Northern revitalisation

Innovate **Revitalise** Transition Transform Sustain

This area broadly includes Highland with parts of Argyll and Bute, Moray and much of the national parks. There are links west and north to the island communities.

The Highlands of Scotland, together with Moray and parts of mainland Argyll, are world renowned for their stunning landscapes, rich biodiversity and cultural heritage. In some places settlements are dispersed or take the form of low density crofting townships, whilst in others communities come together in key centres. Cairngorms National Park is a national asset with internationally significant habitats and landscapes and there is currently a proposal to make the Flow Country a UNESCO World Heritage Site.

Emissions here are partly offset by the climate sequestration arising from land use and forestry so that the area acts as a net carbon sink overall, and there are few sources of significant industrial emissions. Climate change risks include changing levels of rainfall, increased storm events, temperature rise, flood risk, rising sea levels and associated erosion. Tailored measures will be required to assist communities in adapting to climate change and transitioning to net zero.

This rural heartland is much more than a place of beauty and isolation. Many thriving communities live here, and they depend on local jobs and learning to support their quality of life. Some communities have experienced outmigration, particularly the loss of younger people, especially outwith Inverness. Further population decline is a future risk, particularly for the west and north. Many communities depend on the car and more limited access to services creates disadvantage, despite the quality of life and good health that many people living here enjoy. An ageing population will put pressures on some services.

Parts of the area have recently experienced acceleration of the increase in house prices. Emerging evidence suggests this is a result of the pandemic and a more mobile remote workforce, with some attracted to the area from elsewhere to take up such a work-life style. Without intervention, access to affordable homes,

jobs and services that enable local people to stay in their communities could become more challenging. Fuel and transport poverty is a particular challenge towards the north and west and there are significant areas which do not currently benefit from good-quality digital connectivity.

The area's environmental quality, landscape and wildlife sustain key economic sectors including tourism, food and drink, distilling and clean energy. Extensive areas of woodland and peatland act as a carbon sink, contributing significantly to our national sustainability. The area has a strong economy with growing income and low unemployment overall, but there remain pockets of deprivation both in urban areas and in more remote areas where there is a need for low skilled and low paid jobs.

This part of Scotland can make a strong contribution towards meeting our ambition for a net zero and nature positive country by demonstrating how natural assets can be managed and used to secure a more sustainable future.

In this area we will:

- strengthen networks of resilient communities;
- stimulate green prosperity;
- nurture nature-based solutions; and
- strengthen resilience and decarbonise connectivity.

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Legend

- ·· ▷ Strategic maritime routes
- ⤡ Strategic connection
- ◞ Blue economy
- ⌐ Transmission infrastructure

Liveable places

- (2) National Walking, Cycling and Wheeling Network
- (5) Circular Economy Material Management Facilities
- (6) Digital Fibre Network

Productive places

- (8) Industrial Green Transition Zones
- (9) Pumped Hydro Storage
- (12) Strategic Renewable Electricity Generation and Transmission Infrastructure

Scotland Wide National Developments

(2) (5) (6)

