council Area Profile* <u>https://www.nrscotland.gov.uk/files//statistics/council-area-data-sheets/orkney-islands-council-profile.html</u>

 <sup>&</sup>lt;sup>12</sup> See Orkney Islands Council. (2018). Orkney Islands Council Empty Homes Strategy 2018-2023. <u>https://www.orkney.gov.uk/Files/Housing/Housing%20Options/Empty\_Homes\_Strategy\_Fund.pdf</u>.
 <sup>13</sup> See footnote 12.

<sup>&</sup>lt;sup>14</sup> Scottish Government. (2019). *The National Plan for Scotland's Islands*. Available at: https://www.gov.scot/publications/national-plan-scotlands-islands/



*Figure 1: Percentage change of population by age group 2016 and 2026 (National Records of Scotland, 2019)* 

# 2.2 Key initiative(s) established to tackle depopulation/repopulation

# 2.2.1 Gateway homes<sup>15</sup>

A gateway home is a residence where potential residents who wish to experience island life, without committing to buying a property, can live. The houses are an initiative to reduce empty homes (a home which has been empty for >6 months), of which Orkney has 759, and reduce depopulation. The ambition of gateway homes is to attract new families into the community, and to encourage them to settle into island life in the long-term. Traditionally gateway homes were operated as fixed-term lets of around 12-18 months, which allowed families to experience life on an island without fully committing to the island long-term. The 12-18 month timeframe is important to the success of the gateway housing as shorter lets are not seen to offer the same advantages to introducing island life.

# 2.2.2 Empty Home Officer

Orkney Islands Council (OIC) is currently advertising for a full time Development and Empty Home Officer role. The role will help to secure funding to develop and restore empty homes in Orkney. Part of the role is to train communities in applying for community funding and develop project management skills to create community-led home refurbishment. A lack of suitable homes in the Orkney Isles has led to challenges for new residents in sourcing suitable accommodation to move into to remain in the area, once the fixed-term gateway house let



<sup>&</sup>lt;sup>15</sup> See Orkney Islands Council. (2018). Orkney Islands Council Empty Homes Strategy 2018-2023. https://www.orkney.gov.uk/Files/Housing/Housing%20Options/Empty\_Homes\_Strategy\_Fund.pdf.

has passed. The officer can also provide support on VAT and trading discounts, reductions in Council Tax during renovation and advice about trading, funding and planning applications. The role should be filled by March 2020 and is a permanent role.

# 2.2.3 Property Matchmaker Scheme

There are several reasons why homes are not refurbished or are left empty in Orkney:

- Buyers purchase agricultural land that includes a house, however, the buyer has no need for the house;
- Inheritance and potential legal issues arising around the sale of property due to the wishes of the deceased;
- Property owners being in long-term care;
- Resource constraints and homeowners are unable to renovate the property; and
- A relatively high number of second homes.

A survey conducted by OIC between August 2017 and July 2018 found the second most common reason for empty homes in Orkney is that people are unable to afford renovations. To mitigate this factor, OIC operates a Property Matchmaker Scheme. This scheme is designed for those wishing to buy or sell properties. Sellers/buyers sign up to a database and supply details related to the property or their requirements (buyers) and this information is then shared with relevant sellers/buyers to try and find a match. Examples of information from the owner include: i) type of house; ii) number of rooms; and iii) property condition. Examples of information from the buyer include: i) required condition of the house they are interested in; ii) preferred location; and iii) budget. Utilising the matchmaker scheme means that an individual wishing to buy their house can do so in a more structured and coordinated manner rather than via traditional routes. This is a free service operated by OIC<sup>16</sup>.

# 2.2.4 Public engagement

Due to the relatively small size of island communities, public consultation is often more simple compared with more populated areas, although consulting with dispersed populations can also face challenges relating to distance and accessibility. Consultation can include the local development trust speaking to people in the island communities and community events held by the Islands Housing Fund. The Islands Housing Fund and local development trusts have both targeted increasing awareness of gateway homes. Communication with islands has also been offered through websites, however, community consultation is often not heavily coordinated. It is understood by most communities that the population is ageing and that sourcing employees for new posts can be challenging, resulting in people having to work beyond their retirement age, resulting in increasing concern relating to de-population<sup>17</sup>.

OIC and Orkney Homes use a range of questions to consult potential new residents, in order to measure the likelihood of these new residents settling successfully in an isolated area. The informal questions include what attracted the potential resident to Orkney and what type of resources they require (e.g. specialist medical support). Due to the National Planning

<sup>&</sup>lt;sup>16</sup> Orkney Islands Council (not dated). Empty Homes. <u>https://www.orkney.gov.uk/Service-Directory/H/empty-homes.htm</u>

<sup>&</sup>lt;sup>17</sup> Scottish Government. (2019). *The National Plan for Scotland's Islands*. Available at: <u>https://www.gov.scot/publications/national-plan-scotlands-islands/</u>

Framework 4 and the Planning (Scotland) Act 2019 it is likely that greater public engagement and consultation for development and place making will be required across the islands. Due to this legislative change, a formal regime of consultation may be encouraged in the future.

# 2.3 Key successes and challenges

The gateway homes have been successful and popular according to the OIC, however, demand for the homes has varied depending on which island the home is located. The gateway home in Papa-Westray had a waiting list of tenants due to popularity, however, in Eday demand has been more limited. This variation may be due to the high tourism focus Papa-Westray receives compared with Eday. Although demand for the gateway homes has been high in Papa-Westray, the island continues to face the risk of depopulation due to a lack of suitable housing that families can transition into after their period at the gateway home has ended. OIC hope that, by making the role of an Empty Homes Officer a full-time post, the officer will be able to support the creation and greater use of gateway homes. The officer will also support the transition to future suitable accommodation including help with sourcing tenants and advice on selling or renovating properties. Using the Islands Housing Fund should enable one to two suitable homes to be built every year on Papa-Westray, supplying additional housing for new residents moving from the gateway home.

Due to changes in private residential tenancy law in Scotland in 2017, assured and short assured tenancy agreements no longer exist. An unintended consequence of this change in the law is that the ambition for the gateway home to offer a long-term living experience is more difficult to achieve and the use of properties as short term holiday homes may occur. This is due to the difficulty (due to the changes) in requiring a tenant to commit to a property for a fixed (e.g. six month) period, increasing the risk of people using gateway homes for a shorter period of time.

# 2.4 Future plans

The ambition of OIC is to review the private residential tenancy arrangement and seek island proofing and exceptions to this based on the need to repopulate areas and support the objectives of the gateway homes.

In the future, successful repopulation is likely to be driven by OIC perspectives, the progress of the house building programme and the resources that are available to OIC. Work is ongoing and focussed on council-funded buildings, ensuring long-term sustainability, and placing buildings into community ownership. An important long-term aspiration is to promote community groups and project management within those groups which should support rural repopulation.

# 2.5 Key lessons for Scotland

• Further develop the Empty Homes Officer role. This role has been adopted by the majority of Scotland's local authorities: 20 employ an Empty Homes Officer, helping owners of empty homes renovate properties and find tenants/buyers. In 2017-2018, 742 homes were brought back into use in Scotland through engagement with an Empty

Homes Officer. The total number of homes brought back into use through Scottish Empty Homes Partnership since 2010/11 is 3,216<sup>18</sup>.

- **Develop a nationwide matchmaking scheme**, where a universal rating for housing condition and requirements for refurbishment can be detailed to improve consistency across Scotland, improving confidence in, and transparency of, development opportunities. Although, this is likely to be a lengthy and expensive process.
- **Island proofing** future policy is crucial, as observed, legislation can have a direct negative impact on initiatives put in place such as the gateway homes. The diversity of Scotland's remote rural areas suggests a 'one size fits all' approach to repopulation will be insufficient. Nevertheless, some initiatives detailed in this case study, including empty house officers, refurbishment training and matchmaker schemes may be universal in their application.
- Improve marketing of island life. The ideology of living on a remote island is difficult to express and makes it difficult to attract permanent residents. Gateway housing offers an opportunity for people to experience the island life, however, there are only a few people who have this opportunity. A case study review, blog or other marketing options could be considered to allow people to gain an impression of island life. An informal action by OIC is offering advice from the Empty Homes Officer about island living, however, this is not necessarily increasing awareness of island life among people at an early stage of interest and not everyone may be aware of this service.

