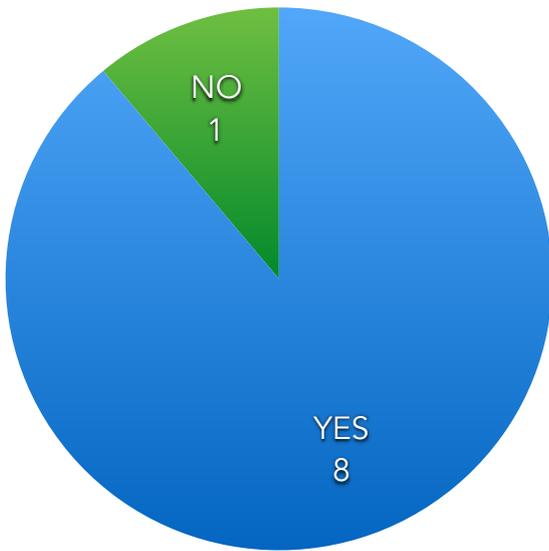


OIH SURVEY REPORT | MULL & IONA BUSINESS HOUSING NEEDS

The shortage of suitable housing for staff and incoming employees has been highlighted as a barrier to growth by local employers on the Isle of Mull. Attracting workers and their families is becoming more difficult and is not only detrimental to the businesses but also to the sustainability of the island as a whole.

In order to get an understanding of the scale of the issue Our Island Home undertook a survey of island employers who employ staff on a permanent year-round basis. An on line questionnaire was created on SurveyMonkey. There were a total of nine responses to the survey.

Q1 Is your business affect by lack of housing for new /current employees?



Of the nine employers that responded to this survey, eight of them said that their business was affect by lack of housing for new or current employees.

Q2 "Do you think that your future plans for business growth and development could be compromised due to lack of housing for new employees. if yes, please give details...?"

Local employers approached MICT and Our Island Home because they care about the community and the economical benefits of their organisations, but also because they are actually unable to grow their businesses due to difficulties in obtaining and housing staff.

Eight respondents answered **yes** and **one** answered **no**. Details and comments were :

"When recruiting it tends to be people from the mainland that apply"

"Trying to obtain affordable housing on Mull can be very challenging especially for families. Having the ability for staff to obtain housing would make for better family life and increase the ability to employee people with families."

"Lack of available rented housing makes recruitment much more difficult. It is worse at the most affordable end of the market, where for many of our staff the only solution is substandard (eg caravans) or

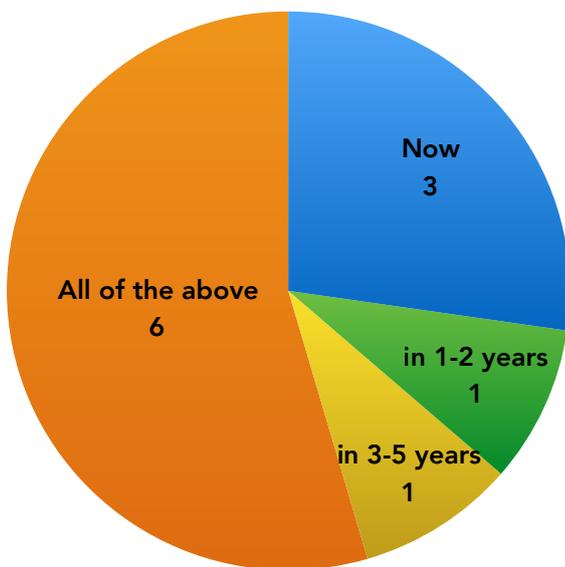
overcrowded (single rooms). In the past we have had to provide accommodation, (static caravans), without which it would be impossible to recruit.”

“Despite the scope for fast growth of our business we are already being held back & having to delay plans due to lack of housing for would be employees. We receive an average of 6 CV's per week from prospective employees, all of whom are keen to live and work in the area but cannot be considered due to housing issues.”

“We currently need drivers based in the Ross of Mull but lack of housing is making it extremely difficult to attract anyone to the island.”

“Hard to commit to long-term plans if accommodation is not suitable/expensive/not secure.”

Q3 When is your business need for further housing?



