

# SLEAT HOUSING NEEDS SURVEY



Thank to all those Sleat residents that returned the surveys and to Highland Council, Fearann Eilean Iarmain, Sabhal Mor Ostaig and Lochalsh and Skye Housing Association for agreeing to part fund this report.



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## Executive Summary

This report provides an analysis of the findings from the housing needs survey carried out in Sleat in the summer of 2014.

Sleat, located in the south-west of the Isle of Skye, has a population of 891 residents, and a total of 383 households. The survey was available on survey monkey and was sent out with Sleat Community Trust's summer newsletter. The response rate was 20% (completed by 75 households).

The main findings from the survey were:

- 26 out of the 75 respondents indicated that they had housing need
- 14 of those in housing need said they had not registered with the Highlands Housing Register (HHR)
- Most respondents in housing need were privately renting
- 3 households home a young adult in need of alternative housing and are not registered on the HHR
- There were 34 family households that responded to the survey, 14 of which stated that they were in housing need
- 17 respondents knew of someone that had left the area recently, and that might want to return
- When asked why their current home was unsuitable, the most common reason given for needing alternative housing was 'want to buy'
- We identified 5 households who work in Sleat and who wish to move to Sleat to be closer to their employment
- Most respondents in need, 81%, were interested in home ownership, particularly share equity
- The biggest demand was for 2 bedroom properties
- All respondents stated that £350-400 would be an affordable monthly rental
- There have been 12 house sales in Sleat in the last 12 months at an average price of £169,096.
- The most affordable mortgage selected by all tenants was £60,000

The survey was successful in showing housing need in Sleat, particularly where households state that they need alternative housing but have not registered with the

HHR. Comparative figures from the survey on affordable mortgages and recent house sales in Sleat show that low cost housing is required, as well as new rental development to keep up with local business growth i.e. Sabhal Mor Ostaig and the population increase, identified in census data.

# **1.0. Introduction**

## **1.1. Purpose of Study**

Sleat Community Trust (SCT), along with its partners from Sleat Development Forum, wished to carry out this study to assess the local housing need and to help determine what type, tenure, size and number of houses required to meet these needs. The survey will highlight any future requirement for housing from emerging households and from local economic development, (specifically the need and demand relating to Sabhal Mòr Ostaig (SMO) and justify any other more imminent development plans. Rural Housing Scotland (RHS) also carried out telephone and face-to-face interviews with local businesses, organisations, and individuals to determine how the local housing market was affecting them.

## **1.2. Methodology**

A two page hard copy of the survey was sent out as an insert in the trust summer newsletter in July. This was sent to the one-hundred and fifty households that are members of SCT. A week before this, SCT sent an e-letter to its mailing list recipients of survey monkey link to the actual survey and shared it on social media. SCT encouraged people who live in Sleat, who work in Sleat and would like to live there and people who have had to move away from the area due to lack of housing, to fill in the survey.

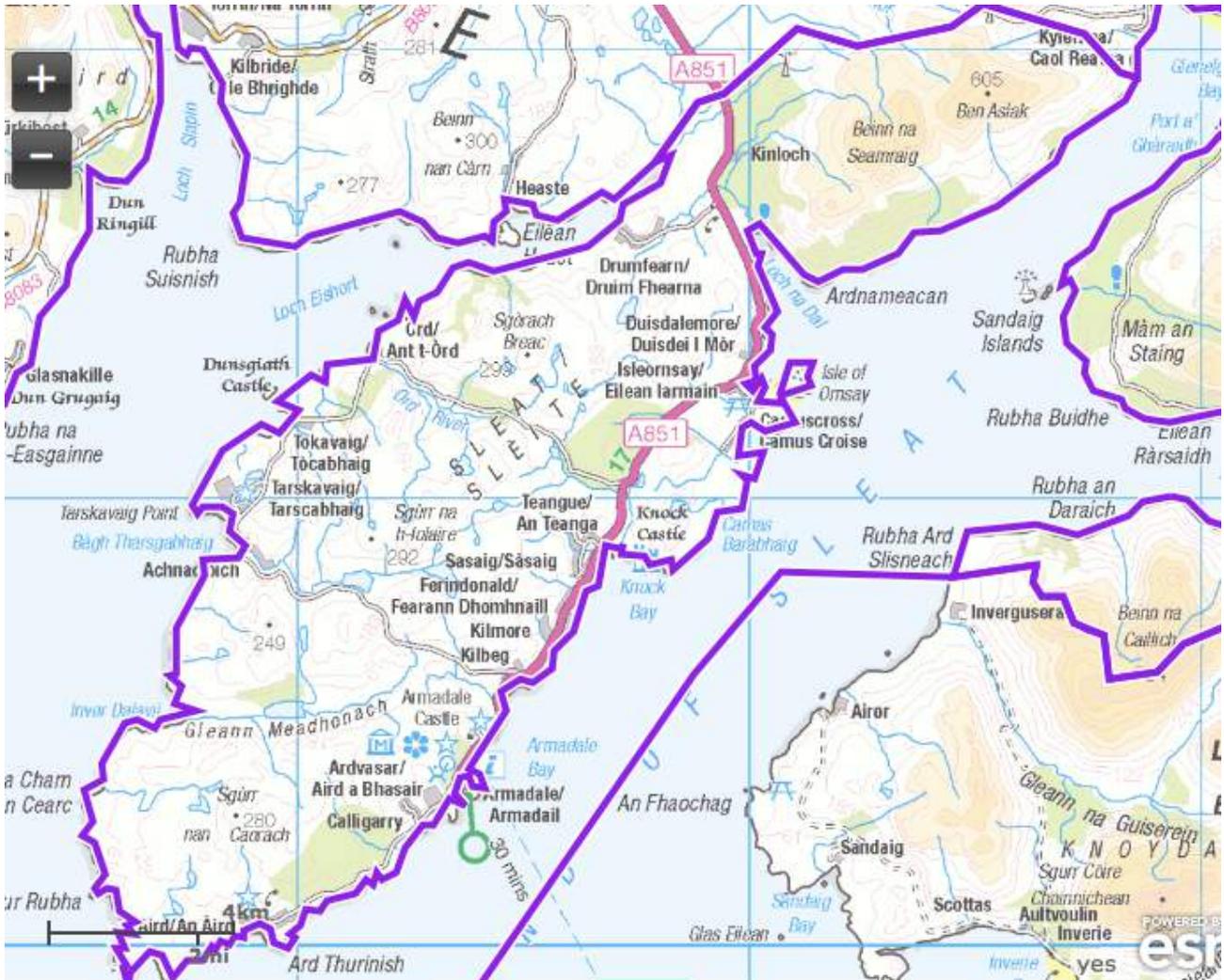
## **1.3 Literature Review & Data Analysis**

To provide the context for the housing needs information gleaned through the survey, a local housing market analysis was also undertaken. This incorporated an analysis of local house prices to assess availability, affordability and any pressures on the local market; a review of rents and quality in the private rented sector; and an analysis of demand on social housing in the area.

As further background information to the survey demographic data was examined to compare with the data gleaned from the questionnaire. Census data where available has been incorporated to compare the demography of the survey responses with the census record. The census output areas which make up the Sleat Community Council area also include Kylerhea, which is not part of the community council area.

