

**WEST HARRIS COMMUNITY BUYOUT
FEASIBILITY REPORT**

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1.1 EXECUTIVE SUMMARY

The West Side Harris Steering group was appointed by the community of Luskentyre, Borge and Scaristavore Estates in West Harris to investigate the possibility of the purchase by the community of the Estates. The three estates are owned by the Scottish Government which is willing to enter into discussion with a view to an amicable purchase of these estates by the community. The steering group has instructed CIB Services to produce a report dealing with the issues discussed below. The full text of the instruction brief is attached as appendix 1.

This report is divided into the following sections.

Section 1 provides an executive summary of the full report and covers all of the significant information contained in each of the following sections.

Section 2 deals with the nature and extent of the properties comprised in Luskentyre, Borge and Scaristavore Estates. The assumption is made that the whole estate and all of the assets comprised in the present estates titles will be available. For the purposes of this report the estates titles have been examined and a title search in the Register of Sasines and Land register undertaken.

Section 3 deals with the constitutional and management aspects relating to the Trust established to be used for the purpose of taking forward the purchase and the future management of the Luskentyre, Borge and Scaristavore Estates by the community.

Section 4 deals with the financial considerations relating to the acquisition of the capital assets and the on-going revenue requirements of the estates.

Section 5 deals with the development potential. This section includes the outcomes of community consultation and strategic considerations by the Steering Group.

The West Harris Crofting Trust has been established to take ownership of the three crofting estates totalling 6,578 hectares presently owned by the Scottish Government in Harris, Outer Hebrides, Scotland. (local authority Comhairle Nan Eilean Siar).

The recently published Shucksmith Report (Committee of Inquiry on Crofting) identified crofting as making an important contribution to population retention, improving economic vitality, safeguarding landscape and biodiversity and sustaining the cultural diversity of Scotland.

The three estates Scaristavore, Borge & Luskentyre were re-settled by the Government in the 1930's and 1940's. There are currently 52 crofting tenants with the resident population now reduced to 117 including tenants. The West Side of Harris is a National Scenic Area, of the 89 houses on the estates 41% are holiday homes or self-catering cottages.

There is only one pre school child resident on the whole of the West Side, and 37% of the population are over 65.

The recently completed Hall Aitken report Outer Hebrides Migration Study confirmed the trend of falling population, particularly the school age population but identified community involvement and ownership as the key factor in addressing this issue.

The community is very concerned about its future sustainability, if it can not stabilise & grow a resident population. Already the community is faced with the prospect of the closure of the local school, there are difficulties in recruiting essential service personnel such as home care workers and ambulance paramedics. There are insufficient young men to gather sheep from the hill grazings, and to carry out other communal and co-operative activities involved in traditional crofting agriculture, which have proved so beneficial to the wildlife & landscape of our area.

The steering group is of the opinion that the present situation is not sustainable; young local people can not afford to purchase or build houses due to the demand for houses & house sites for holiday homes. Community ownership will give decision making to the people who have the greatest stake in the community, enabling them to release land & create new crofts for affordable housing to retain and attract young families back to the townships.

In January 2007 a public meeting was held, open to all residents of the estate, following which a steering group was formed. The task set by the community, was to regenerate the crofting community initially through an investigation as to the viability of taking the estates into community control.

The steering group was successful with an application for an Investing in Ideas Grant and commissioned an independent study by a team comprising a solicitor (Simon Fraser) an accountant (Murdo Macmillan) & a community consultant (Agnes Rennie). All three had prior experience of working with communities to purchase their land from private landlords.

The West Harris Crofting Trust has been set up to take ownership of the land & develop the estate.

In addition to purchasing the three estates the Trust would like to purchase a further area of ground, amounting to 5.7 acres, owned by the Church of Scotland, adjacent to the A859 road in Scarista, which is not under crofting tenure and has potential for either affordable housing or the creation of a new croft.

The Steering Group is aware that housing on its own will not regenerate the estate. Alongside tackling the housing difficulties, the Group is looking at a number of commercial opportunities, some of which would involve partnership with other bodies. These proposals aim to create employment and a recurring income, not only to fund the management of the Estate, but to enable the Trust to generate capital to invest in developing the socio-economic infrastructure of our community.

