

ISLE OF ARRAN – VISIT NOTE

The Scottish Affairs Committee visited the Isle of Arran on Thursday 14 September and Friday 15 September 2023, in relation to its inquiry into the *Cost of living: impact on rural communities in Scotland*.

Members who attended the visit:

- Pete Wishart MP (Chair)
- Mark Menzies MP
- Douglas Ross MP
- Dr Philippa Whitford MP

Thursday 14 September

Members held discussions with representatives of local businesses, over an informal dinner. Members met:

- Kenneth Bone, Chair, Arran Trust
- Alastair Dobson, Managing Director, Arran Dairies
- Matt Fawson, Head Brewer, Isle of Arran Brewery
- Stuart Fraser, Managing Director, Arran Botanical Drinks
- Linda Johnston, Managing Director, Auchrannie Resort
- Tom Tracey, Chair, Arran Economic Group

Members and representatives discussed matters including:

- Higher costs for island businesses, compared to mainland businesses;
- Lack of affordable housing stock to rent or purchase;
- Reliability of ferries and public transport;
- Affordability of ferries, public transport and vehicle fuels;
- Benefits of buying and selling products locally;
- The importance of islands to the Scottish economy, including tourism and island-based businesses;
- Seasonality of tourism, on which the island relies;
- Difficulties in employing people on islands, including having to find accommodation for employees;
- Recommendations to Government included that the UK Government should reduce or remove VAT for islands, as islands already pay more for goods and services.



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- Recommendations to Government included changing feed-in tariffs to make renewable energy use more viable for islands.
- Recommendations to Government included that the UK Government should reconsider anti-rent legislation for crofts, as crofters (i.e. many farmers on islands) often supplement their income by renting out farmhouses.
- Recommendations to Government included that indirect taxes on businesses should be calculated differently for those on islands (as these taxes are calculated according to overheads rather than profits, rural businesses lose out because they pay the same rates as urban businesses).
- Recommendations to Government included UK Government, Scottish Government, local government and island communities working together to produce and enact local and regional strategies (like the one by Arran Development Trust).

Friday 15 September

Members held discussions with people who live and work on the Isle of Arran, during a roundtable event.

On one table, Pete Wishart MP, Douglas Ross MP and local people discussed matters including:

- The higher cost of living on islands;
- Lack of affordable housing for people to rent or purchase;
- Impact of second homes and holiday homes on housing stock;
- Poor insulation of homes;
- Impacts of homes being off-grid, including difficulty in obtaining support from Governments;
- High food prices, compared to prices in mainland shops;
- Reliability and winter availability of ferry services (affecting people's movement and the arrival of goods);
- High prices of vehicle fuel;
- Impacts of the lack of local services, like childcare and elder care;
- Impacts of people moving away from islands (for example, to access better healthcare or job opportunities on the mainland);
- Recommendations to Government, including:
 - making it easier for island communities' bodies (e.g. the Arran Housing Taskforce) to access Government funding for which they are eligible;
 - increased Government funding for islands compared to the mainland, as the cost of living on islands is higher;
 - reducing complexity of Government support schemes for homes which are off-grid.

On the other table, Dr Philippa Whitford MP, Mark Menzies MP and local people discussed matters including:

- The higher cost of living on islands;
- Food poverty, including hidden food poverty;
- High food prices;
- Affordability and availability of appropriate public transport;
- Reliability of ferry services;
- Lack of affordable housing;
- Difficulty in accessing Government support;
- Difficulty in implementing energy efficiency measures for homes;
- Lack of well-funded local care, including healthcare and childcare;

- Difficulties in persuading people to come to work on islands;
- Difficulties in retaining young people who grew up on islands;
- Recommendations to Government, including:
 - reducing VAT for islands, as islands already pay more for goods and services;
 - modifying feed-in tariffs to make installing renewables and selling back to the grid more attractive for islanders.