



# Index

Introduction.....	3.
Executive Summary.....	3
1. Current,Planned and Potential Opportunities.....	4
2. Business Activity on Islay.....	6
3. Local Development Plan (LDP) & Other Relevant Parties.....	9
4. LDP Capacity.....	10
5. Other relevant parties.....	10
6. Planning Consents on Islay.....	11
7. Private developer capacity and experience on Islay.....	11
8. Funding & Build Costs.....	12
9. Cost uplift of building on Islay.....	16
10. Existing Stock	















2.20.3 In addition to stating that Islay requires more housing, several of the groups emphasised the need for better roads, infrastructure, connectivity and ferry links:

2.20.4 Of the five respondents, only the Islay Development Initiative indicated that they have land. They have approximately 300 acres near Port Ellen, which they attained by using the Scottish Land Fund. They hope to use it for mixed tenure housing in time as well as a small area for business units. The land is not identified as suitable for housing at this stage as it is quite rural and out with any established development area. The provisions will have to take account of the LDP, be evidenced by credible need and demand statistics as well as participating in statutory planning process. Significant funding challenges will also have to be overcome therefore unlikely that any developments will be achievable in the short to medium term. See Appendix 4 for location.

2.21 Service provider Caledonian MacBrayne were contacted however no information was able to be provided as they advise a Freedom of Information request would need to be submitted in order to acquire the relevant information about their experience and any staffing concerns they may have. This situation delayed receiving any response from Caledonian MacBrayne.

2.22 The education department also did not respond to contact requests therefore CHS were unfortunately unable to obtain any information or staffing issues they may have.

### 3. Local Development Plan (LDP) & Other Relevant Parties

3.1 Within the transition of the existing LDP to the LDP2 the planning department are proposing to remove Potential Development Areas and Housing Allocations that have remained unused as deemed too large for practical development on Islay. This approach has been advocated in an attempt to focus on deliverable allocations, and encourage incremental development that is deliverable in the lifetime of the LDP2 and strategically build provision of infrastructure including water sewerage, power and roads. Table 3 below illustrates current approved sites in the LDP and the sites under consideration for the LDP2. It is worth noting that the number of units being carried forward on the sites in Table 3 is regarded as an estimate at this time.

Table 3 Approved existing and potential sites being carried forward for development on Islay 3 5 0

Location	LDP area	Capacity /Units
Port Ellen	PDA 10/15	22
Port Ellen	H-AL 10/8	40
Port Charlotte Bowmore	H-AL 10/7 Site 75, 751 (MU3002) & 752	30

for phase 4 of the Shoreline development. This is a greenfield site with good connectivity to previous housing developments.

3.5 HAL 10/6 located in Keills is part of a tenanted farm and the tenant does not want to lose this. The tenant could exercise their right to buy at which the owner must sell in accordance with the Agriculture Holdings (Scotland) Act 2003. Connectivity to neighbouring developments are good as the site is beside the settlement zone and has good road access.

#### 4. LDP Capacity

4.1 The Business survey results suggest that a number of their employees currently require housing on Islay. Businesses also reported that they will require additional employees over the next 5 years should their growth forecasts be realised. If planned expansion in the whisky industry comes to fruition this is also likely to create further demand for housing over the coming years. The Home Argyll waiting list in February 2019 stood at 150 applicants. However, it should be noted that a more detailed needs analysis would be required in order to accurately evidence true housing demand surrounding the applicants and their eligibility. In addition, a more comprehensive engagement with businesses forecasting growth would have to be undertaken in order to establish robust and credible evidence surrounding anticipated workforce numbers, timescales and housing need.

4.2 considered ineffective for development either through size, infrastructure or other constraints. The intention was to focus on the most deliverable sites, although still to maintain flexibility within the Plan by retaining sites within settlement areas, therefore potentially allowing them to come forwards as housing windfalls at some time in the future.

4.3 The locations of all the LDP sites can be seen in Appendix 6, along with all the additional private sites highlighted in this report.

#### 5. Other relevant parties

5.1 Scottish Water advised the following:

5.3 In addition to further housing development expansion plans within the whisky industry could lead to a very high demand for water; this would in turn put extra pressure on Scottish Water unless the industry establishes its own private systems. Scottish Water advised that any distillery would have to work very closely with them if they were to build on South Islay for example, Port Ellen.

