

COVID-19 Island Insights Series

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Shetland

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The COVID-19 Island Insights Series is an initiative spearheaded by the Strathclyde Centre for Environmental Law & Governance (SCELG) and the Institute of Island Studies (IIS) at the University of Prince Edward Island in collaboration with Island Innovation. The initiative brings together critical assessments of how specific islands around the world have performed during the COVID-19 pandemic and the extent to which their recovery plans can promote resilience and sustainability in the long term.

For more information on SCELG see
<https://www.strath.ac.uk/scelg>

For more information about the IIS see
<http://islandstudies.com/>

For further information about Island Innovation see
<https://www.islandinnovation.co/>

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Shetland is an archipelago lying to the north of the Scottish mainland

Population 22,920¹

Size 1,466 km²

Shetland Islands Council is a unitary authority originally established as a body corporate by Local Government (Scotland) Act 1973 and now constituted under Section 2 of the Local Government etc. (Scotland) Act 1994. The Council provides the full range of local government services to the people of Shetland, Britain's most northerly local authority area.²

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COVID-19 date and timeline

Numbers of cases 73 [0.3% of the population]

Number of fatalities 8 [0.03%]

Schools closed on 9th March 2020;

Travel restrictions enacted on 22nd March with ferries only for essential travel

29th March flights only for essential travel

Travel restrictions lifted on 15th July

Schools reopened in a staged return 11th - 14th August

New 5 Tier system for Scotland introduced on 2nd November Shetland in Tier 1



SHETLAND³

¹ Data obtained from Wikipedia

² Additional information is provided on the Council's website at <http://www.shetland.gov.uk>

³ Map downloaded from https://it.wikipedia.org/wiki/Isola_Shetland#/media/File:Shetland_Islands_in_Scotland.svg

COVID-19 in Shetland

Restrictions in Shetland were imposed by the Scottish Government in Edinburgh, given Shetland's reality as a Scottish local authority. Shetland Islands Council delivers services but is not a law-making authority. Laws are made by the Scottish Parliament in Edinburgh and the Westminster Parliament in London. The national health service, education and transport in Scotland are the responsibility of the Scottish Parliament. Borders are controlled by Westminster. Covid-19 affected Shetland early in the pandemic with 7 deaths by May 6th (60% in care homes). There has been 1 additional death. Altogether, as of 19th November, 73 people have tested positive. Shetland has only had one hospital without ICU facilities. In the early stage of the pandemic two people had to be flown to Aberdeen. Those requiring only hospitalisation were housed in the local hospital wards which were specially adapted to provide the requisite facilities. Local volunteers sewed scrubs for the staff early on, when there was a supply shortage. Testing could be done from the start but has expanded. Initially most tests were flown to Glasgow for processing at the Lighthouse Laboratory. An offer from the Faroe Islands to help with testing was not taken up, because it was deemed that the procedure did not fit UK specifications. However, one processing machine was acquired for the hospital to be used only for frontline staff and emergencies. By the end of October, during which 1400 plus tests were carried out, nearly 500 were done in the local laboratory. Local contact tracing has been successful with 90% of contacts traced. Throughout Scotland schools closed on 20th March. However, Shetland had closed its schools a week earlier, claiming operational reasons i.e. not enough staff. This is the only example of Shetland going its own way.

Schools reopened on the 11th August. Shetland experienced the same restrictions, and relaxing thereof, as the rest of Scotland. For example, on 20th March all cafes, pubs and restaurants closed and on 23rd March everyone had to stay at home, with only one form of exercise being

allowed each day and shopping for basic necessities. These restrictions were progressively relaxed. For example, by 19th September although social distancing had to be respected and masks had to be worn people could frequent pubs, restaurants and shops. Groups could not exceed 6 from 2 families indoors and outdoors. However, the number did not include children under 12. There were complaints that large groups of young people were meeting at weekends at night in the centre of the main town Lerwick and social distancing was not being maintained at all. Clearly there was an element of fatigue with the restrictions. Because of a second wave of cases in Scotland a new 5 Tier System was introduced on the 2nd November. Shetlanders hoped to be in Tier 0, which would have meant no restrictions. However, Shetland, along with Orkney, the Western Isles, Highland and Moray councils, were all placed in Tier 1. Islanders, unlike those on the mainland, were from 13th November allowed to visit each other's houses, but only six people from two households at a time.

Key socioeconomic pressures in Shetland during COVID-19

Essentially all major social events were cancelled, such as the large international festival Wool Week, an increasingly important event in Shetland's calendar, and Shetland's Up Helly Aa fire festivals. However, Lerwick's Up Helly Aa, Shetland's biggest festival was enjoyed before the pandemic. However, next year's Lerwick Up Helly Aa has been cancelled, which is a huge decision for Shetland.

Tourism

This is an important industry, but small in per capita terms compared with other islands. The pandemic lockdown meant that the boats and aircraft to the mainland were reduced to almost nothing, and they were only for islanders with essential needs. This did have a dramatic impact on hotel accommodation providers, who

were already under stress. Tourism was opened up in July but, because of social distancing, capacity on the boats and aircraft is still restricted. Inter-island ferries still need to be booked. This continues to impact the outer islands where tourism is a bigger part of the economy. Interestingly, the self-catering industry has shown some resilience, with local visitors taking up some of the slack, having weekend breaks in different parts of the islands. With an expectation of 105 ships and 90,000 visitors, it is clear that businesses that relied on the cruise ship customers have been severely affected.

