

Partnership Director's Update

1. INTRODUCTION

- 1.1 The purpose of this report is to provide the Partnership Board with brief updates on a number of matters that are not covered in separate papers or presentations but which will be of interest to Board Members.
- 1.2 This update includes the following sections:
 - 2: Flat Bus Fare Pilot
 - 3. COSLA White Paper on Population Balance
 - 4. Scottish Government Consultation on Regional Economic Partnerships
 - 5: Council Requisitions and Financial Planning Procedure
 - 6: Potential Changes to the Business Plan for 2025/26

2. FLAT BUS FARE PILOT

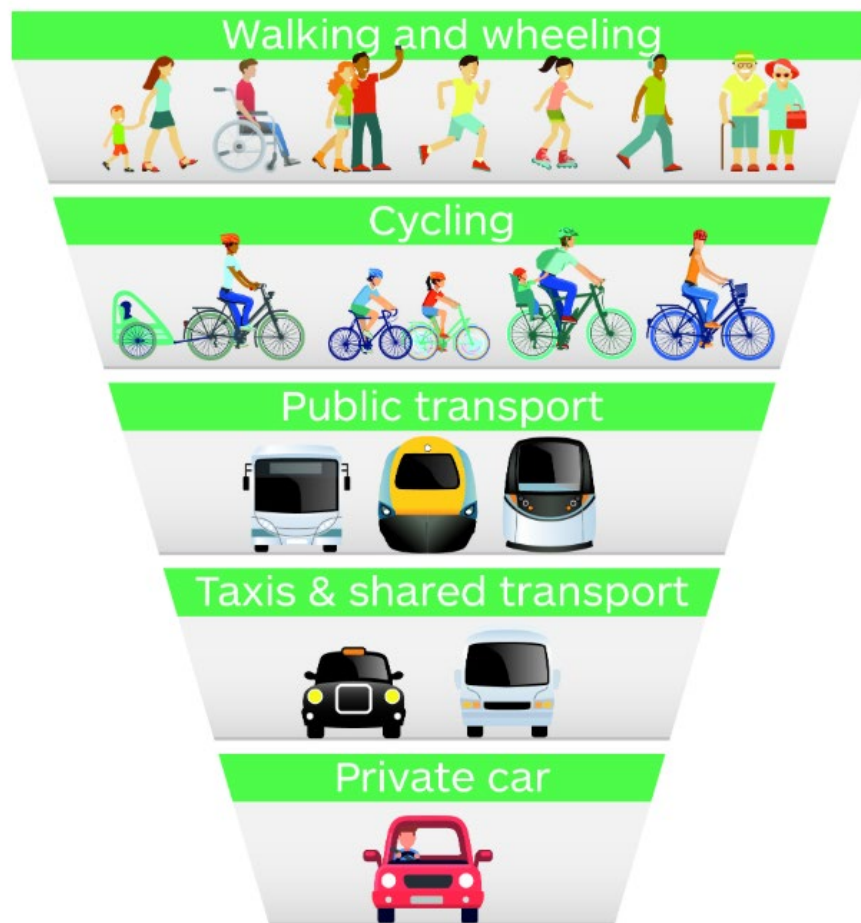
- 2.1 In 2024, Transport Scotland published a 'Fair Fares Review' designed "to make recommendations to realise the Scottish Government's vision for a future for public transport which is more accessible, available and affordable, with the costs of transport shared more evenly across government, business and society, in line with the First Minister's Policy Prospectus and in support of the National Transport Strategy's vision that "we will have a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors".
- 2.2 As reported to the last meeting of the Board, the review committed to developing a proposal for a bus flat fares pilot for an area-based scheme to provide flat fares on bus travel, or reduced fares on zonal integrated travel for consideration in future budgets.
- 2.3 There has been no movement since the last Board meeting, but SEStran has been asked to draft a case for the Edinburgh and South East Scotland City-Region to be considered for the pilot.
- 2.4 A paper will be presented to the CRD Directors' meeting on 2 October 2025, along with a strong recommendation that it should be submitted by SEStran, on behalf of the SEStran region, rather than the CRD.

3. COSLA WHITE PAPER ON POPULATION BALANCE

- 3.1 On 11 August 2025, COSLA circulated a draft White Paper on Population Balance to its member authorities (see Appendix 1). This White Paper will sit under the COSLA Manifesto which is currently being developed with the intent of influencing political parties ahead of the elections next year.

- 3.2 The paper addresses growing concerns in Local Government that the long-standing issue of tackling population challenges is becoming an increasingly critical issue. This is affecting local authorities that are experiencing significant population growth and those facing critical depopulation, as well as many that are facing both challenges within their council areas.
- 3.3 The paper is one of a series of white papers which support the priorities set out in the 2026 COSLA Manifesto. The purpose of these white papers is to provide a deep dive into complex current and emerging challenges that need attention, with proposed policy solutions.
- 3.4 The white paper has been developed with support from the Improvement Service and in consultation with the Society of Local Authority Chief Executives and Senior Managers (SOLACE), the Scottish Local Authorities' Economic Development (SLAED) Group, the Scottish Collaboration of Transport Specialists (SCOTS)/Regional Transport Partnerships (RTPs), the Association of Local Authority Chief Housing Officers (ALACHO) and the COSLA/Scottish Government Population Roundtable, EAG on Migration and Population, and Dr. D. Vampa, University of Edinburgh.
- 3.5 SEStran was not consulted as part of the above exercise.
- 3.6 The updated document, based on feedback received, was presented to the Population Board on 10 September, still in draft form, with the intention of being submitted to Leaders for sign off on 26 September.
- 3.7 As part of the consultation on the white paper, COSLA were keen to hear about:
- Any missing challenges
 - Any missing asks/solutions
 - Any clarifications or content that doesn't accurately reflect your experience/is unhelpful for the population balance agenda
 - Additional case studies that you would like us to consider adding – if so, please share a paragraph with us that we can include
 - Any further comments
- 3.8 Despite not being a member of COSLA, SEStran submitted a brief response, via the ESESCRD programme management office, restricted to the transport section of the white paper.
- 3.9 The SEStran response noted that the white paper restates a number of already accepted principles, all of which SEStran would support.
- 3.10 It's worth noting that Transport Scotland's Sustainable Transport Hierarchy (below) guided development of the Regional Transport Strategy (RTS). Prioritisation of the RTS Delivery Plan (RTSDP), which is currently being undertaken, is heavily based on this hierarchy, although local circumstances are taken into account in this process.

Prioritising Sustainable Transport



- 3.11 In reassessing the viability of its commitment to reduce car usage by 20% by 2030, Transport Scotland recognised that its originally proposed approach would not work as well in rural areas as it would in built up areas.
- 3.12 TS accepted that active and sustainable travel (including public transport), would not meet the principles of the just transition because it does not support people in rural areas to connect with the healthcare, employment, education or leisure opportunities open to people in urban and semi-urban areas, unless they own cars.
- 3.13 As a result, the redrafted plan suggested that car use is more acceptable in rural areas, provided there is a switch to zero emission vehicles. The redraft was rejected by COSLA mainly because of its over-reliance on demand management (e.g. road user charging) as opposed to improving alternatives to the car including public transport.
- 3.14 This shows that the COSLA position on sustainable transport has been consistent across the 20% reduction proposal and the white paper i.e. the government needs to increase investment in public transport in rural areas, irrespective of other factors.

- 3.15 SEStran is working on a number of fronts (often jointly with the ESESCRD team) to deliver the priorities in the RTS, many of which will directly address the unique transport challenges experienced in this region.
- 3.16 The development of a Regional Bus Strategy, which will be published in December. This has examined the challenges being experienced in rural areas, and will propose a number of improvements. Transport Scotland has still not published regulations or guidance for key parts of the Transport (Scotland) Act 2019, so it's still too early to know if the Strategy will have real teeth. Publication of both of these documents must be a priority for Transport Scotland.
- 3.17 The establishment of Project SEStran (working title at this point). This project will build on the mass transit theme of the RTSDP, and will include a refresh of STPR2 recommendation 12 (a mass transit system for the south east of Scotland), which will seek to improve the connectivity of people across the region in the quickest, most cost-efficient manner. A separate paper on this project will be submitted to this meeting of the Partnership Board.
- 3.18 It should be noted that the RTPs have agreed to work together with COSLA in future, subject to COSLA identifying sufficient resources, in order to ensure that a number of other key themes are included in COSLA work, including Transport to Health and Freight.

