

Executive Summary

The Shetland Way is a proposed Long Distance Walking Route (LDWR)¹ that will provide a significant stimulus to Shetland's visitor economy and deliver an important community asset that provides valuable accessibility, health and wellbeing benefits. At this early stage, the focus is on a walking route but in future development stages it is planned to consider options for cycling and equestrian.

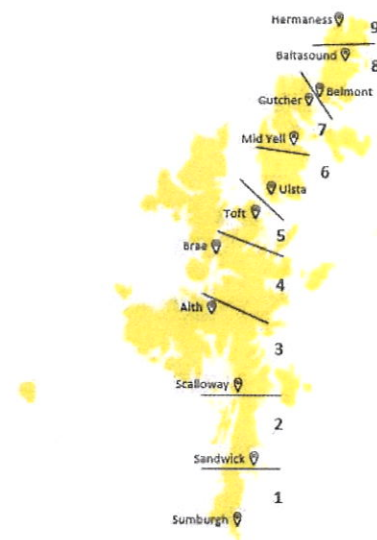
This document summarises the findings of a wide-ranging Feasibility Study carried out in 2022 that demonstrates the project has an overall **cost-benefit-ratio of 3:1** which means the Shetland Way will deliver a positive net benefit to Shetland of £3 for every £1 invested.

What is the Shetland Way and what's been done so far?

The proposed route of the Shetland Way will run over 100 miles from north to south through Shetland, linking Shetland's considerable natural, cultural and community assets to deliver tourism and social, economic and environmental benefits. The route would encompass the entire length of Shetland mainland and the North Isles of Yell and Unst and could be used by visitors and Shetland residents for leisure, recreation and health.

Work done to date includes:

- Initial high-level technical assessment of route options and outline costings
- Community and key stakeholder engagement
- Establishing a 'Case for Change' including:
 - Alignment to Shetland, Scottish and UK policy and strategy objectives
 - An economic appraisal to forecast additional visitor spending and value added by walking visitors
 - A social impact assessment detailing the social benefits to the Shetland community
- Preparation of:
 - A comprehensive Feasibility Study
 - A Business Plan and
 - An Outline Action Plan to identify potential funding opportunities and next steps



Subdivisions used for options appraisal at feasibility stage.

Why should the Shetland Way be supported and funded?

The Opportunity

The development of LDWRs and actively combining and promoting common points of interest along visitor trails² has become a prevalent method of maximizing an area's visitor assets and providing economic value and synergies in promotion and investment. The case for the Shetland Way is based on:

- Strong policy and strategy alignment
- Favourable evidence from similar Scottish based LDWRs

¹ And potential cycling route

² E.g. North -Coast 500 or UNESCO Trail

- Positive feedback from a Visitor and Residents Survey
- Sizable economic impacts in a Shetland context

This evidence has contributed to a Theory of Change Logic Model that succinctly explains how the Strategic Need for the Shetland Way and the project Inputs deliver the necessary Outputs, Outcomes and Impacts.

Policy & Strategy Alignment

There is a strong underlying policy and strategy basis for developing the Shetland Way.³ The growth of tourism is important to the future economic wellbeing of Shetland,⁴ however the Shetland Way will also play a secondary role in expanding local active travel, both for leisure and a purpose, contributing to local, regional and national transport and climate change reduction policies.

Findings from Comparator LDWR

A detailed assessment of comparators long-distance routes within Scotland has been carried out to demonstrate the value associated with LDWRs along with lessons learned and best practice. The management, design and impacts from the following high-profile routes were assessed: Great Glen Way; Hebridean Way; Fife Coastal Path; John Muir Way; Cowal Way; Loch Ness 360.

LDWRs were in general found to be successful in attracting new visitors, lengthening visitor stays and encouraging greater spending locally. In some cases, LDWRs also stimulated demand for auxiliary services (e.g., baggage transfer services). LDWR were also found to provide an enduring appeal and promotion of the area through ongoing positive press articles. The appeal of LDWR's was also noted to appeal beyond traditional walking visitor markets to schools, organised events, regular guided walks and events, and numerous community-led projects.

Consultations

A number of stakeholder and public engagement activities have been undertaken to understand the benefits and issues with the Shetland Way and help identify a preferred route. Consultees included Community Councils, local elected members, MPs, MSPs, local development groups, local businesses, third sector and public organisations and representatives from the transport industry. Consultees highlighted various potential benefits including, but not limited to:

- Increased footfall in communities, shops and visitor attractions along the route
- Positive health and social impacts
- Attracting people to Shetland, including new visitors
- New business opportunities including accommodation and bag transfer services

Consultees with experience of developing long-distance routes also noted that it is important routes have a unique selling point. As such, promoting Shetland as the most northerly walking route in the UK was thought to be very important and this will add to the overall attractiveness of the proposition.

