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OUR NEXT GENERATION

Young people and the Highlands and Islands: Attitudes and aspirations

Research Report - June 2015

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1 Introduction

Overview

1.1 This report presents the findings of the research study into the attitudes and aspirations of young people in and with regard to the Highlands and Islands (H&I). ekosgen were commissioned by Highlands and Islands Enterprise (HIE) in November 2014 to undertake the research. The purpose of the review is to explore the changing aspirations of young people in relation to the H&I, and the extent to which recent policy interventions have helped to address the issue of out-migration of young people from the region. The research findings will be used to develop future policy to facilitate sustained population growth of young people across the region.

1.2 Previous research published by HIE in 2009 identified that the aspirations and migration choices of young people in the Highlands and Islands differed little from those of young people in other rural and peripheral areas. Their choices are influenced by a range of factors including education, training and employment opportunities, housing availability and transport provision. Importantly, the previous study identified key segments: committed stayers, reluctant leavers, reluctant stayers, committed leavers, potential returners and potential new residents; groupings that are used in the current review.

Research questions

1.3 The extent to which the retention of these groups, the push and pull factors affecting the movement of these groups, as well as the impact on their responsiveness to migration initiatives needs to be fully understood. This helps inform ongoing policy development to address issues of out-migration, and ultimately to facilitate sustained population growth of young people across the H&I region.

1.4 The research was designed to meet the following objectives/research questions:

- Assess the policy landscape, with a view to identifying what national and regional policies are being implemented to address the issue of out-migration of young people from the Highlands and Islands.

- Explore the impact the policy interventions identified are having on population attraction /retention of young people in/to the Highlands and Islands and assess which have been most successful in reducing out-migration, and increasing in-migration of young people to the Highlands and Islands.

- Explore the attitudes of young people within and outwith the Highlands and Islands in relation to living, working and studying in the region, identifying areas of significant change since the previous HIE research was undertaken in 2009.

- Understand the short-term and longer-term aspirations of young people, segmenting by key target groups, with a view to identifying the types of policy interventions which could be put in place to ensure the Highlands and Islands becomes and remains an attractive place for young people to live, work and study.

- Identify the challenges, barriers and limiting factors that need to be addressed (or addressed more fully) to accelerate progress in reducing the region's young people population gap and help achieve HIE's ambition of making the Highlands and Islands an attractive place for young people.

Research study approach

1.5 The research study consisted of an extensive, in-depth survey of young people both within and outwith the H&I, coupled with a follow-up programme of online focus groups, supplemented by a social media engagement campaign to foster interest and engagement in the research. A broad programme of consultation with stakeholders across the region was also undertaken to explore the perspectives of employers, policy-makers and key groups in relation to the study.

1.6 The research methodology is explored in more detail in Chapter 3.

Structure of the report

1.7 The report is structured in the following way:

- **Chapter 2** contains the **policy review**, and identifies the regional and national policies currently in place to address issues pertaining to out-migration of young people from the H&I;

- **Chapter 3** details the **methodology** used in the research study;

- **Chapter 4** provides an overview of the **survey response profile**, identifying key respondent groups according to age, gender, geography, status and self-identified key grouping;

- **Chapter 5** the first of the results analysis chapters, explores the **perceptions of those who stay or leave** held by young people;

- **Chapter 6** discusses the views on learning in the H&I, particularly with regard to the **further and higher education offer** in the region, the impact of the **University of the Highlands and Islands**, and the potential of **Inverness Campus**;

- **Chapter 7** continues to explore the aspirations of young people following education by examining attitudes towards **employment and related opportunities** in the H&I;

- **Chapter 8** looks at the experience of living in the H&I, and considers the views of young people on a range of factors from housing and transport to digital connectivity and culture;

- **Chapter 9** concludes the analysis by examining the future aspirations of those young people who live in the H&I – and of those who currently live outside but are interested in returning or moving to the H&I.

2 Policy review

Introduction

2.1 This chapter provides an overview of the policy context as relevant to the study. The purpose of the review is to set out the current policy landscape and initiatives and programmes being implemented and/or planned to address the issue of out-migration of young people from the H&I.

2.2 It is based on review and analysis of a number of strategy documents and research papers. Firstly, a brief overview of the current socio-economic context across the H&I is provided, as well as an overview of the previous young people research study undertaken in 2009. Next, Scottish Government policy relating to young people is briefly reviewed. Subsequently, policies relating to education/learning and training are analysed, followed by employment and, finally, factors affecting migration, tracing the life cycle of the typical young person. For each of these themes, national, regional and local policies are discussed in order. Detailed analysis of each local authority's policies in relation to these areas is outwith the scope of this review, but it does draw out examples of particularly innovative or successful interventions being implemented by authorities.

Socio-economic profile

The Highlands and Islands: overall context

2.3 At just over 40,000km^2, the H&I region stretches from Shetland in the north to Campbeltown at the southern tip of Argyll, and from the Western Isles to Moray in the East. With a population density of c.11.5 people per km^2, in comparison to 129 per km^2 in the rest of Scotland, the region has the lowest population density in the UK, and one of the lowest in Europe.[1]

Population and Migration Trends

2.4 HIE's recently published socio-economic profile of young people allows for an analysis of the 15-29 age group in the H&I region.

2.5 The profile highlights the 'deficit' of young people that exists in the H&I. When compared to the Scottish average, the percentage of young people (aged 15-29 years) in the H&I is proportionally lower (16% compared to 20%). While the population of 15-29 year olds in the H&I increased between 2001 and 2011 (from 68,483 to 75,256[2]), the increase is largely *"due to growth in the indigenous population, rather than young people migrating"* to the area[3]. Additionally, the proportion of young people in the region has stayed the same (16%) over this period.

2.6 The Fragile Areas of the H&I have an even lower percentage of young people – at just 13%.[4] While the percentage of 15-29 year olds increased by nearly 10% in both the H&I and Scotland as a whole from 2001 to 2011, there was a 1% decrease in the Fragile Areas. This is

[1] HIE (2013) *The Highlands and Islands in Numbers*. Please note, figures are based on mid-2013 population estimates from National Records Scotland (NRS)
[2] Census of Population, 2001 and 2011.
[3] Highlands and Islands Enterprise (2014) *Young People in the Highlands and Islands. Socio-economic profile.* May 2014, p.5
[4] *Ibid.*, p. 4

probably not unexpected given that Fragile Areas within the H&I are characterised by declining population, under-representation of young people within the population, lack of economic opportunities, below average income levels, problems with transport and other issues reflecting their rural geographic location. These areas tend to face particular and severe difficulties including increased cost of living and increased business operating costs.

2.7 However, it must be noted that there are regional differences. The percentage of young people as a whole of the population is lower in Argyll and the Islands, Lochaber, Skye and Wester Ross and the H&I Fragile Areas more widely. Inverness is at the other end of the spectrum, attracting many young people across the region.[5]

2.8 Across the region, the comparatively small percentage of young people is largely caused by net out-migration, specifically amongst those aged 17-20 years. Nevertheless, from 2001/02 to 2011/12, the rate of out-migration amongst young people has, in fact, decreased. Thus, HIE concludes that overall *"the data suggests that youth out-migration remains a challenge but this may now form part of a wider challenge of increasing in-migration levels in the H&I across all age groups."* [6]

2.9 Population projections estimate that the proportion of young people in the H&I is likely to decline from 2012 to 2037, with an estimated decline of 17%. This is in contrast to an estimated increase in the proportion of young people across Scotland from 2027 onwards.[7]

Educational attainment

2.10 From 2001-02 to 2011-12, the H&I has consistently had a higher proportion of S4 pupils achieving SCQF Level 4, although the gap is narrowing, with just a three percentage point difference in 2012 (83% compared to 80%).[8] Further, the proportion of H&I pupils entering a positive destination when leaving school is higher when compared to the Scottish average, at 94% compared to 91% in 2012-13. Of the 1,609 H&I school leavers beginning university in 2012-13, a quarter (26%) enrolled at the University of the H&I (for both FE and HE), with the remainder going elsewhere.[9]

2.11 However, evidence suggests that despite the population doing relatively well at school, much of this is lost to other parts of Scotland in later life. For example, Annual Population Survey data shows that 7% fewer 16-19 year olds in the H&I have graduate level qualifications, at 26% compared to 33%, while the percentage with no formal qualifications or NVQ level 1 or 2 is higher than the Scottish average. This is likely a result of *"the high proportion of 17-20 year olds migrating away from the Highlands and Islands for university and not returning until their 30s and 40s."*[10]

Labour Market

2.12 While the H&I region generally compares favourably to Scotland in terms of economic activity and employment, the rate in both areas has declined over the past decade. The rate of economic activity amongst 16 to 24 year olds in the H&I has declined from 80% in 2004 to 74% in 2014.[11] Although remaining below the H&I rate, the Scottish level has similarly reduced from

[5] *Ibid.*, p.19
[6] *Ibid.*, p.6
[7] *Ibid.*, p.8
[8] *Ibid.*, p.8
[9] *Ibid.*, p.9
[10] *Ibid.*, p.10
[11] *Ibid.*, p.11; Annual Population Survey (2014)

72% in 2004 to 64% in 2014.[12] Likewise, the H&I employment rate of 16-24 year olds has declined from 72% in 2004 to 64% in 2014. This is 11 percentage points above the Scottish rate of 53%.[13,14]

2.13 The most common sector worked in amongst 16-24 year olds in the H&I by industry is retail and hospitality at 40% (compared to 43% across Scotland), with 19% working in public administration, education or health services (compared to 16%)[15]. Retail and hospitality in particular is not that well paid, likely increasing the perception amongst some young people that they are better off migrating elsewhere for employment opportunities. Looking at the other key sectors, there are also generally more young people in the H&I working in the primary industries of agriculture and fishing and in construction, while fewer young people are employed in manufacturing and the banking, finance and insurance services.[16]

Unemployment

2.14 Unemployment levels, based on Job Seekers' Allowance claimant figures, show that *"youth unemployment levels continue to be lower in the Highlands and Islands than across Scotland as a whole. For example, in 2013, their respective annualised 16-29 year old annualised JSA Claimant Count rates were 3.6% and 5.4%."*[17]

2009 Migration study

2.15 This study builds on a previous study commissioned by HIE in 2009, entitled Young People in the Highlands and Islands – Understanding and Influencing the Migration Choices of Young People to and from the Highlands and Islands of Scotland. Based on extensive primary research, the previous work suggested a range of interventions to increase the percentage of young people in the H&I, based on the belief that:

> *"In looking to the future, the driving force for change is to give young people who choose to make their home in the Highlands and Islands the same range of opportunities in terms of education, training and employment that are open to their peers in other parts of Scotland. This is not only about increasing the skills of local young residents, but is also about reducing disparity at a sub-regional, regional and national level. The aim is to create more vibrant and sustainable communities in which young people play an important part – not towns and villages which are devoid of them."* [18]

2.16 It also emphasised the opportunity for the region to promote the "attractive product" and "many assets" of the H&I, while recognising that *"there are distinct gaps in terms of what the region can offer young people and areas of disconnect, which need to be addressed."* [19]

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[12] Ibid.

[13] *Ibid*., p.11

[14] Annual Population Survey (2014)

[15] Highlands and Islands Enterprise (2014) *Young People in the Highlands and Islands. Socio-economic profile.* May 2014, p.12

[16] *Ibid*.

[17] *Ibid*., p.14

[18] HIE (2009) *Young people in the Highlands and Islands: Understanding and influencing the migration choices of young people to and from the Highlands and Islands of Scotland August 2009.* Prepared by Cogent Strategies International, in Association with Reference Economic Consultants and Ionad Nàiseanta Na h'Imrich, p. 74

[19] *Ibid*., p.74

2.17 The report identified the target groups that emerged from the analysis *"based on their attitudes, motivations and the push and pull factors which affect their migration decisions."* These were: committed leavers, reluctant leavers, reluctant stayers, committed stayers, potential returners and potential new residents.[20] It also identified the three key themes requiring attention: education, employment and environment with the idea that addressing these policy areas would *"encourage reluctant leavers to stay…attract potential returners back and…entice potential new residents to move to the area for the first time."* Engagement was a crucial theme across these areas.[21]

2.18 Employment was found to be *"arguably the single most important factor in the migration choices of young people on a permanent or long-term basis"* with "*concerns over job availability, local wage levels and career progression opportunities.*" It recommended that it was crucial to alter the perceptions of young people regarding these issues.[22]

2.19 Regarding education, it emphasised that many young people were concerned that they could not meet their potential with regards to education/employment opportunities, with Further and Higher Education opportunities being a key push factor driving the initial out-migration of young people. The University of the Highlands and Islands is perceived as crucial in this regard, to alter perceptions.[23]

2.20 Given slightly less emphasis amongst respondents were other factors, including housing, transport and access to services. The previous research emphasised that despite this lesser priority, addressing these issues will help to improve the perception of life in the region.[24]

2.21 While the research recognised the extensive work already underway at the time to *"encourage young people to live, study and work in the Highlands and Islands,"* it also found that there was a need for more effective communication with young people. It highlighted a need to identify the most appropriate methods of engaging with young people, and then implement a suitable marketing campaign.[25]

2.22 Overall, it argued that it was necessary to both improve the existing offer and promote the region's existing strengths, as well as implement interventions to improve economic and educational opportunities and promote the appeal of the region.[26]

Current Scottish economic and regional development policy

2.23 At a national level, the Scottish Government's recently published *Scottish Economic Strategy* (2015) (SES) is centred on four key priorities:

- *"An economy where growth is underpinned by long-term sustainable **investment** in people, infrastructure and assets;*

- *An economy where growth is based on **innovation**, change and openness to new ways of doing things;*

[20] *Ibid*., p.66
[21] *Ibid*., p.9
[22] *Ibid*., p.75
[23] *Ibid*., p.74
[24] *Ibid*., p.75
[25] *Ibid*., pp.75-76
[26] *Ibid*., p.75

- *A society that promotes **inclusive growth** and creates opportunity through a fair and inclusive jobs market and regional cohesion to provide economic opportunities across all of Scotland; and*

- *A country with an international outlook and focus, open to trade, migration and new ideas."* [27]

2.24 Through Scotland's Economic Strategy, the Scottish Government recognises the need to address issues related to young people, inequality and infrastructure, particularly in rural areas. For example, one of the four priorities is investment, specifically in education, skills and health; infrastructure and digital; business investment; natural capital, resource efficiency and low carbon; and communities, local assets and housing, all areas highly important for young people.[28]

2.25 The SES recognises the need for sufficient investment in rural areas to drive economic growth. For example, with regard to the digital economy, the SES emphasises that investment in digital infrastructure is necessary to deliver high-value public services.[29]

2.26 In September 2013, a new programme of focus years was announced by the Scottish Government. Of these, 2018 is to be the Year of Young People in Scotland. This year will see an exciting programme of educational and cultural events centred on Scotland's young people. Opportunities will also be identified to build youth elements into the programmes of Focus Year activity in 2015 (Year of Scotland's Food and Drink), 2016 (Year of Innovation, Architecture and Design) and 2017 (Year of History, Heritage and Archaeology).[30]

2.27 Moreover, while the Government's Regeneration Strategy (2011)[31] is somewhat urban in focus, it also recognises issues such as *"remoteness, high fuel costs and access to public and private services"* in rural areas.[32] As will be discussed in more detail later, the Strategy recognises the importance of education in community development and increasing the attainment of, and opportunities for, young people.[33]

European Regional Development Fund and Rural Development Programme

2.28 Supplementing this Scottish government approach, the 2014-20 ERDF Operating Programme (currently draft) is pan-Scotland, with a proposed EU budget of c. €477 million (€190 million across the H&I) and a more targeted focus on innovation, business competitiveness and a shift to a low carbon economy.[34] However, the draft Programme is cognisant of the challenges faced by the H&I and interventions will be tailored to address the additional requirements that the degree of remoteness, peripherality, physical and demographic challenges offer, building on the investments made through the 2007-13 Programme.[35] Additionally, there is provision for additional investment in ICT/broadband infrastructure through

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[27] Scottish Government (2015) *Scotland's Economic Strategy*. March 2015, p.10

[28] *Ibid.*, p.9

[29] *Ibid.*, p.37

[30] http://news.scotland.gov.uk/News/New-Focus-years-programme-announced-3f1.aspx

[31] Scottish Government (2011) *Achieving a Sustainable Future: Regeneration Strategy*. The Scottish Government: Edinburgh

[32] *Ibid.*, p.6

[33] *Ibid.*, p.6

[34] Scottish Government (2014) Draft Operational Programme: United Kingdom – ERDF Scotland

[35] Scottish Government (2007) Operational Programme | European Regional Development Fund: 2007-2013 | Highlands and Islands Scotland | Final

ERDF monies. Throughout the programme, young people are identified as a target group for reaching through overall support.

2.29 Similarly the Draft 2014-20 Rural Development Programme[36] prioritises protecting natural assets, mitigating against climate change, sustainable development and vibrant/ sustainable rural communities. Of particular relevance for the H&I are priorities around virtual and physical infrastructure, entrepreneurship, knowledge transfer and skills development, along with community development (including maximising the existing LEADER investment); and specifically for young people, a priority around supporting new entrants and generational renewal to drive forward change and stimulate sustainable economic growth and innovation, to create jobs and business opportunities.

Education/Learning and Training

2.30 As noted earlier, the Scottish Government has a range of policies and interventions relating to education and training, through both academic and vocational routes.

Education

2.31 The Curriculum for Excellence (CfE) governs education at a national level up to Secondary level 6 (S6), with the intention to transform all aspects of education in Scotland. Increased emphasis is placed on inter-disciplinary learning, skills development and encouraging personal achievement. The CfE is intended to foster four capacities in all young people: successful learners, confident individuals, responsible citizens and effective contributors.[37] As part of this, Learning and Teaching Scotland's *Developing Global Citizens* paper focuses on teaching the skills, knowledge and values for young people to flourish and succeed as responsible global citizens, emphasising sustainable development, global teaching and the ability to think globally and act locally.[38]

2.32 The CfE is well-aligned with the Scottish Government's strategic objectives and national outcomes. In terms of the strategic objectives, the most relevant is the objective seeking to make Scotland smarter by increasing *"opportunities for Scots to succeed from nurture through to lifelong learning ensuring higher and more widely shared achievements."* [39] Regarding the Government's 15 national outcomes, specifically relating to education and training, the CfE is aligned to four particular priorities: *"we realise our full economic potential with more and better employment opportunities for our people," "our young people are successful learners, confident individuals, effective contributors and responsible citizens," "our children have the best start in life and are ready to succeed"* and *"we have improved the life chances for children, young people and families at risk."* [40]

2.33 As well as the CfE, the Scottish Government and local authorities are implementing a range of initiatives to raise attainment and reduce inequality. These include the School Improvement Partnership Programme (SIPP), the Self Improving Schools Pathfinder (including

[36] Scottish Government (2014) United Kingdom – Rural Development Programme (Regional) – Scotland 2014-20
[37] http://www.scotland.gov.uk/Topics/Education/Schools/curriculum
[38] Learning and Teaching Scotland (2011) Developing global citizens within Curriculum for Excellence
[39] http://www.scotland.gov.uk/About/Performance/scotPerforms/objectives
[40] http://www.scotland.gov.uk/About/Performance/scotPerforms/outcomes

the development of the Raising Attainment for All Programme), a Literacy Action Plan, the Senior Phase Benchmarking Tool and Getting it Right for Every Child, amongst others.[41]

2.34 Recently, there has been a growing emphasis in Scottish higher education policy on widening access to university to all those with the potential to benefit, irrespective of background or economic circumstances. Since 2011, Scottish universities have been obliged to submit their plans on how this will be implemented to the Scottish Funding Council (SFC) as part of their outcome agreements. The Scottish Government has emphasised the role of the 2013 Post-16 Education (Scotland) Act in terms of equality of opportunity. The Act allows the SFC to impose financial penalties on institutions deemed to have achieved insufficient progress in relation to widening access, and makes provision for extra university places for appropriate initiatives and articulation.[42]

2.35 There are also a number of initiatives being implemented at a regional level to promote higher education in the H&I. Until attaining full university status in 2011, the UHI Millennium Institute was the only HEI in the region. It is arguable that without a designated university, young people have, for generations, left the area to seek higher education; simultaneously, there has been no benefit of young people being attracted into the area to study. Continuing professional development for enterprise has been limited and there has been no central hub around which research could develop.

2.36 This has changed in recent years with the development and ultimate establishment of the University of the Highlands and Islands.[43] UHI is a federation of 13 independent research colleges and research institutions, and has over 7,500 undergraduate and postgraduate students. The Post-16 Education (Scotland) Act 2013 identifies the University of the Highlands and Islands as the regional strategic body responsible for the co-ordinated planning, funding and monitoring of further (college) education across the H&I. This is in addition to the university's existing role in higher (university) education.[44]

2.37 In addition, a number of other Scottish universities have an offering in the region. The Glasgow School of Art (GSA), in partnership with HIE, established the Institute of Design Innovation (InDI) at the Enterprise Park in Forres in 2010. It was recently announced that HIE and GSA *"plan to expand on the present model with anticipated investment of up to £10 million over the next four years."* This will involve a varied programme of new opportunities for students, contributing to the delivery of HIE's community and economic development priorities.[45]

2.38 Further, the University of Stirling hosts campuses in Inverness and Stornoway, with responsibility for teaching nurses in the Forth Valley, Highlands and the Western Isles.[46] Heriot Watt also has an offering in the Orkney Islands, hosting the International Centre for Island Technology, focusing on renewable and marine energies (as part of the School of Life

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41 http://www.scotland.gov.uk/Topics/Education/Schools/Raisingeducationalattainment/Whatarewedoingaboutit

42 Ridell, S. et al. (2013) Widening access to Higher Education: Scotland in UK comparative context, ESRC Fellowship Project: Higher Education, the Devolution Settlement and the Referendum on Independence, Think Tank 2: Pre-event briefing

43 Scottish Government (2007) Operational Programme | European Regional Development Fund: 2007-2013 | Highlands and Islands Scotland | Final

44 http://www.uhi.ac.uk/en/about-uhi

45 http://www.hie.co.uk/about-hie/news-and-media/archive/enterprise-agency-and-art-school-reveal-major-investment-plan-in-highlands-and-islands.html#sthash.7i5y8MmE.dpbs

46 http://www.stir.ac.uk/campus-life/highland/

Sciences).[47] Further, Scotland's Rural University College, Aberdeen University and Robert Gordon University all have a presence in Inverness.

The Commission on the Delivery of Rural Education

2.39 The purpose of the Review undertaken by the Commission on the Delivery of Rural Education was to examine both how the delivery of rural education could maximise the attainment, achievement and life chances of young people in rural areas, and the link between rural education and rural communities.[48] It took a wide-ranging review of rural education provision, and its relationship with rural communities, making 38 recommendations. Interestingly, its first recommendation was for a coherent rural regeneration strategy to support economic outcomes for rural areas, and specifically identified that there is a need for a more integrated, multi-sectoral and place-based approach to rural development which recognises the great variations in wellbeing across rural Scotland and the particular challenges of Fragile Areas.

2.40 The Review also made recommendations on innovation in education service provision, to meet the needs of rural areas, such as better provision for wraparound care to enable young families to undertake full employment, and also the use of schools as community education hubs for lifelong learning.[49] Its recommendation on curriculum provision and barriers to teaching focused on encouraging (triple-helix) collaboration: to provide the widest range of opportunities to young people and adults in rural areas; widen curriculum provision in small rural secondary schools; explore innovative solutions to reduce the barriers to teaching in remote areas; and to resource the curriculum in small rural secondary schools to support the achievement of positive outcomes and destinations for young people.[50]

2.41 The Review's observations on broadband provision also highlighted a shortcoming in supporting the education provision in rural areas, along with the resultant access to often inadequate computer facilities.

2.42 The Scottish Government largely accepted the Review's recommendations.[51] It pointed to current regeneration strategies, but made no specific statement on adopting a localised place-based approach. It also indicated that funding is provided to HEIs to widen access and provide the skills relevant to the regional context, such as through UHI. Furthermore, the University of St. Andrews is undertaking an Access for Rural Communities (ARC) summer school project in Argyll and Bute, Highland and the Western Isles.[52] However, there was no indication in the report that UHI undertakes similar work.

2.43 In terms of Further Education provision, Outcome Agreements are now in place to ensure the needs of learners are met. These are designed by regional bodies and colleges in partnership; however, it is not clear whether there is input from employers to address the needs of business.

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[47] http://www.hw.ac.uk/student-life/campus-life/orkney.htm

[48] Scottish Government (2013) Commission on the Delivery of Rural Education, p.5

[49] *Ibid.,* p.7; pp.13-18

[50] *Ibid.,* p.7; pp.18-27

[51] Scottish Government (2013) Scottish Government Response to the Commission on Delivery of Rural Education

[52] *Ibid.,* p.4

Training

2.44 In terms of more vocational routes, Skills Development Scotland (SDS) runs a number of training programmes, such as Modern Apprenticeships, seeking to provide young people with the training required for them to succeed in the workplace. SDS provides funding for 25,000 Modern Apprenticeships across Scotland.[53] Another initiative currently run by SDS is the Introduction to Workplace Skills (IWPS), providing 16-19 years olds with *"an employer assessed work experience placement of 150 hours"* and qualification to prove their core skills and experience, with the aim of progressing into employment once completed.[54] SDS also runs the Certificate of Work Readiness (CWR), which provides young people with a qualification comprised of a work experience placement and classroom based learning to prepare young people for the workplace.[55]

2.45 Between 2005-06 and 2013-14, 15,155 Modern Apprenticeship placements have been started. Overall there has been an increase of around 63 per cent in uptake, with year on year start increases since 2009-10. Regional variations are present, however. The Highland Council area experienced the greatest increase in the number of Modern Apprenticeship starts (541), whilst Moray had the greatest proportional increase (171 per cent) over the same period. Conversely, Argyll and Bute experienced an overall decrease (just over 19 per cent).

2.46 For the 2013-14 financial year, 3,502 individuals undertook training through a Modern Apprenticeship across the H&I. Achievement rates were around 75 per cent (though in Orkney this was higher at 80 per cent).[56]

The Wood Commission

2.47 A Commission for Developing Scotland's Young Workforce (the Wood Commission) was established in January 2013 to consider:

- How a high quality intermediate vocational education and training system, which complements our world-class higher education system, can be developed to enhance sustainable economic growth with a skilled workforce;
- How to achieve better connectivity and co-operation between education and the world of work to ensure young people at all levels of education understand the expectations of employers, and that employers are properly engaged; and
- How to achieve a culture of real partnership between employers and education, where employers view themselves as co-investors and co-designers rather than simply customers.

2.48 This was undertaken against a background of high youth unemployment, a low proportion of young people going to university and a perception that young people are neither being prepared adequately for work, nor being offered employment opportunities by employers.[57]

2.49 The report's 39 recommendations focused on: better preparing school leavers for the world of work; focusing college education on employment and progression in learning; focusing

[53] https://www.skillsdevelopmentscotland.co.uk/our-services/modern-apprenticeships/
[54] https://www.skillsdevelopmentscotland.co.uk/media/1252206/what_is_introduction_to_workplace_skills.pdf
[55] https://www.skillsdevelopmentscotland.co.uk/our-services/certificate-of-work-readiness/
[56] https://www.skillsdevelopmentscotland.co.uk/statistics/modern-apprenticeships/
[57] Scottish Government (2014) Education Working for All! Commission for Developing Scotland's Young Workforce (Wood Commission)

Modern Apprenticeships on higher level skills and industry needs; encouraging more employers to engage with education and recruiting more young people; and advancing equalities. Of particular relevance for the H&I, there was a specific recommendation for the establishment of regional Invest in Youth groups to provide leadership and a single point of contact and support to facilitate engagement between employers and education.[58]

2.50 Further, at a local level, each council has a range of initiatives to improve education and training. For example, Highland Council's Skills for Work Programme aims to improve pupils' employability by increasing *"their knowledge of the world of work and the skills which are required for successful transition from school into appropriate career pathways."* It is available for secondary school pupils from S3 upwards, and pupils work with local employers to achieve the learning outcomes for Skills for Work awards.[59]

2.51 Moreover, Comhairle nan Eilean Siar offers Enterprise and Vocational Education. This provides pupils with greater access to:

- Enterprising learning and teaching in schools (P1 – S6);
- Increased opportunities to take personal responsibility (including risk) (P1 – S6);
- Running micro businesses, social/community enterprises, with support from local employers/community organisations (P1 – S6);
- High quality and accredited work experience placements in local businesses/public/ third sector (in senior phase); and
- Access to relevant accredited vocational education in Senior Phase (school, business, third sector, college and partnership based).[60]

Employability and Skills

Employability

2.52 At a national level, the Government published *Working for Growth: A Refresh of the Employability Framework for Scotland* in 2012. It considers "*how approaches to employability have developed since 2006 and provides a clear framework to strengthen [the Government's] combined focus on jobs and growth.*" This is done under the following four themes: Strategy and Effective Leadership; Better Integration and Partnership Working; Towards Prevention – Tackling Inequality; and Improving Performance. Scotland's Youth Employability Strategy, *Action for Jobs – Supporting Young Scots into Work*, also informs the policy context relating to employability, with the aim of providing "*young people the chance to channel their talent enthusiasm and energy into sustainable and rewarding employment*."[61]

2.53 Other relevant policies/initiatives include Opportunities for All, an initiative to "*offer a place in learning or training to every 16-19 year old who is not currently in employment, education or training*"; More Choices, More Chances; the Scottish Government's skills strategy, *Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth*; and *Achieving Our Potential: A Framework to Tackle Poverty and Income Inequality in Scotland*.[62]

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58 *Ibid*., pp.8-15
59 http://www.educationscotland.gov.uk/resources/practice/w/workexperiencesixteen/aims.asp
60 http://www.cne-siar.gov.uk/education/schools/skillsandenterprise.asp
61 http://www.scotland.gov.uk/Topics/Education/Employability/Policy
62 http://www.scotland.gov.uk/Topics/Education/Employability/Policy

2.54 A number of local projects in the H&I also exist. For example, as part of a wider commitment to promoting youth employment, Highland Council, with support from Europe, has launched a project which aims to be a springboard to full-time employment or future study or training for young people who have difficulty in securing work. The Youth Trainee Project has funding of approximately £1.1m (£500k from Highland Council) to March 2015 to provide just under 200 young people (16-24 years) with 6 months of paid work placements within Council Services.[63]

2.55 It will also provide the young people with mentoring through the Employability Team, which is located within Planning and Development Services, and support will be given to develop a personal development and achievement portfolio. As well as 'on the job' training, the trainees have access to Council and other external training opportunities. Should any internal vacancies arise, they are eligible to apply. To date, seven young people have been placed in Portree, Inverness and Thurso. A further ten training opportunities are currently being advertised through partner agencies.

2.56 Highland Council is actively involved in providing a range of modern apprenticeships and currently provides a rolling programme of 27 modern apprenticeships. Through its Business Gateway service the Council has also secured additional European funding to provide businesses with specialist recruitment advice to take on an employee for the first time.

Graduate Placements

2.57 There are also a number of graduate placement programmes helping young people in the H&I to gain valuable work experience. For example, the ScotGrad Programme (launched in August 2013 to replace the former TalentScotland programme), operated by HIE, Scottish Enterprise and the Association of Graduate Careers Advisory Service, was designed to support business innovation, knowledge transfer and growth in the H&I by assisting graduates with their career progression. In so doing, it is hoped that young people will be encouraged to stay in the H&I and thus reduce the present under-representation of young people. The programme started in August 2010, with the intention of overcoming market failures around graduate recruitment and innovation, which tend to be particularly severe in remote rural areas. This failure impairs business development and also means that there are fewer opportunities for young graduates to obtain employment in the H&I.[64]

2.58 A review of the programme undertaken in 2013 by Cambridge Economic Associates for HIE identified the positive impact TalentScotland has had, both in terms of graduate retention, and also the value added in terms of increased turnover and economic activity brought forward as a result of graduate placement.[65] The ScotGrad programme provides both graduate and summer placements. Across the H&I, its delivery is supported by HIE, and by ERDF funds.[66]

2.59 A Gaelic Summer Placement Programme is provided by HIE. It is designed to support local community groups, social enterprises and businesses and attract young people to stay in the H&I during the summer holidays.

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[63] http://www.highland.gov.uk/news/article/5821/youth_trainee_project_is_springboard_to_work_or_future_training

[64] HIE/Cambridge Economic Associates (2013) Review of TalentScotland Placement Programme 2010-2013, p.i

[65] *Ibid*., p.iv

[66] http://www.scotgrad.co.uk/help/about

Skills

2.60 Related to those policies outlined above, the Scottish Government and partners have implemented a range of policies and interventions to increase employment and jobs, a key priority in the *Scottish Economic Strategy* discussed previously.

2.61 The Scottish Government's skills strategy, *Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth* sets out a new, flexible, responsive partnership approach to meeting Scotland's skills needs.[67] The strategy is closely aligned with the Scottish Economic Strategy, and aims to develop creative, innovative and enterprising people, and a cohesive and efficient learning system. The Skills Strategy has four key themes:

- empowering people to ensure they have the opportunity to access the right advice, support and opportunities to acquire the skills and attributes to both contribute to and benefit from future economic success;
- supporting employers by better understanding and assessing the skills they need for future success, and ensuring that the supply of skills, training and qualifications can be responsive to this;
- simplifying the skills system to ensure that it is more coherent and easy to understand for individuals and employers; and
- strengthening partnerships and collective responsibility between public, private and third sectors to help improve skills and the contribution they make towards achieving Scotland's social and economic aspirations.

Highlands and Islands Regional Skills Investment Plan

2.62 The Highlands and Islands Regional Skills Investment Plan[68] (RSIP), developed by Skills Development Scotland, identifies the biggest skills challenge to the H&I as the retention and attraction of working age people. Though the region’s population has grown, the growth has been driven by in-migration of older people; consequently there continues to be a deficit of skilled people of working age in the 15-39 age group. This is highlighted in the student profile of the University of the Highlands and Islands. UHI had more than 9,300 students in 2014, nearly 15% of whom are from outwith the region; however, at the same time, 8,000 H&I students study outside the region.[69]

2.63 In working to address this, there is generally a good collaboration of partner agencies. However, there is potential for better alignment, and also better cross-sector collaboration around employers’ needs, especially around Science, Technology, Engineering and Mathematics (STEM) industries and the digital sector.[70] This would serve to support the identified growth sectors in the H&I. The growth sectors of particular importance to skills provision are: Food and drink; Financial and business services; Life sciences; Energy; Sustainable tourism; and Creative industries (including Digital). Other significant sectors are health and social care; and forestry and timber technologies.[71]

2.64 Significantly in the region, there is a higher proportion of hard-to-fill and skills shortage vacancies than nationally. There are significant sub-regional variations in the scale of skills

[67] Scottish Government (2011) Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth
[68] SDS (2014) Highlands and Islands Skills Investment Plan
[69] *Ibid.,* p.2. Please note, these figures were correct at the time the Skills Investment Plan was published
[70] *Ibid.,* p.2
[71] *Ibid.,* p.5

gaps and shortages across local authority areas, but the RSIP notes that there are a number of roles or skills sets which employers find it most difficult to recruit staff for.

2.65 Anecdotal evidence exists of other skills requirements, which although smaller in scale, have the potential to have a significant impact at a local level, across a variety of sectors.[72]

2.66 A key ambition for the H&I RSIP is to ensure that education and training provision in the region reflects economic and employment opportunities now and in the future. Part of this will include addressing the mode of provision (the RSIP highlights that there are more part-time and fewer full-time students in the H&I than nationally).[73]

2.67 The framework for delivery of the SIP has five key themes[74]:

1. Meeting the current skills needs of employers
2. Planning for the future
3. A region for young people
4. People attraction and place attractiveness
5. Strengthening the employer voice in the skills system.

2.68 The defined measures of success for the SIP are as follows:

- More young people staying in the Highlands and Islands to undertake further and higher education and progressing into employment in the region;
- Fewer businesses reporting difficulty in accessing skills training;
- A higher proportion of the region's graduates entering graduate jobs in the region;
- Businesses reporting growth through an expansion of their workforce; and
- Growth in Continuing Professional Development (CPD) provision for education providers through closer engagement between UHI and industry.

European Social Fund (ESF)

2.69 Supplementing national policy on skills and employability, the 2014-20 ESF Programme will be delivered nationally across Scotland, with a European budget of €464 million targeted at sustainable employment, labour market mobility, lifelong learning and social inclusion.[75] Like ERDF, throughout the programme, young people are identified as a target group for reaching through overall support. €81 million (excluding Youth Employment Initiative money) is earmarked for the H&I, with the intention of specific targeting of interventions to address fragile communities and areas, and the availability of access to education and training. This in turn builds on the Highlands and Islands Scotland European Social Fund Programme 2007-13[76], aimed to address low skills and pay levels across the region, and help to make employment more sustainable, particularly for disadvantaged groups. Support for young people was explicit throughout the Operational Programme, particularly vulnerable young people, and with respect to increasing workforce, broadening skills base and raising earning levels, as well as through provision of lifelong learning opportunities. These were identified as important factors in countering out-migration of young people.

[72] *Ibid.,* p.9
[73] *Ibid.,* p.17
[74] *Ibid.,* p.19
[75] Scottish Government (2014) Draft Operational Programme: United Kingdom – ESF Scotland
[76] Scottish Government (2008) Highlands and Islands Scotland | European Social Fund 2007-2013 | structural funds operational programme

Regional strengths and key sectors

2.70 Through its Operating Plan 2015-18, HIE has identified that the region's natural assets, ambition, skills base and cultural background provide a range of opportunities to develop a vibrant sectoral economy. In each sector, the region has a distinctive and dynamic contribution with significant potential to foster growth.[77] Its growth sectors are aligned to the seven key sectors identified in the Scottish Government Economic Strategy, but with key regional specialism under each sector identified for particular support:

- **Energy**: Marine renewable energy; offshore oil and gas
- **Life sciences**: Digital healthcare; medical diagnostic technology; informatics; natural products
- **Food and drink**: High quality products; high environmental quality; authenticity; geographical prestige/provenance
- **Creative industries**: Niche products and enterprises, including: digital media; crafts, textiles and designer fashion; music, screen and broadcast; writing and publishing
- **Sustainable tourism**: Adventure tourism; business tourism; genealogy; golf
- **Financial and business services**: Business Process Outsourcing (BPO); IT services; home-working
- **Universities**: Research infrastructure investment; university-business collaboration.[78]

Regional and flagship initiatives

2.71 A number of significant regional investments have been undertaken or are planned, many by HIE. These projects are expected to deliver significant long-term benefits, both in terms of the structure of the economy across the H&I and also in terms of wealth creation for the region.[79]

2.72 Key investments include state-of-the-art research infrastructure such as the European Marine Energy Centre in Orkney, and the European Marine Science Park in Argyll. Such investments, the latter in partnership with the Scottish Association for Marine Science (SAMS), aim to provide high-quality laboratory and office space for science and research across the region. Additional investments include more wide-scale infrastructure such as the superfast broadband roll-out (see below), or large-scale investment in energy infrastructure. Other key investments include the continued investment[80] in BBC Alba, and the growth of the media hub around MG Alba's new headquarters in Stornoway.

2.73 As well as supporting and growing these sectors, the skills/labour pipeline to support this growth and ensure sustainability is a key requirement, and is rightly identified by HIE as positioning the area as attractive for future investment. This would arguably have a similar effect on the attractiveness of the H&I as a place to live based on availability of higher value, knowledge economy-based jobs and careers.

Inverness Campus

2.74 One of the most ambitious projects in Scotland, Inverness Campus will be a nationally and internationally significant location for business, research and education. Developed by HIE,

[77] HIE (2014) Building Our Future: Operating Plan 2015-2018
[78] HIE (2014) Building Our Future: Operating Plan 2015-2018
[79] *Ibid.*, p.18
[80] https://www.gov.uk/government/news/additional-1-million-for-mg-alba-announced-by-government

the 215-acre Campus, which opened on 15th May 2015, aims to offer a high quality location for business development, collaboration and learning between business and academia.

2.75 Its ultimate purpose is to provide an innovative co-location centre to stimulate a triple-helix approach to innovation and business growth, as well as a centre for education and learning through key research departments of the University of the Highlands and Islands.[81]

Factors Affecting Migration

2.76 The other key factors affecting migration include housing, connectivity, transport and cultural/community activities, covered in this section. More widely, before analysing these areas in detail, it is important to note the findings of the Scottish Government consultation document, *Speak up for Rural Scotland*, published in 2010 by the Scottish Government with advice from the Rural Development Council.[82]

2.77 The Scottish Government published *Our Rural Future* in response in March 2011, setting forward priorities.[83] The Government's vision is:

> *"To see a rural Scotland that is outward looking and dynamic – with a diverse economy and active communities… We want to see our rural communities grow in confidence and diversity, supported by high quality public services. We want our young people to have the opportunity to build careers and prosperous futures in the area where they grew up. We want to see rural Scotland participating fully in the global exchange of ideas and culture, with the right connections to make this happen, including high speed broadband and appropriate transport infrastructure. We want rural businesses to make best use of local assets and talent and to become even more competitive and enterprising."* [84]

2.78 Recognising the importance of providing opportunities for young people who grow up in rural areas, the *Our Rural Future* document sets out the main priorities needed to make rural Scotland even more successful. These are Infrastructure, Land Use, Community Participation, Community Enterprise and Business and Skills; these factors are crucial in strengthening communities and Fragile Areas. A range of interventions have been introduced in this regard, such as those related to the digital economy and Support for Communities to Own Assets, the Community Right to Buy and the Crofting Community Right to Buy.[85]

Housing

2.79 Affordable housing policy is set at national level through the Scottish Planning Policy (SPP) and managed through the Affordable Housing Supply Programme which aims to provide up to 30,000 affordable homes across Scotland during the lifetime of the current Parliament[86]. It is inclusive of key worker provision, though previous research has indicated no specific need for key worker policy intervention in Scotland.[87] Provision is implemented through Local Development Plans and Local Housing Strategies at a Local Authority level. This aims to

[81] http://www.invernesscampus.co.uk/
[82] http://www.scotland.gov.uk/Publications/2010/07/22091602/0
[83] http://www.scotland.gov.uk/Topics/farmingrural/Rural/speak
[84] http://www.scotland.gov.uk/Topics/farmingrural/Rural/speak
[85] Scottish Government (2011) Our Rural Future: The Scottish Government's response to the Speak up for Rural Scotland consultation. Scottish Government: Edinburgh, pp. 8-9
[86] http://www.scotland.gov.uk/Topics/Built-Environment/Housing/investment/ahsp
[87] Glass, A., et al. (2006) Affordable Housing and the Labour Market in Scotland : A report to Communities Scotland

secure a minimum 25% provision of affordable housing on developments of 4 dwellings or more (or equivalent commuted payment).

2.80 Furthermore, councils through their Housing Need and Demand Assessments identify pressures on households in terms of supply and affordability, and the requirement of affordable housing needed to meet demand. Across the H&I, there are varying degrees of need in terms of affordable housing. The Moray and Highland council areas in particular have the highest requirements in numerical terms (the latter requiring up to 650 affordable dwellings per year), reflecting the larger populations in these areas.[88] A variety of factors influence the demand on affordable housing, but a number of council areas note the lack of affordability to new households and housing market entrants, as well as pressure from the proportion of second homes (particularly in the Highland Council area).

2.81 Nationally, the Help to Buy scheme in Scotland aims to support home ownership by helping people to become homeowners where it is affordable for them over the long term. It aims to help stimulate Scotland's house-building industry and to help people to buy a new build home in Scotland from a home builder who has been approved to participate in the scheme.[89]

2.82 Local authorities in Scotland also have the *"discretionary power to remove the empty property discount or set a council tax increase of 100% on certain properties"* that have been empty for over a year; this does not apply to second homes. They also have the power to *"reduce or retain the council tax discount on second homes and certain long-term unoccupied properties."* Discounts can vary between 10% and 50% (50% for certain categories of second homes, and 10-50% for long-term unoccupied homes) and the additional income must be retained locally and spent by local authorities or Registered Social Landlords (RSLs) to provide new-build affordable social housing to meet local needs.[90]

2.83 At a more local level, schemes such as the Highland Council's Local Authority Mortgage Guarantee Scheme[91] aim to support new homebuyers to buy, guaranteeing a proportion of their mortgage.

Connectivity

Digital Highlands and Islands

2.84 Digital Highlands and Islands is HIE's £126.4 million public investment project to provide a fibre network capable of transforming the area's digital access. This forms part of the Scottish Government's wider digital strategy for Scotland, which aims to deliver Next Generation Access Broadband for all, increase broadband uptake, and position Scotland at the forefront of the digital economy.[92] HIE's 2009 connectivity review (undertaken by Analysys Mason) found that though take-up levels of broadband were good, the available bandwidth and speed was lacking, and constituted a significant gap in the telecoms connectivity of the H&I.[93]

[88] Highland Council (2009) Highland's Housing Need and Demand Assessment – Summary
[89] http://www.scotland.gov.uk/Topics/Built-Environment/Housing/BuyingSelling/help-to-buy
[90] http://www.gov.scot/Topics/Government/local-government/17999/counciltax/Secondhomes
[91] http://www.highland.gov.uk/news/article/7048/highland_first_time_buyers_to_benefit_from_council-backed_mortgage_guarantee_scheme
[92] Scottish Government (2011) Scotland's Digital Future: A Strategy for Scotland
[93] HIE (2009) Telecoms connectivity in the Highlands and Islands

2.85 Further, HIE's recent Digital Economy research found that while 94% of businesses had an internet connection, just 11% had high speed broadband.[94] Moreover, 27% of businesses in the H&I felt that *"digital technology is essential to the future growth and competitiveness of their business, with a further 46% stating that it is important,"* highlighting the significance of policy interventions in this regard.[95]

2.86 HIE entered into a contract with BT plc in March 2013 to deliver access to fibre broadband to around 84% of homes and businesses in the H&I by the end of 2016, including commercial deployment. The project will provide BT with a number of engineering firsts and involves laying 19 sub-sea cables and installing an estimated 800 kilometres of fibre cable.[96] To date, over 100,000 premises have been connected, and 250 miles of subsea cabling has been laid across 20 seabed crossings.

2.87 Benefits will include increased opportunities for the region's most remote and rural areas, a potential boost to economic development, more flexible ways of working, improved retention rates of young people as well as helping attract new residents. Connectivity is crucial in supporting new research and development in digital health, remote education, delivery of public services and helping maximise growth in key sectors. Increased technology is also a significant contributor to a low carbon economy, including reducing the need for business travel.

2.88 HIE also runs a digital engagement programme, focussed on supporting businesses to capitalise on the potential of Next Generation Access Broadband and digital technologies. This was initially piloted with 60 tourism businesses to optimise the benefits of broadband, and has now been rolled out to support a wide range of businesses.[97] Further, HIE, in partnership with Citizens Online, Business Gateway and the Scottish Council for Voluntary Organisations, also manages the 'Our Digital Zone' initiative, to help both businesses and residents gain maximum benefits from the use of digital technology.[98]

Community Broadband Scotland and Together

2.89 Supplementing the Digital Highlands and Islands rollout, Community Broadband Scotland (CBS) is a HIE-delivered project supporting and empowering remote and rural communities across Scotland to establish community broadband networks, delivering improved connectivity which will transform the way communities live, work and learn. Its focus is those areas least likely to benefit from the Digital Scotland Next Generation Access Broadband rollouts. CBS is helping *"some of Scotland's most rural and remote communities to secure digital connectivity that will transform the way people live, learn and work."* The Scottish Government has stated that, by 2017, it will provide 2Mb broadband speed for all and full next generation broadband by 2020. These interventions are focussed *at "residential and business premises in communities, in the most difficult to reach areas, which are least likely to benefit from the main superfast broadband roll out of programmes."* [99]

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[94] Highlands and Islands Enterprise (2015) *Digital Scotland: Highlands and Islands Research*. February 2015. p.3

[95] *Ibid*., p.6

[96] HIE | Digital Highlands and Islands: http://www.hie.co.uk/regional-information/digital-highlands-and-islands/next-generation-broadband/default.html

[97] http://www.hie.co.uk/growth-sectors/tourism/digital-technology/digital-tourism-pilot.html

[98] http://www.hie.co.uk/regional-information/digital-highlands-and-islands/make-the-most-of-it/our-digital-zone.html

[99] Highlands and Islands Enterprise (2014) *Building Our Future: Operating Plan 2014-2017*, p.9

Travel and transport

Air Discount Scheme

2.90 The Air Discount Scheme for the H&I (ADS) aims to tackle the problem of high air fares for the remotest communities in the region by providing a discount of 40% on the core air fare on eligible routes.[100] Its purpose is to provide more affordable fares for residents in the more remote parts of the region, and forms part of the Scottish Government's commitment to deliver lower air fares for residents of Scotland's most peripheral communities travelling to and from Scotland's key population centres and/or between airports within the peripheral areas. Introduced in 2006, anyone who is resident in Colonsay, Orkney, Shetland, the Western Isles, Islay, Jura, Caithness and North West Sutherland can apply for membership. The scheme has also been extended to charities, voluntary organisations and social enterprises. However, the ADS has been subject to cuts (largely for work-related travel); nevertheless, the scheme has recently been extended to 2019.[101]

Road Equivalent Tariff

2.91 Road Equivalent Tariff (RET) is a distance based fares structure, which underpins the Scottish Government's commitment to providing one single overarching fares policy across Scotland's entire ferry network, and part of the wider commitment to lower fares for all passengers, cars including small commercial vehicles and coaches.[102] Following a pilot in 2008, the Scottish Government rolled out RET on routes to the Western Isles, Coll and Tiree, with phased rollout and piloting thereafter. CalMac recently announced that all ferry routes will operate the RET by October 2015, reducing some fares by more than £40.[103]

New ScotRail franchise

2.92 On 8 October 2014, Keith Brown, the Minister for Transport and Veterans announced the intent to award the new ScotRail Franchise to Abellio. The contract was signed on 18 October 2014. Included in the new franchise, worth up to £6 billion and launched on 1st April 2015, are measures to make train travel more attractive across the board, including improved integration with bus, ferry and air timetables. Also, for the wider community, unused station buildings will be transformed into premises for start-up businesses.[104]

Culture and community

2.93 One of HIE's key priorities is strengthening communities and Fragile Areas. HIE's 2015-2018 Operating Plan emphasises that:

> *"the Highlands and Islands is recognised as a region in which communities take responsibility for shaping their future, where an innovative social enterprise sector helps tackle inequality and create jobs, where community asset ownership and service delivery are well established and supported, and where unique cultural assets, including Gaelic, play a significant role in creating vibrant, strong communities."*[105]

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[100] Air Discount Scheme: http://www.airdiscountscheme.com
[101] *Ibid*.
[102] Road Equivalent Tariff: http://www.transportscotland.gov.uk/water/ferries/road-equivalent-tariff
[103] https://www.calmac.co.uk/article/3230/Cheaper-ferry-fares-make-island-travel-more-affordable
[104] http://www.transportscotland.gov.uk/news/new-deal-transform-rail-services
[105] Highlands and Islands Enterprise (2015) *Building Our Future: Operating Plan 2015-2018*, p. 8

2.94 As mentioned previously, the Scottish Government is promoting development trusts and social enterprises, recognising their role in bottom-up community and economic development. To support such organisations to become self-sustaining, the Government is providing funding for a *Knowledge and Skills Exchange Fund* and also for a 'how to' resource for creating a Development Trust.[106] In addition, since 2011, the Government has been offering business development support *"to provide enterprising Third Sector organisations with the knowledge and skills they need to become more financially sustainable."*[107]

2.95 Additionally, the Scottish Government's Community Capitals approach paper (2012) puts forward a Framework which *"highlights the diverse range of resources that may be available to communities,"* which interact in various ways. The capitals are: model, financial, built, human, social, natural, cultural and political. Through the Community Capitals Approach, the Scottish Government *"is investing in rural communities, to help them identify and build on the assets that they have."*[108]

2.96 Furthermore, HIE and other organisations have invested in a range of cultural initiatives to seek to retain and attract young people to the H&I, including support for Fèisean and other activities such as Crofting Connections. The Fèisean movement provides a range of activities for young people in the H&I and research has shown that it helps to encourage young people to stay and return to the area.[109] Crofting Connections is an initiative that provides opportunities for young people and parents to engage with a tradition seen as integral to cultural life in many areas of the region.[110]

2.97 A Gaelic Summer Placement Programme is provided by HIE. It is designed to support local community groups, social enterprises and businesses and attract young people to stay in the H&I during the summer holidays.

