

NOTE OF THE SCOTTISH AFFAIRS COMMITTEE'S VISIT TO SKYE, MONDAY 8 DECEMBER 2025

The Scottish Affairs Committee visited the Isle of Skye on Monday 8 December 2025 in relation to its inquiries into digital connectivity, fixed link connectivity and the future of Scotland's high streets. Members of the Committee hosted three roundtable events to understand the key issues impacting Skye. These roundtables were with:

- Roundtable with Highland Council, Highlands and Islands Enterprise (HIE) and Highlands and Islands Transport Partnership (HITRANS)
- Local businesses, organised in partnership with West Highland Chamber of Commerce
- Community councils and development trusts.

Members in attendance were:

- Patricia Ferguson MP (Chair)
- Mr Angus MacDonald
- Douglas McAllister MP
- Elaine Stewart MP
- Kirsteen Sullivan MP

Highland Council, HIE and HITRANS

Digital connectivity

- Participants highlighted the detrimental impacts of poor connectivity on Skye, including social exclusion, inability to access everyday online services such as banking, limited opportunities to work remotely, and unreliable access to emergency services.
- Overall, participants felt that Skye is 'behind the curve' on digital connectivity, despite considerable progress having been made in recent years, particularly by the Shared Rural Network (SRN). SRN has installed connectivity masts (at a cost of £500m each), with the aim of keeping connectivity costs down by sharing infrastructure. The Network is expected to be completed in 2030. It was observed that Skye has now likely reached the fullest extent possible of masts, and their utility is likely to be superseded by satellite solutions moving forward.
- Considerable concern was expressed about both the pace of Openreach's fibre roll out, and the organisation's approach/methodology. Currently, fibre coverage rates are 13% in Skye, compared to 83% in Scotland and 89% across the UK. It was felt that while Openreach may install fibre lines, they are not installing sufficient 'boxes' to enable residents to connect to the internet. It was felt that this poor delivery was unacceptable, given the 'huge' amounts of public money awarded to Openreach. There was a widespread feeling that Openreach "is not interested" in smaller, remote communities.
- To remedy the perceived deficiencies in Openreach's roll-out of digital connectivity, it was suggested that Openreach should be mandated – through a Universal Service Obligation – to supply fibre connectivity to every single household in Scotland and that, without such a requirement, an acceptable level of digital connectivity will not be

achieved. Participants argued that digital connectivity should be considered an essential utility in the same way as water, gas or electricity.

- Participants argued that one of the biggest barriers to improving connectivity is a lack of joined up thinking, and a failure of central government to adapt urban/central belt-focused strategy to suit rural areas. As a result, central government policy often does not take account of Skye's unique geography, terrain and demographic challenges. Participants agreed that policy must be sensitive to the realities of rural challenges – or 'rural-proofed' – if it is to be successful.
- Some participants said there are no positive conversations ongoing with the UK and Scottish Governments regarding improving digital connectivity in Skye. It was observed that many communities in Skye have become frustrated by the perceived lack of action from government, and are initiating connectivity improvements themselves – for example, through acquiring Starlink systems, or physically digging trench infrastructure. It was noted that this can result in frustration on the part of communities, as the improved connectivity statistics this community effort bears out gives a falsely positive reflection of the impact of government policy.
- It was agreed that the switch-off of analogue/legacy systems (such as RTS) is an ongoing concern. It was also highlighted that RTS systems can negatively impact consumers, through the inability to choose between energy tariffs.
- It was highlighted that a mixed-method approach to connectivity (i.e. satellite as well as fibre) is likely to be needed in Skye, due to the mountainous topography. The rapidly increasing uptake of Starlink on the island was discussed. While Starlink can provide download speeds of up to 250mbps (compared to 1 or 2mbps on copper lines), its high price (around £250-300 initial purchase price, and £75 monthly fee) can be prohibitive.
- Participants explained that the loss of power connectivity and resilience can be just as impactful as the loss of data connectivity, and is particularly worrying in respect of accessing emergency services.