### Other sources

OIC have a tailored empty home advice pack for the Orkney Islands: <a href="https://www.orkney.gov.uk/Service-Directory/H/empty-homes.htm">https://www.orkney.gov.uk/Service-Directory/H/empty-homes.htm</a>

Interview with Luke Fraser, Empty Homes Development Officer, Orkney Islands Council

<sup>&</sup>lt;sup>18</sup> Orkney Islands Council. (2018). Orkney Islands Council Empty Homes Strategy 2018-2023. https://www.orkney.gov.uk/Files/Housing/Housing%20Options/Empty\_Homes\_Strategy\_Fund.pdf

# 3 Ireland: Arranmore Offshore Digital Hub - Mol Oifig Digiteach Árainn Mhór

Located on Arranmore, Mol Oifig Digiteach Árainn Mhór (MODAM) is Ireland's first offshore shared digital workspace, an initiative led by Arranmore Island Community Council<sup>19</sup>. Described as the "most connected island in the world", Arranmore is moving from traditional industries to a more technological workforce, in a bid to attract families and young



professionals to the island. Opened in April 2019, the digital hub provides workspaces for islanders and visitors. The introduction of new technologies has also allowed for a second-phase of the project, a wider 'Internet of Things', to benefit the wider island community<sup>20</sup>.

# 3.1 The extent of the depopulation/repopulation challenge

Arranmore Island (Árainn Mhór) is situated off the Coast of County Donegal. The island is five miles long by three miles wide, and historically has had traditional industries such as farming and fishing dominate employment on the island. These industries now offer fewer opportunities for employment for young people, leading to Arranmore's young people moving away from the island<sup>21</sup>. The population has decreased by 40% over the last 20 years, and between 2011 and 2016 decreased by 8.8% (from 514 to 469)<sup>22</sup>. The number of students attending the primary school has decreased significantly over the last few years, and there are no children to replace them. The island has a successful secondary school, to which students come across from the mainland to attend. A large proportion of the population is over the age of 65.

# 3.2 Key initiative(s) put in place to tackle depopulation/repopulation and their origins

The community council has focused on addressing connectivity challenges for a number of years. In one example, a family moved to the island and subsequently left soon after as the connectivity was insufficient for their employment. Experiences such as this are quickly shared and were seen to deter other potential settlers.

In 2017, in an attempt to eradicate the need for islanders to leave their island home for new employment opportunities, the Arranmore Island community council embarked on a project titled #ComingHome. The project aimed to uncover what is needed to make Arranmore Island

<sup>&</sup>lt;sup>19</sup> More information on MODAM can be found <u>here.</u>

<sup>&</sup>lt;sup>20</sup> This information, and further information in this case study was provide by Seamus Bonner, Arranmore Island Community Council, in a telephone interview in January 2020.

<sup>&</sup>lt;sup>21</sup> A Summary of MODAM on the Island Revival Blog can be found here.

<sup>&</sup>lt;sup>22</sup> <u>https://www.wdc.ie/island-life-population-change-on-islands-in-the-western-region/</u>

a place previous residents would wish to return to<sup>21</sup>. A survey conducted for the project concluded that whilst Arranmore has a number of attractive aspects as a home, employment opportunities are limited, and a highspeed broadband connection to allow those who could work remotely to do so would be hugely beneficial. To address this challenge, the community council set about establishing a digital hub.

The community council successfully applied for funding for the hub from Donegal County Council and the Department of Community and Rural Development. The grant was fully funded up front, which greatly benefited the community council.

The community council was approached by the telecommunications company, Three Ireland (due to their awareness of the earlier efforts on the island) and a partnership was established. Three Ireland began their involvement in November 2018, and a collaborative plan was developed for a digital hub, which opened in April 2019. The hub consists of eleven desks with computers, break-out rooms for meetings, and a state of the art video conferencing facility, all using technology facilitated by partnerships with Samsung and Cisco. The space also has on-site en-suite accommodation.

As well as the hub, there is an 'Internet of Things' project for the island, with the use of sensors on the island monitoring fisheries and aiding in elderly care. One example is the use of sensors in the homes of the elderly, which build up a profile of activity and will notify a carer or family member should there be a noticeable change. The GP surgery has also benefited from new teleconference facilities, allowing for consultations to take place over videophone, reducing travel to the mainland for appointments<sup>23</sup>.

As well as benefitting local residents and recent movers, the community council is aware of the rising popularity of the 'Digital and the Nomad' market potential contribution of short-term or part-time residents. Since the opening of the digital hub, the island has begun a campaign to attract residents to the island, through open letters appealing to Australians and Americans, urging them to swap the hustle and bustle of the cities, and relocate to the idyllic Arranmore<sup>24</sup>. The technological advancement of the hub has been a pivotal draw as part of this campaign, as the island now boasts internet speeds to rival Dublin and London. It is hoped the hub can offer



a new attraction to families and young professionals considering moving to the island. The hub has influenced diversification in employment on the island, with residents now working in a range of careers from graphic design to app development.

Source: www.donegaldaily.com

<sup>&</sup>lt;sup>23</sup> A short video on the wider aspects of the Internet of Things aspects of the project can be found here <a href="https://www.three.ie/business/the-island/">https://www.three.ie/business/the-island/</a>

<sup>&</sup>lt;sup>24</sup> <u>https://www.irishpost.com/news/irish-island-arranmore-looking-new-residents-united-states-167991</u>

As part of a larger initiative, the community council is working with Grow Remote a volunteer group of approximately 130 chapters in seven countries, who began as a group curious about remote working and how it could help communities<sup>25</sup>,. The network offers a shared space for those working remotely, and offers support.

# 3.3 Key successes

As the hub has only been open since April 2019, it is difficult to assess long-term success. One of the pivotal success factors of the project so far is its roots in the community, and as the idea was their own the community has been supportive of the hub, and it is seen as a positive development. As part of the partnership agreement, Three Ireland will address any maintenance issues and provide ongoing assistance. The inclusion of Samsung as a project partner and equipment provider has also resulted in the saving of large amounts of public funding.

Whilst the main priority of the hub is to attract families to the island to facilitate repopulation, the hub has seen success with their Digital Nomad packages, where visitors usually stay for two to three weeks, utilising the on-site accommodation. During the summer of 2019, the hub received thousands of inquiries, many of which represented 'wishful thinking', however many were more serious, and the hub is proving to appeal to small businesses.

# 3.4 Key challenges

One of the first questions asked when discussing the new hub is the issue of housing availability for the potential new residents being attracted back to Arranmore. The island currently has a lack of available housing to purchase and a limited number of long-term lets. The commuity council is attempting to encourage the renovation of cottages for longer lets. There is an ongoing housing audit which tracks housing availability, which properties could be renovated easily and what might take more time and input. This is a critical aspect of facilitating repopulation on the island. For example, if five or more families were to move back to the island it would be very challenging to find appropriate accommodation immediately.

As the project is not for profit, any income from the short-term digital nomads or renting of facilities is invested back into the hub. However, the hub is in a commercially-leased building, and there are ongoing costs associated with rent and utilities, sometimes resulting in cashflow challenges in the short term.

There are also challenges in the handling of the many inquiries since the opening of the hub, and for a small voluntary team it is becoming increasingly challenging to manage these. This reliance on volunteers represents an important future challenge if the hub is to expand and develop further in the future.

# 3.5 Future plans and lessons for Scotland

The contract with Three Ireland is currently for two years, and there are already considerations and investigations into whether to extend this or not, and what other options are available. Alongside this, the National Broadband Plan will come into effect in rural areas in Ireland over the next one to two years and this may have implications or provide opportunities for the hub and other remote communities. Although at an early stage, the Arranmore Hub can provide

<sup>&</sup>lt;sup>25</sup> <u>https://growremote.ie/</u>

learning for communities in Scotland wishing to attract people through the improvement of digital infrastructure. Some of these key lessons include:

- Securing funding for development and construction: Arranmore Island Community Council were fortunate to form the partnership with Three Ireland. Private company investment and expertise has been crucial in setting up and maintaining hub.
- The support of the community is crucial and having the idea emerge from, and built upon, by the community ensures long-term community support during the process.
- Reliance on volunteers can be effective for project establishment however the longterm running of initiatives is likely to require ongoing staffing support and therefore income/funding.

# 4 Denmark: Friederikshavn

The north-eastern tip of Denmark is the home of a concerted effort to enhance population levels and encourage new residents and visitors alike. Under the umbrella title of '*Velkommen til Frederikshavn Kommune*' (Welcome to Frederikshavn Community), the three areas of Frederikshavn, Skagen and Sæby have been the subject of cultural, economic and social development. These developments, the open and welcoming community ethos, and a series of dedicated services have been widely promoted with the aim of facilitating the settlement of new residents.

# 4.1 The extent of the depopulation/repopulation challenge

The maritime developments of Frederikshavn, Skagen and Sæby span 105km of coastline and are built around 12 ports, two of which are major commercial ports. A number of shipvards closed in the 1990s which resulted in a decline in jobs and income. The industrial and port-based sectors of the area are now in development and as such, the area has job opportunities to offer and is in need of skilled workers.