Minimum income standards

2.98 Recent research undertaken by HIE identified the need for a higher minimum standard of income in the H&I, and particularly remote rural areas, compared to the rest of Scotland.[111] For an adequate income in rural areas, a single person needs to earn about 90 per cent of the median, whereas in urban parts of the country, someone on two thirds of average earnings has enough. This is due to increased costs for travel, goods and heating, when compared to elsewhere in Scotland.

2.99 These are already being mitigated by social interventions, e.g. transport, fuel and communications subsidies. Addressing the cost of social participation and access to creative outlets was highlighted as a key factor in addressing the out-migration of young people.

A region for young people

2.100 Fundamentally, HIE has underlined the strategic need to collaborate with UHI and other HEI partners to develop links between university and business in the region, and deliver a broader range of fit-for-purpose courses tailored to regional strengths, and designed with the

[106] Scottish Government (2011) *Our Rural Future: The Scottish Government's response to the Speak Up for Rural Scotland Consultation*, p.9
[107] *Ibid*.
[108] Scottish Government (2012) Scottish Government Investment in Rural Community Development: A Community Capitals Approach
[109] http://www.feisean.org/en/information/index.php
[110] http://www.croftingconnections.com/background/about
[111] HIE (2013) A Minimum Income Standard for Remote Rural Scotland

principle of retaining and attracting young people to live, work and study in the H&I. To this end, the development of the Regional Science Centre, and the nurturing of the growing cluster of science-based businesses, teaching and research centres is critical.

Summary

2.101 There are a significant number of policies, investments and initiatives that impact both directly and indirectly on young people. Many of these have been put in place since the 2009 study, some directly influenced by its findings, but all with the potential to influence the choices and aspirations of young people, and also impact positively on the issue of out-migration of young people from the H&I.

2.102 In some areas, there is a significant policy emphasis. For example there is a clear education and skills approach to foster greater educational attainment and routes to employment and career progression in the growth sectors – sub-regionally and for the H&I as a whole.

2.103 In other areas, there is greater scope to expand the emphasis on the needs of young people, and to capitalise more on existing initiatives. In certain cases, a more tailored response is required, particularly where policies are not specifically designed to target the needs of young people and address the challenges of out-migration. For example, whilst the roll-out of superfast broadband infrastructure is generally agreed to be much needed amongst the region's communities, there is limited explicit discussion of how this may be used most effectively to help young people take advantage of the opportunities it brings – whether in terms of digital/ creative media, entrepreneurial opportunities, or for education. Similarly, the array of regionally significant investments are approached in terms of strengthening growth sectors for the H&I, but could be seen as lacking in consideration of the needs of and opportunities for young people – and how to account for this in terms of managing current and future developments.

3 Methodology

3.1 The primary research for this study consisted of two main phases: a programme of consultation with key stakeholders in issues concerning young people across the region, and a large-scale survey and focus group programme to gain the views of young people from across – and outwith – the H&I.

Stakeholder consultation

3.2 The study team set up and conducted consultations with a wide variety of public and private sector agencies and organisations across the following categories:

- Strategic bodies;
- Education bodies;
- Local authorities;
- Business organisations; and
- Youth organisations.

3.3 The purpose of the consultations was to gain an understanding of consultees' views of the current issues surrounding out-migration of young people, as well as their views on policies in place and their effectiveness in addressing the challenges of out-migration. They provided comment on what they consider to be effective and priority solutions going forward to retaining and attracting young people to the H&I, and perspectives they had on young people's aspirations. In particular, we sought any views consultees had on whether/how aspirations were being met, and how key strategic partners might address this.

3.4 A total of 20 stakeholders were consulted. A flavour of their views is included at the end of each key section of the report. These are not designed to be exhaustive or fully representative of the views of all stakeholders across the region, however they nonetheless give a sense of the priority afforded to policies that impact on young people, and the extent to which initiatives are addressing the needs identified in the survey evidence. A list of consulted organisations can be found in Annex 1.

Young people survey

3.5 The programme of extensive primary research with young people between the ages of 15-30 is the main focus of this study. The study team took a mixed-method approach to conducting this research: a large scale on-line survey of young people, a supplementary survey of school pupils across the H&I delivered in both electronic and, where necessary, paper format; reinforced by focus groups to gather more qualitative views and opinions; and the use of social media to promote the survey.

3.6 The wide range of methods was used to identify the issues facing young people in the H&I and their aspirations for the area. It covered both those within and outwith the area, seeking to gain insights into the importance of these issues in relation to living, working and studying in the H&I. A key objective of the survey was to allow some comparisons with the 2009 study to identify changes in young people's attitudes and aspirations over the intervening period.

3.7 A total of 4,409 valid survey responses were obtained; however, not all respondents answered each question. Accordingly, throughout the analysis, each graph/table has an 'n' figure, representing the total number of responses received for that specific question.

3.8 Although the survey sample was slightly more highly represented in certain variables, notably amongst females (as detailed in Chapter 4 and Annex 2), the responses were not weighted to reflect the full range of responses received. Even without weighting, there is a strong confidence level and small margin of error against all variables for the population as a whole, and for both genders (please see Annex 2 for further information).

Main study website

3.9 The online survey was designed using SurveyMonkey (www.surveymonkey.com), and was made available via a dedicated page on the HIE website at www.hie.co.uk/HaveYourSay. The supplementary school survey was also designed using SurveyMonkey, and circulated amongst participating schools (though not made available publicly).

Social media engagement

3.10 A social media campaign was undertaken to promote the survey and stimulate discussion on key themes pertinent to the study. Channels such as Facebook and Twitter were used to generate interest in the survey. This was supplemented by the use of tickets to the Belladrum Tartan Heart Festival as part of a prize draw incentive for participants to stimulate further interest and increase response rates.

School engagement

3.11 Schools across the H&I region were engaged to secure their participation in surveying school pupils. Where requested or preferred, paper copies of the schools survey were made available. A total of 30 schools participated in the research.

FE/HE engagement

3.12 Major FE and HE institutions across Scotland were engaged to help circulate details of the survey and the weblink to the study page, as part of an effort to gain responses from a key group for the study – students, and particularly those who have moved outside of the H&I to study.

3.13 Ten FE and HE institutions across Scotland, including UHI, helped to promote the survey amongst students.

Employer engagement

3.14 Similarly, key employers across the H&I were also engaged to help circulate details of the survey and the weblink to their young employees, as part of an effort to gain responses from another key group for the study – those young people within the region currently in employment.

Focus groups

3.15 Further insights into some of the themes identified were obtained from an online discussion portal. Participants were selected from self-recruited survey respondents. These online discussions were delivered using the online focus group platform, Liveminds (www.liveminds.co.uk). A total of 49 participants engaged in the Liveminds discussion.

4 Survey response profile

4.1 This chapter provides an overview of survey respondents by age, gender, geography and status. A fuller analysis of these and additional variables, namely: status and Gaelic language ability, is at Annex 2. This includes additional detailed analysis of each of the status groups (school pupils, university/college students, those that have finished education, are not currently in employment but not unemployed, in employment or self-employment, undertaking an apprenticeship, unemployed or a carer/homemaker).

Number of Respondents

4.2 In all, 4,409 young people responded to the survey (either online or through a paper version), from both within and outside the H&I. This represents a strong confidence level of 99% with just a +/-2% margin of error, based on an estimated 15-30 year old H&I population of 80,500.[112] This provides a robust survey sample and high reliability in the findings.[113]

Age

4.3 Overall, 2,204 (51%) of those responding were aged 15-18 years, 1,174 (27%) were aged 19-24 years and 910 (21%) were aged 25-30 years at the time of completing the survey. Again, this provides a robust confidence level of at least 95% with a margin of error between +/-5 and +/-9%.

4.4 Survey responses have a slightly higher level of representation for those aged 15-18 years as a result of the high response rate amongst school pupils. These additional school responses were the product of a targeted approach to gathering data from this age group, a crucial age at which young people make decisions about their future. As a consequence, the survey sample is slightly less representative of those aged 25-30 years.

Table 4.1: Survey Response by Age and Representativeness

Age group	Total (survey)	%	Whole H&I (%)	+/-
15-18	2,204	51%	27%	+24%
19-24	1,174	27%	36%	-9%
25-30	910	21%	36%	-15%
Total	**4,288**	**99%**	**99%**	**N/A**

Source: ekosgen, 2015, Survey of Young People; National Register of Scotland Mid-year Population Estimates (2014). Please note, percentages may not sum due to rounding; calculations are based on population estimates of those aged 15-30 years in Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

Gender

4.5 Two thirds of respondents (2,726) are female, compared to 48% across the H&I. One third are male (1,562) (compared to 52% across the region), while just under 1% (36) preferred not to say.

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[112] HIE data (2015)

[113] Please note that a small proportion of young people did not provide answers to all socio-demographic questions. So, while these young people are included in the overall responses, it was not possible to attribute them to age groups; thus, not all of the categories sum to the full 4,409 responses received.

4.6 For both males and females, this again provides a high level of confidence at 99%, with a +/- 3% margin of error for females, and a +/- 4% margin of error for males.[114]

Geography

4.7 Respondents were asked to choose the area in which they live – the location of their current family home rather than a temporary residence used for study or short-term contracts – and 93% of respondents (4,098) were from the H&I. The table below details the survey responses by HIE area office geography, and compares these to the proportion of 15-30 year olds across the areas.[115] Again, this provides a robust confidence level for all areas, with a 95% margin of error of between +/-5 and 9%.

Table 4.2: Survey Response by HIE Area Office Geography

HIE Area	Total (survey)	%	Whole H&I (%)	+/-
Argyll and the Islands	588	14	13	+1
Caithness and Sutherland	234	6	8	-2
Inner Moray Firth	1,430	35	35	0
Lochaber Skye and Wester Ross	421	10	7	+3
Moray	630	15	22	-7
Orkney	216	5	5	0
Outer Hebrides	457	11	5	+6
Shetland	122	3	5	-2
Total	**4,098**	**99%**	**99%**	**N/A**

Source: ekosgen, 2015, Survey of Young People; Census (2011). Please note percentages may not sum due to rounding; respondents from outside the H&I are excluded from this table and reported on separately.

4.8 The survey was open to those outside the H&I, and 311 responses (7% of the total) were from this group. Nearly 75% of these were from urban Scotland (Glasgow, Edinburgh, Dundee, Aberdeen, Stirling or Perth) and just under one in five are from elsewhere in rural Scotland. A very small number were from the rest of the United Kingdom (16), elsewhere in the European Union (five) and elsewhere in the world (seven).

Status

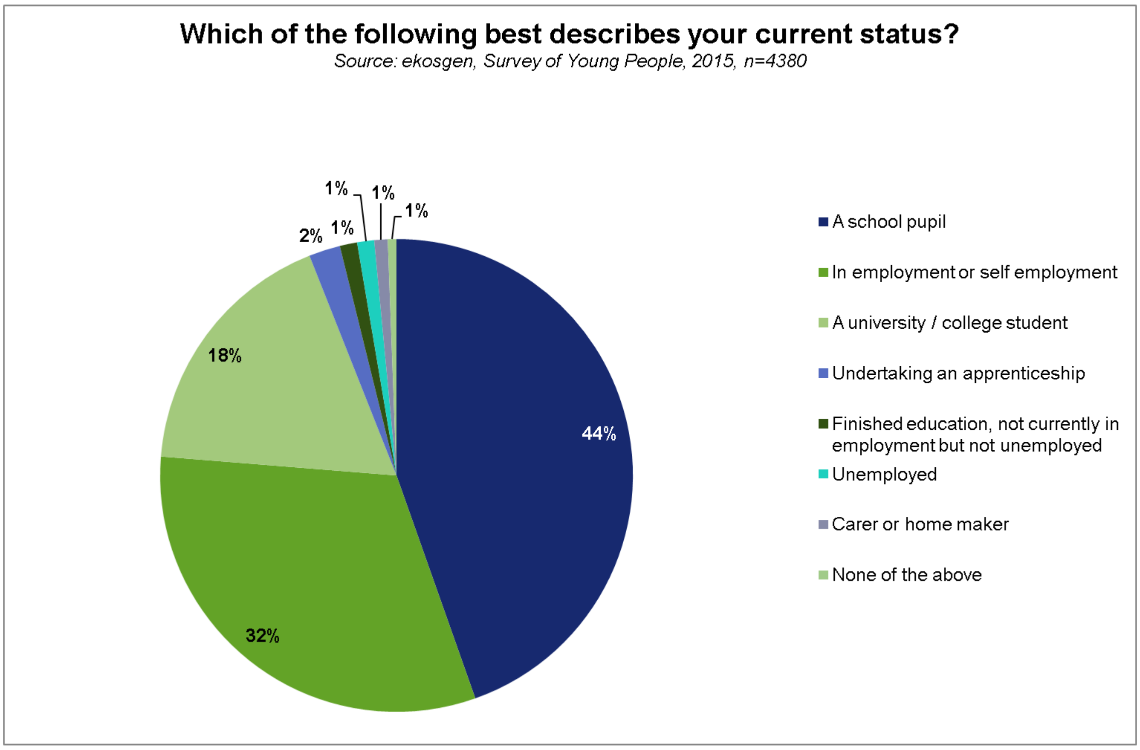
4.9 Nearly half (44%) of respondents were school pupils at the time of responding (1,953); just under a third were in employment or self-employment (1,388); and nearly one in five (776) were university/college students.

4.10 Smaller numbers responding to the survey were undertaking an apprenticeship (94 – 2%), or had finished education, but were not currently in employment nor unemployed (52 – 1%). In all, 51 (1%) described themselves as unemployed, 40 as a carer or home maker (1%) and 26 as none of the above.

[114] National Register of Scotland Mid-year Population Estimates (2014). Please note, calculations are based on the population estimates for those aged 15-30 years in Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

[115] Census 2011

Figure 4.1



Summary

4.11 In all, a high number of responses were received for the survey, with 4,409 responses from young people, predominantly from within the H&I, as well as a view from those outside the region. These responses provide good confidence in the results by age, geography and gender, providing a robust data-set for analysis.

5 Staying and leaving: attitudes and perceptions

Introduction

5.1 This chapter examines the attitudes and perceptions of young people with regard to staying in or leaving the H&I. In doing so, it considers a number of issues, ranging from the likelihood of respondents to either stay or leave (and whether this is out of choice or out of necessity, real or perceived), and how respondents view the choices of others.

5.2 With regard to staying in or leaving the H&I, there are two aspects to consider. Firstly, there is the self-identification of young people based on whether they *themselves* think that they are likely to stay or leave, and indeed whether they wish to or not. These broadly equate to the six clusters/groupings identified through the 2009 study based on migration choices and their drivers.[116] For the purposes of this research, these drivers were assumed to be the same, and survey respondents were asked to identify which category best described them in terms of their likelihood for staying in, or leaving the H&I.

5.3 The second factor to consider is the perception of *others* in relation to whether they choose to stay or leave their local area, in both positive and negative terms. This was not only to ascertain current attitudes to staying or leaving, but also to test a generally held perception that those who stay are viewed negatively. To assess this, respondents were asked the extent to which they agreed or disagreed with a series of statements on young stayers and leavers.

Self-identification

5.4 There is an immediately apparent dichotomy of responses from survey respondents. The majority of survey respondents either identify themselves as living in the H&I and wanting to continue to live and work there (committed stayers), or as living in the H&I, but wanting to leave and live/work elsewhere (committed leavers). Amongst those currently living in the H&I, self-identified reluctant stayers by far constitute the smallest group.

5.5 As Table 5.1 illustrates, the majority of respondents either identify themselves as committed stayers (36%) or as committed leavers (34%). When considered in the context of respondents within the H&I only, these proportions constitute almost 43% and 40% respectively. Males are more likely to want to leave and live and work elsewhere (38% versus 34% of all respondents).

[116] HIE (2009) *Young people in the Highlands and Islands: Understanding and influencing the migration choices of young people to and from the Highlands and Islands of Scotland*, pp.66-73

Table 5.1

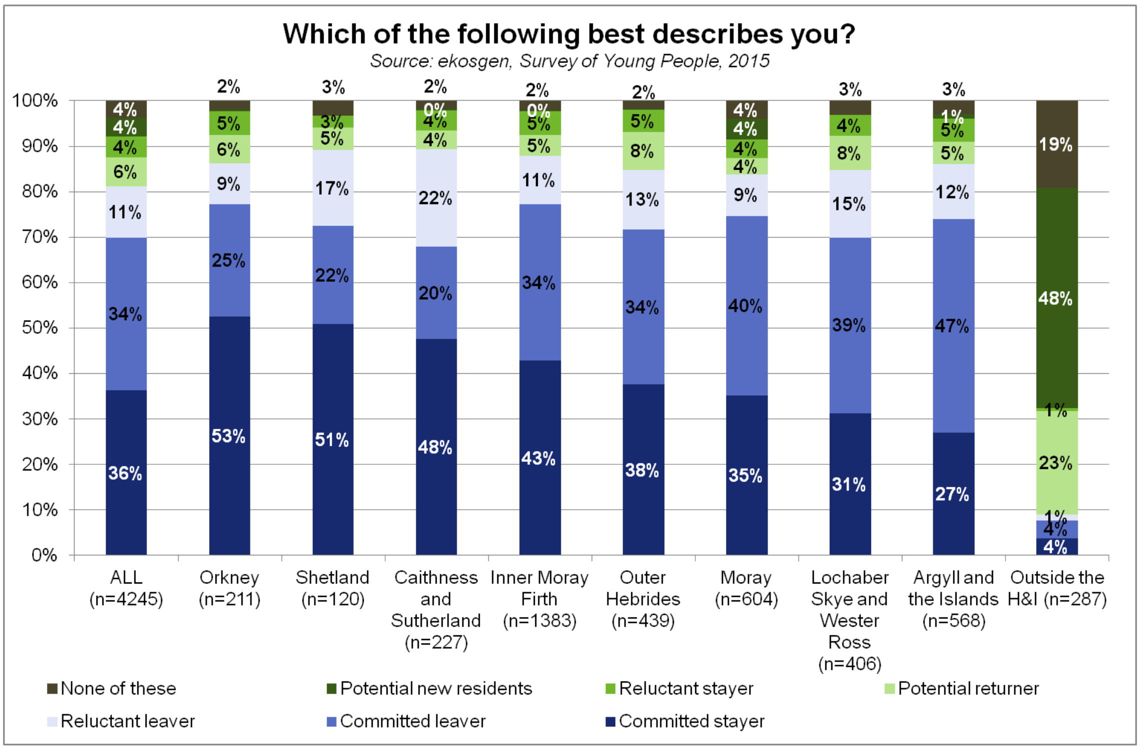
Which of the following best describes you? (n=4,245)	%
Committed stayer*: I live in the H&I and I plan on living and working here*	36%
Reluctant stayer*: I live in the H&I; I would prefer to leave but I don't think I will be able to*	5%
Reluctant leaver*: I live in the H&I; I would prefer to stay but I don't think I will be able to live and work here*	11%
Committed leaver*: I live in the H&I, but I plan to leave, and live and work elsewhere*	34%
Potential returner*: I live outside the H&I, but I would like to return having lived there previously*	6%
Potential new resident*: I live outside the H&I, and I am interested in living there though I have not done so previously*	4%
None of the above	4%

Stayers and leavers in the Highlands and Islands

Geographic Variations

5.6 In looking at geographical variations, Argyll and the Islands (47%) and Moray (40%) along with Lochaber, Skye and Wester Ross (39%) have the highest proportion of respondents who consider themselves to be committed leavers, while Orkney (25%), Shetland (22%) and Caithness and Sutherland (20%) have the lowest (see Figure 5.1). Those from Orkney and Shetland are most likely to want to stay (over half are committed stayers). In all areas bar Argyll and the Islands (27%) and Lochaber, Skye and Wester Ross (31%), more than a third are committed stayers. These are positive findings, suggesting that the H&I will retain a large proportion of its young people, so long as their needs can be met.

Figure 5.1



5.7 The highest proportion of *reluctant* leavers are from Caithness and Sutherland (22%). Shetland (17%), and Lochaber, Skye and Wester Ross (15%). As outlined later in this chapter, there is no clear difference in aspiration, and so the reluctance to leave is driven by other factors. The availability of good quality and relevant education and employment opportunities are highly likely to be factors, given views on the availability of local opportunities, particularly for employment, identified in Chapter 7. Feedback from a young person in Moray highlights their view that the complexity of the employment market in the H&I and the limited/mismatch in opportunities are influences there:

> *'From personal experience…certain jobs are clearly lacking in the H&I….sure there are jobs around (Inverness has a few) however, these are either apprentice jobs or the very opposite end of the spectrum with very skilled roles which would require years of experience. So, as a young graduate it's not very viable, bigger cities (i.e. Edinburgh, Glasgow) seem to offer a higher variety of jobs which would be suitable for grads, which is where most people I went to school [with] eventually ended up going to.'* (Respondent from Moray).

By Age

5.8 There is a very clear divide by age. School-age young people – those 15-18 years old – are more likely to consider themselves as committed leavers (particularly those aged 15-16); for those aged 15-18 around 52% do so (for 15-16 year olds this is slightly higher at around 55%).

5.9 School pupils themselves are even more likely to say they are committed leavers. More than 56% plan to leave and live/work elsewhere, with proportions high across each of the geographic areas, and particularly so in Argyll and the Islands.

By Status

5.10 As well as school pupils, those who have finished education, are not currently employed but not unemployed are the next most likely group to consider themselves committed leavers. This may not be surprising if they are 'between jobs' or considering alternative plans (e.g. travel overseas).

5.11 Similarly, males in employment/self-employment are less likely to want to stay, and this is particularly so for younger male workers – 25% plan on staying, whilst 50% plan on leaving. A greater proportion of males in employment/self-employment wish to leave than females (15% versus 11%). There does not, however, appear to be significant differences by job type.

5.12 More than a quarter of students consider themselves committed stayers, and this is more evident for female students.

Potential returners and new residents

5.13 Of those respondents currently living outside the H&I (n=287), 23% are potential returners. Three-fifths of these are in the 25-30 age group (a greater proportion of female potential returners are aged 25-30, 67%), with a further 35% aged 19-24 (for males, this is 56%).

5.14 A significant proportion (68%) of potential returners are in employment; for males this is slightly lower at 50%, with a larger proportion currently being students (38% versus 21% overall), and for females employed potential returners account for 73% (versus 17% students). This would suggest that there is potential to attract young people back to the H&I, typified by those currently working outside the H&I and post-education.

5.15 Interestingly, almost half (48%) of those respondents outwith the H&I are potential new residents, stating that they are interested in living in the H&I. Most of these were in the 19-24 age group (43%), but there were sizeable proportions in the 15-18 and 25-30 age groups too (28% and 29% respectively). In contrast to potential returners, the largest proportion of potential new residents were students (43%), whilst a further 17% are still at school. Nevertheless, nearly 36% are in employment. In all, almost three quarters of potential new residents are aged 24 and under. This suggests the H&I is an attractive destination for education or employment for a number of young people from outside the region.

Perceptions of stayers and leavers

Views on those who stay

5.16 The second consideration is the perceptions of respondents with regard to other young people's migration choices, and consideration of how those who stay or leave are viewed, and how this has changed over time.

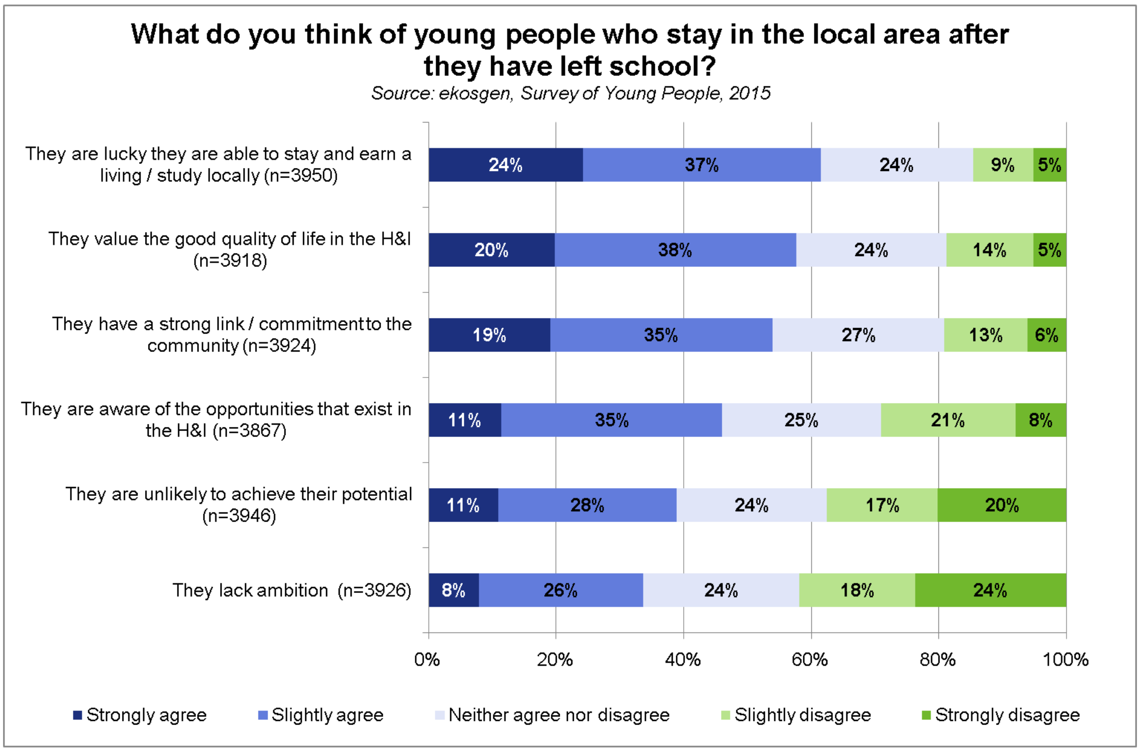
5.17 Since 2009, the perceptions of those choosing to stay in the H&I has become **more positive**. Whilst there is a variety of opinion on those young people who choose to stay in the H&I, there is a consensus on the positive factors/reasons for staying. Opinions are more divided on the negative factors for choosing to stay.

5.18 Almost 62% of respondents agree (at least to some extent) that those who stay are lucky to be able to work / study locally and around a quarter strongly agree with that assertion. Encouragingly, nearly six in 10 (58%) consider that those who stay value the good quality of life that the H&I has to offer. Similarly, the majority (54%) agreed at least to some extent that those young people that stayed had a strong link/commitment to their local community.

5.19 Conversely, there were lower levels of consensus with regard to the negative connotations of staying. Around 34% of respondents considered those who stay to lack ambition, whilst 39% thought that those who did so limited their potential. A greater percentage *disagreed* that stayers lacked ambition (42%), and a similar proportion (just under four in ten) disagreed as agreed that they limited their potential.

5.20 The older a young person, the more likely they are to *disagree* that someone who stays lacks ambition. Almost half (47%) of those aged 25-30 disagree with this, compared to 39% aged 15-18. Further, 42% of those aged 25-30 disagree that stayers limit their potential, compared to 35% aged 15-18.

Figure 5.2



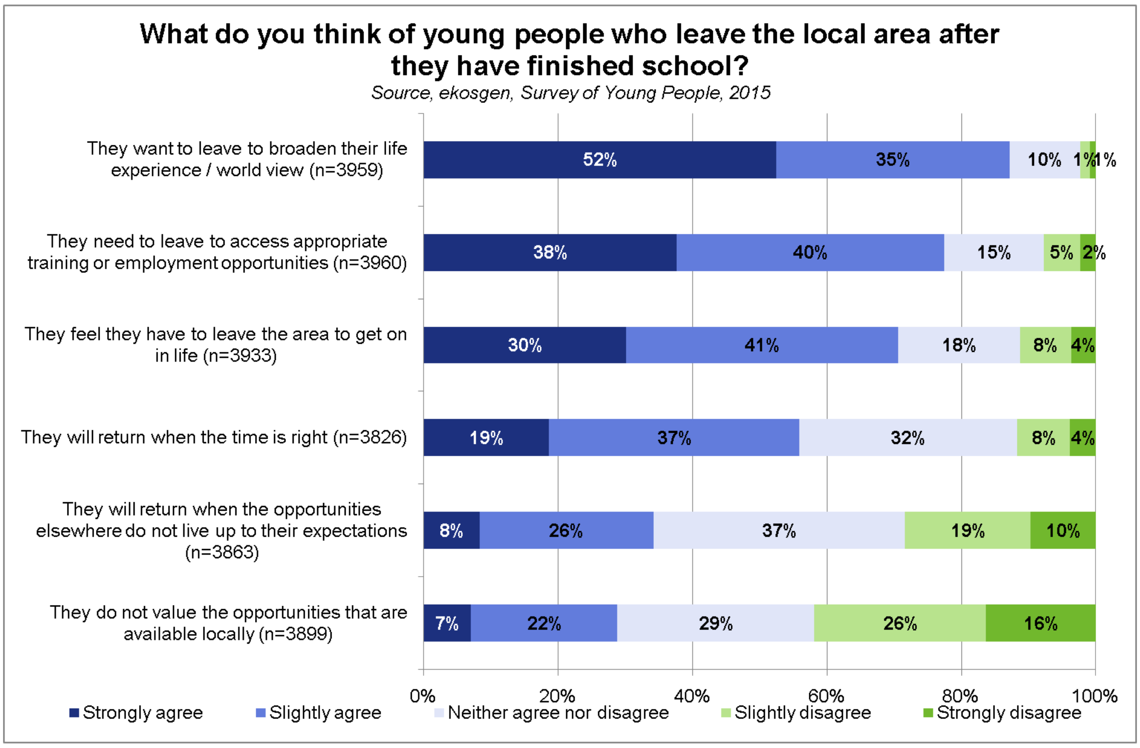
5.21 This pattern is broadly replicated across the different areas of the H&I. However, in Orkney and Shetland in particular there is greater agreement that those who stay have strong community links/commitments (62% and 66% respectively), as well as a greater level of agreement that young people who stay value the quality of life (69% and 67%). There is also a greater level of *disagreement* in Orkney and Shetland with the view that those who stay either lack ambition or limit their potential.

5.22 Perhaps unsurprisingly, those who identify themselves as committed stayers hold an overall positive view of other young people who stay. In contrast, for both reluctant stayers and committed leavers, there is a greater level of agreement that those who stay lack ambition and limit their potential. However, even reluctant stayers and committed leavers are still as likely to agree with the positive connotations of staying as those across the survey response overall. It is also worth noting that overall, *more* young people agree with the positive connotations of staying, and *fewer* agree with the negative connotations of staying, in comparison with the 2009 study. Though this question was only asked of school pupils in the previous study, it is nonetheless an encouraging finding for the region, suggesting young people are increasingly seeing the benefits of staying in the H&I.

Views on those who leave

5.23 Fewer young people think that others leave because they do not *value* local opportunities, although there is a recognition that many do still leave to pursue education and employment opportunities. There was agreement overall that those who leave do so to pursue training and employment opportunities as well as get on in life more generally; the vast majority – over 87% – agreed that those who leave do so in order to broaden their world view, and some 52% strongly agreed with that assertion. For those in Argyll and the Islands, and also in the Outer Hebrides and Lochaber, Skye and Wester Ross, these proportions are even higher, with greater percentages (55%, 54% and 57% respectively) strongly agreeing.

Figure 5.3



5.24 There was some uncertainty as to whether those who left would return. Almost one-third neither agreed nor disagreed that those leaving would return. The greater proportion (56%) considers that leavers *will* return when the time is right, whilst just 12% disagree with this. Further, whilst 37% neither agreed nor disagreed that others will return when opportunities elsewhere did not live up to their expectations, a greater proportion (34%) felt they will return than think they will not (just under three in ten). This pattern repeats itself across the areas of the H&I, between age groups, by status, and also by stayer/leaver categorisation.

Aspirations of school leavers

5.25 Amongst school pupils, the majority (72%) wish to go to university or undertake further education after leaving school (see Figure 5.4). Most wish to attend university; this ranges from 38% in Caithness and Sutherland to a very high proportion of 70% in Orkney. Male respondents are more likely to want to undertake an apprenticeship (18%) or pursue a job (16%) rather than entering further (20%) or higher (41%) education immediately after leaving school.

5.26 The most popular destinations for post-school activity (see Figure 5.5) are either elsewhere in Scotland (22%) or the Central Belt specifically (19%). In all, 14% wish to stay in their local area, and a further 10% want to be somewhere in the H&I. Those in the Inner Moray Firth (23%) and Lochaber, Skye and Wester Ross (24%) are more likely to want to go to the Central Belt; however, a higher than average proportion of school pupil respondents from Shetland indicated a wish to stay in the local area (29% compared to 23% wanting to go elsewhere in Scotland). A considerable proportion of school pupil respondents (18%) want to go elsewhere in the world.

Figure 5.4

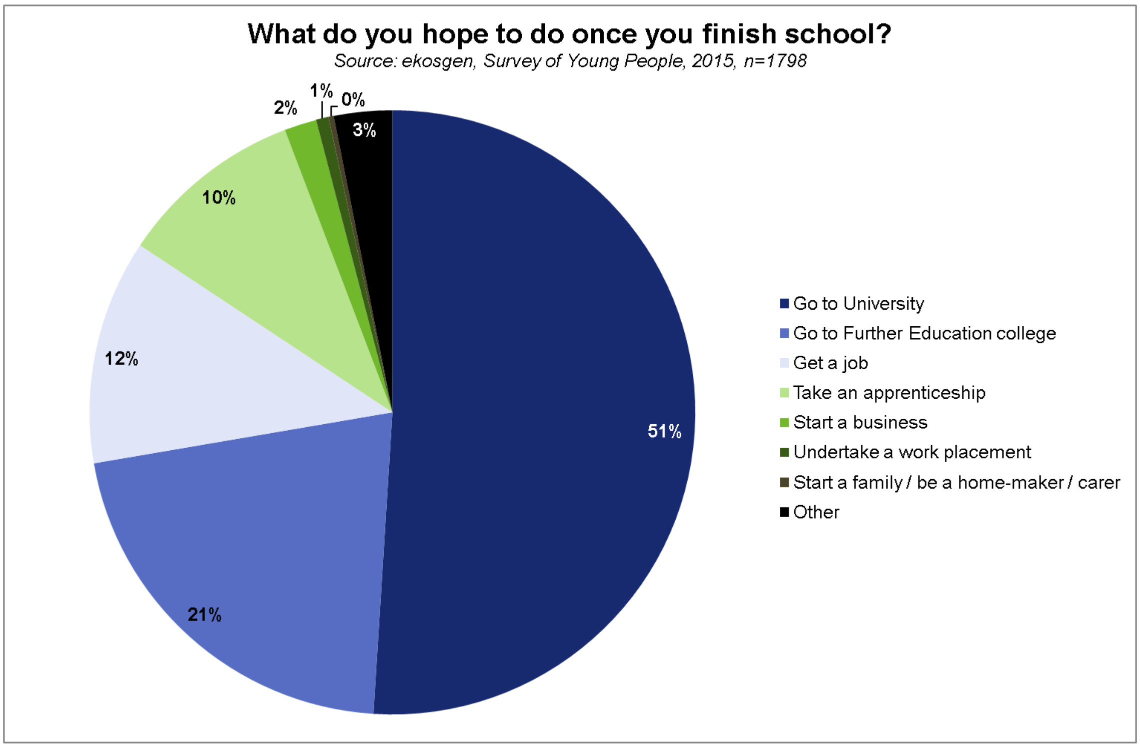
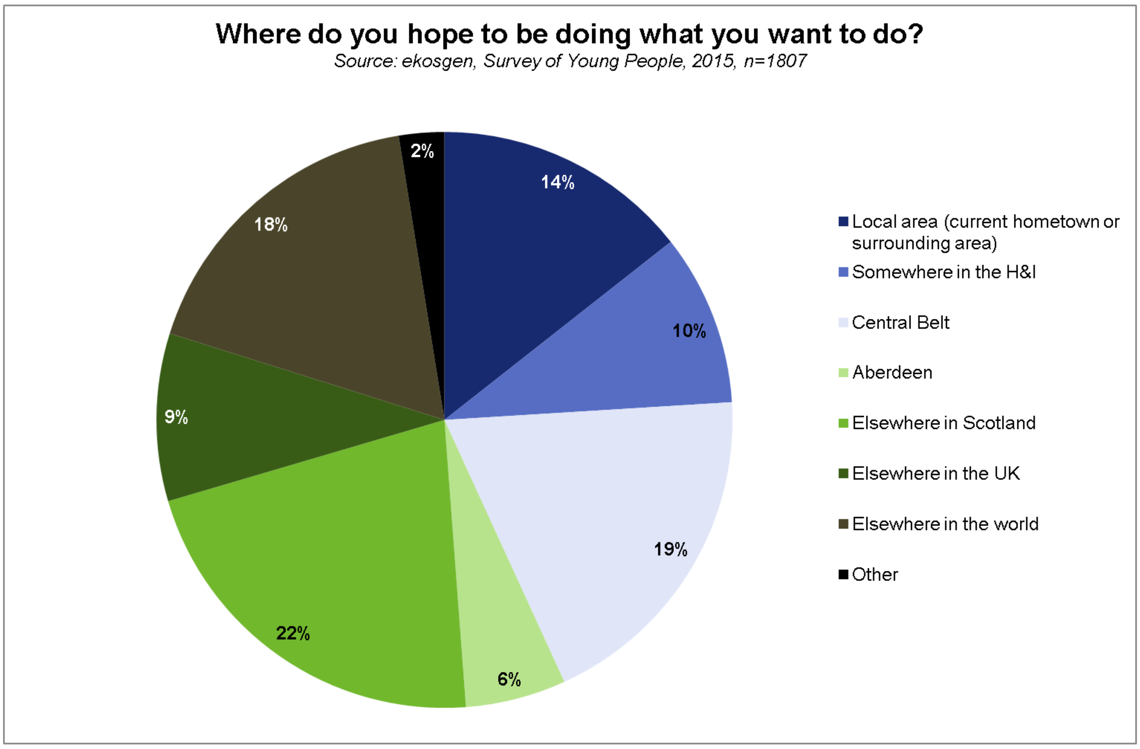


Figure 5.5



Factors influencing decisions after leaving school

5.27 The survey results indicate that exam results (62%) and the availability of courses that are interesting (55%) are the two factors that most *strongly* influence school leavers in terms of what they do following school. The quality and availability of FE/HE courses is therefore a strong influencer and reinforces the need for breadth and depth of provision in the H&I to help positively influence school leaver decision-making.

5.28 The range of subjects available at school (33%) is the next strongest influence, indicating that the breadth of the school offer is an important determinant of choices. Overall, four-fifths of respondents indicate that the range of subjects that are available to them *at school* will influence their post-school choices to at least some extent. This has important policy implications (see end of Chapter). Whilst there is no indication whether this is a negative or positive influence, other evidence with regard to some limitations in the choices available at college/university within the H&I would suggest that it is reasonable to assume that it is the *limited* choice available to students that may be the influencing factor. In Caithness and Sutherland (85%) and Shetland (87%) in particular, this view is most noticeable, and perhaps reinforces anecdotal evidence that suggests that limited choice is an issue amongst more rural schools.

5.29 Financial support (32%) is also an important influencing factor for many respondents. All other factors surveyed have '*some*' or a *'strong'* influence to a varying degree (see Figure 5.6). Of least influence are entrepreneurship or enterprise classes or opportunities. For 48%, this had no influence.

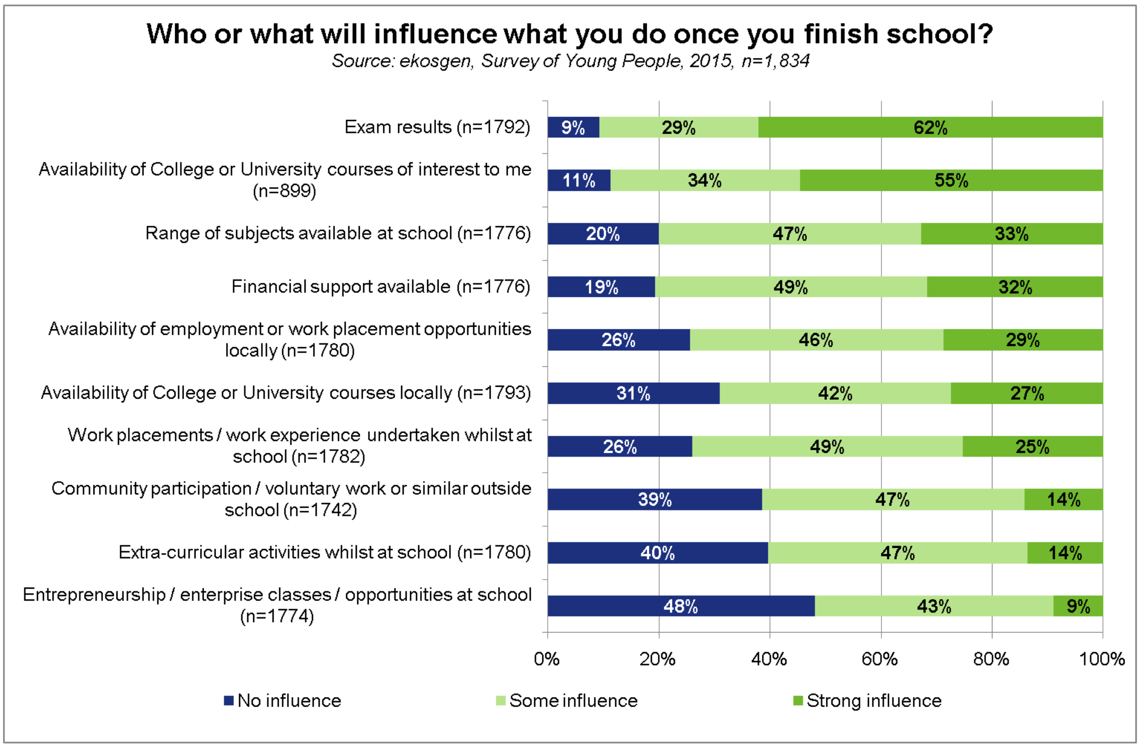
5.30 Some gender differences are apparent in terms of many of the influencing factors; for instance, male respondents are less likely to consider exam results influential (89% state these as having some or a strong influence, compared to 94% of female respondents) – and particularly strongly influential. Additionally, almost twice the proportion of males (just under 12%) compared to females (6%) indicated that exam results were not influential in their post-school decisions.

5.31 Although community participation/volunteering, entrepreneurship classes and extra-curricular activities are the least influential factors overall (between 39% and 48% said they had no influence), even here, the majority consider these factors to have at least some influence. Female respondents are more likely to indicate that community and voluntary work would have an influence on post-school choices and destinations.

5.32 Almost one-third said that the availability of local college or university courses would have 'no influence' on their decision-making. This was most notable in Lochaber, Skye and Wester Ross (42%) and Argyll and the Islands (40%), which suggests a challenge to retain more young people in these areas. It is also notable in Orkney, where around 40% indicated local availability would have no influence.

5.33 Conversely, in Moray and Shetland, 76% and 79% respectively said the availability of local provision would have at least some influence – and nearly 31% in Moray said it would have a strong influence – important feedback for Moray College UHI in particular, and potentially Inverness College UHI, since it suggests increasing local provision in Moray and the Inner Moray Firth would influence school pupils' decision-making.

Figure 5.6



5.34 Whilst not the single largest factor, employment opportunities are also a big influence on decision-making, and a strong influence for 29% of respondents. This seems to be particularly so in more remote areas, where employment remains a push factor in terms of out-migration:

> *'[There is a] lack of opportunities offered to teenagers here in Caithness, which is why so many of them move away after leaving school to experience life from a different [perspective] rather than being stuck somewhere that has very little on offer until travelling over 100 miles.' (Respondent from Highland)*

5.35 That said, the opportunity for employment is not the only push factor in terms of out-migration. It is also entirely possible that some young people, as with other rural (and urban) areas, have a strong desire for change:

> *'[P]eople in their teens and finishing school want to have more [opportunities] to discover what's really out there…after finishing school teens also want to get out of where they have just spent 13 years learning.'* (Respondent from Argyll and Bute)

> *'For me, and most of my school mates, going south to study was seen as a rite of passage. I don't regret it, as it allowed me to experience city life, but also to appreciate what was good about living in the highlands and islands.'* (Respondent from Orkney)

> *'I didn't consider the UHI/Inverness College when deciding what to do after leaving school as I was keen to get away from the Highlands and study somewhere further afield.'* (Respondent from Highland)

Views of Stakeholders in the Region

5.36 It is clear that many of the survey findings will resonate with the stakeholders who provided comment on the challenges and opportunities associated with out-migration. For example, it will be unsurprising to those with a knowledge of Argyll and the Islands that there is a relatively high proportion of committed leavers given recent demographic trends evidenced in the release of 2011 Census data. Conversely, the higher levels of commitment to stay amongst young people in Orkney and Shetland are borne out by the views of stakeholders engaged in supporting growth in these island communities.

5.37 It is apparent that there are varying levels of policy responses to the issue of out-migration within organisations and across the region. Out-migration of young people is not always a specific area of focus, or indeed a prioritised issue. Instead, it is viewed as a component of broader areas of policy response. In some areas, such as Highland, the relative success of Inverness and the Inner Moray Firth can mask issues apparent in other parts of the local authority area, and the attention in recent times has arguably been more on *attracting* young people rather than retaining them. In other areas, such as Argyll and the Islands, it is depopulation as a whole that is prioritised, rather than the loss of young people in particular. It is evident that policy response are variable across the region, and often localised in nature and in many cases centred around broader issues, such as employability.

5.38 Retaining young people is a key message emerging from the H&I Regional Skills Investment Plan, and reducing out-migration is returned to in later chapters. Awareness of the Plan was variable and not all recognised it was sufficiently tailored for their local area. There are also interesting findings in relation to potential returners and potential new residents, and the appetite they may have for living and working in the H&I. Some parts of the region such as Highland, and some organisations in particular, are more focused on these opportunities than others; for example the *Compelling Argyll and Bute* work being undertaken by the local authority is designed explicitly to identify how to attract new residents to the area, although of all ages, and not just young people.

5.39 The importance of good education and employment opportunities post-school is widely recognised by stakeholders, although the findings show just how important the quality and availability of FE/HE is for school leavers. There are variable links across the region between schools, individual colleges and UHI more widely, and these are increasing as a result of the impetus and requirements generated by the Wood Commission. Given the importance of the breadth of the school curriculum to young people, it is imperative that the work underway via Scottish Government to broaden units in the curriculum applies clearly and extensively across the H&I.

Summary

5.40 Young people in the H&I typically identify themselves as committed stayers or committed leavers. Some 43% of those currently living in the H&I are committed stayers and this appears a considerable base on which to build. Those in Orkney and Shetland are the most committed to staying.

5.41 Nonetheless, 40% of young people identify themselves as committed leavers. This is far higher for school-age young people, and highest amongst school pupils themselves. This evidence suggests that this commitment to leaving reduces with age (and may not actually be realised). That said there are geographic variations, with those in Argyll and the Islands and in Moray most likely to want to leave.

5.42 There is a suggestion (explored in subsequent chapters) that the availability of education and employment opportunities affects ability to stay. Around 15% of those living in the H&I describe themselves as *reluctant* leavers, highest in Caithness and Sutherland, Shetland and Lochaber, Skye and Wester Ross, followed by the Outer Hebrides.

5.43 Views on those staying in the H&I are now far less likely to be associated with negative reasons. A lower proportion consider that stayers remain in the H&I because they lack ambition or that leavers must do so to fulfil their ambition; rather views on those staying are most likely to be that they value the quality of life. Still, more than six in 10 consider those staying in the region as lucky to be able to do so. The availability of education and employment opportunities remains a strong determinant of where people choose and are able to live.

Policy Implications

5.44 The evidence suggests a number of implications for policy responses:

- That there is a requirement for a particular focus on the needs of reluctant leavers, who are most prevalent in Caithness and Sutherland, Shetland and Lochaber, Skye and Wester Ross (and to a slightly lesser extent in the Outer Hebrides). Targeted interventions to help meet their needs are likely to result in retaining a greater proportion of young people in these areas.

- There is significant interest in living in the H&I amongst those not currently living in the area, either as potential returners, or as potential new residents. Amongst potential returners, these are typically in employment and post-education, a group which could be actively targeted.

- Three quarters of potential new residents are aged 24 and under. This suggests that the H&I appeals to potential students and those starting employment, if the opportunities exist for them.

- There is a changing perception that there are positive reasons for staying in the H&I, and these should be more widely communicated. Fewer young people now think that people stay in the H&I because they lack ambition.

- Young people in Argyll and the Islands and in Lochaber, Skye and Wester Ross are most likely to believe that others leave to broaden their world view. This may require policy response and action over the longer-term to address this challenge.

- In some parts of the region, a very high proportion of school leavers wish to attend University. There are particular opportunities to increase access to remote learning for FE/HE (see Chapter 6), with the help of Next Generation Access broadband (see also Chapter 8).

- The breadth of the school offer is the third strongest influence on decision-making. There is a big message here that widening the school offering would give young people more options to pursue FE/HE of their choice.

6 Learning in the Highlands and Islands: views on the further and higher education offer

Introduction

6.1 This chapter explores attitudes and aspirations in relation to learning, covering Further Education (FE) and Higher Education (HE), and related matters such as graduate placements and the opportunities presented in terms of routes into employment from FE and HE. There has been expansion of the learning offer in the H&I over recent years, notably through the formal establishment of the University of the Highlands and Islands (UHI) in 2011 but also through the HE offer in the region provided by other institutions such as Aberdeen, Stirling and Heriot Watt Universities. Further, the Inverness Campus, which opened in May 2015, provides new facilities for Inverness College UHI and offers a co-location centre for business and academia.

Further and higher education provision

Overall Offer

6.2 There is general agreement across respondents that the H&I has a good educational offering, with more than half slightly or strongly agreeing that this is the case (56%). By contrast, just 22% slightly or strongly disagree, although this is still a significant minority. The general education offering is viewed most positively by those in the Inner Moray Firth, Moray, Orkney and Shetland.

