



Purchase of West Harris Estates

Business Plan

October 2009

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GLOSSARY OF TERMS

1.0 Executive Summary

This plan outlines the proposal to develop the West Harris Estates to be purchased from the Scottish Government.

The directors have agreed the following outcomes to be financed through an application to Big Lottery Growing Communities Fund with support from other partners.

Outcome 1: West Harris Crofting Trust will become more self-reliant through generating a sustainable income of over £40,000 per annum through establishment of a hydro electric scheme in the area by October 2011.

Outcome 2: The West Harris Community will be stronger and more confident through collaborative working and will increase the number of people involved in community bodies by at least 30% by 2012.

Outcome 3: The West Harris Community will be more enterprising and self sufficient by maximising land development opportunities by 2020 and therefore reducing the percentage of people in the economically inactive band to equal the rest of the Western Isles from the current 42% to 37%.

A suitable site for a hydro electric scheme has been identified on the estate and an initial feasibility study projects that this will provide a net income to the estate of £40,000 p.a.

Following adverts in the local press in March 09 the Trust has received expressions of interests from 15-20 parties wishing to re-locate to Harris. In addition to seeking a home, applicants have indicated a wish to start businesses such as a restaurant, tailoring in Harris Tweed & horticulture.

The Trust with the support of our architect Robert Fraser and in conjunction with the Comhairle Planning Department has identified fifteen possible house sites on common grazing land.

The Trust is to employ a development officer to help achieve these outcomes. Crofting and land use sustainability will be achieved by working with the Crofters Commission, Scottish Agricultural (SAC) & Royal Society for the Protection of Birds (RSPB). Application will be made for all townships to participate in the Scottish Rural Development Program (SRDP) and based on an initial independent review by RSPB this should bring an annual income in excess of £50,000 to the townships.

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The directors are confident that given support by the lottery and other partner agencies that they will achieve the following four outcomes

- The people of West Harris have better chances in life
- The community of West Harris is safer, stronger, and more able to work together to tackle inequalities
- The people of West Harris have better and more sustainable services and environments
- The people of West Harris are healthier.



2.0 Nature & extent of Property

2.1 History of Ownership

The whole of the Isle of Harris was owned by the Earls of Dunmore until 1871 when North Harris Estate was 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 1920s. Following Leverhulme's death, that company's properties in South Harris were sold.

In respect of the three estates covered by this study, Luskentyre was acquired on behalf of the state by the Department of Agriculture for Scotland in 1929, and Borve in 1933. Scaristavore was acquired on behalf of The Secretary of State for Scotland in 1943. The estates were acquired for the purpose of land settlement and the farms on these estates were divided into crofts and common grazings and let as such.

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, totalling 6578 hectares.

A location plan showing the location and extent of the three estates is shown below:



2.2 Present Position

There are 95 houses on the West Side of Harris. 35% are either holiday homes or self-catering cottages. Most houses or house sites coming on the market are being bought as holiday homes.

Of the present resident population of 123, 35% are over 65 (appendix R). There are just 15 school children resident within the area and only one pre-school child; starkly illustrating that the population is not sustainable.

Townships are struggling to maintain communal land management activities as they do not have sufficient manpower.

In February 2007, a steering group was formed to assess the options for taking positive action to turn the fortunes of our community around.

A successful application was made for an Investing in Ideas Grant, and with the help of consultants, a report was presented to the community in September 2008 recommending that the community purchase the estates from the Scottish Government (appendix Q). The option of community ownership was overwhelmingly supported with a 77% vote in favour in a postal ballot held in October 2008 (appendix B).

The Steering Group identified the following outcomes within three years as priorities:

- 10 house sites to be made available for affordable housing
- 6 new crofts or unused crofts brought back into use
- Development of a hydro scheme to generate a sustainable income
- The development of an environmentally sustainable community

The West Harris Crofting Trust (WHCT) with the support of our architect Robert Fraser and in conjunction with the Comhairle Planning Department, has identified fifteen possible house sites on common grazing land (appendix K).

However the Trust directors, having considered the outcome of 10 house sites within three years, concluded that this whilst desirable is probably not achievable and a more realistic timescale is within 10 years.

The Trust is to employ a development officer to help achieve these outcomes (appendix M). Crofting and land use sustainability will be achieved by working with the Crofters Commission, Scottish Agricultural (SAC) and Royal Society for the Protection of Birds (RSPB). Application will be made for all townships to participate in the Scottish Rural Development Program (SRDP) and based on an initial independent review by RSPB this should bring an annual income in excess of £50,000 to the townships.

The employment of a development officer fully funded by the Lottery for the first two years will enable the Trust to become sustainable within a five year period.

3.0 Strategic Rationale

3.1 Economic Strategy

3.11 Scottish Government strategic objectives

The West Harris Crofting Trust is committed to the Scottish Government strategic objectives

- SMARTER: People having better chances in life by creating affordable housing opportunities
- FAIRER: In regenerating a disadvantaged community by addressing de-population
- SAFER AND STRONGER: The communities working together to tackle inequalities by taking ownership of the estate.
- GREENER: People have better and more sustainable services and environments through the development of a community owned hydro electric scheme.
- HEALTHIER: People and communities are healthier by promoting visitor access and enjoyment of our local area.