The municipality authorities had aimed to maintain population levels over 60,000 for the Frederikshavn municipality because they believe this is the number needed for sufficient taxes to be paid to support the welfare system<sup>27</sup>. However, there has been a gradual but steady decrease from 60,377 in 2015 to 59,653 in 2019<sup>26</sup>. With an area of 64,276 hectares<sup>26</sup> (642.7km<sup>2</sup>), this equates to a population density of 92 people per km<sup>2</sup>. The municipality projects further population decline of 3,000 fewer citizens by 2045, translating to a loss of 750 million DKK (£84.7m) per annum from lost tax revenue and diminishing purchasing power<sup>27</sup>. In addition to a falling birth rate and growing proportion of elderly citizens, young people are leaving the region, partly due to limited educational opportunities<sup>28</sup>. Compounding this further was the tendency of foreign workers coming to the region to earn money, but subsequently sending this to the home towns or countries: in effect, they were commuting to work in Frederikshavn, but not paying in to tax and welfare system there<sup>27</sup>. Together, these issues mean the regional economy has to address the issue of 'rising expenditures and declining revenue'. The area has a strong tourism appeal, receiving over five million tourists per year<sup>29</sup>.

# 4.2 Key initiative(s) put in place to tackle depopulation/repopulation and their origins

The demographic and economic projections of population and income loss, coupled with growing industrial sectors, have encouraged a series of campaigns to be developed since

<sup>28</sup> See <u>https://www.themayor.eu/mt/frederikshavn-welcomes-businesses-new-settlers-and-tourists-to-the-place-in-denmark-we-love-the-most</u>

<sup>&</sup>lt;sup>26</sup> See <u>https://frederikshavn.dk/politik/kommunens-oekonomi/budget-2019/</u>

<sup>&</sup>lt;sup>27</sup> Almine Nikontovic, Settlement Officer, Bosætningssservice.

<sup>&</sup>lt;sup>29</sup> See <u>http://epages.nordadvertising.dk/velkommen-til-frederikshavn/page/1</u> p.8

2015, which aim to encourage skilled and educated settlers from anywhere in the world. There are four key initiatives developed by the local government to attract visitors and settlers and these are outlined below.

# 4.2.1 Establishment of the Bosætningssservice

The Bosætningssservice (Settlement Service) has been established, which provides support to potential and new residents to find new homes, select schools, secure jobs and establish networks.

# 4.2.2 Development of an 'experience economy'<sup>30</sup>

The experience economy concept includes promotion of festivals, cultural events and attractions (e.g. the Palm Beach, The Days of Tordenskiold ship and local hero cultural festival, and the Skagen festivals of Winter Bathing), as well as dedicated community groups and events (e.g. Café Danish where new residents can practice speaking Danish in work time, and the 'New to North Denmark' fair). There is support to develop ideas presented by local businesses and artists. The local government of Frederikshavn spends 4.85% of its operating budget on 'experiences', which it defines as cultural and leisure activities which make it 'more exciting and interesting to be a resident of Frederikshavn'.

# 4.2.3 Establishment of effective collaborations and networks

The development of networks and long-term collaborations across sectors is an important aspect of addressing depopulation, particularly in relation to the Frederikshavn Event, which is focused on developing collaborations between businesses, shipping companies, the main events arena and the Chamber of Commerce<sup>31</sup>.

# 4.2.4 Diverse forms of communication

Communication aspects include a focus on social media including development of the Facebook page ('New in Frederikshavn'), LinkedIn profile, videos, podcasts, publication of a magazine on 'life in Frederikshavn', as well as contact with and advice for individuals encouraged to move to the area by phone and in person. Settlement Service publications are offered in a number of languages and staff are multi-lingual. Campaigns have focused around the ability of the areas to offer a good quality of life for its citizens through:

- A welcoming community which welcomes newcomers enthusiastically;
- Sufficient development of job and career development opportunities ;
- Providing affordable, quality housing (the municipality has six non-profit housing associations<sup>32</sup> with plans for further development in response to demand from business and investors<sup>33</sup> such as the Harbour Living scheme, which allows potential incomers to make short term lets until they determine how/where they want to settle<sup>27</sup>);
- Ensuring cultural diversity and social richness (available activities);

<sup>&</sup>lt;sup>30</sup> Lorentzen, A., 2010. New spatial strategies in the Danish periphery: Culture, leisure and experiences as levers of growth?. In *RSA Annual Conference 2010*.

<sup>&</sup>lt;sup>31</sup> Richards, G. and Duif, L., 2018. *Small cities with big dreams: Creative placemaking and branding strategies*. Routledge.

<sup>&</sup>lt;sup>32</sup> See <u>https://frederikshavn.dk/borger/bolig-og-byggeri/din-bolig/almene-boliger/</u>

<sup>&</sup>lt;sup>33</sup> See <u>https://frederikshavn.dk/politik/om-kommunen/nyheder/nyheder-og-presse/nyheder-og-pressemeddelelser/planerne-for-nye-bolig-og-erhvervsomraader-er-godt-paa-vej/</u>

- Well-connected travel infrastructure;
- Access to rural areas e.g. coast and forests (emphasis on enjoyment and wellbeing);
- Physical, social and economic benefits of sustainable living and a move towards dominance of renewable energy.

A number of clear ethos-based drivers for the Mayor, the Settlement Service and the wider communities have motivated the design of the repopulation campaign:

- Pride in one's home, optimism and a desire to welcome visitors and new residents will attract new citizens;
- Integration is the key to retention ("when people are happy and feel welcome they tend to stay"<sup>34</sup>). This is the central theme which drives many of the initiatives (listed above) to facilitate integration of newcomers and make the area accessible to new residents, as well as returning residents.
- Openness to new and varied experiences enhances the cultural diversity and richness of an area, and encourages effective long-term integration of citizens from all backgrounds. The slogan for Frederikshavn is "From shipyard city to host city", which aims to demonstrate their commitment to delivering experiences. In their International Strategy, it is stated that they wish for this diversity of experiences to "enrich the city". They will endeavour to do this through welcoming international citizens, integrating citizens and tourists, and supporting businesses that are outward facing. The area is also twinned with cities in Sweden, Norway, Germany, China and Greenland, with the expressed aim of building networks and meeting people<sup>35</sup>.
- Identifying and investing in strengths is the best way to encourage sustainable growth. The strengths for Frederikshavn are defined as 'growth tracks' and include: maritime; food production; energy; and tourism.
- Pursuing sustainability principles and renewable energy will make the area more self-sufficient and resilient. The city of Frederikshavn aims to be the first small city in the world to rely exclusively on renewable energy<sup>36</sup>. Many of the businesses in the area are switching from 'black' to 'green' energy.
- **Business is at the heart of regeneration**. Businesses employ the residents who will boost the new population. They also provide a connection between citizens, events, commerce and culture. There is an effort to support small and medium businesses because an economy dominated by these is more resilient to closures, as well as trade union functions, which hold the workforce together.

<sup>&</sup>lt;sup>34</sup> Almine Nikontovic, Settlement Officer, Bosætningssservice.

<sup>&</sup>lt;sup>35</sup> See <u>https://frederikshavn.dk/politik/om-kommunen/venskabsbyer/</u>

<sup>&</sup>lt;sup>36</sup> Richards, G. and Duif, L., 2018. *Small cities with big dreams: Creative placemaking and branding strategies.* Routledge.

### 4.3 Key successes

Case studies in magazines, in Facebook features and through interviews given by the Mayor of Frederikshavn show that new residents continue to become successfully established in the area. A news article in online news outlet 'Kanal Fredrikshavn' explores the diversity of residents and quotes 111 nationalities residing in Fredrikshavn,



demonstrating the rich cultural diversity of the area<sup>37</sup>. Almine Nikontovic, settlement officer for Bosætningssservice, quoted that there has been an 82% increase in the number of people settling in the area, between 2012 and 2019. She noted that population of the region has become much more diverse in that time: prior to the closure of the shipyards in the 1990s, the population was primarily Danish. The scheme has been able to offer new residents a quality of life not open to them in some of their home countries (e.g. opportunities to establish their own business or own their own home)<sup>27</sup>. The authorities aim to continue to welcome new residents openly and warmly, to work hard to integrate them into society, to promote collaboration and business with international partners and to offer diverse experiences and learn from neighbours near and far. Specific development plans to invest 60 million DKK in Sæby Harbour aim to refresh the area and introduce a range of experiences. The 'energy' growth track of the Government's plan aims for the municipality to be fully powered by renewable energy by 2030.

### 4.4 Key lessons for Scotland

Rather than try to encourage past residents to return to the area, Frederikshavn has embraced the cultural diversity that new residents can bring. By allowing themselves to be open to new experiences, cultures and demographics, they are drawing from a much larger pool of potential residents, while celebrating local heritage. Commitment to supporting new residents in the aspects which are most challenging when re-locating has resulted in some of the barriers to settlement having been lessened. At the core of their approach is a welcoming reception and an invitation to allow the area to 'adopt' the new residents.

In terms of repopulating rural or remote parts of Scotland, lessons that can be drawn from Frederikshavn include:

- Identify barriers to settlement and mitigate against them;
- Support networks between businesses, communities, culture;
- Determine the selling points for the area to be re-settled develop and promote them;
- Welcome diversity and be willing to learn; and
- Be outward facing and aim for international impact.