(8) (9) (12)
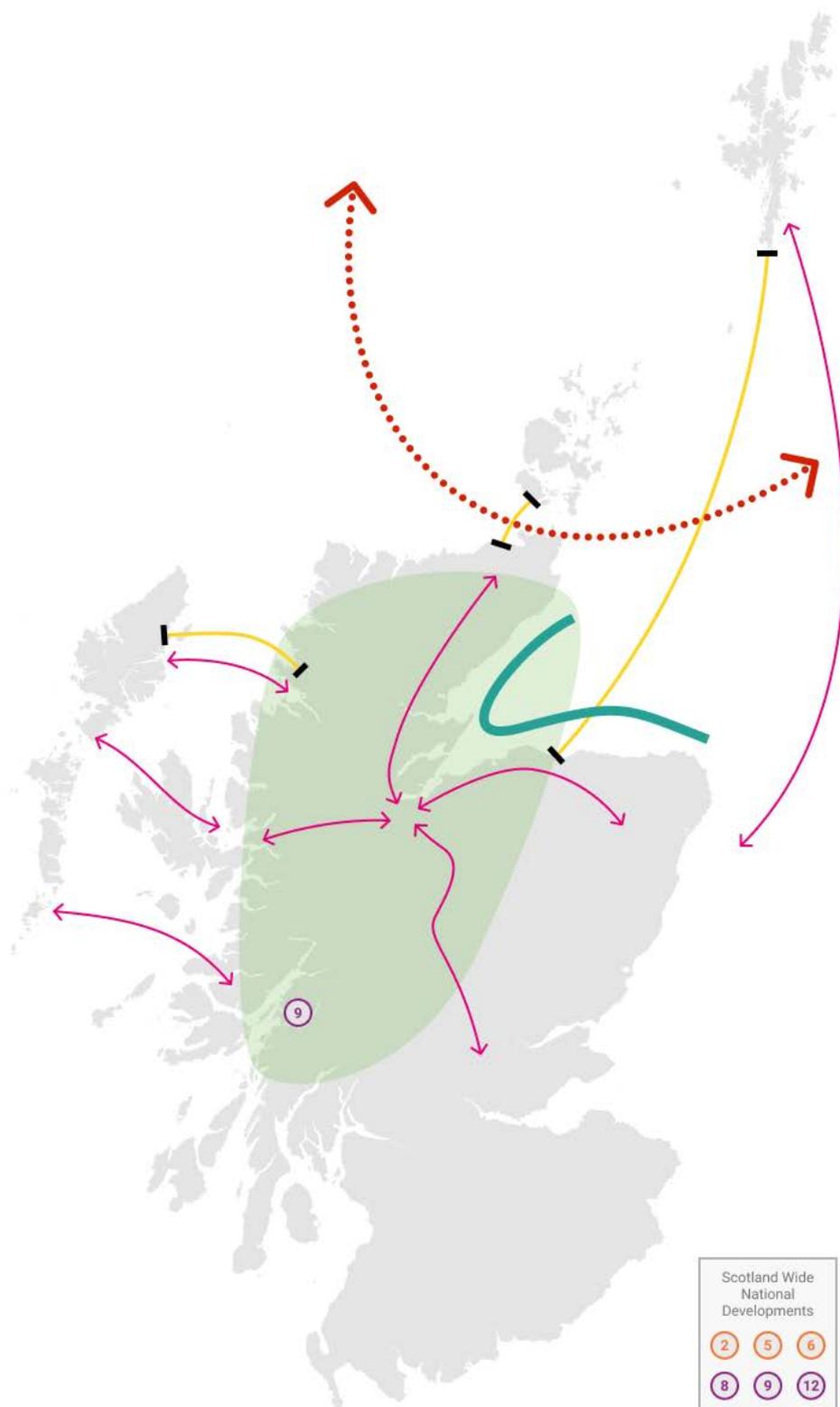
Actions

5. Strengthen networks of resilient communities

We will do all we can to help reverse depopulation across rural Scotland. Here, as with other more rural areas of Scotland, 20 minute neighbourhoods can be tailored to work with both larger towns and more dispersed settlement patterns.

Inverness plays a vital role as a regional centre for services, health, justice, employment, education, culture and tourism and has seen significant expansion in recent years. Key sites for its growth are located primarily to the east along the Moray coast. A sustainable and adaptive growth strategy will continue to be supported by planned investment in education and health and social care services as well as employment uses. The new railway station serving Inverness Airport will help connect local communities with growing employment opportunities in the wider area. Inverness Castle, as part of the Inverness and Highland City Region Deal, will be redeveloped and opened up to the public, attracting national and international tourists and encouraging visits to the wider Highlands and Islands.

Fort William, Grantown-on-Spey and Aviemore are key settlements, and the area has strong relationships with adjacent more coastal settlements such as Mallaig, Oban, Wick and Thurso. The area also has a strong network of towns including Forres, Elgin and Nairn. In more remote communities there is a need to reverse population decline. Innovation will be required to achieve this in a sustainable way. A place based approach (as demonstrated by Fort William 2040), including work to improve town centres and reuse redundant buildings, will support recovery in a way which responds to the strong character and identity of each of the area's towns and villages. Such an approach is evident in Growth Deal projects such as Moray's Cultural Quarter proposal. A positive approach to rural development should work within a network of hubs, and future service provision will require imaginative solutions so that places can be resilient and self-supporting. Investment in strategic health, justice and education facilities is already planned. In the longer term digital solutions, including mobile and remote health services and virtual education, will play an increasingly important role.