In seeking to develop the West Harris estate we have taken the following principles into account:

- ENGAGEMENT - the development of programs should be based on the active engagement of public, private and third sector partners. This has been achieved by entering into partnership with key players such as the Comhairle nan Eilean Siar (CnES), Crofters Commission, Tighean Innse Gall (TIG), RSPB and Highlands & Islands Enterprise (HIE). The Trust carried out extensive consultation in the community prior to the ballot. The success of this engagement was proved through a 94% turnout with 77% in favour of purchase. This ballot had both the highest turnout & vote in favour of any community buyout to date.
- SOLIDARITY and COHESION - ensuring that individuals and communities across Scotland have the opportunity to contribute, to participate in and benefit from a more successful Scotland. We will achieve this by contributing to the growth of the economy of the Outer Hebrides by increasing population and economic output.
- SUSTAINABILITY - to improve Scotland's environment today and for future generations while reducing Scotland's impact on the global environment. This will be achieved by the development of hydro electric scheme to generate an estimated 467Mwh of green energy. The Trust will also work to preserve natural habitats with support from partner agencies.
- ADDITIONALITY and COMPLEMENTARITY - the development of programs should complement and add value to the strategies and activities of partners and

stakeholders. Our objective of increasing the population and economic regeneration ties in to the national policies of the Scottish Government.

- **COLLABORATION** - where possible, the outcomes of projects and programs should benefit from effective collaboration between organisations and between public, private and third sector partners. The Trust is working closely with a number of partners to deliver sustainable development.

3.12 Highlands and Islands Enterprise Strategy

HIE aims to improve the region's performance and its contribution to the economic growth of Scotland through an integrated strategic approach to development, focusing its activities under three broad headings as dictated by the Scottish Government's Economic Strategy:

- Supporting high growth businesses and sectors, so raising growth rates across the area
- Creating the infrastructure and conditions to improve regional competitiveness
- **Strengthening communities, especially in the fragile parts of the area**

The purchase and development of the West Harris Estate (designated as a fragile area) by the community helps to fulfil this strategy

3.13 Comhairle nan Eilean Siar Policy

The Comhairle policy is set out in the community planning document **Creating Communities of the Future**. The strategy provides a long-term regeneration vision for the Western Isles.

With appropriate support the strategy states '*we believe that the Western Isles of the year 2020 will be characterised by*':

- **a diverse and growing population with a balanced demographic structure allowing young people to move freely as lifestyles change and allowing effective public services**
- **a dynamic renewable energy sector of international renown providing the base for new forms of economic activity**
- **a high quality environment, which maintains bio-diversity**
- **a private sector that is a high-level economic contributor**
- **a tourism industry, which has developed the Western Isles as a world-class destination**
- **a confident community, utilising new forms of land and sea ownership**
- **communities which are globally connected through a high quality transport infrastructure and leading-edge communications systems**

The proposal to take ownership of the West Harris estate into community control will help achieve these characteristics for West Harris.

3.14 Crofters Commission policy

The Crofters Commission represents the interests of crofting communities and advises Scottish Government Cabinet Secretaries on crofting issues.

The Commission sets out the following key objectives:

- Contribute to sustaining and where possible developing viable communities in crofting areas
- Pursue active and environmentally beneficial use of the land available to crofting communities
- Make appropriate land available to meet housing needs in crofting communities, in close liaison with our partners
- Promote the contribution of crofting to the rural economy, culture and heritage

The purchase and development of the West Harris Estate will help the Commission fulfill these objectives.

3.2 Market Failure

3.2.1 Population

Over the period of ownership of the estate by the Government the population of Harris has fallen by 50.29% from 3,991 to 1,984. Unfortunately we are unable to obtain precise figures for the West Side area, but we have no reason to believe that the percentage fall over the period would be any less significant. The fall is particularly significant when compared with the neighbouring Isle of Lewis or the adjacent Isle of Skye.

	Harris Population	<i>Isle of Skye</i>	<i>Lewis</i>
1951	3991	<i>8,537</i>	<i>23,731</i>
1961	3284	<i>7,479</i>	<i>21,937</i>
1971	2870	<i>7,183</i>	<i>20,326</i>
1981	2489	<i>7,276</i>	<i>20,720</i>
1991	2222	<i>8,847</i>	<i>20,159</i>
2001	1984	<i>9,232</i>	<i>18,489</i>
% fall	-50.29	<i>+6.8</i>	<i>-22.09</i>

3.2.2 Housing

Over this period no social/affordable housing has been built on the West Side of Harris. There has been a gradual erosion of the local community with an exodus of the economically active population and the eventual sale of croft houses for holiday homes. As at June 09, 35% of the houses on the West Side of Harris are holiday homes or self catering cottages.

3.2.3 School Role

Over this period the Seilebost primary school roll has fallen as follows

	Primary School role	% Fall
1971	21	
1981	19	-9.5
1991	17	-10.5
2001	6	-65
2009	11*	+55
Overall Fall	8	38%

* In August 2002 the policy was changed enabling parents from out-with the catchment area to make placing requests, of the 11 on the roll in August only 7 live within the catchment area.

The most worrying statistic for the West Harris Trust is that there is only one pre-school child residing on the West Side of Harris; unless this situation can be reversed the future of the local school is at best uncertain. Seilebost primary school is the heart of the community not only providing an excellent education for our children but also a local meeting point as there are no other community facilities on the West Side of Harris.