<sup>&</sup>lt;sup>37</sup> <u>http://www.kanalfrederikshavn.dk/vis/nyhed/111-nationaliteter-bosat-i-frederikshavn-kommune/?fbclid=lwAR1txy0e1n17JZYXvnWo0JpwfiykeiyQnRWMh4AAXQEigsvFliPytXNIIoA</u>

# 5 Faroe Islands: the Vágur 'experience economy'

# 5.1 Extent of the depopulation/repopulation challenge

The Faroe Islands have benefitted from in-migration in recent decades, with foreign nationals now accounting for 3% of the national population (and rising steadily). Currently, more than

1,300 immigrants (from over 80 countries) live in the Faroes, due to the high standard of living and availability of employment.

This case study focuses on initiatives in the municipality of Vágur, a town on the island of Suðuroy. The island is connected by a ferry to the 'mainland' area of the Faroes (a two hour trip) and a helicopter connection (three times per week). In the early 1900s, Suðuroy had a very strong fishing economy and housed half of the Faroese fishing fleet. However, there has been a sharp economic downturn since the 1930s and depopulation. In 1921, 22.8% of the Faroese population lived on Suðuroy. Today, 9% live on the island. This downward trend has been accompanied by a low birth rate, a prevalence of unstable jobs for unskilled workers, and permanent outmigration of younger generations.



Across the Faroe Islands, there has been a steady increase in the number of students who leave the islands for their education as they get older. This has had an effect on people's decisions about whether to return to the islands, with more and more staying abroad. This challenge is felt particularly strongly in the peripheral areas of the islands, including in Vágur.

Between 2004 and 2012, negative opinions were common among the Faroese population about Suðuroy. Linked to a long period of economic decline, the island was not viewed favourably. Negative headlines in the media focussed on the closure of major businesses, loss of jobs and local 'in-fighting'. As a result, local people had low self-esteem about where they live, often making excuses for why they felt they *had* to stay. Rather than 'moving' to seek an education, young people would describe 'fleeing' the island to obtain an education.

Although the fishing industry employed about 275 people in 2010 (a large filleting plant, fish factories, a fish auction and frozen storage), almost all of these jobs were lost by 2017 with only about 15 remaining. This was due to declining fish stocks and companies on the island being purchased and relocated to the northern Faroes. This situation contrasts with other parts of the Faroes where the fishing industry continues to be well-established. In 2012, the community was 'at a crossroads' and opted to recreate the community and avoid stagnation and further population decline. The focus was on rebuilding local confidence, creating attractiveness and employment opportunities. At the heart of the approach has been the *Experience Economy*.

# 5.2 Key initiative(s) put in place to tackle depopulation/repopulation and their origins

# 5.2.1 Rebuilding local confidence and attachment to the island

**Positive news about life in Suðuroy:** Since 2013, the Vágur municipality office has published regular press releases about 'good news' across the island. This was first done on a fortnightly basis and now happens monthly. This has had a positive impact on local people's perceptions of life on the island. There is also now a lot of 'positive news' about Suðuroy in the national Faroese press, which is improving national attitudes as well.

**Town renewal work:** Several projects in the town of Vágur have provided a 'facelift' to local buildings and other facilities. For example, outdoor seating and meeting places, horticulture and landscaping, viewing points and pedestrian infrastructure. Funded wholly by the municipality (described as 'easy and didn't cost much money'), this has been very well-received by local people and has encouraged local businesses to take similar steps to improve their premises. A new 'service centre' has also opened in the town, providing tourist information and a library, bringing tourists and the community together in the same space.

*Creating good memories:* There has been a focus on 'creating good memories' for children of their life in Suðuroy. This is linked to the findings of interviews carried out with 'Backmovers' in 2011 (people from the island who had moved away and then returned), which found that those who chose to move back did so because of good childhood memories and a wish for their children to have the same experience. The 'investment in good memories' includes a new youth house (central meeting place and location for activities/clubs, common in many Scandinavian towns) and a new playground in the primary school. The municipality also works closely with local schools to improve children's wellbeing, providing: homework help; more sports, music and performance provision (with qualified coaches); a new department for children with special learning needs (before 2014, children with special needs had to relocate); and a FAB-LAB<sup>38</sup> which builds links with local businesses and attracts young people to local jobs. There have also been initiatives to improve adults' memories of the island, for example: regular community breakfasts, community cleaning days, and a mid-summer bonfire. All of these initiatives are funded by the municipality.

# 5.2.2 Local learning and sports development opportunities

**Distance learning centre:** Recognising the isolation faced when studying remotely, the centre enables students to connect with national and international distance learning opportunities (mostly via universities in Denmark and Sweden) and access a student guidance service. Since opening in 2013, 30 people have used the centre to complete a Higher Education course (Bachelors level or higher). These students would have otherwise moved away from the island to complete their courses. Study rooms are also available in the centre for students who study abroad, when they come home for holidays.

<sup>&</sup>lt;sup>38</sup> An international model that includes a small-scale workshop focussed on digital fabrication (e.g. 3D printing, laser cutter, computer science skills etc.). This FAB-LAB is the first in a school in the Faroes.

*World-class sports facilities:* Following the international success of local 'swim hero', Pál Joensen<sup>39</sup>, the municipality worked with the community and private businesses to build a 50m pool in Vágur (with fitness and health centres, café and outdoor hot spas). Opened in 2015, this project involved significant community effort and, as a result, cost about 25% of the actual price, due to local businesses providing discounted materials and labour costs, and community members working as volunteers during the build. Donations were also made by the Faroese government and people/businesses from across the Faroes, to support Joensen and recognise his success. This communal effort 'really did something to the town'. Following the success of the pool, a multi-use indoor sports hall was also opened in 2018. The first indoor facility like this in the Faroes, it includes a half-size football pitch, athletics provision, a climbing wall and meeting rooms. Vágur now hosts a school football tournament in the indoor hall for all primary and secondary schools in the Faroes (30% of all pupils in the islands took part) and the facility was nominated in UEFA's grassroots awards in 2019. Lots of sports clubs from across the Faroes use the hall for long weekends for training, which is good for local businesses, and a new soccer academy began in 2018.



*A sports high school:* The first 'sports high school' was established in Vágur in 2014<sup>40</sup> and welcomed its first pupils in 2016 (permission was granted from the Faroese Ministry of Education in 2015). This initiative has been a success, with students from across the Faroes and other countries (including from the UK) spending a single semester or full year at the school. The school focuses on personal development, with no formal exams. It has created new jobs in the town (instructors, administrative staff, etc.) and it has attracted new residents. The school has been fully booked since 2018. Its popularity has also led to the construction of a new dormitory for 72 students in the town (due to complete in August 2020). Construction has been funded by a national house building company and is being built on land purchased by the municipality from a private owner, which was then donated to the project. There are also plans to build a new building for the school, repurposing an old fish/wool factory and launching this as a community project.

# 5.2.3 Managed tourism development

**Locally-owned holiday cabins and improved camping:** In 2015, the municipality built ten holiday cabins to house 60-80 tourists. Some cabins have been purchased from the municipality by local people as a tourism business investment. A new municipal campsite has also opened for caravans and tents, with significant growth in the number of guests since it was built (approx. 1,000 last year).

<sup>&</sup>lt;sup>39</sup> Joensen has won and/or competed in European and World championships and the Olympics, and previously trained in a 25m pool in Vágur.

<sup>&</sup>lt;sup>40</sup> See <u>www.his.fo</u>, which includes a short video.

**Co-working space for digital nomads:** The first initiative of its kind in the Faroes, 'Faroe Islands Co-working Adventure' invites digital nomads to Vágur to work, live and have adventures<sup>41</sup>. The co-working space includes options for short-term and long-term desk rental, and meetings spaces with video conferencing facilities are also available. Housed in the same building as the distance learning centre, users are asked not only to be tourists but also to 'give something back' to the community they are residing in. Examples have included an artist installing art work about local history in the town and a professional photographer from Iceland giving a public talk about marketing, Instagram and tourism.

# 5.3 Key successes

- A 4.6% increase in the population of Vágur between 2013 and 2019 (1,295 to 1,355) although, the population of Suðuroy remains static (-0.7% change in that time).
- There are now many more 'backmovers' than in the past. Clear growth in the pride people associate with being in the area.
- The focus on sport has strengthened community spirit and wellbeing sense of a 'healthier future' linked to sports. The swimming pool, indoor sports hall and sports high school have had several positive knock-on effects lots of tourism and visiting sports teams for training camps, creating more jobs and customers for local businesses.
- The focus on young people has been key they have created 'the best possible facilities for our young people and the population in general'.
- There has been an increase in the number of visitors to Vágur the investment in tourism has led to new businesses being established cafes, restaurants, a new outdoor adventure company, a high class B&B, all accompanied with new jobs.
- Other Nordic countries are taking notice of the success of this municipality and following suit.