As with the coastal and island areas, homes will be needed to retain local people and attract new residents of all ages. Many communities have taken ownership of their land and this could form the foundations for future development by unlocking further development sites. Refurbishment of existing rural buildings and halting the loss of crofts could help to repopulate the area, and new homes should align with infrastructure and service provision. They should also be located and designed to minimise emissions and to complement the distinctive character of existing settlements and wider landscapes. As climate change continues to impact, water supplies and drainage will need to be secured and maintained. Flood risk management and changing ecosytems will need to be factored into future plans to ensure nature-based adaptation solutions complement local living. Fuel poverty will require greater energy efficiency and affordable, low-carbon, distributed heat and electricity networks, with a model for increased local generation, bringing particular benefits. Maintaining connectivity will be essential, particularly through public transport that includes rail access and other active travel networks.

6. Stimulate green prosperity

Natural assets and environmental quality underpin the area's main economic sectors and must therefore be protected, restored and used sustainably. A flexible approach to planning will help to attract investment, grow and diversify businesses and enable local entrepreneurship, micro enterprises, self-employment and social enterprises to flourish. Remote working can be capitalised on to build economically active local communities. This will require the continued roll out of high quality digital infrastructure and maintenance and decarbonisation of transport routes to wider markets. Food miles can be reduced over time with the help of

local community-led food growing networks, by supporting locally driven public procurement and, from a land use perspective, protecting higher quality agricultural land.

Ideas are emerging for the area to secure a low carbon future for tourism. Assets such as the North Coast 500 and more recently the Kintyre 66 in the adjacent coastal area, as well as the area's high quality environment and associated food and drink products, attract visitors. However, they also require improvements to infrastructure to support local communities and visitors. This will maintain the quality of the experience and the environment, facilitate lower carbon transport, promote 'leave no footprint' and encourage longer stays. This could involve extending the availability of transport services. There are also many regionally significant opportunities to create jobs by growing support services for outdoor activities such as mountain biking, climbing, walking and angling and in support of the country's winter sport and recreation sector that is primarily focussed in this area.

This area also makes an important contribution to our climate change targets by supporting renewable energy generation. Repowering and extending existing wind farms will optimise their productivity and capitalise on the area's significant natural energy resources, and there is potential to increase offshore wind energy capacity. A carefully planned approach can reduce environmental or other impacts and retain more benefits locally. Community ownership of renewable energy projects at all scales could play a key role in improving resilience, empowering local people to take control of their own assets and helping tackle fuel poverty. Pumped hydroelectric storage at Cruachan and other sites such as Coire Glas can support the energy network, as well as providing tourism and recreation opportunities, and we expect to see a growth in solar power. As technologies continue to develop, storage and other forms of generation will grow. The electricity distribution and transmission network will require upgrading to support the large increase in on and offshore electricity

generation as well as new demand from heat and transport required to achieve net zero. There will also be a need for more community-scale energy generation to serve the needs of local communities directly and build resilience.

Investment in research and development, business opportunities and local centres of expertise will help to retain benefits locally and broaden the range of skilled jobs. There will also be opportunities to build on and repurpose existing assets to create greener jobs, such as the former nuclear installation at Dounreay and development at Fort William associated with the Lochaber Smelter.

The area's coastline contributes to the beauty and experience of the area and is also a hub for economic activity including fishing, the cruise and marine leisure sectors and the offshore renewable energy sector. Key ports include the Cromarty Firth (including Port of Cromarty, Nigg and Highland Deephaven), Corpach, Ardersier, Gills Bay, Inverness, Kishorn and Buckie. Through Opportunity Cromarty Firth and other projects, new facilities and infrastructure will help ports to adapt, unlocking their potential to support the transition from fossil fuels through oil and gas decommissioning, renewable energy and low carbon hydrogen production and storage, and the expansion of supply chain and services. This will in turn benefit communities by providing employment and income for local businesses.

7. Nurture nature-based solutions
The area's natural capital will play a vital role in locking in carbon and building our resilience by providing valuable ecosystem services. This includes sustainable flood risk management, biodiversity, access and education.