6.3 However, there is a split on the extent to which courses are available that interest the H&I young people. The largest proportion of respondents (24%) strongly disagree that those courses on offer in the H&I specifically interest them; only 17% strongly agree. In the Outer Hebrides, the majority of respondents disagree that there are courses available that they are interested in (47%), and almost 30% strongly disagree. One respondent commented that:

> *'There is not enough choice and there are not enough opportunities in terms of further and higher education (we could really do with better distance learning options). It has a knock on effect on people's confidence and self-esteem.'* (Respondent from Outer Hebrides)

Further Education provision

6.4 More than half agree that there is a good range of FE/college courses available (54%). Just over one in five disagree that this is the case. In both Argyll and the Islands and the Outer Hebrides, less than half agree that there is a good range of provision, and almost a third (31%) disagree.

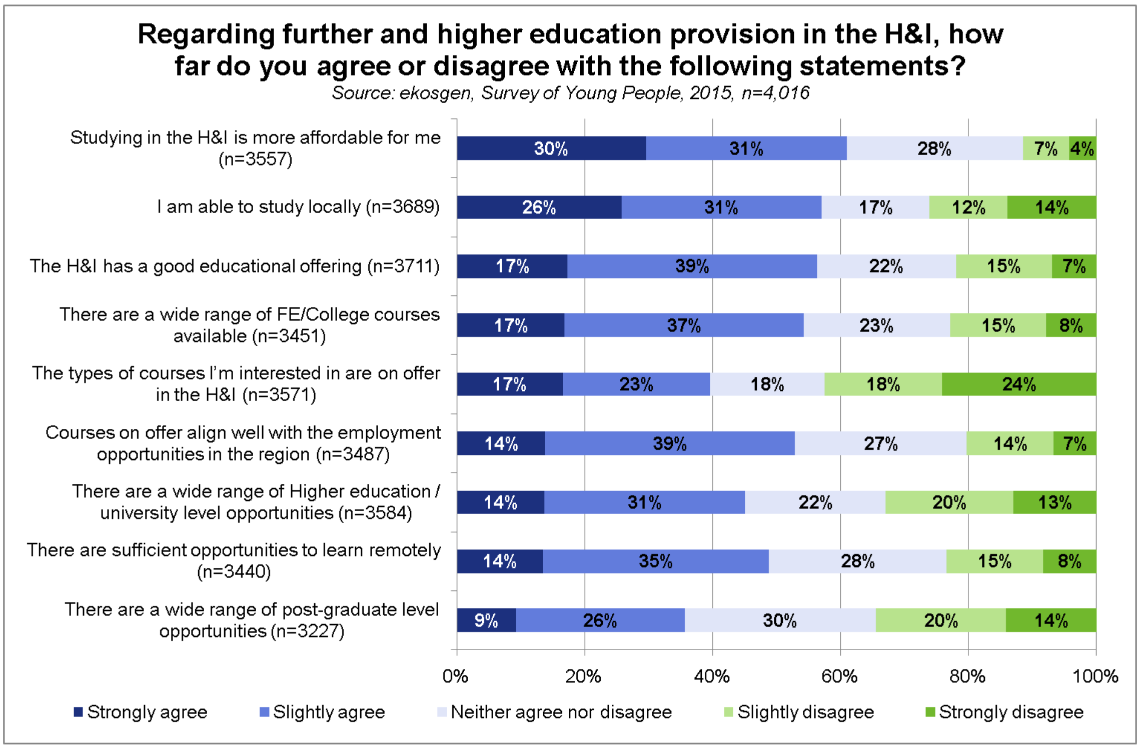
Higher Education provision

6.5 There is slightly less agreement on the range of HE opportunities, while 45% agree there is breadth of opportunity, a third disagree. As one respondent put it:

> *'[Y]ou have to look further afield for a wider choice of opportunities…for example, the course I wanted to do was not available at Inverness College or anywhere else locally – the closest was Perth, where I moved to and ended up living for 7 years.'* (Respondent from Highland)

6.6 There is also a lower level of agreement that there is a good range of *postgraduate* opportunities (especially among respondents in Argyll and the Islands and the Outer Hebrides). Nevertheless, more than a third agrees that there *is* a good range of post-graduate provision.

Figure 6.1



6.7 Overall, the results are extremely encouraging. In 2009, 45% of survey respondents thought that there was *limited or poor* access to FE and HE courses in the region Now, just 23% does not agree that there is a good range of FE, and just a third are of the view that there is not a wide range of good HE or post-graduate opportunities.

Alignment, affordability and studying locally

6.8 The majority of respondents agree that studying is more affordable for them in the H&I than elsewhere (61%) while just over one in ten disagree. This is more evident in Orkney and the Outer Hebrides, where 62%/65% respectively agree and more than 35% agree strongly. In Argyll and the Islands, only 48% agree this is the case, and 16% disagree compared to the 12% overall.

6.9 Importantly, 57% consider that they are able to stay and study locally. However, a quarter do not think they are able to do so. Those in Moray (67%) are most likely to say they are able to study locally, whereas those in Argyll and the Islands are least likely to say they are able to do so (48%). Apprentices (73%) and carers/homemakers (71%) are more likely to agree. A slightly lower proportion (49% overall) think there are sufficient opportunities to learn remotely, and 23% disagree this is the case; those most likely to say there are sufficient opportunities to learn remotely are from Moray, Orkney (both 54%) and Shetland and the Inner Moray (both 51%). Respondents from Argyll and the Islands (31%), Lochaber, Skye and Wester Ross (29%), and the Outer Hebrides (26%) and Caithness and Sutherland (26%) are most likely to disagree that there are sufficient remote learning opportunities.

6.10 More than half consider courses to be aligned to employment opportunities.

Variations by status

6.11 There appears to be more agreement amongst school age respondents (15-18 years) with these statements regarding the educational offering, particularly in terms of courses of interest being on offer (41% agree), but for school pupils specifically responses are similar to the overall pattern.

6.12 There is slightly stronger disagreement from college/university students on the availability of courses of interest, but more student respondents agree on the good general educational offering in the H&I (64% versus 56%), and considerably more agree on the affordability of education in the H&I (72% versus 61%).

6.13 In contrast to the overall survey response, 40% of unemployed respondents disagree on course-employment alignment, and 27% strongly disagree on availability of courses of interest (it should be noted that there is less agreement overall from unemployed respondents).

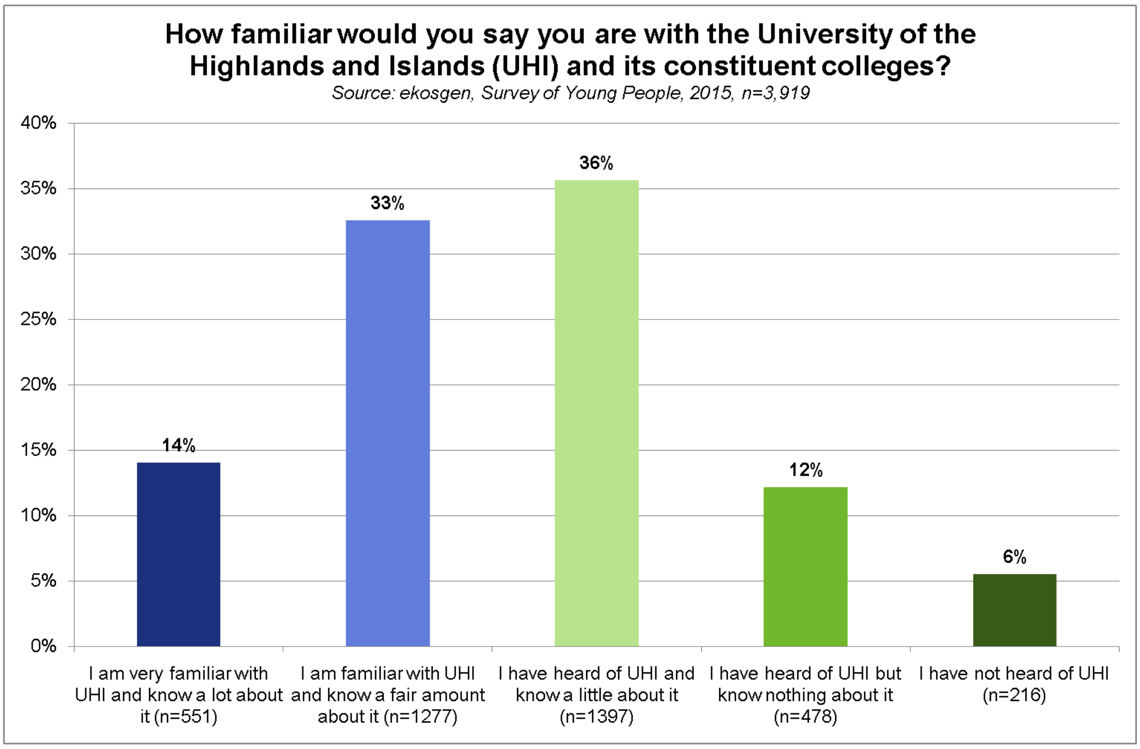
6.14 Apprentices generally agree more with statements regarding the H&I educational offering, and there is a greater level of strong agreement from apprentices – especially on courses of interest (36%) and ability to study locally (35% strong; 73% agree overall). These are positive findings, although those who have successfully accessed apprenticeships are more likely to view their experience favourably than perhaps those not accessing them.

6.15 The same applied for carers/homemakers – 43% strongly agree on affordability of studying in the H&I, and 37% of respondents strongly agree that they are able to study locally, again suggesting that there is good access and increased affordability of provision locally for many groups.

Awareness of UHI and its offer

6.16 Following on from the consideration of HE provision overall in the H&I, this section relates specifically to the UHI. In general, there is good familiarity with UHI, and over four in five have at least some knowledge, though the extent of this does vary. Nevertheless, almost one in five (18%) do not know what UHI has to offer. Familiarity is greatest among 19-24 year-olds, the age group most likely to either be at, or considering university.

Figure 6.2

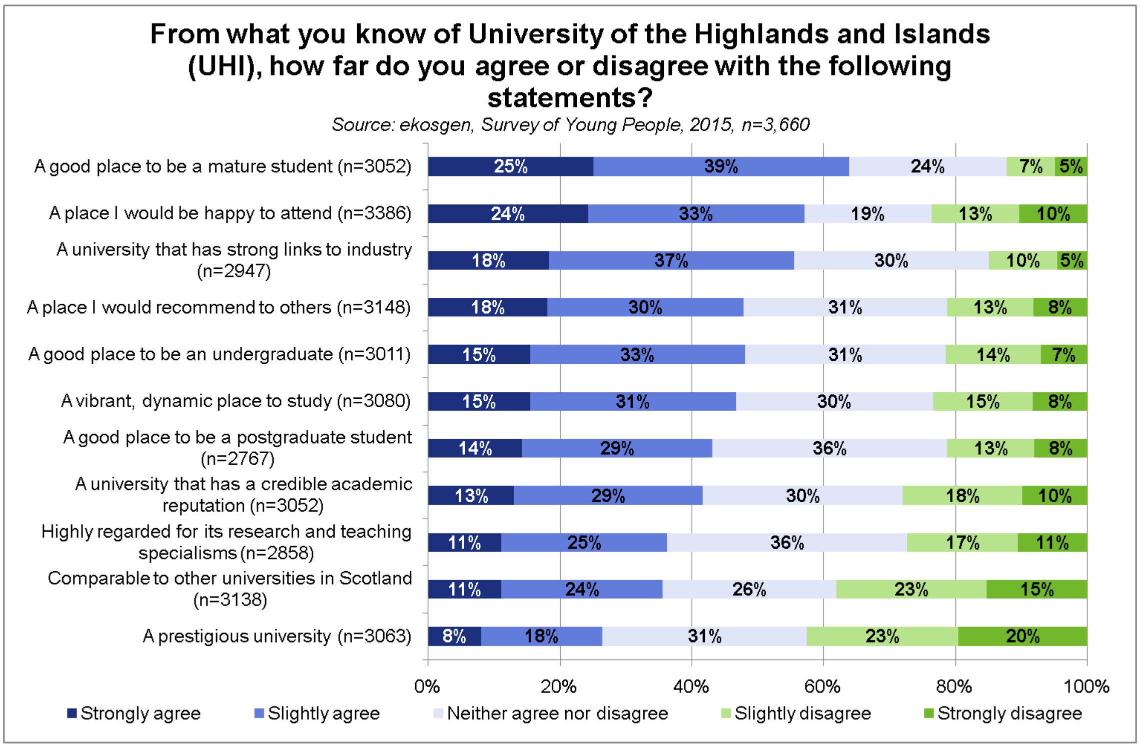


6.17 Respondents in Orkney are most familiar with UHI. Here, 22% of respondents say that they know a lot about it and a further 40% say that they know a fair amount; those from Shetland are least likely to know a lot, whilst those in Argyll and the Islands are most likely to know nothing and/or not have heard of UHI (38% compared with 18% overall). There appears to be a significant amount to be done to raise awareness and attractiveness of UHI for those in Argyll and the Islands, and this reinforces the need for a stronger University presence in this part of the H&I (see Policy Implications at the end of the Chapter).

6.18 High levels of awareness (where respondents indicate either knowing a fair amount or a lot) is most prevalent amongst college and university students (70%), followed by unemployed respondents (54%), those who have finished education but not currently in employment (53%), and apprentices (53%). Those in employment were generally less aware, with fewer than half (46%) having high levels of awareness. However only 37% of school pupils know more than a little about UHI, and more than a quarter know nothing.

6.19 As Figure 6.3 shows, UHI is viewed in a generally positive light across all respondents; there is little variation geographically in terms of opinions of UHI.

Figure 6.3



Which groups is it perceived that UHI appeals to

6.20 There is a perception that UHI is a particularly good place to be a *mature* student, with almost two thirds agreeing this is the case (64%). For those aged 25-30, this proportion jumps to 71% and for current students this is higher at 73%. The proportion considering UHI as a good place to be a mature student is even greater for carers/homemakers (76%) and amongst those who have finished education but are not yet in employment (79%).

6.21 Almost half (48%) also agree that it is a good place to be an undergraduate student, with apprentices (58%), students (53%) and carers/homemakers (52%) the groups most likely to think this. A slightly lower proportion (43%) agrees that UHI is a good place to be a *postgraduate* student and this is linked to the overall feedback that there are considered to be fewer postgraduate opportunities than FE and HE provision. Still, amongst those who have finished education but are not yet in employment, 49% think UHI is a good place for postgraduate study.

Other Perceptions

6.22 UHI is perceived as having good links to industry (55%), and just under half see it as being a vibrant, dynamic place to study. Similarly, the majority of respondents acknowledge that UHI is a place that they would be happy to attend (57%), and would recommend to others (48%). Those who have attended speak highly of UHI:

> *'Having studied at Inverness College UHI for seven years I cannot speak highly enough of the education that I received and the opportunities which it presented to me… tutors … were excellent and an asset to any university. I never thought I was capable of passing a degree course but with all the support and fantastic instruction anything was made possible. I am very proud to have completed a*

degree with the UHI. My career reached heights I never thought possible by completing this course.' (Respondent from Highland)

'UHI make good use of technology in order to provide a diverse range of courses across the Highlands and Islands.' (Respondent from Orkney)

'I've studied at Inverness College UHI recently and my only complaint was the state of the campus buildings and facilities…however the level of education was fantastic for young and mature students alike.' (Respondent from Highland)

How UHI compares to other Institutions

6.23 Whilst almost six in 10 agree they would be happy to attend, there is more that needs to done to boost the credibility of UHI amongst young people before it is perceived as fully comparable to other HE institutions. Whilst UHI is making progress in terms of developing its appeal as a place to study, there is less widespread agreement that UHI is (as yet) a prestigious university comparable with others in Scotland. In all, 26% of respondents regard UHI as prestigious and 35% perceive it as comparable with other universities in Scotland. This reflects the relative youth of UHI as an institution.

6.24 More young people in the Outer Hebrides regard UHI as prestigious (30%) and comparable to other institutions (37%) than in other areas of the H&I. More of those in Caithness and Sutherland (36%) also consider the UHI to be comparable to other institutions than those in other parts of the H&I.

6.25 Greater proportions of young people agree that UHI is highly regarded for its teaching and research specialisms (36%) than disagree (28%), and agree that it has a credible academic reputation (42%) than disagree (28%). These are encouraging findings for UHI. Figure 6.3 earlier illustrates this.

Variations by Age/Status

6.26 The 19-24 age group appear to be the most negative about UHI with more than half (51%) disagreeing that it is prestigious. A further 44% of those aged 19-24 disagree that it is comparable to other Scottish universities; with college and university students responding in a similar manner.

'There is an attitude prevalent in young people in the Highlands and Islands, luckily less so now, that UHI is not as much a 'real' university as others despite excellence in research and teaching. This needs tackled more to attract more people at undergraduate level.' (Respondent from Caithness and Sutherland)

'What I have seen of UHI, they seem stronger on vocational college type courses than academic ones, and I would be a little concerned about how any degree would be viewed by employers upon graduation.' (Respondent from Shetland)

'I have a background in environmental research and have worked…in the H&I…I would never have considered the UHI for my first degree. For whatever reasons (new-ness, unique-ness of campus format, restricted range of courses, research output, etc.), it just doesn't have the across-the-board academic reputation of other Scottish universities. I think if you are comparing CVs, a student graduating from St Andrews, Edinburgh, Glasgow, Dundee, Aberdeen, etc. would be seen as a more favourable candidate than one from UHI. Having said that, there are some

specialist areas where UHI is building a good reputation.' (Respondent from outside the H&I)

6.27 Of all groups, carers/homemakers are most likely to have a strong positive view of UHI. Committed stayers also have a strong positive view of UHI. Interestingly, both reluctant *and* committed leavers are more likely to have a negative view (around 50% of both respondent types disagree that UHI is prestigious, and in both instances most strongly disagree). Potential returners and reluctant leavers tend to be more ambivalent and are more likely to neither agree /disagree with statements on UHI.

6.28 Although there is still some way to go before UHI is perceived as truly comparable to other HE institutions outside the region, there are clearly signs that UHI is gaining credibility and an increasing proportion are happy to go there and to recommend it to others. There is an air of optimism regarding UHI, and a recognition that it is in the process of growing its status as a full university, and that it can and will improve further over time:

> *'UHI is still very much in the early stages of being an academic university. An offer of wider range of academic degrees as well as more scientific PhDs would help towards building on this. Right now it's mainly focussed on applied courses and Arts PhD topics. See this expand and this would help UHI's image.'* (Respondent from Highland)

Inverness Campus

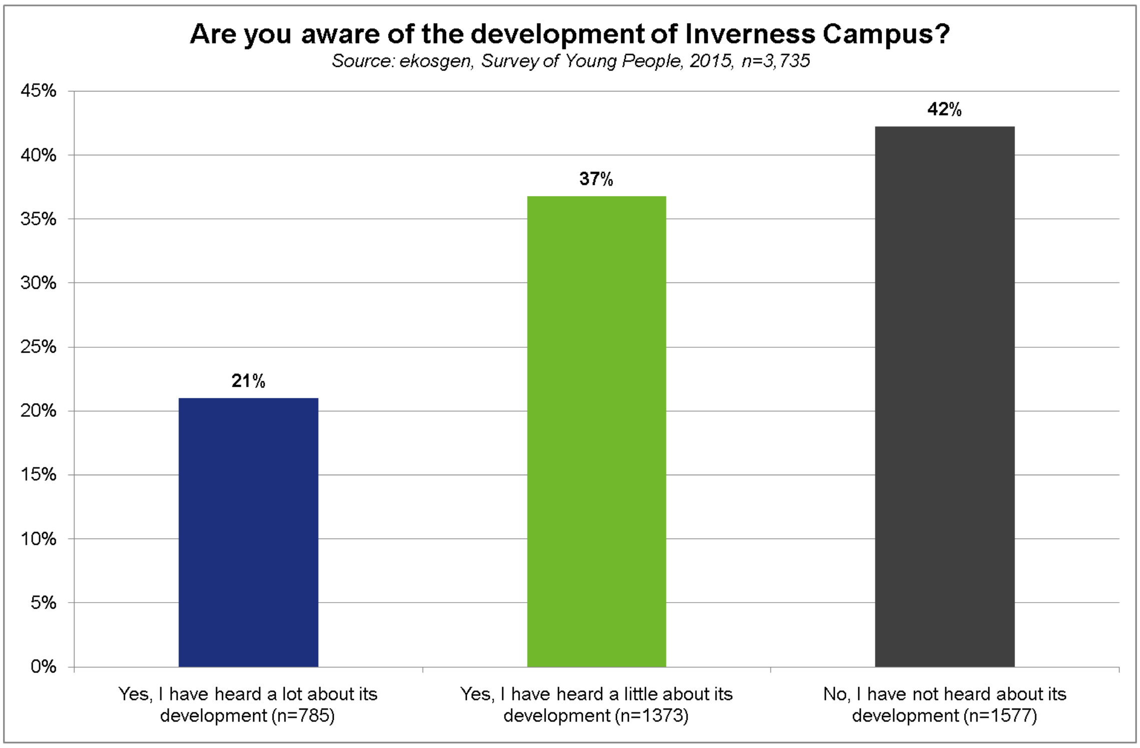
6.29 Inverness Campus, which will see Inverness College UHI co-located with centres for business and research, opened in May 2015. The majority of young people have heard at least something about the development of the Campus. In all, almost six in 10 (58%) have some familiarity with it (Figure 6.4).

6.30 Further, of those who *are* aware of it – and to an extent those who are not – there is a recognition of the positive role it will have in promoting and enhancing the educational offering of the H&I, and indeed the region overall. There is an understanding that the investment in the flagship campus designed to foster triple-helix (public, business and academic) relationships and collaboration will act as a catalyst for opportunities in future.

6.31 Awareness of the Campus increases with age and it is students, apprentices and carers/homemakers who are most likely to know a lot about the development.

6.32 In the Inner Moray Firth area, the vast majority of young people (92%) know something about Inverness Campus, and here, where the Campus is based, almost 45% know a lot. Elsewhere in the Highland Council area – in Caithness and Sutherland and Lochaber, Skye and Wester Ross – awareness is lower but 60% still know at least something about its development. Everywhere else in the H&I, the majority have not heard of its development. This is most acute in Argyll and the Islands (78%) and Shetland (76%).

Figure 6.4

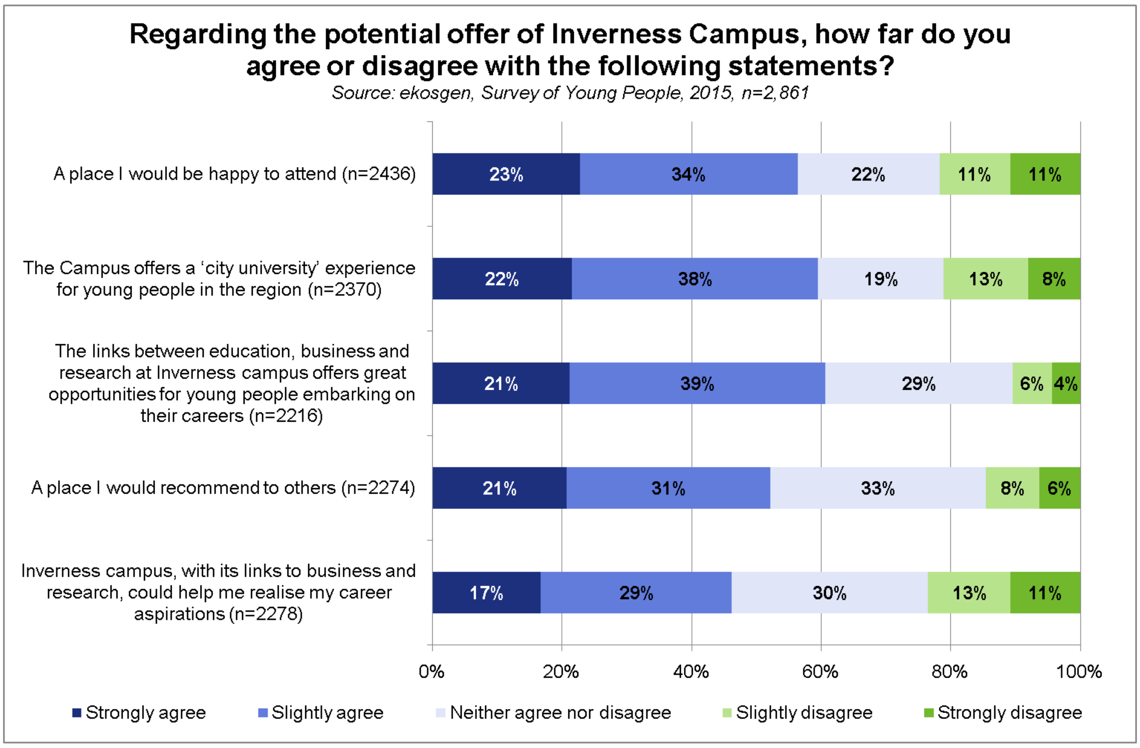


6.33 Despite the varying levels of awareness, the Campus is viewed very positively. Six out of 10 respondents (60%) agree that it will provide a city university experience in the H&I - something till now that has, arguably, been unavailable. Only 21% disagree. Further, around six in ten young people think that the academia-business links at Inverness Campus will offer great career opportunities for young people and only 10% do not. Almost half (46%) also agree that, with its links to business and research, Inverness Campus can help them realise their career ambitions (see Figure 6.5).

6.34 There is no significant variation by geography, age and status regarding these views, so it is reasonable to assume that the investment is positively perceived across the H&I. Committed leavers are less likely to agree that Inverness Campus will have a positive impact, but not strongly so.

6.35 Inverness Campus is a place where almost six in ten agree they would be happy to attend and only 22% would not; 52% would recommend it to others, based on what they know, and only around 14% would not. These are positive findings about its development, although the message needs to extend further beyond the immediate Inner Moray Firth and wider Highland Council area.

Figure 6.5



6.36 These views are reinforced by a number of focus group respondents from the Highland Council area:

> *'The new UHI campus* [sic][117] *is surely a huge attraction for anybody wishing to pursue further education without the financial burden of relocating from the highlands.'* (Respondent from Highland)

> *'I haven't studied at UHI before but after the new university campus is built I'm sure it will be full of opportunities for young people of all ages and will [definitely] attract more people to study and work in the area.'* (Respondent from Highland)

> *'I never considered UHI an option due to the lack of courses…However, the new building looks impressive and demonstrates the commitment to making the Highlands a great place for education, so if I had been considering university now, I would consider it an option and be encouraged to look into it more.'* (Respondent from Highland)

> *'I think that the university [new campus] has a massive potential to change the city [Inverness]. It will definitely be good to get more students coming to the city as this will encourage more school leavers to stay in Inverness.'* (Respondent from Highland)

6.37 However, though there is no significant variation by geography regarding the perception of Inverness Campus, the view that the Campus will be a wholly positive attribute for the H&I is not necessarily shared by those respondents outside Inverness and the Highland Council area (though equally this could be a minority view). The following quote illustrates some concerns

[117] It should be noted this is not actually correct, although many young people perceive it as such. It is correctly called Inverness Campus.

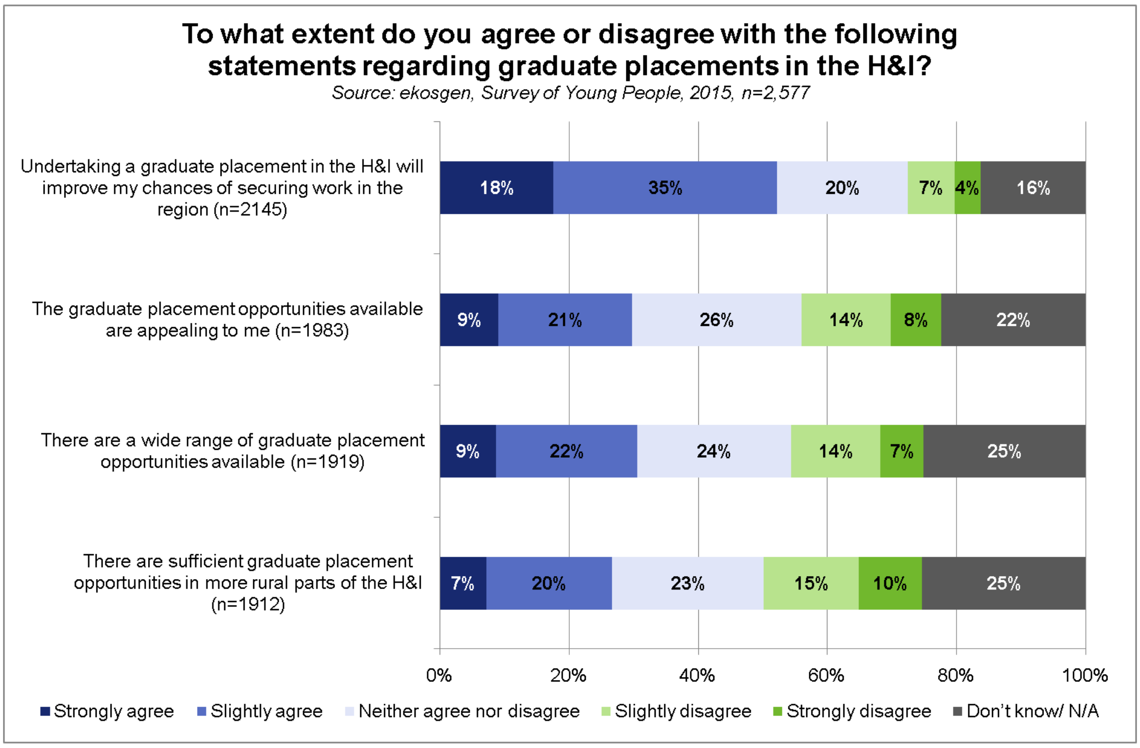
about over-centralisation of HE provision in Inverness, although the respondent suggests Inverness Campus is a UHI Campus which is not actually the case. Rather, the Campus in Inverness is simply one that houses Inverness College:

> *'I can see a tempting danger of over-centralising courses to Inverness …There are already individual specialist subjects where UHI and affiliated organisations have wider recognition in the prestige of their courses - the current model of UHI allows the benefits of these courses to be shared throughout the region and I would want that to continue. Two of the towns I have lived in…both aspire to be university towns also, recognising the benefits that incoming students could bring to the local economy. It would be a shame therefore if efforts were made to make UHI more conventional with most courses focused on an Inverness campus in an attempt to make itself large enough to compete in reputation terms with other universities across Scotland. While Inverness is probably large enough to have a reasonable range of courses by itself, it isn't easily accessible from much of the Highlands and Islands.'* (Respondent from Argyll and the Islands)

Graduate placements

6.38 Finally, when looking at perceptions of FE and HE, the role of graduate placements and the link that they provide to employment and future careers was examined. Firstly, respondents were asked more broadly about graduate placements before questions focused in specifically on the ScotGrad programme. Just over half of all respondents agree that undertaking a graduate placement will improve their employment chances in the H&I (see Figure 6.6). However, less than a third (30%) agree that adequate/interesting placements are available or appealing in the region, although around a quarter say they do not know. Excluding those who do not know, 38% agree that graduate placements are appealing and 41% that there are a wide range of placements, compared to 28% and 27% that disagree.

Figure 6.6



6.39 Fewer respondents overall (27%) think there is sufficient availability in rural areas, although this is not significantly lower than the proportion thinking generally that there is a wide range of placements (31%). For the most part, responses suggest that more graduate placements could be made available. As the following quote illustrates, however, the availability of placements may not in itself be sufficient to attract/retain young people in parts of the region:

> *'There are a number of graduate placement opportunities and jobs here in Argyll (obviously not as many as there are in Cities, or in the Central Belt, but still a good number of opportunities available), however trying to recruit for these positions is not easy. We currently have an opening for a Graduate in my office, and we are struggling to get any applicants, mainly due to our rural location. I can completely understand why young people look for work elsewhere, as while there are a vast array of benefits living and working in the Highlands and Islands, they may not seem as appealing as the 'immediate living' of areas outwith H&I.'* (Respondent from Argyll and the Islands)

6.40 Respondents in Moray are more likely to agree that there is a wide range of graduate placements available. There is also greater agreement on the availability of graduate placements from those not currently in employment, but less so from employed respondents. Additionally there is a greater level of strong agreement from apprentices.

6.41 Committed stayers and reluctant leavers are more inclined to agree with the statements on graduate placements, particularly with regard to the impact that a placement would have on their employability in the H&I (57% agree it would improve employment chances).

6.42 It is worth noting that a large proportion of respondents answered 'Don't know' – for range and availability in rural areas (around a quarter) and on the appeal of placements, just over one-fifth say they don't know. This is significantly higher than for other questions, and may reflect a general lack of awareness of opportunities.

ScotGrad

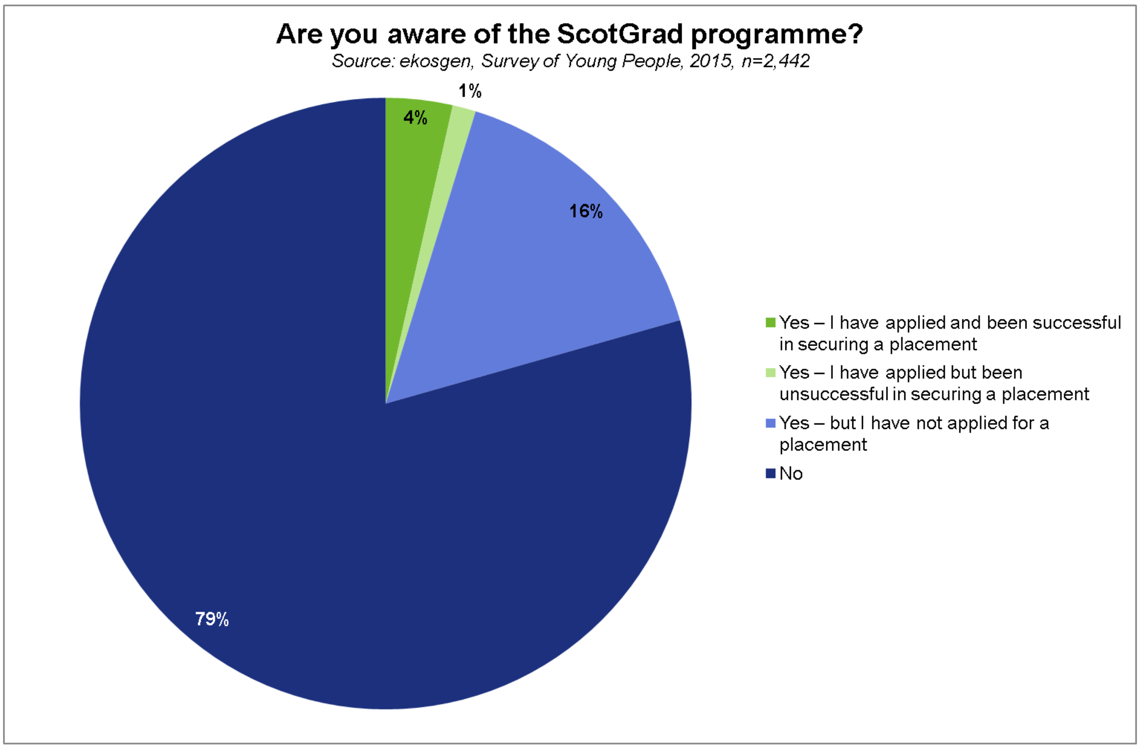
6.43 As part of the consideration of graduate placement issues, respondents were asked about ScotGrad, a scheme that provides graduates with a placement within businesses to work on specific projects, but also allows businesses themselves to innovate on products and services.

6.44 Awareness of the ScotGrad programme is generally quite low. Overall, across all those surveyed, one in five (21%) are aware of the programme. However, almost 80% of respondents had no awareness of the programme (see Figure 6.7).

6.45 Only 5% of respondents had applied for the ScotGrad programme. Of these, nearly 75% were successful in securing a placement. In addition to those applying, a further 16% of respondents are aware of the programme, but have not applied. Importantly, 45% of those securing a placement are retained by their employer and 70% enter positive, graduate level destinations in the region.[118]

[118] HIE (2015) End Year Review 2014-15

Figure 6.7



6.46 The highest levels of awareness of the ScotGrad programme exist amongst respondents in the Highland Council area (particularly Caithness and Sutherland) and the Outer Hebrides, as well as those from outwith the H&I. This is also the case amongst respondents aged 25-30 years, with it being marginally lower for those aged 19-24. Awareness is lowest geographically in Orkney, Shetland and in Argyll and the Islands.

6.47 School pupils and unemployed respondents have the lowest awareness of ScotGrad. There is generally lower awareness of the programme amongst male respondents, but conversely greater success by males in securing placements through the programme. There is also a greater level of success in applying amongst respondents from island towns and villages. Qualitative feedback suggests the availability of graduate placements in the island parts of the H&I still needs to improve to meet the needs and demands of students from those areas seeking employment in their home areas:

> *'[I]n other industries [besides engineering] there does appear to be a lack of opportunities. I think it has improved recently with a few companies in areas such as marketing/design providing graduate placements through Talent Scotland/ ScotGrad, but I don't think it is realistic for an isles student to think they will definitely be able to return to a job in those sorts of areas.'* (Respondent from Shetland)

Views of Stakeholders in the Region

6.48 Stakeholders consulted for the research are generally aware of the need for good quality FE and HE provision. There is widespread recognition that young people demand good quality educational opportunities and that they will leave if these are not available. For some of the stakeholders consulted, young people leaving the region to pursue educational opportunities is seen as inevitable, and that it is indeed a "rite of passage" for many who are seeking to progress their education and/or broaden their world view. This is particularly the case for those seeking HE opportunities not available in the region.

6.49 Views on the quality and availability of HE do appear to be changing and it is the role of UHI in effecting this change that is most frequently cited. Stakeholders are almost universally positive about the benefits that UHI are beginning to bring to the region, alongside the other available HE offerings in the region. The development of Inverness Campus is also viewed positively. From some parts of the H&I (e.g. Orkney), young people are leaving their local area for HE provision in Inverness, rather than the Central Belt. They are also leaving parts of the region to go to Inverness for *FE*. There is recognition that more can be done to facilitate this, and for young people to return to local communities thereafter.

6.50 Whilst the work of UHI is well regarded among stakeholders, there is also recognition that it can and should extend its offering for young people. Although specialisms are welcomed and positively viewed (such as the Environmental Research Institute at Thurso, the School of Adventure Studies at Lochaber College and Gaelic medium provision at Sabhal Mòr Ostaig in Skye) there is a view that it needs to be careful about being too niche, and should broaden its appeal and course offer. Other specialist HE provision in the region, including the Scottish Association for Marine Sciences (Oban), Archaeology (Orkney), Renewable Energy Development (via Heriot Watt), is also welcomed, although once again, these are fairly niche and specific in focus.

6.51 Stakeholders also comment on some variability in the FE offer. For many, UHI Colleges are seen as the key connection to HEIs, but there is recognition that these links could be strengthened. Argyll College UHI and West Highland College UHI are examples given of UHI Colleges where there is existing scope to broaden provision and enhance links to HE, although this could feasibly extend to other UHI Colleges.

6.52 There is also strong feedback from business community representative bodies that employers still need young people to be better equipped for work and that Colleges and HEI’s need to better develop their relationships with business and employers (and vice versa). Whilst initiatives via Youth Enterprise Scotland and the SDS-led Certificate of Work Readiness are helping provide young people with work experience, there are also challenges delivering these in rural areas. Local initiatives, such as Highland Council’s youth trainee project, have also helped connect young people to employment opportunities.

6.53 Graduate placement programmes such as ScotGrad are viewed positively by the stakeholders that have awareness of them. Yet more broadly, stakeholders say, from their experience, the opportunities for graduates and higher level jobs for young people are still too limited (though improving), suggesting a continuing need to make more graduate placements more widely available.

Summary

6.54 Overall, the education offering in the H&I is improving and there is a perception that the offer is generally good. The provision of FE remains stronger than HE, although even for FE more can be done to increase the breadth of provision to provide courses of greatest interest to young people.

6.55 Although the range of opportunities in HE is not perceived to be as good as other HE institutions, there is recognition that UHI is improving and continuing to establish its university status, and there are positive signs that young people feel happy to attend UHI and to recommend it to others. Reputationally, there is still some way to go to establish its academic credibility among young people and for it to be perceived as truly comparable to HE institutions outside the H&I. This is not uncommon with newer universities. Addressing these perceptions may partly be around broadening the offer of UHI (and where possible other HE institutions), and striving to develop its credibility, for example, through the recruitment of the highest calibre staff and promoting areas of recognised excellence.

6.56 Stakeholders also recognise other specialist HE provision in the region and welcome this, although these are fairly niche and specific in focus.

6.57 The Inverness Campus investment is seen as positive for the H&I overall, although there is a challenge to increase awareness of the Campus and its benefits beyond Inverness and the Highland Council area.

6.58 Just a third consider there to be sufficient graduate placements, although more than half think such placements would improve their employment prospects. Though ScotGrad is valued by those using the scheme, there appears a general need to increase awareness of, and availability and choice of placements.

6.59 Overall, almost six in 10 now feel they are able to stay and study locally and there are increasing opportunities to learn remotely. There are, however, marked geographic differences with those from Argyll and the Islands most likely to say they are not able to stay and study in their local area.

Policy Implications

6.60 Views from young people on the FE and HE in the region delivers some key messages for policy makers:

- The FE offer is improving but there is work to do in parts of the region, notably Argyll and the Islands and the Outer Hebrides in particular to develop the offer, its availability and its take-up.

- UHI should continue to develop its HE and postgraduate offers – the demand for attending UHI is there and the University is seen very positively, especially as a place for mature students. However, it should continue to seek to broaden its appeal and to develop its prestige and credibility through, for example, further recruitment of high calibre academic teaching staff and promotion of recognised areas of excellence.

- Remote learning could be developed in the region, particularly the island communities such as Orkney and Shetland. In these areas, more than half disagree that there are good remote learning opportunities, but there is a very strong desire to attend University. Next Generation Access to broadband creates an opportunity for UHI to increase its rural FE/HE reach and presence, and to help reduce inequalities in access to learning.

- Given that UHI is not on the radar to the same extent in Argyll and the Islands, this provides supporting evidence for the Community Planning Partnership aspiration through the Single Outcome Agreement to establish Oban as a university town.

- School pupils are not as aware of UHI and action should be taken to address this; two thirds know just a little at best. UHI Colleges are active in schools but this activity needs to be extended and deepened.

- Inverness Campus is seen as a positive development, although there is a need to extend its influence more widely outwards to the rest of H&I.

- UHI's relationship with business is viewed positively, and can and should be extended. This would also help to address the real issues associated with career progression (see next Chapter). The potential for Inverness Campus to facilitate the development of relationships between academia and business is recognised and viewed as a positive development.

- There are particular opportunities to develop research and development opportunities in the region, linked to the identified need to expand the postgraduate offer and to support the creation of higher value jobs required (see Chapter 7). Ensuring the presence of innovation centres in the region and exploring ways to extend their reach is one means of developing opportunities associated with research and development and innovation (linked to industry).

- Graduate placements (and ScotGrad) work for young people and those taking placements through ScotGrad are likely to take up graduate level jobs. Yet the availability is not perceived to be good – and whilst one in five is aware of it, 80% are not. It is not operating on the type of scale that will impact on young people's perception of placement availability (and there is a message here for employers too).

7 Working in the Highlands and Islands: employment and sectors

Introduction

7.1 This section analyses young people's attitudes and aspirations with regards to employment related factors, both in their local area and the H&I as a whole. It explores their ideal location to work, their familiarity with H&I growth sectors, and their interest in working in these sectors. Further, the section identifies the characteristics valued most in employers; and the perspectives young people have on their career opportunities, ambition and self-employment.

Employment-Related Factors in the Local Area

7.2 Young people were asked their views on various employment-related factors: pay, career progression, employment opportunities and their diversity and opportunities for personal and professional development.

Apprenticeships

7.3 Of all the factors, young people are most positive about opportunities for apprenticeships in their local area, with 49% rating these as either quite or very good, although almost a quarter (23%) regard them as quite or very poor. The generally positive view may reflect recent efforts by government to expand vocational skills amongst young people.

7.4 Opportunities for apprenticeships are viewed as particularly 'very good' in Shetland (30%) and Orkney (25%). In contrast, 31% in Caithness and Sutherland, 29% in Lochaber, Skye and Wester Ross and 28% in the Outer Hebrides rate opportunities for apprenticeships as either quite or very poor.

7.5 Encouragingly, 53% of young people aged 15-18 years old rate opportunities for apprenticeships as quite or very good, compared with 47% amongst those aged 19-24 and 40% amongst those aged 25-30 years.

Self-Employment

7.6 Two in five responded favourably as regards self-employment, with 10% rating opportunities as very good and 29% citing these as quite good. Respondents in Orkney and Shetland are especially enthusiastic about the availability of self-employment opportunities, with 15% and 12% respectively rating them as very good.

7.7 However, 29% rate self-employment opportunities as quite or very poor. This response was most prevalent among those in Caithness and Sutherland (38%), the Outer Hebrides (35%) and Moray (30%). There is an apparent correlation between age and a more positive attitude towards self-employment opportunities. Those aged 25-30 years are most likely to rate opportunities for self-employment as very or quite good, 45% of all respondents, compared to 39% amongst those aged 19-24 years and 35% amongst those aged 15-18. In part this reflects the fact that self-employment tends to be more of an option that people consider in later years. If more young people can be encouraged to take up these self-employment opportunities then this could off-set more limited employment opportunities cited below.

Opportunities for Local Employment

7.8 Opportunities for local employment are rated slightly less favourably, with 35% rating these as quite or very good, and 32% rating these as quite or very poor. Respondents in Shetland (64%) and Orkney (51%) are most positive, rating these as either quite or very good. Young people in the Inner Moray Firth are also more positive than average (at 37% compared to 35%). Those in Caithness and Sutherland (24%), the Outer Hebrides (25%) and Lochaber, Skye and Wester Ross (30%) are least positive.

7.9 There are some relatively minor differences in perception of employment opportunities by status. Young people undertaking an apprenticeship are most positive, with 49% rating opportunities as quite or very good. School pupils (36%), university/ college students (36%), those in employment/self-employment (34%) and carers and home makers (34%) are all around the average (35%). As would be expected, unemployed young people (10%) are by far the least positive.

7.10 Young people appear to become more pessimistic about employment opportunities in general in their local area as they get older; with 36% of 25-30 year olds rating these as quite or very poor, compared to 34% of 19-24 year olds and 29% of 15-19 year olds. This may reflect the difficulties young people have experienced over time finding suitable employment opportunities in their local area, while those aged 15-18 years (many of whom will still be in some form of education/training), have yet to gain much experience of the local labour market.

7.11 Table 7.1 below profiles the percentage of young people stating that employment opportunities are quite or very good in their local area by HIE area office:

Table 7.1

HIE area office	Those rating opportunities for local employment as good or very good
Shetland (n=90)	64%
Orkney (n=169)	51%
Inner Moray Firth (n=1175)	37%
Moray (n=483)	35%
Lochaber Skye and Wester Ross (n=361)	30%
Argyll and the Islands (n=449)	28%
Outer Hebrides (n=366)	25%
Caithness and Sutherland (n=194)	24%
Overall average	35%

Source: ekosgen, Survey of Young People, 2015

Diversity of Employment Opportunities

7.12 Young people perceive the diversity of employment opportunities in their local area as weaker than the number of opportunities, with just 29% rating these options as quite or very good and 38% considering these to be quite or very poor. This highlights the continuing need to provide a wider *range* of employment opportunities for young people to access within their local area, without the need to move to other areas.

7.13 There are some very marked differences across the H&I: in all, just 17% of those in Caithness and Sutherland rate the diversity of employment opportunities as good, as do 19% in

Lochaber, Skye and Wester Ross, 22% of those in the Outer Hebrides, and 22% of those in Argyll and the Islands, demonstrating the significant challenge in increasing the range of employment opportunities for young people in these areas.

7.14 The research shows that good employment opportunities locally do not always mean a good *range* of employment opportunities. This is most marked in Shetland, where 64% say there are good employment opportunities, but only 28% say these are diverse, given the concentration of opportunities in oil and gas. In contrast, in the Inner Moray Firth, 33% say there are diverse opportunities, almost as many as state there are good employment opportunities, suggesting a far broader range of available jobs.

7.15 Older young people view the diversity of employment opportunities more negatively than those in the younger age groups, with 26% of 25-30 year olds, 28% of 19-24 year olds and 30% of 15-18 year olds rating these as quite or very good. Table 7.2 below profiles the percentage of young people stating that the diversity of employment opportunity are quite or very good in their local area by HIE area office:

Table 7.2

HIE area office	Those rating diversity of local employment opportunities as quite or very good
Orkney (n=169)	38%
Inner Moray Firth (n=1142)	33%
Shetland (n=90)	28%
Moray (n=467)	27%
Argyll and the Islands (n=429)	22%
Outer Hebrides (n=359)	22%
Lochaber Skye and Wester Ross (n=354)	19%
Caithness and Sutherland (n=191)	17%
Overall average	29%

Source: ekosgen, Survey of Young People, 2015

7.16 When comparing the ratings for employment opportunities and the diversity of employment opportunities with the total percentage of people aged under 30 claiming Jobseekers allowance,[119] the figures for Orkney and Shetland (both with relatively low claimant rates – at 0.9% (lowest) and 1.1% (third lowest) match the more positive attitudes of young people with regards to employment opportunities and diversity. Conversely, Argyll and the Islands and Caithness and Sutherland both have the highest claimant count (both 2.3%) and these were the areas where employment opportunities and their diversity were perceived to be amongst the lowest.

7.17 There is not always a direct correlation between higher claimant counts and lack of opportunities. While young people in Lochaber, Skye and Wester Ross are generally less optimistic about employment opportunities and their diversity, the area has the second lowest percentage of claimants under 30, at 1.0%. Moray has the third highest percentage of claimants (2.1%) and, yet, young people are relatively positive about opportunities.

[119] Claimant Count (NOMIS) April 2015. Please note, Rates are HIE Estimates only as no official rates are available

7.18 Qualitative responses illustrate some of the perceptions around employment opportunities:

> *'I am from Inverness, where the job prospects are, fortunately, growing. I think that prospects for graduates have come far with the number of schemes in place growing. Outwith Inverness, I perceive it to be more difficult to get a job outside of agricultural jobs and work in the tourism and food industries'* (Respondent from Highland)

> *'…Oban… is stunning all year round, but is sadly lacking in job prospects for the young. The rise in technology has not yet created a wide market in the west highlands and a career in some form of media or technology is becoming more and more the choice for young people. Sadly it is an unappealing work place at present'* (Respondent from Argyll and the Islands)

> *'It's a very mixed bag for Shetland. There's close to full employment and fairly good opportunities for those with fewer qualifications. Of those who go away to study, many do return… however, on the whole those who return come back to public sector jobs, such as teaching or nursing. Recent developments have also provided a lot of jobs for engineers. However, in other industries, there does appear to be a lack of opportunities'* (Respondent from Shetland)

Local Career Progression

7.19 There is also less optimism about opportunities for career progression (with just 29% rating these options as quite or very good) and 37% rating these opportunities as quite or very poor. Again these opportunities are perceived to be most limited in Caithness and Sutherland (51% citing these quite or very poor), Lochaber, Skye and Wester Ross (48%), Argyll and the Islands (47%) and the Outer Hebrides (47%).