# 5.4 Key challenges

- There has been a deficit of women in Vágur and in Suðuroy more widely. This remains a challenge.
- Some older members of the community had wanted the municipality to focus its investment on the fishing industry, rather than the experience economy. The summer cabins have created an investment opportunity for individuals which has changed these negative attitudes to some extent.
- All of the initiatives have happened within a short timeframe under the direction of the mayor of the municipality. He has served two terms as mayor and, if not re-elected at the next election, it is uncertain whether a future mayor would adopt a similar approach.

# 5.5 Future plans

Continuing the focus on young people and education closer to home, there are plans to develop a new international MSc in Sustainable Coastal Communities, to attract foreign students to Suðuroy<sup>42</sup>. It is early days of the 'In Residence in the Arctic' programme, which will enable people from across the world to conduct residences in Arctic countries. Scotland (specifically the islands) may be a partner in this initiative. A local project in 2019 tried to re-

<sup>&</sup>lt;sup>41</sup> See <u>www.faroeislandscoworking.com</u>

<sup>&</sup>lt;sup>42</sup> While there are no similar MSc programmes hosted on Scottish islands and focussed on attracting international students to attend in person, the Orkney Research and Innovation Campus has developed an MSc in renewable energy development, which is likely to attract international attention.

establish the ferry connection between Suðuroy and Scotland but this has not been successful so far.

# 5.6 Key lessons for Scotland

- A considerable amount of the success in this case study has been because the municipality can control its own budget and spending (using local income and other tax from the area). This is different to the situation in Scotland where spending is allocated at local authority level and taxes are allocated centrally. This example highlights the potential for community-led local development with clear control over budget and spending (and associated revenue). The role of the municipality in buying private land for community use is also notable.
- The focus on sport and young people is striking in this example. Recreating this approach in Scotland's islands would have several benefits beyond the creation of businesses, jobs and income, to increased health and wellbeing and increased pride in being an islander.
- The initiatives have relied on key players (in this case, the mayor in particular) to develop and implement ideas and initiatives.
- Crowd sourcing (knowledge, expertise, labour and time) and crowd funding have created a local sense of ownership of projects. Municipal debt can also be financed via crowd funding<sup>43</sup>.

**Source:** Interview with Dennis Holm, mayor of Vágur. Presentation 'From decline to depopulation to development and growth'.

<sup>&</sup>lt;sup>43</sup> In this case, <u>www.flexfunding.com</u>

# 6 Maine, USA: Island Fellows Programme

The Island Institute works alongside Maine's island and coastal leaders to catalyse community sustainability in the states' 120 island and coastal communities, sharing what works among these diverse communities and beyond<sup>44</sup>. Founded in 1983, the strategy focuses on supporting communities through three priority areas: i) strengthening community economies; ii) enhancing education and leadership; and iii) delivery and sharing solutions.

One of the key aspects of the Island Institute is the Island Fellows programme, which places 'fellows' within island communities. Whilst not necessarily a programme focused on repopulation, the Island Fellows placed in communities have successfully contributed to improving sustainable community development<sup>45</sup>.

# 6.1 The extent of the repopulation/depopulation challenge

Of the 120 communities the Island Institute focuses on, there are 105 coastal communities and 15 unbridged islands, which have a total population of 454,000<sup>46</sup>. The coastline of Maine covers 3.500 miles, and there is great variety in the size of communities. Islands off the coast of Maine have been losing people for over a century. Of the 300 unbridged islands communities that once held yearround populations, only 15 do so today<sup>47</sup>. The population of Maine is older than many other states, with a median age of 45, and the islands 47.6, they exhibit this characteristic particularly strongly. Smaller communities have capacity and financial challenges that can limit economic development, and it can be difficult for communities to change this dynamic without external support<sup>46</sup>.

Like many island and coastal communities, Maine has great differences in the number of year-round and seasonal residents (see Figure 2), and this comes with a specific set of challenges and

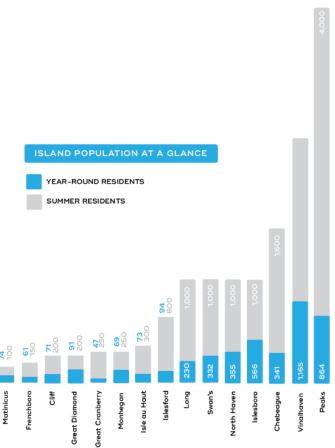


Figure 2: Maine's Island Population at a glance. Source: http://www.islandinstitute.org/waypoints

<sup>&</sup>lt;sup>44</sup> Find more information on the Island Institute <u>here</u>.

<sup>&</sup>lt;sup>45</sup> This information, and throughout this case study, was provided through a telephone interview conducted in January 2020 with Andy Theriault, Community Development Officer at the Island Institute.

<sup>&</sup>lt;sup>46</sup> Waypoints – Community indicators: Livelihoods on Maine's Coast & Islands – read in full here.

<sup>&</sup>lt;sup>47</sup> Small Towns Respond to Population Decline – Burnett 2008, Maine Townsman – read in full here.

opportunities. Maintaining a critical mass of people is vital to the stability and sustainability of island communities.

# 6.2 Key initiative(s) put in place to tackle depopulation/repopulation challenge

One of the signature programmes of the Island Institute is the Island Fellows Programme. Since 1999, the programme has placed college and masters' degree graduates in Maine's coastal and year-round island communities for two years<sup>48</sup>. In the early years, the Island Fellows programme followed a less structured framework, in which fellows were often partnered with state agencies, perhaps conducting research, and not usually within a community organisation. Over time, the format of the programme changed, and the programme has become more heavily focused on the community.

Communities and organisations based on the island and coasts now themselves identify the problem or project that the fellow will work on<sup>45</sup>. Such projects may be based on a need for increased capacity in the community, an emergent community need, or a long-term community identified project that needs an extra set of hands to take it to the next level<sup>45</sup> (for examples, see Box 1).

The planning process for the fellows begins with a dialogue between the communities and the Islands Institute Fellows team. Most of the year-round communities in these regions have an established working relationship with the Islands Institute that conversations would stem from, as well as them feeling comfortable approaching the team with ideas or specific challenges to be addressed. Some projects result from sharing the programme with communities and the Island Institutes outreach work. The Island Institute also has its "ear to the ground" in terms of challenges and opportunities in certain communities, and sometimes approach communities with ideas<sup>45</sup>.

Allowing for the community to play a large role in dictating the remit of the fellowship allows

Box 1: Example projects<sup>45</sup>.

- A grass roots NGO targeting substance abuse in its early stages, a fellow has been placed within the organisation to assist in the setting up of the project, but also networking with other organisations with a similar remit in the State of Maine.
- One fellow worked in a school managing a new greenhouse/agricultural initiative

the Island Institute to respond to differing, more localised challenges and opportunities, and they often fill a need in the community no one else within the community has been able to fill<sup>45</sup>. One of the key aspects of an Island Fellow project, is that the position must be sustainable once the fellow leaves their position, and they do not displace jobs from island residents. The majority of the

substance, practicalities, milestones etc. of a project is finalised by the fellow once they are in place.

# 6.2.1 The application process

During the finalisation of the project with the Islands Institute team, the application process for the fellows begins. For the most part, full details of projects are not disclosed at this first application stage. One of the benefits of this is that they get many applicants with proficient general skills, such as communication skills and independence, who care greatly about

<sup>&</sup>lt;sup>48</sup> Find more information on the Fellows programme from the Island Institute <u>here.</u>

communities and development, and are well equipped to learn the technical skills required for the role. The Institute is seeing an internal debate on whether this anonymity of project details is beneficial. The Institute places lots of emphasis on recruitment of fellows, connecting with university systems within Maine and then on a national level. There are some pre-existing relationships with universities that the Institute utilises, and this year they are also hosting an online information webinar session.

The application deadline is the end of March, and this year it is expected that there will be five new positions available. During April/May these applications are internally reviewed by four members of the fellows team, and shortlisted applicants are invited to attend an online interview for an initial screening. If successful at this stage, the applicants are matched with a community by the Island Institute team – usually two per community.<sup>49</sup>

The next stage is a site visit interview, where the applicant is accompanied by one staff member to the island to meet with community members. This stage usually includes a tour of the island/community, and an opportunity to meet those community members the fellow will be working closely with, as well as current/previous fellows or fellow alumni still on the island. The final decision is ultimately up to the community, and fellows begin their placement in September.

# 6.2.2 Being a fellow

Island Fellows receive support throughout their placement from the Island Institute. Before the placement begins, fellows receive a guidance handbook and participate in a week-long orientation, with both new and returning fellows.

During the two years of the fellowship, fellows participate in four retreats a year with all of the cohort, which include



Source: islandinstitute.org

Fellows of 2018.

professional development workshops on skills such as facilitation, conflict resolution, and grant application writing. There is also cohort support amongst the fellows themselves.

Staff from the Island Institute visit fellows for evaluation once a year, with focus in the first year on what the second year might look like, and in the second what measures are being put in place to ensure sustainability of the project. The Fellows team conduct weekly check-in meetings with the fellows via phone, and once a month this is a virtual meeting with all the fellows. This process is of particular importance for new fellows, as the Island Fellows Team has found previously that if it were up to fellows to reach out for help, this may take longer.