3.2.4

Economic Activity

Table 3: Economic Activity¹

	Harris	Western Isles	Scotland
All People Aged 16-74 (working age)	1,365	18,949	3,731,079
% People Aged 16-74 of Total Population	69	72	74
% Long-Term Unemployed² (of all unemployed)	44	41	34
Economically Active (percentages %)			
Employees – Full time³	12.8	13.0	11.1
Employees – Part time³	28.9	36.4	40.3
Self-employed⁴	13.7	9.7	6.6
Un-employed⁵	5.3	5.1	4.0
Full time Student⁶	1.0	1.8	3.0
<i>Total Economically Active</i>	61.7	66.0	65.0
Economically Inactive (percentages %)			
Retired	20.3	15.5	13.9
Student	2.1	3.1	4.3
Looking after the Home	7.0	5.5	5.5
Permanently Sick/Disabled	5.6	6.1	7.4
Other	3.5	3.9	4.0
<i>Total Economically Inactive</i>	38.5	34.1	35.1
<i>Total</i>	100.2⁷	100.1⁷	100.1⁷

Source: SCROL 2001 Census <http://www.scrol.gov.uk/>

¹ Economic Activity considers all males and females between the ages of 16 and 74 i.e. those who are of an age to be potentially working. This category is split between those considered as economically active (i.e. those looking for employment, self-employed) and those who are economically inactive (i.e. non full-time students, those who are retired).

² "Long-term unemployed" are those who stated they have not worked since 1999 or earlier.

³ For the Census, part-time is defined as working 30 hours or less a week. Full-time is defined as working 31 or more hours a week.

⁴ 'Employees' and 'Self-employed' excludes full-time student.

⁵ 'Unemployed' excludes full-time students.

⁶ 'Economically active full-time students' comprises full-time students who are in employment or unemployed.

⁷ Due to rounding

In summary, Harris has an ageing and declining population with too few people in the economically important 16-44 age group. In order to attempt to redress that balance a community with greater economic opportunities and wider social provision needs to be created which is attractive to an increasing number of young people and their families.

4. Constitution & Management

4.1 Constitution

A Company Limited by Guarantee has been set up West Harris Crofting Trust (SC347176) 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

Membership is open to all tenants and residents of the estate, as at October 09, 109 (81%) tenants & residents have become members out of a possible 134

The Trust will be managed by a board of directors who have been appointed by and who will be answerable to all of the members.

4.2 Management Structure

The day to day management of the Trust will be the responsibility of the Board of Directors, working in a voluntary capacity. The community is very fortunate in the range of relevant management skills to be found among the Board of Directors. Backgrounds skills and knowledge include accountancy, project management, business management, I.T., crofting development, estate and freshwater fishery management, community development, environmental management and education. The Trust has already arranged training opportunities for directors with the new economic forum delivered through Third Sector Hebrides <http://www.thirdsectorhebrides.org.uk/> as part of an on-going commitment to life-long learning in the organisation.

4.2.1 OUR DIRECTORS

Murdo Mackay

Murdo is Chair of the Trust. He works as an Economic Development Officer for Comhairle nan Eilean Siar with responsibility for Crofting and Land Resources in particular. Prior to his current post with the local authority he worked as National Coordinator for the Initiative at the Edge, this was a government scheme aimed at strengthening community development in the most fragile areas of Scotland. He also serves as a director of Harris Development Ltd. Prior to the public sector jobs of the last seven years he spent 25 years in the aquaculture industry working for several different companies latterly as Production Manager for Stolt Sea Farms in charge of 120 staff. Murdo owns and manages two self-catering cottages in Luskentyre with his wife.

Neil Campbell

Neil is the Trust Secretary, a chartered accountant & business adviser he is heavily involved in community organisations on Harris: Chair of Harris Development Ltd; a director of NHS Western Isles; member of South Harris Community Council & Township Clerk of Scaristavore. He was formerly the senior partner of Campbell Stewart MacLennan & Co Chartered Accountants a practice with 800 clients, serving the Outer Hebrides and Skye & Lochalsh. In addition he set up a number of diverse businesses including fishing, manufacture, IT and the award winning self catering business Blue Reef Cottages.

Angus Mackay

Angus Mackay is the nominated director on the Trust from Scaristavore Township; he is an active crofter with tenancies of crofts in Scaristavore & Horgabost. In addition he is a partner in the business John Mackay & Sons contractors and owner of Taransay which is run as a sheep farm with self catering cottages. Angus is also a member of the South Harris show committee.

Roderick Macdonald

Roddy is a Director of the Trust and retired in 2008 to his native Harris after working for 41 years with BT. His various roles with BT involved Network Planning & Operations and during the last 25 years covered various managerial posts in the Operations Division.

Roddy is currently Secretary of the Isle of Harris Golf Club and a member of their Development Committee which is proposing a major investment to enhance the facilities there. This complements his work with the West Side Trust, in its Economic Strategy of a Healthier Objective, promoting visitor access and the enjoyment of local amenities.

He is very interested in the history of the West Side, having returned to live in the original family home which was built in the 1930s. He is keen to see a rejuvenation of the West Side of Harris and a turn-around in the population decline.

Richard MacIennan

Richard is the nominated director for Borge Township of the Trust employed by Scottish Water as a senior water operative.

He is an active crofter tenant of crofts in Borge & Horgabost and township clerk of Borge. In addition he owns with his wife Pairc na Strath guest house and is the manager of Horgabost caravan/campsite.

He is a past Chair of South Harris Show committee and is involved in running the Harris event of the Hebridean Sheepdog trials circuit.

He is also a retained fireman and a committee member of the Leverburgh community hall.

Gordon Cumming

With qualifications in wildlife and fisheries management Gordon is currently the manager of Borge Lodge Estate, he is also a director of the Outer Hebrides Fisheries Trust, a member of the Westerns Isle Salmon Fisheries Board and on the committee of the Harris Freshwater Angling Club. Gordon and his wife Joan have two children at Seilebost School and have recently become the tenants of the croft at 5 Borge.