The main development opportunities identified so far include:

- 1) a small revenue generating hydro electric scheme, a study commissioned by Highlands & Islands Community Energy Company has confirmed that a river on the estate is suitable, and projected costs & income have been included in this application.
- 2) a café/restaurant in the community
- 3) working with Harris Golf Club to develop the Scarista golf course
- 4) beach access to develop marine tourism
- 5) working with an organic whisky distiller to bring unused and under-utilised land into barley production.
- 6) creation of new crofts
- 7) encourage wide access to broadband service to give option of home working as full time or part time employment

We are confident that given the finance to purchase the land, we can then develop in a sustainable manner. The projects already identified will give an income stream to re-invest in further development.

FAQ's

What happens to crofting rights?

Your crofting rights are completely unaffected. All rights you have today under the Crofters Commission and Scottish Parliament remain. Crofting is seen as a vital part of the development plan.

What about crofting grant applications. Will they be affected?

The crofting grants system remains as it is today. The buy out will not affect this in any way.

Where will any new crofts or house sites be situated?

Any new crofts or sites will be part of a plan covering the whole West Side area, no definite sites have been identified although some possible sites have been discussed. Any development will be agreed by the township committees in consultation with other local residents.

What rules will there be regarding allocation of houses or sites?

We would like the allocation of any house site developed by the Trust to be transparent and fair and satisfy local demand. Regeneration and repopulation of the area is a priority and allocation of any new crofts or house sites developed by the Trust would be with a view to stimulating growth and regeneration.

What if people want to sell affordable housing after a few years. What rights will they have?

The trust would look to retain some control over the resale of houses developed by the Trust. The buy-out is designed to provide long-term regeneration and stable growth for the people of the area.

Who will manage the estate?

It is proposed that day to day administration (e.g. rent collection) of the estate would be undertaken by the already established North Harris Estates Office. This is a very economic way of administration. The overall business of the estate would be managed through the West Side Trust Board of Directors appointed by the tenants and residents.

What happens if the Trust goes into liquidation?

As already confirmed by the Scottish Government, the estate would revert to control by the Scottish Government.

If someone would like to develop an idea in the local area – does the Trust have to be in agreement before proceeding?

No. The situation for any development remains as it is today.

Issues that are dealt with by the local village grazings committee – how will the buy out impact on this?

It will not impact. A major benefit of a buy out is that the landlords share of any income remains within the community e.g. Vodafone masts.

Will each township deal with their own ideas for development or will other townships also have a say?

Townships can develop as they can today. The Trust would support development and encourage co-operation between townships. This could be in simple ways such as sharing dipping costs.

What happens to any money that's generated by developments?

At present half the income goes back to the Government (as Landlord) and half to the township that generates that income. Under local ownership the Government portion would stay with the trust and be reinvested back into the community.

Do we continue to pay annual crofting rents?

Yes. There is no change, the Steering Group have no intention of increasing rents, any increase would have to be approved by the Land Court

Do the Trust Board of Directors get paid?

No. The Board do not get paid but a nominal amount will get paid to whoever carries out administration duties.

Are any dividends paid ?

No dividends are paid. Any profit is reinvested back into the townships.

2. NATURE AND EXTENT OF PROPERTY

2.1 History of Ownership

The whole of the Isle of Harris was under the single ownership of the Earls of Dunmore until 1871. In that year North Harris Estate was split off and sold by the Earl of Dunmore to Edward Scott.

The southern portion of Harris was bought by Lord Leverhulme's company The Lewis and Harris Welfare and Development Company Limited in the early 1920's. Following his death that company's properties in South Harris were sold. In respect of the area covered by this study, the three estates concerned – Luskentyre, Borge and Scaristavore having first entered private ownership were acquired on behalf of the state by the Department of Agriculture for Scotland in 1929 in respect of Luskentyre and in 1933 in respect of Borge and by The Secretary of State for Scotland in respect of Scaristavore in 1943. The estates were acquired for the purpose of land settlement and insofar as not already done were divided into crofts and common grazings and let as such.

A location plan showing the extent of the three estates is attached as appendix 2.

Over the years there have been a number of disposals of very small pieces of land as house sites or for road building purposes and the like and a more substantial disposal in respect of the area covered by the golf course at Scarista.