7.20 Opportunities for career progression are rated above average in Shetland, with 37% rating these as quite or very good. Similarly, young people are relatively positive in the Inner Moray Firth (31%), which includes Inverness.

7.21 As above, those in the 15-18 year bracket appear to be more positive, with 32% rating career progression opportunities as quite or very good; this reduces by seven percentage points to 25% amongst those aged 19-24 years, and a further two percentage points to 23% amongst those 25-30 years.

Pay Levels

7.22 While just 27% cited pay levels as either quite or very good, just over two in five (43%) rated them as average and 30% described them as quite or very poor.

7.23 For those in employment, sectoral differences were apparent. Those in mining, quarrying and utilities (36%, which includes oil and gas); transport and storage (31%) and financial and insurance activities (27%) were more likely to say pay levels in the H&I are quite or very good.

7.24 Pay levels were considered quite or very poor by marked proportions working in information and communications (62%), manufacturing (46%); construction (46%); agriculture, forestry and fishing (45%); arts, entertainment, recreation and other (44%); wholesale and retail trade, motor repairs (43%); and accommodation and food (42%). The very poor score for information and communications, in particular, is reflected in the following quote regarding pay differentials for IT jobs when comparing the H&I to elsewhere:

> *'The IT sector has been becoming significantly larger in Inverness over the last few years, with a big push towards taking on apprentices. The problem (in the local IT sector anyway) is that the wages are substantially lower for experienced consultants than they would be in Aberdeen or the central belt'* (Respondent from Highland)

7.25 That said, some are clearly trading salaries for quality of life benefits:

> *'There is sometimes a pay-off when it comes to quality of life versus salary, but I believe that the region does offer some interesting and varied work opportunities, particularly to those who take an enterprising approach'* (Respondent from Orkney)

Professional Development locally

7.26 A greater proportion considers their local area to have good opportunities for personal development (37% stating these are quite or very good). This is highest in Orkney (47%), Shetland (45%) and the Inner Moray Firth (40%). Overall, 28% rated these opportunities as poor, with respondents from Caithness and Sutherland (38%), the Outer Hebrides (36%), Lochaber, Skye and Wester Ross (35%) and Argyll and the Islands (33%) being least enthusiastic. Young people become slightly *less* optimistic as they get older, with 39% of 15-18 year olds rating opportunities for personal development as quite or very good, falling to 37% of 19-24 year olds and to 35% of 25-30 year olds.

Figure 7.1

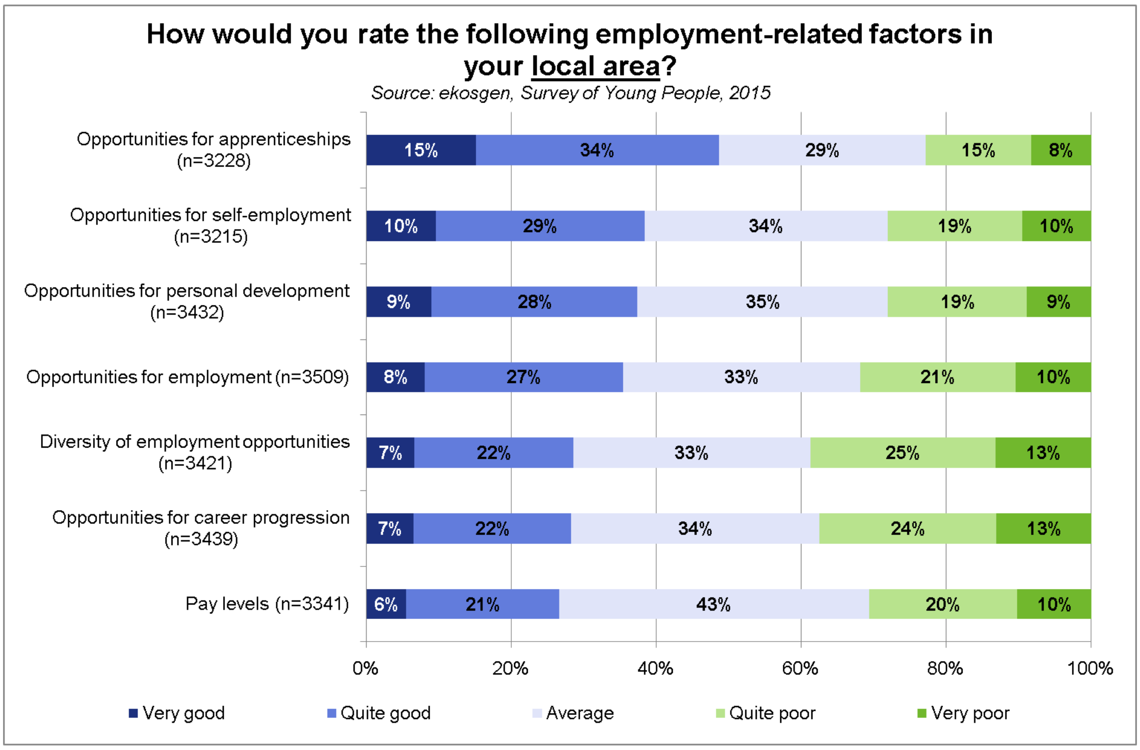
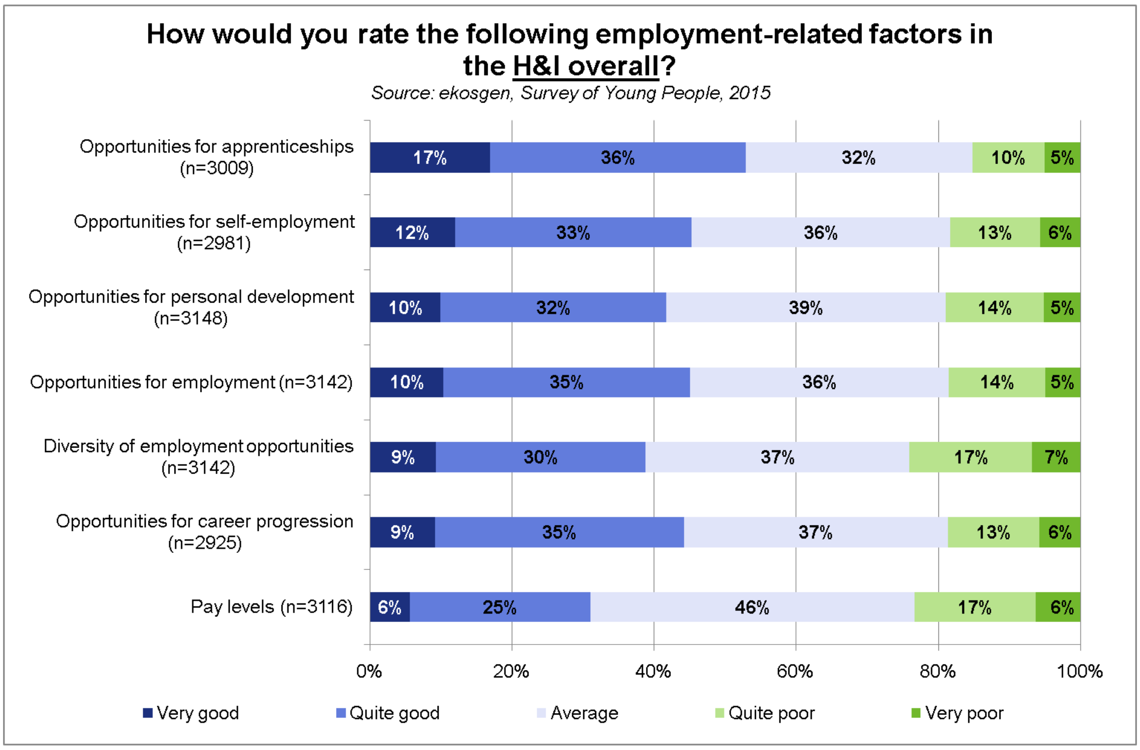


Figure 7.2



Employment Related-Factors in the H&I

7.27 Young people are generally more positive about employment-related factors in the H&I overall than they are about these in their local area. The only exception is pay levels, where there is a similar view of pay levels across the H&I as there are in the local area (27% versus 31% think that pay levels are quite/very good).

7.28 Again, young people rated opportunities for apprenticeships in the H&I the most favourably, 53% rating these as either quite or very good, compared to 49% for their local area. Opportunities for self-employment were similarly rated slightly more highly across the region, when compared to the local area. In all, almost half (45%) either strongly (12%) or slightly (33%) agree that self-employment is a viable option for young people in the H&I, highlighting optimism about self-employment possibilities amongst a sizeable proportion of young people. Those living outside the region are more positive still, with 53% agreeing that self-employment is a viable option for young people in the H&I.

7.29 However, apprenticeships do not suit all young people, and qualitative responses further substantiate particular issues with the variety of employment opportunities, both in terms of sectoral choices and the levels of jobs available, highlighting a need for further, sustained efforts to address these issues:

> *'I think the Highlands is a great place to live and work, however not when you are at the start of your career. Especially if you were unsure what you wanted to do, bigger cities have a vast range of opportunities with a wide range of employers. While I would say the situation has improved in the Highlands, the number of employers outwith the usual… is limited. I believe it is very attractive for young people with lower rents, great place to live, it is just that when taking the first steps*

in your career, the options provided by bigger cities are more attractive' (Respondent from Highland)

'…certain jobs are clearly lacking in the H&I. I was lucky getting the job I'm currently in after graduating from the UHI, if I hadn't got this job I would probably have been forced to move elsewhere… there are plenty of lower paying jobs (supermarket, bars/restaurants, etc.) but if you aspire to more you may struggle with finding work in the area' (Respondent from Moray).

Career Progression and Diversity of Employment across the H&I

7.30 It is generally perceived that there are more career progression opportunities across the wider H&I than at local level, with 44% rating these as quite or very good, compared to just 29% locally. Young people in Argyll and the Islands and the Outer Hebrides are more positive about all employment-related factors across the region than they are about their local area.

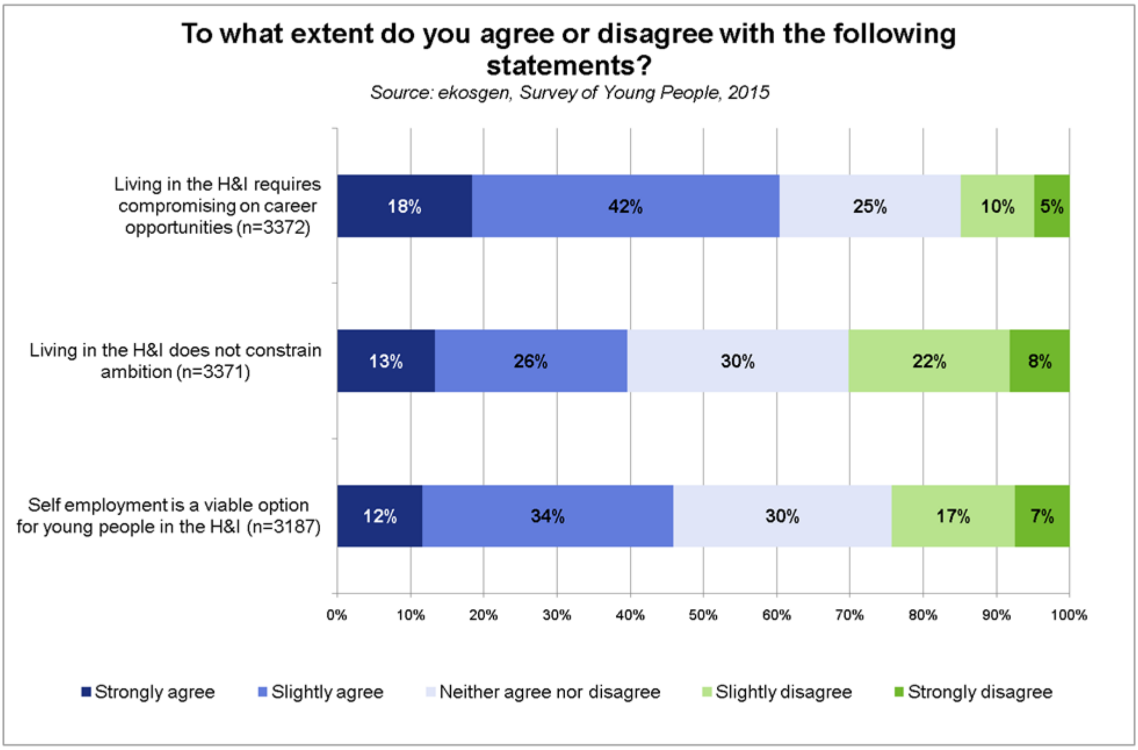
7.31 Nevertheless, 60% of young people either strongly (18%) or slightly agree (42%) that living in the H&I requires compromising on career opportunities. Young people in the Outer Hebrides (24%) and Argyll and the Islands (22%) are most likely to strongly agree with this. Fewer from outside the region (50% either strongly or slightly agreeing) feel that compromise is necessary.

7.32 There is little variation by status, although those undertaking an apprenticeship are slightly more positive, with just 48% (compared to 60% overall) agreeing that living in the H&I requires compromising on career opportunities and 52% stating that living in the H&I does not constrain ambition (compared to 39% overall). University/college students and those in employment or self-employment are more negative with 64% and 65% respectively agreeing that living in the H&I requires compromising on career opportunities.

7.33 Young people consider the diversity of employment opportunities as much better across the H&I as a whole than they do for their local area. In all, 39% cite the opportunities as good or very good compared to 29% saying this is the case locally. This is particularly true in Shetland (56% versus 28%), Orkney (61% versus 39%) and Moray (40% versus 27%). In Argyll and the Islands (35% versus 22%), the Outer Hebrides (35% versus 22%), Lochaber, Skye and Wester Ross (35% versus 19%) and Caithness and Sutherland (38% versus 17%), young people are relatively pessimistic about the diversity of employment opportunities in *both* the region and their local area.

7.34 In all, 30% of young people think living in the H&I constrains ambition. However, 39% think it does not, this view being particularly marked among those in Shetland (55%) and those outside the region (47%). This highlights a positive external image of the region when it comes to employment opportunities (although this of course may not be based on knowledge of the H&I).

Figure 7.3



7.35 Although views on career progression within the region are more favourable than for local areas, almost a fifth (19%) still rate the opportunities as quite or very poor, compared to 37% locally. Young people find there is often insecurity of many employment opportunities and less opportunities for career progression:

> *'…I think there are a lot of interesting short term opportunities available but securing a long term, relevant job is significantly more difficult up here than in the central belt'* (Respondent from Highland)

> *'…there is very little at a graduate level available here and what is available tends to be short-term contracts so there is very little job security. There is a lot of seasonal employment here and there are a lot of low paid jobs – not much that would attract graduates. I previously worked in finance and now work in the third sector (on a fixed term contract). I gave up a lot work wise for the quality of life here and while I do love living here I would love to be able to find a full-time permanent job so that I can buy or build a house…more focus needs to be put on creating good quality graduate level jobs to encourage people to return after studying/ working away…'* (Respondent from Orkney)

> *'I feel it's the opportunities to progress that are missing. How do you further your experience if the opportunity isn't there to do so? How do you put years of studying into practice if there are next to no graduate positions?'* (Respondent from outside the H&I)

7.36 However, some respondents did not feel that employment issues were the key factor affecting young people's decisions:

'For many people the H&I are considered unappealing for reasons other than employment issues, e.g. remoteness, weather, difficulty accessing certain leisure pursuits' (Respondent from outside the H&I)

'…There are areas that need to be addressed…particularly in regards to social factors, location on a UK scale, immediate amenities and not forgetting job opportunities… if you build it, they will come' (Respondent from Moray)

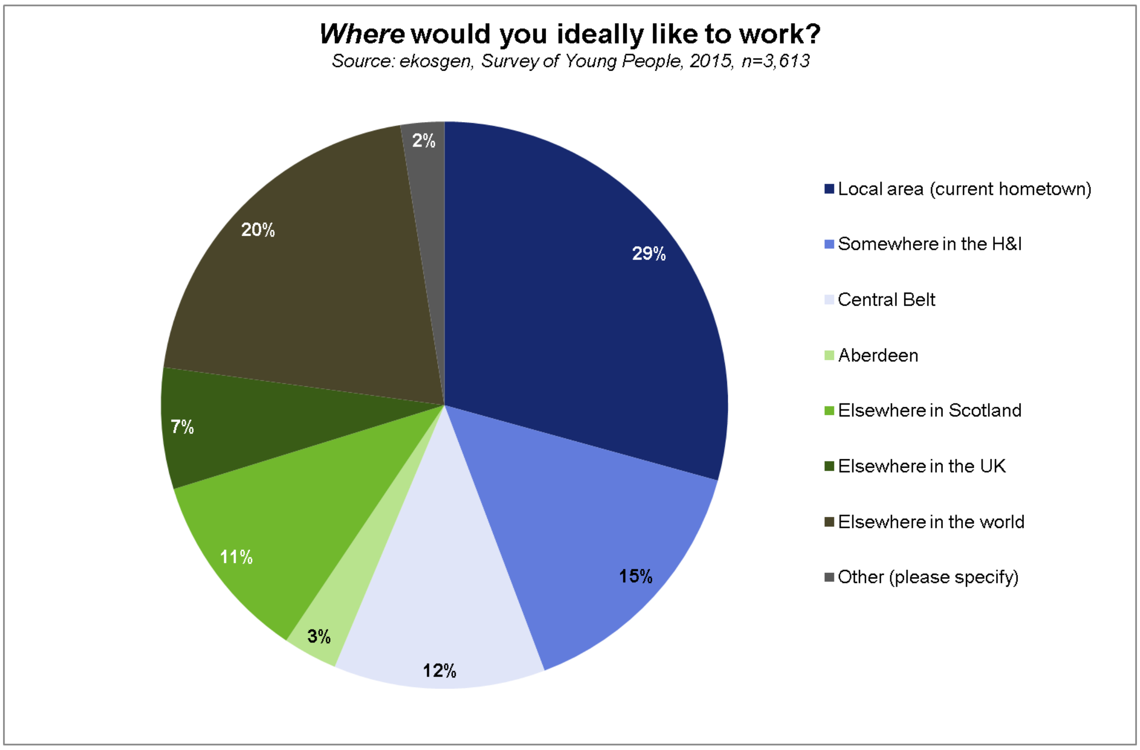
7.37 The importance of non-employment related factors in the decision to stay or leave the local area of H&I explored in later Chapters.

Ideal place to work

7.38 Almost three in 10 would ideally wish to work locally (29%) and a further 15% somewhere else in the H&I, meaning that nearly half (44%) of respondents would ideally like to work somewhere within the region.

7.39 Just over a quarter (26%) would like to work in Scotland, but outwith the H&I, and a further quarter would like to work further afield (7% elsewhere in the UK and 20% elsewhere in the world).

Figure 7.4



By Geography

7.40 Those in Orkney (48%), Shetland (44%), the Outer Hebrides (37%) and Caithness and Sutherland (36%) are more likely to want to work in their local area, highlighting a particularly strong attachment to the area amongst those from island communities.

7.41 Those in the Inner Moray Firth (28%), Moray (27%), Lochaber, Skye and Wester Ross (26%) and Argyll and the Islands (26%) are slightly less likely than average to want to work in their local area. Aside from elsewhere in the world for all areas (mainly from school pupils – see below), the preferred destination location for Inner Moray Firth is somewhere else in the H&I (17%) or the Central Belt (14%), whereas in Moray (12%) and Argyll and the Islands (15%) this is elsewhere in Scotland. For 13% in Argyll and the Islands, this is specifically the Central belt.

7.42 In comparison, just 15% of those from outwith the H&I would like to work in their local area. This helps to illustrate the strong commitment that young people in the H&I have to their local area. Table 7.3 below details the breakdown wanting to work locally by HIE area office:

Table 7.3

HIE area office	Those who would ideally like to work in their local area
Orkney (n=170)	48%
Shetland (n=91)	44%
Outer Hebrides (n=385)	37%
Caithness and Sutherland (n=195)	36%
Inner Moray Firth (n=1212)	28%
Moray (n=508)	27%
Argyll and the Islands (n=461)	26%
Lochaber Skye and Wester Ross (n=367)	26%
Overall average (n=3613)	29%

Source: ekosgen, Survey of Young People, 2015

By Age and Status

7.43 Carers or home makers are most likely to want to work in their local area (73%), followed by unemployed respondents (50%) and those who are employed/ self-employed (48%). Carers/home makers have commitments tying them to their current location, while those in employment may have chosen this response due to their current employment commitments, or simply the fact that they have sought employment in their area because this is where they want to be based.

7.44 School pupils are the least likely to want to work in their local area. Less than one in five (17%) cited this and only 11% would like to work somewhere in the H&I. With just 28% of school pupils overall stating they wish to work in the region or locally, this is significantly lower than for those who have finished education, are not currently in employment but not unemployed (50%), university/college students (45%), those undertaking an apprenticeship (53%) and carers/home makers (91%).

7.45 The proportion that wish to work in their home town or somewhere else in the H&I generally increases with age/life stage. In all, 71% of those aged 25-30 years wish to work in the region, compared to 52% of those aged 19-24 years and 30% of those aged 15-18 years. Young respondents are more likely to want to work outside Scotland, with nearly one in four of those aged 15-18 years wishing to do so (39%).

7.46 There is a strong desire amongst school pupils to move away when they finish school – either temporarily or permanently – and this is consistent with the higher proportion of school pupils who describe themselves as committed leavers (Chapter 5). Although this is likely to reflect a school pupil's vision of their future, it does suggest that working with school pupils in terms of career advice and the like may be particularly important, especially given this is a key period in a young person's life when they are making decisions about their future.

7.47 The following Table places those wishing to work locally alongside the proportion thinking there are a good range of local employment opportunities. In most areas across the H&I, the proportion wishing to work locally is not matched by those rating the diversity of employment opportunities as quite or very good. This is most acute in Caithness and Sutherland, Shetland and the Outer Hebrides, where 36%, 44% and 37% want to work locally, while just 17%, 28% and 22% respectively think that the diversity of employment opportunities is quite or very good (differences of -19%, -16% and -15% percentage points).

7.48 The only exception is the Inner Moray Firth, linked to the Inverness economy and consequent job opportunities.

Table 7.4

HIE area office	Those who would ideally like to work in their local area	Those rating diversity of local employment opp's as quite or very good	Percentage point (pp) difference
Caithness and Sutherland	36%	17%	-19
Shetland	44%	28%	-16
Outer Hebrides	37%	22%	-15
Orkney	48%	38%	-10
Lochaber Skye and Wester Ross	26%	19%	-7
Argyll and the Islands	26%	22%	-4
Moray	27%	27%	0
Inner Moray Firth	28%	33%	+5
Overall average	29%	29%	-

Source: ekosgen, Survey of Young People, 2015.

Views on H&I Growth Sectors

Familiarity with H&I Growth Sectors

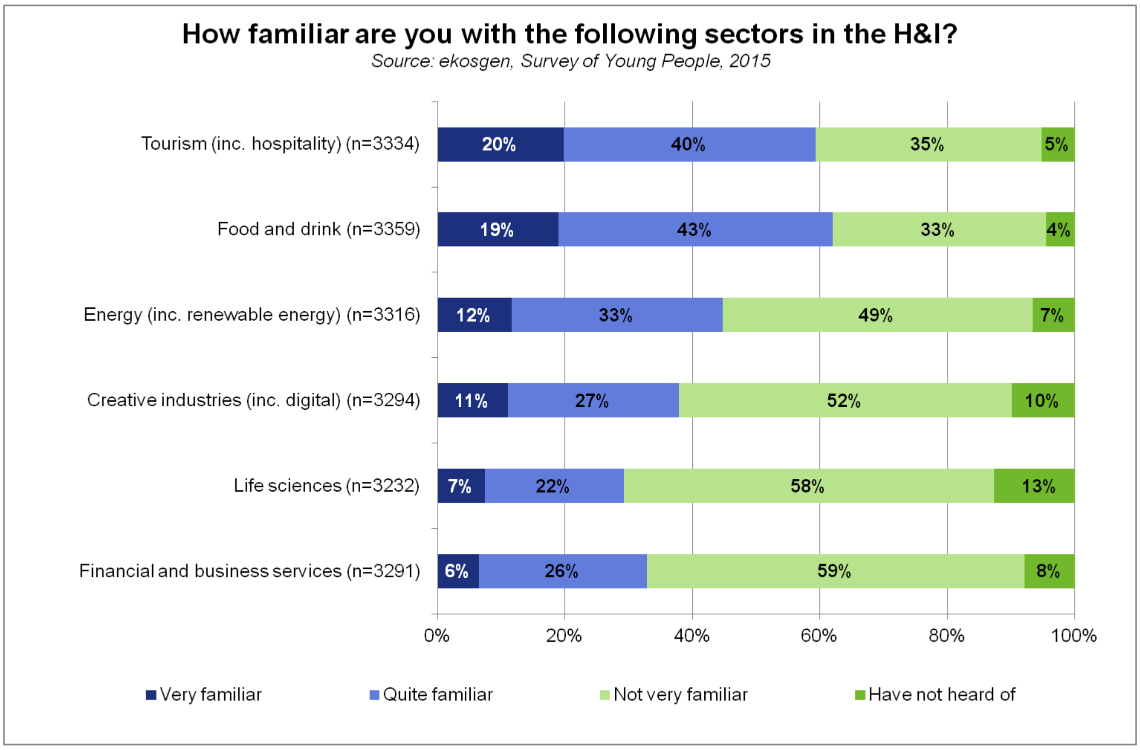
7.49 As introduced in Chapter 2, HIE's Operating Plan recognises that the region's natural assets, ambition, skills base and cultural background provide a range of opportunities to develop a vibrant sectoral economy.[120] HIE's growth sectors - *Financial and business services*; *Creative industries (including digital); Sustainable tourism (including hospitality); Food and drink; Life sciences*; and *Energy (including renewable energy)* are aligned to the seven key sectors identified in the Scottish Government's Economic Strategy, but with key regional specialisms under each sector.

7.50 Young people were asked about their familiarity with the identified priority growth sectors in the region. Awareness of the sectors generally reflects the size of the sectors in the region.

[120] HIE (2014) Building Our Future: Operating Plan 2014-2017

7.51 The Food and drink and Sustainable tourism sectors are the most well known, with 62% and 60% respectively stating they were quite or very familiar with these sectors. Approaching half (45%) were either quite or very familiar with Energy, 38% with the Creative industries, 32% with Financial and business services and 29% with Life sciences.

Figure 7.5



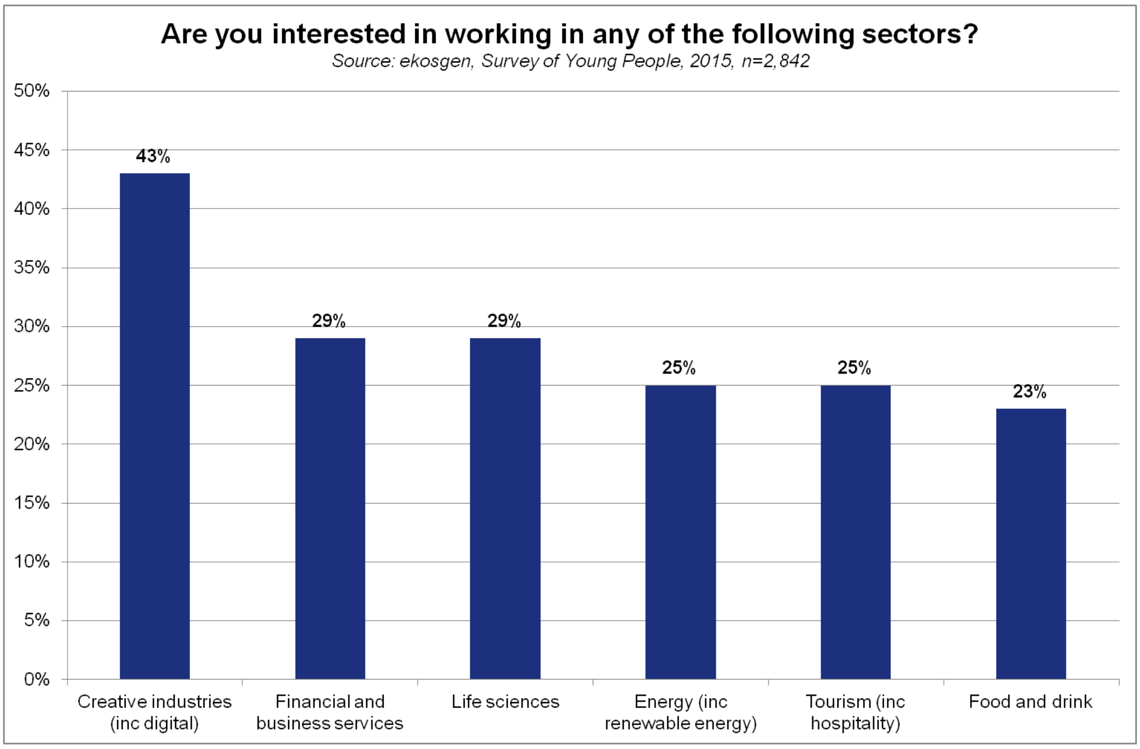
7.52 Awareness of growth sectors was generally lower than average in Argyll and the Islands, with 17% not aware of Life sciences and 12% unaware of the Creative industries, for example. There was not a great deal of difference in levels of awareness by either age or status.

Desired Sectors to Work In

7.53 Although not especially well-known, the Creative industries emerged as the most desirable sector for young people, with over four in ten (43%) being interested in working in the sector (38% familiar with the sector). Financial and business services and Life sciences score similarly (at 29%), the latter despite the fact that this sector is the least well known. Around one in four is interested in working in Energy (25%), Sustainable tourism (25%) and Food and drink (23%).

7.54 For Food and drink and for Sustainable tourism, the lower proportions wishing to work in these sectors may reflect the perception (and often reality) that these are low pay sectors, characterised by seasonal or part-time working. There is a clear aspiration to work in the Creative industries and perceived higher pay sectors of Financial and business services and Life sciences. Compared to awareness levels, however, the evidence suggests more can be done to increase knowledge and understanding of these sectors amongst young people.

Figure 7.6



7.55 The Creative industries are comparatively more popular in Shetland and the Outer Hebrides, with 58% and 45% of young people interested in working in this field. The popularity of Financial and business services is consistent across most of the different geographies, although with lower percentages than average wanting to work in this sector in Orkney and Shetland (23% and 17%). Life sciences are less popular in Shetland (26%), Lochaber, Skye and Wester Ross (26%), Caithness and Sutherland (25%) and Orkney (23%). Energy is most desirable in Shetland (38%), linked to oil and gas, and Caithness and Sutherland (33%), likely to be linked to Dounreay but also renewables, indicative of real and perceived opportunities in Energy in these areas. The lower value sectors – Sustainable tourism and Food and drink – are more desirable in Orkney, with 32% and 29% respectively.

7.56 Those undertaking an apprenticeship are particularly keen on working in Energy, representing over half (55%) of those interested in that sector. They are less keen than average, on working in Food or drink (9%, compared to percentages of between 16-48% amongst other status groups), Life sciences (8%, compared to 23-40% amongst other groups) or Sustainable tourism (9%, in contrast to 11-44%). Apprenticeships appear to be more naturally associated with some sectors and not others.

7.57 Financial and business services are particularly popular amongst those who have finished education, are not currently in employment but are not unemployed (33%), those currently employed/self-employed (31%) and those currently undertaking an apprenticeship (30%). Life sciences are most popular amongst university/college students (39%) and carers/ home makers (40%). Differences by age are relatively minimal, although interest in working in Energy is greatest amongst those aged 25-30 years (36% compared to 32% of 19-24 years and 13% of 15-18 year olds), as is interest in working in Sustainable tourism (32% compared to 13% amongst those aged 15-18 years – there is no difference with those aged 19-24 years, also 32%).

Desired Qualities in Employers

7.58 Young people were asked 'what are the characteristics that you value most in an employer?' They were given a list of 13 main options, with an additional option for those preferring self-employment.

7.59 Young people most commonly value commitment to staff development and good training (76%) in their employer. They also value provision of options for career progression (58%), reinforcing the findings emerging earlier in the chapter.

7.60 There are also requirements for employers to recognise a good work-life balance (74%) and flexible working policies (56%). Other important characteristics in an employer are strong leadership (57%), and an ambitious nature (56%).

7.61 Nearly half (44%) are keen to have an ethical employer or one that invests strongly in the local community/Corporate Social Responsibility activities, indicating the altruistic nature of these young people. One commented on the attractiveness of working in his hometown:

> *'…from an Islander perspective…the pull back from for me comes from the opportunity to help by community whilst obtaining a work life balance in a beautiful location. The pull is not from the opportunities to become a high flying executive unless of course it's an area of specialism… Yeah there's a limited array of job opportunities in the Islands in comparison to cities but there are jobs if you're willing to be flexible about your position and maybe slacken your grip on dreams of walking into your perfect job in the perfect location straight from college or uni'* (respondent from Orkney).

7.62 Global outlook and international activity is less important to these young people, with just 22% valuing a global outlook and 12% valuing an employer that trades internationally. This is interesting, since the inference is that young people do not see the connection between internationalisation and greater productivity and competitiveness (and success) in the business, which in turn may increase pay levels. An outlook beyond the local area/H&I is also important for those in self-employment in terms of creating a business capable of growth.

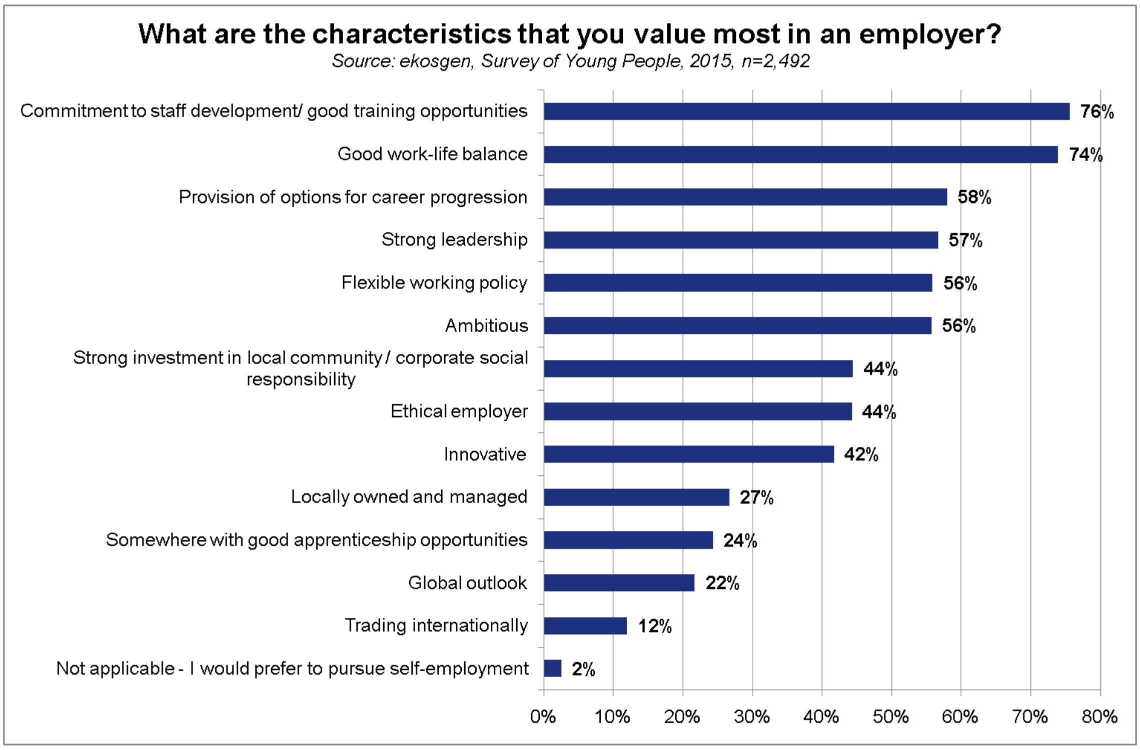
7.63 In terms of geography, respondents from Orkney and Lochaber, Skye and Wester Ross are more likely to value an employer that is locally owned and managed (43% and 39% compared to between 19-34% elsewhere).

7.64 Analysing respondents by status, school pupils and carers/homemakers are less likely to value a commitment to staff development/good training opportunities (66% and 64% compared to 66%-80% amongst the other groups).

7.65 Similarly, younger respondents aged 15-18 years attach slightly less value to the provision of options for career development (44% compared to 61% of those aged 19-24 and 66% of those aged 25-30 years) – this is to be expected, and is also consistent with earlier findings on this, given that the majority will still be in some form of education and will not have as yet started their careers. In contrast, school pupils are more likely to value strong leadership and an ambitious nature (64% and 63% compared to 58%/56% of 19-24 year olds and 49%/ 48% of 25-30 year olds).

7.66 Likewise, the older respondents are, the higher the value they tend to attach to ethical issues, with 50% of those aged 25-30 years old valuing a strong investment in the local community (compared to 47% of 19-24 year olds and 36% of 15-18 year olds), and 46% valuing an ethical employer (compared to 38% of 15-18 year olds.

Figure 7.7



Views of Stakeholders in the Region

7.67 Stakeholders participating in the research are clear that it is employment that is the largest single factor affecting the out-migration of young people. There are mixed views on the extent of the "push" and on the appropriate policy responses, often determined by the geographic area. However, there is consensus that increasing the breadth and number of good quality employment opportunities is critical to the region.

7.68 In general, there is a sense that the number of opportunities are increasing, particularly in parts of the region, such as Shetland (although narrow in sector focus), Orkney and in and around Inverness/the Inner Moray Firth. Some stakeholders feel there is a concentration of activity in Inverness that could be broadened out more widely across the region.

7.69 Whilst there is wide recognition of the need for good quality jobs in the region, there is acknowledgement that there is less of a young persons' focus to policies designed to increase the number of jobs. Given the clear messages from young people as to the need for career progression, there appears a gap in thinking currently about how to create good jobs and develop young people's careers after they take up a position. There was also little or no mention by consultees as to the possibilities for self-employment (with some exceptions, such as Orkney), particularly in higher value added occupations, which would also offer the potential for young people to grow and develop within their role.

7.70 Where there is greater recognition of the opportunities to develop career paths, this is most frequently cited in relation to some of the growth sectors, most notably Energy (for example in the Outer Hebrides and Orkney). This appears linked to the *potential* opportunities in these sectors and the need to ensure that HE is aligned to these future opportunities. The

Regional Skills Investment Plan is focused on meeting the needs of employers and in planning for the future needs of the economy; there may need to be an increased focus on the young persons' need/aspiration to develop, not simply as a vehicle through which to meet employer needs.

7.71 A number of stakeholders consider that young people are not sufficiently aware of the job opportunities in the region, or locally. This even applies to what may be regarded as relatively niche areas, such as Gaelic employment opportunities in the Outer Hebrides. There was also some discussion around the difficulties faced by large employers seeking to recruit at graduate level, resulting in them employing from outside the region; it is difficult to fully test whether the strongly held perceptions around the sub-optimal number of job opportunities are a reality. However, there are perceptions of a disconnect and there may indeed be more that could be done to communicate available opportunities to young people, notably via social media.

Summary

7.72 Overall, there are signs that the diversity of employment opportunities and prospects for career progression are increasing across the region. Almost four in 10 consider there to be diverse opportunities across the region and 44% think there are good career progression opportunities. That said, there is scope to increase these proportions, and overall some 60% think that living in the H&I requires compromising on career opportunities, although evidence from elsewhere in the report indicates that a number are willing to do this to derive quality of life benefits.

7.73 There are perceived to be greater career progression and employment constraints in some parts of the region than others. Just 29% feel there are good career progression opportunities in their local area, and 29% consider there to be diverse employment opportunities locally. This is most acute in both Argyll and the Islands and the Outer Hebrides where almost half think opportunities are poor.

7.74 Young people are much more inclined to believe there are good opportunities for self-employment locally, yet few young people consider this an option for them. A quarter wish to be self-employed by the time they are 35. This could still be improved and the challenge is to better connect young people to the self-employment opportunities that exist. Opportunities for apprenticeships are generally viewed positively.

7.75 Overall, pay is not considered a significant constraint, but this does mask considerable differences between sectors. Whilst some sectors, such as utilities and finance appear to offer relatively good levels of pay, other sectors are regarded as poorly paid compared to jobs outside the H&I. This includes priority growth sectors such as Creative industries and Sustainable tourism, but also Information and communications, where pay levels are perceived to be well behind those elsewhere.

7.76 There is reasonable interest amongst young people for working in the identified priority growth sectors, most notably in Creative industries, but also Life sciences and Financial and business services. This is despite limited levels of awareness of these sectors.

7.77 Encouragingly, 44% would like to work in the H&I, and almost three in 10 would ideally work locally. This typically increases with age, with school pupils most likely to want to work outside the region. Again there are regional variations, with those in Orkney, Shetland and the Outer Hebrides most likely to want to work locally – although for the Outer Hebrides in particular this is constrained by lack of opportunities. Those in Lochaber, Skye and Wester Ross, the Inner Moray Firth and Moray are slightly more likely to want to work outside the region, as do those from Argyll and the Islands, the Central Belt often being the preferred option.

7.78 The findings may be indicative of some latent underemployment in the area, with interest in working locally high but compromise being made to enable this. This suggests a pool of labour that may be attractive to inward investors, or ambitious indigenous business looking to grow. This could form a key component of a rural inward investment strategy.

7.79 Although diversity of employment is felt to be lacking in the area, and there is less optimism around prospects for career progression and pay levels, young people are generally optimistic about opportunities for apprenticeships and self-employment.

7.80 Some young people express an element of concern over the diversity of employment opportunities in terms of the sectors that jobs are available in and the level of positions – with a feeling amongst some respondents that jobs tend to be either entry/apprenticeship-level or senior, making it difficult for graduates to find employment. This also likely links to views on career progression too. There is also the perception amongst some young people that employment opportunities can be less secure than in other areas, with some short-term contracts and seasonal employment, particularly in certain sectors, such as Food and drink and Sustainable tourism.

7.81 In terms of the qualities valued in employers, young people value employers that are committed to staff training and career development, and also value altruism, for example with employers that are 'ethical employers' or have a commitment to doing good for the local community. Young people are generally less interested in a global/international approach.

Policy Implications

7.82 The evidence suggests a need to respond through policy in a number of areas:

- Investment in apprenticeships is paying off in terms of young people awareness and availability of opportunities. Skills Development Scotland has been actively promoting apprenticeships with partners. The review provides evidence of areas where further efforts can be targeted, most notably in Caithness and Sutherland, Lochaber, Skye and Wester Ross and the Outer Hebrides where opportunities for apprenticeships is perceived to be poorest.

- That self-employment opportunities are relatively widespread, yet fewer take up or are seeking to take this as an option. Some 38% regard local opportunities to be good and around a quarter at most are seeking to become self-employed in the future (see Chapter 9) implies that more young people can be encouraged to take this option through supported interventions.

- The diversity of employment opportunities is an issue, and in some parts of the region between one in five and one in six rate these as very poor locally. There is a need to continue to strive to create more local opportunities. A larger proportion want to work locally if they can than believe there are good local opportunities, and this increases as young people get older.

- The greatest discrepancies between desire to work locally and diversity of employment are in Caithness and Sutherland, the Outer Hebrides, Shetland and Orkney. These should be areas of focus, particularly in Caithness and Sutherland and the Outer Hebrides where opportunities for employment are also rated poorly.

- Allied to this, prospects for career progression are regarded as even more limited. Young people value this in employers yet the ability to progress locally is perceived a significant constraint. A variety of policy responses are likely to be required, from support to employers to upskill staff, increasing the number of opportunities and helping employers with succession planning so jobs are retained in local areas with young people having the opportunity to progress/succeed.

- While young people are prepared to compromise on career ambition for quality of life, there is clearly latent untapped potential within the region's young workforce which could be realised by either ambitious indigenous businesses or inward investors.

- Awareness of growth sectors amongst young people remains quite limited, despite the raft of initiatives designed to develop them. HIE and partners should seek to broaden this understanding in young people, especially in those sectors where there is greatest interest not matched by awareness (Creative industries and Life sciences).

- The perceived low pay sectors of Food and drink and Sustainable tourism are the least desirable of the growth sectors for young people to work in. Again, young people should be made more aware of the higher paid opportunities within these sectors, and opportunities to progress within the sectors. Adventure tourism is an example, where the growing sector offers opportunities for meaningful and successful careers.

- Young people do not see the connection between the internationalisation/global outlook in employers, and greater productivity and competitiveness (and success) in that business. There is a need to change this mindset, given that those trading outside the H&I are the ones most likely to have growth potential. An outlook beyond the local area/H&I is also important for those in self-employment.

8 Life aspirations: living in the Highlands and Islands

Introduction

8.1 There are a range of factors beyond education and employment opportunities that influence a young person's decision to stay or leave the H&I. These can relate to housing, transport, levels of digital connectivity, arts and leisure and social and community factors. This chapter explores these issues, their relative importance to decision-making and the nature and strength of feeling on each factor. As with other parts of the report, geographic variations, and differences by age/status, are reflected in the analysis.

Housing

8.2 The lack of available and affordable housing is a serious issue for young people[121]. As the next chapter indicates, this is ranked third (behind jobs and career progression) as the most important factor that would make the H&I a more attractive place to live (cited by 93%). The following analysis illustrates the scale of the issue.

8.3 The issue of housing has risen in importance for young people since 2009, relative to other factors. At the time of the 2009 study, housing was the seventh most influential 'push factor' on young people from the H&I[122]. Whilst market conditions mean that housing has likely become an issue for young people more generally, housing availability and affordability are clear concerns for young people in the H&I.

Type of Accommodation

8.4 Almost half (47%) of survey respondents are currently living in their parental home, regardless of their age between 15 and 30. This is an important finding in its own right. An even greater proportion of those aged 19-24 live in the parental home (50%), and almost half of all those aged 25-30 are still in the parental home (47%). By comparison, the 2011 Census showed that 26% of young people aged 20 to 35 years old live in their parental home.[123]

8.5 A quarter of young people (25%) live in rented accommodation. This is most prevalent amongst the 19-24 age groups and in Argyll and the Islands and the Outer Hebrides, and least so amongst older young people (aged 28-30 years) and in Orkney and Shetland.

8.6 Just one in seven (14%) own their own home, and this is slightly more prevalent in Moray (18%), Orkney and Shetland (both 17%). There are lower levels of home ownership in the Inner Moray Firth (12%) and Argyll and the Islands (13%). However, the lower proportion of home ownership in these two areas are slightly affected by the survey sample being more represented by younger, school-aged people.

8.7 These findings indicate that levels of home ownership amongst young people in the H&I are lower than the Scottish average. Although Scottish Household Survey (SHS) (2013) results are not directly comparable (as the SHS survey did not ask a question on whether the parental home was owned or rented, and findings are based on the whole population rather than just young people) the SHS suggests 61% of households are owner occupied on average, rising to

[121] The Housing questions were only asked to those respondents via the main online survey, i.e. they were not asked in the schools paper and online surveys.

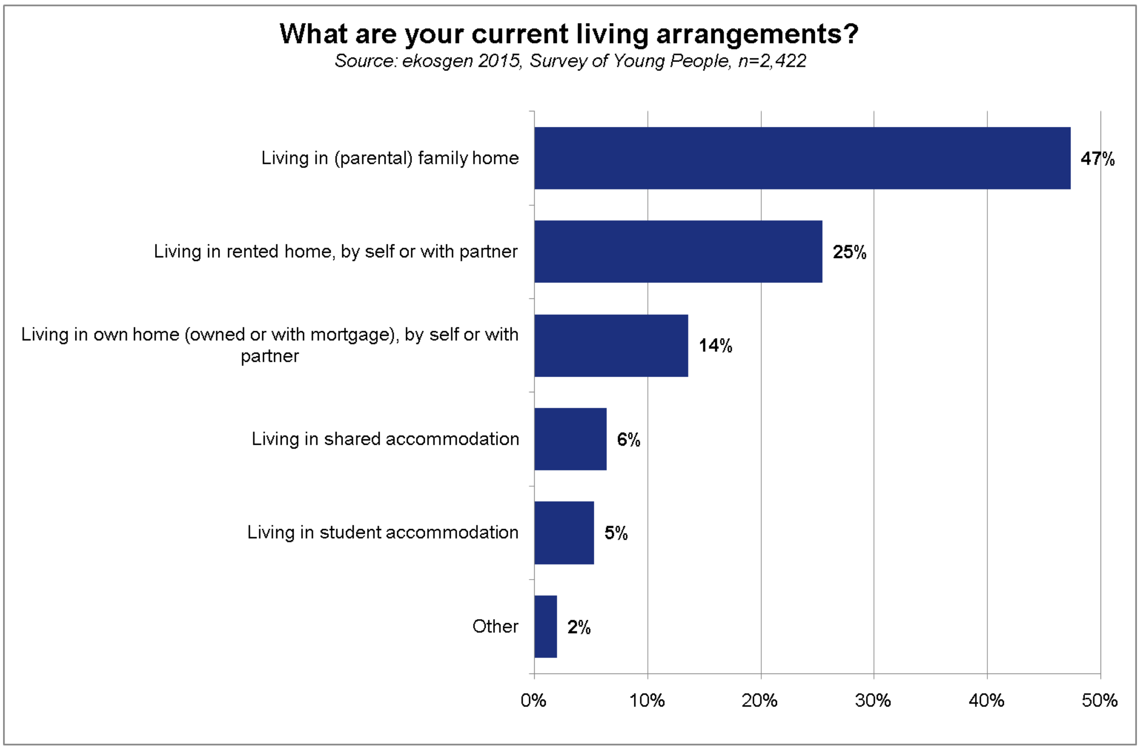
[122] Young People in the Highlands and Islands (2009), p38.

[123] Census (2011)

71% in remote rural areas and 73% in accessible rural areas). This level of rural home ownership is clearly not extending to young people in the H&I.[124]

8.8 Very few live in student accommodation – and this is most likely to be in Caithness and Sutherland and Moray, or outside the area.

Figure 8.1



Affordability

8.9 Over half (54%) of young people agree that initiatives such as Help to Buy and mortgage guarantee schemes make it easier for them to find a home. This was reflected in some of the more qualitative findings from focus groups, as shown below.

> *'Affordable housing is a huge issue amongst young people but I do feel the government are making progress with the Help to Buy scheme and abolishing stamp duty'* (respondent from Highland)

> *'We're buying the property through one of those shared equity type schemes which is an absolute god-send as I don't think we'd have been able to afford it otherwise'* (respondent from Highland)

8.10 Almost a quarter did not think initiatives such as Help to Buy made it easier to find a home, with the inference here that even *with* such initiatives, it is not easy to find a home.

Housing Choice

8.11 Only a quarter of young people (26%) agree there is a good choice of appropriate housing for young people to buy, and some 57% feel there is *not* a good choice of appropriate housing. This is most acute in the Outer Hebrides (where 72% feel there is not good choice) and in Shetland (69%). Good choice of housing to buy is greatest in Caithness and Sutherland (38%) and Moray (30%).

8.12 Further, less than three in 10 (29%) consider there to be a good choice of housing to rent, and just over half think this is poor. This is accentuating the lack of housing choice for young people, with the consequence that a high proportion live in the parental home.

8.13 Qualitative feedback suggests that there are greater shortages in the supply of affordable housing in some areas (Orkney and Shetland) than others (e.g. Moray), although many recognise that this is a country-wide issue, and not necessarily confined to the H&I.