4. SCOTTISH GOVERNMENT CONSULTATION ON REGIONAL ECONOMIC PARTNERSHIPS

- 4.1 The Scottish Government published a commitment in the most recent Programme for Government that said they would: "Work with regional and local partners to identify how best to formally devolve further elements of decision-making and delivery to Regional Economic Partnerships (REPs), and present options before the end of this Parliament."
- 4.2 As part of this exercise, the SG Directorate for Economic Development has been speaking to a range of stakeholders to identify and consider potential routes forward. These stakeholders have included all Regional Transport Partnerships.
- 4.3 SEStran met the SG on 24 July 2025. The actual format of the meeting was a relatively unstructured discussion which allowed full exploration of the questions listed in the rough guide for the discussions which was sent by SG ahead of the meeting and is attached as Appendix 2.
- 4.4 In summary, the SG was looking for improvements which could ideally be implemented before the next election, which is anticipated to take place in May 2026. In real terms this rules out any changes that require new or amended legislation.
- 4.5 The SEStran region includes 4 Regional Economic Partnerships:
- The Edinburgh and South East Scotland City-Region (ESESCRD)
 - The Forth Valley REP
 - South of Scotland Enterprise (SOSE)
 - Tay Cities Growth Deal

SEStran noted that not all local authorities in the SEStran region are included in the Edinburgh and South East Scotland City Region. Clackmannanshire and Falkirk Councils are in the SEStran region but in the Forth Valley Regional Economic Partnership along with Stirling Council. Scottish Borders is in both the ESESCRD and SOSE areas.

- 4.6 SEStran and the ESESCRD agreed a Concordat in 2023. This includes a 'Shared Vision for Integrated Economic, Land-Use and Transport Planning and Provision', and a commitment to complementary working'.
- 4.7 SEStran also works closely with SOSE and is a member of the SOSE Strategic Action Group for Transport.
- 4.8 SEStran expressed support for the devolution of increased powers to a regional level, and for the regional body to have 'oversight' of economic development, planning and transport planning.
- 4.9 SEStran holds the view that the importance of transport is often underestimated, and notes that there are only two transport projects (Sheriffhall Roundabout on the A720 and the West Edinburgh Transport Improvement Plan) included in the current ESESCRD despite its bold economic ambitions (compare this with the much greater transport ambition in the Glasgow City Region Deal).
- 4.10 SEStran also notes the absence of regional planning authorities and the lack Regional Spatial Strategies, and is of the view that REPs could be strengthened by addressing this anomaly. It is also crucial that local authorities can work together to extract transport contributions from developers where developments in one LA will have major impacts on an adjoining LA
- 4.11 SEStran noted that there are advantages and disadvantages of Regional Economic Partnerships becoming statutory organisations, Councils already have powers to work jointly and to delegate powers and the disbursement of funds to Joint Committees set up for that purpose.
- 4.12 Although creating statutory REPs would provide additional clarity, it is SEStran's view that changes to governance and budgets, rather than legislative changes, are key to delivering the transport system required to underpin economic growth of the south east of Scotland. This view was welcomed by SG.
- 4.13 It should be noted that work has recently commenced on Project SEStran (working title only at this point), which has been described by Transport Scotland as the east coast's version of 'Clyde Metro' or 'Aberdeen Rapid Transit'. It is a synthesis of the Regional Transport Strategy Delivery Plan and STPR2 Recommendation 12 (a mass transit system for Edinburgh and south east Scotland). This project will deliver the transport infrastructure and network required to support and drive the region's economic development. SEStran will include Clackmannanshire and Falkirk Councils.

- 4.14 Communication lines are still open with SG and, if the Partnership Board would like to provide them with additional feedback or clarification of any of the above, this can be easily arranged.

5. COUNCIL REQUISITIONS AND FINANCIAL PLANNING PROCEDURE

- 5.1 At its last meeting, the Partnership Board was informed that papers on both of the above topics would be presented at this meeting.
- 5.2 Due to the focus on closing out the external audit and confirming last year's accounts, this has not been possible and it is now intended to bring both papers to the December meeting of the Board.
- 5.3 In the meantime, the Stakeholder Liaison Group and the Performance and Audit Committee have both been briefed on the reasons for seeking an increase in Council Requisitions and informed that the Board will be asked to approve such an increase at a later date.
- 5.4 It is therefore intended that the Partnership Director will write to all partner Councils asking them to plan for an increase subject to Board approval of the increase.

6. POTENTIAL CHANGES TO THE BUSINESS PLAN FOR 2025/26

- 6.1 The emergence of Project SEStran (see separate report) is likely to generate significant additional workload for the SEStran team. As a result, delivery plans and budget allocation for the current year are being reviewed and will be reported to the next meeting of PaSDOS.

7. RECOMMENDATIONS

- 7.1 The Partnership Board is asked to note the contents of this report.

Brian Butler
Partnership Director
16 September 2025

Appendix 1: COSLA Draft White Paper – Population Balance Position

Appendix 2: Stakeholder Engagement Paper – Regional Economic Partnership PfG

Policy Implications	None
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None

FOREWORD

Include:

- This report is one of a series of white papers, which support the priorities set out in the 2026 COSLA Manifesto. The purpose of these white papers is to provide a deep dive into complex current and emerging challenges that need attention, with proposed policy solutions.
- This white paper has been developed with support from the Improvement Service and in consultation with the Society of Local Authority Chief Executives and Senior Managers (SOLACE), the Scottish Local Authorities' Economic Development (SLAED) Group, the Scottish Collaboration of Transport Specialists (SCOTS)/Regional Transport Partnerships (RTPs), the Association of Local Authority Chief Housing Officers (ALACHO) and the COSLA/Scottish Government Population Roundtable.
- Acknowledge academics too - EAG on Migration and Population, Dr. D. Vampa, University of Edinburgh

INTRODUCTION

There are growing concerns in Local Government that the long-standing issue of tackling population challenges is becoming an increasingly critical issue. This is affecting local authorities that are experiencing significant population growth and those facing critical depopulation, as well as many that are facing both challenges within their council areas.

The role of local authorities is crucial to achieving a more balanced population and a place-based approach is essential to effectively addressing these challenges. Local authorities are keenly aware of the social and economic impacts on areas in vital need of repopulation and areas that are 'overheating' due to rapid population growth. They are best placed to take a holistic view of the challenges and assess what policy solutions can and cannot work at local level. However, this work must also be undertaken in collaboration with both Scottish Government and UK Government, and will require their support and resources, to enable councils to deliver the change that is required.

This is why the Population Roundtable was established in November 2020, to ensure that a Local Government voice was included during the development of the Scottish Government Population Strategy '[A Scotland for the future: opportunities and challenges of Scotland's changing population](#)'. The Roundtable is jointly hosted by COSLA and Scottish Government and membership consists of senior officers from local authorities. In March 2021, council Leaders agreed that the Population Roundtable should continue to meet to ensure both Scottish Government and Local Government remain committed to taking the population programme work forward collaboratively. The Roundtable was consulted with during the development of the Scottish Government [Action Plan to Address Depopulation](#), which was published in February 2024 and consists of 83 actions.

The aim of achieving a more balanced population continues to be a strategic priority for COSLA and local authorities, and was agreed by COSLA Community Wellbeing Board in February 2025.

It is imperative that the population programme remains a priority for the new Scottish Government administration following the 2026 election.

Population sits under the 'Communities, place and local democracy' priority area in the COSLA 2026 manifesto. It states that:

Public.services.work.best.when.they.are.accountable.and.place_based.and.when.
decisions.are.taken.with.and.as.close.to.communities.as.possible; .A.new.Scottish.
Government.should.support.us.to.avoid.centralisation.of.decision_making.and.to.ensure.
no.community.is.left.behind; .Decisions.and.resources.must.be.devolved.closest.to.
those.they.affect.to.counter.centralisation.of.economy.and.population

As part of this work, Members of the Population Roundtable requested that we work towards a set of clear, unified and well-informed Local Government 'asks' relating to achieving better population balance. Given the scale and complexity of the population landscape, roundtable members agreed that we should focus on 3 key priority areas in the first instance. These are: economy and jobs, housing, and transport. There was broad agreement by roundtable members that there is a crucial nexus around these policy areas.