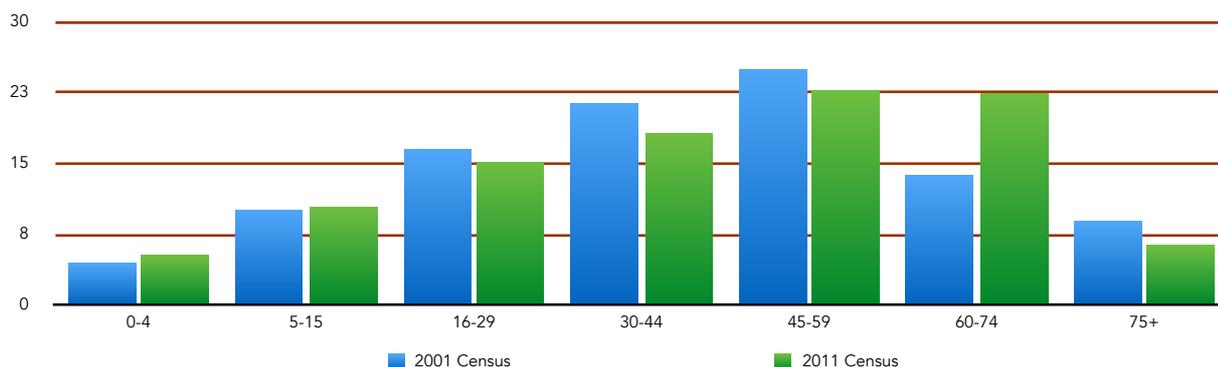
## 2.0. Area Profile

The Sleat peninsula is located in the south west of the Isle of Skye in the Highland Council area.



Sleat comprises a number ofcrofting townships including Camuscross, Teangue, Drumfearn, Ferrindonald, and Tarskavaig, as well as the village of Ardvasar and the ferry port at Armadale. The area has two main landowners, the Clan Donald Lands Trust (CDLT), a 20,000-acre estate, and the Fearann Eilean Iarmain estate (FEI), 23,000 acres.

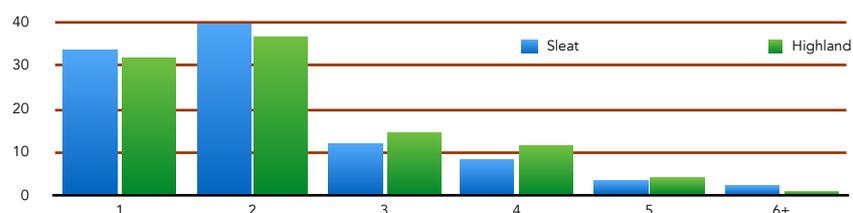
## 2.1. Population<sup>1</sup>



The population of Sleaet at the 2011 Census was **891**. This represents a population growth of 96 (12%) since the 2001 Census. This is substantially higher than population growth in Skye as a whole and more than the 11% increase across Highland Council area. Most of the growth in the Sleaet population has been in the 60-74 age range which has seen an increase of 91 people - 95% of the population growth. The number of children has increased by 23 whilst those aged 75+ has decreased by 15 and the number of people aged 16-59 has decreased by 3.

## 2.2. Households<sup>2</sup>

The census recorded a total of 383 households in Sleaet, most of these are small households -73.1% have 2 people or less. Single person households comprise 33.6% whilst 2 person households make up almost 40% of the total. The prevalence of small households in the area is almost 5% greater than Highland Council as a whole and reflects the high percentage of older people in the area.



<sup>1</sup> Scottish Neighbourhood Statistics - 2001 Census Data | Highland Council - Sleaet Community Council Census Profile 2011

<sup>2</sup> Highland Council - Sleaet Community Council Census Profile 2011

## 2.3. Education

Secondary school-age children from Sleat attend Portree High School where there is a hostel for the children that remotely to the school. Previously, all Sleat children were entitled to a hostel place until the roads were improved and upgraded to double-track meaning that the journey time to the school was quicker. Now only children in the south and west of Sleat are granted a hostel place. As for primary education, Bun-sgoil Shlèite (Sleat Primary School) has unique status as a Gaelic Medium school with an English department and is the only school of its kind in Scotland. There are currently around 60 primary school pupils, a healthy roll.

## 2.4. Employment

As stated above, Sabhal Mòr Ostaig is Sleat's biggest employer. Other major employers in the area are the Highland Council, Caledonian MacBrayne, CDLT and the hospitality business. Hotel Eilean Iarmain, Isle Ornsay, encourages the employment of Gaelic speakers; other hotels include the Ardvasar Hotel, Toravaig House Hotel, Duisdale Hotel and Kinloch Lodge. As Sleat continues to grow and develop, new opportunities arise for locals to live and work in the area and for new people to join the community. Sleat is one of the fastest growing areas in rural Scotland. In May 2014, Young Films, who were responsible for the hit TV show "The Inbetweeners", moved their permanent base from London to the Fas building at SMO. The owner, Chris Young, has lived in the area since the 1990's and with the help of a grant from Highlands and Islands Enterprises (HIE), they have been able to expand and employ 5 members of staff. Caroline Forsyth of HIE said "'Young Films' reputation and success in developing productions will have a significant impact on generating opportunities locally, regionally... We are delighted that home grown talent is being nurtured in the area – first through education and training at Sabhal Mòr Ostaig and then through industry opportunities locally."

**Case Study:** Torebhaig Distillery. Finlay Calder, Construction Manager for Mossburn Distillers, told us about the exciting new distillery that is currently under construction at Cnoc in Sleat. The distillery, which expects to be completed and in production by Autumn 2016, involves the renovation of an old farmhouse and cottage on the Fearann Eilean Iarmain Estate as well as the erection of a new building. This development will have an extremely positive impact on the local economy through tourism and the creation of twelve full-time, year-round jobs and also seasonal

work. The twelve full-time positions cover a range of different skills from highly-skilled distilling to the visitor experience therefore suiting a range of different people. It is very likely that employees with certain skills will have to move to the area to work in the distillery and this will benefit the community by bringing in new skills and economically active individuals and perhaps, their families. With regards to housing, the development will provide a home for one manager and their family who must be on-site all the time. This means that other housing will need to be available for other employees who do not currently reside in Sleat or potentially, for those who want to live independently after starting work at the distillery. Having mentioned particular skills required for the production of whisky, Finlay Calder discussed longer-term plans to work with Portree High School with a vision to encouraging pupils to study brewing and distilling at university in order to be employed at home on Skye when they return. This demonstrates a commitment to long-term opportunities for the people that live there. Mossburn Distillers, a family-run business, will own the distillery. The Oban Times reported that the distillery will bring a £5 million+ investment to Sleat.

## **2.5. Gaelic Language**

After Trotternish on Skye, the Sleat peninsula is the second largest Gaelic speaking area on the island and is home to Scotland's Gaelic college, Sabhal Mòr Ostaig. The college provides university level education with degrees such as Gaelic and Media Studies, Gaelic and Music as well as a range of other full-time, part-time and summer courses. Sabhal Mòr Ostaig is the largest employment provider in the area with around 120 full-time employees. Sleat is a vibrant community that holds many events to keep the traditional culture alive. Almost 60% of people in Sleat can speak Gaelic, compared to 1.1% of the Scottish population over the age of 3.

## **2.6. Living Costs**

Food costs about 10% more in remote rural Scotland and considerably more in local stores. Longer commutes in rural areas typically add £30/40 per week to fuel costs and household fuel bills tend to be 50-90% higher, according to the Minimum Income Standard report by Highlands and Islands Enterprise (HIE).

## **2.7. Sleat Community Trust (SCT)**

"Sleat Community Trust aspires to improve the quality of life for the residents of the Sleat peninsula through supporting economic development and maintaining the high quality environment."

The Sleat Community Trust was formed back in 2003 to support the sustainable economic, environmental and social development in the Sleat Peninsula on the Isle of Skye. Over 70% of the population are members of the trust, which has over 500 members in total. The trust's objective is to promote the areas for the benefit of its inhabitants and this includes areas such as education, renewable energy, leisure, tourism, social facilities and of course, housing. Sleat Renewables Limited and the Sleat Community Trading are subsidiaries of SCT. The first asset bought by Sleat Community Trading was the Skye Ferry Filling Station in 2007. Tormore Forest was purchased by the trust from the Forestry Commission in 2011 and Sleat Renewables Limited are taking forward a number of projects.