> *'In Shetland, students coming up to study from the Mainland and remote students from Shetland are finding it extremely difficult to find affordable accommodation. This is causing some students to battle between work, rent, and their studies and others are having to travel very long distances every day to attend college. It would be brilliant to see some affordable accommodation available for students which would in turn encourage more people to join college'* (respondent from Shetland)

> *'There seems to be a shortage of good quality affordable 'starter' homes in Orkney'* (respondent from Orkney)

> *'Shortages of social and affordable housing are the main issues locally – a lot of new housing seems aimed towards the upper end of the market and is out of reach for many people'* (respondent from Argyll and the Islands)

> *'There are affordable housing schemes currently in development in the Forres/Moray area, so there is plenty of new housing'* (respondent from Moray)

Living Costs

8.14 Some 41% of young people agree, to some extent, that living costs in the H&I are affordable, with a similar proportion (39%) disagreeing, and 20% unsure. Within the region, living costs are considered most affordable in Caithness and Sutherland and Moray, and least so in Shetland and the Outer Hebrides. These quotes illustrate the particular issues in Shetland:

> *'Housing options for young people are currently terrible here. Private rental costs are among the highest in the country just now due to a large number of company lets'* (respondent from Shetland)

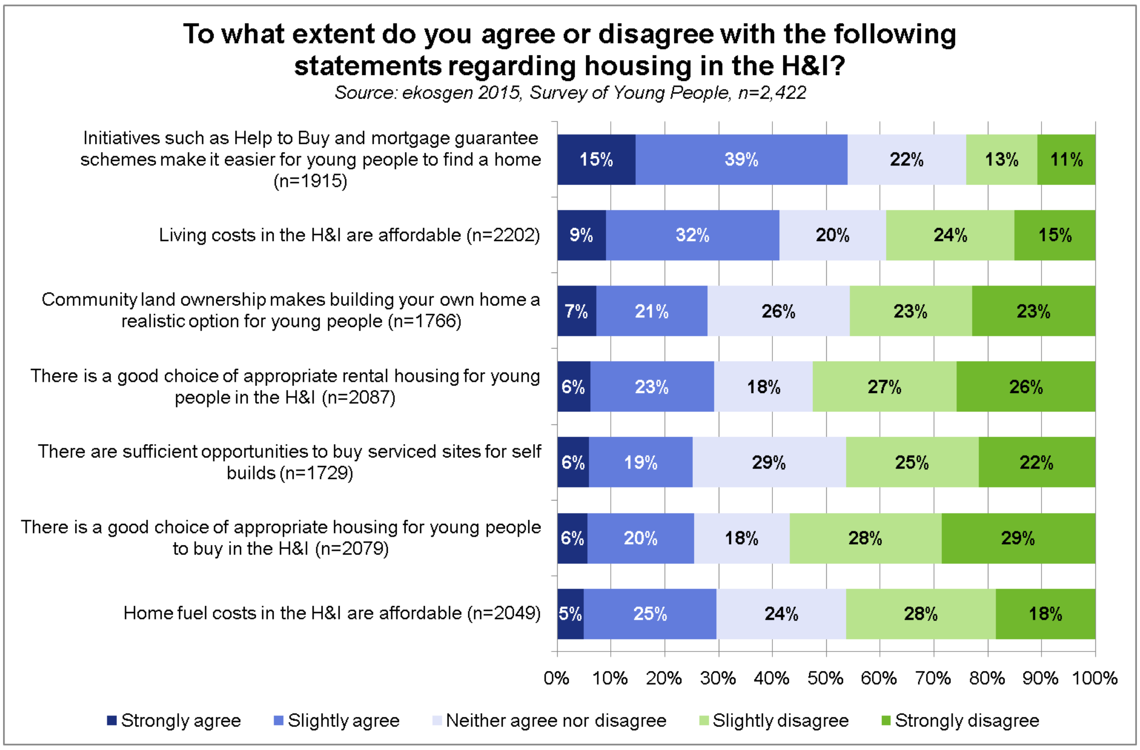
> *'...with the oil workers here a roll on effect has been that the average rent for even a single room is far higher than any student can afford...'* (Respondent from Shetland)

8.15 HIE's 2013 Minimum Income Standard (MIS) for Remote Rural Scotland report[125] finds that remote rural households in Scotland typically require budgets 10-40% higher than households elsewhere in the UK to achieve minimum acceptable living standards.

8.16 Further, only three in 10 agree that home fuel costs are affordable, and the rise in household energy prices further adds to the cost of living for young people seeking to move out of the family home. This is felt most acutely in Shetland and Orkney.

[125] http://www.hie.co.uk/regional-information/economic-reports-and-research/archive/a-minimum-income-standard-for-remote-rural-scotland.html

Figure 8.2



Second Homes

8.17 Despite the fact that local authorities can reduce the Council Tax discount on second homes as trailed in Chapter 2 to as low as 10%, the issue is still seen as significant for young people. Evidence from focus groups suggested that the high volume of second homes/holiday homes throughout the H&I (and particularly in more remote locations of Argyll and the Islands and the Outer Hebrides) are driving up housing prices and making it less achievable for young people to buy in their local area.

> *'I am from Skye and there is no way that I can even afford to move back and rent privately there, let alone buy, as almost every single house which is not owned by the occupier is a holiday home'* (respondent from Highland)

> *'Housing in Argyll is a great worry – accommodation for long term let is very few and far between – it is saturated with holiday homes/rentals'* (respondent from Argyll and the Islands)

> *'The supply of housing available is not well suited to first time buyers – there are lots of larger houses which are mostly too expensive for young people (and are often snapped up by incomers or people wanting a holiday home)'* (respondent from Outer Hebrides)

> *'I adore where I live on the Isle of Mull...but I struggle as a young person to picture my future on an island where there is hardly any rental accommodation but an excessive number of holiday accommodation...'* (respondent from Argyll and the Islands)

> *'I think the housing situation in my local area is very poor, Second homes and holiday homes are pricing local people out the market, especially young people.*

There is little to none social housing or affordable housing to buy or rent' (respondent from Argyll and the Islands)

Community Land Ownership and Self-Build

8.18 Just over a quarter (28%) agrees – at least to some extent – that community land ownership makes owning your own home a realistic option. This is highest in Lochaber, Skye and Wester Ross (36%) and the Outer Hebrides (33%). These are some of the areas where there have been the most community land ownership schemes to date (including Skye, Lewis, Assynt, South Uist, Harris, Eigg, Knoydart and Rum). The issues are less about the availability of land, and more about encouraging landowners, including those involved in community land ownership, to free up land for housing development and self-build projects.

8.19 A quarter also believes there are sufficient opportunities to buy serviced sites for self-build, although less than a tenth (6%) strongly agree. This is most likely to be the case in Orkney and Shetland. Almost half (47%) do not think so, and almost three in 10 neither agreed or disagreed, again likely to be a reflection of lack of awareness of self-build as an option.

'I'd love to self build a small house, but availability of affordable land is an issue due to the geography of the area and prevalence of holiday homes (25% in our area)' (respondent from Highland)

Housing: Summary

8.20 There are some clear issues with regard to access to housing. In part this will not be confined to the H&I, with the market conditions for accessing mortgages/credit and the historic, pre-recession rises in house prices, coupled with modest increases in wages/incomes since then, pricing many young people out of the housing market.

8.21 That said, the lack of housing supply (at the right price, in the right parts of the H&I), is becoming an issue for young people and their ability to stay in the local area. In parts of the region this is compounded by the high proportion of second homes, despite some attempts to address this. However, the lack of housing supply is not just confined to houses to buy, but also includes rented accommodation, where there is an almost equally poor perception of the availability of rented accommodation.

Transport

8.22 Transport is a key issue in the H&I, particularly amongst those living in the more remote areas throughout the region. As detailed at 8.15 above, households in remote rural areas can require budgets far higher to achieve minimum income standards comparable to other areas. The costs of rural transport can exacerbate this problem.

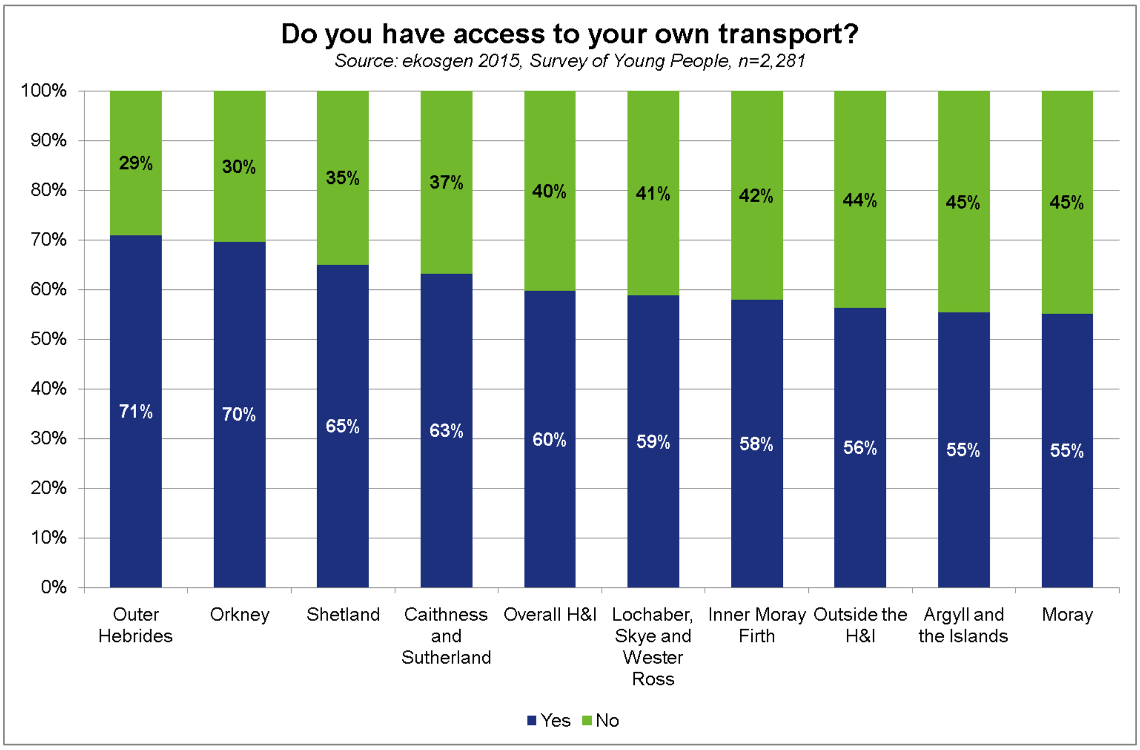
Having Own Transport

8.23 In all, nearly six in ten (59%) young people surveyed report having their own transport. This is 60% for those within the H&I and 56% for those outside the region.

8.24 There are geographic variations. Levels of own transport are lowest in Moray and in Argyll and the Islands (both 55%), but highest in the island areas of the Outer Hebrides (71%), Orkney (70%) and Shetland (65%). Having your own transport varies widely by age group – 81% of 25-30 year olds have their own transport, compared to 58% of 19-24 year olds and 38%

of 15-18 year olds – and by status – 75% of those in employment have their own transport and 50% of university students, compared to just 31% of unemployed respondents.

Figure 8.3



Physical Access to Employment Opportunities

8.25 Some young people commented on the distance that sometimes needs to be travelled for them to access employment opportunities, depending on their location in the region. This correlates with the findings of HIE's 2013 MIS research, which identified *"the longer distances that people have to routinely travel, particularly to work"*[126] as one of the key contributors to the higher premium required for remote, rural areas. This can be exacerbated by issues around public transport provision, particularly in some parts of the region, making access to one's own vehicle more important (with generally lower levels of access to one's own car amongst young people).

> *'the H&I is an amazing place to live with lots of opportunities for everyone. I believe there's a wide range of jobs also available, however it can be a problem if you don't drive'* (respondent from Highland)

> *'…Driving is a huge consideration for any young person going into employment in the H&I's – without it there is simply no reliable means as to travel back and forth to work. That's not to say we do not have a half decent transport system, however, between transport frequency, weather conditions and the roads, the reliability that many employers look for cannot be guaranteed. Even with best efforts, one can be caught out rather easily'* (Respondent from Moray)

[126] Highlands and Islands Enterprise (2013) *A Minimum Income Standard for Remote Rural Scotland: Summary and Key Findings*. Available online at: http://www.hie.co.uk/common/handlers/download-document.ashx?id=89a83b71-a47c-4b06-9eaf-4ada0426097c, p.3

Transport Availability and Affordability

8.26 Young people were asked about the availability and affordability of bus, train, ferry and air services. In all, the availability of transport provision at the H&I level is rated slightly better than the affordability of provision (see Figures 8.4 and 8.5). Of these, the availability of bus and ferry services are rated more highly than train and air services, although this masks large differences across the region. In terms of affordability, bus and ferry provision is rated highest, although still at a poor rate, with the affordability of air services rated very poorly. In general, transport provision is rated most highly by those in Orkney and in Shetland, and lowest by those in the Outer Hebrides and Argyll and the Islands.

Bus Travel

8.27 Despite being the highest rated transport mode, just four in ten (40%) across the region actually regard the availability of buses as good. Almost as many rate bus services as poor (35%).

8.28 Within the H&I region, bus availability is rated highest by young people in Moray, with 47% reporting it to be good (19% of which as very good). Young people from Argyll and the Islands also rated bus provision highly, with 46% rating it at least quite good (16% as very good). However, this is still by less than half of respondents.

8.29 Focus group participants also commented on bus provision in their local area:

> *'Public transport in Shetland is far, far better than people would probably expect. I'm a regular bus user and could have no complaints at all'* (respondent from Shetland)

> *'The public transport in Cowal, Argyll, is almost criminal. The bus services are terrible – practically non-existent. If you don't have a car here you will have a severe struggle'* (respondent from Argyll and the Islands)

8.30 Further evidence from the more qualitative focus groups suggests that, where young people disagree there can be quite strong levels of dissatisfaction, particularly with current bus providers, as shown by the following:

> *'Bus travel, including the school bus service, seems to have taken a nose-dive since* [the current provider] *was awarded the contract, and the buses themselves are ancient'* (respondent from Orkney)

> *'I live in Inverness and used to get the bus to work but got so fed up with the rubbish service provided … that I started cycling to work instead'* (respondent from Highland)

> *'There are NO regular night buses – which is a shame because ceilidhs and other social events are scheduled at night'* (respondent from the Outer Hebrides)

8.31 Despite being reported as the most affordable transport mode, with just over one third of young people (34%) regarding the affordability of bus services as good, a similar proportion (35%) rate bus affordability as poor.

8.32 In terms of geography, young people from the Outer Hebrides rated the affordability of bus services highest of all the transport provisions (47% as at least quite good, and 17% as very good), although again, this is by less than half of respondents.

8.33 Focus group evidence suggests dissatisfaction and poor value for money with bus providers.

> *'For the very basic level of service they provide,* [the current provider] *are surprisingly expensive and I really don't agree with the price banding they have set up for Inverness and the surrounding area'* (respondent from Highland)

> *'I agree with the majority of people...* [the current provider] *are a nightmare! Buses in and around Inverness never run on time, are not frequent enough and are expensive'* (respondent from outside the H&I)

> *'I think we need further local autonomy and to ditch the likes of* [the current provider] *who only care about profits'* (respondent from Moray)

Ferry Travel

8.34 Just over four in 10 (42%) young people across the region regard the availability of ferries as good, a similar proportion to that of buses, and 26% of young people regard the availability of ferry services to be poor.

8.35 Within the H&I region, the availability of ferry services are rated highest by young people in the island communities – regarded as good by those in Shetland (71%), Orkney (67%) and the Outer Hebrides (60%), although affordability is an issue. As noted below, ferry availability is rated poorly by young people in the Inner Moray Firth (32%) and Moray (23%).

8.36 Around three in ten young people (29%) regard the affordability of ferry services as good, with a greater proportion (35%) reporting it to be poor.

8.37 The affordability of ferries is rated poorest by young people in Shetland (55% rate it as quite or very poor), Moray (48%) and Argyll and the Islands (43%); whereas the Outer Hebrides is the only area where positive ratings of ferry affordability (40%) greatly out-weigh negative ratings (24%). This is a strong positive endorsement of the effect of Road Equivalent Tariff there, which is currently being rolled out to additional areas across the region.

Rail Travel

8.38 Train availability is regarded as slightly poorer than that of buses and ferries; 35% rate the availability of train services as good and a similar proportion (38%) rate it poorly.

8.39 Within the H&I region, train availability is rated highest by young people in Moray (46% regard it as good) and the Inner Moray Firth (43%). It should be noted that there are no train services in Orkney, Shetland and the Outer Hebrides and limited coverage in the Highland region, which perhaps explains the poor ratings by young people in these regions. Caithness and Sutherland also rates train availability poorly (21%).

8.40 Just 6% of young people rated train affordability in the H&I as 'very good'.

8.41 Almost half of young people (49%) report the affordability of train services to be poor (and 25% as 'very poor'). This is particularly the case by those in Orkney, Shetland, the Outer Hebrides and Caithness and Sutherland.

Air Travel

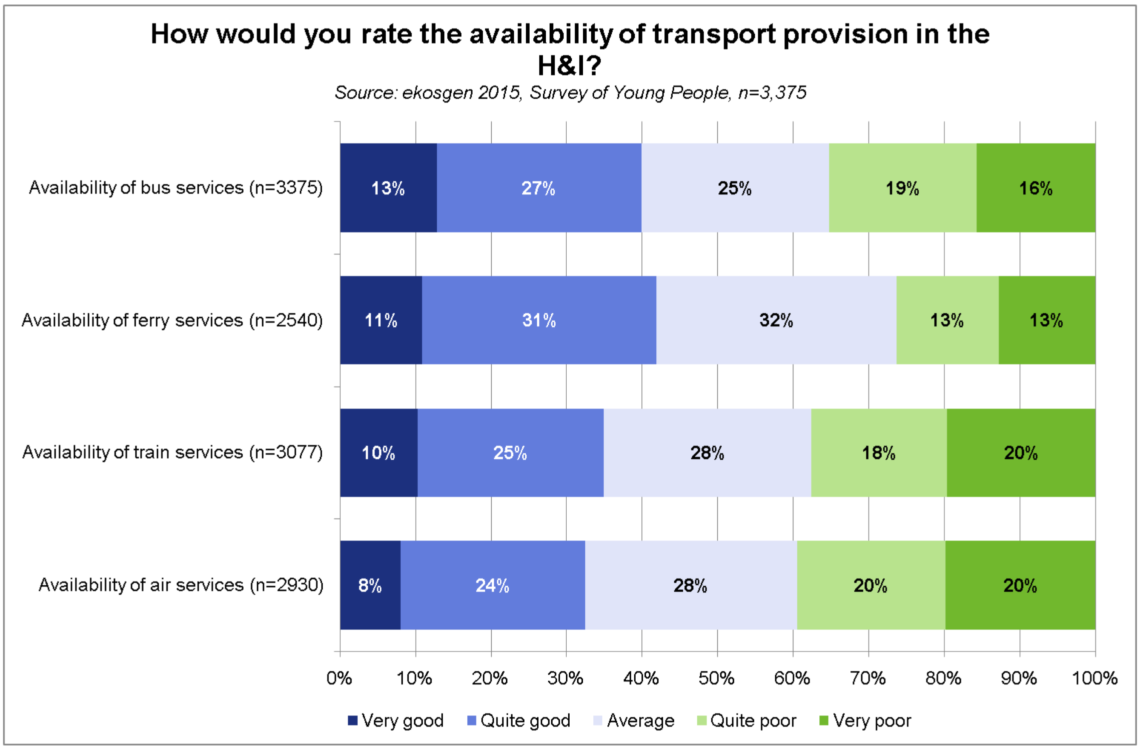
8.42 The availability of air services are rated poorest out of the four transport modes, with less than one in ten (8%) respondents rating this as 'very good'.

8.43 Air services are rated very highly by those from Orkney and Shetland (around two thirds or more rating them positively), and also in the Outer Hebrides, although, again, affordability is an issue for those in island communities.

8.44 Similarly, the affordability of air services are rated poorest out of all transport provision, with just 5% of young people rating this 'very good' overall (and 19% as at least 'quite good').

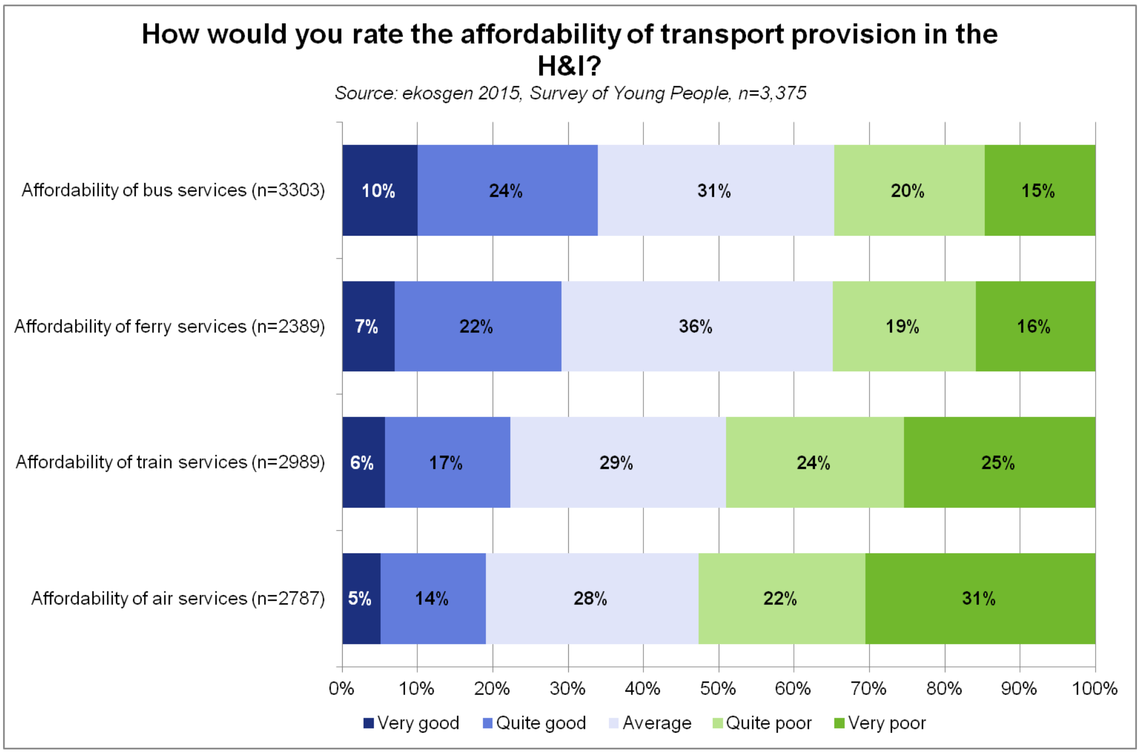
8.45 More than half of young people (53%) rate the affordability of air services as poor (and 31% as 'very poor'). Again, this is particularly the case in Orkney, Shetland, the Outer Hebrides and Caithness and Sutherland. Just 1% of respondents from Orkney, Shetland and Caithness and Sutherland regarded air service affordability as very good.

Figure 8.4[127]



[127] Please note that while the question asks about transport provision in the H&Is, there are no trains in Shetland, Orkney and the Outer Hebrides which may skew results. Similarly, ferries are frequently used in Shetland, Orkney, the Outer Hebrides and Argyll and the Islands, and not so much in Moray and much of Highland.

Figure 8.5



Travel within and out of the H&I

8.46 On the whole, young people report it to be easier to travel to other parts of Scotland than it is to travel to other parts of the H&I, although one in four (25%) respondents still disagreed that it was easy to travel to other parts of Scotland.

8.47 Those from Lochaber, Skye and Wester Ross and Caithness and Sutherland find it most difficult to travel to other parts of Scotland. Residents of the Inner Moray Firth and Moray feel most connected with the rest of the country. Similarly, those in the older age group (25-30 years) tend to find it more difficult to access other parts of Scotland than the younger age groups.

8.48 This was supported by discussions from the focus groups.

> *'I think that the local transport in Inverness is good and links to the Central Belt are adequate. However, I think that public transport gets worse the further north you go'* (respondent from Highland)

> *'Transport links between Inverness and further north aren't great. It's difficult to make your way to Inverness from the smaller villages north'* (respondent from Highland)

Timetabling

8.49 The timetabling of public transport is perceived as poor, with just over one third agreeing that the timetabling is joined-up and a greater proportion, almost four in ten, disagreeing with this. This was the view across all areas within the region, with those from more rural areas of Highland (Caithness and Sutherland and Lochaber, Skye and Wester Ross) slightly likely to be more critical about timetabling.

8.50 This was supported by evidence from focus groups which showed the timetabling of public transport in the H&I to be a serious concern for the majority of young people.

> *'In Orkney, there is a lack of joined-up thinking when it comes to public transport. For those living on the Outer Isles, either an overnight stay or an entire day hanging around the Orkney mainland is often needed when trying to get south, as the ferries don't link up'* (respondent from Orkney)

> *'Our local bus service has the most ridiculous times (either very early in the morning or to meet the school during term time). If my car was out of commission for any reason, I would have no way of getting to or from work, as there is no bus that connects the two villages'* (respondent from Argyll and the Islands)

> *'The bus timetable also does not match the ferry timetables or even the flight times'* (respondent from Outer Hebrides)

Overall views on Public Transport

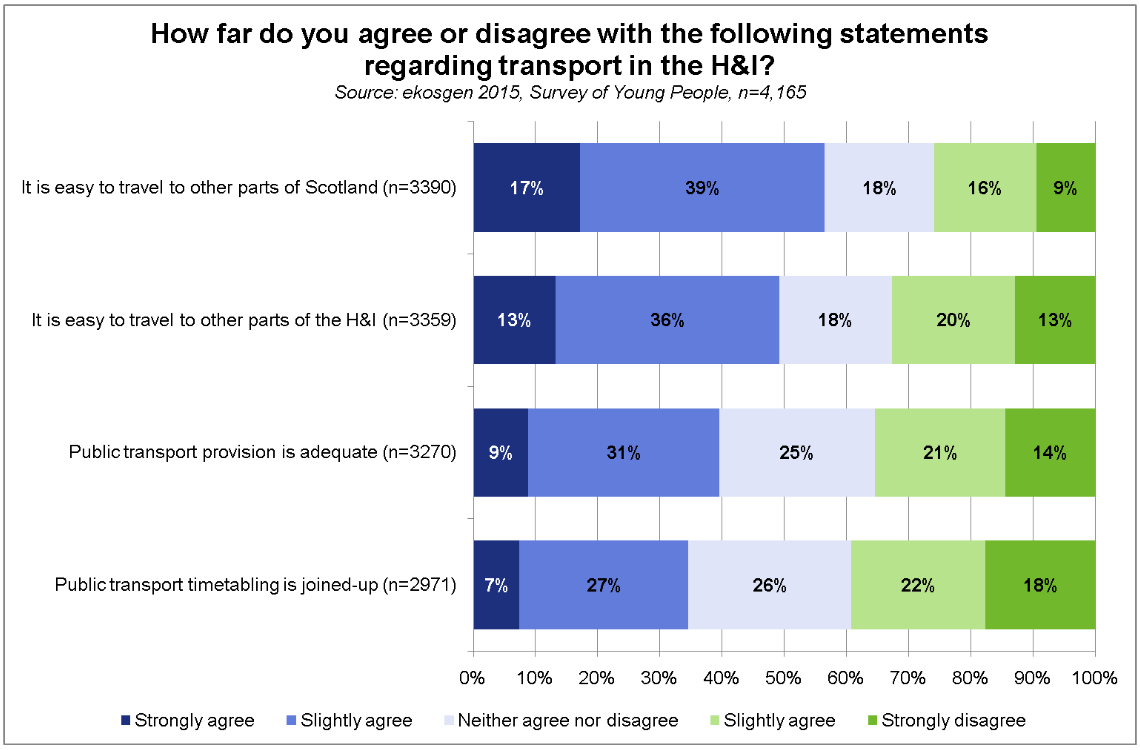
8.51 In total, just four in ten (40%) feel that public transport provision is adequate in the region. This compares slightly less positively to the results of the Scottish Household Survey (2013), where 58% of those in accessible rural and 50% of those in remote rural areas stated that they were very or fairly satisfied with public transport.[128] Within our survey, a similar proportion (35%) feel that it is not adequate:

> *'I think the public transport is as good as can be expected based on the landscape and number of people living/visiting the area. It is unrealistic to expect that there will be the same frequency and speed of transportation in the H&I as there is in the Central Lowlands'* (respondent from outside the Highlands and Islands)

> *'Transport in the Highlands and Islands has improved a lot over the last few years: flights to Amsterdam from Inverness, more ferry services running on Sundays etc. but we still have a long way to go to make public transport accessible and affordable!'* (respondent from outside the Highlands and Islands)

[128] Scottish Government (2014) *Scottish Household Survey 2013*. Available online at: http://www.gov.scot/Publications/2014/08/7973/10

Figure 8.6



Transport: Summary

8.52 There remain some considerable issues with transport provision for young people, despite some improvements and the introduction of a number of schemes to reduce the costs of travel. Affordable transport links are still regarded as important by 93% in making the H&I more attractive to young people as a place to live, and 61% feel this strongly (see Chapter 9). The constraints are typically transport costs, more so than transport availability, although there are levels of dissatisfaction with both. Whilst it is not possible to address all transport concerns of young people, the issue remains one that should be investigated further.

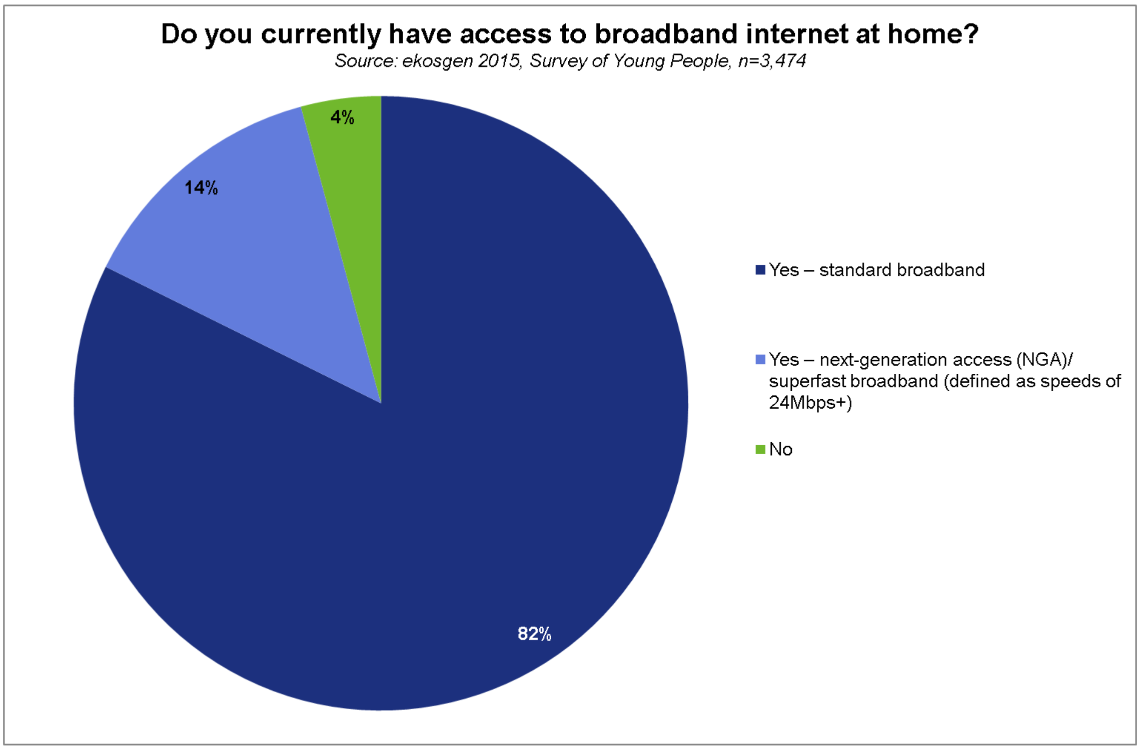
Digital Connectivity

Broadband Access

8.53 Some 96% of young people have access to broadband internet (standard broadband or NGA broadband) at home, with the vast majority of this being standard broadband. In all, 14% currently have access to NGA broadband.

8.54 By area, Orkney and Shetland have the highest proportion of young people with broadband access, although this is almost entirely standard broadband. Broadband access is lowest in the Outer Hebrides, where almost one in ten (9%) don't have any access at all. Access to NGA broadband is by far the highest in Moray (22%) and the Inner Moray Firth (19%), on par with those from outside the region (20%).

Figure 8.7

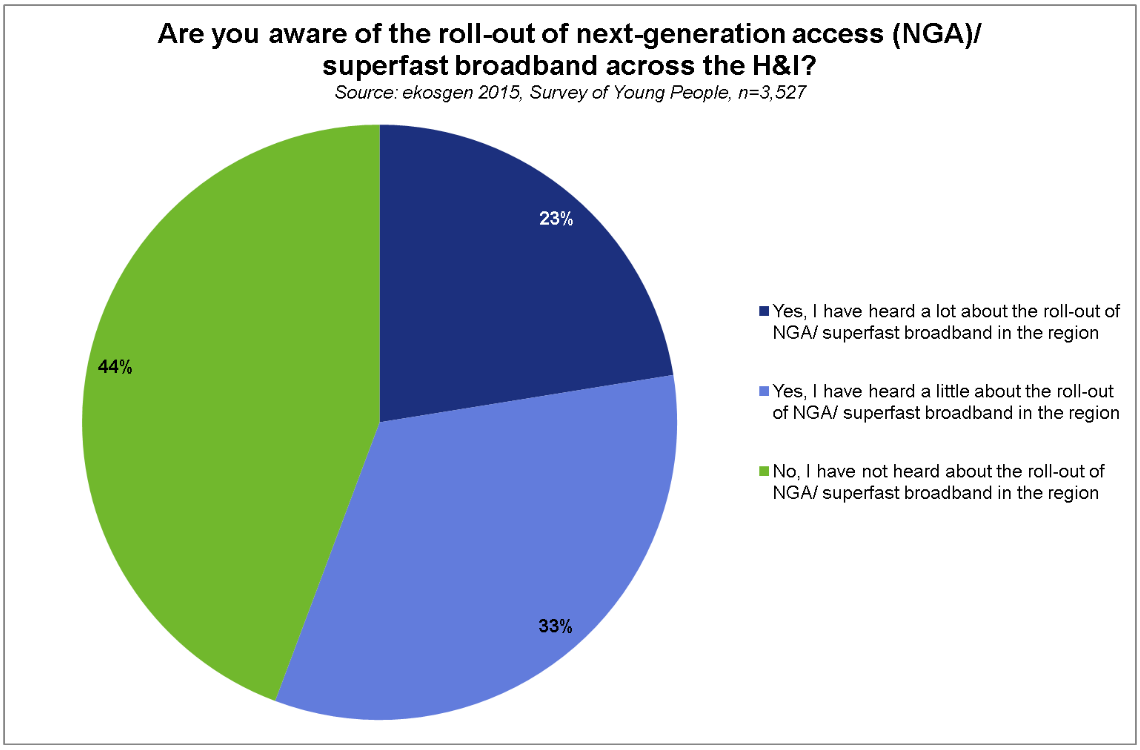


Awareness of NGA Broadband

8.55 There is fairly limited awareness of the rolling-out of NGA broadband across the region among young people – just over half (56%) have heard about it (although to varying degrees), with the remaining 44% unaware.

8.56 Again by area, awareness (of any degree) is highest in Orkney (66%), Caithness and Sutherland (62%) and the Outer Hebrides (60%), and lowest in Argyll and the Islands and Shetland (both 53%).

Figure 8.8



Broadband Speed and Reliability

8.57 There are varying views on the speed and reliability of respondents' broadband connection, as shown in the figure below. On the whole, connection reliability was rated as slightly better than speed. 43% rated their broadband reliability well, whereas 38% of young people responded positively about the speed of their broadband

8.58 When including responses from those outside the H&I region, broadband reliability is rated highest by those outside the region (66% rate it as at least 'quite good'), followed by young people from Shetland (51%) and the Inner Moray Firth (48%). Reliability is rated lowest by those from the Outer Hebrides (27% rate it as at least 'quite good', and 30% rate it 'very poor') and Argyll and the Islands (34%).

8.59 It is a similar story for broadband speeds, rated highest by respondents from outside the H&I (59% rate it as at least 'quite good'), following by those from Moray (45%) and the Inner Moray Firth (44%). Broadband speeds are rated lowest by those in the Outer Hebrides (21% rate it as at least 'quite good', and 39% rate it 'very poor'), Argyll and the Islands (25%) and Orkney (27%).

8.60 These findings broadly echo the outcomes of HIE's 2009 Connectivity Review which found that while take-up levels of broadband were good, the available bandwidth and speed was lacking, constituting a significant gap in the telecoms connectivity of the H&I.[129]

8.61 The fact that these remain issues six years on suggests a continued need to improve broadband speed and reliability across the H&I, and HIE and the Scottish Government are making sustained efforts to do so. As Chapter 2 cites, HIE entered into a contract with BT to

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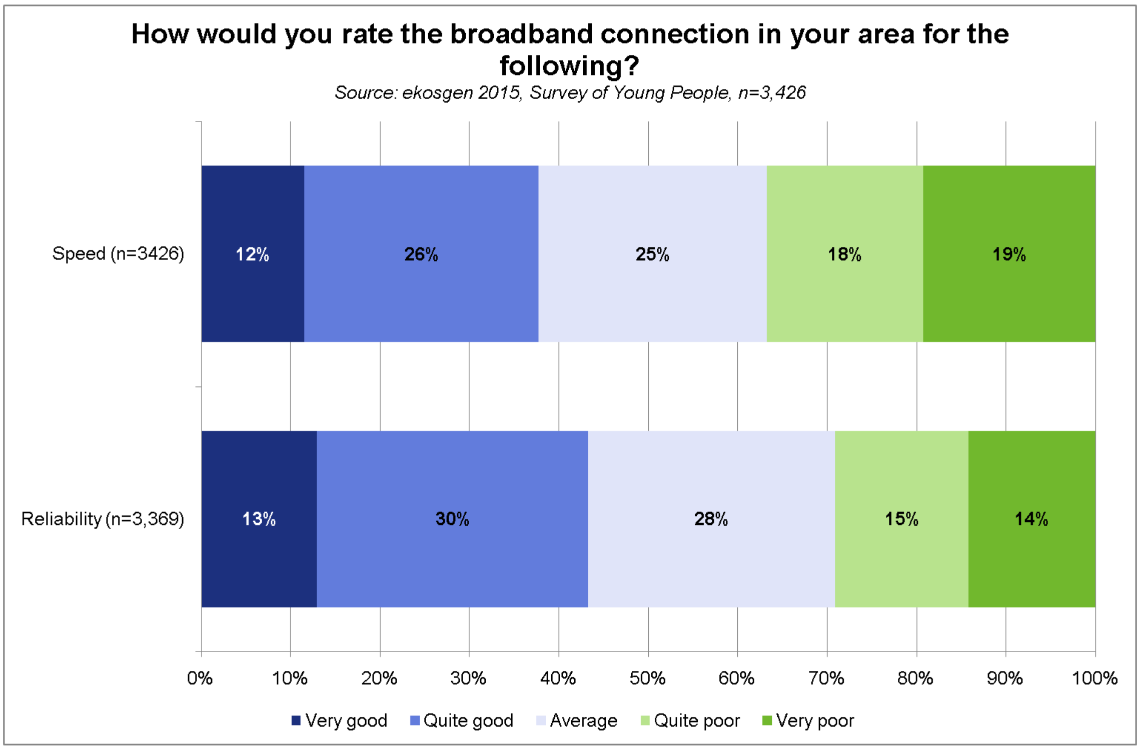
[129] HIE (2009) Telecoms Connectivity in the Highlands and Islands

deliver access to fibre broadband to approximately 84% of homes and businesses in the H&I by the end of 2016, with over 100,000 premises connected to date.[130]

Figure 8.9



Benefits of NGA broadband

8.62 The three key benefits of NGA broadband reported by young people were that NGA would 1) deliver improved music, film and entertainment streaming 2) lead to improved communication with family and friends and 3) allow better access to education.

8.63 The importance of these benefits to young people varies little by their age, however there are a couple of notable exceptions. For example, broadband allowing home/remote working and enabling flexible working arrangements are much more important to those aged 25-30 than to the younger cohorts. This was of relatively equal importance in all areas, though slightly more so in Orkney, Caithness and Sutherland and Lochaber, Skye and Wester Ross. This will be important in light of the Digital Economy research work which indicated just 11% of businesses have high speed broadband[131] which will prompt further work to promote the benefits of NGA to businesses.

8.64 Better access to social media through NGA is more important to those aged 15-18 (8% reported it the most important aspect) than to those aged 19-24 (3%) and 25-30 (3%).

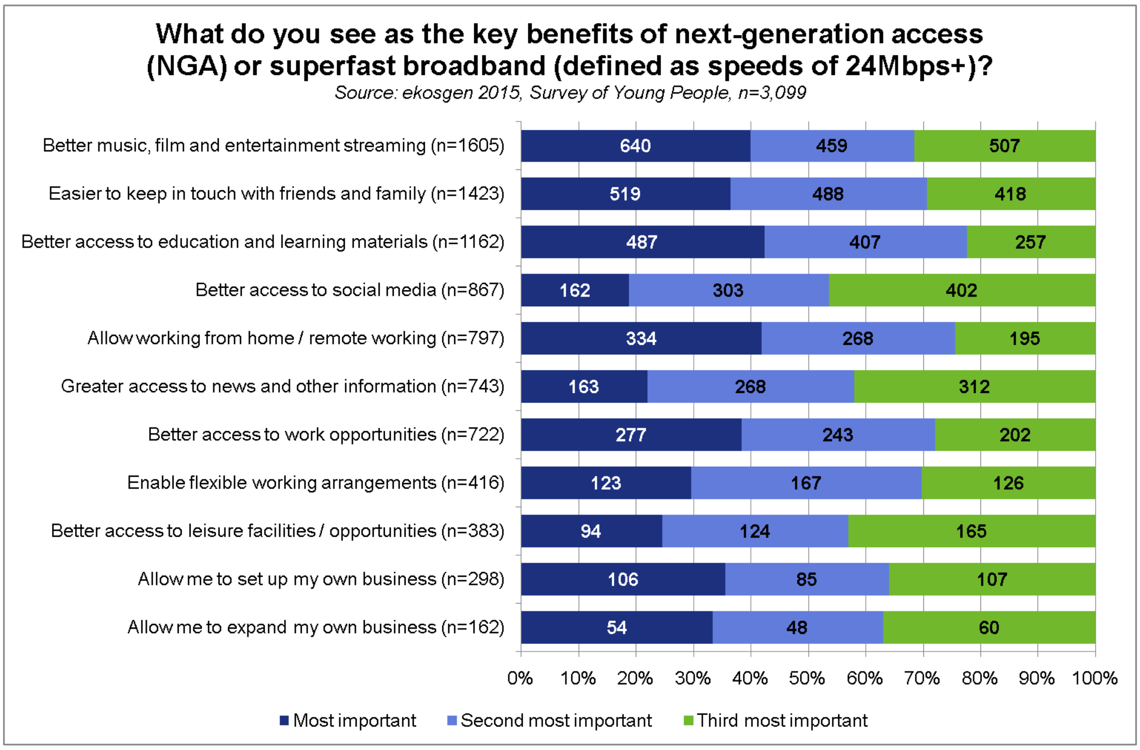
8.65 Similarly, better access to education and learning materials is more important to 15-18 year olds (18%) and 19-24 year olds (18%) than the older cohort (9%). Again, this benefit was deemed important in all areas of the H&I, though again slightly more so in Orkney and Caithness and Sutherland. Given that improved access to education is seen as one of the top

[130] HIE | Digital Highlands and Islands, http://www.hie.co.uk/regional-information/digital-highlands-and-islands/

[131] Highlands and Islands Enterprise (2015) *Digital Scotland: Highlands and Islands Research*. February 2015, p.3

three benefits of NGA overall, then NGA could play a considerable role in facilitating more remote learning (and working for the older cohort). This could continue to drive changes in the ability of young people to remain living in more remote parts of the region.

Figure 8.10



Mobile Connectivity

8.66 *Mobile* connectivity in the H&I is not rated as highly as broadband connectivity. Just one in ten (10%) feel mobile *reliability* is very good, and an even lower proportion reported this as being very good for mobile *coverage* (8%) and *access to 3G/4G* (7%).

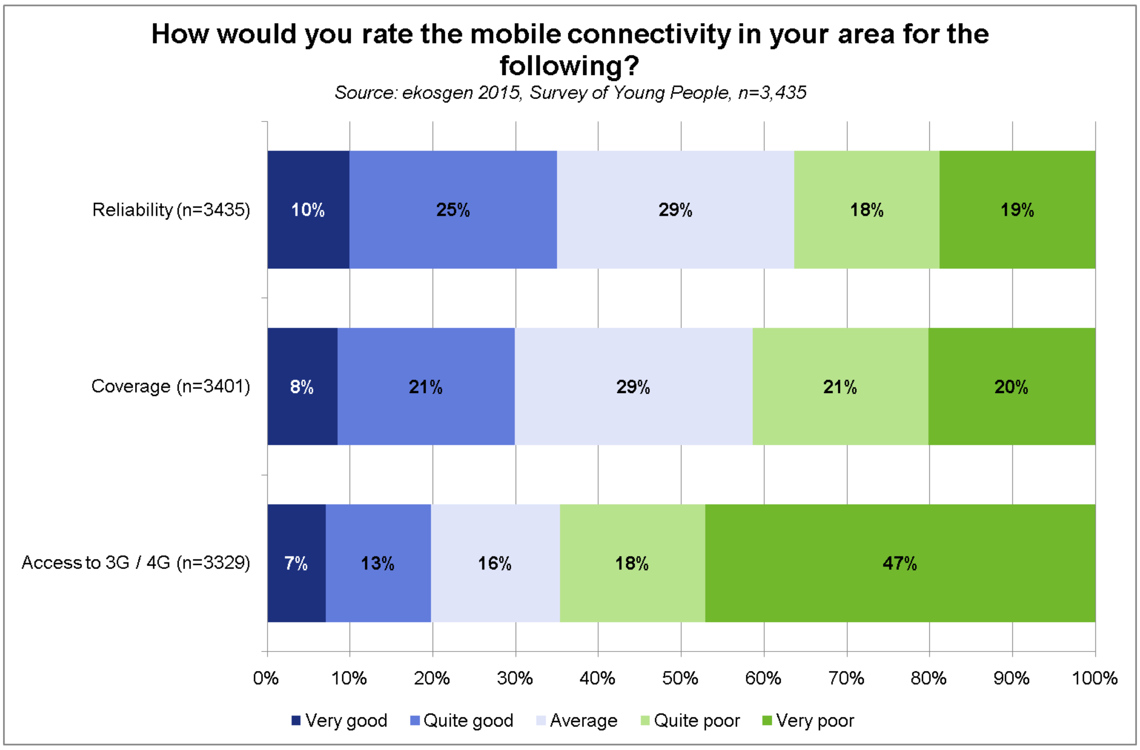
8.67 There are no areas within the H&I where mobile coverage and access to 3G/4G is rated as 'very good' by more than 10% of the respondents from that area (aside from coverage in the Inner Moray Firth (11%).

8.68 Most notably, nearly half (47%) of respondents rated the access to 3G/4G in their area as very poor. This ranged widely from Orkney (87%), Shetland (67%) and the Outer Hebrides (64%) who thought it very poor to just 14% of those from *outside* the region. Not a single respondent from Orkney rated access to 3G/4G as 'very good'.

> *'In my opinion this is a massive issue. In Orkney there is absolutely no 3G coverage, and in many of the outer islands 'normal' broadband runs at such ridiculously slow speeds that many families choose to pay extra for satellite broadband' (respondent from Orkney)*

> *'At the moment signals are patchy and there is a limited choice of mobile phone providers. Many areas here don't get broadband at all. At home we have satellite broadband which works okay (as long as you don't stream videos) but it is much more expensive than broadband' (respondent from Outer Hebrides)*

Figure 8.11



Importance of NGA broadband

8.69 Despite fairly poor views on internet speed and reliability and mobile coverage and reliability, differing views were evident, particularly on the importance of 4G and NGA broadband. Some focus group participants feel that these are not crucial to life in the H&I, and that the existing supply is more than adequate, as detailed below.

> *'4G isn't important, 3G is perfectly fine as it is, coverage seems to be fine for the local area too... superfast broadband isn't really that important either, standard broadband is perfectly suitable for everyday life'* (respondent from Moray)

> *'Neither 4G or superfast broadband are crucial for my purposes... I'd much rather have a very reliable network for both phone and internet that covers all areas I'm likely to visit... reliability and access are key to me'* (respondent from Orkney)

8.70 However, other young people had the view these services are vital to H&I life and could be a key driver behind relocation to other, more central parts of Scotland.

> *'Superfast broadband and 4G is important. Why should we be paying the same costs as elsewhere but be receiving a far poorer service?... if youngsters today, as we do, know that we can get far better services out of the Highlands and Islands then we will be more inclined to leave and study than suffer in silence'* (respondent from Argyll and the Islands)

> *'I find connectivity in the Highlands to be very poor. Society has an increasing reliance on technology and the Highlands is lagging behind. I can't get 3G never mind 4G north of Inverness and sometimes we're lucky to get a signal at all. When it comes to broadband, streaming anything is almost impossible which makes working from home a great difficulty for me'* (respondent from Highlands)

Digital Connectivity: Summary

8.71 Mobile connectivity is emerging as a greater issue for young people than broadband internet access. Slightly fewer young people consider that NGA broadband is important in making the H&I an attractive place to live when compared to a range of other factors, ranking 11th of a menu of factors (see Chapter 9). By comparison, mobile coverage is ranked 7th and more consider their mobile coverage to be poor or very poor, particularly in some areas.

8.72 For the majority, their broadband is sufficient for their current use, although, of importance to policy-makers, there is wide recognition that NGA broadband may improve access to education and allow more flexible working.

Arts, Leisure and Culture

Availability of the Offer

8.73 The survey went on to explore the arts, leisure and cultural offer in the region. On the whole, leisure and cultural offerings have mixed ratings from survey respondents. For example, gyms and leisure centres are rated as good or very good (59%), as are outdoor attractions and pursuits (52%) and sports facilities and clubs (53%).

8.74 The social venue/club offering is rated poorest by young people, with only 8% reporting this to be 'very good' and 45% stating that this offering is either 'quite poor' or 'very poor' in their local area. There are similar ratings for museums, galleries and exhibitions.