In order to gauge when there would be, or if there was a current demand for new housing to sustain these businesses, the survey asked when the business housing need was.

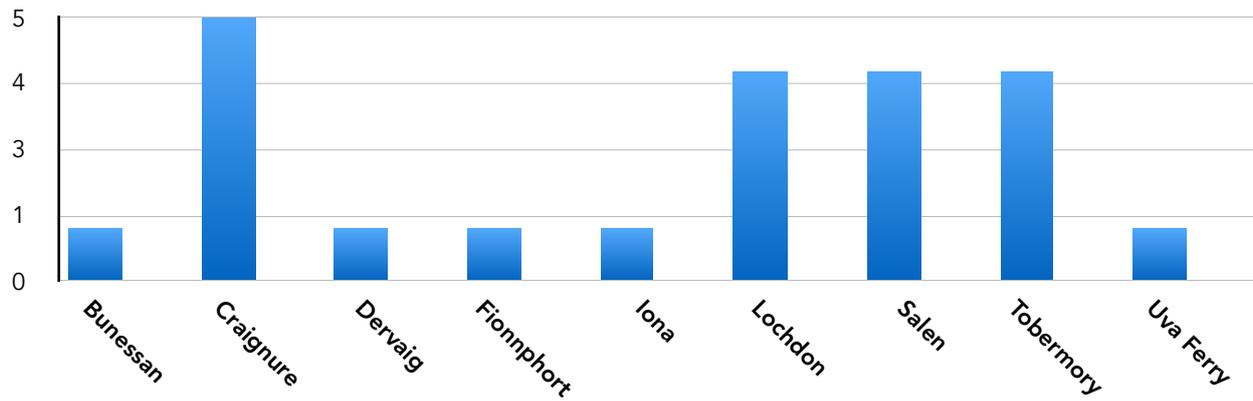
In total, the employers surveyed employed **154 members of staff on the island**, ranging from 4 staff members up to 45 staff members.

Q4 The survey then asked “How many people do you need to employ in the future, using the timescales outlined in question 3?”

The employers expected to employ a further **84 people** over the next 5 years a **54% increase** on the current staffing levels amassed between the 9 businesses/organisations that completed the survey.

Q5 Where would your employees ideally live?

It is important to understand where on the island more housing is required in order to benefit the community and the employers concerned. We asked respondents to tell us where exactly their employees would ideally live. Most areas were identified, except from Calgary and Pennyghael. The centre of the island proved the most popular choice.



Q6. We asked the employers whether their current employees were adequately housed as far as they were aware.

Three answered yes and six answered no. Respondents were asked to give details if they answered 'no';

"We have some employees that still live with their parents due to lack of affordable housing and some staff that have to pay premium private rental due to lack of community / association housing on Mull"

"Approximately 8 of our staff are house-sharing, or renting single rooms because that is all that is available."

"2 x employees in caravans"

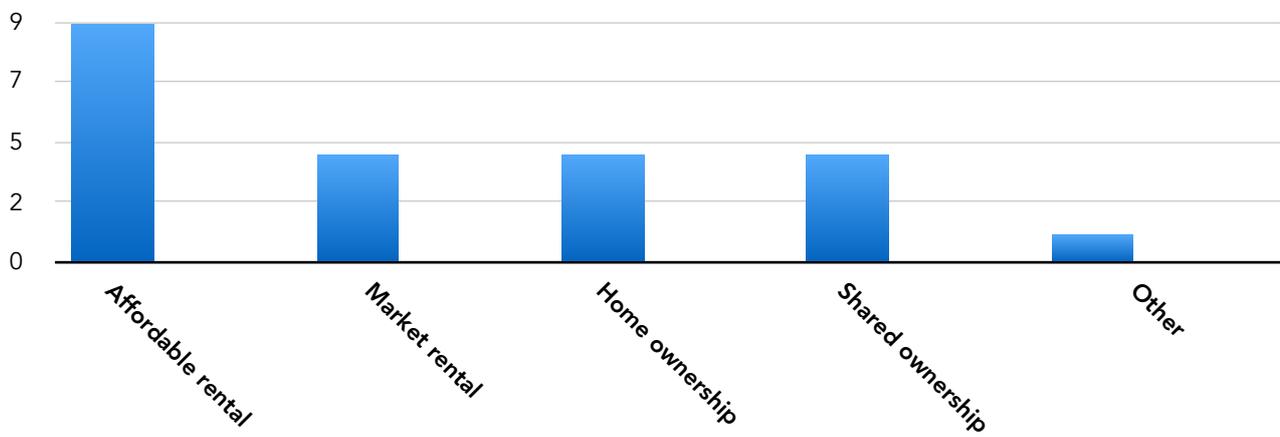
"Skipper/Operations Manager - currently staying in self-catering property for 2 months, thereafter homeless. Apprentice Diver - currently staying in a self catering caravan with no hot water, damp issues & very cold @ £300 pcm. 1 Diver is privately renting a tiny property with his partner which is too small for the 2 of them & preventing them from starting a family. 1 x Dive Tender is still living with his parents due to lack of housing, 2 x Divers are living in Oban, 2 x Divers & partners are privately renting in Tobermory but would like to move to Craignure/Lochdon area if housing was available."