This paper will focus on some of the economic, housing and transport challenges faced by those councils experiencing rapid population increases and those in need of critical repopulation. It will explore potential policy solutions that would contribute towards improving population balance and preventing the extremes of these population challenges.

Definition of population balance

The term 'population balance' can be used in a variety of contexts, e.g. the age-dependency ratio of the population or the spatial spread of the population. This paper will draw on the definition of population balance set out in the Scottish Government Population Strategy and will focus on the geographical spread of population. This means addressing the social and economic challenges of either extreme depopulation or rapid population growth. Whilst recognising that it can be difficult to disentangle age and geographical balance in some policy areas.

ECONOMY & JOBS

TACKLING THE BIGGEST CHALLENGES (key areas that require addressing)

Scotland's changing population is having, and will have, a major impact on jobs and the economy. With both a shrinking and ageing working age population, skills and labour shortages are becoming an increasing concern, and this is likely to become more pronounced in the future. While these changes will be felt across the country, we are already seeing a number of particular experiences at a local level. Rural councils are acutely aware of the rapid decline in their populations and the impacts on their workforce and are considering how to use their local economies to help combat these trends. More urban councils, predominantly on the east coast, are also managing the challenges of an ageing workforce but balancing the economic benefits of population growth with the pressures this creates on services, housing and infrastructure.

Some of the key challenges local authorities face in relation to the economy and population balance include:

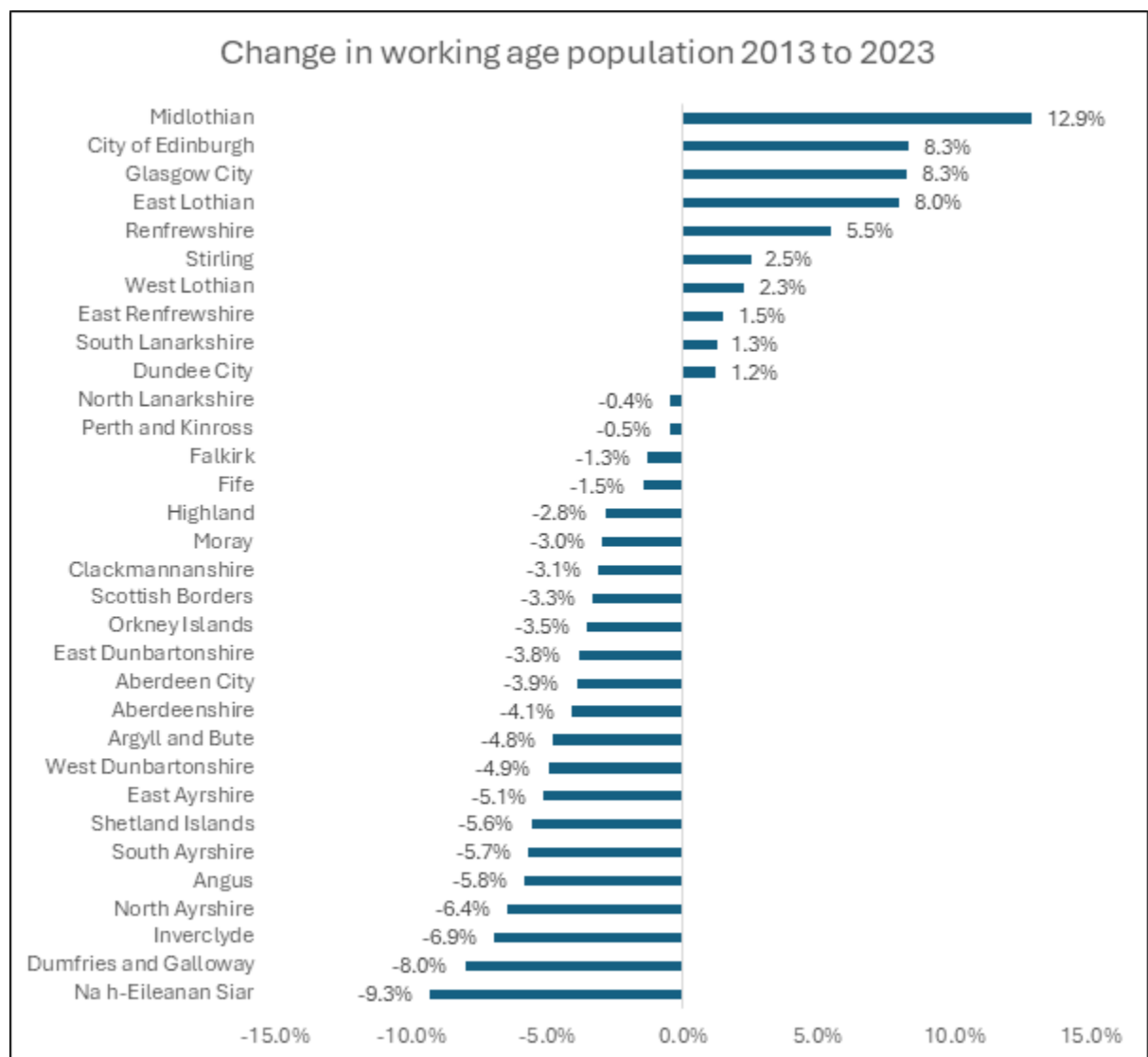
- Scotland's working age population is shrinking and ageing and there is increasing disparity across Scotland.

Scotland's population is changing. Population growth is projected to slow nationally, and all council areas are experiencing ageing within their populations. Experiences differ across the country. Some councils, predominantly rural areas and parts of the west, are facing rapid population decline, whilst others, especially in the east-central belt, are experiencing "overheating" with infrastructure struggling to maintain pace with the increasing population. Some councils are experiencing a mix of both decline and growth across their area.

Between 2011 and 2022, Scotland's overall population has increased by 141,200 (2.7%), but this is unevenly spread. Midlothian saw the largest population increase of 16.1%, followed by East Lothian, City of Edinburgh and West Lothian – these increases were primarily driven by inward migration from the rest of Scotland, the UK and overseas. Overall, population decreases were concentrated in the west and southwest - Na h-Eileanan Siar saw the biggest decrease, down 5.5 %, followed by Argyll and Bute, Scottish Borders, Dumfries and Galloway and Inverclyde. ⁱ

Scotland's estimated inflow into the workforce has been declining and from 2026 there is a projected outflow from the workforce, with a greater number of people of working age likely to be leaving compared with entering. Again, there is growing disparity across Scotland (see Figure 1).

Figure 1: Percentage change in working age population across Scottish local authorities, 2013-2023



Source: IS Policy Briefing (details tbc)

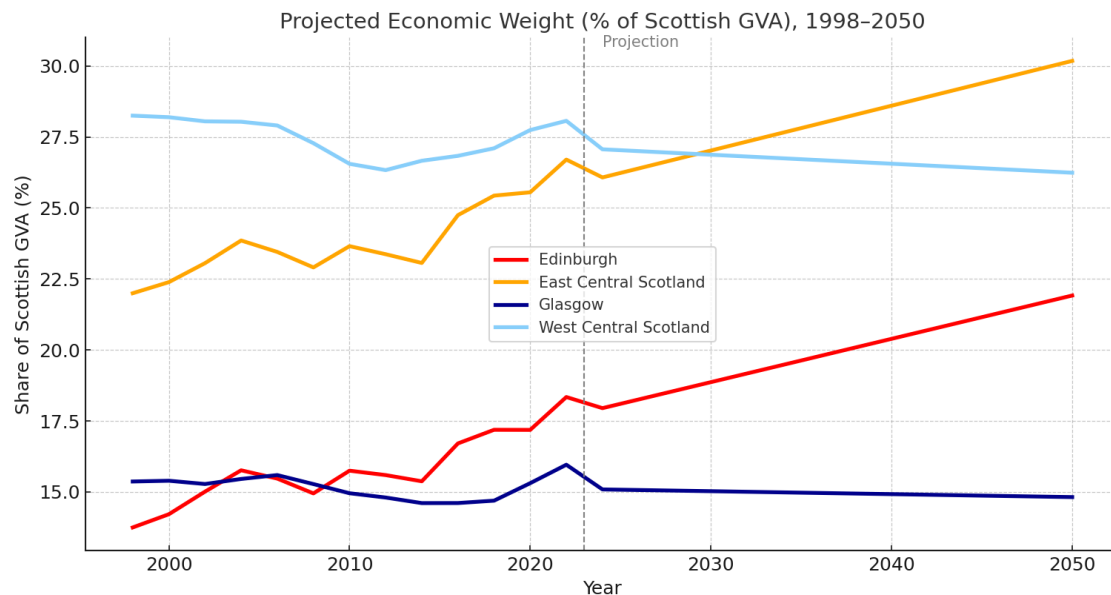
These changes in population size and structure will inevitably impact Scotland's workforce. This is also being experienced differently across Scotland, resulting in a concentration of working age population in some areas and a sustained reduction in others.

