



Key Issues and Challenges

Key Issues and Challenges (1)

52. The Local Plan seeks to ensure that development is supported by a delivery framework that will: promote sustainable economic growth; result in sustainably located and planned housing; support appropriate transport and infrastructure planning; and conserve and protect the islands' outstanding environment. The Local Plan will have a pivotal role in helping to sustain all that is special about Scilly – its people, character and qualities.
53. The Local Plan seeks to positively address a variety of key challenges and issues facing the Isles of Scilly. The exceptional environment, coupled with its location, makes the Isles of Scilly a very special place that offers unique opportunities and advantages over the rest of the UK; this was acknowledged through the inclusion of the Smart Islands programme for the Isles of Scilly in the Government's 2017 Industrial Strategy for the UK. The islands are therefore well-placed to face the future with optimism and confidence. Nonetheless, Scilly's isolated and remote location, with a tiny population base spread across five separate islands, means that it faces some significant challenges; not least its vulnerability and unsustainability. Recent population decline has changed the longer-term growth trend, and any ongoing decline in the available workforce (working-age population) could have significant impacts on wider aims to adapt and improve the local economy.

Key Issues and Challenges (2)

54. The economy of the Isles of Scilly is vulnerable, as it is unusually self-contained, dominated by a few business sectors such as tourism, and with a high proportion of very small businesses. Over the past 30 or 40 years, the Isles of Scilly has enjoyed relatively benign economic and social conditions. The tourism economy grew rapidly and provided a good living to many people on the islands. But more recently, the islands' economy has suffered a decline. Visitor numbers have dropped, and farming and fishing have contracted. All of these factors have impacted on the viability of the islands' community.
55. The Local Plan must be responsive to the specific challenges and issues facing the Isles of Scilly, so that it can build on its strengths, realise opportunities and tackle underlying problems, in order to prevent further economic and population decline. The ambition is to work proactively with applicants and investors to secure developments that improve the economic and social conditions of Scilly, whilst protecting and enhancing its outstanding environment. The focus will therefore be on finding solutions to secure development that sustains the islands' future.

Key Issues and Challenges (3)

56. Some of the fundamental issues facing the Isles of Scilly are identical with those of other island communities, and cannot be easily addressed through the Local Plan; these include costly infrastructure, high transport and freight costs, and reduced competition and limited domestic markets that are too small to provide economies of scale. The following challenges and issues are not ranked in any particular order of priority or importance, and will inevitably overlap:
57. **Housing** Building sufficient decent affordable homes for the community is the single biggest challenge. To ensure the long-term sustainability of the islands, more homes are required, to overcome the acute shortages of affordable accommodation. These are necessary to meet Local Housing Needs, which currently exist due to the marked disparity between house prices and rents, given the low average incomes and the high proportion of second and holiday accommodation. The challenge is to build a sufficient amount of decent affordable homes to address this shortage, in the context of exorbitant building costs compared to the mainland UK, within an exceptional environment with limited land and significant infrastructural constraints.

Key Issues and Challenges (4)

58. **Environment** Protecting the exceptionally high-quality environment and its significant landscape, heritage and nature conservation assets. The exceptional and outstanding environment establishes the natural, cultural and historic distinctiveness and identity of the islands and underpins its economy, particularly through tourism. Future development must be sensitive to the area's significant environmental assets; it must ensure that the local character, distinctiveness and environmental quality is not compromised, and is wherever possible enhanced, as a consequence of development.
59. The Isles of Scilly support nationally and internationally important populations of seabirds. The important land areas for seabirds are accordingly designated as Sites of Special Scientific Interest (SSSI), Special Protection Area (SPA) and Ramsar Site. Seabirds have been recognised as a priority for conservation and to support a strategic approach to seabird management, a Seabird Conservation Strategy has been written for the period 2018-2023. In addition, all island 6 yearly monitoring of the special features of the SPA is carried out alongside annual seabird counts. The overall number of seabirds breeding within the Isles of Scilly archipelago in 2015/16 (8266 pairs) has decreased by 9.8% in the last nine years. There has been a 14.3% decline in the SPA population since the SPA baseline and a 31.3% decrease in the size of the total population since 1983 (the date of baseline data used for the SSSI notifications on Scilly in 1986) when 12,063 breeding pairs of seabirds were recorded. Such a decline is the result of any number of factors that need to be addressed, including increased disturbance, risks from invasive, non-native species and climate change; these along with habitat loss, are the biggest threats to the natural environment.