In June 2005, SCT produced Sleat Community Plan, a document summarises Sleat, facts and figures, their vision and action plan for the future. The housing objectives outlined in the plan were:

- Undertake a housing needs survey
- Consider the formation of a Sleat Housing Association to prepare a housing plan to match the needs with land availability and services over the long term
- Discuss current Planning rules with Highland Council to understand the perceived restrictions that may exist on the number of homes that can be built on crofts
- Establish workable rules that will enable local first time buyers to gain first step on the property ladder
- Progress discussions with landowners, Forestry Commission Scotland and the community to establish all land that may be available for affordable housing

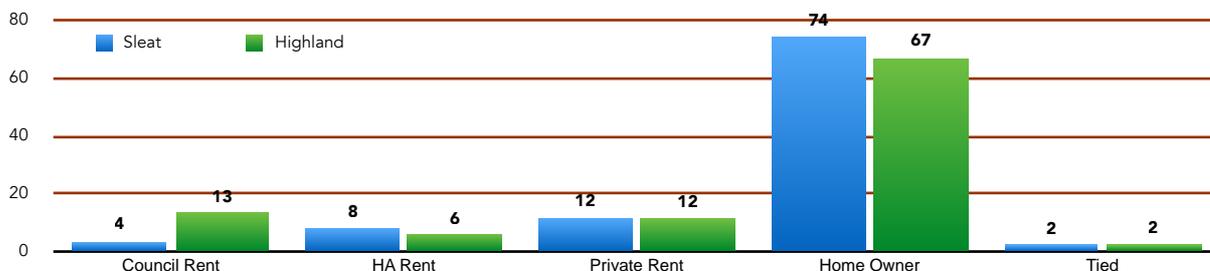
## **2.8. Transport**

Skye is connected to the mainland by a bridge, which opened in 1995, from Kyleakin on the island's east coast to Kyle of Lochalsh. A Caledonian MacBrayne ferry service runs from Armadale to Mallaig and Scotland's last hand-operated, turntable ferry boat provides a service to Kylerhea leaving from Glenelg. The Isle of Skye Ferry Community Interest Company owns and operates this ferry service. The island acts as a link to other isles too, Caledonian Macbrayne operate ferry

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services to Lochmaddy on North Uist and Tarbert on the Isle of Harris from Uig, north west of Portree. Citylink and Stagecoach run frequent bus services from Glasgow and Inverness to Skye. Over half of the households in Sleat have a car or van available to them.

### 3.0. Sleat Housing

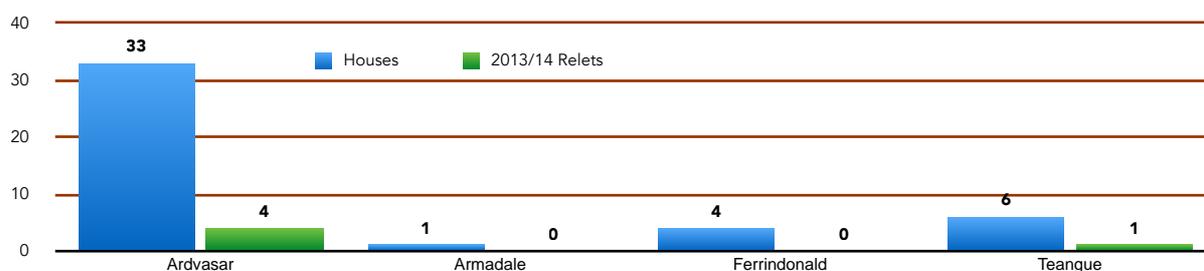


#### 3.1. Housing Tenure<sup>3</sup>

Most people in Sleat own their homes – 74.3% of households are owner occupiers compared to 67.2% in Highland as a whole. While levels of private rented and tied housing are similar to Highland Council the level of social housing is much lower. Just 11.8% of housing in Sleat is social rented compared with 18.9% across Highland area - **8.1% lower**.

#### 3.2. Social Renting

Lochalsh and Skye Housing Association (LSHA) and the Highland Council are the two social housing providers in Sleat with properties in the settlements of Ardvasar, Armadale, Ferrindonald and Teangue. There is a total supply of forty- four social rent houses in the Sleat area - owned by Highland Council and LSHA. LSHA have also successfully developed six shared equity properties in Armadale. According to Highlands Housing Register (HHR) statistics<sup>4</sup>, one bedroom properties



<sup>3</sup> 2011 Census Data - amalgamated from 8 output areas - includes Kylerhea

<sup>4</sup> [http://www.highland.gov.uk/downloads/file/3131/south\\_skye](http://www.highland.gov.uk/downloads/file/3131/south_skye)

are in the highest demand .The total number of households on the HHR waiting list for Sleat who have the area as first choice is 20, there are also three households on the transfer list. Ardvassar is has the highest demand and is where there is the highest number of social rent homes. In 2013/2014, there were four re-lets in Ardvassar and one in Teangue,

### 3.3. Private Renting/ Tied Housing

The 2011 census data showed that 11.8% of the Sleat population were private renters - the same proportion as those in social housing. The proportion varies from 18% in Tokavaig and Teangue to 5.7% in Calligarry.

Full time private rent is forced to compete with the holiday lets . Many 'winter-lets' have to be vacated in March for the beginning of the tourist season so that they can be let out on a weekly self-catering basis. Self-catering holidays lets generate more income than leasing to tenants and the feeling from local interviews is that there needs to be more private rental options available.

### 3.4. Tied Housing

Despite the concentration of landownership in the area, Sleat has a low proportion of tied housing compared with the Highland Council area (2% compared to 2.3%). Kinloch (5.6%) and Kilbeg (7.5%) had the highest levels of tied housing

**Case Study** Jonathan Mennie, an architect employed by Sleat based company Dualchas, said that he feels more properties in Sleat need to be available on the private rental market, but where was the incentive for owners to do so when they can be let out during the tourist season. Jonathan moved to Skye to work for Dualchas two and a half years and has lived in three different private rental properties during that time. He has spent only 6 months renting with a monthly rolling contract in Sleat where he works, however, Jonathan has only been able to find accommodation in Broadford for the other two years and is currently sub-letting a housing association flat. Jonathan's commute on the bus takes 25 minutes, but the timetable means he cannot get to work any earlier than 10am and this is not ideal. Ideally, he would like to build in Sleat if he could find an affordable plot and if there was rural self-build or ownership grant support to make this a more realistic goal. While Jonathan believes there needs to be more affordable rental property in the area, shared equity homes would help young professionals in this vibrant and growing community get a step on the property ladder.

### **3.5. Owner Occupation**

Almost three quarters of households in Sleat are home owners (74.3%), in comparison 67% of households in Highland Council area are owner occupied. The proportion of owner occupation varies across the peninsula with 85% at Kilbeg whilst in Ardvassar home ownership comprises just 53% of households.

LSHA have successfully built and filled 6 shared equity houses at their Armadale development.

### **3.6. Second Homes**

In 2013, 14% of homes in Sleat were second homes, this figure has reduced slightly from 2009 when 16% of the housing stock in Sleat were second homes.<sup>5</sup> Currently, Sleat has double the rate of second homes compared to remote rural Scotland as a whole and five times the level in the rest of Scotland.

### **3.7. Croft Housing**

The Croft House Grant Scheme (CHGS) is currently the only grant available to prospective self-builders, providing they have a croft. However, the use of this scheme is less prevalent these days in Sleat, discussions with locals have suggested. The amount of grant awarded is determined the priority of the area ; low priority areas receive £11,500, standard priority areas's received £17,000 and the high priority areas received a grant of £22,000. There is also a criteria that applicants must meet.

Sleat is a standard priority area.

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<sup>5</sup> Scottish Neighbourhood Statistics

## 4.0. Sleat Housing Market

### 4.1. House Sales 2013/2014

There have been 12 house sales in Sleat in the last 12 months at an average price of £169,096.

In 2012, there were 15 house sales at an average of £169,977, in 2007 there were 11 house sales at an average of £240,069 whereas in 2002 there was a total of 23 house sales at an average of £81,999.<sup>6</sup> Between 2007 and 2012, there was an average fall of around £70,092.