- Achieving population balance in an increasingly centralised Scottish economy.

There has been an increasing centralisation of the economy and people in Scotland, and this is forecast to continue. Edinburgh has become more productive per person and more populous, and as a result, its contribution to Scotland's total economic output – measured as a share of Scottish Gross Value Added (GVA) – has risen steadily over the past 25 years. In 1998, Edinburgh accounted for less than one-sixth of Scotland's total GVA. If the trend observed over the past 25 years continues at a similar pace, it could represent more than one-fifth by 2050. The wider East-Central Scotland region, which also includes Edinburgh's surrounding areas, is following a similar trajectory.ⁱⁱ

Figure 2 brings together the two key trends – rising productivity and population growth – to show how they translate into changes in the overall economic weight of different areas within the national economy.

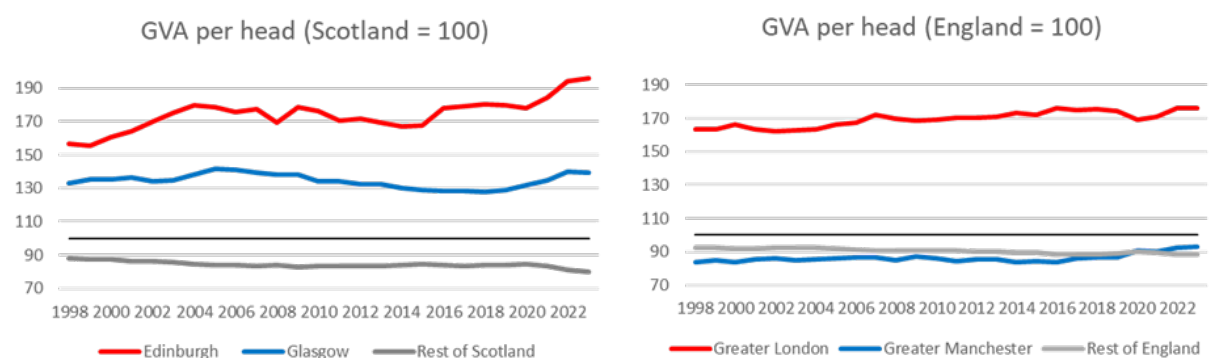
Figure 2



Source: D. Vampa (July 2025) extrapolated using ONS data [Regional gross value added \(balanced\) per head and income components - Office for National Statistics](#)

The shift in the economic weight toward Edinburgh has been sharper and more dramatic than the shift toward London (see Figure 3 below).

Figure 3



Source: D. Vampa (July 2025) extrapolated using ONS data [Regional gross value added \(balanced\) per head and income components - Office for National Statistics](#)

Scotland's economic centre of gravity is shifting eastward. This trend has major implications for regional development, infrastructure investment, and long-term policymaking. The East-Central Belt is growing, while the West-Central Belt has remained relatively stable. The rest of Scotland beyond the Central Belt, with slower population growth and lower productivity has been steadily losing economic ground. If the patterns of

the past 25 years continue, this will have significant implications for East-Central Belt councils, with infrastructure struggling to maintain pace with increasing population, while much of the rest of Scotland, primarily in the west and rural areas, at risk of being increasingly left behind.ⁱⁱⁱ

- Workforce.challenges

One of the challenges that local authorities are facing is having insufficient working-age population to support the aging population. This is further compounded by population balance issues such as depopulation, or fast-growing retired populations.

Scotland has an increasingly inactive workforce. ONS data shows that 34% of the Scottish working-age population who were economically inactive were inactive due to being long-term sick or disabled^{iv}. The Improvement Service report also points to a 12% increase between 2023 and 2024 in the number of 16–64-year-olds who were inactive due to retirement.

According to the Improvement Service report, “Analysis of employment numbers under different migration and employment rate scenarios suggests that improving economic inactivity rates may have greater potential to improve the overall level of employment than migration alone”.

Additionally, businesses are reporting difficulties recruiting, particularly in social care, transport and storage, and administration and support services industries. 16.6% of the population who are economically inactive want to work.

Apprenticeships can provide training and education opportunities across Scottish local authority areas that aren’t restricted by where Universities are. Evidence suggests that the majority of Modern Apprentices and Graduate Apprentices in the green industry, for example, remain in the sector, remain in Scotland and often remain with the same employer after completion of apprenticeships.

- Scotland's.population.is.driven.by.migration.

Population growth in Scotland is driven by migration and is projected to continue increasing. In the ten years from mid-2022 to mid-2032, the population is projected to increase by 4.4% to 5.7million. In the 25 years from mid-2202 to mid-2047, it is projected to increase by 6.2% to 5.8 million. All the projected population increase comes from inward migration to Scotland. The projections suggest Scotland’s population will not experience ‘natural growth’, as more deaths than births are projected each year going forward.^v As figure 1 demonstrates changes in working age population vary dramatically between local authorities.

Migration to Scotland significantly impacts councils by influencing population size and workforce availability. As such, migration (both international and from the rest of the UK) can support the repopulation of areas. Migration is a reserved area and there are recent policies that are likely to have a disproportionate impact on Scotland including the increased salary threshold for working visas. This is particularly impactful on areas and

industries that rely on migration but don't have employment opportunities at this higher salary level. There is currently little political appetite at a UK level to increase migration, but population growth in Scotland is dependent on this.

WORKING TOGETHER FOR CHANGE (what's working, potential solutions and recommendations)

1. Promote more balanced economic growth across all of Scotland

Investment is needed to grow economic opportunities and promote population growth, but there are often regional disparities in investment opportunities. As we have seen above, Scotland is becoming an increasingly centralised economy. As the Improvement Service report highlights, this can create a circular problem as better performing economies attract investment more easily, encouraging continued migration to these overheating areas at the expense of areas with a declining population. It is possible that more could be done to encourage more equally dispersed investment across the country. At a national level, a more targeted incentivised approach could be taken to ensure the focus is not solely on bringing investment into Scotland but also considers where in Scotland this investment is directed. Conditionalities around various grants and funds are often aimed at areas experiencing deprivation but could also consider demographic change as a factor for targeting this investment. There are also growing opportunities for more widely dispersed investment through the growing green industry which could support rural areas looking to grow and repopulate.^{vi}

Also, SMEs have voiced disparities in accessing finance. In the Scotland SME Access to Finance report participants noted that rural and remote areas (including but not limited to the Highlands and Islands region) face more challenges in accessing finance, since finance providers and investors tend to be concentrated in the central belt and major cities like Edinburgh and Glasgow. This can also be a matter of perceptions as businesses in less densely populated areas may have access to fewer opportunities to increase their awareness of finance options, including face-to-face interactions with lenders.^{vii}

2. Work together to improve the apprenticeships system

The skills system in Scotland could be better used to maximise the potential of the existing workforce and create opportunities that encourage people to remain in their local area. Apprenticeships are a crucial but underutilised part of this skills system. In 2021 less than one in five employers in Scotland offered formal apprenticeships.^{viii} This may be because employers are not fully empowered within the skills system. The OECD suggest that currently there are few incentives to encourage employers to either offer apprenticeships or to get more involved in the governance of the apprenticeship system.^{ix} They also highlight that the funding of apprenticeships further contributes to the issue. The funding system for modern apprenticeships can give learning providers disproportionate influence over the mix and scale of places on offer, therefore the system may reflect which apprenticeships are easy or cost-effective for the provider to offer, rather than what employers, trainees, or the overall economy needs.