2.2 Fishings and sporting rights

The current situation in regard to the fishings in the estates is complicated as indeed is the current patchwork of ownership in the whole of South Harris. Most of the salmon fishings within the estates and to an extent outwith the estates and in the sea are included in the titles. However these fishings are all subject to long leases with nominal rents only which appear to date back to the original acquisitions.

The brown trout fishings and sporting rights on Borve and Luskentyre are now in the tenancy of HIE. It is understood that HIE might favour a renunciation of these rights following acquisition by the community should this proceed. Where the salmon fishings are let these fishings will include the right of brown trout fishing as an incident of the right of salmon fishing.

Insofar as these leases do not also specifically include brown trout fishing, then the separate right of brown trout fishing, which attaches to the ownership of land will be included with the title to the estates. A detailed piece of research into the precise full extent of the fishings (which is outwith the scope of this study) will require to be undertaken prior to the conveyance of the estates.

2.3 Foreshore

The estates titles are expressed as including the whole foreshore around the Estate i.e. the land between high and low water mark. Although that is stated to be the position in the titles such a position can still be subject to a prior claim by the Crown Estate. This issue will bear further investigation with the Crown Estate prior to the conveyance of the estates.

2.4 Minerals

The titles to the estates include the right to the minerals throughout the Estate and the right to work them. In the past there was a lease of the right to extract sand at Horgabost but this lease came to an end and such right is not currently being exercised. Any such extraction would require planning consent.

2.5 Crofting

The estates are nearly all under crofting tenure either as individual crofts or as common grazings. There are 52 individual crofts and 4 common grazings.

2.6 Income from leases and croft rents etc

The estates enjoy a total annual income from the croft rents of £1,654 per annum. There are two cellphone mast sites, one at Borge and one at Luskentyre, each leased to Vodaphone Ltd. The rents appear to have been capitalised when granted and the rent for each is a nominal £1.00 per annum. A further capital payment was made when an additional site occupier was added on to the Borge mast in 2005. These leases expire in 2015 and in 2016 respectively. It would be open to the landlord of these sites to negotiate open market rents on any renewal of these lease after expiry.

2.7 Wayleaves

The estates receive a small amount of electricity wayleave payments from Scottish and Southern Energy. These payments are likely to be small capitalised wayleaves for new connections. These payments average about £130 per annum. We understand from discussions with Scottish Government officials that no significant electricity wayleaves such as for the main line, have been capitalised through the granting of formal servitudes, which in turn would have appeared on the public registers. However given that the sums paid seem small it appears likely that no charge is currently made in respect of the main line. It is conjectured that there may be a historical reason for this, perhaps related to the fact that prior to privatisation the electricity lines were also in state ownership. This is a matter that would bear further investigation following acquisition.

2.8 In-hand land

A brief study of the estate plans suggest that there may be some land not in crofting tenure, in the vicinity of Seilebost. Again, this is a matter that will bear some further detailed investigation.

2.9 Public Footpath

There is a recognised public walking route over the Estate, being the old 'coffin road' from the Bays of Harris which joins the old road at Loch Carran, taking then the route of the old road to the public road near the Luskentyre road end.

2.10 Nature Conservation designations

The following nature conservation designations exist:

Luskentyre Banks & Saltings SSSI

South Lewis, Harris and North Uist NSA.

There are neither nature conservation orders nor environmental management agreements in force.

3. CONSTITUTION AND MANAGEMENT

3.1 Basic principles

The main principle in **community ownership** is that the whole assets of the community that is to say the land, any buildings on it and any property which goes with it are held by a body which

- will own all of the assets
- will be controlled by the community
- will not risk loss of that control
- ensures an equal say for all
- will be able to manage the assets in the long term interest of the community
- can access funds for development
- will be able to undertake development projects

3.1.2 The usual type of organisation used for such purposes is a particular type of **limited company** known as a **Company Limited by Guarantee**. Such a company where used as a community owning body is usually colloquially referred to as a **Trust**. Such a Trust:

- will have a membership but not a shareholding
- will have a membership open to a specified group e.g. residents of the estate
- will ensure one person, one vote
- will protect all members completely against any financial losses

3.1.3 The Trust would be managed by a board of **Directors** who would be appointed by and be answerable to all of the members.