Visitor & Residents Survey

A residents and visitor survey was also carried out. The survey had three separate branches based on whether the respondent:

- was a permanent Shetland resident or second homeowner in Shetland
- had not visited Shetland but may do so in the future
- had previously visited Shetland and may do so again in the future

³ The project demonstrates a strong contribution to the objectives set out in: Scotland Outlook 2030; Shetland Islands Council Economic Development Strategy 2018-2022; Shetland Tourism Strategy, 2018-2023; the National Transport Strategy 2; The emerging ZetTrans Regional Transport Strategy 2022-2042, and specifically: the Scottish Climate Change Plan Update 2020 and the vision set out in the Shetland Active Travel Strategy 2021-2026.

⁴ The proposed route would create a major new visitor attraction in Shetland, and one which would link up other attractions across the island chain. This would support the desire to increase visitor numbers, duration of stay and spend, and could potentially support the further development of low and shoulder season tourism.

Residents considered the main benefit of the Shetland Way to be providing a community asset for active leisure use. However, there was also significant collective benefits expected from more visitors, greater spend per visitor and wider distribution of visitors. Visitors expressed a strong desire to participate in leisure walking when making a trip, with 92% of respondents stating it 'might' or 'definitely would' encourage them to visit for a walking trip.

Additionally, when asked to what extent the Shetland Way would influence their decision to visit Shetland for a walking holiday, 7% noted that it would be their sole reason to visit. This group of respondents planned to spend approximately a week completing the route. Overall, the consultations with key stakeholders and the resident and visitor survey provide strong support for the Shetland Way.

Economic Impact Over a 10 Year Period

The Shetland Way is expected to generate the following quantified impacts, if a 'moderate' scenario visitor growth is achieved:

Visitors

- Used by over 600,000 visitors (extenders & new visitors) using some or part of the Shetland Way
- At least 12,000 new visitors to Shetland solely resulting from the Shetland Way
- Specific event programming and marketing could further increase new visitors

Spending

- £41million increase in visitor expenditure
- Significant increase in spending during the shoulder months:
 - 104% increase from January to March
 - 132% from November to December

Jobs

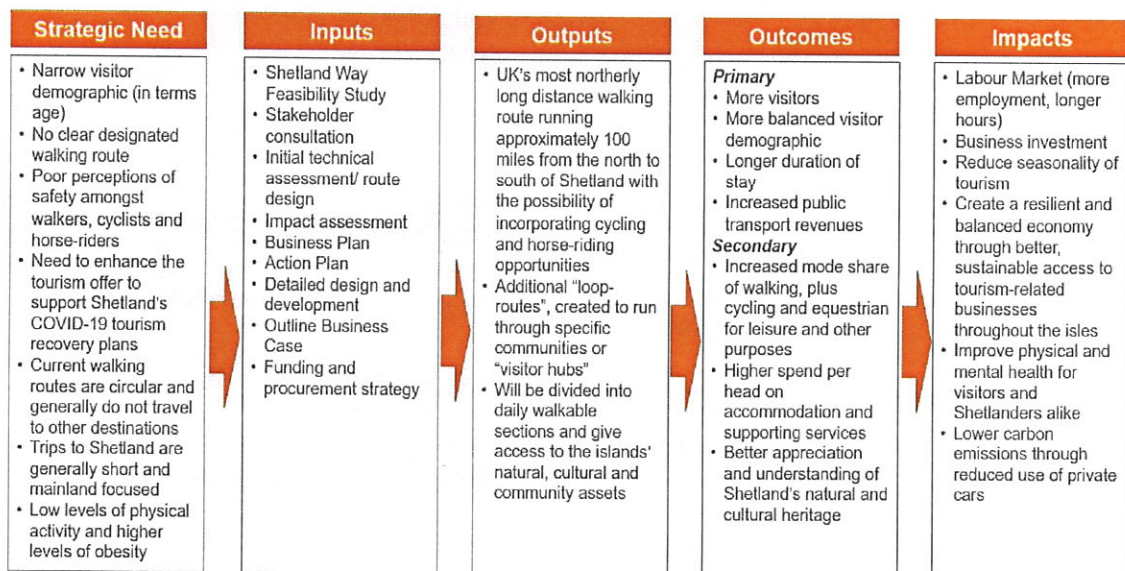
- 52 FTE additional tourism related jobs
- Opportunity for further accommodation and auxiliary service jobs

Social & Community Impacts

- Accessibility improvements
- Increased opportunities for physical activity
- Job opportunities from capital investment in route establishment and route management/maintenance in the longer term
- £0.3 million per year health benefits from increased activity by residents
- Enterprise/ Business Development

Economic Narrative & Theory of Change

The findings from the Policy and Strategy Review, Baseline Assessment, Comparator Study and Visitor and Residents Survey can be combined and summarised in the Theory of Change Logic Model overleaf.