Finlay MacIennan

Finlay is a Council charge-hand with responsibility for sustainable communities manual operations in Harris. For a decade he was Chair of Seilebost school board, member and Chair of South Harris Community Council and Director of Harris Development Ltd. He is currently Clerk of Seilebost/Horgabost Common Grazings & Church treasurer.

Mairi Macleod

Mairi is employed by Visit Scotland as a customer service adviser, prior to this she worked in the hospitality sector. She is a croft tenant and has lived in Seilebost for twenty five years. She is keen to see the West Side develop under community ownership to provide job opportunities for her four grown up children.

Rhoda Macdonald

Rhoda is the Head teacher of Shelibost Primary School which is the catchment school for the West Side of Harris. She works closely with staff from the Harris schools and meets regularly with other agencies within the learning community. She is currently a member of the local Gaelic Mod Committee and also works as a Gaelic associate assessor with HM Inspectorate of Education. She served as the Harris representative on the Western Isles Childcare Partnership the past four years. She is also a director of Harris Development Ltd.

Robert Macleod

Robert is an active crofter and member of Luskentyre Grazings Committee. He was born and brought up near Oban in Argyll and moved to Harris in 1992 after a career in the RAF. He has been employed in various roles whilst living in Harris but has primarily worked in IT for the last 10 years working in the fish farm industry as a senior manager then latterly as a consultant. He recently qualified as a PRINCE2 Practitioner in Project Management and is currently working as an ICT Business Adviser with Comhairle nan Eilean Siar.

The Trust will in addition employ a Development Officer with the specific remit of creating a sustainable estate. This will be initially financed by lottery grant, support from RSPB and income from the completion of SRDP plans for individuals and townships. Following the commissioning of the hydro scheme and other identified development opportunities this post will be fully funded by the Trust.

The Trust will work closely with the larger neighbouring community owned estate North Harris Trust. It is envisaged that the development officer will be located within the North Harris Trust office and benefit from advice & support.

North Harris Trust took over their estate in 2003 (appendix L).

4.2.2 PROFESSIONAL ADVISERS

Simon Fraser Anderson Macarthur

Anderson MacArthur is a firm of solicitors established in 1897 in Stornoway and has a long history of service to the communities of the Western Isles, Skye and west coast mainland. They operate from two offices one in Stornoway with Simon Fraser as resident partner and one in Portree with Duncan Burd as resident partner. They employ a number of highly experienced assistants and paralegals. Simon Fraser is accredited by the Law Society of Scotland as a specialist in Crofting Law. The firm and in particular Simon Fraser have a long and solid track record of working with rural communities who wish to acquire ownership of their land and indeed have been at the forefront of the development of this sector, having acted for communities in Assynt, Eigg, Knoydart, Gigha, North Harris and many others in assisting their taking their initial ambitions through to realisation. They continue to act for such communities following acquisition and have considerable experience of the issues that arise during the post-acquisition development phase.

Murdo Macmillan CIB Services

CIB Services is a 3-partner practice based in Stornoway. It is the largest firm of CAs in the Western Isles, giving both local knowledge and depth of resource.

The firm is widely experienced in community land purchase, from early stage feasibility and business planning, through all financial aspects of acquisition, to accountancy, audit and business support and advice, once established and operational.

CIB currently act for a number of community owned estates including:

- Bhaltos Community Trust
- Isle of Eigg Heritage Trust (4 companies)
- Erisort Trust
- Galson Estate (Urras Oighreachd Ghabhsainn - 3 companies)
- The North Harris Trust
- The Pairc Trust

Fraser Architecture LLP is a private architectural practice, established in January 2008 and based on the island of North Uist, in the Outer Hebrides.

Fraser Architecture:

- Encourages the use of low energy building design
- Incorporates appropriate renewable energy solutions

The practice is run by Robert Fraser, Architect, Dip. Arch., in partnership with Janice Fraser, M. Arch. Robert and Janice have lived and worked in Uist since 1992.

Robert has some twenty-three years' experience as an Architect, in private practice and in Local Authority employment. After qualifying, Janice worked in private practice in Glasgow and Edinburgh for six years, followed by several years in EU-funded Rural Development work, based in Uist. Following a career break, Janice now works with Robert, assisting in the development of the practice.

Fraser Architecture presented a draft report to the Trust Board in October 09 showing potential sites for affordable homes (appendix K).

MCS Ltd. provides a wide range of civil and structural engineering services from their offices in Stornoway.

Malcolm Maciver, CEng MICE has over 30 years post-graduate experience. In accordance with the Building (Scotland) Regulations 2004, MCS Ltd. is an Approved Body for Certification of Design (Building Structures)

4.2.3 STRATEGIC PARTNERS

Comhairle nan Eilean Siar

The Comhairle recognising the development potential of community ownership are making available the following assistance:

1. Grant of £15,400 (26%) of the purchase price of the estate (appendix E).

Discussions are in progress towards assistance from ACTISH/Community Land Fund towards the development of affordable house sites.

Highlands & Islands Enterprise

Highlands & Islands Enterprise (HIE) to further their aim of strengthening communities are contributing:

1. Grant of £23,600 (40%) of the purchase price of the estate
2. Grant of £10,000 towards the costs of professional fees in assessing affordable house sites
3. Start Up Grant of £4,000 to the West Harris Crofting Trust (Appendix F)

Crofters Commission

The Crofters Commission are providing advice and assistance on plans by the Trust to create new crofts and or making available existing unused crofts for new entrants (Appendix G).