<sup>&</sup>lt;sup>49</sup> A copy of the Island Fellows Host Site application form is available from the Rural Policy Centre team on request.

The fellows are encouraged to keep a journal of their networking and interactions beyond their host organisation, which also aids in monitoring of success/impact of the programme.

Each fellow is assigned a Fellow Advisor who is a member of the community who helps with integration and checks in on the fellow when he/she is on the ground. This person tends to have experience in the role, and understand what is expected of them - some are volunteers, or perhaps might be the only paid employee in the organisation. The Fellow Advisor is named in the project proposals, and the Island Institute consider their position in the community, whether they are well respected or a potentially polarising figure. The Fellows team at the Island Institute checks in with advisors once a month, usually by email.

The US has a 40 hour work week, and the fellows are expected to work 30 hours a week on the project, with the idea that they use their "free time" in the community in other ways, through added value projects or community participation. Fellows are encouraged to stay on the island during weekends, particularly in the beginning. The first three months of the project focus on community integration, before they begin on the remit of the work. The Fellow Advisor often plays a large guiding role in this aspect.

# 6.2.3 Costs

Estimates of the cost of one fellow range from \$55,000 to \$65,000 per year, depending on the fellow project. These costs include salaries for the fellow (they receive minimum wage for Maine of \$12 an hour), rent, utilities for the fellow and some reimbursement of work-related expenses, and overhead costs for the Island Institute. Upon accepting the fellow position, the person becomes an employee of the Island Institute and receives health insurance and annual leave days as well as other employee benefits. The community organisation contributes \$8,000 in the first year and \$10,000 in the second year.

# 6.3 Key successes

In 2017, the Island Fellows programme was awarded the 2017 Outstanding Programme<sup>50</sup> by the Community Development Society (a national professional society for practitioners of community development). The annual award is presented in recognition of superior programming that exemplifies and positively influences community development practice. The Island Fellows programme has now placed 129 fellows over the last 20 years. Out of these, 59 still live and work in Maine, 34 of which are still in coastal and remote communities<sup>51</sup>. In 1999, the first year of the fellows, two were placed. In 2015, nine fellows were placed. Up to 10 fellows could be placed in September 2020, five returning and five new.

During their time in the community, the fellows often take part in activities that are outside of the original fellowship remit. For example, they may begin coaching a sports team or support an event that wouldn't happen otherwise, and enthusiastic individuals achieve many side benefits. Population decline is usually a question of 'how do we get young people to stay', and the Island Fellows aid with this through the projects they contribute to, and through their other activities in the community, such as sports coaching or community theatre. They may also aid the community in writing grant applications, winning funding for future work in the community.

<sup>&</sup>lt;sup>50</sup> See <u>http://www.islandinstitute.org/press-release/island-institute-receives-national-recognition-island-fellows-program</u>

<sup>&</sup>lt;sup>51</sup> For more information on the Alumni of the Island Fellows programme can be found <u>here.</u>

Whilst not a stated aim of the programme, a number of fellows go on to successful careers in service areas and for other NGOs, using the skills they have developed during their time in the communities.

# 6.3.1 Financial support

One of the key aspects that make the programme so successful is the fortunate financial resources and support the Island Institute has access to. A large majority of the seasonal population bring a lot of wealth to the islands, and the Island Institute is fortunate enough to raise approximately 30% of their funds for the programme through donations. This means they rarely have to go in search of funding, but do qualify for some federal grants.

As the reputation of the Institute and the programme increased over the years, the donations followed. One example is a community which hosted a fundraiser for the Island Fellows programme, after the success they had when their community had one. Lack of success for other organisations across the US who have attempted to implement a similar programme to the Island fellows is attributed to a lack of sufficient funding.

# 6.4 Key challenges and lessons learned

One of the challenges for the programme has been finding housing for the fellows, particularly due to the large numbers of seasonal and second homes, which can make renting properties expensive. Fellows sometimes have to move during their placement (for example, two out of the nine fellow had to move seasonally this year), which is something they are working to rectify.

When the programme first started, the Island Institute would place more than one fellow within the same community. However, they quickly learnt that this did not work well. Now, communities do not receive more than one fellow at a time, and the same organisation does not receive a fellow in a subsequent round.

A learning process for the Island institute surrounds their recruitment activities. It is not uncommon for a prospective fellow to decide late in the process they no longer want to take the position, or equally they may leave after one year. Previously it has been a challenge to replace these fellows at short notice, due to a lack of suitable applicants, thus the Institute has worked to deepen their recruitment reach. Similarly, due to their reputation and previous relationships in the communities, the Institute is not averse to recommending that communities wait for the next cohort, to find the most equipped candidate for a specific fellowship. Likewise, if an appropriate fellow is not found for the project, the Institute will not place someone in a community with the singular aim of filling the post, to ensure those placed in communities are well matched to the community and specific fellowship.

A perhaps unintended consequence, and something that creates an internal debate within the Island Institute, is the question of whether the creation of the fellows position is taking away an opportunity for someone within the community. The Institute does not place fellows on an island/in a community that they come from, but there is debate as to whether this is a good model. There is also concern that if a community can obtain a fellow, they may refrain from creating the job upfront and having to finance the role fully themselves.

# 6.5 The future and key lessons for Scotland

The Island Institute is currently going through a process of new strategic framing, which is the perfect opportunity for a period of reflection. The Institute is embarking on a project to understand the impact of the Island Fellows, what allowed for this to happen and where they can progress from here. This work also aims to investigate if more fellows will equate to an increased number of positive impacts.

One of the key lessons from the island fellows for Scotland is the involvement of the community in designing the programme – using their knowledge and expertise on what a community needs. There is significant potential transferability for the Island Fellow initiative to Scotland and its islands and remote communities, however there are also many aspects to consider. These include:

- **Financial resources** securing sufficient funding to support the fellow (i.e. rent and salary etc.) and the Fellows team associated with helping the process.
- **Capacity intensive** there needs to be enough people to manage the applications, the monitoring and evaluation of the fellows when in places, etc.
- **Hiring the right people at all stages of the process** is extremely vital within the body responsible for the managing/organisation (i.e. those who will assume the role of the Island Fellows team in the Island Institute), through to the fellows and fellow advisor.

# 7 Canada: Repopulation and community revival initiatives

This final case study considers two targeted initiatives in Canada, which provide examples of interventions to benefit communities. The first is a private sector investment in a bid to boost the economy of the small island community of Fogo Island. The second is a community organisation with a focus on socio-economic development and youth employment on the Lower North Shore, Quebec.

# 7.1 Fogo Island, Newfoundland and Labrador, Canada revitalisation, the Shorefast Foundation and Fogo Island Inn

# 7.1.1 The extent of the repopulation/depopulation challenge

Fogo Island is the largest of the off-shore islands of Newfoundland and Labrador, Canada. Situated off the northeast coast of Newfoundland (itself an island), Fogo Island is about 25 kilometres (16 miles) long and 14 kilometres (8.7 miles) wide, with a total area of 237.71 km<sup>2</sup> (or 91.78 square miles). In 2006, there were 11 communities on Fogo Island, ranging in size from 778 to 15 people. In 2011, eight of these communities amalgamated to form the Town of Fogo Island.

During this same period (2006 to 2016), the island's population dropped by approximately 17%, from 2,706 to 2,244 (462 people) – representing an approximately 50% drop in population from the 1960s<sup>52</sup>. The critical context for this steep drop in population is to note that during the 1960s, residents were being encouraged to leave and resettle elsewhere in the province. In the early 1990s, the moratorium on cod fishing sent the provincial economy of Newfoundland and Labrador, including Fogo Island, into a deep recession.

# 7.1.2 Key initiative(s) put into place to tackle the depopulation/repopulation challenge

The Shorefast Foundation was founded in 2006 by eighth-generation Fogo Islander siblings Zita, Alan, and Anthony Cobb. Of the three, Zita is most well-known and recognized globally as a serial and highly successful business leader from her work in the oil industry and with high-technology manufacturing with the company JDS Fitel/JDS Uniphase. In 2006, Zita was made a Member of the Order of Canada for her contributions as a social entrepreneur for her work in reviving the unique rural communities of Fogo Island and the Change Islands through innovative approaches to social engagement and place-based tourism via the Shorefast Foundation.