There were no council Right to Buy sales in the area between January 2011 and June 2014. Although Right to Buy is suspended in most Highland Council areas, if you have been renting your council home since before 30<sup>th</sup> September 2002, you may be eligible for Right to Buy, subject to checks. The average asking price for a house in Sleat presently, according to [www.zoopla.com](http://www.zoopla.com) is £229,502.25.

### 4.2. House Plots

The Isle of Skye Estate Agency (IOSEA) told us that in general in Skye, plot prices have gone down recently. This could be attributed to a few different things. One reason for it could be that it has become more difficult to access a self-build mortgage. IOSEA also told us that plots in Sleat do tend to be more expensive than elsewhere on Skye. On average, you could expect to pay between £60,000-100,000 for a house plot in Sleat, whereas elsewhere on Skye, plot prices tend to be less expensive and you could expect to pay an average of £45,000-60,000; but this does depend on area. Factors influencing the price are size, services and the most important of all, the view. Recently, a plot with shore access sold for £130,000.

It would be difficult to find a plot for under £70,000. Dualchas Architects told RHS that, normally, their clients pay anything from £70,000 to £150,000 for a building plot. The higher the price the better the plot. Dualchas have been experiencing problems for years finding accommodation for their staff, and this was part of the reason they opened an office in Glasgow. They have found that the younger generation don't build their own houses due to the lack of grant help (the Rural Home Ownership Grant scheme has been scrapped). Previous generations built their own homes

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<sup>6</sup> Scottish Neighbourhood Statistics

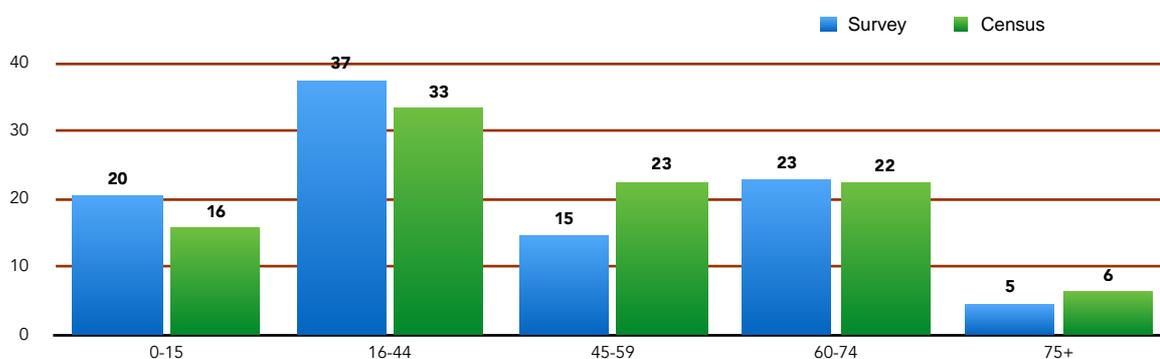
in rural Scotland with grant support but now young people are either still living with parents, or forced to move elsewhere. Unless your family owns land and gifts you a plot, it is unlikely you will be able to build your own home.

## 5.0. Housing Needs Survey

The housing needs survey was sent out with the SCT summer newsletter to all members, around 75% of Sleat residents are members of the Trust. SCT and RHS advertised that non members could pick up copies of the survey from the Trust offices in Armadale, a central location next to the fuel station and Post Office, where there was a box for completed surveys to be returned. In addition to this method, a survey monkey link was also made available and circulated by email to the Trust mailing list and included in the Sleat newsletter. There were 75 completed surveys in total, which gives us a response rate of 20% of the 383 households in Sleat.

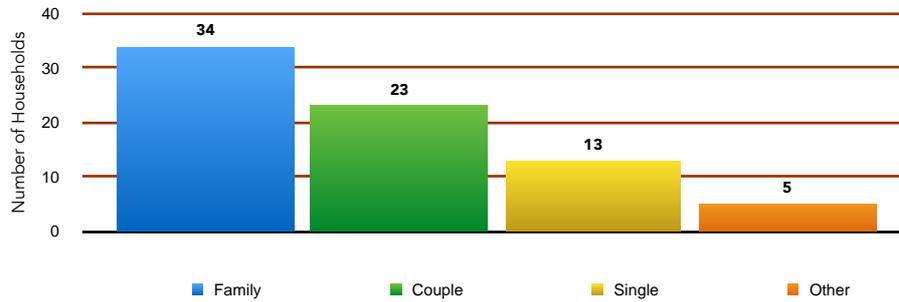
### 5.1. Households

The households represent 171 Sleat residents or 19% of the population. 37.4% of resident respondents were aged 16-44, and 20.4% were children. These proportions are significantly higher than the census count, and indicate that more young families and people have responded to the survey than would have been expected. In questionnaire based surveys elderly respondents tend to be over represented however in this survey they are slightly under-represented

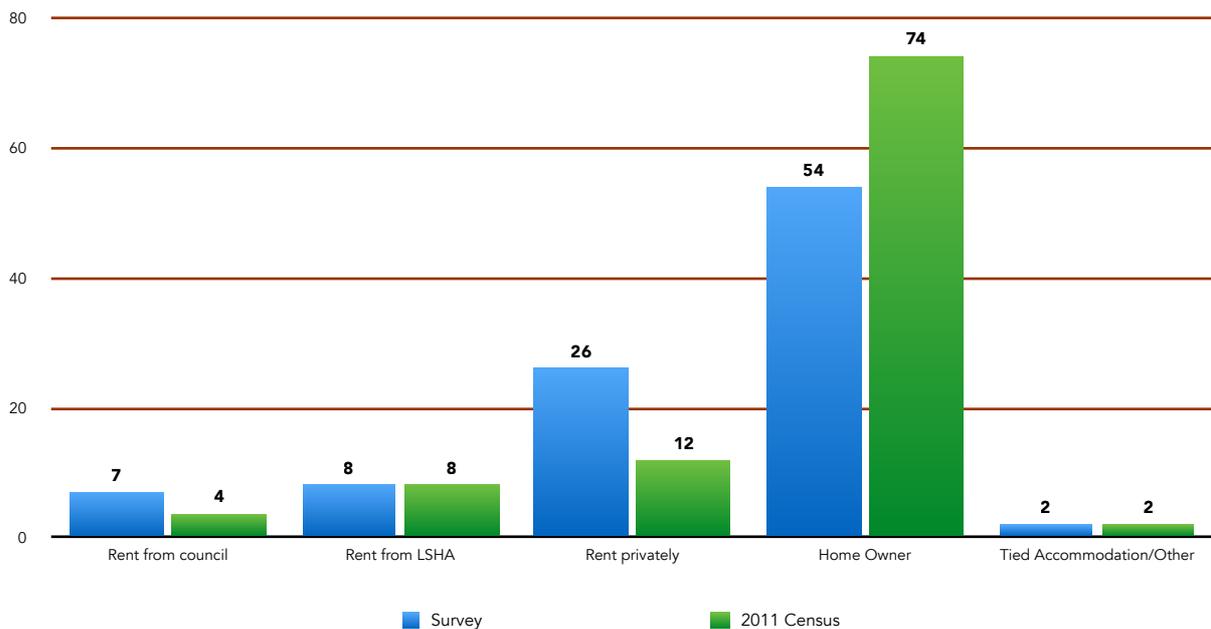


#### 5.1.1 Household Type

45.3% of the respondents were family households, a significant number of whom were all adult families (26.5% 9/34); 30.7% were couple households and 17.3% were single-person households. Out of all family household respondents, 41% (14) indicated that they had a housing need. Of those in housing need, three were all-adult households where one adult needed alternative housing. The remaining 73% of families have dependent children, 11 of which have a housing need.