Fixed link connectivity

- Overall, participants felt that, whilst the opening of the Skye Bridge in 1995 has undoubtedly made journeys from the mainland to Skye easier and enabled economic development (vehicle crossings have doubled since the bridge opening), there have been some less positive impacts. In particular, the Bridge enables exceedingly high numbers of tourists to visit Skye during the peak season (May – September). Skye is the second most-visited destination in Scotland, after Edinburgh.
- It was also explained that the construction of the Bridge has fundamentally changed the profile – as well as the number – of visitors to Skye. Prior to the Skye Bridge, visitors would have to queue for up to 4-hours to catch the ferry; this disincentivised day trippers, and could mean that visitors were spending more money (as they would likely be staying the night on the island). It was argued that residents on Raasay would not support a fixed link to Skye, as it could increase the number of tourists; the current Sconser-Clachan ferry forms a 'buffer' which naturally limits the number of visitors to Raasay.
- It was also felt that this increase in visitor numbers has not been complemented by improvements to the infrastructure on the island itself, and that poor road infrastructure is a key limiting factor in economic development. However, there was agreement that

this lack of infrastructure to cope with the volume of tourists in the summer months (which is exacerbated by cruise ship arrivals) is not – in itself – a reason to oppose the Bridge. It was stressed that the issue is not overtourism, but poor infrastructure investment. Participants stressed the importance of fixed links being part of a 'suite' of investment in order for it to realise its full potential.

- Participants also noted that the lack of an air service to Skye essentially means the island is one of, if not the, most remote areas in Scotland, which necessitates sustained investment in connectivity.

The future of Scotland's high streets

- It was felt that a key barrier to improving high streets on Skye is a lack of joined up thinking between different levels of government. It was argued that this is exacerbated by the numerous relatively small funding initiatives run by central government, all of which have different purposes, criteria, eligibility, assessment processes, and which cannot allow for interdependencies.
- It was argued that this approach incentivises siloed working and leads to councils spending a disproportionate amount of time applying for relatively small pots of funding, without maximising the impact of spending by enabling a more joined up approach. It was suggested that these issues (a limited quantity of funding, and a relative lack of flexibility in how it can be spent) were also problems with the new Pride in Place fund. It was also felt that the relatively short time horizons covered by central government funds were another factor that inhibited using this funding for effective placemaking.
- Participants also argued that it can be difficult for urban policymakers or those judging funding bids to understand the ways in which investment in rural areas can be positive, and that there are limited (if any) funding routes designed specifically for rural areas or those affected by ageing or declining populations.
- It was suggested that Portree high street serves as a focal point for the local island community. Unlike other high streets elsewhere in Scotland, there are very few vacant units on the high street. However, there was acknowledgement that the decision to move the local supermarket out of Portree town centre to a location further out of town, as well as the closure of the permanent Post Office in town, had negatively impacted the wider high street retail environment.
- It was also noted that Portree high street ranked poorly in a recent ranking of high streets, on account of poor pedestrian-friendliness (particularly for pram or wheelchair mobility), issues with pavement maintenance, limited public transport and parking limitations. Many of these limitations stem from the fact that there has been inadequate infrastructure investment in Skye since the 1970s. It was argued that these issues are relatively simple to fix (and a plan has been in place since 2021), but improvements have not been delivered because of coordination and funding issues – in particular, different participating bodies each having to put forward independently viable business cases, free from interdependencies.
- A number of positive initiatives were discussed, including the Skye & Raasay Futures project, which aims to improve physical accessibility of key community hubs and support redevelopment in Portree town centre and other population centres.

- Participants noted that many workers left Skye following the UK's exit from the EU, which has left many businesses struggling to find staff. This, in turn, means many businesses are not maximising the economic benefits of Skye's high summer footfall.
- Some participants explained that while there is no objection in principle to the implementation of a tourism tax in Skye, the current design of the legislation is not workable in Skye. It was also argued that business rates are too high.
- Concerns were also shared that Portree high streets is focused on serving Skye's visitor economy rather than the local community (i.e. with gift shops prioritised over groceries and provision of everyday amenities). This means that most residents have to either i) travel to Inverness to access most services, or ii) secure supermarket food delivery. In respect of the latter, it was noted approximately 80 supermarket food delivery vans reach the island each week; participants highlighted that this is spending/money which is not going into the local Skye economy.