"Two drivers currently living in a caravan"

Q7. We asked what type(s) of tenure would suit employees on the island.

Most employers said that **affordable rental** would suit their current or future staff. However, given the type of employment that could be offered, there is a demand for market rental and home ownership. One employer commented; *"most desperate need is cheaper end of the market"*.

Most employers believed that an affordable rent for their employees would be between £380 per calendar month and £520 pcm. More specifically, seven employers said they thought **£380-450** would be the most affordable for their employees and seven also said they believed **£450-520**. It is worth noting that the mid



market rental is usually calculated at 85% of the local housing allowance (LHA), for a 2 bedroom property this is £382.51, and for a 3 bedroom property this is £443.10.

One employer commented:

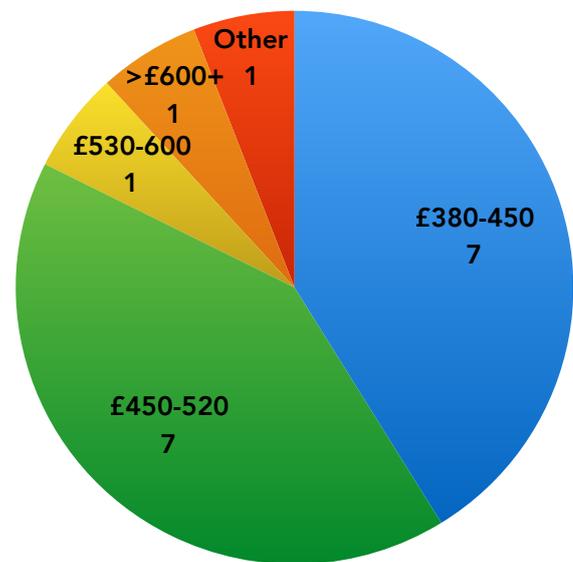
"£380 - 450 would be affordable for our lower-paid staff, particularly if a couple sharing" .

Q8 We asked for contact details and there was an opportunity for further comment on the survey.

"Due to lack of housing it can very difficult to find suitable employees for our operations. This also becomes difficult for staff to lead happy family lives as they have to pay a premium to private land lords and in return are not able to enjoy a better quality of life. With non-islanders being able to find suitable housing this might increase the ability to attract new families to the island and potentially new employees to our operations on Mull. Most private rentals are either short lets due to holiday home or the cost is unaffordable to the average earner and this making it not particle for families to relocate to the island."

"The housing situation has improved in the last 5 years, particularly since the completion of the Shilling Hill development. There is no doubt however, that a significant need still exists. It is also true that the situation is worse away from Tobermory."

"We are a community minded business able to offer excellent employment/career opportunities, however despite a fast growing customer base we are struggling to move the business forward & increase employment in the area purely because there is absolutely nowhere for people to live."



RESPONSES FROM: Hebridean Whale & Dolphin Trust. Iona Craft Shop, Island Bakery, MDive, Mull Slaughterhouse, Scottish Salmon Company, TSL Contractors, Visit Scotland, West Coast Motors