Retail

Local food providers, supplying dairy, vegetables, meat and fish have actually been very busy. Supply lines with the mainland were maintained, although there was some wholesale difficulty initially and some staffing problems. However, postal and courier deliveries have never been busier. In May, Lerwick topped the list of UK postal delivery hotspots. Local essential shops throughout the islands have flourished because of home deliveries, which have continued throughout the pandemic. The value of local retail services to the community has been acknowledged and is much appreciated.

Fishing

Shetland's fishing industry took a serious early hit, which was very worrying as it is worth about a third of the Shetland economy, at about £300 million annually⁴. International markets for farmed Atlantic salmon, mussels and shellfish disappeared overnight. However, the Scottish Government provided financial support, offering £5 million in March to Scotland's inshore fishermen, including Shetland, and a further £2 million equivalent in June. Recent data for salmon exports show a fall of 33% for Scotland as a whole in the first six months of 2020, and Shetland makes up a large proportion of the Scottish total. However, once markets reopened salmon

exports have rebounded. Similarly, although whitefish landings continued, in May landings were down by 40%. As France and Italy opened up, the industry recovered so that by June catches had returned to last year's average.

UK Job Retention Schemes

As part of Scotland and the UK, the UK job retention scheme, known as furloughing, applied in Shetland as well. The furlough payment is 80% of an employee's wage up to the value of £2500. At 25% uptake this was one of the lowest in the UK, the Scottish average being 32%. However, £2.1 million has been claimed, which meant 3100 claimants receiving money from the program. There has also been a doubling in the claimant count for job seekers and universal credit from May to July, which indicates unemployment. However, this started from a low level, going from 3.7% to 6.5%. This perhaps gives a false impression of economic health, because if you lose a job in Shetland you tend to leave the islands. Six hundred locals also received grants under the self-employment support scheme, constituting an uptake of 69%, the second lowest level in Scotland. It should be noted that the public sector is large in Shetland, so many jobs were protected and home working increased significantly⁵.

Housing Market

Interestingly, in the housing market there has been no decrease in price. House surveyors are busy, and the online site Rightmove⁶ saw a large increase in interest from people looking at houses in Shetland. This seems to be a phenomenon throughout the Scottish islands, which are seen by many as safe havens.

Major Industrial Projects Delayed

A number of large industrial projects were delayed including the huge Viking Energy wind-

⁴ <https://www.shetland.org/about/economy>

⁵ Thanks to Thomas Coutts Project Manager, Economic Development, Shetland Islands Council for these data and

providing me with a clear overview of the Covid-19 impact on the Shetland economy.

⁶ <https://www.rightmove.co.uk/>

farm, which at 370MW capacity is one of Europe's biggest onshore windfarms, and the 600MW Interconnector project, which will allow for the transmission of the electricity generated in Shetland to the mainland. However, work has restarted, as has the furore over environmental damage. Oil rig decommissioning, which is seen as a potentially major contribution to the Shetland economy, has also restarted. Recently the world's largest ship arrived to deposit an oil rig for decommissioning.

However, post-COVID there is a potentially larger uncertainty on the horizon, and that's Brexit. A no-deal scenario could be a real problem for an export economy like Shetland's. Finally, in an interesting development, Shetland Islands Council is now discussing autonomy. Undoubtedly, this is in part due to the COVID-19 situation but also with an eye to the future of Shetland's economy.

Post Covid-19 recovery in Shetland

The year 2021 could be a difficult year for Shetland as the job retention scheme will finish. However, Shetland is in some ways a self-contained area that has its own economy, based on being an offshore extension of Scottish industry, with a large proportion of Scotland's fishing, aquaculture and oil and gas industries, and these will continue. It has a more diverse economic portfolio than many small islands, as well as some large industrial projects emerging now and in the future. These include Viking Energy, the Interconnector, the decommissioning of oil rigs, the Space Port on the island of Unst, a large urban development project in Lerwick (i.e., the Knab), and the Shetland Energy Hub, which might produce five percent of the UK's low carbon energy by 2050. These should maintain the Shetland economy into the future. These developments are the focus of Shetland Council's Recovery and Renewal Framework which was approved on 2nd July. The Framework also highlighted the detrimental impact of the virus on the physical, mental and social wellbeing of Shetlanders and as the community moves into the recovery and renewal phase it must work hard to keep the virus under control.

Useful Sources

- www.shetnews.co.uk
- www.shetlandtimes.co.uk
- <https://www.gov.scot/coronavirus-covid-19/>
- <https://www.shetland.org/about/economy>
- <https://www.nafc.uhi.ac.uk/t4-media/one-web/nafc/research/document/shetland-fisheries-statistics/statistics/Shetland-Fisheries-Statistics-2018.pdf>
- <https://www.visitscotland.org/binaries/content/assets/dot-org/pdf/research-papers/shetland-report-may-18.pdf>

Published COVID-19 Island Insights Papers

- #1. Malta. November 2020
- #2. Egadi Islands. November 2020
- #3. Grenada. November 2020
- #4. Trinidad and Tobago. November 2020
- #5. Shetland. November 2020



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