Economic development

- It was noted that there are a number of considerable regional transformation opportunities – including space and wind – which are private sector-led initiatives. There are over 250 projects (amounting to around £100.4bn in potential value), including SSE onshore and offshore renewables and transmission, Kishorn port dry dock expansion, and next generational aquaculture. It was claimed that these opportunities constitute a 'bigger boom' than the oil and gas industries in the 1970s, but that further development by way of digital and fixed infrastructure connectivity will be needed to ensure these opportunities can be capitalised on. Other challenges include housing, childcare, transport, seasonality, healthcare and business units.
- It was argued by some participants that major investment is going/has gone into Inverness and the Cromarty freeport via City Region Deals and Levelling-Up funding, but that the economic benefit of that investment does not spread beyond Inverness.

Local businesses¹

Digital connectivity

- Multiple participants expressed frustration at the poor access to broadband on the island, and a lack of action from government and providers to ensure a useable broadband service – despite active and sustained efforts by some communities to secure this. A particular concern was raised around repeated delays to Openreach's rollout of fibre to the premises. To overcome this difficulty, participants noted that some businesses were reliant on Starlink, while other premises had paid privately for superfast broadband installation at a cost of thousands of pounds per year. However, there was consensus that many smaller businesses would not be able to afford these solutions and describe a 'make do and mend' attitude. Other alternatives had been explored, with one participant having a positive experience with Hebnet, which they found to be cheaper

¹ Representatives of the following businesses and organisations were in attendance this meeting: West Highland Chamber of Commerce; Sonas Collection Hotels; Isle of Skye Distillers; FMS Law; Coruisk House; Staffin Caravan Park; CMC Co; Isle of Skye Seaweed Company; Mawbray Web Design.

than Starlink and reliable. They described the service as a ‘game changer’ for the highlands.

- The direct impact of poor broadband connectivity on businesses was repeatedly raised. Concerns about businesses’ ability to trade and promote themselves online, and to process card transactions, were highlighted. One participant suggested that businesses now “can’t survive” without effective broadband, and that small and micro businesses located in rural areas were especially vulnerable to the impacts of poor broadband provision. It was also suggested that such businesses face a “rural premium” in terms of the costs and challenges of securing digital access.
- The wider importance of access to broadband in sustaining Skye’s visitor economy was also noted. Participants agreed that visitors to the island expect good broadband, and that the non-availability of (or slow upgrades to) digital connectivity poses a risk to Skye’s attractiveness as a tourist destination.
- As well as broadband, issues around mobile connectivity were also raised. It was noted that the current 4G service provision on the island is unreliable – and that out of the major UK network operators, only EE is considering making 5G service provision available on the island, with no timescale currently confirmed for this work.
- The resilience of the existing connectivity solutions on the island was also raised as a specific concern. Participants suggested that they felt more vulnerable to older services (such as landline telecommunications) being switched off as a result of not being able to rely on newer connectivity solutions. Participants also cited examples of businesses losing trade (for example, hotels losing bookings) as a result of issues with internet connectivity and a lack of backup (such as would be offered elsewhere by 4G). This was noted to be a particularly acute concern in the context of repeated experiences of loss of digital connectivity following storms in recent years.
- There was a strong sense from participants that local communities and businesses did not know who they could approach with concerns around digital connectivity and issues with providers. Providers were generally felt to be poor at communicating with local communities and unresponsive to their proposals or complaints.

Fixed link connectivity

- There was consensus that the construction of the Skye Bridge had been transformative, with multiple participants citing experiences from before its construction of queues of up to three miles to access a ferry service. Participants also agreed that residents and businesses on Skye were now highly reliant on the Bridge as a fixed link to the mainland as a result of the poor provision and performance of ferry services serving the island. It was noted that the ferry service was not fit for purpose, with concerns raised about connectivity to the Western Isles. Participants emphasised the importance of investment in this area. Some participants cited the ferry service in the Orkneys as a positive example. They also cited Western Ferries as a good example of a well-run ferry service.
- It was suggested that the Bridge had helped to integrate much of Skye into a single economic area with the nearby mainland. While it was felt that this had had economic benefits overall for local residents and businesses, it was also suggested that this had contributed to the “hollowing out” of Kyleakin (where the ferry from Kyle of Lochalsh had previously arrived at on Skye, but which is now bypassed by the road bridge).