3.1.4 The assets of the Trust – i.e. the estate – would be protected for all time

- by the Trust not engaging in any trading activity itself
- by carrying out any trading activity through subsidiary trading companies

The constitution of such a Trust is known as its **Memorandum and Articles of Association** or for short the Memo and Articles.

3.2 Statutory Provisions

3.2.1 By virtue of certain restrictions in the various statutory provisions under which the estates were acquired, the Scottish Government is prevented from disposing of these estates. For that reason the Transfer of Crofting Estates (Scotland) Act 1997 was enacted. This Act gives the necessary power to the Government to dispose of such estates provided the terms of the Act are complied with. Specifically the Government must be satisfied that

- a) the body to take ownership is representative of the 'crofting interests' resident on the property to be disposed of and
- b) that body has the promotion of the interests of persons residing on the property as its primary objective.

3.2.2 Separate provisions giving rights to crofting communities to acquire the croft land that they occupy were enacted by Part 3 of the Land Reform (Scotland) Act 2003. This Act may be used in circumstance where a crofting community wish to purchase, but the owner is unwilling to sell i.e. against an unwilling seller. These circumstances do not apply in the present case. However the concept of community ownership has developed since the passing of the 1997 Act and the 2003 Act has some useful compliance provisions relating to both the definition of 'crofting community' and to the various constitutional arrangements that the ownership body ought to have.

3.2.3 Following detailed discussions with Scottish Government officials it was agreed that a useful approach to the matter would be to set up a body which would comply with the provisions of the 2003 Act in a way which would also comply with the provisions of the 1997 Act. This has been done and a suitable Memo and Articles has been drafted and following the instructions of the Steering Group has now been registered. The Trust ought now to seek approval of the Trust in terms of the 1997 Act. The Memo and Articles and Certificate of Incorporation are attached as Appendices [3] and [4].

3.2.4 In order to ensure as wide as possible a membership and representation from within the community the Memo and Articles provide that there shall be two classes of membership:-

- (1) Ordinary Members being those individuals aged 16 and over who:-
 - are ordinarily resident in the crofting townships of Borge (Harris), Horgabost & Seilebost, Luskentyre or Scaristavore; or
 - are tenants of crofts in the crofting townships in (i) above.
- (2) Nominated Members being the Grazings Committees for the crofting townships of Borge (Harris), Horgabost & Seilebost, Luskentyre and Scaristavore.

3.3 Management

3.3.1 The day to day administration of the Trust will be in the control of the directors. The directors will in terms of the Memo and Articles be appointed by the members. A maximum of ten directors may be elected, six by the Ordinary members one by each of the Nominated Members.

3.3.2 The affairs of the Trust will require a formal administrative arrangement being put in place. The rents will require to be collected and the croft records maintained.

Applications for title and the like will require to be dealt with. Meetings, both of the directors and general meetings of the members will require organisation and the taking of minutes. The size and current income of the Trust will in all likelihood preclude a separate paid administration being retained by the Trust. There would appear to be at least three options for the carrying out of these functions:-

1. The Trust appoint a 'volunteer' to undertake the work in return for an honorarium
2. The Trust engage an experienced professional, probably in Stornoway to undertake the work
3. The Trust seek to have these services provided by the nearby North Harris Trust.

The volunteer approach is one adopted in some communities. It does however depend heavily on the goodwill of one individual who will not, in all probability, have either the necessary expertise or perhaps equipment for the work. This approach might be used to cover the servicing of meetings including the taking of minutes.

The engagement of a professional would certainly be workable but it would not be cost effective for such services to extend to the servicing of meetings. It might also be felt that the location of such a professional, in all likelihood in Stornoway, be a bit too distant from the community.

The provision of the necessary services by the North Harris Trust would seem a strong contender. The North Harris Trust has an experienced staff who could take on the administration of the business of the Trust and perhaps the servicing of meetings and it is understood that discussions have taken place in this regard. Their location in Tarbert, Harris would give the community the local management contact that they have always lacked.