Funding for skills also disproportionately favours higher education over apprenticeships. Higher education is fully funded, but employers must bear some of the training costs involved in Modern Apprenticeships, especially for older adults. The apprenticeship funding model in Scotland also differs from what is seen in England. England's model focuses on giving employers the power to fund training directly, while Scotland uses a more centralised approach, where the government allocates funds raised through the apprenticeships levy for various skill development programs, including apprenticeships.^x Improving the role of employers (including local authorities as significant employers) through financial incentives and greater influence over what is offered, may increase apprenticeship provision, better align skills planning with labour market challenges, and provide an improved response to the changing population.^{xi}

Scottish Government has shared in the Public Service Reform Strategy the intent to introduce 'a new Scottish Government-led approach to national skills planning, and strengthening regional skills planning'^{xii}. Local Government must be engaged with throughout developments in national and regional skills planning.

3. Better support for re-entry to work, and support for older people to remain in the workforce,

To help counteract the population challenges faced by local authorities, it is important to consider ways of maximising the existing potential workforce. Local authorities and partners already undertake a great deal of work in this area and have skills and experience on interventions that make a difference. To enable the biggest impact and positive outcomes sustainable, long-term funding is required.

Employability has predominantly focused on the employment of young people. However, IS report shows that we have an ageing population as well as increasing numbers of people retiring at an earlier age, which highlights another area for consideration. Flexibility in employability funding would allow local authorities respond to the key challenges in their areas. Approaches could include supporting enterprise and self-employment of people 50+ and engaging with employers on the potential positives of flexible working policies.

4. Workforce footprint and improvements on remote working

Scottish Government's action in the Population Strategy regarding workforce footprint should be reviewed, including consideration of how distributing the workforce across the country could be actioned. This would be an example of action to disrupt the trend towards further concentration of the population in the East-Central Belt.

There is evidence that increased access to remote working has caused some population movement from urban to more rural areas^{xiii}. Whilst remote workers are predominantly moving to suburbs or accessible urban areas, there is potential to consider barriers such as digital connectivity that impact both on remote work and on business development in rural areas.

5. Better evaluation, monitoring and measurement of policy impact

There is a need for strong linkages and coherence between demographic change and other policy areas. Policies should be developed and considered with a population lens.

Our ability to understand and measure the impact of policies and programmes is imperative, yet to date has not been robust. This is emphasised by the [Expert Advisory Group on Migration and Population](#) in their recent report on the challenge of population balance, which maps Scotland's institutional and intervention landscape.^{xiv} The Expert Advisory Group recommends establishing objective baseline indicators of population balance, and relative measures of policy impact, as a basis for comparable policy documents.^{xv}

The Addressing Depopulation Action Plan (ADAP) Pathfinder work has started the explore formative evaluation methods which could provide a better understanding of the relative impact of different forms of intervention in pursuit of population balance at the community-level. Scottish Government, COSLA and local authorities should work in partnership to explore the learning from the ADAP work and establish evaluation and monitoring methods that take better account of policy impact from a population balance perspective.

Sharing our learning, knowledge and expertise in population balance is crucial. The Expert Advisory Group recommendation for the initiation of regular 'stock-taking' conferences to pull knowledge of policy relating to population balance from across Scottish Government, the public sector and third sector should be taken forward.^{xvi} This invitation should also be expanded to include UK Government and the private sector.

6. Migration policies

Population growth in Scotland is driven by migration but changes to UK migration policy could make it more difficult for Scotland to attract new migrants, putting future populating growth at risk.

Scottish Government has published a response to the UK Government Immigration White Paper, with a set of tailored migration proposals. As we have noted above, migration to Scotland significantly impacts councils by influencing population size and workforce availability. Migration can support the viability of services through employment but can also add to the demand for public services. There has been a longstanding acknowledgement by COSLA and Scottish Local Government that Scotland would benefit from a more flexible immigration system. An immigration system that can take account of the diversity that exists within Scotland, and that is responsive to local population shortages, local salaries and local skills requirements faced by different parts of the country would be beneficial.^{xvii} In this respect we support the premise of the Rural Migration Pilot set out by Scottish Government. However, we must recognise the distinct requirements of each local area and cannot replicate an immigration system in Scotland that could exacerbate East-Central Belt challenges.

Given the reluctance from successive UK Governments to incorporate more flexibility within the immigration system, we must explore in full what is achievable in the current system. This includes ensuring that the Scottish Migration Service (SMS) has strong links and works closely with local authorities, employers and partners in areas requiring repopulating.

HOUSING & INFRASTRUCTURE

TACKLING THE BIGGEST CHALLENGES (key areas that require addressing)

A strong economy and access to job opportunities is key to population growth but this needs to be underpinned by access to appropriate and affordable housing. Housing, planning and infrastructure are consistently emphasised by councils as critical to population balance. Housing is a necessity for attracting people to areas requiring repopulation (for example, the Highlands and Islands Enterprise (HIE) repopulation strategy identified that 45% of businesses cited a lack of staff accommodation^{xviii}), while ‘overheating’ areas also emphasise the need for better join up of planning and investment structures. All highlight the need to acknowledge the pressure housing systems are under, with thirteen councils having declared housing emergencies thus far. It is possible that others will follow as demand continues to rise and to outstrip supply.

There are currently various initiatives and legislative changes which focus on addressing the housing crisis, e.g. Housing to 2040 Strategy, Housing (Scotland) Bill, Scottish Government Housing Emergency Dashboard, housing emergency pillars (More High Quality Homes, Right Homes in Right Places, and Permanent Home for Everyone), COSLA Housing Special Interest Group (SIG) medium to long-term actions (which stemmed from the SOLACE Housing in Scotland report^{xix}), and a number of governance structures to support them, e.g. Housing to 2040 Board, Housing Investment Taskforce, and Housing Special Interest Group.

The aim of this paper is not to add to an already crowded housing policy landscape. Rather the report aims to consider elements of housing policy through a population lens. It is worth noting that household composition is shifting and every council area in Scotland is facing an increase in households, even those that are facing population decline. Households are smaller on average than in the past (meaning much existing stock may be too large), while an ageing population puts particular demands on the system. In addition, existing stock needs to meet modern standards in relation to repair and energy efficiency, but much of it, particularly in rural areas, does not. Therefore, meeting the needs of a changing population is not just about more houses.

This report aims to recognise the need for strong linkages and coherence between demographic change and housing policy and seeks to amplify some of the medium- to long-term actions from the COSLA Housing SIG, which were agreed by council Leaders in June 2025. These could make a significant difference to population balance and the paper explores how some of these actions could be fine-tuned to ensure population balance is a consideration.

Councils have informed COSLA that some of the key population challenges they are facing relating to housing and population balance are:

- The current housing delivery model and population imbalance
Rural and island areas requiring repopulation suffer from a number of housing challenges, such as high building costs, lack of scale to attract developers, lack of capacity to complete projects, and a market failure of development (unable to deliver the scale and profit levels large developers demand) and private rented sectors.^{xx} Deindustrialised areas facing depopulation may have empty sites but they are often contaminated and costly to develop, which can act as a crucial disincentive for housing developers. On the other hand, large scale, market led housing developments, and the infrastructure demands these place on areas, are further exacerbating the challenges facing 'overheating' areas experiencing rapidly increasing population growth.
- Infrastructure issues for high demand areas
There are significant challenges with delivering public infrastructure to meet a rapidly growing population. Councils highlighted concerns around house building without the right infrastructure to support this growth, and added pressures for councils further down the line. Councils are also raising an inherent conflict caused by planners having to deliver city plans despite infrastructure not being there to support them.

Case study:

East Lothian's population has grown from 99,000 in 2001 to 112,000 in 2021 (an increase of 21.5% over a decade) and is projected to continue to grow. The 2018 Local Development Plan required East Lothian to deliver 10,000 new houses, which is effectively adding a further quarter of homes within East Lothian. To support this level of growth, East Lothian is building 5 new primary schools and a new secondary school, as well as extending many of their other schools. Developer contributions did not cover full cost of the capital infrastructure, and there are revenue costs to support the schools (e.g. each primary school on average costs £4m per annum to run once fully operation and approximately £11m per annum to run the secondary).

This case study also reflects the pressure councils are under to deliver on national housing targets and raises questions around how achievable this is with current resources.