## 5.2. Tenure

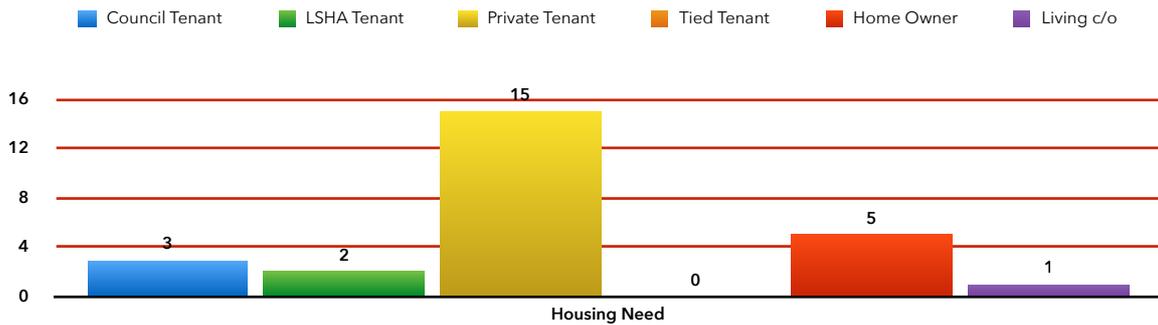


Most households that responded to the survey were owner-occupiers (54%), compared to 74.3% of Sleaford households that are owner occupiers. Over a quarter of respondents to the survey were private tenants (26%) - more than double the proportion of private tenants in the 2011 Census (11.8%). This suggests a particular housing need from those of that tenure type. The number of social renters that responded is slightly higher than the number of social renters in Sleaford with council tenant in particular more prevalent.

### 5.3. Housing Need

Twenty six of the 75 respondents to the survey indicated that they had a housing need; 14 of the 26 are **not** registered with the Highlands Housing Register (HHR). This means that the housing needs of the majority of households in housing need in Sleat are currently unrecognised.

Fifteen, over half (58%) of respondents in housing need are private tenants - 84% of private tenants who responded to the survey stated they had a housing need. Half of the private tenants are families with a third single households and the remainder couples. Most of the family



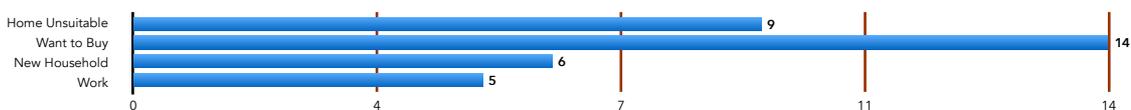
households are registered with HHR (5/7) but only 2 of the remaining 10 single and couple households are registered.

Over 60% of households indicated that a whole household needed alternative housing. Almost 25% of households highlighted that young adult in their household needed alternative housing and just under 5% said an older relative in their household needs somewhere else to live.

#### Housing need from local people who have left the area

The survey also asked whether respondents knew of anyone that had left the area in the recent past and who might want to return; 17 respondents said they did.

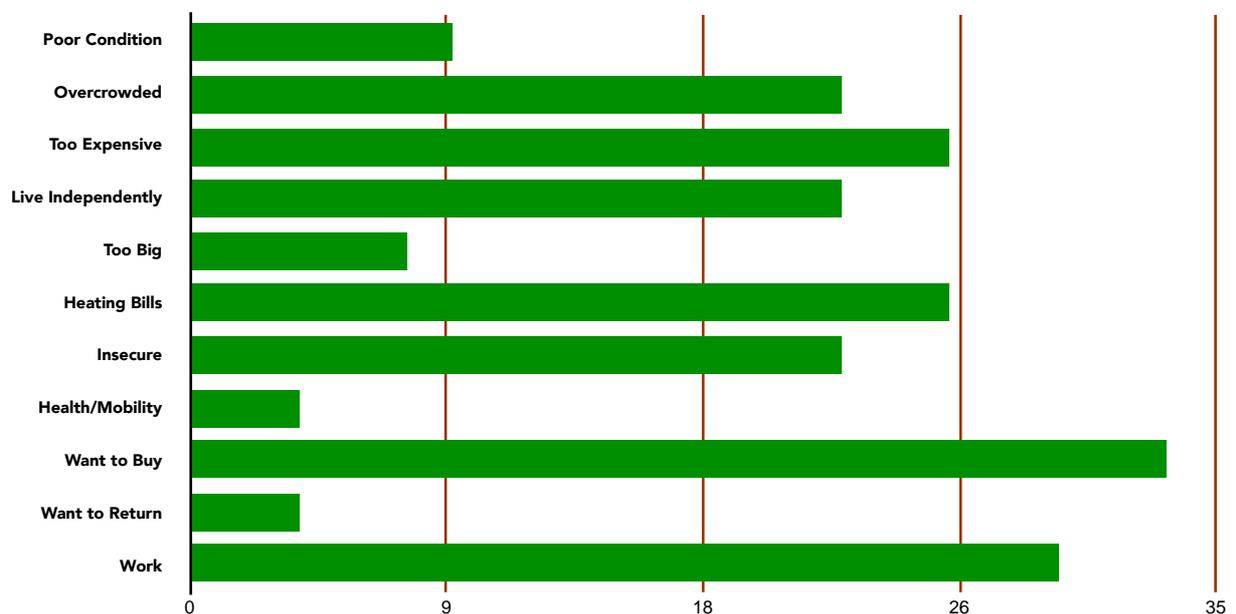
#### Why need for alternative housing<sup>7</sup>?



<sup>7</sup> Some respondents gave multiple responses

The survey asked respondents to state why they needed alternative housing. Of those with a housing need the majority (14) suggested that they were currently renting but want to own their own home. Nine respondents in need said their current home was unsuitable due to its location, condition, size or length of their tenancy and they need alternative housing and 6 said that it was someone in their household that was likely to need housing. Five wanted to move to Sleat be closer to work.

### Reasons given for current home being unsuitable

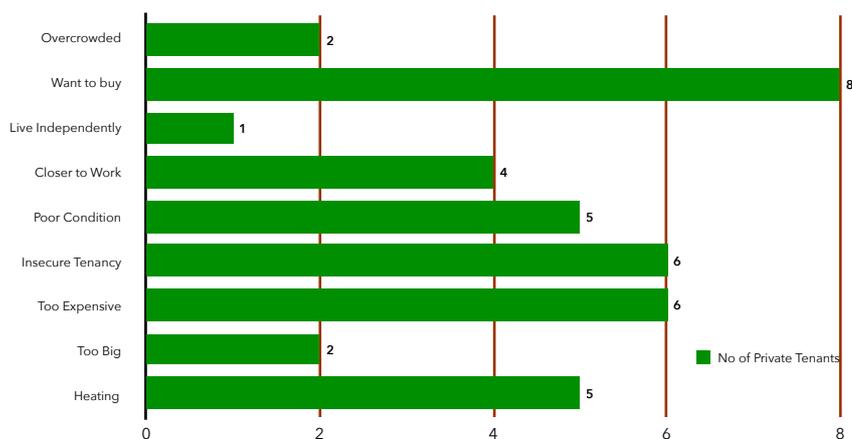


The most common reason respondents gave for needing alternative housing was that they wanted to buy: 33% (9 people) selected this answer. 29% (8 people) said that their current home was unsuitable because they needed to be closer to employment; 3 of which are already living in Sleat. A quarter of respondents said their current home was too expensive and another quarter said their current home was too expensive to heat. Poor conditions, insecure tenancies and wanting to live independently were other popular reasons. A total of 5 respondents were living in overcrowded households. Reasons given under 'other' were:

- "I'm currently happy with my chalet but would like to move house in the longer term"
- "The house I am renting will get sold"
- "I only have use of one room, have to share poorly equipped kitchen (no cooker)"
- "At college"
- "Been given notice to quit current property as landlord wants to sell it"

## 5.4. Private Tenants

Private tenants made up 26% (19) of total respondents to the housing needs survey, this is more



than double the proportion of private tenants in Sleat.<sup>8</sup> Respondents include eight family households, two couples and five single person households. Just over half of private tenant respondents were in the 25-44 year old age bracket

Out of the 19 private tenants that responded to the survey, **sixteen** (84%) said they were in housing need. Reasons given for being in housing need were;

Reasons given by private tenants for their/household member's need for alternative housing were want to buy (8), overcrowded (2), poor condition (5), too expensive (6), want to live independently (1), too big (2), expensive to heat (5), insecure tenancy (6), closer to employment (4).