- Participants also noted that the construction of the Bridge had not resolved pre-existing challenges associated with the island's accessibility, such as the availability and cost of commercial courier deliveries.
- It was agreed that the Bridge, by facilitating visitor access to the island on a scale not previously possible, had created additional public investment needs, particularly in relation to upgrading and maintaining road infrastructure. Participants argued that because Portree is a small, remote town in a rural area, it is frequently overlooked for investment by the Scottish Government and Highland Council, despite its status as Scotland's second most visited tourist destination after Edinburgh.

High streets

- The availability of parking was raised as a key issue for Portree high street – both for visitors (especially in the context of the construction of the Skye Bridge) but also for staff who may travel into the town from elsewhere on the island or from the mainland.
- Some participants suggested that, rather than using local independently-run grocery stores and other essentials shops, Skye's residents prefer to use larger chain stores (such as the Co-op, which has a presence on the island, or equivalent stores on the mainland), or to get deliveries from companies such as Amazon. It was suggested that this – together with high visitor numbers – contributed to a situation where tourist-focused shops were the only viable businesses on Portree high street.
- The potential opening of a new Tesco store in Portree was raised. Some participants argued that – while this might offer advantages from a consumer perspective – it could cause difficulties for businesses currently operating on the island. Two specific concerns were discussed in particular. Firstly, that it would increase competition for employees and exacerbate challenges businesses based on the island already face in recruiting and retaining staff. Secondly, that it could force existing local suppliers of fuel and other essentials out of business, which might in turn lead to newly vacant units either not being filled or being filled by low-quality businesses.
- More broadly, it was also suggested that workforce pressures are already forcing otherwise viable high street businesses to close or to reduce their trading hours (including in the summer, when visitor numbers are at their highest). A lack of affordable housing on the island, and the elevated cost of living in rural areas, were seen as key drivers of these pressures.
- A number of participants argued that government policy around high streets should be focused on supporting local independent shops to scale up, rather than facilitating the more short-term business models of chain and multinational stores. However, it was felt that, in order to achieve this, small/micro businesses need proper access to advice and financial support – especially in rural areas, where this can be harder to come by.

Wider issues

- Participants raised concerns that Skye was “too remote” from Inverness and that public funding made available to invest in the Highland area doesn't reach Skye – despite the infrastructure needs created by the number of visitors to the island, the significant contribution the island's visitor economy makes to the wider regional economy, and the opportunities for future industrial development on the island in sectors such as

renewable energy. It was noted that Skye did not receive any new investment as part of the Inverness and Highland City Region Deal.

- Participants also raised a number of concerns about the overall operating environment for UK businesses and the impact of UK Government policy decisions – for example, in relation to the minimum wage, VAT, and business rates – on this.
- Some participants raised concerns that the University of the Highlands and Islands was reportedly struggling to attract a sufficient number of students to be able to run key courses that would support local businesses, such as accountancy.
- Participants also noted that the demographic challenges facing the Highland area meant that the region was now highly dependent on people moving into the area (including immigration) in order to be able to sustain the regional economy and fill job vacancies. It was suggested that this posed challenges both in terms of how this need could be effectively communicated and acted upon in a wider national and policy context, and – more particularly to Skye – ensuring a sufficient supply of new affordable housing for new arrivals to be able to live and work locally.

Community councils and development trusts

Digital connectivity

- Overall participants felt that broadband was not seen as an essential service by governments and that policy was too focused on urban areas, resulting in budgets not considering the extra costs that comes with infrastructure rollout in remote and island communities. Digital connectivity is poor on the island which causes a range of consequences – from emergency systems not working properly to impacting people's ability to speak to loved ones. One participant raised whether Skye could be a 'test area' for digital innovation for rural communities.
- Participants felt that there was a disconnect between Openreach's priorities and the needs of the customer. The use of copper lines to the premises is insufficient and locals are having to rely on alternatives, such as 4G routers (which can be unreliable) and Starlink (which is costly). There are also concerns that some older systems are being phased out before new systems are in place. For example, in Straun, communities say that are no longer able to renew ADSL contracts.
- The issue of depopulation on the island was raised. One participant cited a statistic from the Scottish Government's working group that connectivity was a barrier for new people living on Scotland's islands. Participants felt that infrastructure rollout was behind which has hampered younger professionals and families moving to the island. One participant felt that high speed broadband (1G symmetrical to the premises) was needed to meet the needs of working professionals. Participants emphasised that the island is home to high-powered individuals, such as architects, academics and writers, that are negatively impacted by poor infrastructure.
- It was also noted that poor infrastructure hampers innovation and living standards. For example, one participant raised the use of digital x-rays being a better alternative to standard x-rays because radiation levels are lower. However, as these technologies are stored and viewed digitally, they cannot be utilised because poor digital connectivity makes it difficult to send files for diagnosis.

