

Letter from Scotland

The Royal Bank of Scotland has returned home humbled, like the Prodigal Son.

This week its holding company officially changed its name to Nat West, its trading name in England, and from now on the RBS brand will only operate in Scotland. After 20 years of extravagant living, becoming one of the biggest banks in the world, it's now just our own wee domestic bank again, as it has been since 1727.

It fell from grace under Fred "the shred" Goodwin, one of the engineers of the great financial crash in 2008 when it had to be bailed out by the UK Government. And its troubles didn't end there. It's since faced massive fines for financial misconduct of various kinds. It's still 60 per cent owned by the public and it's begging for forgiveness.



RBS How are the mighty fallen.

Up the road, The Bank of Scotland (founded in 1698) is similarly under repair after it too grew too big for its boots and had to be rescued by Lloyds Bank. It's all led to a financial meltdown which has seen many a great Scottish institution falling or merging – Clydesdale Bank, Scottish Amicable, Scottish Equitable, Scottish Provident.



It's taken 15 years to learn the lessons of the 'Great Crash' – regulate the banks, end austerity – and it makes me wonder how long it will take us to learn the lessons of the Covid Crash.

For now we are still stumbling through it. On Thursday the First Minister, Nicola Sturgeon, confirmed that it is still the government's target to re-open schools on 11 August 2020 and that people who have been "shielding" at home can now enter the "new normal" – take the bus, visit a limited number of friends, eat at outdoor restaurants, get their hair cut, all under the social-distancing and face-covering rules. The Education Secretary, John Swinney, followed that up with an announcement that money will be provided for 800 extra teachers and 200 support staff to help local authorities open schools as near to normal as possible.

The stumble came last weekend when a new outbreak was discovered at a call centre in Motherwell. Ironically, it was making "test and trace" calls for coronavirus in England. Some 24 cases were confirmed but it seems our own "Test and

Protect” system in Scotland has contained the outbreak successfully, and there was no need for the whole town of Motherwell to be locked down. And, as I write, another outbreak is being investigated at St Mirren Football Club in Paisley where seven staff members have tested positive for the virus.

Overall though, our Covid-19 numbers have been fairly reassuring this week – at least for one of the worst affected countries in the world. Six people have died this week, taking the overall total to 4,193. However the number of new cases each day rose to over 20 at one point – four times the average of recent weeks – which underlines the government’s message that the virus has not gone away. Indeed, The City of Edinburgh Council this week announced that official [Hogmanay](#) celebrations this year will look very different

Also on Thursday, the Prime Minister wandered into this Covid elimination zone. Boris Johnson wanted to mark his year in office with a Union-boosting trip to Scotland. It was his first visit here this year and comes at a time when support for the SNP and independence is growing. So he went to Orkney with £50m in his pocket for the Western and Northern Isles. But it’s to be spread thinly over the next 15 years and had to be matched with £50m from the Scottish government over 10 years, so it’s not much of an end to austerity.

The UK and Scottish governments are working together to deliver an [#IslandsGrowthDeal](#) – each investing £50 million. [#Orkney](#) [#Shetland](#) [#OuterHebrides](#) pic.twitter.com/1d01FzBsSa

– UK Government Scotland (@UKGovScotland) [July 23, 2020](#)

I wonder if the Russians were watching. A committee of Westminster MPs certainly think our security services should be on the alert for Russian interference in British politics.

Their report, kept secret by 10 Downing Street for the last nine months, suggests that the Russians tried to spread fake news about the validity of the result of the Scottish independence referendum in 2014 and tried to influence the Brexit referendum in 2016. The story has encourage some to put pressure on Alex Salmond, the former first minister, to end his chat show on the TV station Russia Today.

Finally, a story about three small islands. The people of Muck, off the west coast, have voted to allow tourists back onto the island. But the people of neighbouring Eigg have voted "No". It reflects the wider national debate we've been having about the health of the economy versus the health of the people. In the long run, it amounts to the same thing, but in the short term it's not the same thing at all.

And the third island throws up another debate, should wild land be owned by individuals or by "the people." The tiny island of Inchconnachan in the middle of Loch Lomond has been put up for sale by its owners, the Colquhoun family, for half a million pounds. It's known as Wallaby Island because Fiona Colquhoun, the Countess of Arran, introduced wallabies from Australia in the 1940s. Now the family of the former warden have begun a campaign to raise money to buy the island and turn it into a publically owned eco-retreat and education centre. I wonder if RBS will offer them a loan and will they take it ?