- Second and holiday homes
In popular tourist areas local housing markets are affected by second home ownership and holiday letting. HIE states their region has 41% of Scotland's second homes ^{xxi} and, according to figures from the SOLACE housing report, 13.3% of properties in Comhairle Nan Eilean Siar, 10.4% in Argyll and Bute, 9.1% in both Orkney and Shetland and 6.7% in Highland Council are empty due to an increase in short term letting and owners of second homes.^{xxii} Competition for second homes can inflate prices beyond the means of local people. Seasonal occupancy and transient populations also change communities and affect the viability of local services.

- Removal of local connection exacerbating homelessness figures in ‘overheating’ areas

There continues to be a significant demand placed on homelessness and temporary accommodation services, alongside the increase in energy, food and fuel costs, requiring a comprehensive preventative approach. Homelessness is not inevitable and can often be prevented. The [Homeless Persons \(Suspension of Referrals between Local Authorities\) \(Scotland\) Order 2022](#) gives people the opportunity to seek homelessness assistance in any council area. SOLACE has identified the implementation of the removal of the necessity to have a local connection to an area under this legislation as a key issue that requires addressing in their ‘Housing in Scotland’ report.^{xxiii} Councils have reported that they are seeing a shift in persons now presenting in already ‘overheating’ areas with rapidly increasing population numbers. For example, Midlothian did not experience immediate impact during the first 18 months of changes to legislation. However, they are now reporting an increase in people approaching the council for assistance and seeking alternative options as neighbouring councils struggle to provide accommodation that meets their needs/wishes.^{xxiv}

Whilst Scotland is and will continue to be a welcoming place for those fleeing persecution, there are also increasing pressures from asylum cases and humanitarian protection programmes being placed on housing and homelessness services. ALACHO’s recent RAG Report highlights how the number of refugees in the system has risen in recent months as the UK Government has increased the rate of decision making on asylum applications. This is bringing additional challenges for some areas, particularly Glasgow. Combined with the more progressive homelessness legislation in Scotland, this is seen as exacerbating an increase in homelessness applications in some areas.

Case study:

Glasgow City Council has a long and proud history of accommodating asylum applicants (approximately 95% of asylum applicants in Scotland are accommodated in the city). In addition to the high number of refugees granted leave to remain in Glasgow, the city is also witnessing a considerable increase in the number of households that are granted leave to remain elsewhere in the UK, who are then traveling to Glasgow to make an application for homelessness assistance. Homelessness Services receive no advance notification of these households and receive no additional funding for them.

In 2023/24, Glasgow received 599 homelessness applications from those granted leave to remain outwith the city and in 2024/25 a further 1,050 presentations were made. The growth in homelessness presentations in the city is being driven by those granted leave to remain.^{xxv}

West Lothian Council Homelessness Strategy 2025-28 identifies resettlement schemes, the streamlined asylum process, and the removal of local connection as contributing to their high demand for homelessness services.^{xxvi}

WORKING TOGETHER FOR CHANGE (what’s working, potential solutions and recommendations)

1. Rebalanced housing development – revitalise repopulation and abating ‘overheated’ areas

The importance of balanced population is recognised in key housing and planning documents. Rebalanced development is one of six spatial principles in the [National Planning Framework 4](#) (NPF 4), which aims to focus on directing investment and development towards areas experiencing decline, while managing growth sustainably in areas of high demand. Rural revitalisation is another spatial principle in NPF4, with the aim to encourage sustainable development in rural areas, recognising the need to grow and support urban and rural communities together. The [Housing to 2040](#) Strategy places importance on repopulation of rural and island areas and has an action “to support housing development in rural and island areas, helping to stem rural depopulation and supporting communities to thrive”.

Acknowledgement of the population disparities in Scotland is a strong first step to supporting better population balance, but it must be followed by evidence-based, and appropriately funded interventions. The COSLA Housing SIG actions emphasise the need to establish metrics to assess housing policies and programmes, ensuring that they are effective and adaptable to changing needs.

Funding and taking a place-based approach to rural revitalisation and housing development is crucial for incentivising developers to build affordable housing and social housing in the right places. An action from the COSLA Housing SIG highlights the need for a review of the way in which funding allocations are calculated to take local circumstances into account. We would suggest that this would include some of the specific challenges faced by rural and island communities, deindustrialised and ‘overheating’ areas, as set out in the housing challenges section of the paper.

Furthermore, regularly reviewing housing strategies to respond to evolving demographic and economic conditions, such as migration and population drivers, is crucial to understanding and finding the mechanisms that support rebalancing development. Another COSLA Housing SIG action emphasises the need to agree on a long-term, 15-year supply strategy and targets. It is imperative that population balance is recognised and reflected in the supply strategy and targets.

2. Infrastructure first requirement

The [Housing to 2040](#) Strategy has committed to strengthen planning policies by embedding an infrastructure first approach to development. However, as we have seen above many councils are still facing significant challenges with delivering public infrastructure to meet rapidly growing housing developments and city plans. The COSLA Housing SIG mid-to long-term actions stress the increasing need for investment in infrastructure, which ensures that housing developments are accompanied by adequate infrastructure investments, including transportation, schools, and healthcare facilities. The SIG action reflects the need to support councils to align housing projects with community needs.

3. Second and holiday homes

When councils are given adequate powers to deal with this type of occupancy, the results can be significant, e.g. Short Term Let Zones, Council Tax Premium and Visitor Levy. The [Council Tax \(Variation for Unoccupied Dwellings\) \(Scotland\) Amendment](#)

[Regulations 2023](#) authorised councils to levy a council tax premium of up to 100% on second homes starting April 2024.

Case study:

In Argyll and Bute, the implementation of the council tax premium on second homes has seen a notable reduction in the number of second homes and, in turn, has increased private housing stock, which has made a positive impact on addressing the local housing emergency. It has also generated significant financial benefits - this additional revenue supports local services, particularly in rural areas where resources are most needed. ^{xxvii}

The new powers for councils under the [Visitor Levy \(Scotland\) Act 2024](#) will ensure they can generate funds that can be reinvested in local facilities and services. Councils across Scotland are actively developing proposals for visitor levies, which will cover holiday lets.

Case study:

City of Edinburgh Council is introducing a 5% visitor levy for overnight guests in paid accommodation from 24 July 2026. The levy is projected to raise up to £50 million a year once established and the funds, after administration costs, will be invested into city operations and infrastructure (55%); culture, heritage and events (35%); and destination and visitor management (10%). ^{xxviii}

COSLA Housing SIG recommends the exploration of legislative powers to restrict the sale of housing in pressured areas for second homes and holiday homes. Taking a population balance perspective, this paper endorses the benefits of such legislation from a population perspective.

As a key commitment contained within the [Addressing Depopulation Action Plan](#) (ADAP), Scottish Government has launched an Addressing Depopulation Fund. The fund is providing five local councils with a small pot of money over 2 years to develop and trial new pathfinder interventions in support of population attraction and retention. Argyll and Bute and Dumfries and Galloway pathfinder initiatives are experimenting with a wide range of guidance and advice to increase availability of privately rented homes for local people, and to discourage the transfer to second home status.

Case study:

Geographic mapping is being undertaken by Dumfries and Galloway Council for second homes, short term lets and vacant and derelict properties. This is designed to understand hot spots across the region, to assist in identifying where is most impacted by occasional users and maintaining community.

It is crucial that the learning and costings from these initiatives (and the other ADAP pilots), and any potential for expanding to other areas, is recognised and taken forward through both Housing 2040 and Population Programme governance structures.

4. Understand and adequately support the consequences of the changes to homelessness legislation

There is a growing need for consideration to be given to how homelessness prevention duties are impacting councils' ability to prevent homelessness in areas outwith their

own council boundaries, and how this can be better recorded once a duty is agreed. We are seeing an increasing bearing on some councils and their communities, and we may not have seen the full impact yet. There is a need to implement the COSLA Housing SIG action to focus on understanding the varying levels of homeless applications between council areas to inform our approach long term, and to adequately support those councils experiencing the consequences of legislative change. There is also a need to establish metrics to assess housing policies and programmes, ensuring that they are effective and adaptable to changing needs.