3.4 Professional Services

3.4.1 The estates have in common with other state owned crofting estates, an excellent collection of accurate plans which have over the years been maintained and added to by the work of their in-house surveyors. It would be advisable that this body of work be not only transferred over to the Trust following acquisition, but that it be maintained to its current very high standard. In the case of privately owned estates, any person seeking title to e.g. a croft house site, will instruct their own surveyor to carry out the work. The standard to which these surveyors work is variable. The resulting plan would be in each case the only record of a disposal of land. It is therefore recommended:-

- 1) that the Trust seek in their negotiations with the Scottish Government to secure the transfer of all of the mapping records to them in an appropriate format and medium and
- 2) that the Trust seek to engage the services of a single surveyor to produce plans for any future disposals. The cost of the services of such surveyor would be borne by each individual purchaser and accordingly no additional cost ought to fall on the Trust.

3.4.2 Legal services, principally in respect of conveyancing of house sites and the like have historically been provided by in-house solicitors and more recently by the private sector. Other estates in the Western Isles tend to employ local solicitors who will undertake business such as the granting of titles on the basis that the purchaser, developer or the like will bear the costs of the estate in the transaction. In such an arrangement the Trust could expect to receive general advice without cost although specific business not otherwise covered above might attract a charge. It ought to be possible for the Trust to make a similar sort of arrangement.

4.1 Acquisition – Costs & Funding

YEAR	Pre Trading	Lottery Application (year ended 31st March)					2015	2016	2017	Total
		2010	2011	2012	2013	2014				
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	
INCOME										
Own Funds- Revenue Surplus		1,404	5,154	5,154	5,154	37,844	35,344	37,844	40,344	168,242
Lottery Growing Community Assets-Asset acquisition (75%)		190,500								190,500
Lottery Growing Community assets-development(50%)				35,000	152,000	10,000				197,000
CNE -ACTISH Fund		50,000		50,000			50,000			150,000
Council Deferred Loan/Grant		30,000								30,000
HIE CLU		25,400								25,400
Mobile phone masts	Luskentyre Horgabost							50,000		50,000
									50,000	50,000
HICEC grants			5,000	10,000	109,000					124,000
TOTAL INCOME	0	297,304	10,154	100,154	266,154	47,844	85,344	87,844	90,344	985,142
EXPENDITURE										
Purchase of Estate		59,000								59,000
Purchase of land Church of Scotland		180,000								180,000
Legal/Professional Fees		15,000	5,000	5,000	5,000	5,000				35,000
Creation of new crofts				20,000	20,000	20,000	20,000	20,000		100,000
Development of Affordable Homes sites				50,000	50,000		50,000		50,000	200,000
Hydro Development			5,000	10,000	234,000					249,000
Other Developments							25,000	50,000	50,000	125,000
TOTAL EXPENDITURE	0	254,000	10,000	85,000	309,000	25,000	95,000	70,000	100,000	948,000
NET INCOME	0	43,304	154	15,154	-42,846	22,844	-9,656	17,844	-9,656	37,142
Cumulative	0	43,304	43,458	58,612	15,766	38,610	28,954	46,798	37,142	

4.2 Revenue – Income & Expenditure

YEAR	Pre Trading	Lottery Application (year ended 31st March)					2015	2016	2017	Total
		2010	2011	2012	2013	2014				
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	
<u>INCOME</u>										
Investing in Ideas Grant	10,000									10,000
Lottery Growing Community Assets- revenue (75%)		3,750	7,500	7,500	7,500	7,500				33,750
Croft Rents		1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	13,232
Wayleaves & misc income		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
Hydro Scheme Income						32,690	32,690	32,690	32,690	130,760
Other income from developments							5,000	7,500	10,000	22,500
TOTAL INCOME		10,000	6,404	10,154	10,154	10,154	40,344	42,844	45,344	218,242
EXPENDITURE										
Administration Costs		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
Feasibility Study	10,000									10,000
TOTAL EXPENDITURE		10,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	50,000
NET INCOME	0	1,404	5,154	5,154	5,154	37,844	35,344	37,844	40,344	168,242