### Preferred Tenure

Home ownership was favoured by fourteen respondents as their preferred tenure. Almost all (13/14) would be interested in shared equity housing. The amount of mortgage that private

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<sup>8</sup> 2011 Census

tenants indicated would be affordable to them varied from £50,000 to £100,000+. Almost half of the respondents said £80,000 - £90,000 would be affordable. Just 2 of the 13 properties sold over the last year (13/14) were sold at or below this price.

Rented housing was highlighted by 12 of the 16 respondents as an option (11 indicated both tenures as options). Most (11) indicated a preference for social housing although a significant number (7) saw private renting as a continuing option.

The response to what would be an affordable monthly rental to the private tenants in housing need varied with 7 respondents indicating £300-400, and five £400-500.

Most private tenants in housing need indicated that their new home would require two bedrooms, 58.3% (7) said two, while 8.3% (1) said they would need one bedroom, and 33.3% (4) said they would need three bedrooms.

## **5.5. Social Housing Tenants**

Social housing respondents made up 14% of total respondents to the survey. There were seven family household respondents, one couple and two single person households.

Five of the social tenant respondents said they were in housing need, all of which were registered with the HHR. Two respondents said that their current home was unsuitable and they needed alternative housing, three said that they were renting but wanted to buy; and one respondent said that someone in their home needed/is likely to need housing.

Reasons given for needing alternative housing were overcrowded (2), poor condition (1), want to live independently (1) health mobility problems (1) and closer to employment (1).

The three respondents who would like to buy a house were asked to choose what amount of mortgage they could afford; the three respondents chose £50,000, £60,000 and £100,000+. The average house sale price over the last 12 months is £169,000 - and out of 13 sales just 2 were for less than £100,000.

## **5.6. Home Owners**

Just over half of the survey respondents own their own home. Only five of the home owners that responded indicated that they were in housing need. Three were family households, one couple and one respondent was a single person household. None of the five owner occupation responses in housing need are registered with the HHR.

Reasons given for respondent/household member needing alternative housing were: wanting to live independently (3), expensive to heat (1), moved away and wants to return (1) and closer to employment (1). The three households which contain members who wish to set up home independently comprise 2 young adults and one older relative.

Three home owner respondents said home ownership would be their preferred tenure for alternative housing, whilst one said rented accommodation would be more suitable - this respondent household contains a young adult looking to set up home independently. Just one respondent thought shared equity would be suitable.

When asked what amount of mortgage would be affordable, one respondent said £50,000 another said £60,000 and one answered £100,000+. The household looking for an affordable rented property could afford £250-300.

## **5.7. c/o Household**

This household comprises a young student who lives with their parents but wants to rent their own home. They can afford £350-400 per month as rent. This household is not registered with HHR.

## **5.8. Young Adults**

Alongside the household above, the survey showed that there are three respondent households which contain a young adult in need of alternative housing. None of these households are registered with HHR. Two would prefer to buy a house and would be interested in shared equity and could afford £50-60,000. One is interested in rented housing and can afford £250-300.

At the housing needs surgery held in Sleat following the survey, it was highlighted that there is a need for an alternative to student halls of residence for mature students, students with families and students who do not wish to live with a group of others. The new development at Kilbeg would help to solve this issue.

## 5.9. Young Families

Family households made up 45.3% (34/75) of the respondents to the housing needs survey, with most (73.5%) of family respondents living with dependent children. 41% of family respondents (14) said that they were in housing need, with most (78.6%) having dependent children. 57% (8) of families in housing need were registered on the Highlands Housing Register (HHR).

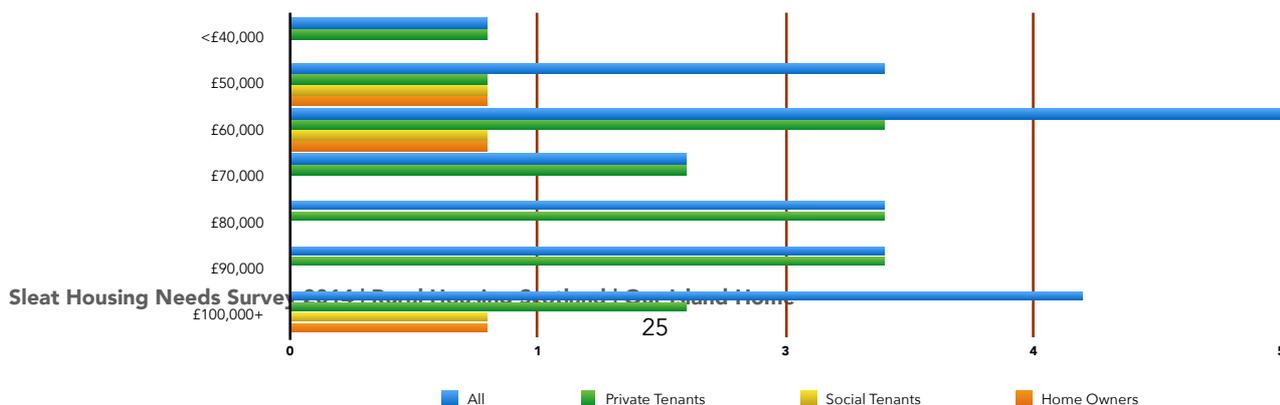
Half of the family household respondents are currently renting privately but want to buy. This explains why some of them are on the HHR, because they do not want or require social rented housing. However only one of the family households with housing need can afford to pay over £100,000 for a home - and most can afford to pay significantly less than the Sleat market average of £169,000.

When asked what type of housing they believed was needed in Sleat 74% of families thought housing for sale at low cost, 74% believed Sleat needs social rented homes and 68% families said housing for young people was necessary.

The development of low cost or shared equity housing as well as some social rented units would help meet the demand from both young people and young families.

## 5.10. Type of Housing Required

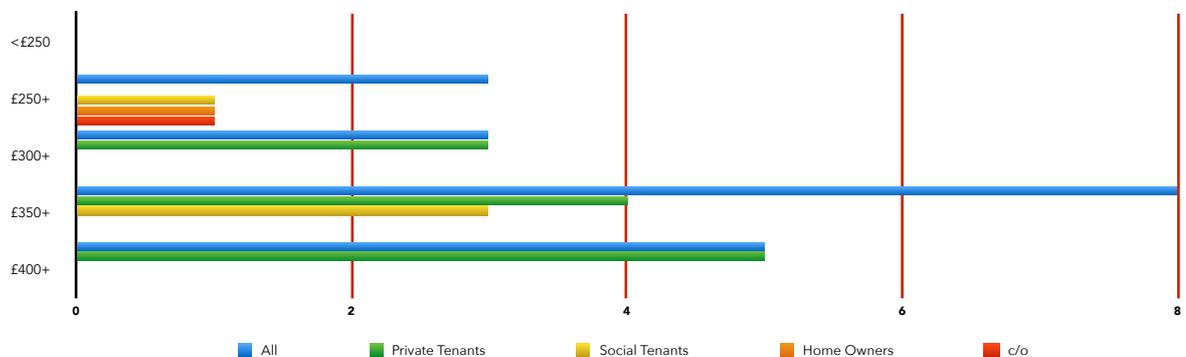
### Home Ownership



Overall of those with housing need 81% (21/26) stated that they would be interested in owning their own home - with most (17) interested in shared equity. Only 4 of these households can afford mortgage of over £100,000. Nine can afford less than £70,000 and also indicated an interest in renting. Just under half (10) are looking for 2 bedroom properties, seven need 3 bedroom houses and 3 require 4 bedroom homes.

## Rent

Five households indicated that they were only interested in rented housing whilst a further 14 expressed an interest in buying home and alternatively renting a house if buying was not possible. Most people looking to rent are looking for smaller properties; two for single bedroom



accommodation, eleven for two bedroom houses; just 6 are looking for three bedroom houses.