Royal Society for Protection of Birds (RSPB)

RSPB Scotland is working with the townships in West Harris to complete Scottish Rural Development Program (SRDP) grant applications to make crofting more sustainable and improve the habitat for wildlife. This builds on the work that the RSPB has been doing for many years working alongside crofters in the Western Isles to manage croft land for the benefit of biodiversity species such as corncrake, corn bunting, waders, red necked phalarope and great yellow bumblebee (Appendix H).

Tighean Innse Gael (TIG)

TIG the local housing association are providing £20,000 ((34%) loan towards the costs of the estate purchase, this loan will be repaid from the sale of the developed house sites (Appendix I).

Community Energy Scotland (CES)

CES are meeting the costs of consultants preparing the feasibility study into the proposed hydro electric scheme. They will assist with advice on development and in funding part of the capital costs

Big Lottery Fund Growing Community Assets

Big Lottery Fund has provided an Investing in Ideas Grant of £10,000 to help the community assess the option of taking the West Side Estate into community ownership. An application was subsequently made to the Investing in Communities Fund; the outline application was assessed and approved for detailed submission. This final application will be submitted by October 09. Application will be made for:

1. Grant assistance of 46% of the costs of establishing the hydro electric scheme
2. Grant towards revenue costs for the first 5 years including a development officer.



5.0 Project Benefits/Outcomes including Management Strategy

The Board of Directors has been working with key advisers including the Crofters Commission, Scottish Government Rural Payments Inspectorate Division (SGRPID), CnES Planning Department, HIE Community Energy Company, Tighean Innse Gall/Hebridean Housing Partnership (TIG/HHP) Scottish Natural Heritage (SNH) and the RSPB, to formulate plans for the future management and development of the estate.

5.1 Housing

There are 95 houses in our area, of which 35% are currently either holiday homes or self-catering cottages. The great majority of house sites and houses coming on the market are being bought or developed as holiday homes.

The availability of land for housing, and the availability of houses for sale or rent, at rates in line with the average wage earning capacity of people resident in this area, is widely recognised as a key factor in the regeneration of our community.

5.1.1 Key Tasks and Proposals for Delivery

- The Trust is committed to creating ten affordable house sites within the area within ten years.

Delivery: A draft report prepared by our architect (appendix K), in addition a recent round of site visits with the local Planning Officer, has yielded some very positive options for the creation of house sites. Fifteen locations are identified as potentially suitable on planning grounds. Discussions are now taking place with township committees to obtain their consent.

It is proposed that the house plots will be made available for sale at an affordable rate.

The potential for developing some of the house sites in partnership with TIG/HHP, to provide rented accommodation, will also be explored.

The Trust having asked for expressions of intent from people interested in re locating to the West Side of Harris; to date 15-20 applications have been received. In addition to seeking a house site, these have the skills & intention to develop the following businesses:

- Forestry
- Visitor guiding
- Harris Tweed tailoring
- Horticulture/Crofting
- Restaurant/cafe

The trust has obtained funding to employ a team of professionals led by Robert Fraser architect; they are currently assessing these sites for suitability for development and providing an estimate of development costs. The intention is to sell serviced sites at a modest sum, say £10,000, with the Trust retaining a right over the site to protect the 'development value' for future generations.

5.2 Crofting

There are 52 crofts and 4 common grazings within the combined estates. Of the present population of 123 adults, 35% are over 65. Townships are struggling to cope with hill gatherings and the various other animal husbandry activities which were traditionally undertaken communally.

5.2.1 Key Tasks and Proposals for Delivery

- The Trust intends to create, or bring back into use, six crofts within the area, within the next ten years.

Delivery: The Trust has entered into dialogue with the Crofters Commission to identify policy measures which could be employed to bring some of the unused croftland in our area back under active management. The Trust is working on devising incentive scheme with policy makers and potential funding bodies.

The Crofters Commission have recently set up a small team 'supporting crofting unit' with the aim of supporting a small number of willing communities (six). The aim would be to tackle absenteeism & neglect of croft land, releasing crofts to bring in new entrants to strengthen communities. The Trust has entered into discussion with the Crofters Commission to be one of those six communities.

The policy with regard to allocation of new crofts will favour people who can demonstrate within their management plans a commitment to actively managing the croft and to embracing the responsibilities of managing common land.

5.3 Land Management

5.3.1 Croftland

Crofting agriculture has changed a great deal in recent decades due to a variety of socio-economic factors. The mixed livestock and cropping system all but disappeared in Harris. Sheep production subsequently became the dominant agricultural activity, but even this is now in decline.

As previously mentioned, grazing management on open hill ground is proving very difficult due to a lack of manpower. Cropping on the machairland and individual crofts has been reduced to the production of just a few small fields of potatoes for domestic use in most cases, with the exception of the very few still producing crops for winter fodder for their cattle.

Many of the traditional practices now recognised as benefiting wildlife stemmed from the traditional cattle based agricultural system, involving seasonal grazing patterns and rotational cropping for winter fodder. However, the traditional system was founded on a subsistence economy and most crofters now have to fit their agricultural activities around full time employment. It is recognised therefore, that the re-introduction of the more labour intensive herding, shepherding and cropping is only likely to occur, on any appreciable scale, if undertaken on a township-wide, or larger scale, with the work being undertaken by people contracted to do so.