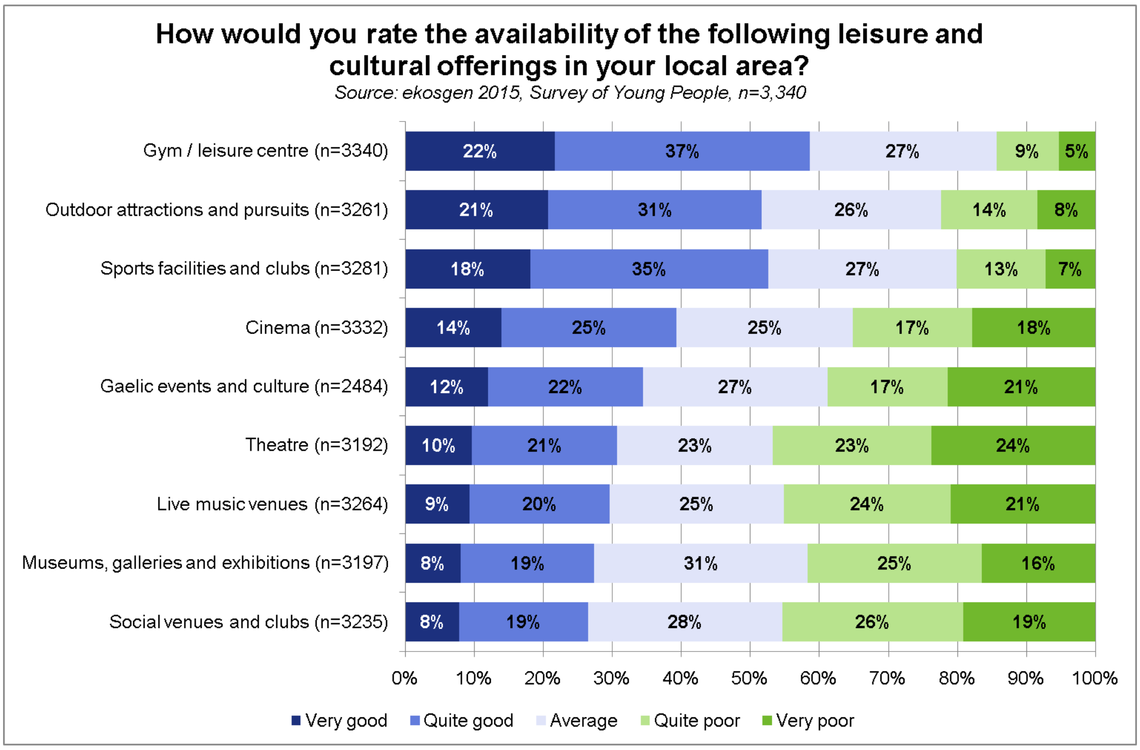
8.75 The quality of leisure and cultural offerings varies widely by area. On the whole, the range of offerings is rated highest in Shetland and Orkney, and lowest in Argyll and the Islands and Moray.

> *'there are loads of festivals in Orkney (Folk Fest, St Magnus Fest, Blues Fest etc) which feature world-renowned musicians, so I think we are well-served from that point of view'* (respondent from Orkney)

8.76 Further geographic variations reflect the profile of young people in the area and the characteristics of the area. Gaelic events and culture is the highest rated leisure offering in the Outer Hebrides (32% rated 'very good') but the lowest in Orkney and Shetland, where gym/ leisure centres and sports facilities are rated highest (36% and 44% respectively). Theatres are rated the poorest leisure offering in Caithness and Sutherland (45% say this is very poor), Argyll and the Islands (41%) and the Outer Hebrides (32%); cinemas in Lochaber, Skye and Wester Ross (46%); live music venues in Moray (29%) and social venues and clubs the poorest offering in the Inner Moray Firth (17%).

8.77 However, outdoor attractions and pursuits are rated highly amongst all H&I areas, particularly in Lochaber, Skye and Wester Ross (60%), Shetland (60%) and Orkney (57%) rating these as quite or very good.

Figure 8.12



8.78 Strong evidence from focus groups suggested that, although not specifically asked about and therefore not included in the figure above, the Food and drink offering in particular is very highly rated throughout the H&I. Some focus group quotes are shown below.

> *'I think that the quality of pubs and restaurants in the H&I is really high. I definitely wouldn't rate it any lower than the rest of Scotland, and in some areas it's much higher. While there have always been great pubs with tons of character in the H&I, I think the quality and variety of restaurants has sky-rocketed over the last 15-20 years'* (respondent from outside the Highlands and Islands)

> *'I would consider it a fact that the quality of establishments in and around the Highlands and Islands, although fewer, are of far higher quality... local produce, farmed by locals, bought by locals, cooked by locals and consumed by locals'* (respondent from Moray)

> *'We are renowned for our good-quality food, and there are plenty of good cafes and restaurants'* (respondent from Orkney)

> *'One thing I can say for Inverness though is that it does offer a range of good restaurants catering for a variety of tastes'* (respondent from Highland)

> *'The food on offer in the Highlands is great and (generally) reasonably priced, but you have to be prepared to shop around a bit to find the best stuff'* (respondent from Highland)

> *'There are excellent pubs and restaurants all over the Highlands and Islands, with more developing all the time'* (respondent from outside the Highlands and Islands)

Importance of the Offer

8.79 The top three rated local leisure and cultural offerings are also reported by respondents to be the three most *important* to them. Over four in ten young people felt it was 'very important' to have good access to gym/leisure centres (43%), outdoor attractions and pursuits (41%) and sports facilities and clubs (41%).

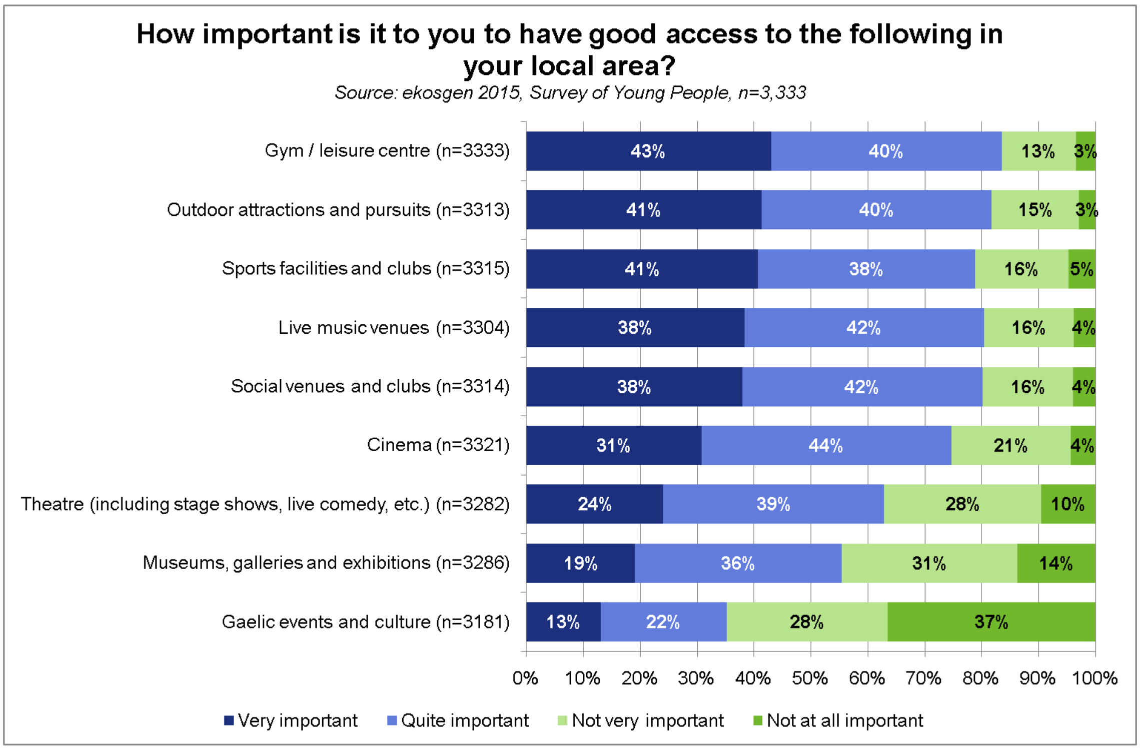
8.80 Good access to gym/leisure centres and sports facilities and clubs is important to more than three quarters of young people in all H&I areas. Furthermore, access to outdoor attractions and pursuits (which is also regarded as generally available) is important to at least eight in 10 in Caithness and Sutherland (84%), Lochaber, Skye and Wester Ross (83%) and the Outer Hebrides (80%), and live music venues to 84% of Shetland respondents.

8.81 Overall 80% of young people feel it is quite or very *important* to have good access to social venues and clubs and live music venues, whilst the availability of both are rated as poor (only 27% and 29% thought this was 'very good' or 'quite good' respectively).

8.82 The importance of the arts, leisure and cultural offer to young people should not be under-played; 89% think the availability of recreational/social opportunities would make the H&I a more attractive place to stay, ranking 8th, just behind mobile coverage (see Chapter 9).

8.83 Access to Gaelic events and culture was deemed to be least important to young people (particularly Orkney and Shetland). That said, almost half think a supportive environment for Gaelic language and culture would make the H&I a more attractive place to live (see Chapter 9).

Figure 8.13



Local offer compared to the region and Scotland

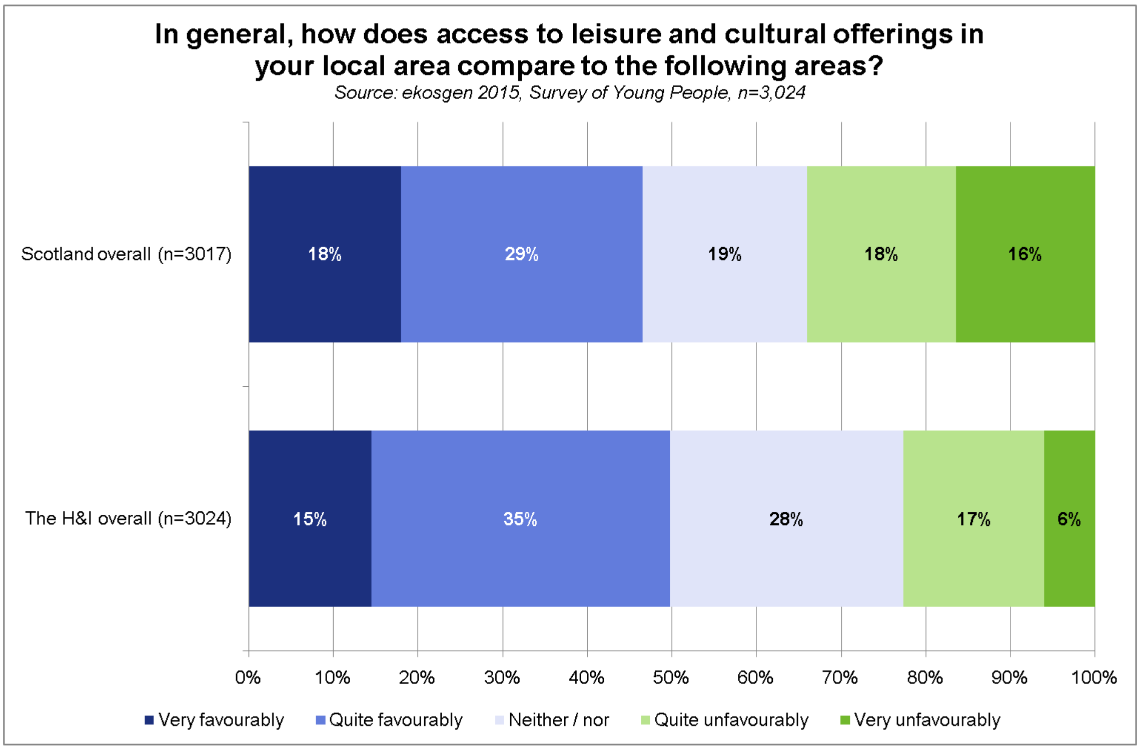
8.84 One half consider their local offering to compare favourably to the H&I overall, and just 6% of young people felt that the offering in their local area was 'very unfavourable' in comparison to the region as a whole.

8.85 Young people from Shetland are much more positive than other areas about their local leisure and cultural offerings when compared to the H&I overall, where around seven in ten (69%) report them to be favourable. Orkney and the Inner Moray Firth are the only other areas that are above average. Respondents from Caithness and Sutherland (40%) and Lochaber, Skye and Wester Ross (34%) feel their local offerings compare least favourably to the H&I region overall.

8.86 There was a mixed response when comparing local leisure and cultural offerings to Scotland overall. Although there are weaknesses in the offer as described, almost half (47%) perceive the local offerings to compare favourably with Scotland overall, and just a third (34%) think it compares unfavourably.

8.87 Similarly, when compared to Scotland overall, young people from Shetland are by far the most positive about their local leisure offerings (60% think they compare favourably). Those from Orkney, the Inner Moray Firth and the Outer Hebrides say their local offerings compare quite favourably, whereas again offerings in Caithness and Sutherland and Lochaber, Skye and Wester Ross compare least favourably.

Figure 8.14



8.88 Findings from qualitative focus groups were generally very positive about the social scene and nightlife in the H&I. There was an agreement that on the whole this is not a driving factor for young people wishing to leave the area:

'I'm not aware of many young people whose main reason for leaving would be the nightlife/social scene specifically. Most leave for educational reasons, with a perhaps more varied social life being a "fringe benefit"' (respondent from Orkney)

'I don't think I would base where I lived on nightlife... if I were to move elsewhere I would agree it would be other reasons such as education or employment' (respondent from Highland)

'The planned expansion of the Eastgate shopping centre is set to include a new floor of restaurants, a cinema and more shops. This will be great for the city as it will hopefully encourage more people to come to Inverness. We do have a local music venue, the Ironworks, which attracts pretty big names, as well as the Vue cinema and Eden Court theatre, so there are lots of things to do for a night out' (respondent from Highland)

8.89 The general sense from the focus groups was that young people enjoy having the options of Aberdeen or Dundee (relatively) nearby for nights out, or taking weekend trips to Glasgow or Edinburgh for shopping, shows, nightlife and other leisure offerings. Some respondents felt that the spread of 'big brand names' to the H&I would undermine what the area is best known for and enjoyed. Others welcomed their presence in the region.

Arts, Leisure and Culture: Summary

8.90 The offer varies considerably across the region. In general, whilst ranking 8th as the factor that would make H&I a more attractive place to live, the quality of the offer is not generally seen as a key driver for people to leave the area. That is not to say that the offer is not regarded as important, and the proportion saying that it is important is not matched by the availability of the offer.

Community

Views on the local town or community

8.91 There are some very strong and positive feelings amongst young people about the town or community in which they live. Young people from all areas of the H&I are 'proud to be associated' with their community where 78% agree (and where 40% strongly agree). This is a six percentage point increase since 2009, providing strong evidence of increasing levels of local pride. This is greatest in the island areas of Orkney (93%), Shetland (92%) and the Outer Hebrides (85%). It is lower in Moray (70%) and Argyll and the Islands (73%). On the whole, H&I residents are more proud of their local area than those based outside the region are of theirs (where just 71% agree and 34% strongly agree).

8.92 Young people also agree that their local town or community is a safe place to be (87%) and a good place to bring up a family (87%). Again, this is strong and positive feedback for local areas. These are also higher than the 2009 perceptions, with safety up seven percentage points from 80% and a good place for a family up five percentage points from 82%. Regarding safety, this is a slightly higher percentage than the results from the 2013 Scottish Household Survey, where 84% of adults felt very or fairly safe while walking alone in their neighbourhood after dark.[132]

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[132] Scottish Government (2014) *Scottish Household Survey 2013*. Available online at: http://www.gov.scot/Publications/2014/08/7973/4

8.93 On the whole, seven in 10 young people (70%) agreed that their town or community is a place where they want to live. Again, this corroborates the findings of the Scottish Household Survey 2013, with 73% of those in remote rural areas rating their neighbourhood as a very good place to live, compared to around 50% for those living in urban areas.[133] As with the pride in their local community, this was most strongly felt in the island areas of Shetland (86%), Orkney (85%) and the Outer Hebrides (77%). This was lowest in Moray (64%) and Argyll and the Islands (68%), although this was still agreed with by the majority of young people.

8.94 The findings are in line with the highest proportion of committed stayers being from Orkney (53%) and Shetland (51%), and the highest proportion of committed leavers being from Argyll and the Islands (47%) and Moray (40%) – see Chapter 5.

8.95 Again, Shetland, Orkney and the Outer Hebrides are rated the highest when it comes to being good places for young people to live, places which value its young people and places where young people's needs are being met. Caithness and Sutherland and Argyll and the Islands have the lowest level of young people agreeing with these three aspects.

8.96 The findings suggest young people are generally as positive about their local area as they are nationally. Around 59% of young people agree that their town or community is a good place to live, compared to 73% of those in remote rural areas rating their neighbourhood as a very good place to live in the Scottish Household Survey (2013).[134]

8.97 There also appear to be identity issues throughout the H&I, with significant proportions of young people (49%) disagreeing that they live in a place "where it's OK to be different" – again, this is particularly the case in Caithness and Sutherland and the Outer Hebrides. This shows a 3 percentage point increase from the 2009 study where 46% disagreed their home community was a place in which it was OK to be different. Nevertheless, overall, in the 2015 survey, 51% either slightly or strongly agree with this statement.

8.98 Analysing these responses by equalities statistics on sexual orientation, there is a marked increase in the percentage of those young people identifying as gay/lesbian/bisexual stating their local area is a place where it's OK to be different, in comparison to those who identified as straight. In 2009, 32% of young people identifying as straight agreed with this statement, compared to 20% of gay people. In 2015, 52% of young people who identified as heterosexual/straight agreed, compared to 53% of those identifying as gay, lesbian and/or bisexual. This highlights a much improved perception of young people's local areas in this regard overall, and a complete reduction in the different percentages reported by those identifying as heterosexual/straight or gay/lesbian/bisexual.

8.99 Less than one in ten (9%) young people strongly agreed that their local area is a place with plenty of job opportunities (5% in 2009), and nearly a third (32%) strongly disagreed with this (23% in 2009). This reinforces the view in Chapter 6 where there are limitations in local job opportunities, particularly in some areas such as Caithness and Sutherland, Lochaber, Skye and Wester Ross, Argyll and the Islands and the Outer Hebrides.

8.100 In relative terms, the lack of job opportunities is the greatest issue in all areas within the H&I (aside from Shetland where 'young people's needs not being met' is just as much of an

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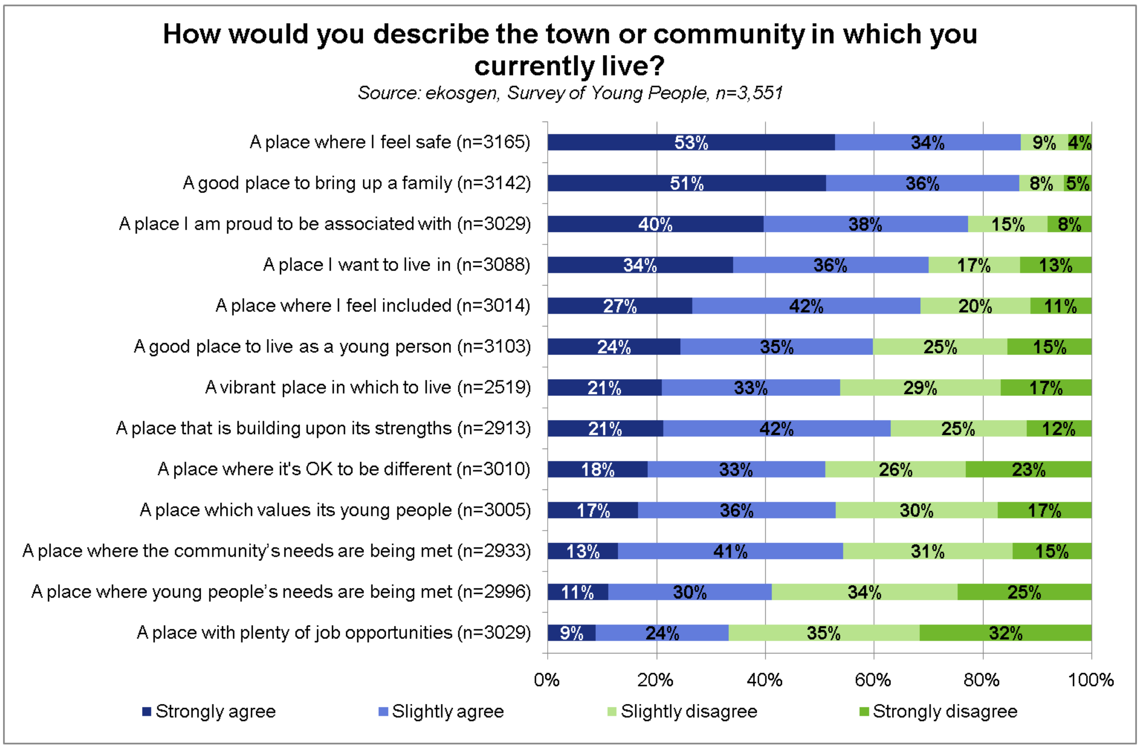
[133] Scottish Government (2014) *Scottish Household Survey 2013*. Available online at: http://www.gov.scot/About/Performance/scotPerforms/indicator/neighbourhood

[134] Scottish Government (2014) *Scottish Household Survey 2013*. Available online at: http://www.gov.scot/About/Performance/scotPerforms/indicator/neighbourhood

issue). Job opportunities are a particular issue in Caithness and Sutherland, where 48% of young people 'strongly disagree' that there are plenty of local opportunities (and 80% in total disagree).

Figure 8.15



Community Participation

8.101 Overall, there's a reasonably good connection between young people and their local community, with good levels of community engagement and participation. Levels of involvement are often an indicator of the strength of the community.

8.102 Just under half (45%) of young people attend local community events, and around a third are members of local groups/clubs (32%) and do volunteer work for their community (31%).

8.103 That said, just under three in ten (29%) of H&I young people report as not engaging with their community at all, a similar proportion to those from outside the region (28%).

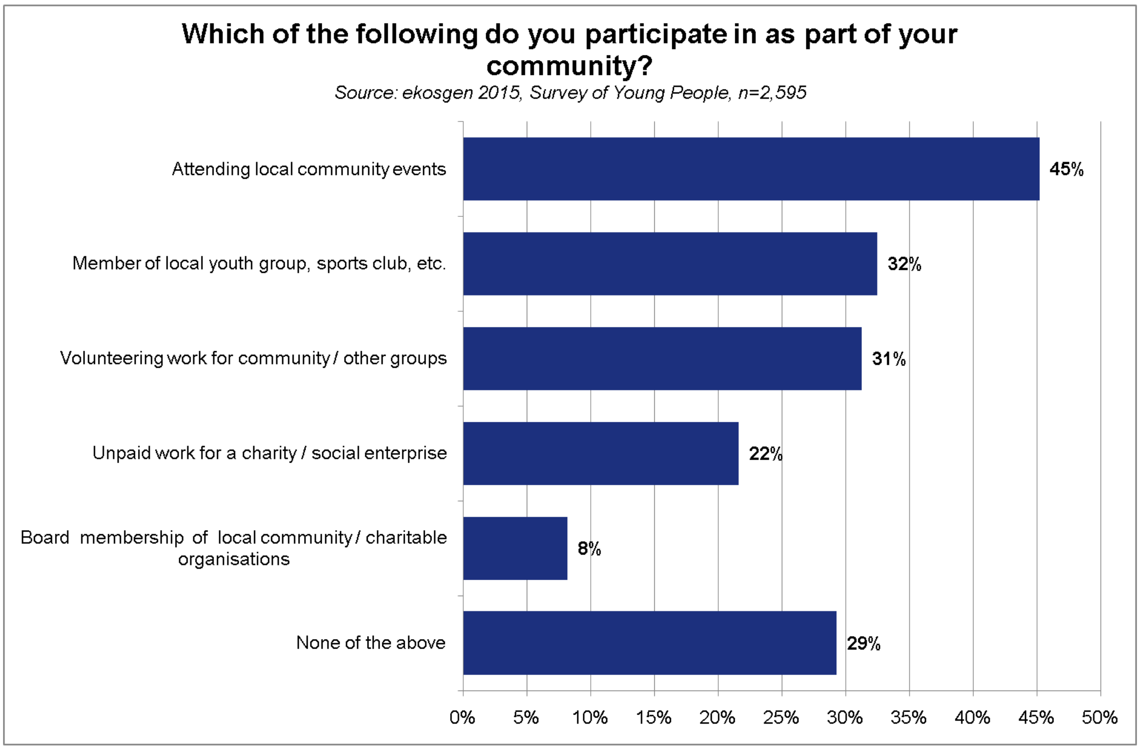
8.104 Young people from the Outer Hebrides, Shetland and Orkney tend to engage in community activities more so than in other H&I areas and outwith – with over eight in 10 young people reporting some degree of community participation. Particularly prevalent are attendance at community events in Shetland (59%), the Outer Hebrides (53%) and Orkney (51%) and volunteering in the Outer Hebrides (42%) and Orkney (40%). Young people in Moray and the Inner Moray Firth engage least with their community out of all H&I areas. This concurs with more qualitative analysis, where the Inner Moray Firth (particularly in and around Inverness) and Moray were identified as areas where community spirit is not as strong as other areas, or not as strong as it has been in the past, as evidenced by the following quotes:

'I live in Forres. I don't feel any community spirit here, as nobody is from here – between the RAF, the army and the homeless accommodation, there don't seem to be many folk who would identify as being "Forresian"' (respondent from Moray)

'I have lived in Inverness for almost 10 years and I have never felt that there is a definite community spirit... even in primary and secondary I didn't really feel welcome to join clubs or societies... Inverness definitely needs more of an interest in the community, but this doesn't seem to be likely unless we can get initiatives that will draw people from all age groups' (respondent from Highland)

'I grew up in a small village and I would say there was definitely a strong sense of community. I can't put my finger on why but this seems to have faded in recent years' (respondent from Highland)

Figure 8.16



8.105 This was further supported by qualitative findings, with those from Shetland, Orkney and the Outer Hebrides keen to point out the strong sense of community in their local areas, although there is some evidence of this being 'suffocating' to some young people.

'I think there is definitely a stronger sense of community here than I've experienced elsewhere in the country... They're generally quite proud of the local culture and heritage and will get behind things that are important in the community - for example local charities are very well supported' (respondent from Shetland)

'There's most definitely a tight-knit community, especially on the outer isles. However, I can understand how it might be too tight for some, especially younger people. Word of mouth is the lifeblood of any strong community and when this turns to gossip things can often turn sour. Not helped by social media of course' (respondent from Orkney)

'I think sense of community is stronger here. A lot of people volunteer with their churches, local community groups, and sports clubs... as a teenager I was desperate to get away for Uni because it did feel a bit claustrophobic here. Now that I'm a bit older I don't feel like that... I think if I was having problems though I would find it harder to ask for help because of the idea that everyone would know' (respondent from Outer Hebrides)

Community: Summary

8.106 There are very strong levels of attachment to the community in many parts of the H&I, and this is especially strong in the island communities where there is almost universal pride in the local area. In the main, all areas of the H&I are considered safe and good places to bring up a family, and even more so in the island communities, even if job opportunities are not always there. In some parts of the H&I it is not always felt that it is acceptable to be different, but on the whole there are good levels of community engagement and involvement. For all this, three in 10 are not directly engaged in community activities, and community spirit is less strong in the more urban area of the Inner Moray Firth and in Moray.

Views of Stakeholders in the Region

8.107 As might be expected, there were a range of comments from stakeholders on the issues affecting the life aspirations of young people. Whilst education and employment dominated the consultee views on migration factors, the issues covered in this section were also recognised and discussed. Housing, transport and, to a lesser extent, digital connectivity were cited by consultees as important concerns.

8.108 Housing was cited as a barrier to young people living locally, especially by those in the Outer Hebrides, Orkney and Shetland. There was a recognition that the provision of rural housing is an issue, and that whilst this did not always relate to the availability of land, the regulatory and financial landscape was not always conducive to affordable new build. One specifically cited the decline in Self Build Finance as negatively affecting housing development. Even where there has been more of a concerted effort to increase new build housing (such as in Argyll and Bute) more needs to be done across the region. That said, there are innovative approaches to new builds, in particular those involving communities, such as the development at Gairloch, supported by the Highland Small Communities Trust.

8.109 Transport was cited as an issue, although many consultees felt that recent initiatives, such as the ADS had made a significant and positive difference. This is not entirely backed up by the findings, which indicate that whilst cost reduction measures for ferry and air travel have been welcomed, there are still cost and availability issues affecting young people. Similarly, many consultees considered that the recent and future improvements to digital connectivity were sufficient to address the needs of young people, with an anticipation that Next Generation Access would greatly benefit businesses, which would, in turn, lead to better employment prospects for young people.

Summary

8.110 The chapter reviews the range of factors, aside from education and employment, which may affect the decision of young people to live in or outside the H&I. There are some significant issues facing young people, notably housing and transport and the effects of these and other factors on living costs. Housing is more of an issue than five years ago, but broadband is an area that is continuing to improve through investment.

8.111 Some of these factors will directly be affecting young people's decision-making. It is clear that there is strong community loyalty and pride in place and, whilst not universal, this can act as a significant "pull factor" for young people even if they leave initially for education or employment reasons. This is evident with potential returners (52%) and committed stayers (48%) having the largest proportions of young people strongly agreeing that they are proud of their community.

Policy Implications

8.112 The review gives rise to a number of policy implications, many of which prompt further investigation and the development of responses. The key points are:

Housing

- That housing is a very big issue for young people in the H&I. Whilst this has also been an increasing issue for young people outside the region after the global downturn, there is a need for a range of housing policy responses, particularly in certain parts of the area.

- Policy responses should look to increase both the supply of affordable housing to buy, and increase the number of properties for rent. Help to Buy, and variants of schemes which promote shared equity, should be actively promoted. However, in some locations there needs to be a real increase in the number of affordable homes available to young people, as well as affordable homes of the right size.

- In light of this, schemes such as community land ownership and serviced sites for self-build need to be extended and made more widely available.

- There may be other initiatives and responses, beyond the intervention around reduced discounts for second homes Council Tax, that may also be worth bringing forward (including reuse of long term empty properties).

Transport

- Despite improvements for some modes of transport and in some locations, transport availability and cost is an issue for young people. The importance of RET for ferry travel is clear, with demonstrable improvements in young persons' perceptions of ferry costs in the Outer Hebrides compared to non-RET areas.

- There is already a commitment to greater roll out of RET and to extend the ADS to 2019 which will be welcomed by young people. However, further cost reduction measures for air and ferry travel are likely to be required in making the H&I more attractive to young people.

- Bus travel is not regarded highly, for availability or cost, even in more populous parts of the region. This is an issue which should be addressed. Rail costs are also regarded as high.

- Poor timetabling is a genuine frustration for young people, and this is avoidable given partnership working and multi-agency/operator co-operation/co-ordination.

Digital Connectivity

- Most young people have standard broadband connection and most regard this as sufficient. This suggests that most young people are unaware of potential benefits of faster broadband, and so awareness raising around the benefits of NGA would be beneficial.

- The potential of NGA to support remote learning and flexible working is, however, recognised. Given other findings in relation to availability and range of education opportunities, there is a real opportunity to increase levels of remote learning significantly.

- Young people recognise the value of NGA to facilitate flexible working and HIE and others should work with businesses to make these opportunities more widely available – and with partners to help connect young people to the opportunities.

- Mobile coverage is now the bigger connectivity issue to address, and measures being explored/put in place to extend/improve coverage should be expedited.

Arts, Leisure and Culture

- The importance of these factors to young people should not be overlooked, and whilst provision in some areas for some things is good, other parts of the offer are poor. Social venue/clubs and live music venues are rated as poor but important. Whilst more difficult to address through permanent venues, events and festivals are very popular and these should be developed further.

- The food and drink offer is rated highly and its value should be emphasised and developed, for example, in facilitating social interaction.

- There should be development of the arts, leisure and culture offer in Caithness and Sutherland and in Lochaber, Skye and Wester Ross, where provision fares particularly poorly when compared to opportunities outside these areas.

- The outdoor offer is valued by young people and is one of the most available. This is a positive, and can be used to further attract returners and new residents.

Community

- The high levels of local pride and statements that young people would be happy to live in their community or town implies it is opportunities, rather than perception, that is driving location choices.

- There are some parts of the region however where young people do not agree that it is OK to be different, although the position is marginally improving. More needs to be done to address issues of perceived exclusion.

- There appears to be a strong link between community participation and community spirit. This suggests the latter can be engendered by the former. This requires the active promotion of young person engagement in areas where there are lower levels of community involvement.

9 Future aspirations: implications for the Highlands and Islands

Introduction

9.1 The previous chapters have explored in some depth the education, employment and other factors which affect a young person's willingness and ability to live in the H&I. This section looks at the relative importance of the various factors as well as the future aspirations and intentions of these young people.

Making the Highlands and Islands attractive to live in

9.2 The survey explored the importance of a range of factors in making the H&I a more attractive place to live, work and study. The top five factors that are most commonly ranked as 'very important' for young people are the availability of high quality jobs, opportunities for career progression, good access to housing, good access to FE/HE and affordable transport links. Overall, the 15 key themes explored in the survey, excluding a supportive environment for Gaelic language and culture (which was only ranked as very important by 18%), were reported as important for more than 83% of young people and as very important for at least 43% of respondents.

Table 9.1

Theme	% 'Very Important'	Ranking
Availability of high quality jobs	68	1
Opportunities for career progression	64	2
Good access to housing	62	3
Good access to FE/HE	61	4=
Affordable transport links	61	4=
Lower cost of living	56	6
Mobile connectivity	51	7
Availability of recreational/social opportunities	50	8
Having a university in the region	48	9=
Access to the outdoor environment	48	9=
Digital connectivity	48	9=
Vibrant communities	47	12
Opportunities for post-graduate education	45	13
Availability of childcare	43	14
A supportive environment for Gaelic	18	15

Job Opportunities and Career Progression

9.3 Employment opportunities and the ability to progress one's career once in employment are, on the whole, the two most important factors cited by young people in making the H&I a more attractive place to live. The availability of jobs is rated as important by 94% of young people, and in all areas of the H&I at least 90% rated this as important.

9.4 The importance of the issue is reinforced by 68% regarding high quality jobs as *very important* (ranked 1st). It is also the most important factor in the Outer Hebrides, Moray, the Inner Moray Firth and Argyll and the Islands

9.5 For those in Caithness and Sutherland and Lochaber, Skye and Wester Ross, career progression is ranked as *the most important* factor, as well as for those from outside the H&I. It has already been trailed in Chapter 7 that young people value the opportunity for career progression, and this is regarded as important for 94% of young people for making the H&I an attractive place to live, with 64% saying it is very important (ranked 2nd).

Housing, Transport and Digital Connectivity

9.6 The importance of housing to young people is outlined in Chapter 8, and this is the third most important factor in making the H&I an attractive place to live, *very* important to 62% (and important to 93%). Ensuring good access to housing was most important to respondents from Shetland and Orkney (and indeed rated the most important of all aspects in these two areas). More than four in five respondents (81%) felt this to be very important in Shetland and 70% in Orkney.

9.7 Affordable transport links is important for 93% of young people, and for 61% it is very important (ranked joint fourth). Chapter 8 highlights the range of issues which vary across different modes of transport and in different areas, although it remains the cost of travel which is the greatest issue for many, particularly Shetland, where 100% of young people feel this is important, Orkney (98%) and Caithness and Sutherland (98%).

9.8 In relative terms, digital connectivity is less of a factor than employment, education, housing and transport; in the main a result of significant investment in broadband infrastructure. Mobile coverage is now more important than NGA broadband, with 51% saying improved mobile connectivity is very important (ranked 7th) to make H&I more attractive, compared to 48% stating it is very important for NGA (ranked joint 10th). Both are, however, a particular issue in the Outer Hebrides, where 92% of young people feel that both digital and mobile connectivity are important (61% and 57% saying they're very important respectively).

Education

9.9 Good access to FE/HE is important for 92% and very important to 61%, making access to education the joint fourth most important factor in making the H&I a more attractive place to live. Having a University in the region is ranked equal ninth (with access to the outdoors), important for 87% and very important for 48%. This is rated equally importantly to, say, NGA. There are geographic differences, with access to FE/HE deemed slightly more important to young people in Orkney and Shetland (both 97%) than in Lochaber, Skye and Wester Ross (90%), and the existence of a university in the H&I considered more important by respondents in Caithness and Sutherland (92%), Shetland (91%) and the Inner Moray Firth (90%), than, say, Orkney and Argyll and the Islands (both 82%).

9.10 Opportunities for postgraduate education are relatively less important, although still cited by 45% of young people as very important in helping increase the attractiveness of the H&I.

Cost of Living

9.11 Overall, the cost of living ranks as the 6th most important factor, and very important to 56%. This reflects the range of costs that combine to make it relatively expensive for a young person to live in the H&I. These include the costs of housing, given limited supply, house fuel costs (rated as affordable by only three in ten young people – see Figure 8.2), and the high costs of transport (with only 19% - 34% of young people rating various transport modes as affordable – see Figure 8.5). This is a clear issue for young people, despite various initiatives to help reduce certain costs, for example in relation to travel.

Social and Community

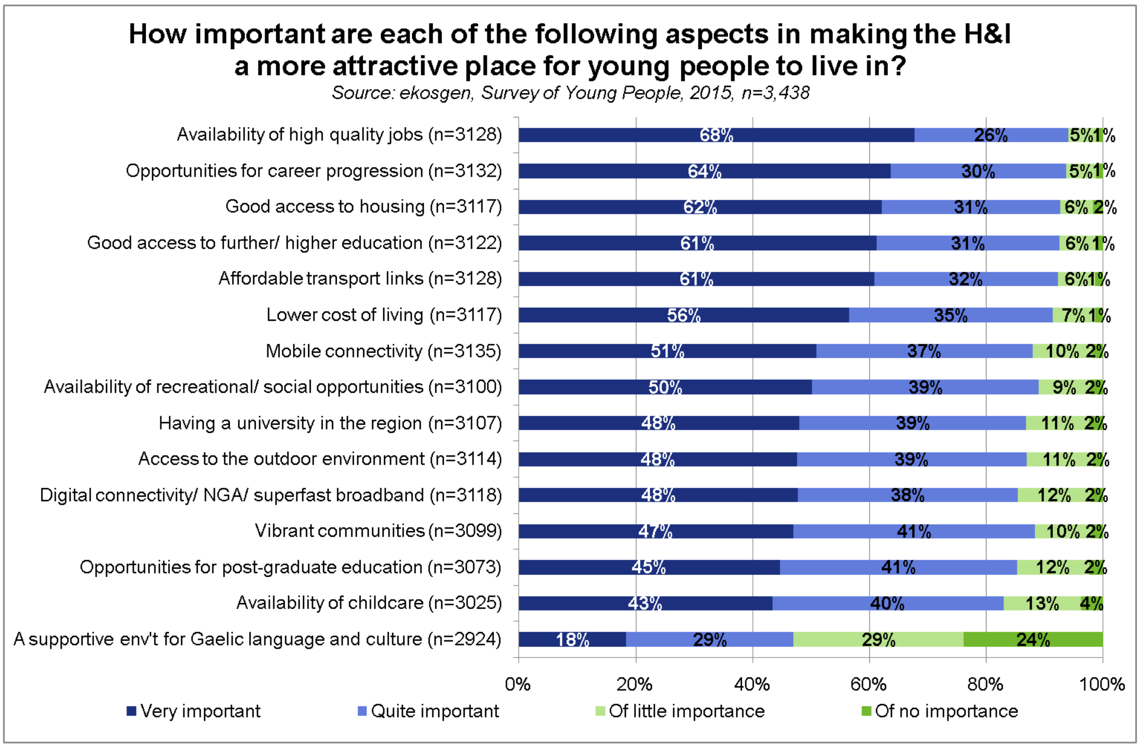
9.12 The availability of more recreational/social opportunities is cited as very important by 50%, ranked just behind mobile coverage in 8th, reflecting the importance attached to this by young people. Access to the outdoor environment is ranked equal 9th, cited as very important by 48%, although most young people feel they are already able to access the outdoors and that this is largely available to them (see Figure 8.12).

9.13 Vibrant communities is regarded as very important by 47%, ranked 12th, although 88% regard this as important to some extent. There are geographic variations – with young people from Orkney (94%), Shetland (94%) and the Outer Hebrides (90%) considering vibrant communities to be important.

9.14 The availability of childcare is very important in making the H&I an attractive place to live for 43%, and whilst ranked 14 of 15, this is particularly important for young people in Shetland (93% thinking it important to some extent), although it is less so for those from Argyll and the Islands and Moray (both 80%). The availability of childcare is ranked significantly more important to young people aged 25-30 (88%) than 19-24 year olds (79%) and 15-18 year olds (66%). The importance of childcare availability also varies by status; 97% of carers/home makers deem it important, as do 85% of those employed, whereas it is less important for school pupils (64%) and those undertaking apprenticeships (67%).

9.15 A supportive environment for Gaelic was cited as very important by 18%, ranked lowest overall, although this perhaps reflects that Gaelic is not widespread in parts of the region. In areas where the Gaelic culture is strongest, the issue is at least twice as important (e.g. Outer Hebrides 31%, although still the least important factor there) than in Argyll and the Islands and Moray (both 13%). However, Gaelic is strong in some parts of Argyll and the Islands and Lochaber, Skye and Wester Ross. It is least important in Orkney and Shetland.

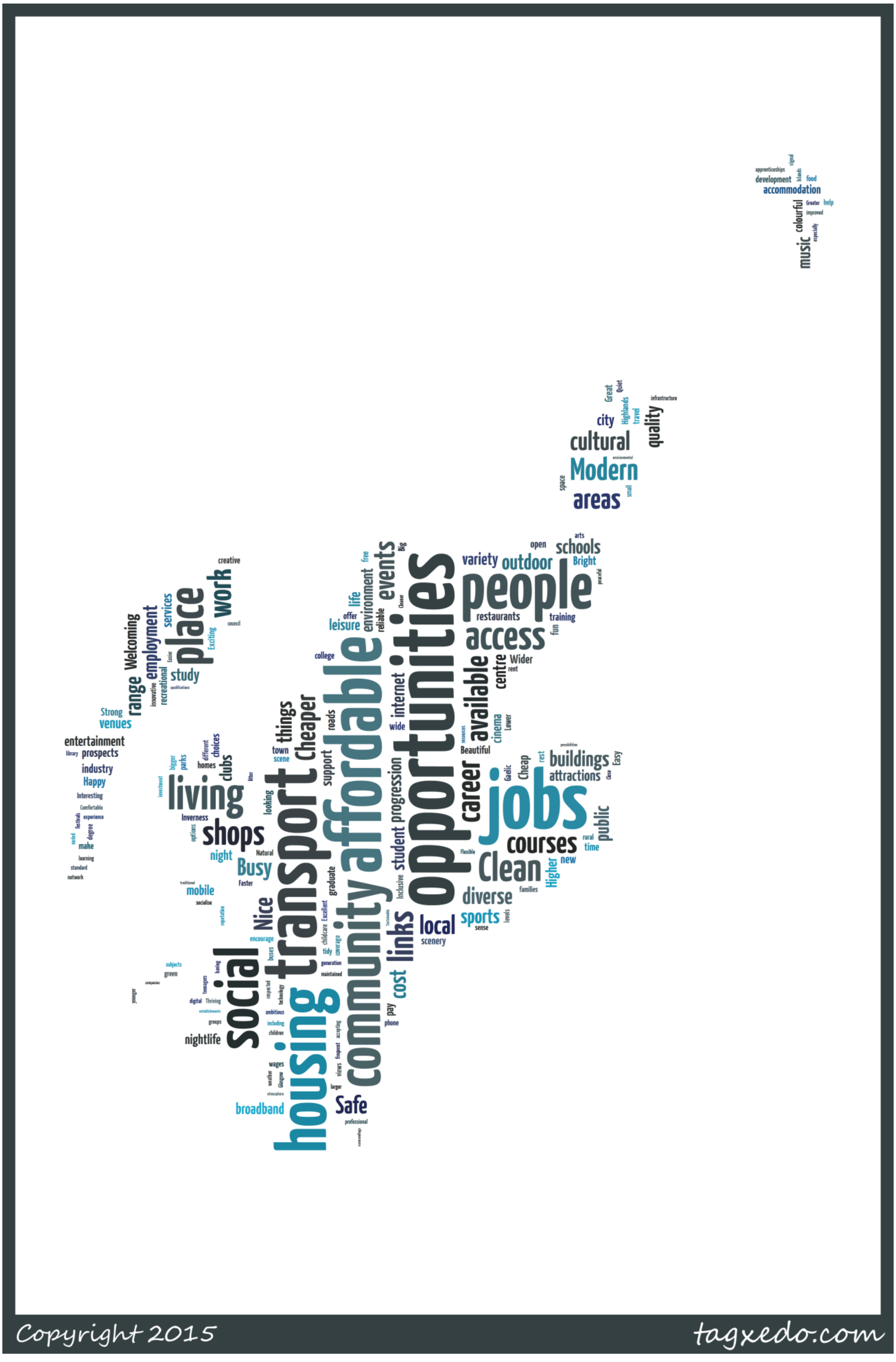
Figure 9.1



Words to describe what would make H&I a more attractive place to live

9.16 Young people were asked what three things would make the H&I an attractive place to live, work and study. Young people's responses are shown in Figure 9.2, with the size of words representing the frequency as to which they were reported. The most frequent terms used by young people were references to 'job opportunities/employment/career', 'transport', '(affordable) housing', 'education', 'community', 'clean/tidy', 'affordable/cost of living', 'social' and 'shops'.

Figure 9.2



Future aspirations

9.17 In all, just under half of young people (48%) would like to live in the H&I in five years time, and just over half (51%) would like to be doing so at 35 years old. The majority of these would like to be living in their local area, rather than other parts of the region.

9.18 Just under a third (31%) would like to live elsewhere in Scotland in five years' time, while around one in seven (14%) would like to live elsewhere in the world, rising to around one quarter (25%) by the time they are 35 years old.

9.19 Future aspirations are linked closely to the way in which young people describe themselves in terms of committed leavers, committed stayers and the like articulated in Chapter 5. They are also closely aligned to life stage: far more school age young people have aspirations to leave and see themselves as committed leavers – 68% would like to live in either the rest of Scotland, UK or the world in five years' time, and 70% at 35 years old. What is most interesting is the difference between those wishing to live outside the H&I in five years time, but who wish to live within the H&I by the time they are 35 years old.

Staying in their local area

9.20 Respondents from Shetland (56%) and Orkney (53%) are most likely to want to live in their local area in five years time, and even more so wish to do so at 35 years old (57% and 65%). The idea of staying in their local area is much more of an aspiration for the older age group across H&I, with 25-30 year olds (61%) the most likely to wish to stay, followed by those aged 19-24 (39%) and the youngest group, 15-18 year olds (24%).

Leaving and wishing to stay away

9.21 In contrast, Lochaber, Skye and Wester Ross (25%) and Argyll and the Islands (32%) have the lowest proportions of young people wanting to stay in the local areas in five years time. For Lochaber, Skye and Wester Ross this rises to 33% by the time they are aged 35, whereas in Argyll and the Islands the proportion actually falls from 32% to 30%.

9.22 Young people from Moray show the highest propensity to want to leave the local area and stay away – 63% in five years' time and 76% at 35 years old.

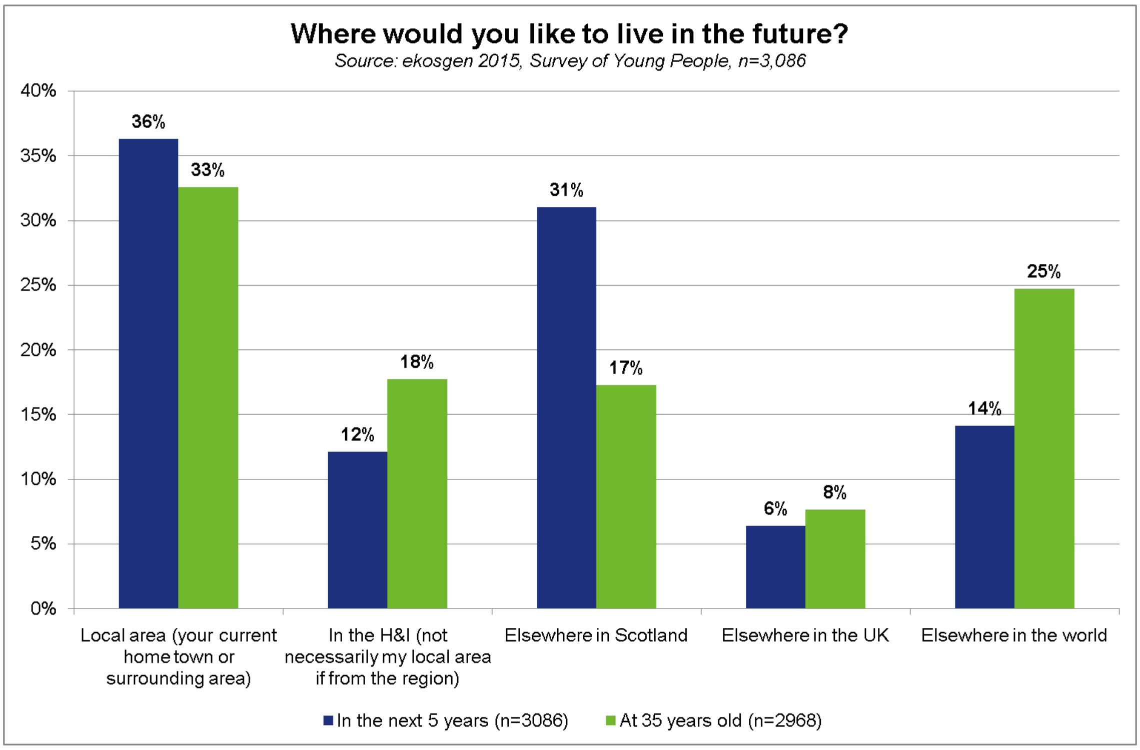
Leaving and returning

9.23 Orkney shows the strongest evidence of young people wishing to leave within the next five years, and returning later in life. In all, 47% want to live outwith the local area in five years time but only 35% wish to remain outside the area at 35 years old – showing a 12 percentage point difference in young people expecting to return between those time periods. Similar to this are young people from the Outer Hebrides – where 61% want to live outwith the local area in five years but only 52% wish to remain outwith at 35 years old.

Potential new residents

9.24 Around one in six (17%) of those from outside the region would like to move into the H&I in the next five years, and almost one third (31%) at 35 years old, showing the region to be attractive to those living in other areas of Scotland, especially as they get slightly older. As shown in Chapter 5, some 43% of potential new residents are aged 19-24 years.