TRANSPORT

TACKLING THE BIGGEST CHALLENGES (key areas that require addressing)

There are transport-related challenges across Scotland. These differ depending on the area and are influenced by the geography and demography of the area. There are also particular complexities faced in rural and island communities as well as lower populated areas of local authorities.

As with the housing section above, this paper is seeking to reflect existing areas of need within the Transport sector with a population balance lens. Challenges experienced by rural and island communities is well-documented in the National Transport Strategy 2 (NTS2)^{xxix} and there is a key action specifically focused on areas at risk of depopulation: 'Minimise the connectivity and cost disadvantages faced by island communities and those in remote rural and rural areas, including safeguarding of lifeline services'. The aim of this section is to highlight challenges and areas where further progress is required to meet the needs of areas with declining population numbers and those with rapid growth.

The impact of public transport on Scotland's ability to meet Net Zero is rightly a key policy focus. Transport's impact on population patterns is another important strategic lens and another reason for increased attention and investment.

Buses are a key focus due to being the most commonly used form of public transport. Scottish Transport Statistics show that in 2023-24, 74% of public transport journeys were made by bus, followed by rail (18%), air (6%) and ferry (2%)^{xxx}. Car remains the most widely used form of transport overall^{xxxi} and in some areas are essential due to current gaps in public transport infrastructure. Transport must be considered in the whole to ensure that transport is accessible to people no matter where they live in Scotland. Improving transport infrastructure can be a key tool in helping to improve population balance.

Some of the key challenges local authorities face in transport provision that relates to population balance includes:

- Dispersed populations in rural areas can make public transport hard to coordinate. The National Transport Strategy Monitoring and Evaluation Report 2024 states: 'In around 24% of remote rural areas, there was no access to public transport, as was the case in around 18% of accessible rural areas (compared to around 1% of data zones in large urban areas).'^{xxxii} Issues are not restricted to remote rural areas; there are wider issues of accessibility including in accessible rural areas such as market towns. This

can be because of dispersed populations and demand, and services/settlements not being concentrated along an easily formed route.

- Low passenger uptake along bus routes also brings challenges of difficulty in provision and local authorities sometimes have to subsidise routes which are not financially sustainable for private sector providers. The cost challenges of running routes that have low utilisation means they are more likely to be infrequent and with shorter operation hours, which in turn reduces reliability and utilisation. This pattern can be seen in data from Transport Scotland which shows that 42% of people in large urban areas use the bus at least once a month but that this falls to 24% in other urban areas and 12% in remote rural areas^{xxxiii}.
- Due to cost pressures on operators, and lack of revenue funding accessible to Local Government to put into subsidising bus provision, there have been significant reductions in levels of service, alongside fare increases. Increases in fares causes pressure on the local population and contributes to the lack of uptake of public transport. A Public Health Scotland report states, “travel is by far the greatest source of additional costs for residents of remote rural Scotland” and can contribute to the existence of transport poverty in these areas^{xxxiv}. These costs include not only public transport, but also high costs of fuel and car ownership. Whilst concessionary fares are available for some of the most vulnerable groups, this has minimal impact when there are no buses available.
- People living in areas without or limited availability of public transport are often reliant on cars to access employment, services, social activities and so on. Those dependent on car use are facing higher fuel costs, and higher costs to replace and finance their cars.

Lack of infrastructure and high costs of transport can act as a deterrent away from living in rural areas and contribute to an imbalanced population. A recent IPPR report highlights risks of insufficient public transport infrastructure including on depopulation: ‘Remote and rural areas are particularly underserved by Scotland’s existing transport infrastructure (highlighted by chronic ongoing problems with ferry services), and this poses major barriers to investment and workforce mobility, risking depopulation, isolation, additional costs borne disproportionately by local communities, and failure across a host of Just Transition Outcomes’^{xxxv}.

Island communities have distinct transport-related challenges to staying connected to mainland and for inter-island travel. This includes reliance on strong ferry links, air travel and alternative, more expensive forms of transport such as private cars. There have been various challenges with the running of ferries, such as reliability of services and repeated technical faults. This can make island communities a less attractive option for those looking to relocate, as well as significantly impacting availability of goods and services from the mainland.

WORKING TOGETHER FOR CHANGE (what's working, potential solutions and recommendations)

Investment in public transport infrastructure has positive impacts. A paper, 'Public transport investments as generators of economic and social activity' states: ›Public transport improvements increase economic activity?both at an aggregate level (higher gross domestic product) and household level (higher income)?although the effect can be geographically imbalanced^{xxxxvi}. Investment in sustainable public transport is at its core a public health measure, reducing hospital admissions and easing pressure on other services, reducing road traffic fatalities and casualties, creating cleaner air and healthier lungs and encouraging physical activity. It is also a strong source of employment in Scotland and an important element of work to counteract current population imbalance trends.

1. Partnership approach – Scottish Government has strong engagement, knowledge and understanding of transport challenges, including its impact on population balance. We must continue to work across local and national governments as well as with other key partners including Transport Scotland, Regional Transport Partnerships (RTPs), private and third sector transport providers and service users. The key role of local authorities, including through close collaboration with RTPs, in having a whole system perspective should be recognised.
2. Population lens strengthened within Transport policy – Population is mentioned in NTS2 e.g. 'Importantly, the Strategy will ensure those living in rural, remote or island communities will be well connected and have as equitable access to services as those living in the rest of the country, therefore making a positive contribution to maintaining and growing the populations in these areas'. However, there were no actions within the latest NTS Delivery Plan to progress towards this goal.

The next Delivery Plan should have specific actions and include funding that aligns with the NTS2's intent.

3. Evaluation of the under 22s free bus travel scheme – which includes ferry travel to and from island authorities – should look at the impact of the scheme on retention of young people and potential improvements.

The scheme can have a positive impact on young people's lives including their independence^{xxxvii} and can remove a financial barrier to taking the bus to school, socialising, volunteering, working and more. It would be beneficial to further understand the scheme's impact, including whether it is helping with the retention of young people in their local area after leaving school, and whether there are ways it can be improved to have more benefit for young people living in rural areas. For example, 16% of young people indicated the reason they stopped using the scheme was a range of accessibility issues with local bus services^{xxxviii}.

4. Funding – appropriate and sustainable funding is required to achieve policy intent and meaningful outcomes, including to help create the conditions for a more balanced

population spread. Funding should have flexibility to allow for local innovation and initiatives that meet the particular needs of local communities. Approaches require strong engagement with Local Government, including through Professional Associations to ensure they are well informed.

Case Study:

In Aberdeenshire there was a pilot demand responsive transport (DRT) system called Ready8Go that allowed individuals to travel around Inverurie and surrounding smaller towns more easily. DRT provided users with app-based on-demand pick-up and drop-off deviating away from traditional fixed route fixed timetable bus services. Other similar schemes are also underway across Scotland. This can be very helpful for parents so they have more flexibility and can use the transport system to fit around their childcare opening hours and their work rather than fit around a fixed public transport timetable.

The Ready8Go as a pilot came to an end in April 2019 due to the funding challenges to maintain the service despite achieving key objectives around inclusion and accessibility. The service brought a lot of positive benefits such as improved trip chaining and access to opportunities and increased the practical availability of public transport for many.

The above case study illustrates that where funding is available, local authorities can take effective, place-based action toward transport challenges, which can have a positive impact on equalities and the accessibility of rural areas.

5. COSLA and local authorities are committed to working with Scottish Government on joint areas of priority such as the second Net Zero and Just Transition work. It is essential that work to reduce emissions is conducted in a way that is fair and equitable. This includes recognition of the unique challenges being faced by those in our most deprived areas, as well as those in rural and remote communities, as recognised in the renewed car use reduction policy statement^{xxxix}.

Recent IPPR research also points to the importance of building up alternatives as part of an approach to reducing car use. One of their recommendations is 'Infrastructure first: for people to make changes there need to be viable alternatives, and they need to feel that they have a choice which goes beyond just car ownership or buses (for example, safe active travel routes or trains)'^{xl}.

6. Transport is the most significant source of carbon emissions in Scotland. Decarbonisation of the transport sector, including fleet electrification, encouraging people towards more sustainable methods of transport and a reduction in car use across Scotland, are anticipated to be some of the most effective drivers in ensuring Scotland meets its Net Zero by 2045 targets. Initiatives such as national car use reduction cannot be effective without appropriate investment in alternatives to car such as bus and other forms of public transport and active travel.