The Trust will achieve this by employing a development officer whose duties will include the completion of Scottish Rural Development Programme applications for all townships. This programme covers all aspects of rural development for the period up to 2014, including agri environment schemes to enhance biodiversity and the countryside, assist rural businesses in diversification and support community projects. An initial review of the West side by Scottish Agricultural College / Royal Society for the Protection of Birds indicates that successful applications for all townships will yield an annual income of £40-£50,000 per annum with very little change to current crofting practices. These funds will be used by each township to create more sustainable communities. This will be achieved by townships aligning their activities with those of the Trust thereby maximising the benefit to the area. The composition of the Trust, consisting of a nominated direct or from each township, ensures that West Harris Crofting Trust's activities and those of townships will complement each other.

5.3.2 Woodlands

A number of small community woodland plantings were carried out by grazings committees under the Western Isles Woodland Grant Scheme which closed in 2007. Woodlands in Luskentyre and on the Seilebost/Horgabost common grazings were created in partnership with Borve Lodge Estate, and two further woodland projects involved a partnership between the two townships of Borve and Scaristavore.

This scheme paid an additional grant top up to compensate for the higher costs of establishment and maintenance of woodlands in the Outer Hebrides.

It is hoped that over time the West Harris Trust could assist townships in progressing forestry schemes in the area. The Western Isles Woodland Strategy identified several small areas of remnant woodland on the estates that were considered worthy of protection and enhancement. Forestry schemes will provide benefits to the community and to the environment by increasing the biodiversity of the area. Well located areas of native woodlands will enhance the appearance of the area and also provide an additional recreational resource if linked to path networks already in existence and planned for the future.

5.3.3 Sporting Rights

South Harris Sporting Summary

With extensive wetlands, bogs and moorland, the principle sporting in South Harris is characterised by walking up for red grouse, snipe and woodcock. Although rarely practised, there is also scope for wildfowling.

Historically there were red deer in South Harris, but apart from rare sightings they are effectively absent and so stalking is not practised.

There are hundreds of freshwater lochs with most containing populations of brown trout. A few of the catchments with good access to the sea also have runs of salmon and sea trout. There are no course fisheries, or put-and-take fisheries, on the island.

As brown trout are so plentiful and widespread, the fishing tends to be unregulated. However, some income can be generated through the hire of boats and sale of permits to visitors. On the other hand the few salmon and sea trout fisheries are highly regulated; they attract visiting anglers from all over the country and provide an important source of income to the Estates, local accommodation providers and shops.

The WHCT Sportings

The WHCT will acquire the shooting, stalking and brown trout fishing rights over all of the lands being transferred, with the addition of the salmon fishing rights on the Scaristavore Lands (N.B. There are presently no salmon and sea trout populations on the Scaristavore Lands).

All of these sporting rights are currently the subject of two separate leases. One lease covers all of the Scaristavore sporting and fishings extending 1229ha and is assigned to Mr & Mrs Adam Kelliher, the owners of Borve Lodge Estate until 2035. This lease was paid as a lump sum and as such will not directly generate any further income.

The second lease covers the sporting and brown trout fishing on the Borve and Luskentyre Lands extending to 5544ha. This lease is currently assigned to Highlands and Islands Enterprise and is also due to expire in 2035. HIE annually licensed these sportings to Borve Lodge Estate. This license has not been re-issued since the Community embarked upon the buy-out process. When the lands are transferred to the WHCT, HIE are expected to surrender this lease putting these rights into the management of the community.

The Salmon fishings over the Borve and Luskentyre Lands are owned outright by Borve Lodge Estate and so they will not be included with the assets transferred to the WHCT.

In effect all of the sporting and fishing rights on the lands being transferred to the WHCT have been under the control of Borve Lodge Estate since 1936. It is evident from their gamebooks that the population of gamebirds is at present low, but the shootings are underexploited. There is interest within the community to develop these sporting assets; for example the re-introduction of red deer is being considered. These sporting assets clearly have the potential to become a more productive and valuable resource.

- The directors will seek to develop all sporting assets to maximise their benefits for the community.
- Community involvement in the management and enjoyment of the Sporting Assets will always be encouraged.
- If areas of sporting are not used by the community, then they may be let on a short term basis to provide income for the WHCT.

5.3.4 Public Access and Amenities

In recent years local crofting townships have actively pursued opportunities for improving public access and facilities, securing funding from a variety of means to enable them to do so.

A regulated camp site has recently been established at Horgabost, with shower and dishwashing facilities provided alongside public toilets, adjacent to the car park providing access to the beach. Public toilets have been built by the beach car park in Luskentyre.

Picnic areas and car parking have been created in Luskentyre and Scaristavore alongside the public road to improve coastal access. Luskentyre and Scaristavore have stretches of way-marked public footpath along some exceptionally scenic coastal routes.

There is a way marked public walking route from Stockinish in the Bays to Seilebost in the west.

5.3.5 Luskentyre Banks and Saltings SSSI

A large proportion of the machairland within the estates is designated as a Site of Special Scientific Interest. Luskentyre Banks and Saltings SSSI is one of the best transitional sequences from the coastal environment through calcareous grassland to acid moorland, which is reflected in the associated flora and fauna. There is a distinct zonation from open shell-sand beach and intertidal sandflats, through areas of saltmarsh or sand dunes and dry machair to rough pasture and hillside moorland over granite.

The water systems include running water, oligotrophic and dystrophic lochs with associated fens, and brackish water estuaries. A substantial estuarine *Phragmites* swamp grows at Liana Horgabost.