The Shorefast Foundation is a social enterprise that invests profits from three main ventures – the Fogo Island Inn, a furniture-making enterprise, and a traditional cod fishery that supplies many high-end restaurants across the country – into place-based community development initiatives. The Fogo Island Inn opened in 2013 as a luxury destination hotel which has become popular with celebrities and global leaders (with a three-night minimum stay required during

<sup>&</sup>lt;sup>52</sup> Statistics Canada. 2017. Fogo Island, T [Census subdivision], Newfoundland and Labrador and Newfoundland and Labrador [Province] (table). Census Profile. 2016 Census. Statistics Canada Catalogue no. 98-316-X2016001. Ottawa. Released November 29, 2017. https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E

peak summer seasons, starting at approximately \$2000 a night)<sup>53</sup>. The Inn is credited with helping turn the tide on population decline on Fogo Island, with the Shorefast Foundation's broader activities combining to employ a significant number of people in the island. In 2017, the Shorefast Foundation launched an 'Economic Nutrition Label' designed to show consumers how their purchase impacts the local and global economy based on how the profits from the purchase price are distributed<sup>54</sup>.

# 7.1.3 Key successes and challenges

Evaluations of the Shorefast Foundation and Fogo Island Inn models are difficult to come by, as the work has been relatively recent. However, initial findings show that the Shorefast Foundation business fund has supported fifteen new businesses in its first three years<sup>55</sup>.

The Shorefast Foundation has become a dominant landowner on Fogo Island and increasingly a dominant employer and business support<sup>56</sup>; the Foundation employed 240 people in 2018 and is actively seeking to attract skilled workers from a variety of sectors to support social and economic development across tourism, arts, and traditional trades on the Island. Zita Cobb openly admits that there is tension and inherent contradiction in the approach used by the Shorefast Foundation – one that is both place-based while also transformative. This is what Jennifer Smith dubbed 'the paradox of place-based enterprise' on Fogo Island, as the Shorefast Foundation is seeking to support the qualities that make Fogo Island unique while changing with contemporary trends to attract and retain people and businesses<sup>57</sup>.



<sup>&</sup>lt;sup>53</sup> Bailey, S. (2018). Like a 'miracle': Fogo Island Inn a lucrative success off Newfoundland's coast. CBC Newfoundland and Labrador. Retrieved from <u>https://www.clo-</u>ocol.gc.ca/html/stu\_etu\_062008\_lns\_bcn\_p4\_e.php

<sup>&</sup>lt;sup>54</sup> Fogo Island Inn. (n.d.). Economic Nutrition. Retrieved from <u>https://fogoislandinn.ca/in-between/economic-nutrition/</u>

<sup>&</sup>lt;sup>55</sup> Wilson, M. I. (2017). Smart and Sustainable: Lessons from Fogo Island. In Smart Cities in the Mediterranean (pp. 195-203). Springer, Cham.

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<sup>&</sup>lt;sup>57</sup> Smith, J. (2016). Changing to stay the same: the paradox of place-based enterprise on Fogo Island (Doctoral dissertation, Memorial University of Newfoundland).

# 7.1.4 Key lessons for Scotland

It is critical to note that elements that have made the Shorefast Foundation's approach successful require special attention, as they may be difficult to replicate in that the entire model is predicated on a wealthy investor with a personal commitment to the place<sup>58</sup>. It is also difficult to determine what this model will produce in the long-term. Notably, residents of Fogo Island still emphasize the need for core infrastructure such as an improved ferry service and greater variety in hospitality services and recreation facilities aimed toward local communities members (versus tourists)<sup>59</sup>. The progressive work of the Shorefast Foundation as a major employer and significant actor in attracting and retaining new businesses and residents remains challenged by a broader desire by communities to be more engaged and more involved in planning the future of the Island.

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Lower North Shore, Quebec: The role of the 'Coasters Association' and the 7.2 Community Economic Development and Employability Corporation (CEDEC)

#### The extent of the repopulation/depopulation challenge 7.2.1

The Lower North Shore (LNS) is home to 4,640 residents that populate 375 kilometres (233 miles) of the coastline on the Gulf of St. Lawrence, running from the Natashquan River in Quebec to the border with Labrador and covering a total territory of approximately 65,000 km<sup>2</sup> (2,509 square miles)<sup>60</sup>. The population is spread among fifteen small villages, many of which are not accessible by road<sup>61</sup>, with population ranging from 50 to 1,000 residents. The village of Pakua Shipu is both one of the most remote communities in Quebec as well one of the last settled villages in the province, having only been opened in 1972.

The population of the LNS declined 15% between 2006 and 2016, however two communities registered positive growth (La Romaine and Paku Shipi - both of which are Indigenous communities; the trend of growth in these communities mirrors the general trend in Indigenous population growth in Canada, observed nation-wide). The LNS is home to both Anglophone (English-speaking) and Francophone (French-speaking) communities, with English-speaking

<sup>&</sup>lt;sup>58</sup> Tchoukaleyska, R. (2018, October). Transforming Fogo Island: Social enterprise and community resilience in rural Newfoundland: What role can social enterprise play in supporting rural communities? PhiLab. Retrieved from https://philab.ugam.ca/wpcontent/uploads/2018/11/Transforming-Fogo-Island-JM\_RT.pdf

<sup>&</sup>lt;sup>59</sup> Rockett, J. & Ramsey, D. (2017). Resident perceptions of rural tourism development: The case of Fogo Island and Change Islands, Newfoundland, Canada. Journal of Tourism and Cultural Change, 15(4), pp. 299-318.

<sup>&</sup>lt;sup>60</sup> Sourced from CEDEC, 2019

<sup>&</sup>lt;sup>61</sup> Page, J. & Tardif, P. (2018). What it's like to travel Quebec's Lower North Shore by water: Dispatches from the Bella Desgagnes, CBC Montreal. Retrieved from

residents making up the majority of the population of the LNS (62%) – a stark contrast to the general population in Quebec (which is 85% Francophone). The Anglophone communities on the LNS are experiencing much more rapid population decline, at approximately 20% average population decline between 2006 and 2016, than the Francophone communities, which experienced an approximate 3% average decline – indicating that the balance of population in Anglophone versus Francophone communities may change in the coming years.

# 7.2.2 Key initiative(s) put in place into place to tackle the depopulation /repopulation challenge

The Coasters Association was formed in 1988 by a committee of citizens with the common goal of improving access to programmes and services that would meet the needs of member communities. The organization is a key part of social and economic development in the area, leading important employment and youth recruitment and retention initiatives.

Supporting rural and remote employment opportunities has been a key part of the Coasters Association mandate since the formation of the organisation. The Coasters Association has employed 479 employees over the last three decades and the organization was a founding member of the Human Resources Development Canada Community Table in 1998. Together with CEDEC, the Coasters Association has worked diligently to raise the profile of local entrepreneurs and develop place-based businesses focused on the area's natural assets, such as bio-products and naturally-sourced cosmetics products, tourism, and social innovation focused on health and social services.

Since nearly one in five of the English-speaking community in the LNS was below the age of 15 in 2006<sup>62</sup>, support for education and attracting and retaining young people in LNS communities is a core activity of the Coasters Association.

# 7.2.3 Key successes

In 2014, the Coasters Association partnered with the Université du Québec à Trois Rivières and recruited two Master's students to complete their environmental science studies through a place-based programme focused on regional priorities in the LNS.

From 2017-2019, the McGill Bursary, administered by the Coasters Association, distributed \$42,000 to six students to fund their education in Health and Sciences. The McGill Bursary programme is specifically targeted to encouraging young people to gain critical education and credentials in high-needs sectors and return to work and serve their communities. The Coasters Association also runs a Youth Employment Strategy for young people between the ages of 16 and 30 to address barriers to employment. Additional previous achievements include<sup>63</sup>:

• Hiring six young people between the ages of 16-30 in the municipalities of Gros Mecatina, St. Augustine, and Bonne Esperance, through the Youth Skills Link project.

<sup>&</sup>lt;sup>62</sup> Office of the Commissioner of Official Languages. (2013). Overview of the English-speaking community of the Lower North Shore. Retrieved from <u>https://www.clo-ocol.gc.ca/html/stu\_etu\_062008\_lns\_bcn\_p4\_e.php</u>

<sup>&</sup>lt;sup>63</sup> Coasters Association. (2018). Document Centre. Retrieved from <u>http://www.coastersassociation.com/document-center.html#mcgill\_retention</u>

The participants completed a 20 week group-based employability skills and job internship programme in 2014.

- The Youth in Action Project carried out on the coast employed six young people between the ages of 16-30 in the municipalities of Blanc Sablon and Bonne Esperance, who completed a twenty week work based employability skills and job internship programme in 2013.
- The Breaking Down Barriers Project carried out on the coast hired eight young people between the ages of 16-30 in the municipalities of Blanc Sablon and Bonne Esperance, who completed a total of 22 weeks focused on academic upgrading, group based employability skills, culture history and art, and community development.
- The Coasters Association developed a youth job links programme that hired twelve young people on the Lower North Shore, assisting participants in obtaining future employment, returning to school or starting a business in 2003.

# 7.2.4 Key challenges and looking to the future

As the LNS looks to the future, critical challenges remain. Delivering core infrastructure is challenging for the LNS. In November 2019, the first stage of a high-speed broadband initiative was connected in Pakua Shipu, with all LNS communities planning to be connected by 2021. For communities without road access that are served only by plane (or seasonally by cargo boat), and without access to many core essential services, these connections are expected to generate critical opportunities for social and economic development, as well as facilitate opportunities for more people to remain in their communities<sup>64 65</sup>.