5.4 Waste Water Treatment Works on Islay have capacity for further housing development (At the time of writing we were not able to get a definitive number for number of houses)

## 6. Planning Consents on Islay

6.1 A total of 18 planning permission applications were identified between March 2018 and March 2019. Of the 18, 5 were for a single dwelling house, 4 of which

Table 4

Table 5. Housing Tenures

Housing Tenures	Description
Social rented housing	The most affordable rented housing option, offering secure tenancies. Provided by Local Authorities and Registered Social Landlords.
Mid-market rented housing	Provided by several organisations to provide rented housing at a lower cost than market rent. Provided by Registered Social Landlords.
Community owned rented housing	A Community Organisation owns the homes and they are rented usually at social housing rent levels. of funding is available to support communities achieve this e.g. Rural Housing Fund.
Market rent / private rent	Provided by Registered Private Landlords. New legislation introduced in December 2017 provides protection to tenants through Private Residential Tenancies.
LIFT New Supply Shared Equity (NSSE)	Provided by Registered Social Landlords. This usually forms part of mixed developments including housing and other tenures. Purchasers can buy an equity share in the property between 30% and 60%.
LIFT Open Market Shared Equity (OMSE)	Similar to NSSE, although the home is for sale on the open market. Qualifying criteria apply and 60% equity share is available depending on affordability. Maximum price thresholds apply depending on location.
Discounted homes for sale with Rural Housing Bden	





## 9. Cost uplift of building on Islay

9.1 Three private developers and one consultant were asked what contributed to the high build costs on Islay. Two were able to provide an uplift percentage from experience of operating on the mainland as well as Islay. In their opinion the uplift was between 30-40%.

9.2 Building contractors noted that the following factors contributed to higher build costs;

Transport of materials from the mainland

Plant transport and repositioning

Lack of available vehicle space on ferries due to tourist demand

Lack of available accommodation for mainland labour, especially in summer months

Weather disrupting builds

Limited service connections

Higher labour rates due to low unemployment

Unreliable ferry service e.g. breakdowns or ferries required elsewhere to cover a breakdown

Disruption associated with plant breaking and lack of immediate replacement or repair available

9.3 When asked what could alleviate some of these issues in order to reduce build costs one respondent suggested that a ferry service for industrial goods only out with the current timetable would benefit developers and other businesses as this would mitigate delays in deliveries.

9.4 The second and third contractor advised improved infrastructure such as service connections, water and sewage availability and supply would reduce building costs on Islay.

9.5 It would be reasonable to assume that the following factors are the largest contributing factors to high build costs





12.2.2 An improvement that could be considered is the CHA team holding open days annually or every six months in the settlement areas other than Bowmore for example, Port Charlotte, Port Ellen and Bridgside. This would provide those who do not live or work in Bowmore to learn about housing opportunities and projects that could benefit them. Furthermore, it would encourage community engagement and knowledge sharing.

12.3 WHH do not have an office on Islay however their three housing officers visit twice a year and notify all tenants in advance should they wish to meet.