This is an important area for feeding, breeding, wintering and migrating birds, especially waders and waterfowl.

Luskentyre to Corran Seilebost GCR site is notified as part of Luskentyre Banks and Saltings SSSI. This is an important locality for coastal geomorphology, containing a wide variety of beach, dune and machair landforms which together form a single geomorphological system of the highest importance. Luskentyre Banks and Corran Seilebost both provide unusual settings for machair development, on a promontory and peninsula, respectively. At Luskentyre Banks, the juxtaposition of erosional and depositional forms (including some of the highest sand hills in the Outer Hebrides) and active and mature forms makes it one of the most dynamic and geomorphologically interesting coasts in the Outer Hebrides.

5.3.6 Relevant Environmental Management Policy

The importance of traditional cropping practices in maintaining species diversity on machair and croftland is reflected in the production of a Habitat Action Plan specifically for corn fields – one of the Local Biodiversity Action Plans for the Outer Hebrides.

Three bird species which rely heavily on traditional cropping and grazing practices for their survival, namely corn bunting, corncrake and dunlin, are the subject of three further Species Action Plans. The Species Action Plan for great yellow bumblebee also highlights the important role of traditional practices in safeguarding the habitat of this nationally scarce species.

Agri-environment support measures, now being administered through the Scottish Rural Development Programme, offer land management incentive payments to encourage the re-introduction of traditional crofting practices of benefit to wildlife.

5.3.7 Key Tasks and Proposals for Delivery

- Raise awareness throughout the crofting townships in our area of the opportunities available through the new Scottish Rural Development Programme and pursue opportunities for co-operation and co-ordination of land management activities.

Delivery: The Trust is to employ an officer with to assist in completing the application forms for the SRDP scheme.

The Trust will endeavour to raise awareness locally of the various options for co-ordination of land management activities, contracting out work on croftland for example, to bring disused croftland back into production wherever possible.

- Carefully manage access and educate visitors to minimise erosion of machair landforms and grasslands.

Delivery:

Townships will continue to work in partnership with the local authority Access Officer, Scottish Natural Heritage and various funding agencies to implement further improvements in access provision.

The Trust is working with Harris Development Limited who is currently working on interpretation booklets and related signage. The booklets will cover the history, archaeology, geology and wildlife of the sites to be seen along public roads and paths within the area, and is part of a Harris-wide project to improve access provision. The Harris Heritage Trail booklets will, amongst other things, educate visitors about the best practices to adopt when out and about; regarding camp fires and vehicular access on the machair for example.

5.4 National Scenic Area

The whole of Harris is part of a designated Scenic Area; any developments proposed by the Trust will meet the criteria set out to protect this.

6.0 Viability, Cost & Finance including Hydro Scheme

Full financial projections are attached as appendix J, in common with most small crofting estates recurring income from land use is very small (less than £3,000 p.a.)

The directors have however identified a river system with good potential for hydro generation (see section 6.5) this is budgeted to give an annual income from October 2011 of £40,000 p.a.

A final business plan for the hydro scheme will be completed by the end of 2009 with detailed costing. The initial study (appendix A) indicated the capital cost of the development will be around £365,000.

The WHCT has engaged with the Scottish Environmental Protection Agency, Scottish Natural Heritage and Comhairle nan Eilean Siar to determine the level of environmental impact assessment work required to submit the planning application for the hydro. The majority of the surveys are satisfactorily complete and it is expected that the WHCT will have full planning permission by February 2010.

A grant application to the Lottery of 46% £175,000 with additional funding from Community Energy Scotland and Comhairle nan Eilean Siar of £95,000 will be made with the balance financed by a commercial loan.

An application to the Lottery, Investing in Communities Fund is being made to cover a proportion of the costs of employing a development officer and administration costs.

Other partner agencies contributing to the costs of purchasing and developing the estates are:

- Scottish Government
- Comhairle nan Eilean Siar
- Highlands & Islands Enterprise
- RSPB
- Community Energy Scotland
- Tighean Innse Gall

6.1 Costs of Purchasing Estates

Purchase of Estate	59,000
Trust Legal Fees& outlays incl. VAT	9,625
TOTAL	68,625

6.2 Finance to Purchase Estates

Funding Agency		STATUS 15/10
Comhairle nan Eilean Siar	15,400	Approved in principle
HIE CLU	23,600	Approved in principle
TIG	20,000	Approved in principle
Scottish Government	9,625	Approved in principle
TOTAL	68,625	

6.3 Costs of Developing Estates

Development Officer	197,010
Admin Costs	27,500
Hydro Scheme	380,000
TOTAL	604,510

6.4 Funding for Developing Estates

Big Lottery Fund	324,078
RSPB	10,000
Bank Loan for Hydro	110,000
Financed from trading-hydro income etc	65,432
CES Cares/Comhairle	95,000
TOTAL	604,510

6.5 Gleann Dubhlinn Hydro-Electric Scheme

The West Harris Crofting Trust is exploring potential renewable energy projects in their area as a means of creating an income for their community. In 2007 Community Energy Scotland commissioned consultants, Faber Maunsell, to undertake a feasibility study looking at potential hydro-electric schemes on behalf of five community groups in the Western Isles including the Trust. (see appendix A)

The reports state that Gleann Dubhlinn is an excellent site offering a head of potentially 130 metres. There is an existing intake at the site and an existing pipeline route from previous works. A turbine house for the scheme could be located near the road and there is a potential grid connection point on the 33 kV distribution circuit which runs close to the site. The proximity of the road and distribution circuit lowers infrastructure and access costs. Minimising new infrastructure also has the added benefit of minimising the environmental impact on the site.