This Theory of Change Logic Model succinctly explains how the Strategic Need for the Shetland Way and the project Inputs deliver the necessary Outputs, Outcomes and Impacts.

Who's Involved?

The Shetland Way Steering Group consists of:

- Highlands and Islands Enterprise (HIE)
- NatureScot
- Shetland Islands Council (SIC) – Economic Development, Planning and Transport
- Shetland Tourism Association (STA)
- VisitScotland
- Zetrans

It is envisaged that in the next stages of development, the stakeholder group will be broadened to include others such as SAT, Promote Shetland, landowners.

How has the proposed location of the LDWR been identified?

A high-level scoring exercise was carried out against achieving the project's broad objectives to establish an initial Preferred Route that could be costed and assessed.

Steering Group Shetland Way Objectives

- Increase Shetland's share of the visitor market as an attractive walking destination and attract new visitors to the Islands.
- Reduce the seasonality of tourism in Shetland by encouraging a greater number of visitors year-round.
- Support a more balanced visitor demographic in Shetland in terms of age, nationality and ethnicity
- Create a high-quality long-distance route that is accessible for a range of capabilities and ages.
- Create a more resilient and balanced local economy through better, sustainable access to tourism-related businesses to encourage visitors to stay longer and spend more while they are here.
- Encourage a greater spread of the benefits of tourism throughout the islands.

- Create routes that support the use of public transport network where possible.
- Generate sustainable growth in the visitor economy to support increased employment opportunities, increased business productivity and the development of new accommodation and other tourism-related enterprises and support services.
- Promote more active and healthier lifestyles for visitors and Shetland residents alike.

The following table illustrates the preferred route to date.

	Section	Approx. Length (miles)
1	Sumburgh - Sandwick	15
2	Sandwick - Scalloway	12
3	Scalloway - Aith	19
4	Aith - Brae	13
5	Brae - Toft	8
6	Ulsta - Mid-Yell	13
7	Mid-Yell - Gutcher	18
8	Belmont - Baltasound	11
9	Baltasound - Hermaness	6
	Total	116

The preferred route sections tend to pass through existing communities rather than more remote parts of Shetland because they align well with the objectives of contributing to thriving communities and encouraging a greater spread of tourism related business. The preferred route provides access to the natural heritage of Shetland, in particular coastal scenery, open spaces and beaches.

Cost

Three levels of provision have been considered for capital costs based on an estimation of the works required and costs from the 'Estimating price guide' for path projects (2019) by Paths for All. These are broken down into gold, silver and bronze levels.