**Case study:** A local worker who attended the housing surgery said that she felt there was a gap in the market for 1 bedroom accommodation/flats, especially for mature students at Sabhal Mor Ostaig. The college provides halls of residence for students, all of which are shared flats with a bedroom and private bathroom for each student and a shared kitchen area. This isn't suitable accommodation for all students, some wish to enjoy a sociable student life and others prefer more privacy and quieter living arrangements.

## 5.11. Special Requirements

Out of those in housing need, only one person required accommodation on one level and one person required personal care. This is further supported by the one respondent who said their

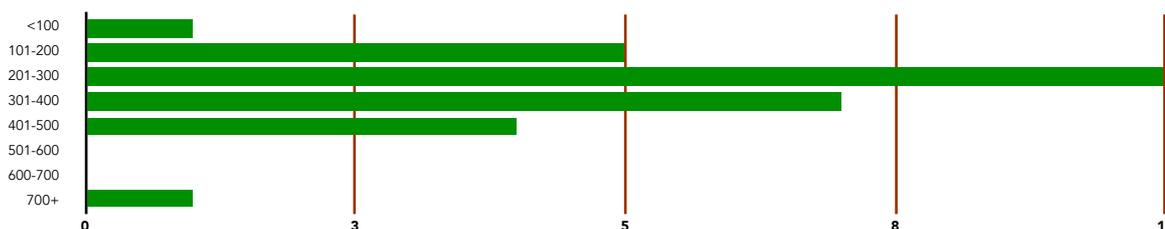
current home was unsuitable due to health/mobility problems; they are on the waiting list for social housing at the moment.

## 5.12. Employment

The vast majority of those in housing need said their main place of work was Sleat. While 83% worked in Sleat, 10% told us their main place of work was Broadford, 3% worked in Kyle, 3% said Inverness and a further 3% answered 'other'.

Most respondents have a weekly income of between £301-400 (excluding benefits). Respondents were asked what their weekly income was in order to gauge an idea of what would be affordable housing for them.

### What is your weekly income? (excluding any benefits)



We asked respondents what type of employment their household member needing to move was in. 89% said in full-time employment, 30% were in part-time employment and 15% were students. 7% were retired, this was just 2 households and only household member needing to move was unemployed.

**Case Study:** The lack of suitable and affordable housing in Sleat is a recruitment headache for local business and employer Dualchas. As well as Jonathan who works for Dualchas as an architect and was mentioned earlier in the report, their administration worker, Suzanne Gill, faces a 50 mile round trip every day to get to work. Not only is this very expensive - it also adds 2 hours of commuting on to her working day. Suzanne has been trying to move to Sleat for years but cannot afford the house prices and has not been able to access social housing. Dualchas is looking to employ another member of staff but are facing yet again a problem with no decent rented accommodation in Sleat for the person to live.

## 6.0. Conclusions

### 6.1. Housing Need

The housing needs survey has shown that there is a demand for housing in Sleat. Out of the 75 respondents, **26 were in housing need** (34.7% of those who responded). More than half (52%) of those with housing needs said that they were **not registered** with the Highland Housing Register. Most of those in **housing need rent in the private rented sector** (58%); their needs arise from poor housing conditions, poor heating, high rents and insecure tenancies as well as a frustrated wish to buy their own home. In addition, 15 respondents said they knew of someone who had left the area but who would want to return should there be housing available.

The need to find appropriate affordable housing in Sleat is not only confined to households living in the area. Research for the survey including interviews with local employers, found that there are several people working in Sleat who live outside the area because they can not find appropriate affordable housing. Our research identified at least **five households** in this position. This doesn't just pose an obstacle for the employee, but it is also a problem for employers that would like to see their business grow. Lack of adequate housing prevents potential new employees and customers moving and staying within Sleat.

### 6.2. Type of Housing Required

Home ownership is in high demand; 21 respondents believed owner occupied housing would be the most suitable new housing. Most would be interested in shared equity as a low cost route to home ownership in Sleat, and for most this is the only realistic option - 38% can afford a mortgage of £60,000 or less whilst 81% cannot afford to pay more than £90,000 for a property. The average sale price for housing in 2013/14 in Sleat was £169,000 with just 23% (3) sales comprising properties under £100,000.

While most (66.7%) of those with housing need and interested in buying their own home are currently in the private rented sector there are also 3 social renting households who all wish to buy and who would free up a social rented property were they to do this.

Rented housing was almost equally as popular with households in need with 19 respondents interested in new rented accommodation - including 14 also interested in home ownership. Of

these 17 were interested in council/housing association rental, 7 interested in both and 2 in private rent.

### **6.3. Housing Need - Economic Development**

The growth in the Sleat economy, the expansion of Sabhal Mor Ostaig and the population increase have caused severe pressures on the local housing market. Housing and house plots in the area must meet many competing demands for tourist accommodation, second homes, retirement homes, homes for incoming workers as well as meet the needs of existing and emerging Sleat households.

Currently the housing market can not accommodate all the need and demand for housing, with those requiring affordable housing having to make do with poor quality private rented housing, commute from out of the area to jobs in Sleat or move away from the area completely. New housing is required to help meet the severe current housing needs of the area, to enable local business to expand as well as to accommodate the growth of Sabhal Mor Ostaig.

## **7.0. Local Initiatives and Developments**

### **7.1. The Camuscross and Duisdale Initiative**

This community initiative was given a start up grant from HIE in 2008. This has helped them to manage many different projects on behalf of the community. The community commissioned a community consultation in order to gauge what local people believed would make their community a better place to live. The completed Township Development Plan shows what the community would like to happen over the next five years. The Initiative has been exploring the possibility of releasing affordable house sites for sale on common grazing land, working with the Camuscross Common Grazings Committee and Highlands Small Communities Housing Trust.

### **7.2. Fearann Eilean Iarmain Development**

Fearann Eilean Iarmain (FEI) will be developing between ten and twenty houses in Phase 2 of development at their site in Armadale next to the ferry terminal. This site is very important as it is one of the first things visitors see in Sleat when they come off the ferry. Local architects, Dualchas, have been commissioned for the site visualisation. At the moment, it is not certain how exactly the project will be delivered and by who. It is expected that it will be a mixed development (which would reflect the needs from this survey), consisting of rental properties and properties for sale/shared equity. FEI do not own many houses but they are keen to support affordable housing development to encourage young people and families to stay in the area. The estate recently sold one of their properties at lower than market value to a young couple who work at SMO.

FEI are one of the biggest local employers; they currently employ around 30 members of staff.

### **7.3. Kilbeg**

Kilbeg is to be the first village built on Skye in over 100 years and will enable Sabhal Mor Ostaig to expand and develop even further; providing new student accommodation; teaching facilities; enterprise opportunities and leisure facilities. It is understood that the first phase could comprise

the development of up to 40 houses, depending on the need. Discussions have already taken place with Lochalsh and Skye Housing Association and SMO. The site proposed for the new village development is on land sold by Clan Donald Lands Trust (CDLT) to SMO. Kilbeg is not just about new buildings, it has also been planned to sustain the existing community where there is primary school that teaches through the mediums of Gaelic and English, and medical practice as well as Scotland's National Centre for Gaelic Language and Culture.