The feasibility study provided baseline hydrological data for Gleann Dubhlinn. This involved a desktop study to estimate the flow regime in the river from which power estimation calculations were made. The plant capacity, efficiency and annual energy output for Gleann Dubhlinn were estimated to be as follows:

Table 1¹

Scheme	Plant capacity (kW)	Efficiency %	Annual energy output (MWh)
Gleann Dubhlinn	117	45%	467

Table 2 below provides estimated high and low overall project costs for the Gleann Dubhlinn scheme, based on using a turbine sized to the mean flow in order to maximise efficiency.

Table 2²

Overall Project Cost Estimates		
	Low Estimate (£ 000's)	High Estimate (£ 000's)
Machinery	77	89.5
Civil Works	65	114.25
Electrical Works (not including grid connection)	32	65
External Costs	23	47
Total Cost	£197	£315.75

The full reports are attached as an appendix A.

¹ Tables 1 was produced by Faber Maunsell on behalf of Community Energy Scotland

² Tables 2 was produced by Faber Maunsell on behalf of Community Energy Scotland

6.6 Other Potential for Hydro Development

There are two other hydro generation options on the area water system. One at Loch an Duin in Borve, which on initial inspection appears suitable for hydro development. The second is at Abhainn Seilebost. It is intended that a feasibility study will be carried out at a later date.

6.7 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 Borve 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 Borve 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 leases after expiry. Current market value for each of these leases would be in the region of £25,000.

6.8 Wayleaves

The estates currently 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.

6.9 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.

7.0 Sustainability: economic, social and environmental

7.1 Economic

Long term economic sustainability will be achieved by the development of a hydro electric scheme, this will bring an annual income to the estate of £40,000 p.a.

Smaller economic opportunities identified in this plan will enable growth in the area and support the overarching goals of repopulation and growth.

7.2 Social

Long term social sustainability will be achieved by the creation of ten affordable house sites, over a 10 year period this should grow the population by 40 (30%) with a better demographic balance.

7.3 Environmental

Long term environmental sustainability will be achieved by having all land under management through the SRDP, this will ensure that our unique habitat and the wildlife it supports is protected for future generations.



8.0 Equalities

The Trust is committed to equal opportunities throughout the development and management of the estate in line with Government policy. This is particularly so in relation to the selection of beneficiaries of house sites and crofts. Local needs and priorities will be set in the criteria for selecting applicants, they will be reasonable and justifiable.

The criteria will be scored in selecting applicants with weighting balanced so that no one criteria can dominate the others.

Maintaining openness and transparency throughout the selection process will help reassure all those involved that it is fair and based on equality. The details of the selection process and criteria/scoring will be as simple as possible, easily understandable and made public and readily available. Our Equal Opportunity Policy is attached (appendix N).

9.0 Additionality

The development of the West Harris Estate in a sustainable manner could not be achieved without grant assistance to purchase the estate. As the estate is owned by the Scottish Government the community has to pay full market value. The Trust have now secured the support of partner agencies to allow the community to purchase the estates from the Scottish Government. The Government have agreed to pay all legal costs of the transaction. This has been extremely helpful as funding for legal costs is difficult to obtain

10.0 Displacement

The directors are satisfied that their plans will have no negative effect on any other enterprises within the West Harris community.

11.0 State Aids

The UK Inland Revenue advice on State Aids, although not an exact definition, states that the following four tests have to be met for aid to be classed as a State Aid.

1. The aid is granted by a member state or through state resources (including e.g. lottery distributions and European funds)
2. It favours certain commercial undertakings
3. It distorts or threatens to distort competition
4. The activity is tradable between Member States.

All four tests have to be met for the state aid rules to apply

Currently the Estates on the West Side of Harris are owned by the Scottish Government crofters on the Estate pay commercial rents to the Scottish Government's Rural Payments and Inspections Directorate who act as Landlord. Once the estates are transferred to the West Harris Crofters Trust, rents will be due to the West Harris Crofters Trust without change. There will be no benefits arising to individual tenants. The Trust is set up to provide wider community benefit, individual crofters and businesses cannot access the assets or incomes of the Trust, all surplus revenues has to be invested.

Whilst the purchase of the Estates by the Trust at full market value are not deemed to be a state aid the support for the Hydro Project is classed as a state aid. However under current rules applicable up to the end of 2010 aid can be provided legally up to 500,000 euro. Total funding secured by the Trust will not exceed this limit.

12.0 Risk Assessment

A full risk assessment has been carried out and this is attached (appendix O). All risks were reviewed at the Board meeting on the 27th October 2009, the main risks are financial:

- If the Trust is unsuccessful with the lottery application the estate will continue on a steady decline
- If the Trust is unable to develop the Hydro Scheme, financial sustainability will be more difficult to obtain.

GLOSSARY OF TERMS

CES	Community Energy Scotland
CnES	Comhairle nan Eilean Siar
FTE	Full Time Equivalent
HIE	Highlands and Islands Enterprise
IDO	Identified Development Opportunity
NSA	National Scenic Area
RSPB	Royal Society for the Protection of Birds
SAC	Scottish Agricultural College Scottish Government Rural Inspectorate and Payments Division
SGRIPD	Division
SNH	Scottish Natural Heritage
SRDP	Scottish Rural Development Program
SSSI	Site of Special Scientific Interest
TIG	Tighean Innse Gall
WHCT	West Harris Crofting Trust

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