7. Transport is an area of opportunity to help improve population balance within Scotland. This should be recognised through investment and strategy which must consider the whole transport picture including support for active travel, buses, ferries, EV infrastructure, and essential air travel connecting island communities.

ACTIONS AND NEXT STEPS

Manifesto (White Paper series)

Governance and arrangements with SG to take forward

Summary of actions here or appended?

ⁱ Scotland's Census 2022 – Rounded population estimates [Scotland's Census 2022 - Rounded population estimates | Scotland's Census](#)

ⁱⁱ D. Vampa, Territorial Inequalities and Centralism in Scotland – presentation (June 2025)

ⁱⁱⁱ D. Vampa, Territorial Inequalities and Centralism in Scotland – presentation and unpublished report (June 2025)

^{iv} [People not in work - Scotland's Labour Market Insights: February 2025 - gov.scot](#)

^v NRS Projected Population of Scotland: 2022-based (Jan 2025) [Projected Population of Scotland: 2022-based - National Records of Scotland \(NRS\)](#)

^{vi} IS Policy Briefing (details tbc)

^{vii} Business Gateway & British Business Bank (March 2025) Scotland SME Access to Finance Report [Scotland SME Access to Finance Report - 2025 | British Business Bank](#)

^{viii} Fraser of Allander Institute. (October 2024). Skills for Today and Tomorrow <https://fraserofallander.org/wp-content/uploads/2024/10/Skills-for-today-and-tomorrow-final-for-publication.pdf>

^{ix} OECD. (2022), Strengthening Apprenticeship in Scotland? United Kingdom. <https://doi.org/10.1787/2db395dd-en>.

^x OECD. (2022), Strengthening Apprenticeship in Scotland? United Kingdom. <https://doi.org/10.1787/2db395dd-en>.

^{xi} IS Policy Briefing (details tbc)

^{xii} [Scotland's Public Service Reform Strategy Delivering for Scotland.](#)

^{xiii} [The impact of remote work on mobilities in the UK](#)

^{xiv} Independent Expert Advisory Group on Migration and Population (Jan 2025) [The challenge of population balance: mapping Scotland's institutional and intervention landscape - gov.scot](#)

^{xv} Independent Expert Advisory Group on Migration and Population (Jan 2025) [The challenge of population balance: mapping Scotland's institutional and intervention landscape - gov.scot](#)

^{xvi} Independent Expert Advisory Group on Migration and Population (Jan 2025) [The challenge of population balance: mapping Scotland's institutional and intervention landscape - gov.scot](#)

^{xvii} COSLA (Nov 2019) MAC Salary threshold and points-based system commission; COSLA response to call for evidence. [MAC salary threshold and points-based system commission: COSLA response to call for evidence | Migration Scotland](#)

^{xviii} Highlands & Islands Enterprise (HIE) HIE Strategy 8689_8 [hie-strategy-2023-28-final-031023.pdf](#)

^{xix} SOLACE Housing in Scotland: Current Context and Preparing for the Future (July 2023) [Housing in Scotland Current Context and Preparing for the Future - July 2023](#)

^{xx} CIH 'Scotland's rural housing emergency' (July 2024) [Scotland's rural housing emergency | Chartered Institute of Housing](#)

^{xxi} HIE Strategy 2023 – 28 [hie-strategy-2023-28-final-031023.pdf](#)

-
- xxii SOLACE ›Housing.in.Scotland¿Current.Context.and.Preparing.for.the.Future" (July 2023 [Housing in Scotland Current Context and Preparing for the Future - July 2023](#))
- xxiii SOLACE ›Housing.in.Scotland¿Current.Context.and.Preparing.for.the.Future" (July 2023 [Housing in Scotland Current Context and Preparing for the Future - July 2023](#))
- xxiv Midlothian Council Rapid.Rehousing.Transition.Plan.8680_8680●[Midlothian_Council_R RTP_202425.pdf](#)
- xxv Glasgow City Integration Joint Board, Glasgow's.Housing.Emergency (January 25) [Item No 13 - Glasgow's Housing Emergency 0.pdf](#)
- xxvi West Lothian Council Homeless Strategy 2025-2028 [viewSelectedDocument.asp](#)
- xxvii Argyll and Bute 'Council Tax on Second Homes – Collection rates 2024/2025' (Sept 2024) [COUNCIL TAX ON SECOND HOMES - COLLECTION RATES 2024-2025.pdf](#)
- xxviii Edinburgh Visitor Levy [Edinburgh Visitor Levy – The City of Edinburgh Council](#)
- xxix [national-transport-strategy.pdf](#)
- xxx [Summary transport statistics | Transport Scotland](#)
- xxxi <https://www.transport.gov.scot/media/gw4fexwl/value-of-transport.pdf>
- xxxii [National Transport Strategy Monitoring and Evaluation Report 2024](#)
- xxxiii [Public use of transport – Trends and patterns | Transport Scotland](#)
- xxxiv [Transport poverty: a public health issue](#)
- xxxv [Making the Future : Initial Report of the 2nd Just Transition Commission](#)
- xxxvi [Public transport investments as generators of economic and social activity](#)
- xxxvii [Impact on young people and families | Transport Scotland](#)
- xxxviii [Awareness, uptake and use of the scheme | Transport Scotland](#)
- xxxix [Achieving Car Use Reduction in Scotland: A Renewed Policy Statement | Transport Scotland](#)
- xl [Wheels of change](#)

FUTURE OF REGIONAL EMPOWERMENT IN SCOTLAND

2 July 2025

Introduction

Growing our economy is one of the Scottish Government's top priorities. Our regional economies, and regional economic partnerships are key to delivering this. The Enterprise and Skills Review in 2017 recommended the creation of Regional Economic Partnerships (REPs) across Scotland. Since then, REPs have been created covering all of Scotland. The Scottish Government published the Regional Economic Policy Review in 2022, which set out a list of 11 recommendations that would increase the policy and fiscal autonomy of REPs. These were fully endorsed by Ministers, and steps have been taken to implement them over recent years. However, it is clear that there is more to do if we want to capitalise on the opportunities that regional working offers; and meet the ambitions of our REPs.

The 2025/26 Programme for Government contained a commitment for the Scottish Government to:

“Work with regional and local partners to identify how best to formally devolve further elements of decision-making and delivery to Regional Economic Partnerships, and present options before the end of this parliament.”

As part of this, officials are seeking views from a wide range of stakeholders across different sectors on what regional working could look like in the future. Below is a short summary of the current landscape, but our focus in discussions will be on how we can build on this, and what is possible over time.

Current Landscape

Our main focus is on Regional Economic Partnerships (REPs). These are collaborative arrangements in Scotland that bring together local authorities, enterprise agencies, education and skills providers, the private sector, and the third sector. There are currently eight REPs operating in Scotland, with every local authority sitting on at least one. The purpose of REPs is to coordinate economic development within a region, and support regional economic strategies and investment whilst aligning to national priorities.

REPs are not the only regional structure that exists in Scotland. It may be helpful to consider others, and how they operate, when thinking about the future of regional working. These include, City and Regional Growth Deals, Regional Transport Partnerships, Regional Improvement Collaboratives, Health Boards and Integrated Joint Boards, and Enterprise Agencies.

It may also be helpful to consider regional structures from elsewhere in the UK and abroad. For example, Mayoral Combined Authorities in England, or Corporate Joint Committees in Wales; or existing regional structures in other parts of Europe such as Autonomous Communities in Spain, or Administrative Regions in France.

Discussion Questions

Our starting question is deliberately broad:

- What is your vision for what should be delivered at a regional level in the short, medium, and long-term?

Below are some other prompts you may wish to consider when answering this question:

- What powers would be required to do this and who (if anyone) currently holds them?
- What funding would be required, and who currently holds it?
- What resources or structures would be required in order to do this?
- What timescale do you envisage for the changes you want to see?
- What would be the most effective action that the Scottish Government could take now to empower regions?
- What role would you want your organisation to have in future regional working models?

Next Steps

Scottish Government officials will use the views of stakeholders to shape a list of options on how we could formally devolve further elements of decision-making to REPs, and a report will be provided to Ministers before the end of this parliament.