12.3.1

o housing

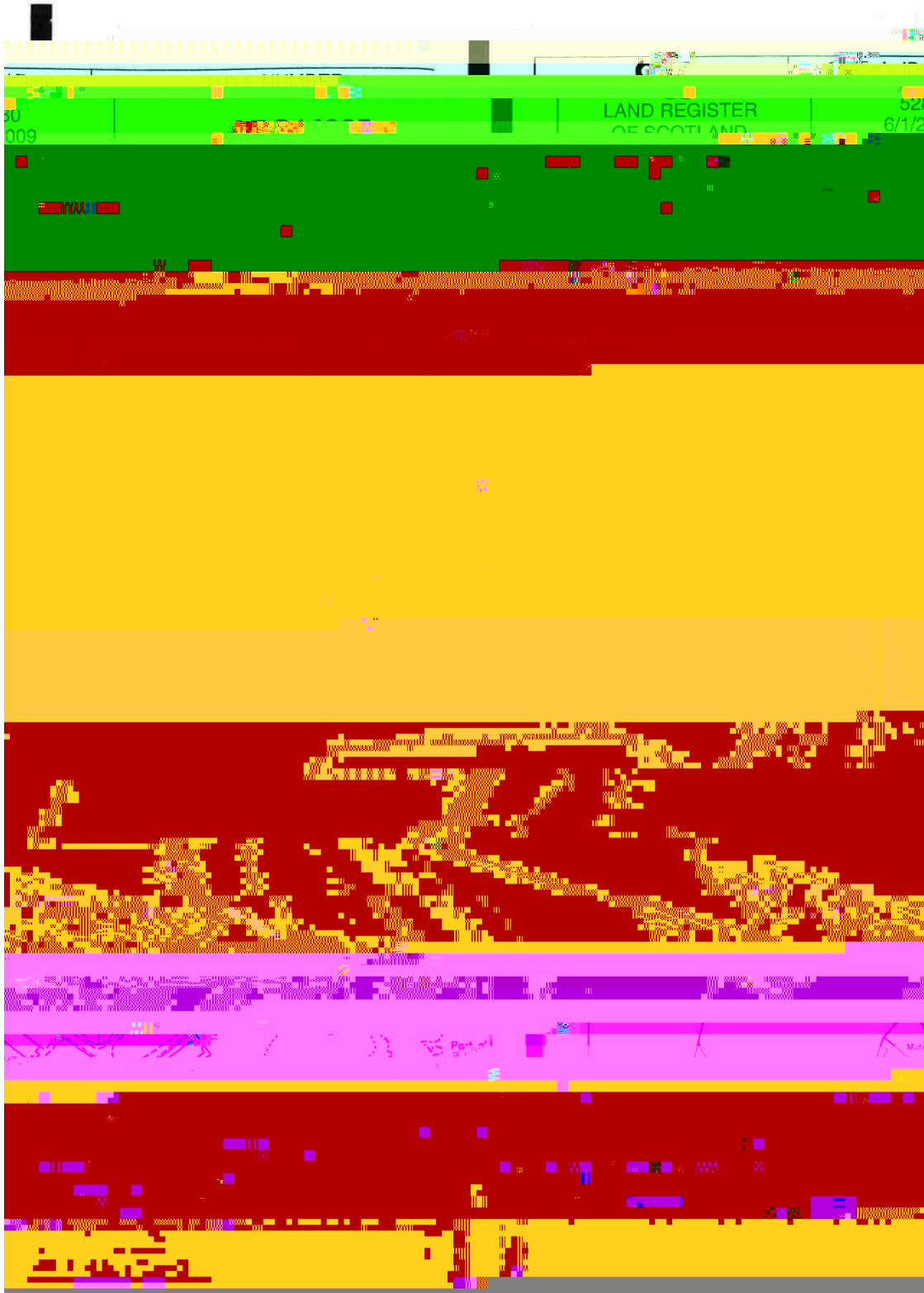
## Appendices

### Appendix 1 WHHA, ACHA and Trust Housing Stock

WHHA Stock locations	Development	Tenure	Size	Count	Notes
Bridgend	School Gardens	SR	2 bed	2	
	Newton School House	SR	3 bed	1	
Port Charlotte	Bruach Gorm				