Key Issues and Challenges (5)

60. Creating a more self-sufficient and resilient community through the achievement of sustainable development will require efforts to minimise environmental impacts; reduce the islands' carbon footprint; and respond to the increased risk of flooding, given the significant threats from coastal erosion and the impacts of a changing climate. Whilst the islands have always been exposed to storms, these are likely to become more frequent and severe, bringing risk of flooding, damage to buildings and livelihoods, and pollution of drinking water.
61. **Infrastructure** Improving the capacity, resilience and sustainability of the islands' infrastructure, to address current constraints through new development and investment opportunities, including Smart Islands and similar programmes. Historically, the provision of infrastructure has been disjointed, with a legacy of underinvestment. Providing affordable and sustainable energy, drinking water, sewerage treatment and waste management practices for a remote island population within a sensitive environment is expensive, and presents considerable practical challenges. For example, the Isles of Scilly ranks eighth highest, among other Local Authorities in England, for fuel poverty: the proportion of households considered to be 'fuel poor' in 2016 was 15.5%, against the English average of 11.1%, with the South West average being 10.2%, and Cornwall 12.8%.² Electricity consumption data shows that the Isles of Scilly has the second-highest average domestic consumption per household out of all British local authority areas, at 7,801 kWh. The Shetland Islands are top, at 9,706 kWh, with Great Britain's average being 3,931 kWh, and 5,276 kWh for Cornwall.

Key Issues and Challenges (6)

62. Additionally, the logistics of an island community make the disposal of waste very challenging. In 2016/17, the Isles of Scilly had the lowest recycling rates in the South West region, at 19%; this contrasts with Cotswold District Council, which had the highest recycling rates in the South West, at 60%.⁴ During the course of 2017 through to 2020 waste management practices on the islands have dramatically improved in terms of in rolling out household kerbside recycling collection with an increase in recycling rates exceeding 30% for the first time.
63. **Economy** Attracting sustained investment and enabling a strengthening and diversification of the economy, and overcoming the dependence on low-income and often seasonal employment. In accordance with the Islands' Future Strategic Economic Plan, and with its emphasis of building on the opportunities of the Smart Islands programme and superfast broadband, the growth in research, technology and knowledge-based sectors could broaden the economic base of the area, and increase employment opportunities that are more skilled and better paid. Additionally, there is a need to capitalise on and strengthen the quality and value of tourism, given that it will continue to dominate the islands' economy over the plan period; whilst recognising its vulnerability to transportation, climate change and financial shocks. Creating a successful economy will require businesses to develop new opportunities, become more productive, and continually adapt to new challenges. Economic success will also require changes to the current declining trend of the working-age population.

Key Issues and Challenges (7)

- 64. Community Facilities** Ensuring the provision of an adequate range of services and facilities to meet the current and future needs for all ages in the community, including education and lifelong learning, integrated care and health, retail, culture and cultural spaces and leisure facilities. Fundamental to this challenge is recognising that a rapidly ageing population will have implications for the types of homes that must be provided, and the availability and access to social and health care services. There will be workforce-related requirements to continue to support an older population, which are linked to the housing aspirations of this Local Plan. Similarly, and in relation to continued improvements to the educational needs of future generations, it will be important to deliver sufficient suitable homes on St Mary's and the off-islands, to support the needs of the education workforce. The local housing market should have sufficient flexibility and capacity to support the development of a skilled and experienced workforce.
- 65. Transport** Supporting better access across the islands, in particular supporting sustainable and active transport solutions, by foot, bicycle or electric vehicles; and enabling people to access amenities such as schools, shops, employment and essential infrastructure through a range of transport options, maximising opportunities for all. New housing, employment and community development opportunities will need to promote active travel within and across island communities, as indicated in the spatial strategy section of the Local Plan. Strategic transport links to the mainland are fundamental to the future sustainability and viability of the islands, although improving such links are largely outside the scope of this Local Plan, it is critical that these are safeguarded.