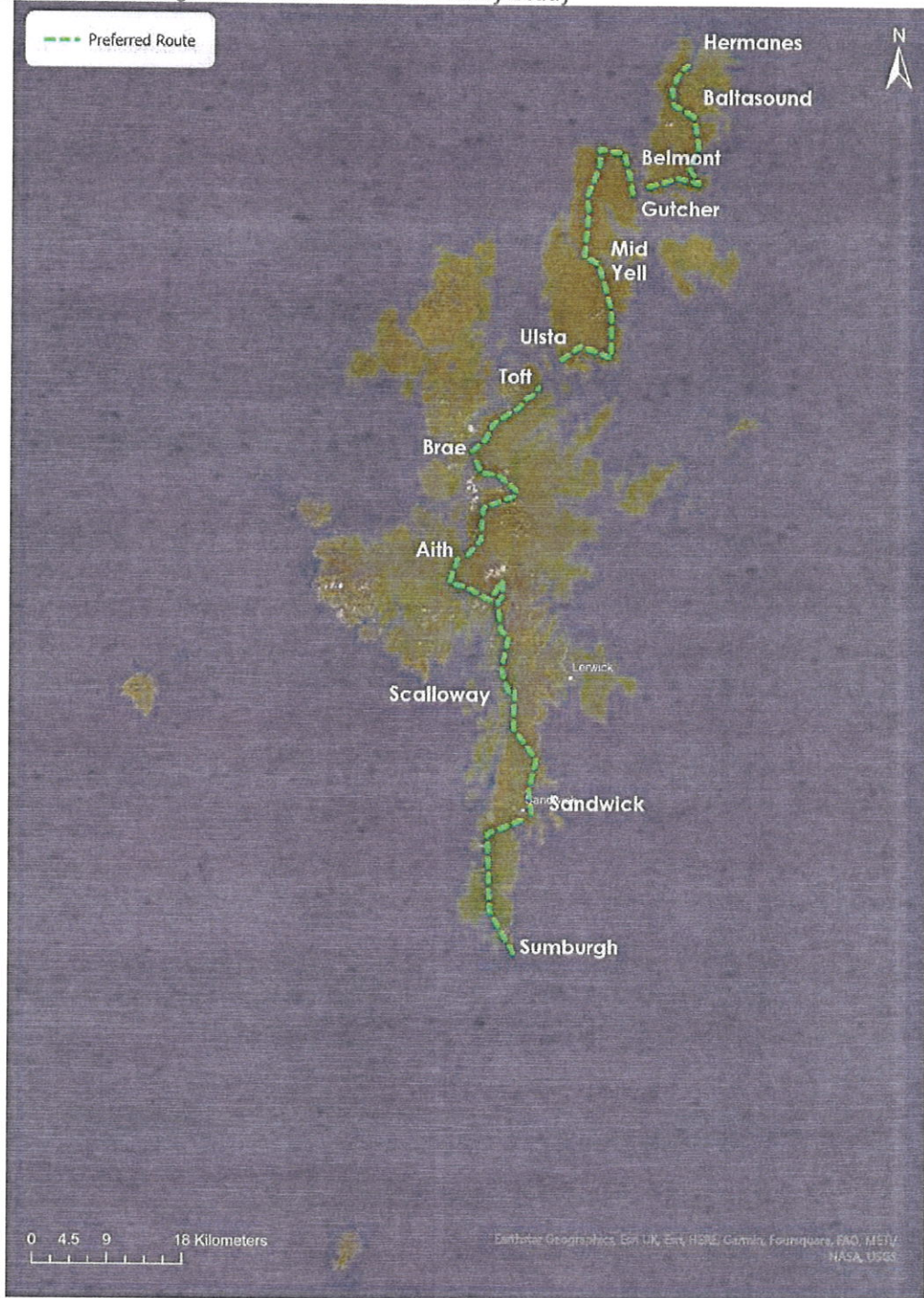
The overall cost of delivery (excluding labour) for the Silver (mid) level of provision is in the region of £5.7 million. Final cost is very much dependent on the extent of infrastructure provided and could be adjusted accordingly once more specific details are known. The Bronze level of provision is around £2.9 million and the Gold level is £8.2 million.

The estimated maintenance cost of the preferred route alignment is approximately £165,000 per year. This cost is based on an estimation of the maintenance activities required and costs from the 'Estimating price guide' for path projects guidance.

Landownership

Given that the preferred alignment of the Shetland Way is not yet confirmed, potential land ownership issues cannot be fully understood, at this stage. Consultation with landowners and tenants will be key in identifying a preferred route alignment.

Preferred Route Alignment Based Initial Feasibility Study



Please note this an approximation of the route. It is not intended to represent the final route.

When will it happen?

It is envisaged the project will take at least 5 years to complete. Final timescale will be dependent on factors such as final infrastructure requirements, funding and other resource availability. A phased approach to the project may be possible.

Next Steps

The various work elements completed to date satisfy the requirements of a Strategic Business Case and demonstrate the project:

- Has a 'compelling case' for change and a strong strategic fit with local, regional and national economic and tourism objectives (Strategic Case)
- Benefits outweigh the costs (Economic Case).

Hence, next steps are as follows

Source additional funding to advance the project to an Outline Business Case (OBC) stage to:

- Develop a final route (Technical Design Stage)
- Add outstanding material information including:
 - Management Case – confirmed stakeholder responsibilities including management and operational responsibilities
 - Commercial Case - derived from a sourcing strategy and procurement strategy.
 - Financial Case – Assessment of the affordability to the organisations involved
- Revise and confirm the Economic Benefits and CBR .

The ambition is to prepare the OBC through 2023 whilst consulting potential funders such as:

- The Heritage Lottery Funding
- Community Paths Grants
- Better Places Green Recovery Fund.