Figure 9.3



Preferred Education/Employment Status

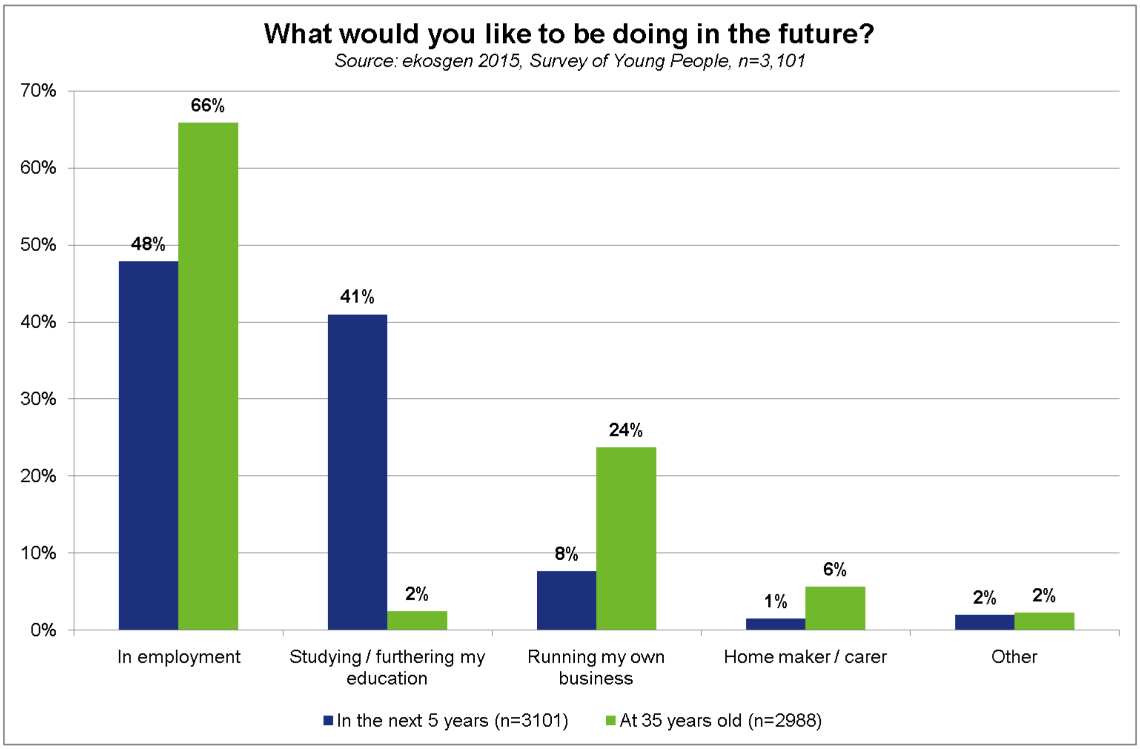
9.25 Nearly half of all young people (48%) wish to be *in employment* in five years time, rising to two thirds (66%) by the time they are 35 years old. This varies a little by geography, with a higher proportion of young people in the Outer Hebrides (75%) and Orkney (74%) wishing to be in employment by the time they are 35 years old. The lowest proportions are in Caithness and Sutherland and Lochaber, Skye and Wester Ross (both 60%).

9.26 Over four in ten young people (41%) wish to be *studying* in five years' time. This is highly influenced by the fact that 63% of current school pupils hope to be doing this. This aspiration falls to just 2% for young people when they are aged 35 years.

9.27 There is a substantial appetite for self-employment amongst young people in the H&I. Overall, 8% hope to be doing this in five years' time, rising to 24% by the age of 35. This is particularly the case in Caithness and Sutherland, where almost one third (30%) of respondents aspire to be running their own business by the age of 35. For those outside the region this is a smaller proportion of all young people (31%). In addition, a significant proportion (29%) of those in employment or self-employment want to be (or continue to be) running their own business at 35 years old, whereas this is less of an ambition amongst school pupils (18%).

9.28 The lowest aspiration levels for self-employment by the age of 35 are in the Outer Hebrides and Orkney, although even here the proportion is still almost one in five young people (17% and 18% respectively).

Figure 9.4



How the H&I has changed in the last five years

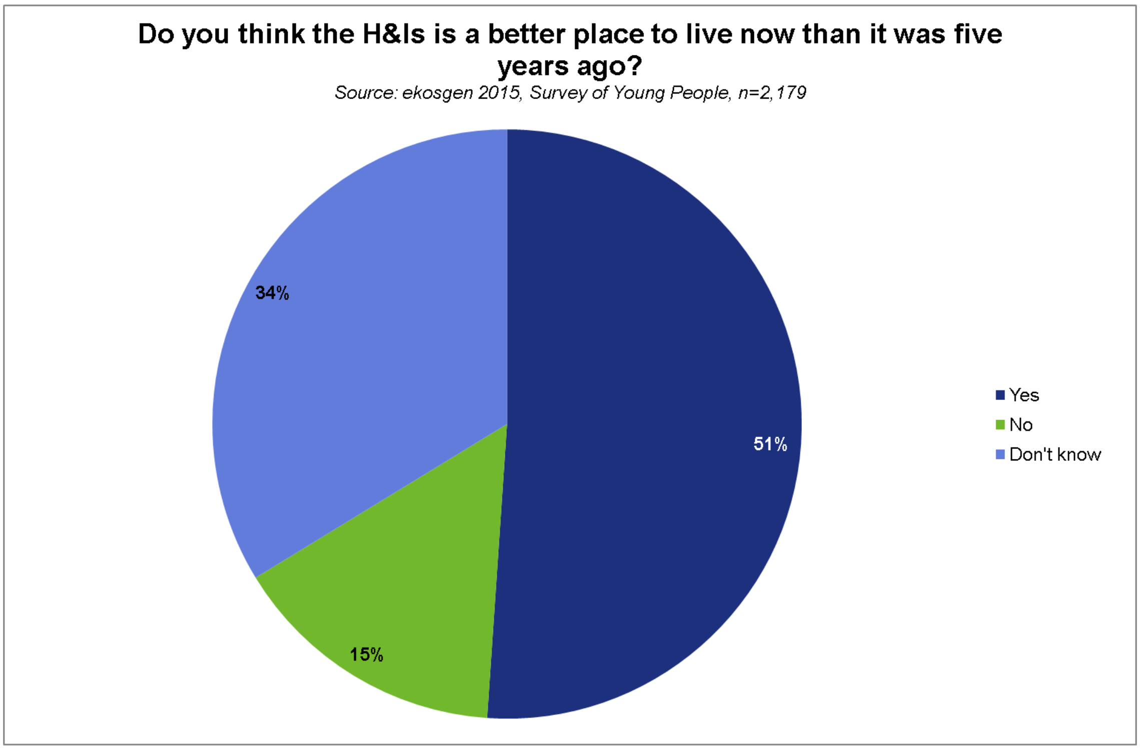
9.29 Around a half (51%) of young people think the H&I region is a better place to live now than it was five years ago. Only around one in seven (15%) feel the region has *not* improved. This is similar to the results of the Scottish Household Survey 2013, where 16% of respondents felt that their neighbourhood had got a little or much worse.[135] The remaining third (34%) are unsure – the largest proportions of which are school pupils and those in employment. When those who are unsure are excluded, 77% of young people feel the region is better now than previously, compared to 23% who think it is worse.

9.30 These proportions are the same when respondents from outside the region are excluded.

9.31 There is some variation between areas within the H&I. Those in the Inner Moray Firth (58%) and Moray (52%) are the most likely to believe the region is a better place to live now than five years ago. This suggests there is quite a significant 'Inverness effect' in increasing perceptions of the H&I as a good place to live. More young people in Shetland are unsure (51%) if the region is a better place to live now than five years ago (41%). The greatest proportion that thinks it is *not* better are from the Outer Hebrides (22%) and Caithness and Sutherland (21%).

[135] Scottish Government (2014) *Scottish Household Survey 2013*. Available online at: http://www.gov.scot/Publications/2014/08/7973/4

Figure 9.5



How H&I will change in the next five years

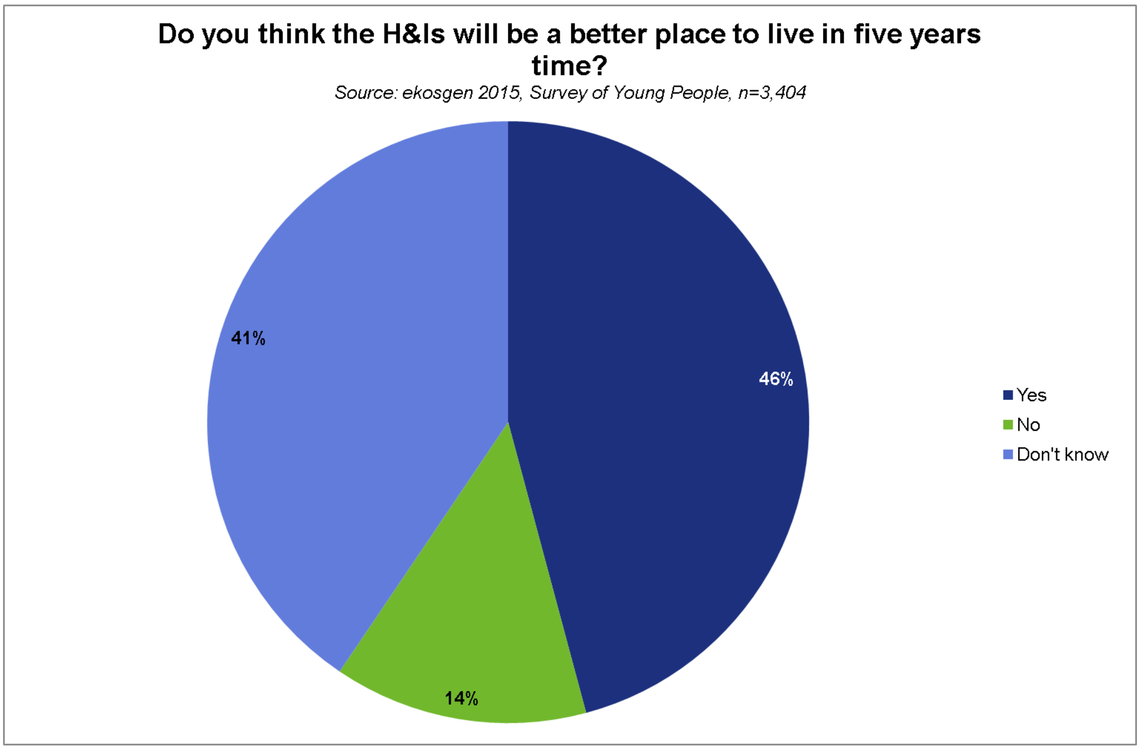
9.32 On the whole, young people are optimistic about the future of the H&I. Just under half (46%) think that the region will be a better place to live in five years time, with only around one in seven (14%) not thinking this will be the case. The remaining 41% are unsure.

9.33 It is interesting that a slightly lower proportion of young people think the region will be better in five years time than it was five years ago. However, this is a result of more uncertainty over the future than the past. The proportion thinking the H&I will be worse in five years time is equal to the proportion thinking the region was a worse place five years ago.

9.34 The highest levels of optimism over the future are (as they were in the last five years) in the Inner Moray Firth (53%), again suggesting that young people believe the positive feeling about Inverness and the surrounding area will continue. Those in Caithness and Sutherland (51%) are the next most positive about the future, an area where young people were far more pessimistic in the past. The lowest levels of optimism over the future are in the Outer Hebrides (33%). Again, over half (53%) of Shetlanders are unsure about the future, which here may be related to the particular uncertainties in the oil and gas sector which has been a mainstay of employment. Almost one in five young people (18%) from the Outer Hebrides and Lochaber, Skye and Wester Ross feel that the region will *not* be a better place to live in five years time.

9.35 In terms of age, those aged 19-24 years and 25-30 years are much more optimistic that the region will be a better place to live in five years time (both 59%), than other groups. This is encouraging. It is school-aged young people, those aged 15-18 years, where only a third (34%) are optimistic about the future, and almost half are unsure.

Figure 9.6



Summary

9.36 Employment opportunities and career progression are regarded as the most important factors in making the H&I a more attractive place to live, consistent with the strong feedback on these issues, particularly in parts of the region, in Chapter 7. Housing is the next most important issue, and in parts of the region such as Orkney and Shetland, it is regarded as the single most important factor.

9.37 Against the menu of options, all issues are regarded as important for more than 80% of young people, including good access to FE/HE and affordable transport. The cost of living is also important, as are mobile coverage and social and recreational opportunities. The only exception is a supportive environment for Gaelic, although this is far more important in some areas (the Outer Hebrides) than others (such as Shetland and Orkney).

9.38 Overall, just under a half of all those surveyed would like to be living in the area in five years' time, and just over half by the time they are 35. Those in Orkney and Shetland would most like to live in their local area in the future. It is lowest for young people in Lochaber, Skye and Wester Ross, Moray and Argyll and the Islands, areas where more young people wish to go away and stay away. There is also a strong desire to return in later life to the Outer Hebrides.

10 Summary and Conclusions

Introduction

10.1 The research has allowed young people across the region, and from outside, to say what they think about the H&I. It has provided extensive feedback on a range of issues, from education and employment opportunities, to housing, transport, digital connectivity factors and how they affect young people, to the strength of the cultural offer and community links. More than 4,400 young people contributed to the research.

10.2 In identifying attitudes towards, and perceptions of, the H&I and local areas within it, the review provides an important evidence base. This can be used to ensure appropriate policy responses are in place for meeting the needs of young people now and into the future, for the benefit of the region as a whole.

Attitudes to Staying and Leaving

10.3 Some 43% of young people currently resident in the H&I describe themselves as “committed stayers”. Conversely, 40% are “committed leavers”, although this is dominated by school age pupils who are far more likely to see their future as outside the region. This phenomenon diminishes with age. There are regional variations, with more committed leavers in Argyll and the Islands, and in Moray.

10.4 Around one in seven in the region still see themselves as *reluctant* leavers, most frequently those in Shetland, Caithness and Sutherland, Lochaber, Skye and Wester Ross, and the Outer Hebrides. Overall, males are more likely to want to leave than females, and half of all young men in employment want to leave, linked to the lack of opportunities to progress, particularly in some areas.

10.5 A quarter of those who have left are potential returners, particularly students and those post-education and in employment. There are also positive indications that there are potential new residents who can be attracted to H&I, with half of those surveyed potentially interested in living in the region, three quarters of whom were aged 24 or under.

10.6 Attitudes towards those who stay are becoming more positive, with young people citing good quality of life benefits and strong ties to communities, and fewer thinking that stayers lack ambition. Although young people do not think others are leaving because they do not *value* local opportunities, the shortage of such employment and FE/HE opportunities is still recognised as a “push” factor.

10.7 After examination of the results, it is the availability of FE/HE of interest to the school pupil that is their strongest influence on what they do after school. Following that, it is the breadth of subjects available *at school* which is a key factor, and this is particularly high in some rural areas such as Caithness and Sutherland and Shetland. In other areas, notably Argyll and the Islands and in Lochaber, Skye and Wester Ross, the availability of local FE/HE courses is *not* a strong influencer on decision-making, with the Central Belt the common destination for post-school FE and for HE. In these areas, more young people think others leave to broaden their world view.

Education

10.8 The educational offer is improving for young people, and this is a good and positive message for the region. Some 45% thought there was limited or poor access to FE and HE courses in the region in 2009, now this is just one in five for FE and three in 10 for HE. As positively, almost six in 10 now consider they are able to stay and study in the H&I.

10.9 That said, there is still some way to go to ensure the FE/HE offer is not a reason for outmigration, particularly in some parts of the region. For FE, the greatest levels of dissatisfaction with the offer are in Argyll and the Islands, the Outer Hebrides (both 31%), largely relating to availability and choice.

10.10 One reason for the improved FE/HE offer is the growing presence of the University of the Highlands and Islands (UHI) alongside other HE provision in the region. Four in five of young people are now familiar with UHI, which is known best as a place to be an undergraduate and a mature student, although its postgraduate offer is perceived to be less developed. It is regarded as having good links to industry and well over half say they would be happy to attend.

10.11 Despite these positive views, UHI is not yet seen as comparable to other HE institutions in the rest of Scotland, nor is it widely regarded as prestigious, with more that could be done to improve its academic reputation and teaching and research specialisms. This is to be expected given that it is a young Institution. Currently, perceptions are weakest amongst 19-24 year olds, who will be the ones most likely to be comparing UHI directly with other institutions. Almost six in 10 are also aware of the development of Inverness Campus, most viewing it favourably as an asset for the region, although this awareness is far higher amongst those living closest to Inverness.

10.12 Graduate placements are recognised as helping to improve employment prospects although less than a third regard there to be sufficiently adequate and interesting placements available. ScotGrad, the scheme which allows businesses to take graduates for specific projects, is well received by participants and has helped graduates take graduate level jobs within the region, yet it is known to just one in five, and even fewer have applied or taken a place.

Employment

10.13 There remains the need to increase the diversity of employment opportunities locally, and in the region more generally. 35% rate local opportunities as quite or very good, and in parts of the region up to 32% regard them as poor, while for diversity of employment opportunities, 38% rate them as very poor. Particular challenges exist in Caithness and Sutherland, Lochaber, Skye and Wester Ross, the Outer Hebrides and Argyll and the Islands. There is some recognition that the H&I as a whole offers greater diversity of employment opportunity than is available locally.

10.14 Almost as important is the perception that *career progression* opportunities are not available locally. Similarly low proportions think opportunities to progress are good, and the same parts of the region report these as poor. The most positive parts of the region regarding progression are Shetland and Orkney and in Moray and the Inner Moray Firth (the Inverness effect).

10.15 Perceptions of career progression opportunities diminish as young people get older. Whilst there is some recognition that there are better opportunities to progress within the H&I as a whole, one in four still continues to see such opportunities to progress even at the regional level to be poor.

10.16 The availability of apprenticeships is viewed quite favourably, and young people are more positive about these than wider employment. This has been an area of policy focus for Skills Development Scotland and partners, which appears to be paying dividends.

10.17 There are also good opportunities for self-employment in parts of the region, notably in Orkney and Shetland, and overall almost four in 10 think opportunities are good. This increases with age. However, far fewer would actually consider self-employment, with only a quarter aspiring to do so by the age of 35, highest in Caithness and Sutherland (30%).

10.18 Overall, almost three in 10 would like to work locally, rising to 44% wishing to work somewhere in the region. The desire to work locally is highest in Orkney (48%), Shetland (44%), the Outer Hebrides (37%) and Caithness and Sutherland (36%). Whilst this reflects a strong attachment to the area, these are not matched by the perceived availability of job opportunities.

10.19 Carers and home makers have the greatest desire to work locally (73%). By geography, those in Lochaber, Skye and Wester Ross and in Argyll and the Islands (both 26%) are least likely to want to work locally. School pupils are also less likely to want to work locally – consistent with their view of themselves as committed leavers.

10.20 Perceptions of pay levels differs markedly by sector. A number are seen as paying less than the average, notably information and communications, but also the priority sectors of sustainable tourism and the creative industries. Finance and utilities are perceived to pay much better.

10.21 Awareness of HIE's priority sectors is patchy, and there are greater levels of interest in working in some of these sectors than there is knowledge about them. This is particularly the case with the Creative industries where there is the greatest level of interest but more limited awareness. The highest levels of understanding are of Sustainable tourism and Food and drink, but these are the two sectors young people are least interested in working in. There are quite wide variations in sector interest geographically, and it will be important for each local area to understand and interpret the implications locally. For example, interest in Energy is highest in Caithness and Sutherland, and in Shetland, and across the region amongst apprentices.

10.22 Young people value employers who are committed to staff development and training, reinforcing the strong desire for supported career progression, but also employers who recognise the need for a work-life balance and flexible working. Ethical values are important. Far less so are employers with a global outlook and ones that trade internationally. Whilst young people may be thinking here of multi-national companies (some of whom they may mistrust), the apparent lack of appreciation of the benefits to the business (and the region) of trading internationally/being outward looking is stark.

Housing

10.23 Housing is a significant issue for the region, ranked third behind employment opportunities and career progression. In relative terms, this makes housing a more important issue for young people than in 2009. This reflects real concern about the availability and affordability of housing in the region, and how young people can access housing either to buy or to rent.

10.24 Whilst some of the concerns of H&I young people will be shared by those outside the region (it has become very difficult for young people generally to access the housing market), the evidence suggests that the issue is particularly acute in the H&I. What is noticeable is the concern about the ability even to *rent* property locally. Almost half of all those surveyed were living in their parental home. Just over a quarter believe there is a good choice of housing to buy, and fewer than three in 10 think there is a good choice of property to rent.

10.25 A combination of market factors and specific policy intervention is increasing the number of community land ownership schemes and self-build properties. Almost three in 10 now consider community land ownership makes owning a home a realistic option, highest in the area where there have been the most schemes to date, notably the Outer Hebrides but also Lochaber, Skye and Wester Ross. A quarter also believe there are sufficient sites for self-build, especially in Orkney and Shetland, although half think this is not the case. Given the research findings, it appears to be important that these options for young people continue to increase.

Transport

10.26 Transport affordability remains an issue in the H&I, although again this is a secondary consideration behind jobs and career prospects. Half rate the affordability of rail as poor, almost as many who rate air transport affordability as so. More than a third still consider ferry affordability as poor, except for the Outer Hebrides where the introduction of RET means just under a quarter now think so, quite a dramatic reduction.

10.27 Timetabling is a big concern for young people, and this lack of a joined up approach to transport is a source of frustration. For many, it is easier to travel to other parts of Scotland than it is to other parts of the H&I, and although this may be expected in some areas, there are clear challenges for young people being able to access education and employment opportunities without their own transport. The cost and availability of public transport means that across the region, 60% of H&I young people have their own transport.

Digital Connectivity

10.28 Broadband access is now commonplace and 96% have access to it. For the majority, this is seen as sufficient for their needs. Around one in seven currently have access to NGA broadband, although this will increase steadily as NGA is rolled out across the H&I. The Outer Hebrides has the highest proportion (9%) without broadband access at all, and this too should improve.

10.29 Aside from social and entertainment benefits, NGA is regarded as important in improving access to education. This is an opportunity that should be capitalised upon for remote learning, particularly where young people reluctantly leave for FE and HE. It is also recognised as beneficial for home and flexible working amongst those aged 25-30. For those of school age, there is a markedly higher proportion stating that increasing access to social media via NGA is most important.

10.30 It is mobile connectivity that is now the greater issue, with fewer than one in 10 regarding this as very good for reliability, coverage and 3G/4G, and this is true right across the H&I. Overall, mobile connectivity is cited as the 7th most important factor in making the H&I a more attractive place to live, higher than NGA broadband, rated 11th.

Arts, Leisure and Culture

10.31 There is a variable picture across the region as to the arts, leisure and cultural offer. Overall, gyms/leisure centres, sports facilities and clubs and outdoor attractions and pursuits are rated most highly. They are also rated as the most important to young people. By contrast the social venue/club offering is also regarded as important, but the availability poor. In all, 89% of young people consider that improved recreational and social opportunities would make the H&I a more attractive place to stay, ranking 8th, just behind mobile coverage

10.32 There are marked geographic variations, and to some extent the offer reflects the profile and characteristics of the area. The highest rated leisure offer in the Outer Hebrides is Gaelic events and culture, where a third rate this as very good. Outdoor attractions and pursuits are rated as high across the region, but particularly so in Lochaber, Skye and Wester Ross, Orkney and Shetland. Social clubs/venues are rated poorest in the Inner Moray Firth area, and the offer generally the lowest by those in Argyll and the Islands. Overall, it is those in Shetland, Orkney and the Inner Moray Firth who are most positive about the local offering.

Community

10.33 Young people from across the region are proud to be associated with their community. Almost eight in 10 agree, and 40% strongly agree. This is six percentage points higher than in 2009 (72%). In some areas, there is almost universal pride in their community amongst young people, with more than 85% saying so in the island areas of Shetland, Orkney and the Outer Hebrides. Although lower in Moray and the Argyll and Islands areas, still seven in 10 are proud to be associated with their local town or community. Almost similar proportions agreed that their town or community was a place they would want to live.

10.34 There are also good levels of community engagement and participation, an indicator of strong community ties. More than three in 10 do volunteer work for their community, again highest in the island communities. Levels of engagement, which are closely aligned to engendering a community spirit, are lowest in the Inner Moray Firth and Moray. There are still some concerns that the H&I is not a place where it is OK to be different, greatest in Caithness and Sutherland and the Outer Hebrides.

Future Aspirations

10.35 When asked about what would make the H&I a more attractive place to live, employment opportunities and career progression were the most frequently cited, followed by housing. Against the menu of options, all bar a supportive environment for Gaelic language and culture were important for more than 80% of young people. This included good access to FE/HE, ranked 4 and affordable transport (ranked 5). The cost of living is important, followed by mobile coverage and then social and recreational opportunities. Key words to describe the area are opportunities, jobs, affordable, transport, social and community.

10.36 These views from young people on what would make the H&I a more attractive place to live are important. They reflect what young people would like to see and where their concerns lie. Just under a half of all those surveyed would like to be living in the area in five years' time, and just over half by the time they are 35.

10.37 It is those in Orkney and Shetland that would most like to live in their local area in the future, if there is opportunity to do so, and lowest in Lochaber, Skye and Wester Ross and in Argyll and the Islands. For those in the former, a higher proportion wishes to return, whereas in

Argyll and the Islands young people wish to go away and stay away. There is also a strong to desire to return in later life to the Outer Hebrides. Those in Moray also want to leave and stay away later in life.

The Views of Stakeholders

10.38 Those responsible for policy in the H&I are reasonably aware of the big issues which the evidence shows are the greatest concerns for young people: education and employment. There is also a recognition of the particular constraints imposed by the housing market. That said, policy responses are variable, and there are varying levels to which young people and their needs are placed at the forefront of the policy agenda.

10.39 Indeed, in the main, young people do not feature sufficiently in policy terms. Response has typically focused more around employability and addressing youth unemployment which have been Scottish Government priorities for young people in recent years and are arguably more relevant to urban areas and economies. Even where there are significant out-migration challenges, notably Argyll and the Islands, the policy response has been to address depopulation as a whole, rather than to think specifically about the young people's component of this. Although, it was evident that the position is starting to change.

10.40 The stakeholders recognise that addressing out-migration of young people and taking forward the broader young people agenda is not an easy challenge. It requires shared ownership and a strategic approach, including agreement of priorities for action for the shorter and medium to longer term. It also requires sustained and focused effort. Some regard Community Planning Partnerships as well placed to take forward the young people agenda, given that it requires a multi-agency and holistic response. CPPs also offer opportunities for more localised intervention to accommodate localised need and nuances at play. The views of more than 4,000 young people in the region provides a very robust evidence base on which to develop and take forward appropriate policy responses.

Looking Forward

10.41 Of those able to say, more than three in four say the H&I is a better place to live than it was five years ago. More also expect it to continue to improve. Although there are geographic differences, these findings from the research are extremely positive. There is clearly a strong association and pride amongst young people in their local communities.

10.42 What is important is continuing to make opportunities available for young people to study, work and progress. This is less about changing attitudes to their area of the H&I, it is about tangible and real opportunities that allow the young person to remain or return.

Policy Implications

10.43 The review gives rise to a number of policy recommendations:

Staying and Leaving

- That there is a requirement for a particular focus on the needs of reluctant leavers, who are most prevalent in Caithness and Sutherland, Shetland and Lochaber, Skye and Wester Ross (and to a slightly lesser extent in the Outer Hebrides). Targeted interventions to help meet their needs are likely to result in retaining a greater proportion of young people in these areas.

- Young people in Argyll and the Islands and in Lochaber, Skye and Wester Ross are most likely to believe that others leave to broaden their world view. This may require policy response and action over the longer-term to address this challenge.

- There is significant interest in living in the H&I amongst those not currently living in the area, either as potential returners, or as potential new residents. Amongst potential returners, these are typically in employment and post-education, a group which could be actively targeted.

- Three quarters of potential new residents are aged 24 and under. This suggests that the H&I appeals to potential students and those starting employment, if the opportunities exist for them.

- There is a changing perception that there are positive reasons for staying in the H&I, and these should be more widely communicated. Fewer young people now think that people stay in the H&I because they lack ambition.

- In some parts of the region, a very high proportion of school leavers wish to attend University. There are particular opportunities to increase access to remote learning for FE/HE, with the help of Next Generation Access broadband.

- The breadth of the school offer is the third strongest influence on decision-making. There is a big message here that widening the school offering would give young people more options to pursue FE/HE of their choice.

Education

- The FE offer is improving but there is work to do in parts of the region, notably Argyll and the Islands and the Outer Hebrides in particular to develop the offer, its availability and its take-up.

- UHI should continue to develop its HE and postgraduate offers – the demand for attending UHI is there and it is seen very positively, especially as a place for mature students. However, it needs to continue to broaden its appeal.

- Remote learning could be developed in the region, particularly the island communities such as Orkney and Shetland. In these areas, more than half disagree that there are good remote learning opportunities, but there is a very strong desire to attend University.

- Given that UHI is not on the radar to the same extent in Argyll and the Islands, this provides supporting evidence for the Community Planning Partnership aspiration through the Single Outcome Agreement to establish Oban as a university town.

- School pupils are not as aware of UHI and action should be taken to address this; two thirds know just a little at best. UHI are active in schools but this needs to be extended and deepened.

- Inverness Campus is seen as a positive development, although there is a need to extend its influence through UHI more widely outwards to the rest of H&I.

- UHI's relationship with business is viewed positively, and can and should be extended. This would also help to address the real issues associated with career progression (see Chapter 7). The potential of Inverness Campus to develop business relationships is positively viewed and should be followed through.

- Graduate placements (and ScotGrad) work for young people and those taking placements through ScotGrad are likely to take up graduate level jobs. Yet the availability is not perceived to be good – and whilst one in five is aware of it, 80% are not. It is not operating on the type of scale that will impact on young people's perception of placement availability (and there is a message here for employers too).

Employment

- Investment in apprenticeships is paying off in terms of young people awareness and availability of opportunities. Skills Development Scotland has been actively promoting apprenticeships with partners. The review provides evidence of areas where further efforts can be targeted, most notably in Caithness and Sutherland, Lochaber, Skye and Wester Ross and in the Outer Hebrides where opportunities for apprenticeships is perceived to be poorest.

- That self-employment opportunities are relatively widespread, yet fewer take up or are seeking to take this as an option. Some 40% regard local opportunities to be good however a quarter at most are seeking to become self-employed in the future (see Chapter 9). More young people can be encouraged to take this option through supported interventions.

- The diversity of employment opportunities is an issue, and in some parts of the region between one in five and one in six rate these as very poor locally. There is a need to continue to strive to create more local opportunities. A larger proportion want to work locally if they can than believe there are good local opportunities, and this increases as they get older.

- The greatest discrepancies between desire to work locally and diversity of employment are in Caithness and Sutherland, the Outer Hebrides, Shetland and Orkney. These should be particular areas of focus.

- Allied to this, prospects for career progression are regarded as even more limited. Young people value this in employers yet the ability to progress locally is perceived a significant constraint. A variety of policy responses are likely to be required, from support to employers to upskill staff, increasing the number of opportunities and helping employers with succession planning so jobs are retained in local areas with young people having the opportunity to progress/succeed.

- Awareness of priority sectors amongst young people remains quite limited, despite the raft of initiatives designed to develop them. HIE and partners should seek to broaden this understanding in young people, especially in those sectors where there is greatest interest not matched by awareness (Creative industries and Life sciences).

- The perceived low pay sectors of food and drink and sustainable tourism are the least desirable of the priority sectors for young people to work in. Again, young people should be made more aware of the higher paid opportunities within these sectors, and opportunities to progress within the sectors. Adventure tourism is an example, where the growing sector offers opportunities for meaningful and successful careers.

- Young people do not see the connection between internationalisation/global outlook in employers, and greater productivity and competitiveness (and success) in that business. There is a need to change this mindset, given that those trading outside the H&I are the ones most likely to have growth potential. An outlook beyond the local area/H&I is also important for those in self-employment.

Housing

- Housing is a very big issue for young people in the H&I. Whilst this has also been an increasing issue for young people outside the region, especially after the global downturn, there is a need for a range of housing policy responses, particularly in certain parts of the area.

- Policy responses should look to increase both the supply of affordable housing to buy, and increase the number of properties for rent. Help to Buy, and variants of schemes which promote shared equity, should be actively promoted. However, in some locations there needs to be a real increase in the number of affordable homes taken up by young people.

- In light of this, schemes such as community land ownership and serviced sites for self-build need to be extended and made more widely available.

- Endeavours to limit second home ownership and the negative effects on housing supply do not appear to be sufficient at present to prevent this being a barrier for young people and consideration should be given for other ways to tackle the issue (including reuse of empty properties).

Transport

- Despite improvements for some modes of transport and in some locations, transport availability and cost is an issue for young people. The importance of RET for ferry travel is clear, with demonstrable improvements in young persons' perception of ferry costs in the Outer Hebrides compared to non-RET areas.

- There is already a commitment to greater roll out of RET and to extend the ADS to 2019 which will be welcomed by young people. However, further cost reduction measures for air and ferry travel are likely to be required in making the H&I more attractive to young people.

- Bus travel is not regarded highly, for availability or cost, even in more populous parts. This is an issue which should be addressed. Rail costs are also regarded as high.

- Poor timetabling is a genuine frustration for young people, and this is avoidable given partnership working and multi-agency/operator co-operation/co-ordination.

Digital Connectivity

- Most young people have standard broadband connection and most regard this as sufficient. This suggests that most young people are unaware of potential benefits, and so awareness raising around the benefits of NGA would be beneficial.

- The potential of NGA to support remote learning and flexible working is however recognised. Given other findings in relation to education opportunities and, there is a real opportunity to increase levels of remote learning significantly.

- Young people recognise the value of NGA to flexible working and HIE and others should work with businesses to make these opportunities more widely available – and with partners to help connect young people to the opportunities.

- Mobile coverage is now the bigger connectivity issue to address, and measures being explored/put in place to extend/improve coverage should be expedited.

Arts, Leisure and Culture

- The importance of these factors to young people should not be overlooked, and whilst provision in some areas for some things is good, other parts of the offer are poor. Social venue/clubs and live music venues are rated as poor but important. Whilst difficult to address for permanent venues, events and festivals are very popular and should be developed further.

- The food and drink offer is rated highly and its value should be emphasised and developed as facilitating social interaction.

- There should be development of the arts, leisure and culture offer in Caithness and Sutherland and in Lochaber, Skye and Wester Ross, where provision fares particularly poorly when compared to opportunities outside these areas.

- The outdoor offer is valued by young people and one of the most available. This is a positive, and can be used to further attract returners and new residents.

Community

- The high levels of local pride and statements that young people would be happy to live in their community or town implies it is opportunities, rather than perception, that is driving location choices.

- There are some parts of the region however where young people do not agree that it is OK to be different, although the position is marginally improving. More needs to be done to address issues of perceived exclusion.

- There appears to be a strong link between community participation and community spirit. This suggests the latter can be engendered by the former. This requires the active promotion of young person engagement in areas where there are lower levels of community commitment.

Concluding Remark

10.44 This study set out to explore the changing aspirations of young people in relation to the H&I, and the extent to which recent policy interventions are helping to address the issue of out-migration of young people from the region. Central to the study was a large-scale survey of young people, with over 4,400 taking the opportunity to share their views. The overwhelming message from these young people is one of pride and confidence in the region. Leaving to access FE/HE or employment opportunities is considered a rite of passage, but for a substantial cohort, a temporary move. These young people don't need to be convinced of what the region has to offer, although many have a greater appreciation of it having experienced life elsewhere. There is an appetite to live, work and study in the H&I, and the connection these young people have to their home areas is a definite "pull" factor drawing them back to their local communities. However, high quality jobs and career progression opportunities are vital to support sustained population retention and attraction. Access to appropriate housing, affordable transport and credible educational provision is also key.

10.45 The study revealed an extensive policy landscape, some focused directly on the needs of young people, and others where the potential benefits to this age group are more peripheral. The policies perceived to be having the greatest impact in addressing out-migration, focused mainly on those areas highlighted by the young people as being of greatest importance to them. Within this was the ongoing development of UHI in ensuring appropriate FE/HE provision in the region and initiatives associated with aligning skills needs with employment opportunities.

10.46 However, it was evident that there is insufficient prioritisation and co-ordination across agencies in meeting the needs of young people and addressing the challenge of out-migration. This is no easy task and requires shared ownership and a mix of national, regional and localised interventions. It also requires sustained and focused effort. More than 4,000 young people within and outwith the region have articulated their attitudes to and aspirations for the H&I, providing a very robust evidence base on which to develop and take forward appropriate policy responses.

A. Annex 1: Consultees

The following stakeholders were consulted as part of the research:

Organisation	Job Title
Argyll and Bute Council	Director for Development and Infrastructure
Argyll and Bute Council	Director for Community Infrastructure
Bord na Gaidhlig	Chief Executive Officer
Calman Trust	Chief Executive Officer
Comhairle nan Eilean Siar	Strategy Manager - Energy
Comhairle nan Eilean Siar	Director of Education and Children's Services
Federation of Small Businesses	Development Manager, Highlands and Islands
Fèisean nan Gàidheal	Chief Executive
Highlands and Islands Enterprise	Chief Executive
Highland Council	Director for Development and Infrastructure
Highland Small Communities Housing Trust	Chief Executive Officer
HITRANS	Director
Moray Council	Chief Executive
North Ayrshire Council	Executive Director – Economy and Communities
Orkney Council	Development and Regeneration Manager
Orkney NHS Board	Chair
Scottish Council for Development and Industry	Regional Director – Highlands and Islands
Scottish Funding Council	Outcome Manager
Skills Development Scotland	Head of Operations – Highlands and Islands and Grampian
University of the Highlands and Islands	Careers Manager, Orkney College

B. Annex 2: Survey Response Profile

The annex provides a profile of the young people responding to the survey in terms of their age, gender, geography and settlement type, Gaelic language ability and status. It also provides more detail on the young people in terms of their status; whether they are at school, a university/college student, finished education, not currently in employment but not unemployed, in employment or self-employment, undertaking an apprenticeship, unemployed or a carer or home maker.[136]

Number of Respondents

In all, 4,409 young people responded to the survey, from both within and outwith the H&I. A total of 3,046 responses were received from the main online survey (69% of the total), with a further 420 from school pupils online (10%) and 943 as paper versions from school pupils (21%).

Overall, this represents a strong confidence level of 99% with just a +/- 2% margin of error, based on an estimated 15-30 years old H&I population of 80,500.[137] This is an excellent response rate which provides a robust survey sample and high reliability in the findings.[138]

Age

In all, 2,204 (51%) of those responding were aged 15-18 years, 1,174 (27%) were aged 19-24 years and 910 (21%) were aged 25-30 years.

For those aged 15-17 years, this provides a robust confidence level of 99% with a +/- 5% margin of error. For the other age groups, there is also good confidence in the results, at 95%, with a margin of error of between +/- 6 and +/-9. The survey data therefore provides excellent confidence in the results for all ages.[139]

In terms of representativeness, there is a slightly higher level of representativeness amongst those aged 15-17 years as a result of the high response rate amongst school pupils, which was the result of a targeted approach, as this is a crucial age at which young people make decisions about their future. As a consequence, the survey sample has a slightly lower level of representativeness of those aged 26-29 years.

[136] Please note, additional questions were not asked of school pupils so a mini-profile is not available.

[137] HIE data (2015)

[138] Please note that a small proportion of young people did not provide answers to all socio-demographic questions. So, while these young people are included in the overall responses, it was not possible to attribute them to age groups; thus, not all of the categories sum to the full 4,409 responses received.

[139] Based on National Register of Scotland Mid-year Population Estimates (2014). Please note, calculations are based on the population estimates for those aged 15-30 years in Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

Table A.1.1: Survey Response by Age and Representativeness

Age group	Total (survey)	%	Whole H&I (%)	+/-
15-18	2,204	51%	27%	+24%
19-24	1,174	27%	36%	-9%
25-30	910	21%	36%	-15%
Total	**4,288**	**99%**	**99%**	**N/A**

Source: ekosgen, 2015, Survey of Young People; National Register of Scotland Mid-year Population Estimates (2014). Please note, percentages may not sum due to rounding; calculations are based on population estimates of those aged 15-30 years in Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

Gender

Two thirds of respondents (2,726) were female, compared to 48% across the H&I. One third were male (1,562) (compared to 52% across the region), while just under 1% (36) preferred not to say.

For both males and females, this again provides a high level of confidence at 99%, with a +/- 3% margin of error for females, and a +/- 4% margin of error for males.

Geography

93% of respondents (4,098) were from the H&I, over a third of which lived in the Inner Moray Firth (35%) at the time of responding, representative of the percentage of the H&I young people population resident in the area overall (35%). 15% of respondents were from Moray (compared to 22% overall), 14% were from Argyll and the Islands (13% overall), 11% were from the Outer Hebrides (versus 5%), 10% were from Lochaber, Skye and Wester Ross (compared to 7% overall), 6% were from Caithness and Sutherland (versus 8%), 5% were from Orkney (the same as in the H&I) and 3% were from Shetland (versus 5%).[140] Respondents were asked to choose the area in which they live – the location of their current family home rather than a temporary residence used for study or short-term contracts.

Table A.1.2: Survey Response by HIE Area Office Geography

HIE Area	Total (survey)	%	Whole H&I (%)	+/-
Argyll and the Islands	588	14	13	+1
Caithness and Sutherland	234	6	8	-2
Inner Moray Firth	1,430	35	35	0
Lochaber Skye and Wester Ross	421	10	7	+3
Moray	630	15	22	-7
Orkney	216	5	5	0
Outer Hebrides	457	11	5	+6
Shetland	122	3	5	-2
Total	**4,098**	**99%**	**99%**	**N/A**

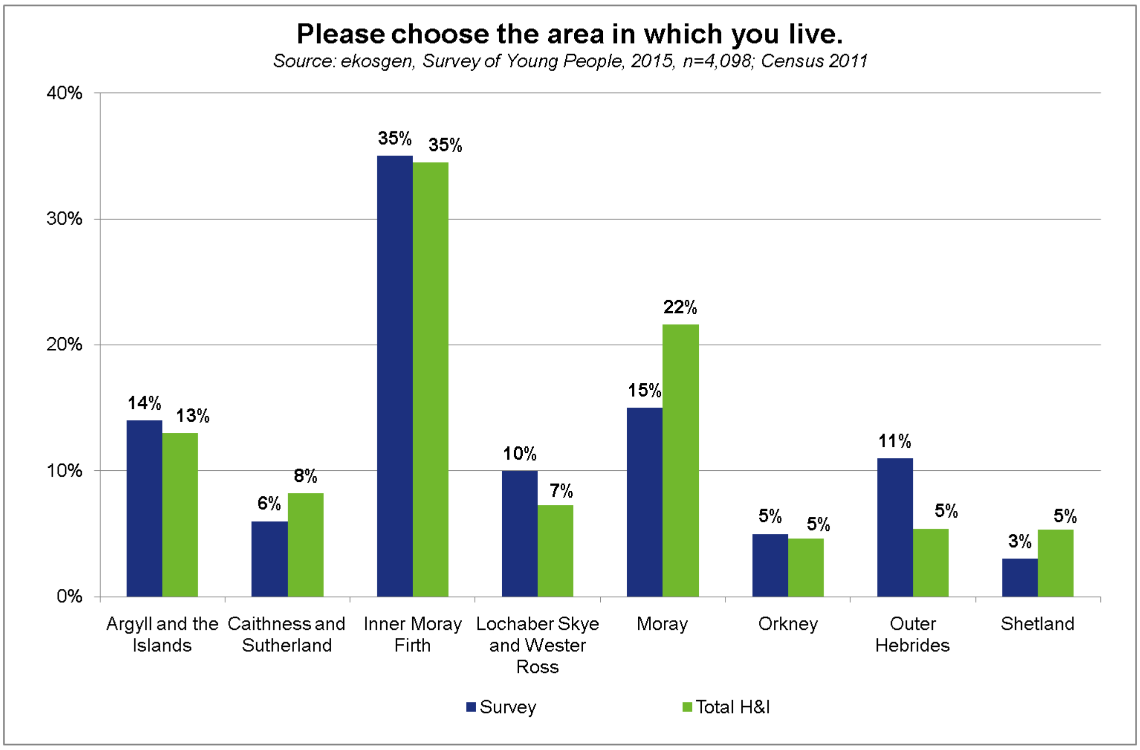
Source: ekosgen, 2015, Survey of Young People; Census (2011). Please note, Argyll and the Islands is the Argyll and Bute council area, excluding Helensburgh and Lomond, but including Arran and the

140 Please note, this is based on 2011 Census data, as this is the most accurate at HIE area office geography level.

Cumbraes; percentages may not sum due to rounding; respondents from outside the H&I are excluded from this table and reported on separately.

For the majority of local areas, this provides a confidence level of 95% with a margin of error of +/- 5%. Just Orkney, Caithness and Sutherland and Shetland are slightly below this, with margins of error of +/-7%, +/-7% and +/-9% respectively.

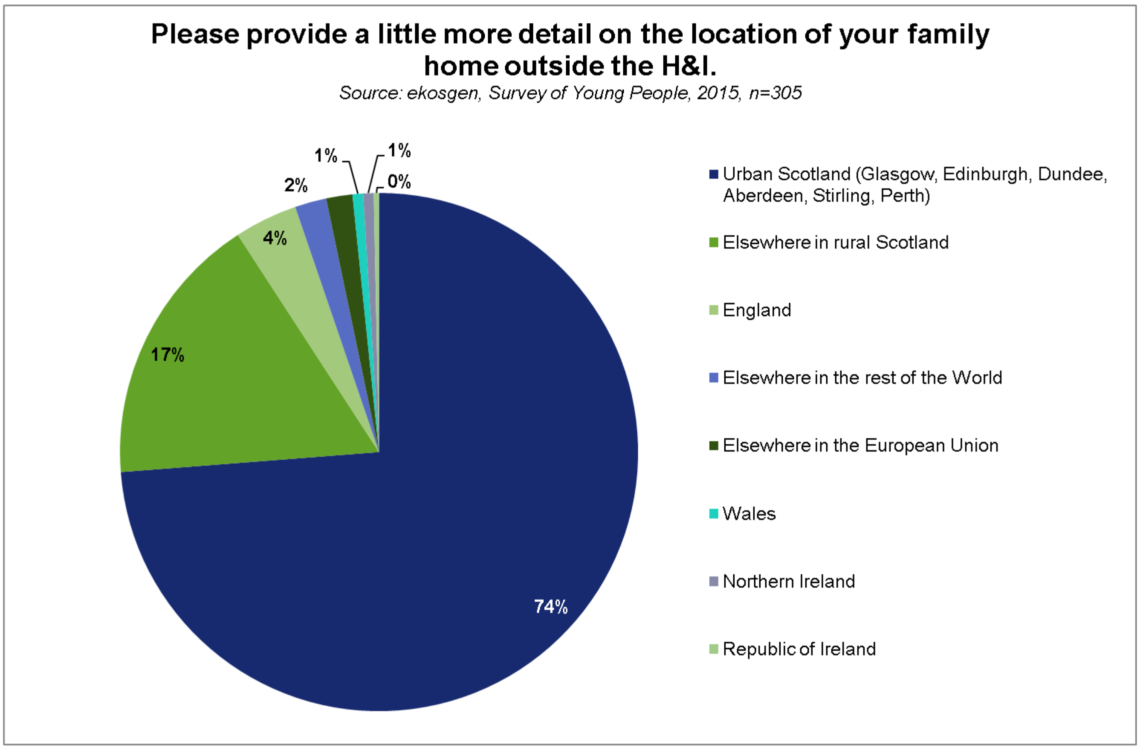
Figure A.1.1



Source: ekosgen, 2015, Survey of Young People; Census (2011) cited in Highlands and Islands Enterprise (2014) Young People in the Highlands and Islands: Socio-economic Profile May 2014.

The survey was open to those outside the H&I, and 311 responses (7% of the total) were from this group. Of these, nearly three quarters (225) were from urban Scotland (Glasgow, Edinburgh, Dundee, Aberdeen, Stirling or Perth) and just under one in five (52) were from elsewhere in rural Scotland. A small number were from the rest of the United Kingdom (16), elsewhere in the European Union (five) and elsewhere in the rest of the world (seven).

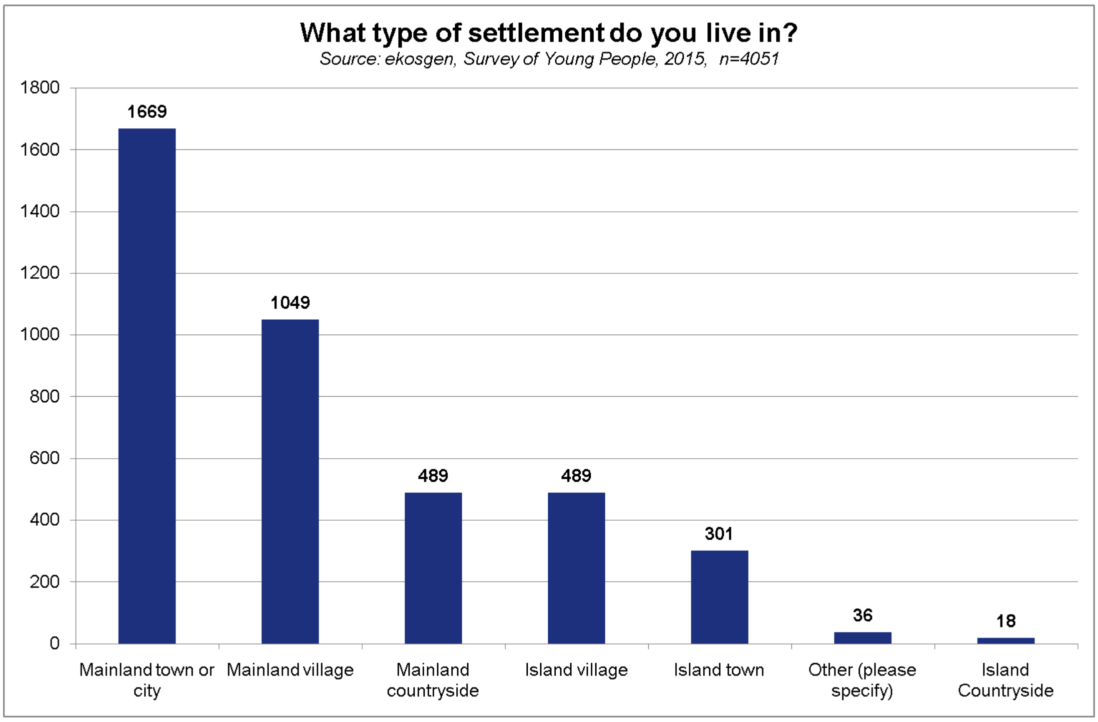
Figure A.1.2



Settlement type

Just over four in 10 of the respondents (41%) lived in a mainland town or city and a little over a quarter (26%) in a mainland village. A further 12% also lived on the mainland or in the countryside. A total of 19% are from the islands, either an island town (7%) or an island village (12%).