Despite the general trend in population decline, the joint activities and advocacy of the Coasters Association and CEDEC have produced a strong sense of place-attachment and investment from business leaders and young people in the LNS<sup>66</sup>. Community leaders emphasize that leveraging local assets to their advantage – such as access to natural resources, growing interest in tourism in nearby Newfoundland and Labrador, and connections to growing markets in sustainable, environmentally-oriented bio-products and cosmetics<sup>67</sup> – is ushering in a positive era for the region. These initiatives are driven by community support via the Coasters Association, research and educational support from post-secondary institutions, and the creation of social enterprises, cooperatives, and private enterprises that are directly linked throughout the process.

<sup>&</sup>lt;sup>64</sup> Tomesco, F. (2019). Digital divide breached: High-speed internet comes to Quebec's Lower North Shore. Montreal Gazette. Retrieved from <u>https://montrealgazette.com/business/local-business/digital-divide-breached-high-speed-internet-comes-to-quebecs-lower-north-shore.</u> Shekar, S. (2019). From roadless to technological runway: Quebec's Lower North Shore gets LTE. MobileSryup. Retrieved from <u>https://mobilesyrup.com/2019/11/19/telus-lower-north-shore-lte-wireless-services/</u>

<sup>&</sup>lt;sup>65</sup> Shekar, S. (2019). From roadless to technological runway: Quebec's Lower North Shore gets LTE. MobileSryup. Retrieved from <u>https://mobilesyrup.com/2019/11/19/telus-lower-north-shore-lte-wireless-services/</u>

 <sup>&</sup>lt;sup>66</sup> Community Economic Development and Employability Corporation (CEDEC). (2019). CEDEC and Coasters working together. Retrieved from <a href="https://cedec.ca/cedec-and-coasters-working-together/">https://cedec.ca/cedec-and-coasters-working-together/</a>
 <sup>67</sup> CEDEC (2019).

# 8 Summary

The case studies presented in this report reveal six cross-cutting themes which provide important learning points for Scotland.

# 1. Financial resources are crucial

Across the case studies, success has depended heavily on a sound financial resource base from which to deliver projects over the short and long-term. The initiatives were supported financially via a range of models, including private donations (the Island Fellows in Maine) and private investment (Fogo Island in Canada), upfront grants from public-private partnerships (the Arranmore digital hub), and public funding at the municipal level (particularly in Denmark and the Faroes where the town municipality can raise and spend local tax income directly). The Faroes case study also used crowd funding for some projects. In Scotland, private funding may be of growing importance in a political context which encourages investment by landowners and other businesses in local communities<sup>68</sup>.

# 2. Holistic initiatives with a suite of measures are important

The case studies suggest that single, standalone initiatives will not address depopulation on their own. For example, although the Rural Resettlement Fund administered in Argyll and Bute supported in-migration to some extent, there was a lack of follow-on funding and the scheme faced challenges in attracting new businesses into the region.

Across the case studies, there was a strong focus on complementary initiatives to promote the attractiveness of a region, raise awareness of opportunities, promote integration and, importantly, ensure availability of appropriate housing for new residents. For example, the broad range of projects under the 'experience economy' banner in Friederikshavn and Vágur has been central to creating a welcoming and revived community/economy in those locations. In Vágur, the focus on bringing regular visitors from across the Faroes, particularly to take part in sports, has raised the profile of the town and created many new jobs and businesses. Similarly, the open letter sent to potential new residents via the Arranmore #cominghome campaign had a dual impact by promoting tourism at the same time as attracting longer-term residents.

In addition, wider factors play an important role in ensuring new residents stay in a remote/island community. Across the case studies, the availability of housing was a common theme (e.g. from challenges housing island fellows in Maine, to the sometimes limited availability of gateway houses in Orkney, to the opportunity to build additional tourist and student accommodation in Vágur).

# 3. Support from the community is key

While there is no 'one size fits all' with regards the optimum combination of initiatives, successful approaches tend to have strong 'bottom-up' aspects (i.e. the receiving community has had a central role in designing and/or implementing the initiative, or the initiatives are place-based with significant community support). For example: the community council led the

<sup>&</sup>lt;sup>68</sup> See, for example, <u>the recent example</u> of a private landowner establishing a community hub in a remote part of Sutherland.

Arranmore digital hub project, with support from Donegal county council and a private investor; the Islands Fellows projects in Maine are shaped directly via dialogue with the receiving community; the Coaster's Association in Quebec was formed by a group of concerned citizens in the late 1980s, and Orkney local development trusts have worked with the Islands Housing Fund to increase public awareness of gateway homes. Nevertheless, it is important to note that all of the successful initiatives described in this report have also required 'top-down' support from a range of public agencies and other organisations to be successful (e.g. the local authorities in Argyll and Bute and Orkney, the Islands Institute in Maine, and the municipality offices in Friederikshavn and Vágur).

### 4. New/returning residents and visitors need to integrate well to ensure they stay

Several of the case studies describe considerable emphasis on welcoming and integrating new/returning residents and visitors so they become attached to the place. On one level, the focus is on ensuring new residents have the skills and understanding of the local community and economy to feel settled and welcome (e.g. the promotional materials associated with the Argyll and Bute Rural Resettlement Fund and the Coaster's Association place-based training programmes).

On another level, the case studies highlight initiatives that seek to increase the diversity of the population (for example, international students are welcomed in Vágur, Australian and American nationals were targeted in the Arranmore #cominghome campaign, and the Settlement Service in Friederikshavn organises events to encourage visitors to the area to consider relocating).

Overall, there appears to be a balance to be struck between bringing people back (e.g. the Vágur 'backmovers') and targeting new residents from other regions and/or countries. Those coming from other places, with no prior knowledge or experience of the receiving community appear to become more embedded when they have adequate support. This was particularly striking in the examples of the Island Fellows in Maine who received high levels of support from the Islands Institute and the Fellow Advisor while in their roles. Similarly, the Coaster's Association initiatives to equip young people with skills and experience to work in remote communities and the focus on digital nomads in Arranmore and Vágur all illustrate the importance of giving potential residents the opportunity to experience life in a remote region.

### 5. Enabling a diverse economy presents opportunities

There are several examples of initiatives that have enabled a more diverse economic base to ensure people from across different job sectors can reside in remote/island regions. Of particular note is the focus on attracting people who are travelling/seeking new places to work temporarily ('digital nomads') and providing high quality digital services for them. The co-working hubs in Arranmore and Vágur are important examples of the potential to capitalise on new and emergent markets that employ the more mobile labour force (e.g. the changing nature of jobs related to information technology and the high levels of self-employment in that sector). Seeing the potential of the digital nomads to 'give something back' to the people of Vágur highlights a positive way in which even more transient visitors can contribute to island life.

### 6. There may be unintended consequences

In the case studies, there are several examples of unintended consequences of the initiatives (both positive and negative). For example, although place-based initiatives that are well-supported by local communities tend to last over time, a negative unintended consequence can be the considerable reliance on volunteers and individual communities actors/leaders in their success. For example, the growing success of the Arranmore Digital Hub has made it increasingly difficult for the voluntary team to handle the increased number of enquiries. Also in Arranmore, the original emphasis was on attracting new families to the island, although there has been much more uptake from digital nomads who tend to stay for shorter periods. In Vágur, the momentum facilitated by the current mayor to develop and implement the range of projects may not continue if he is not re-elected. These examples illustrate the importance of ensuring that key actors/teams have the required succession/support structures in place to be resilient to change over time (e.g. volunteer fatigue, reductions in public funding, etc.).

In Maine's islands and coastal communities, a positive unintended consequence is that the fellows can carry out activities that go beyond the original remit of their role, providing support to local organisations or other community projects. However, when fellows are placed in a role that could have been carried out by a local community member and/or other new employee, the additional benefits may be limited, and there is some debate as to whether the role is taking away an employment opportunity from someone within the community.

The range of initiatives that focus on promoting the attractiveness of islands also tend to transform aspects of island life that may be seen as negative (e.g. remoteness, limited services) into more positive narratives about the cultural and environmental richness of these places. For example, capturing and promoting the 'lived experiences' of communities in Vágur, Friederikshavn and Argyll and Bute was particularly effective. Similarly, the emphasis on interaction between residents and visitors has led to positive experiences and learning outcomes. For example, the experience economy of Friederikshavn allows residents and visitors to learn from each other at organised events, making current members of the community more open to the prospect that their culture may change as new and diverse communities become integrated into the population. In Vágur, the opportunity for community members to be very 'hands on' with development projects (e.g. the new swimming pool and sports hall) and the visible improvements to the town have led to growing community involvement and enthusiasm over time. The Internet of Things project that accompanied the development of the digital hub on Arranmore has also increased connectivity on other parts of the island, for example via teleconference facilities in the GP surgery, which is particularly beneficial for supporting the island's ageing population.