Land and sea assets will play an internationally significant role in renewable energy generation and carbon sequestration. The area can act as a strategic carbon and ecological 'mitigation bank' that can make a major contribution to our national climate change commitments. A programme of investment in forestry, woodland creation, native woodlands and peatland restoration will play a key role in reducing our national emissions, providing investment

opportunities, supporting ecosystems and biodiversity and benefiting current and future generations. There are also opportunities to explore the decarbonisation of the forestry sector and the transport of timber, and to build community wealth through new businesses, such as a nationally important tree nursery in Moray.

Wider but closely related priorities include continuing conservation at a landscape-scale, to develop resilient nature networks, deer and moorland management, visitor management and recreation, rural housing, community empowerment and economic development. This will provide good quality local employment, strengthen and diversify local economies and help to secure a sustainable future for local people. The area's rivers are also strategic assets that will continue to benefit from aligned land use, climate adaptation and biodiversity enhancement.

Cairngorms National Park is bringing together conservation, the visitor experience and rural development to provide benefits that extend well beyond the park boundary. Landscape-scale solutions to build resilience to climate change, to manage sustainable tourism and outdoor access, and a commitment to reversing biodiversity decline and increasing woodland expansion and peatland restoration, are all key priorities. Demand for development, including in pressured areas, will require a planned response to minimise the impact of second homes on local communities and ensure new housing is affordable and meets local needs.

8. Strengthen resilience and decarbonise connectivity
We will continue to support further investment in digital connectivity but will need to go further to adapt to climate change and make use of emerging technologies. Priorities include satellite and mobile solutions to address 'not spots', and to support local living by reducing the need to travel unsustainably. To complement existing physical connections, smart solutions, local hubs, demand responsive transport and active travel networks will help people to access services and employment and make low-carbon local living a more viable option.

The transport system as a whole will need to be planned to support a shift to more sustainable transport whilst maintaining access to markets and facilities. In line with the transport sustainable investment hierarchy, development should first be focused on locations which make the best use of existing infrastructure and services before building new infrastructure or providing new services. Improvements to the Highland Main Line through electrification and delivery of new stations including at Inverness Airport, will create a sustainable commuter network for Inverness and open up more rural areas to lower carbon development. Our rolling programme of efficient electrification is also a key enabler for growth in rail freight, creating improved connectivity and providing additional capacity with faster journey times, better use of track capacity and lower unit costs. A continued modal shift to rail for both passengers and freight will bring significant environmental benefits over time.

Roads will continue to be arteries upon which local communities and businesses depend. There will be a need to adapt key routes due to the impacts of climate change alongside creating a strong network of charging points, including improvements to the A96 to improve safety and to the A9 to maintain a resilient road link from Thurso and Inverness to the central belt. Remote and rural areas including islands are dependent on reliable accessibility by road including connecting to ferries and ports, facilitating reliable public transport by road, access to essential services and transporting of goods. There is an urgent need for improvements to the A83 to ensure the resilience of the economy and communities of wider Argyll. Continued investment in the national long-distance walking and cycling network provides an opportunity to assist in decarbonising tourism and recreation across the area, whilst also providing, and acting as a spine for, sustainable active travel connections for everyday travel in the vicinity of towns and villages.

Inverness airport is a hub for air connections to dispersed communities and Wick John O'Groats and Broadford Airstrip on Skye are key connections. Oban Airport is also an opportunity

for investment in compliance operations and future drone technology. The Highlands and Islands are aiming to become the world's first net zero aviation region by 2040 by pioneering new approaches including electric aircraft. Investment in technology and facilities will be required to achieve this. The Moray Aerospace Advanced Technology and Innovation Campus (MAATIC) at Lossiemouth is an opportunity to develop skilled work in the aviation sector, in collaboration with the Royal Air Force and Boeing.

Planning permission has been granted for a spaceport at Melness in Sutherland, making use of its location away from populated areas to provide a vertical launch facility that could link with wider opportunities for manufacturing, research and development across Scotland.

Q10: Do you agree with this summary of challenges and opportunities for this action area?

Q11: What are your views on these strategic actions for this action area?