4.3 Cash Flow Forecast

YEAR	Pre Trading	Lottery Application (year ended 31st March)					2015	2016	2017	Total
		2010	2011	2012	2013	2014				
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	
<u>INCOME</u>										
Investing in Ideas Grant	10,000									10,000
Own Funds										0
Lottery Growing Community Assets-Asset acquisition (75%)		190,500								190,500
Lottery Growing Community assets-development(50%)				35,000	152,000	10,000				197,000
Lottery Growing Community Assets- revenue (75%)		3,750	7,500	7,500	7,500	7,500				33,750
CNE -ACTISH Fund		50,000		50,000			50,000			150,000
Council Deferred Loan/Grant		30,000								30,000
HIE CLU		25,400								25,400
Croft Rents		1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	13,232
Wayleaves & misc income		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
Mobile phone masts								50,000		50,000
									50,000	50,000
HICEC grants			5,000	10,000	109,000					124,000
Hydro Scheme Income						32,690	32,690	32,690	32,690	130,760
Other income from developments							5,000	7,500	10,000	22,500
TOTAL INCOME	10,000	302,304	15,154	105,154	271,154	52,844	90,344	92,844	95,344	1,035,142

4.3 Cash Flow Forecast (cont'd)

TOTAL INCOME	10,000	302,304	15,154	105,154	271,154	52,844	90,344	92,844	95,344	1,035,142
EXPENDITURE										
Administration Costs		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
Feasibility Study	10,000									10,000
Purchase of Estate		59,000								59,000
Purchase of land Church of Scotland		180,000								180,000
Legal/Professional Fees		15,000	5,000	5,000	5,000	5,000				35,000
Creation of new crofts				20,000	20,000	20,000	20,000	20,000		100,000
Development of Affordable Homes sites				50,000	50,000		50,000		50,000	200,000
Hydro Development			5,000	10,000	234,000					249,000
Other Developments							25,000	50,000	50,000	125,000
TOTAL EXPENDITURE	10,000	259,000	15,000	90,000	314,000	30,000	100,000	75,000	105,000	998,000
NET INCOME	0	43,304	154	15,154	-42,846	22,844	-9,656	17,844	-9,656	37,142
Bank Balance b/d	0	0	43,304	43,458	58,612	15,766	38,610	28,954	46,798	0
Bank Balance c/d	0	43,304	43,458	58,612	15,766	38,610	28,954	46,798	37,142	37,142

5.1 Community Consultation

27 May 2008

1. Introduction

The community consultation was organised by the West Harris Community Buyout Steering Group as part of the preparatory work required prior to progressing to the next stage in the community buyout process. The Steering group is progressing a proposed community buyout of the Government-owned estates including the townships of Luskentyre, Seilebost, Horgabost, Scaristavore and Borve.

The consultants met with the steering group and it was agreed that a combination of home visits and an open meeting in the local school would be the most appropriate way to carry out the community consultation. Steering group members undertook to identify those requiring home visits and to ensure that all other residents were invited to the open meeting.

2. The home visits

Home visits were organised on the same day as the open meeting took place. The consultant was accompanied by a member of the Steering Group to make the initial introductions and to reassure everybody about the purpose of the visits.

The consultant clarified her own independence and explained the stages of the buyout process. She invited any questions regarding the buyout process and the consequences in the event of a buyout. Generally, all the visits were very positive and people were reassured by the opportunity to discuss matters that had concerned them or which they felt were unclear. The discussion then went on to look at opportunities should a successful buyout be concluded. The details of these discussions are included with the points arising from the open meeting at para 3.

Overall the visits were very supportive of the work of the steering group, and the initiative for community ownership.

3. The open meeting

3.1 The meeting was held in Seilebost School and was very well attended by 36 tenants/residents, a turnout of 31%. The Steering Group chairman welcomed everybody and then handed over to the consultant who explained the purpose of the meeting and assured everybody present of her own independence in the process. Before opening the discussion to look at opportunities that could arise from community ownership the buyout process was briefly described. It was explained that the meeting was just one important stage of a very detailed process. Questions and comments regarding any matters related to the buyout process that were unclear or causing concern were then requested.

The main points arising from this discussion were:

- The status of individual crofters should the community take ownership of the land.
- The involvement of the community as landlords.
- Who would serve on the Trust Board?
- How could you ensure that crofting tenants had a controlling interest in the Trust?
- How would the buyout be financed, and who would decide on the price?

The consultant explained that there was a great deal of experience now of community ownership of croft land, and this provided a range of examples from different communities. Examples quoted as good illustrations were North Harris, Galson, Assynt and Gigha.

The meeting then considered different aspects of development and these were taken under three main headings as detailed below.

