Economic and Community Development in the Highlands and Islands of Scotland

13th September 2017

Rob Clarke – Highlands and Islands Enterprise

Angus Macleod – Highlands and Islands European Partnership
Today’s Presentation

• The Highlands and Islands – Geography, Demography, Economy
• How do we support regional economic and community development?
• Highlands and Islands European Partnership and the importance of EU policy / funding to the region
• Conclusions and Questions
Challenges facing the region:

- Remoteness and peripherality
- Inhospitable terrain and climate
- Water crossings
- Sparsity of population
- Fragile rural economies
- Low incomes
- Cost of living
SOURCE: NATIONAL RECORDS FOR SCOTLAND (NRS)
DRIVERS OF CHANGE

1965
Establishment of Highlands and Islands Development Board (HIDB)

1975
Local government reform

1970’s
Exploitation of North Sea oil

1970/80/90’s
Upgrading of transport infrastructure

1980/90/00’s
Upgrading of telecoms infrastructure
NET MIGRATION BY AGE GROUP

SOURCE: NATIONAL RECORDS FOR SCOTLAND (NRS)
Socioeconomic profile of the Highlands and Islands

The bar chart illustrates the percentage of employment in various sectors in the Highlands and Islands region compared to Scotland. The sectors include:

- Primary
- Manufacturing
- Construction
- Wholesale and Retail
- Transport and Storage
- Accommodation and Food Services
- ICT, Financial and Business Services
- Public Admin and Defence
- Education and Health
- Arts, Entertainment, Recreation and Other

The chart indicates:

- **Highlands and Islands**:
  - Higher proportion of employment in Education and Health
  - Lower proportion in Primary, Manufacturing, and Construction

- **Scotland**:
  - More balanced distribution across sectors

**Source:** Business Register and Employment Survey (ONS), 2014 Data
EMPLOYMENT 
BY BUSINESS SIZE

% OF EMPLOYEES

SOURCE: SCOTTISH GOVERNMENT, ONS, (IDBR) 2014
LIFE SCIENCES

ENERGY

TOURISM
Scotland’s Economic Strategy

PURPOSE

COMPETITIVENESS

Increasing growth and tackling inequality are mutually supportive

TACKLING INEQUALITY

Investment  Innovation  Inclusive growth  Internationalisation
OUR VISION - A HIGHLY SUCCESSFUL & COMPETITIVE REGION

For the Highlands and Islands to be a highly successful and competitive region in which increasing numbers of people choose to live, work, study and invest.

OUR PURPOSE - SUSTAINABLE & INCLUSIVE ECONOMIC GROWTH

To generate sustainable and inclusive growth across the Highlands and Islands.
OPERATING PLAN

SUPPORTING BUSINESSES AND SOCIAL ENTERPRISES
GROWTH SECTORS
REGIONAL COMPETITIVENESS
STRENGTHENING COMMUNITIES

INCLUSIVE GROWTH
INTERNATIONALISATION
INNOVATION
INVESTMENT

2017 - 2018
Our Priorities: Developing, Creating, Supporting, Strengthening

- Supporting businesses and social enterprises to shape and realise their growth aspirations
- Strengthening communities and fragile areas
- Developing growth sectors, particularly distinctive regional opportunities
- Creating the conditions for a competitive and low-carbon region
WHAT DID WE ACHIEVE?
YEAR END NUMBERS 2016 / 17

12 INWARD INVESTMENT PROJECTS

HIE INVESTMENTS TO CREATE
1,688 FULL TIME JOBS
169 IN FRAGILE AREAS

TURNOVER TO INCREASE
£120.4m
OVER 5 YEARS
INTERNATIONAL SALES £79.5m

47 COMMUNITY ACCOUNT MANAGEMENT PROGRAMMES
HELPING COMMUNITIES ACHIEVE GREATER RESILIENCE

REGION'S SOCIAL ECONOMY TURNOVER TO INCREASE BY £5.6m

AWARDED £4m TO 54 PROJECTS
31 IN HIGHLANDS AND ISLANDS

SCOTTISH LAND FUND

WAVE ENERGY SCOTLAND
APPROVED £6.5m
16 PROJECTS
TOTAL INVESTMENT £15m

155,000 PREMISES WITH ACCESS THROUGH THE INE-LED DIGITAL SCOTLAND SUPERFAST BROADBAND PROJECT
1,400

Through 13 projects supported by Community Broadband Scotland (CBS)

2,000+ delegates at #hellodigital
Talla na Mara
DIGITAL
Highlands and Islands European Partnership
Highlands and Islands European Partnership

- Partnership
- Collaboration
- Influence Policy
Highlands and Islands – The Future

• An international centre for marine renewables
• A world class digital region
• Home to more growth businesses operating in international markets
• Recognised internationally for digital healthcare and marine science expertise
• Characterised by dynamic, sustainable communities
• A globally-connected region
• An attractive region for young people
Questions and Discussion

THANK YOU

robin.clarke@hient.co.uk
www.hie.co.uk

Angus.MacLeod3@highland.gov.uk