Figure A.1.3

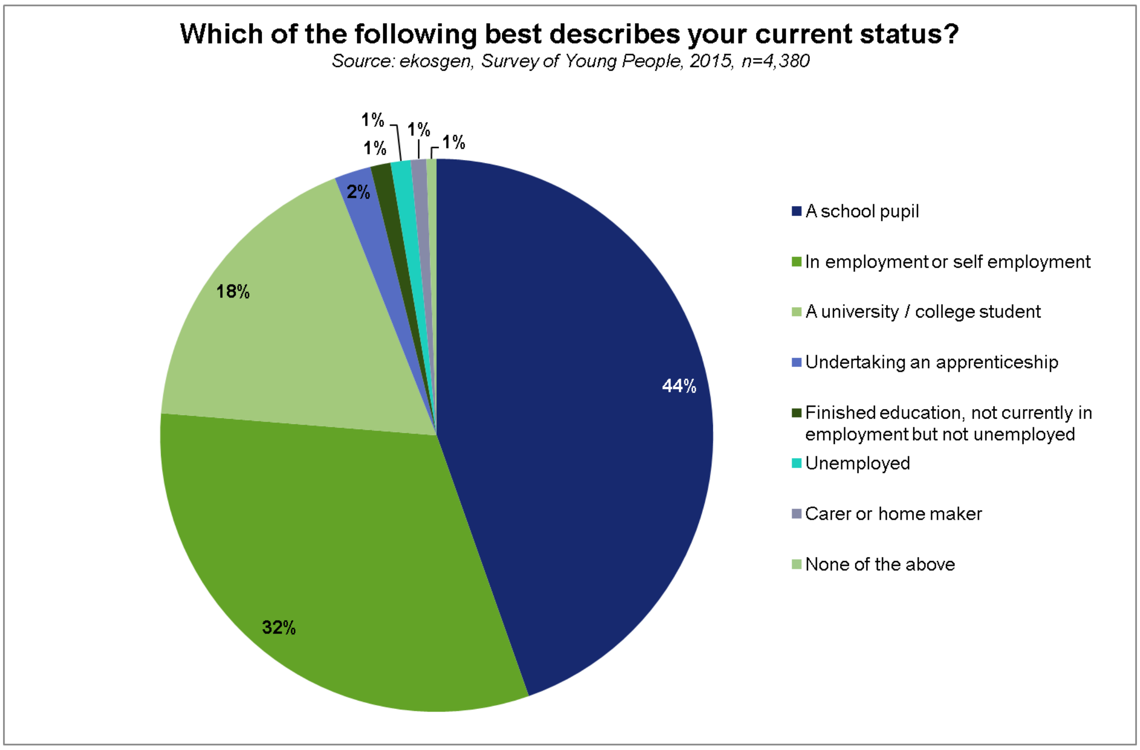


Status

Nearly half of respondents were school pupils at the time of responding (1,953); just under a third were in employment or self-employment (1,388); and nearly one in five (776) were university/college students.

Smaller numbers responding to the survey were undertaking an apprenticeship (94 – 2%), or had finished education, but were not currently in employment nor unemployed (52 – 1%). In all, 51 (1%) described themselves as unemployed, 40 as a carer or home maker (1%) and 26 as none of the above.

Figure A.1.6



In Argyll and the Islands, school pupils accounted for a higher proportion of the respondents, 61%, compared to 45% overall; and the proportion is also slightly higher in the Outer Hebrides and Moray (with 55% and 54% respectively). For Shetland (31%), and those outside the H&I (34%), university/college students respondents were proportionately more represented compared with the whole sample (18%).

Qualifications

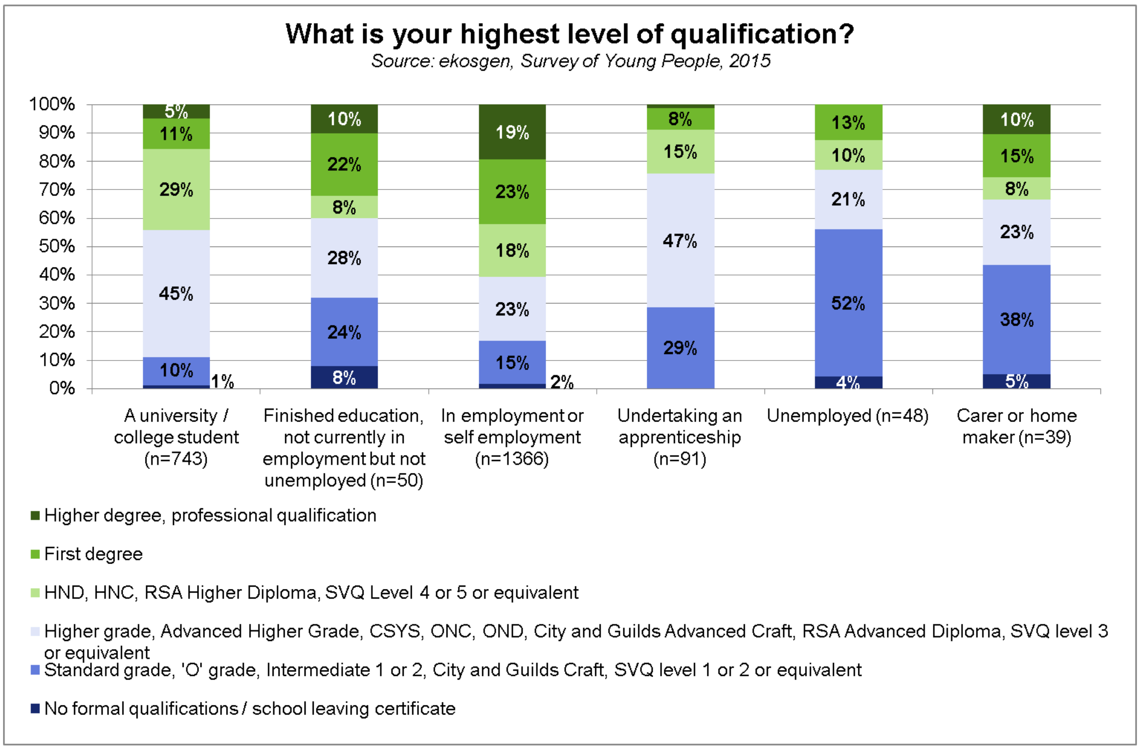
As would be expected, those in employment or self-employment were more likely to have a first or higher degree/professional qualification, and this was the case for 42% of this group. The second highest percentage was amongst those who have finished education, are not currently in employment but not unemployed (32%).

Analysing qualifications by geography, the proportion of FE/HE students with the highest level of qualifications (either a higher degree or professional qualification or First degree) was highest in those areas outside the H&I (18%), followed by Shetland, Lochaber, Skye and Wester Ross and Moray (all with 17%).

Qualification levels varied amongst those in employment and were relatively evenly spread across different levels of qualification. Just 2% in total had no formal qualifications/school leaving certificate.

Apprentices most commonly held a higher grade, advanced higher grade or other similar qualification as their highest level of qualification (47%) or a Standard Grade or equivalent (29%).

Figure A.1.5



Carers/home makers typically held a Standard Grade or equivalent as their highest level of qualification (38%), 23% held a Higher Grade or equivalent and a quarter held either a first or higher degree.

The percentage with no formal qualifications/ school leaving qualification is low across all groups; it is highest (8%) amongst those who have finished education, are not currently in employment but not unemployed.

University/College Student Profile

Of the 776 FE/HE students, nearly one in three were from the Inner Moray Firth (29% - 224), 14% were from Moray (112), 13% from Outside the H&I (104) and 10% from Argyll and the Islands (77). Although the highest proportion were from the Inner Moray Firth at 29%, this is slightly lower than the 35% overall. As would be expected, nearly two thirds of university/ college students (489) were aged 19-24 years. Just over a quarter (198) were aged 15-18 years and 11% (89) were aged 25-30 years.

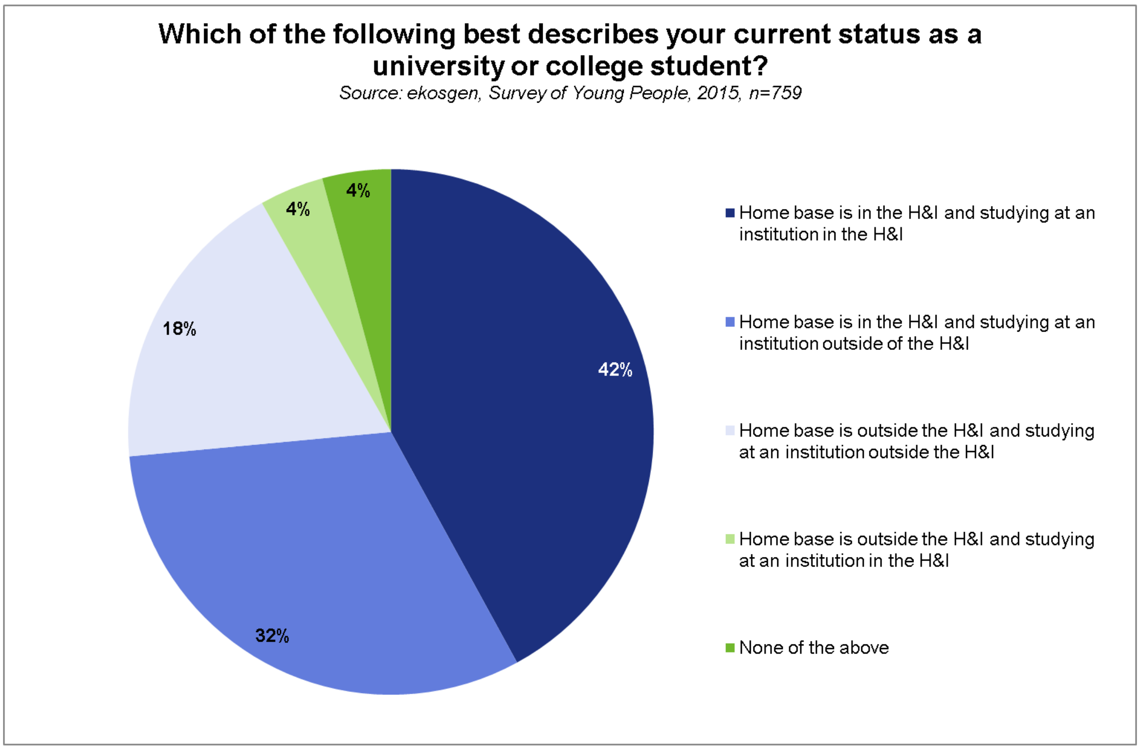
Compared to the 11% overall, the proportion of mature students was higher than average in Argyll and the Islands (14%) and areas outside the H&I (17%). There was a higher than average proportion of younger students in Moray (38%) and Shetland (34%) compared to the

26% overall, while there was a lower proportion than average in the Outer Hebrides (14%) and Orkney (17%).

University/college students most commonly had a home base in the H&I and were also studying at an institution in the H&I (319 – 42%). Just under a third (239 – 32%) were from the H&I but were studying at an institution outside of the H&I, while nearly one in five (139 – 18%) had a home based outside the H&I and were also studying at an institution outside.

A small number of young people's home base was outside the H&I although they were studying at an institution in the H&I.

Figure A.1.7



In employment/self-employment

Of the 1,388 young people in employment or self-employment at the time of completing the survey, just over four in five (1,112 – 81%) were in full-time employment; 14% (194) were employed part-time. This is a higher proportion in full time employment than the average across the H&I, where 72% of those in employment are employed full-time and 28% part-time.[141][142] This may reflect a greater proportion of people aged 30+ choosing to work part-time due to family commitments.

[141] Please note, statistics for all people aged 16-64 years are referred to here, due to missing data for those aged 16-19 year olds and the age groups not fitting the classification of young people used in this study (aged 15-30 years).

[142] Annual Population Survey (ONS), January 2014-December 2014

Within the survey sample, 5% (69) were self-employed, compared to 15% of those aged 16+ across the H&I, reflecting that people are generally more likely to set up their own business as they get older.[143] [144]

This varies slightly between genders, with 87% of male respondents being employed full-time, compared to 79% of females. As such, a higher proportion of females (17%) were employed part-time, compared to 6% of males. Self-employment was also higher amongst males, at 6% compared to 4%.

The proportion of full-time employees was highest in Shetland (87%), areas outside the H&I (86%), Lochaber, Skye and Wester Ross (86%) and Orkney and the Inner Moray Firth (both with 84%). Part-time employment was most common in the Outer Hebrides and Moray (both with 19%) and Caithness and Sutherland (17%), while self-employment was most common in Caithness and Sutherland (10%) and Argyll and Bute (at 9%).

Job Type

The young people responding to the survey generally worked in more senior positions relative to the H&I population overall; for example, 12% are working in managerial positions and 27% in professional or technical occupations, compared to 10% and 15% respectively across the H&I.[145]

Similarly, lower proportions responding to the survey were working in less skilled professions, with 4% in elementary occupations and 1% as plant or machinery operators, compared to 12% and 8% respectively across the H&I.[146] Senior occupations (managerial and professional/ technical occupations) are most common amongst the survey sample based outside of the H&I. Within the H&I, the Outer Hebrides, Caithness and Sutherland and Shetland have the highest proportions of young people in these occupations.

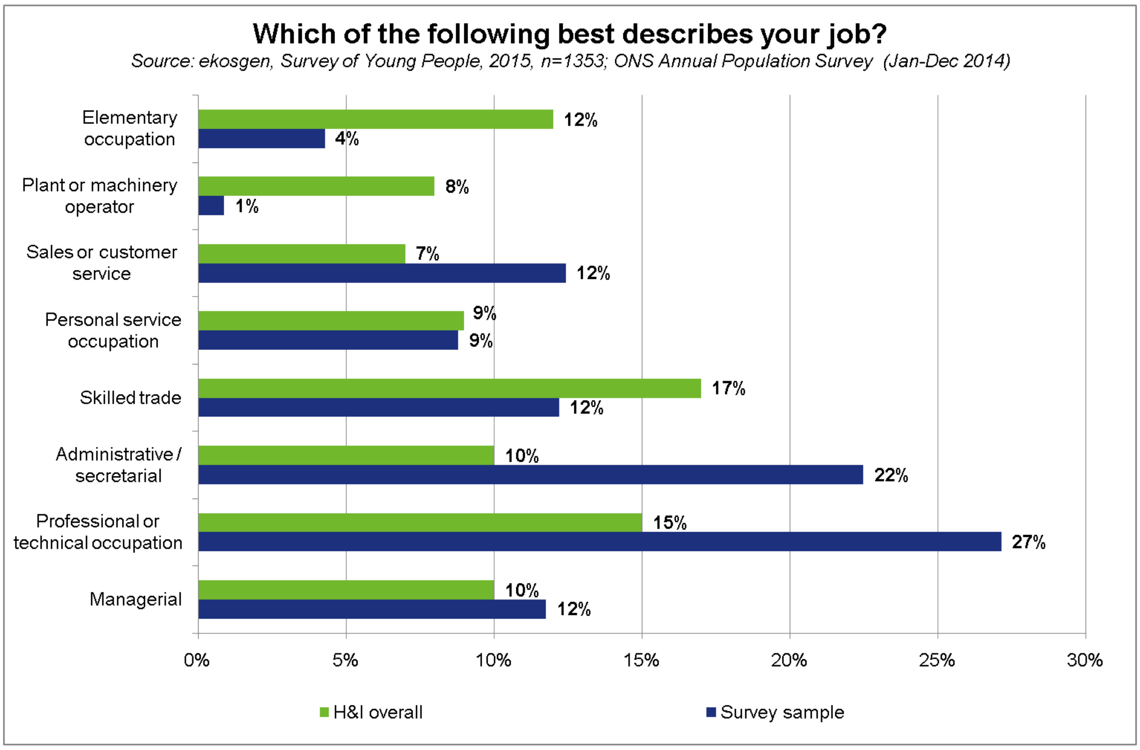
[143] As above, statistics for all people aged 16-64 years are referred to here, due to missing data for those aged 16-19 year olds and the age groups not fitting the classification of young people used in this study (aged 15-30 years).

[144] Annual Population Survey (ONS), January 2014-December 2014

[145] Annual Population Survey (ONS), SOC(2010) January 2014-December 2014. Please note these statistics are based on data for the Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

[146] Annual Population Survey (ONS), SOC(2010) January 2014-December 2014

Figure A.1.8



Please note, percentages for H&I overall will not sum due to the exclusion of the associate professional and technical occupations Standard Occupational Classification (SOC) from the survey. SOCs are matched up on a best fit basis, due to the difference in SOC classifications between those used in the survey and the most recent data available on NOMIS. Percentages for H&I are based on data for the Argyll and Bute, Eilean Siar, Highland, Moray, Orkney and Shetland local authority areas.

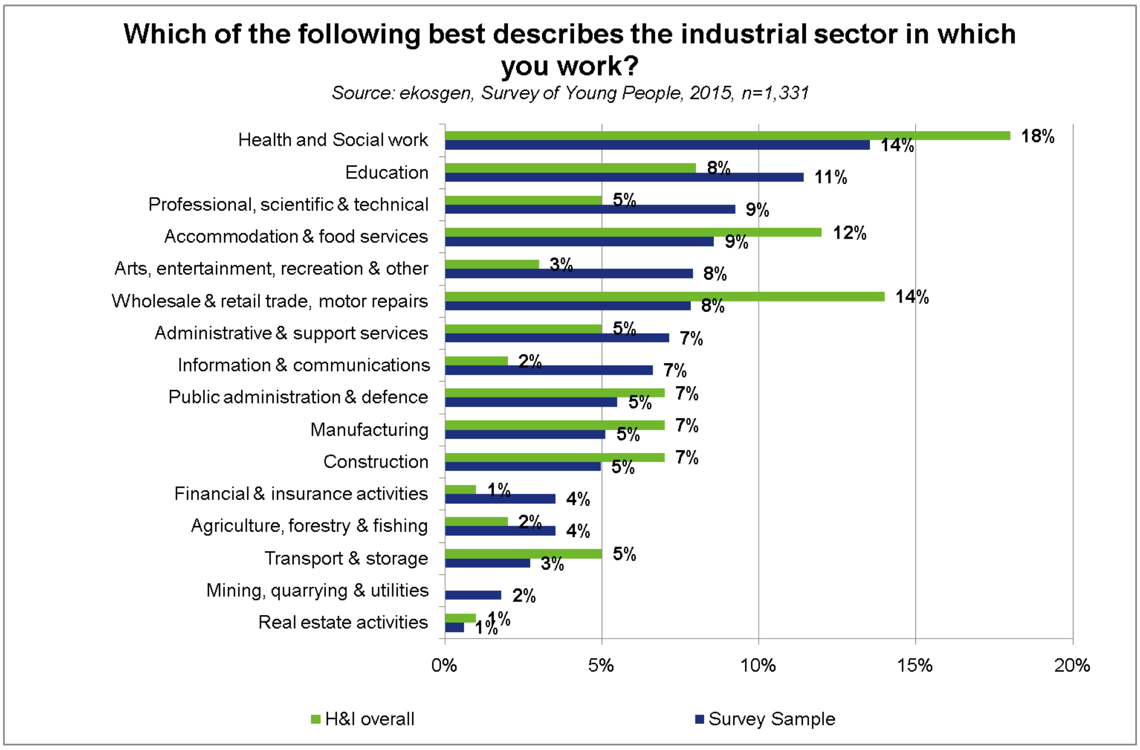
Sector of Employment

Young people responding to the survey most commonly worked in the health and social work (14%), education (11%), professional scientific and technical (9%) and accommodation and food services (9%) sectors.

The sectors show some variation from the H&I overall, where 18% were employed in health and social work, whereas just 8% were employed in education. Our survey sample was over-represented by professional, scientific and technical (9% compared to 5% across the region) and in the arts/entertainment/recreation (8% compared to 3% overall) and in information and communication (7% compared to 2% overall).

Conversely, some sectors were under-represented, including accommodation and food services (9% compared to 12% overall) and wholesale/retail (8% compared to 14%). Partly this reflects that our survey captured a higher proportion of full-time employees, where tourism and retail sectors often have higher proportions of part-time workers. It may also suggest that young people, when they are in work, are more likely to be employed full-time rather than part-time. Male dominated sectors are also slightly under-represented, including construction and manufacturing given the over-representation by females across the survey respondents.

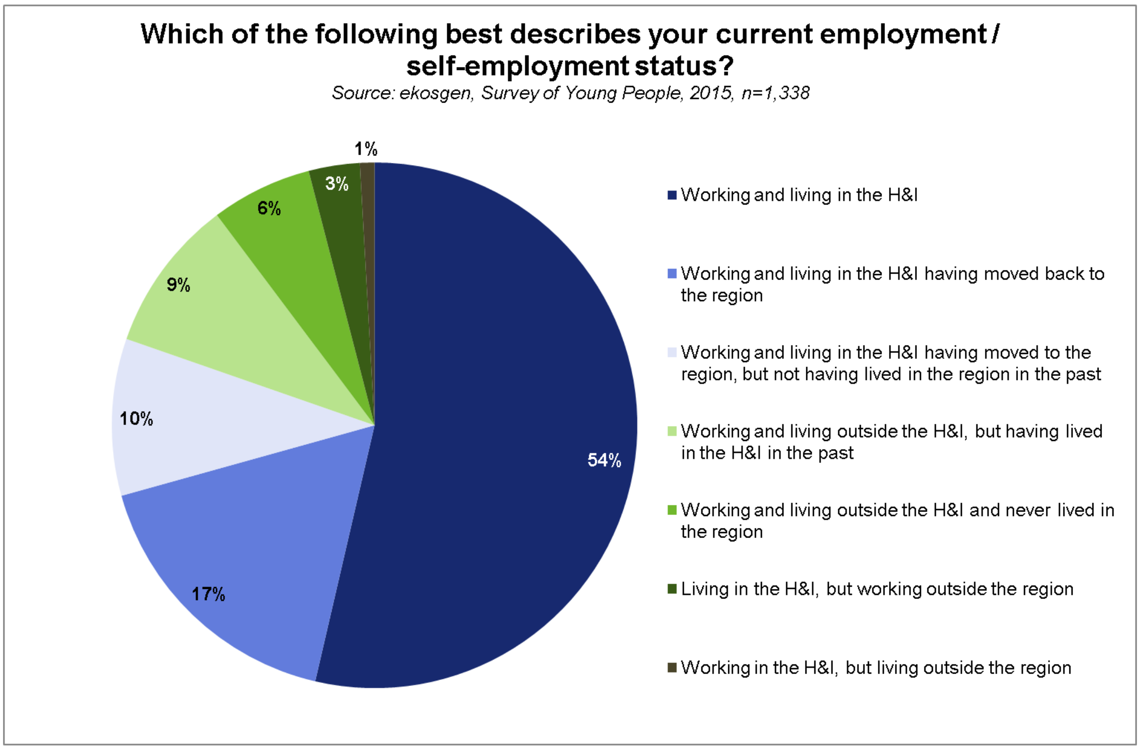
Figure A.1.9



Employment Status

Over half of young people in employment were both working and living in the H&I; a further 17% were working and living in the H&I having moved back to the region. Around 10% were either working and living in the H&I having moved to the region, but not having lived in the region in the past or were working and living outside the H&I, but had lived there in the past.

Figure A.1.10



Analysing the results by geography, the highest proportions of young people both living and working in the H&I were recorded in Shetland (67%), the Inner Moray Firth (67%), Orkney (65%), and Caithness and Sutherland (65%). Of those who have now moved back to the region to live and work, the proportion was highest in Orkney (26%), Lochaber, Skye and Wester Ross (24%) and the Outer Hebrides (24%). This is interesting, and suggests there are strong attachments for young people to these areas.

Young people who were working and living in the region, but had not previously, and those who were currently working and living in the H&I having moved into the region, but have never lived there in the past, were most concentrated in Argyll and the Islands (15% and 15% respectively) and the Inner Moray Firth (12% and 12% respectively), perhaps due to Argyll's proximity to the mainland and Central Belt, while Inverness is attractive due to its strong economic growth and job prospects in recent years. There were also proportionally higher numbers of young people working and living in the H&I having moved into the region, but never having lived there in the past, in Moray (11%) and Lochaber, Skye and Wester Ross (11%).

Finished education, not currently in employment but not unemployed

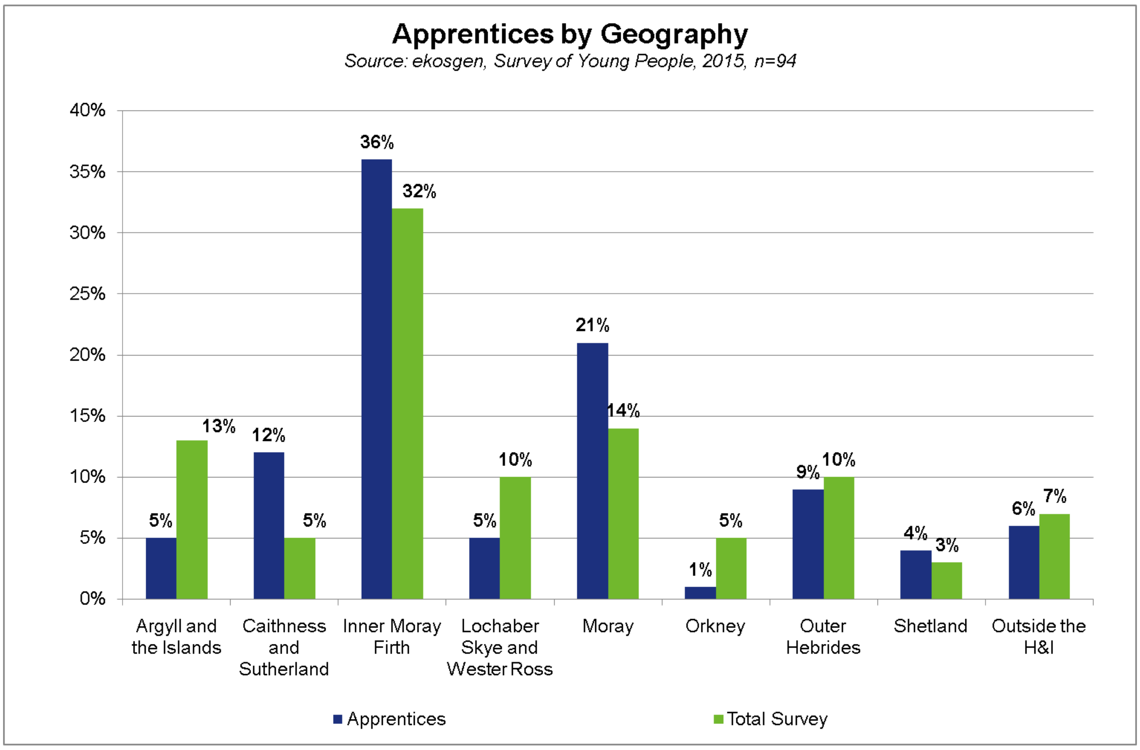
In all, there were 52 respondents who had finished education, but were not currently in employment or unemployed. These were most commonly aged 19-24 and 15-18 years. Only Moray stood out as an area where this group had higher than average representation.

Apprentices

Of the 94 young people currently undertaking an apprenticeship, 39% (37) were aged 15-18 years, 59% (55) were aged 19-24 years and 2% were aged 25-30 years, reflecting that it is generally younger people who complete apprenticeships.

Including those who live outside the H&I, the number of respondents currently undertaking an apprenticeship in Moray was again higher than the percentage of respondents from the area (21% versus 14%), as it is in Caithness and Sutherland (12% vs. 5%), while in Argyll and the Islands and Orkney, it is much lower (5% vs. 13% and 1% vs. 5% respectively).

Figure A.1.11



When compared to the geographical distribution of people currently in training for a Skills Development Scotland Modern Apprenticeship at March 2014 across the H&I (the latest statistics available), our percentages are broadly reflective in Highland and Moray, with the SDS percentages being 50% and 19% respectively (compared to 57% - combining the figures for Caithness and Sutherland, Inner Moray Firth and Lochaber, Skye and Wester Ross – and 23% - discounting those from Outside the H&I).[147] The Outer Hebrides and Argyll and the Islands are slightly over-representative (at 9% compared to 5% and 12% versus 6% respectively), while Shetland (5% compared to 8%) and Orkney (1% compared to 5%) are slightly lower when compared to the wider distribution.[148]

Carer or home maker

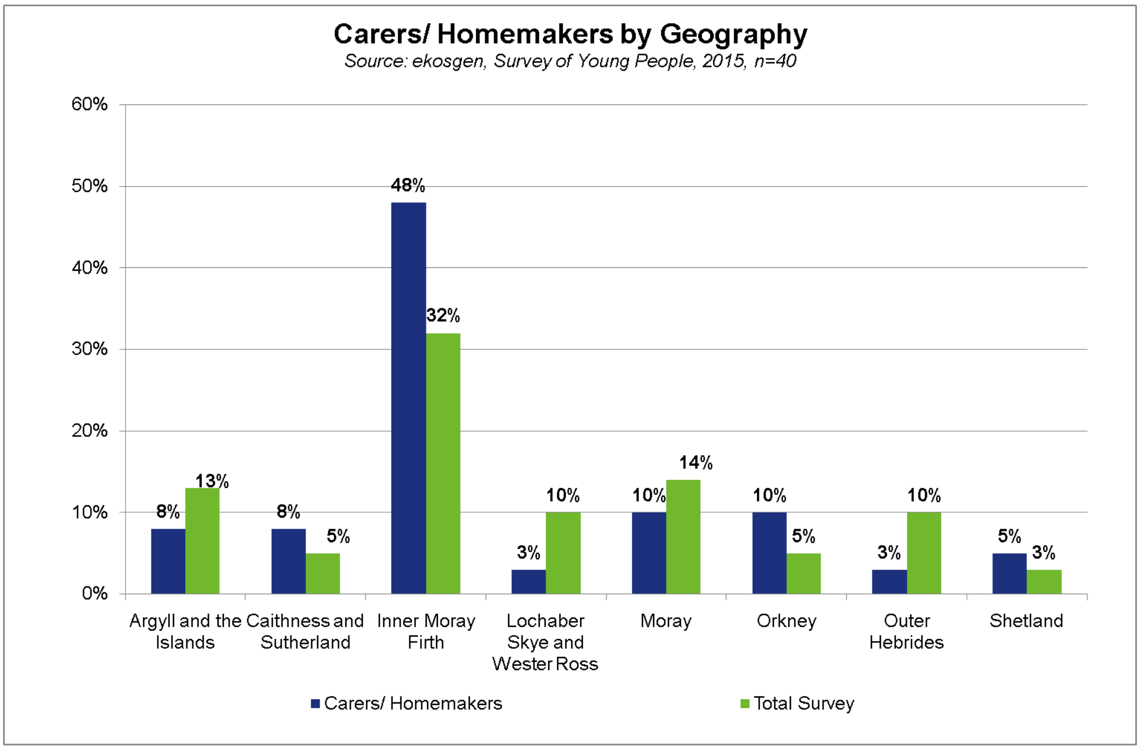
Nearly two thirds of home makers were at the older end of the age spectrum covered, aged 25-30 years (65% - 26), one third (33% - 13) were 19-24 years and 3% (one respondent) 15-18 years at the time of the survey.

Excluding those outside the H&I, Inner Moray Firth and Orkney both had a higher percentage of carers/homemakers when compared to the full survey sample (48% versus 32% and 10% versus 5% respectively), as did Shetland (5% versus 3%). In contrast, Lochaber, Skye and Wester Ross, the Outer Hebrides, Moray and Argyll and the Islands all had a smaller percentage of carers/homemakers amongst their surveyed young people.

[147] Please note, Skills Development Scotland figures are only available at the local authority area.

[148] Skills Development Scotland (2015) *Modern Apprentice Breakdown by Local Authority Area – all ages*. Period from 1st April 2014 to 26th December 2014. Published on 10th February 2015.

Figure A.1.12

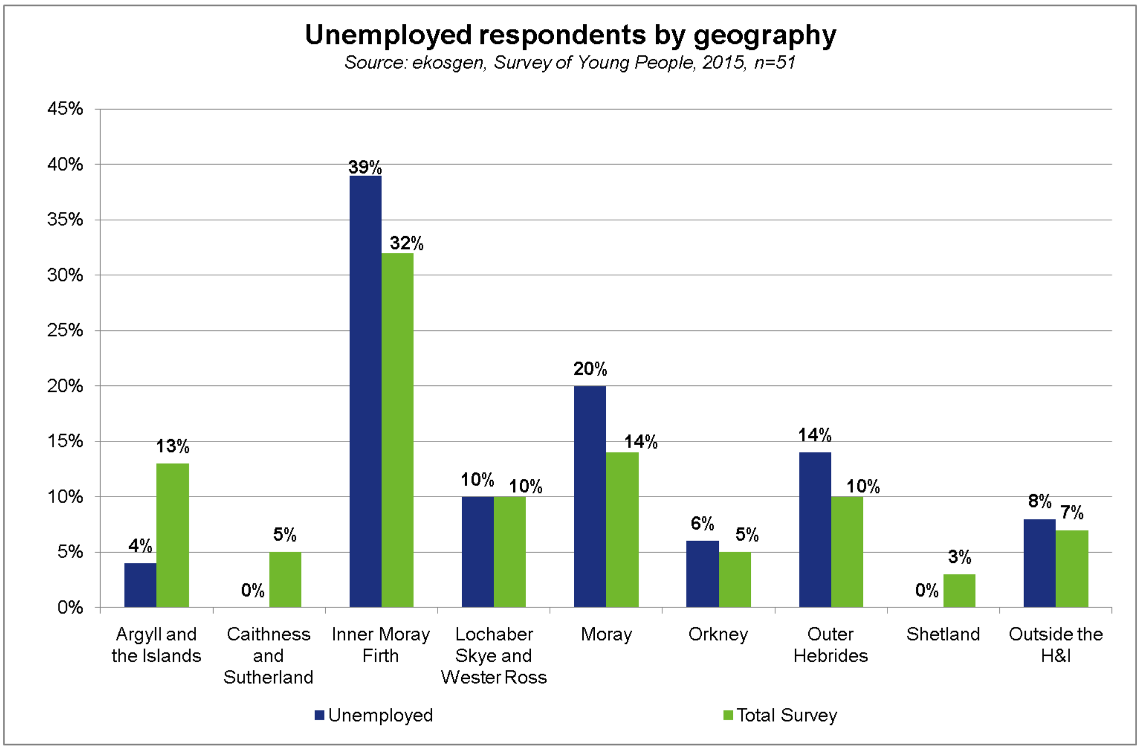


Unemployed

Just over one in ten (12%) unemployed respondents were aged 15-18 years, nearly six in ten (59%) were aged 19-24 years and three in ten (29%) were aged 25-30 years.

There are proportionally less unemployed survey respondents in Caithness and Sutherland, Shetland and Argyll and the Islands. This is not a reflection of the actual distribution of those unemployed and claiming benefits amongst young people in the region. Inner Moray Firth, Moray and the Outer Hebrides have comparatively higher percentages.

Figure A.1.13



In all, unemployment for January 2014 to December 2014 was highest in Shetland (25.2%), Moray (17.7%) and Eilean Siar (17.6%). In Argyll and Bute, unemployment stood at 13.5%,[149] while it was 7.2% in Highland. Data is not available for the Orkney Islands.[150]

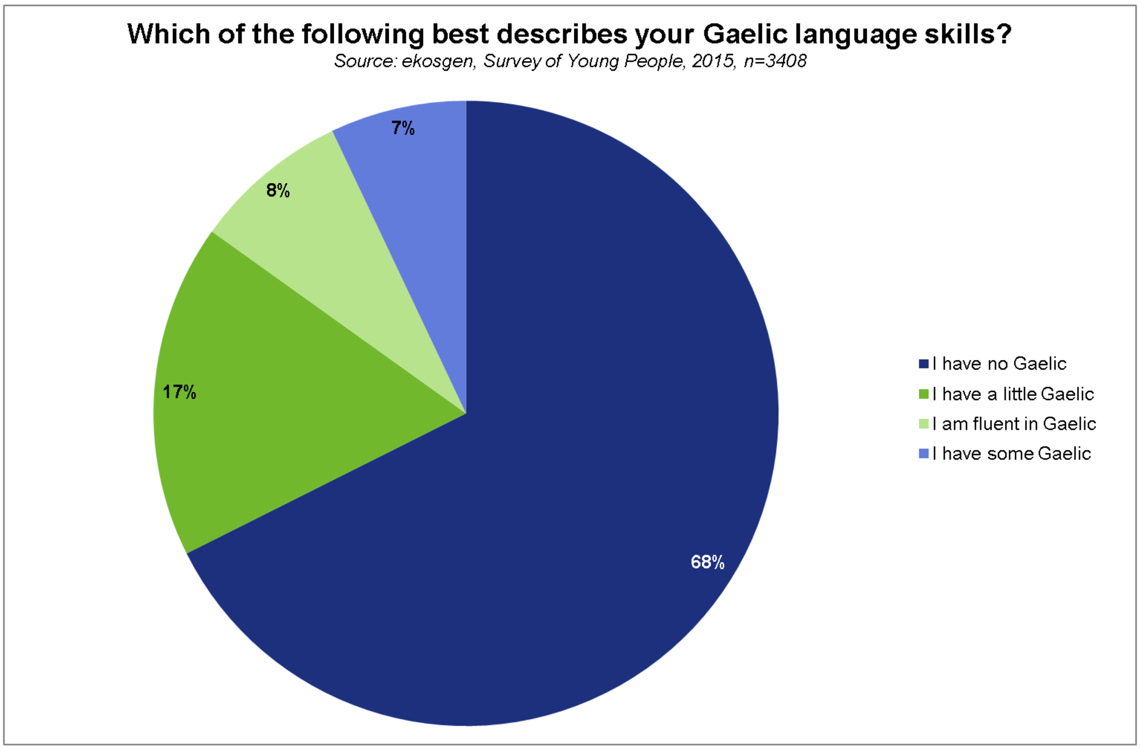
Gaelic skills

Just under a third (32%) had some Gaelic language ability, whereas 68% did not. In all, 17% had 'a little' Gaelic, 7% had 'some' Gaelic and 8% were fluent in Gaelic. This was approximately four times higher than the proportion recorded in the 2011 census, where 8% of the population aged three and over could understand, speak or read Gaelic.[151] It must be noted, however, that the Census data does not reflect fluency levels and is thus not directly comparable.

[149] Please note that the Argyll and Bute figure includes Helensburgh and Lomond, which are not in Argyll and the Islands, or Arran and the Cumbraes, which is part of the North Ayrshire council area.

[150] Annual Population Survey Jan 2014-Dec 2014. Unemployment rate – aged 16-24. Please note, the 16-24 year age group is used as best fit. Data is available for 25-34 year olds but, at a local authority level, much of this is unavailable as it is disclosive.

Figure A.1.14



As might be expected, the Outer Hebrides had the highest percentage of young people who were fluent in Gaelic, with nearly a third of all respondents being fluent (29% compared to 8% overall), and just 22% of young people there having no Gaelic at all.

The degree of fluency varied very little by age, while school pupils, university/college students and those in employment or self-employment (10%, 8% and 7% respectively) had the highest levels of fluency. The proportion of young people with no Gaelic at all was highest amongst carers or home makers and those undertaking an apprenticeship (at 79%).

Summary

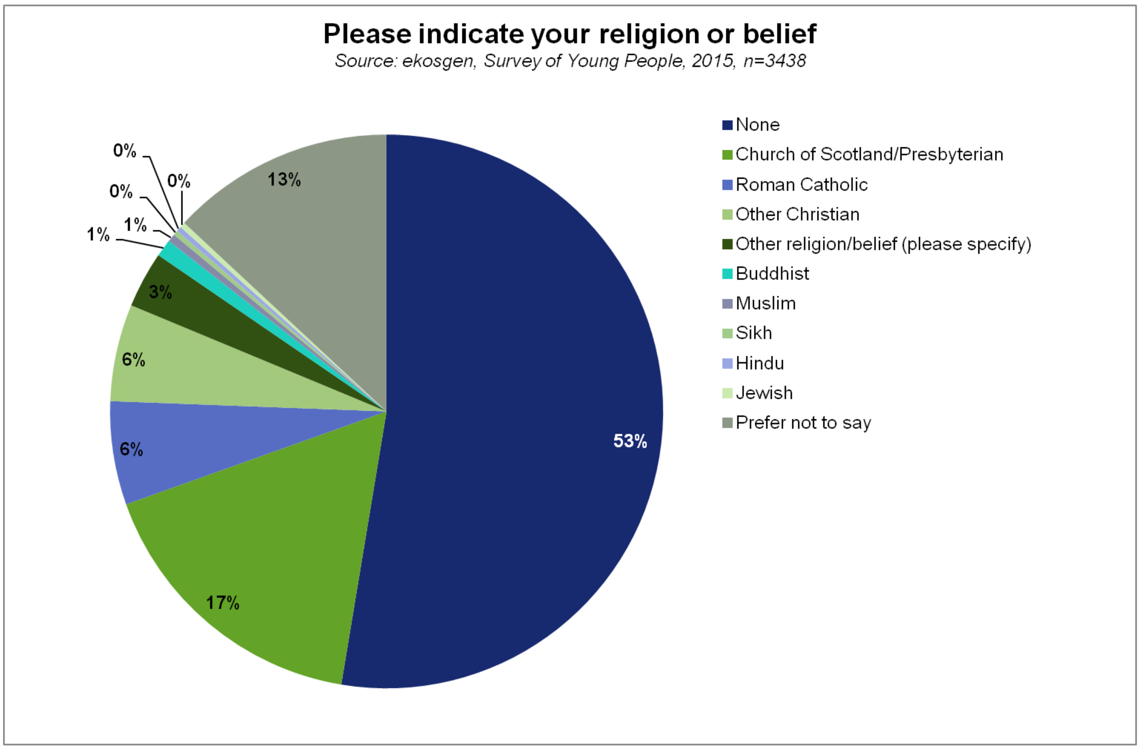
In all, a high number of responses were received for the survey, with 4,409 responses from young people, predominantly from within the H&I as well as a view from those outside the region. These responses provide good confidence in the results by age, geography and gender, providing a robust data-set for analysis.

C. Annex 3: Equalities Profile

Religion

Over half of young people have no religion or belief (53%). Of those who stated a religion or belief, just under one fifth are Church of Scotland/Presbyterian (17%) and a smaller proportion are Roman Catholic and other Christian (both 6%). Some 3% have another religion/belief. Small numbers are Buddhist (1%), Muslim (1%), Sikh (0.3%), Jewish (0.3%) or Hindu (0.3%). Some 13% preferred not to say.

Figure C.1.1



Ethnicity

The majority of respondents' ethnic backgrounds are white. Nearly three quarters (73%) identify their ethnicity as White Scottish, 8% as White British, 5% as White English, 1% as Other White Background and 1% as White Irish. 1% state their ethnicity as Mixed or Multiple Ethnic Group.

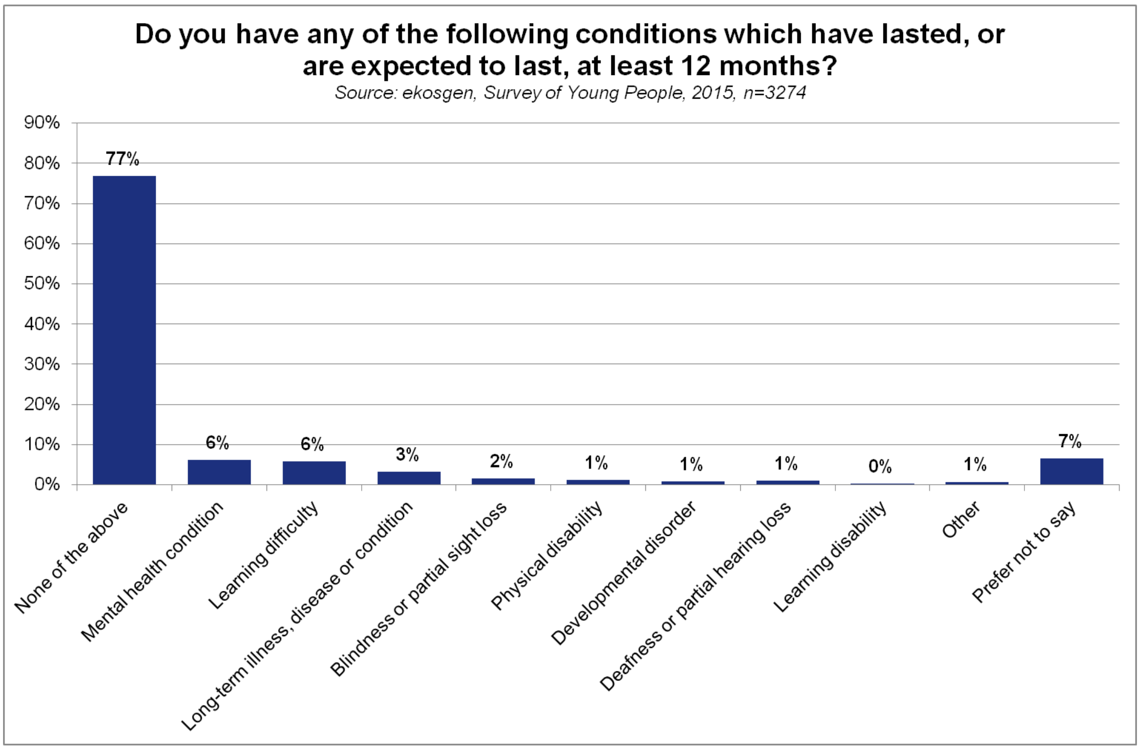
Ethnicity	%		
White Scottish	73%	Pakistani, Pakistani Scottish or Pakistani British	0%
White British	8%	African, African Scottish or African British	0%
White English	5%	White Welsh	0%
Other White Background	1%	Bangladeshi, Bangladeshi Scottish or Bangladeshi British	0%
Mixed or multiple ethnic group	1%	Caribbean, Caribbean Scottish or Caribbean British	0%
White Irish	1%	White Gypsy/Traveller	0%
White Polish	0%	Chinese, Chinese Scottish or Chinese British	0%

Black, Black Scottish or Black British	0%	**Arab, Arab Scottish or Arab British**	0%
Indian, Indian Scottish or Indian British	0%	**Prefer not to say**	9%
White Northern Irish	0%	**Other (please specify)**	1%
Source: ekosgen, Survey of Young People, 2015, n=3428			

Disability

Just over three quarters (77%) of young people do not have a disability. Of those who did, a mental health conditions and learning difficulties were the most common (both 6%), followed by a long-term illness, disease or condition (3%).

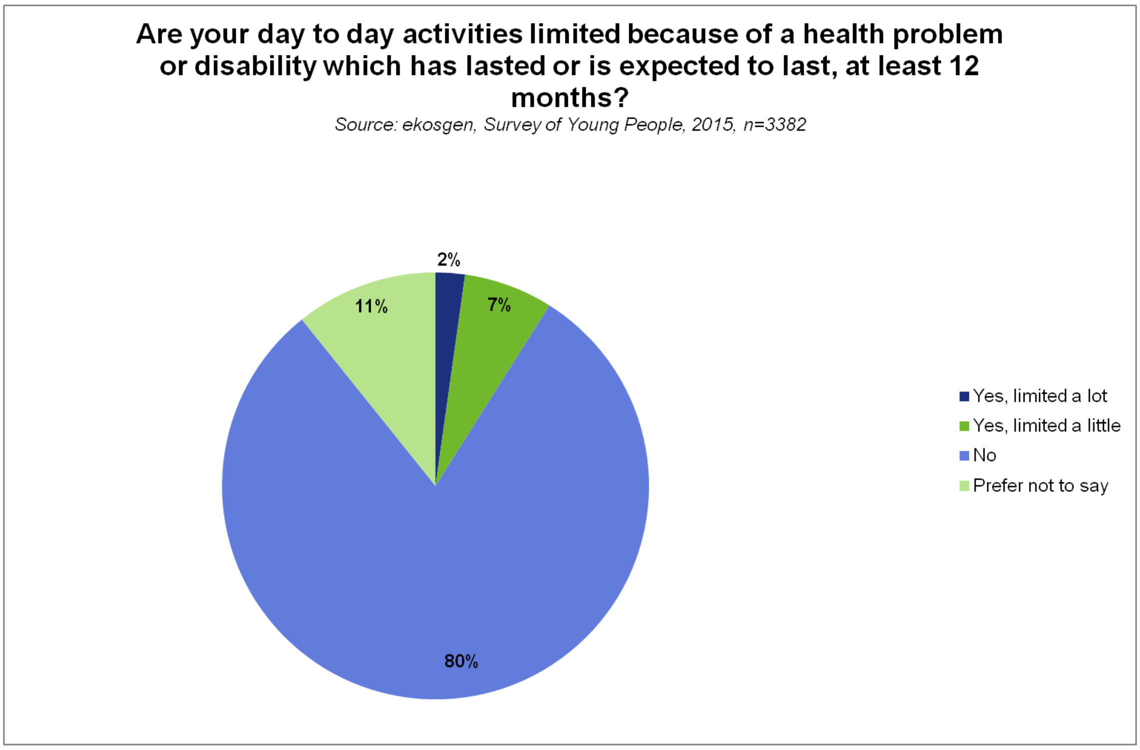
Figure C.1.2



The majority (80%) of young people's day-to-day activities are not limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months.

For some 7% of respondents, day-to-day activities are limited a little, while for 2% they are limited a lot. The remaining 11% preferred not to say.

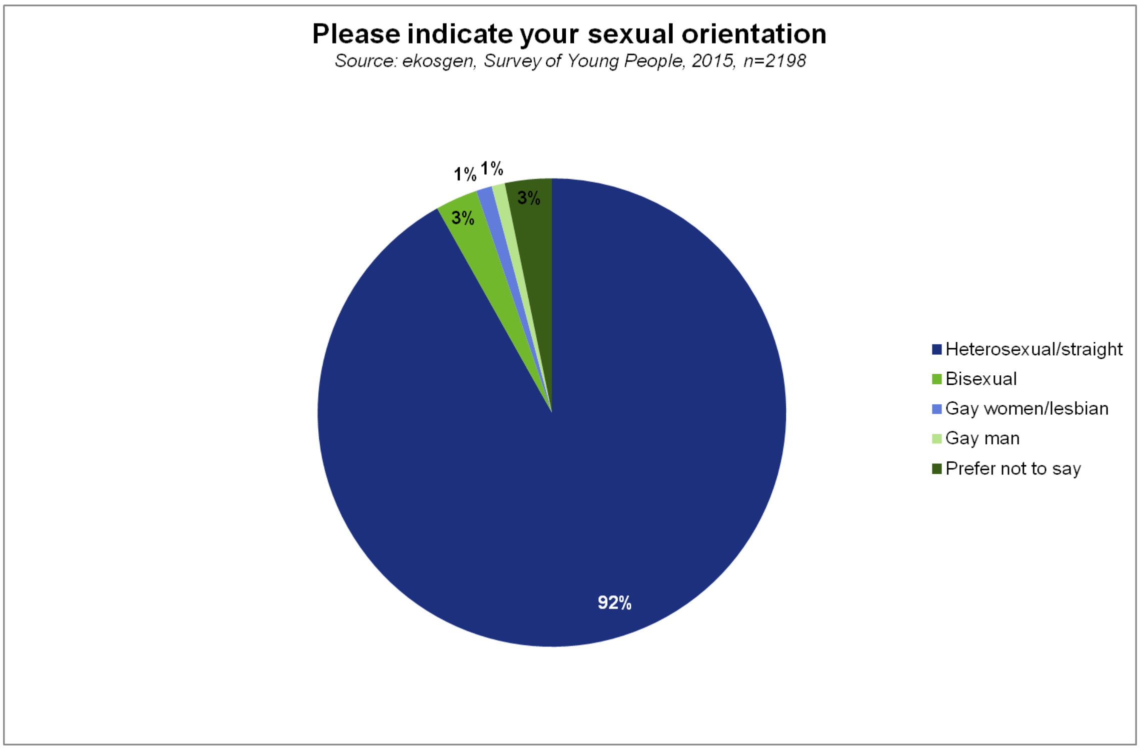
Figure C.1.3



Sexual Orientation

Over 92% of young people are heterosexual/straight, 3% are bisexual and 1% are either a gay woman/lesbian or a gay man. The remaining 3% preferred not to say.

Figure C.1.4



This research was undertaken on behalf of Highlands and Islands Enterprise by ekosgen in association with Reference economics and Whitewall.

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