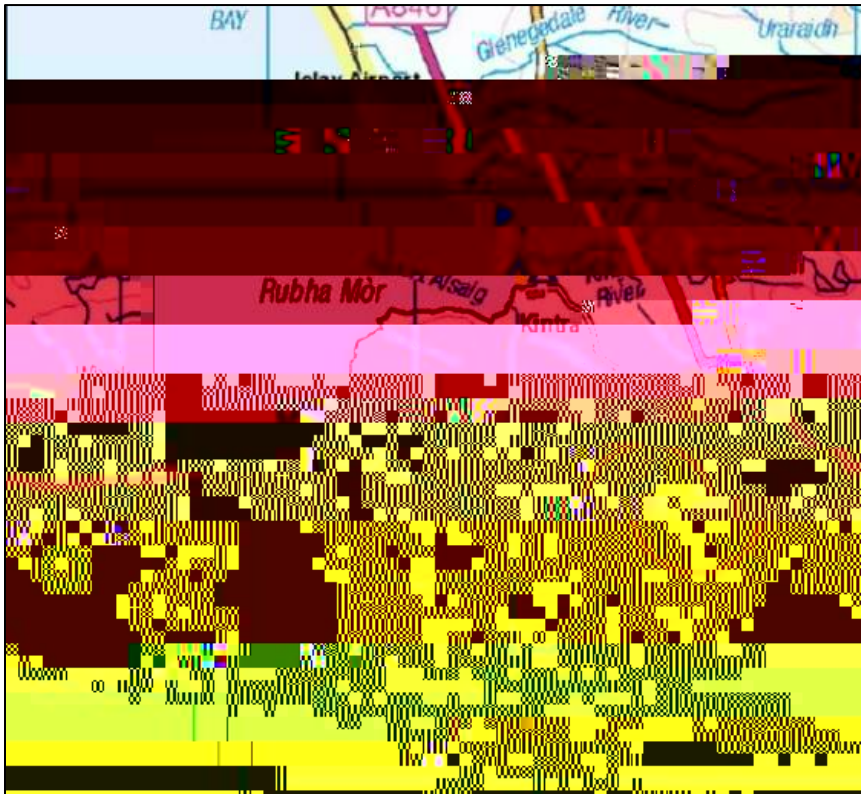


Appendix 2 WHHA Site in Port Charlotte





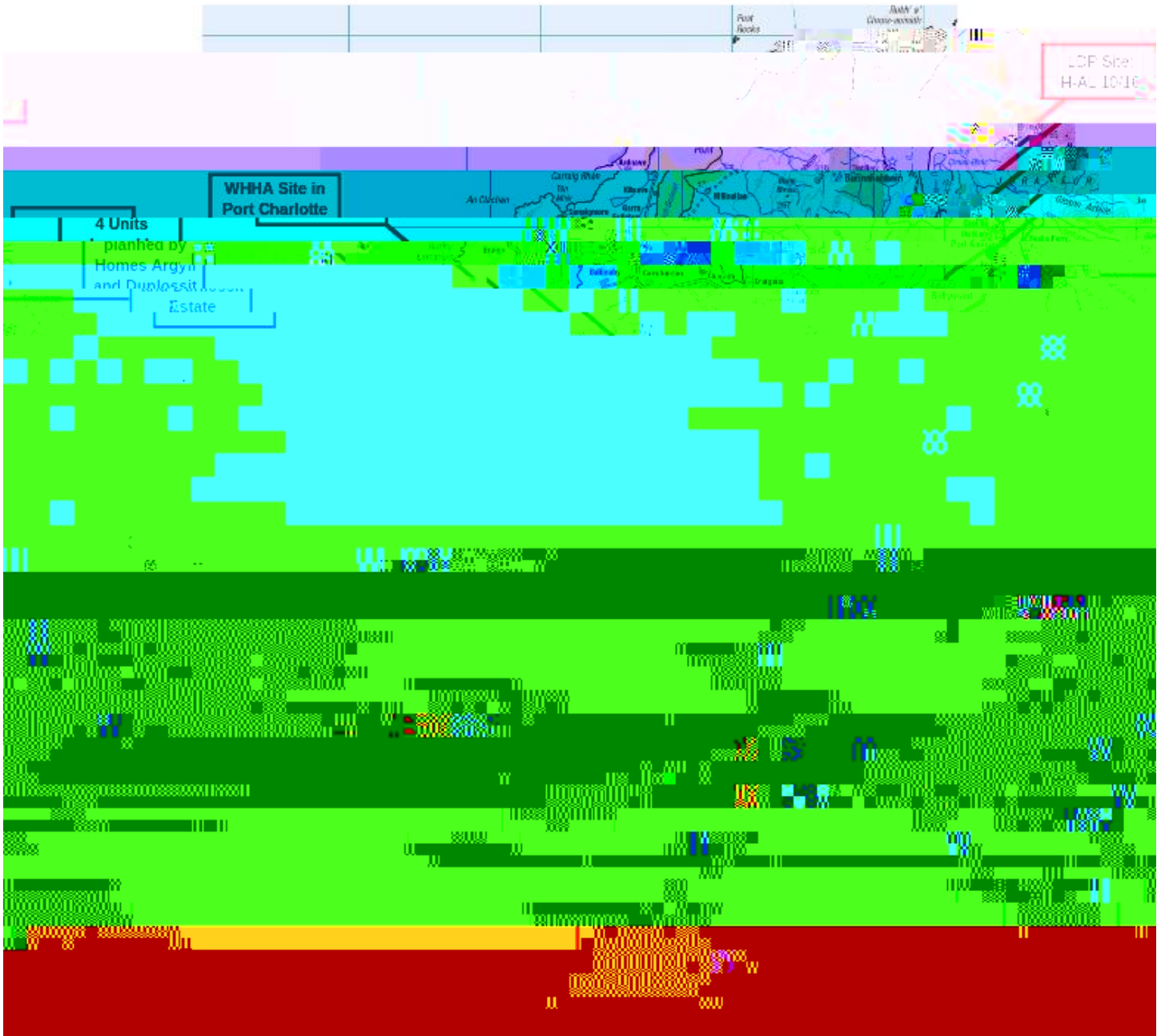
Appendix 4 Islay Development Initiative Site



Appendix 5 WHHA Site Layout for 8 units at Imereval, Port Ellen



Appendix 6 LDP and potential new development sites







The Highlands Small Communities Housing Trust is trading as Community Housing Scotland

7 Ardross Terrace, Inverness, IV3 5NQ

01463 233 549/8

[info@communityhousingscotland.co.uk](mailto:info@communityhousingscotland.co.uk)

<https://www.hscht.co.uk/chs.html>