3.2 Social development

Housing is an on-going issue, especially for young people who want to live in the area, but are unable to pay the inflated prices being paid for house sites and houses. This situation is not helped as 41% of all houses in the area are used as holiday homes or as self catering cottages.

This has a direct impact on all services, but especially the school as there is only one child under school age living in the community at the present time.

There was unanimous agreement that the area was a good place to live, with a strong traditional community and a good quality of life.

Opportunities which could be progressed under community ownership include:

- Joint working with townships to identify sites suitable for new houses.
- Registering the Community Trust as a RSL (Registered Social Landlord) and exploring opportunities for collaborating with the Hebridean Housing Partnership (HHP) and / or a developer to build houses for let.
- Encouraging provision of suitable accommodation for the elderly within the community, thereby avoiding old people having to move out of their home area.
- The Community Trust taking a lead role in promoting the area as an ideal place for young families to live.

3.3 Economic Development

The A859 spinal route from Stornoway to Leverburgh runs through the West Harris area and is especially attractive to tourists, whether simply travelling the Harris circuit, or travelling to and from Uist. The long stretches of unspoilt shell sand beaches are beautiful at all times of the year and have the potential for sensitive tourism developments. Not surprisingly tourism is seen as a sector offering a range of business opportunities

Opportunities which could be progressed under community ownership include the Trust:

- Working with Electronic Communication companies to provide reliable Broadband service throughout the community and thereby create new opportunities for working from home.
- Encouraging emerging high speed mobile phone connectivity.
- Working with others to encourage water sports.
- Working with others to improve access to the beaches

- Working with others to encourage a range of additional accommodation and other services e.g. tea room.
- Working with others, including the Highlands and Islands Community Energy Company (HICEC) to assess the potential for renewable energy developments especially hydro power generation.

3.4 Crofting and land

Historically, the West Harris area has been renowned for the quality of its agricultural land, which has always allowed large numbers of stock to be kept on the hill grazing and the rich machair lands. Over recent years crofting agriculture has suffered from the market pressures experienced elsewhere, but it has also been deeply affected by the falling population in the area. This has resulted in very few people in the area now having the skills or the physical ability to gather stock from the hill grazings. The demise of the various EU financial support systems has also had a considerable impact on crofting income and it has been difficult for crofters to adapt to the new regime. Nevertheless there are still good opportunities for developing the land and adopting new ways of using their crofts through various diversification schemes.

Sporting rights are all managed separately with the salmon fishing already owned by Borge Lodge and the trout fishing and shooting rights leased out.

Opportunities which could be progressed under community ownership include:

- Working with townships to assess the full potential of the 5,000 ha. of common grazing.
- Exploring the potential of Carbon Trading.
- Exploring the opportunities for tree planting both for amenity purposes and as an economic opportunity.
- Researching and piloting opportunities to develop alternative croft products e.g. using sheep's wool as house insulation.
- Encouraging horticulture on the West Side of Harris.
- Exploring the creation of stock clubs to ensure continued use of the hill grazings.
- Encouraging the creation of new crofts to meet the needs of new entrants.

5.2 Development Options

Under Community Ownership the crofting tenants and other residents as landowners will have control over the land and can, at their own hand or in partnership with others, look for development opportunities. The Steering Group has identified the following options. If the community decides to take ownership of the West Harris estate other possibilities may also emerge.

House Sites

It is apparent from the community consultation that affordable housing is one of the key areas of local concern. As landowners the community will be in a better position to address this issue.

The Steering Group would like to see ten house sites made available for local affordable housing within three years of the buyout. It is hoped that this will bring additional families into the area and help retain existing services such as the school. It is intended that these houses will be spread over the West Side and probably on land released from common grazing; each township will decide whether they want house sites released and the number they wish.

As a comparison over the past three years, 12 house sites have been built or received planning consent and awaiting construction, on the West Side.

The field to the north of Scarista House (5.7 acres) owned by the Church of Scotland has been independently valued by a surveyor at £180,000. The Steering Group hope to negotiating a reduced price, it should be possible to create house sites on this land.

New Crofts

The Steering Group would like to see 6 new crofts created on the West Side within three years of a buyout. Each grazing committee would have the final say as to whether they were prepared to release part of their common grazing for the creation of new crofts. If the decision was made to create new crofts, each township would choose the tenants in conjunction with the West Side Trust and the Crofters Commission.