- Resilience was raised as a major issue. There are significant issues when broadband connectivity is down. For example, help call systems for the elderly rely on a good connection and only have backups of an hour. There are no pumping stations near Skye, meaning electricity is backed up with generators that have short battery lives. Moreover, if subsea cables are cut or damaged, whole parts of the island are cut off.
- On mobile connectivity, it was felt that the usual policy for mobile network operators (MNOs) to have their own infrastructure was not realistic in rural and remote areas (although, as noted during the first roundtable event, MNOs have started sharing infrastructure in partial and total not-spot areas as part of the Shared Rural Network (SRN)). This is because there are less masts than in urban areas, meaning that if masts and exchanges go down, whole areas lose mobile connectivity altogether. This was seen in the aftermath of Storm Floris where the EE network was lost, and in Storm Amy where the VodafoneThree network was lost for two days. Participants also noted that the Shared Rural Network is behind target.
- Community broadband initiatives were discussed on the island, such as Skyenet and hebnet, which are wireless broadband services. However, participants felt these initiatives were short term fixes while fibre is being rolled out. It was also noted that community broadband projects face shortfalls in funding. Participants raised other jurisdictions that make it easier for communities to install their own fibre, such as Norway.

Fixed link connectivity

- Participants acknowledged that the Skye bridge has been transformative for the community and that tourism is a key part of the island's economy. However, there are issues with local infrastructure that suffer because of the high levels of tourism. It was also commented that most infrastructure spend is concentrated on tourist areas and not enough on serving areas where locals live.
- It was noted that a large amount of renewables investment is coming to the island and that decent roads are required to transport materials, such as wind turbines.
- Participants commented on a two-tier road system. The A87 is managed by Transport Scotland and is well kept. However, the rest of the roads are managed by Highland Council and not enough is being done to maintain these roads. Participants emphasised that issues with these roads are not just potholes - they are dangerous.
- There was discussion as to whether a tourist tax could help with funding better local infrastructure. Some commented that a tourist tax can be too simplistic. However, if the island were to have one, it was stressed that the tax would need to include camper vans as these modes of transport are very popular and put pressure on roads and services.
- It was commented that the local ferry service is not fit for purpose, with some feeling like the presence of the bridge creates a second-class ferry service. The service runs twice a day when conditions allow, and the ferries themselves are old and require regular maintenance. Participants commented that from next year ferries will be out of service for one day a month to allow for ferry maintenance, putting further pressure on the service.
- It was also commented that, while Skye has an airfield, the island does not have an airport. An airport would cut down travel times significantly. For example, it currently takes six hours to travel to Glasgow – this could be cut to 40 minutes.



- Participants also noted the development of novel technologies to improve connectivity on the island, such as the use of drone technology to transport medicines.

High streets

- Overall, participants reiterated that more investment in local infrastructure, such as better pavements and parking, is needed to improve Portree high street. There were also calls to pedestrianise the high street. However, participants felt that more money is needed from the Scottish Government in order to kick-start development.
- Participants also felt that too much council funding (that could enable infrastructure investment to support the high street) is concentrated to Inverness. Some felt that Highland Council did not adequately consider the Islands Act 2018 in their decisions.
- Participants felt that, with the advent of online shopping, the provision of shops in Skye is adequate. However, there was agreement that most shops on Portree high street are not catered to locals, but to tourists – for example, there is a lack of clothes shops.
- Concerns were also raised about the dominance of the Co-op and the cost of food. Many locals use online shopping.
- In some areas, such as Dunvegan, there is a lack of space but high demand for more shops. Some concerns were also raised about the loss of local Post Offices.