Hydro Scheme

The Highlands and Islands Community Energy Company has recently carried out a feasibility appraisal of potential small hydro power sites in the Outer Hebrides as part of their objective for all communities across the Highlands and Islands to be able to generate and use renewable energy for their long term and collective benefit.

The Steering Group was able to include in this study, the Gleann Dubhlinn site, which is made up of a series of watercourses, including the Glen Dubhlinn and Abhainn Gil an Tailleir rivers. There is also a loch within this site, Loch Heileasbhal, which was formerly used by the local water authority to supply the nearby townships.

This site does appear at this stage to have a reasonably good development potential. In addition, a potential grid connection point into the 33kV distribution network is also located in close proximity. A site specific technical feasibility study would need to be carried out in order to confirm the initial observations and calculations. All the costs of this study will be met by the Community Energy Company.

Based on the calculations of the consultants who carried out the initial study, the site should produce an annual income of £32,690 to the Trust.

The cost of developing this scheme, estimated at between £150,000 and £300,000 has been included in the funding application to the Lottery, with a request for 50% of the cost.

Assistance should also be available at up to 40% of the cost from the Community Renewable Energy Grants Scheme, set up by Comhairle nan Eilean Siar.

A successful development of this scheme will provide the West Side Trust with an annual income to meet all overheads and provide capital for other developments on the West Side.

A separate trading company will be formed, wholly owned by the Trust, to take this development forward. This will ensure that all profits will accrue to the Trust, but in the event of any major problems, the assets of the Trust will be protected.

The Steering Group has taken the opportunity of arranging a meeting with all agencies concerned with hydro development, to ensure that there are no major issues that would prevent this going ahead. Representatives of the Horgabost/Seilebost township committee will also be invited to this meeting.

Café-restaurant

As part of the consultation the need for a café/restaurant on the West Side was identified, the Trust would support any such development.

Improve Golf Course

The Scarista Golf Course is undoubtedly one of the key assets on the West Side. The Trust would wish to work with the Harris golf club as they seek to improve the course.

Improve beach access/develop marine tourism

Tourism is the main economic driver on the West Side of Harris. General access to the beaches has been significantly improved in some areas. The Trust would continue to work with townships to improve access where appropriate.

A small slipway on the West Side, for both local & visitor use, would undoubtedly increase marine tourism. This is a growing market; windsurfing, kayaking, dinghy sailing etc have the potential to attract additional visitors to the area. The owner of Borge Lodge is keen to work with the Trust to develop such a facility.

Barley production

Outline proposals for the creation of a small distillery on the Isle of Harris (situated near Bunavoneador) are being drawn up. The concept is to have an Island Malt, preferably using native barley (Bere Barley 6 row variety) grown organically, and sourced locally if possible. The West Side of Harris and Northton are really the only places where Barley can be grown in any significant quantities. Trial plots are planned for 2009 on different sites to assess the suitability of the barley for distilling. Growing of barley can complement current Agri Environment schemes that encourage arable cropping to help retain key biodiversity species such as the corncrake, great yellow bumble bee and corn bunting. There would hopefully be positive benefits, both for the crofters participating, and also wider tourism benefits associated with the "Island Malt" brands. West Side of Harris could work closely with the North Harris Trust (and the proprietor of Scarp) to help bring this project forward.

Broadband/telecommunications

There are two telecommunication masts on land forming part of the West Side Estates. The current leases expire in 2016 and 2017. Based on current negotiations, the Trust could expect to receive (along with the townships), sums of £50,000 for each mast.

Access to broadband internet connection is not available at present anywhere on the West Side of Harris. It is hoped that following the buyout the community would be better placed to negotiate vigorously with both the public and private sectors to ensure the best possible service for the area. This is essential for the area to maximize its potential with regard to the potential for businesses to locate or relocate to the area.

Higher Speed mobile and fixed networks are being developed and deployed continuously throughout the UK. As networks change, local infrastructure such as masts, antennae and connecting cables, may require change or upgrade and therefore renegotiation with suppliers. The Trust could have opportunities to establish new contracts with suppliers by changing way-leaves and rental agreements for the sites. At present this income goes to the Government.

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