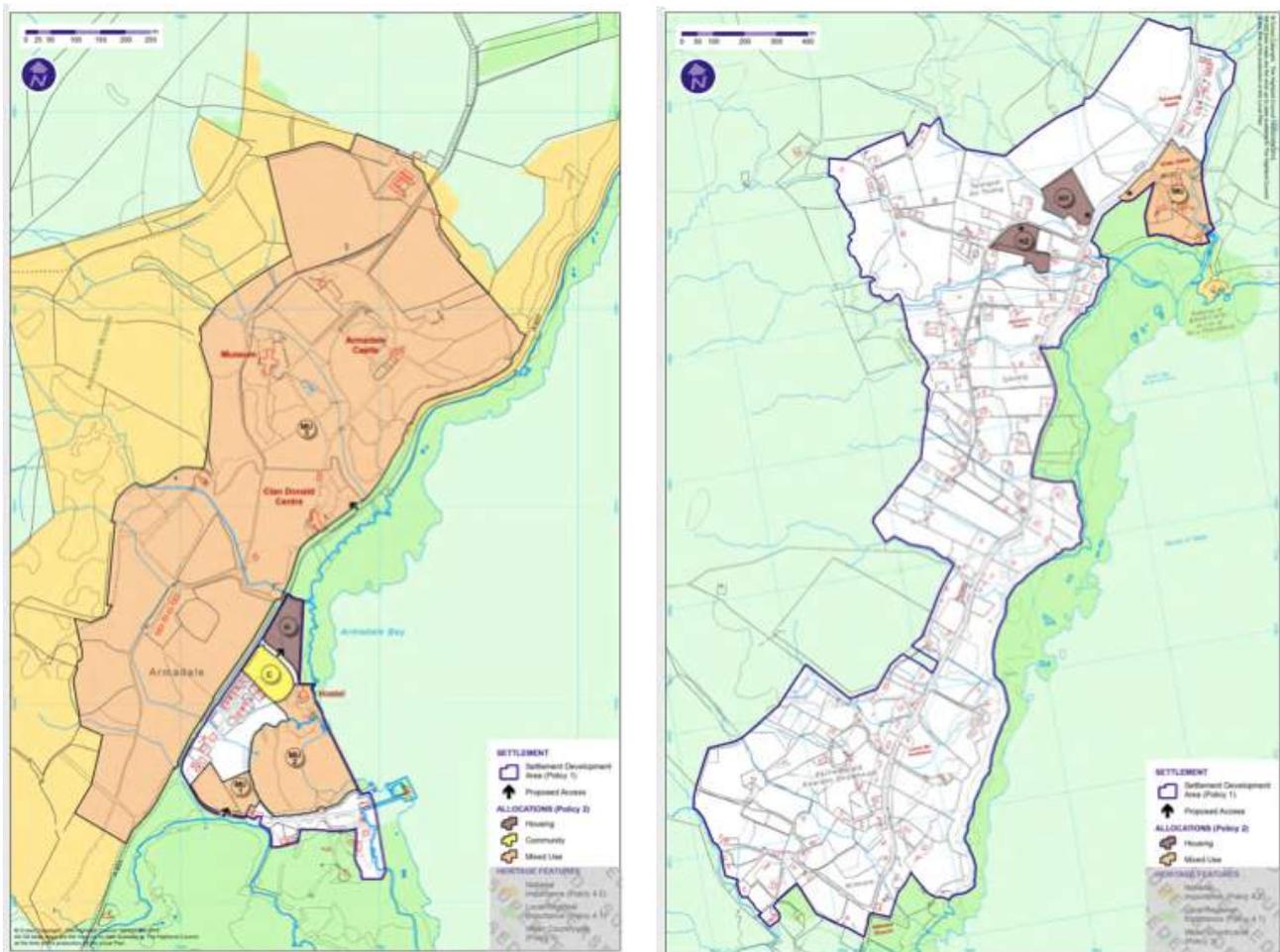
"The Board of Directors is delighted that Sabhal Mor is now in position to take this forward , it is not everyday that an institution gets the opportunity to pursue such an iconic development which will not only future-proof Sabhal Mor Ostaig's own estate development needs but will also, in partnership with the local community, create the first new village to come into the existence on Skye since my own village of Portnalong as formed by settlers from Harris and Lewis 100 years ago." **Sheriff Roddy John Murray, Sabhal Mor Ostaig chairman**

**Case Study:** Sabhal Mor Ostaig's total accommodation capacity is 85 bedrooms, of these 74 are taken by residential students as SMO's core priority. The remainder are used by key College workers and visiting staff. This has a significant knock-on effect to the wider community and to the College's key local partners and when a 5-week Gaelic drama filming programme from the end of August required the use of up to a dozen self-catering properties. For example, the likes of the local arts promotion body SEALL is now required to accommodate its visiting performers out with the College; together with Sleat Community Trust for which the College has provided accommodation for key workers in the recent past. As such, the College's ability to assist with meeting the accommodation needs of the local community is being restricted as its student numbers continue to grow and so the current accommodation shortages in Sleat are only likely to get worse.

## **7.4. Highland Council Strategic Housing Investment Plan (SHIP)**

The Highland Council does not currently regard Sleat as a priority for housing in Skye, however, the council holds a slippage programme of projects that can be progressed if any proposed projects don't proceed, or if there is slippage in heir existing plans. In the Highland SHIP 2012-2015, Sleat appears on the slippage programme with the requirement being 12 rental homes and 8 low cost home ownership.

## 7.5. Local Development Plan



The most recent local development plan information can be found on the Highland Council website.<sup>9</sup> The West Highlands and Islands Local Plan Map Booklet 2012 objectives for Sleaet (relevant to housing and this report) are as follows:

- To consolidate the role of SMO as a centre for Gaelic heritage, learning and employment
- To allocate land to accommodate a high demand for private and affordable housing
- To accommodate a significant proportion of housing pressure within planned expansions to existing communities or in the creation of a potential new settlement
- To resolve water and sewerage restraints, which are not currently programmed for resolution

From looking at the maps, we can see there is a lot of development land recommended for mixed use. At Armadale, there is a 0.9 hectare site with capacity for up to 18 units. The local plan booklet identifies Kilbeg and details the new community development requirements, a 19.9 hectare site that has capacity for 75 units.

<sup>9</sup> [www.highland.gov.uk](http://www.highland.gov.uk)

## **8.0. Recommendations**

### **8.1. Work with LSHA**

Having already had success in developing shared equity homes, it would be in the interests of SCT, CDLT, SMO and any other organisations interested in developing housing in Sleat, to work with the housing association on a similar shared equity model in order to help meet the demand for housing for sale at low cost. A rental development is also required and LSHA already provide two bedroom homes in Sleat for a monthly rent of around £300 per month. Most respondents to the survey would be able to afford this.

The West Highlands and Islands Development Plan created by the Highland Council identifies Armadale and Kilbeg as possible sites for affordable housing, which ties in with provisional plans by FEI for further development at Armadale and SMO's plans at Kilbeg.

### **8.2. Low Cost Plots**

The high demand for housing means that house plots in Sleat are the most expensive on the Isle of Skye. Some of those in housing need would be able to afford to build their own home if they could access land at low cost (or free), self build grants or both. Sleat Community Trust may wish to consider using some of its current land for this purpose or applying to the Scottish Land Fund to buy land for this purpose.

In parallel, SCT, could become a Rural Housing Body which would enable them to apply a Rural Housing Burden to any plot they owned and were selling on at low cost. This would ensure that any future sale of property on the plot would remain affordable and it would prevent it being sold on as second home or holiday let.

The German model, 'Baugruppe' (Buildgroup), could also be considered by the Trust. Community Trusts and similar organisations could use large plots of community-owned land to allow groups, five or six people, to build their own houses. This would not only benefit those who cannot afford plots and seek home ownership, but it would social benefits also due to teams of people coming together to go through the same experience.

Other communities that have made plots available for low cost sale are the West Harris Trust and Ulva Ferry on Mull. A potential route into low cost plots for sale would be for SCT to use the Scottish Land Fund, which exists to help put land into community ownership. This year the Scottish Government set out plans to aim for 1 million acres of land transferred into community ownership by 2020.

### **8.3. Woodland Crofts**

One of the only housing grants available is the Crofters House Grant available to help crofters build a croft house. In Sleat, this grant is worth £17,000. SCT may wish to consider creating new woodland crofts within the woodland it has in its ownership. Crofting status does not in any way override any planning constraints, except that it may make a section 75 order more likely to be granted. Decrofting of house ground needs to be allowed so that a mortgage can be obtained.

North West Mull Community Woodland Company on Mull have created several crofts recently and they are all tenanted.

### **8.4. Student Accommodation**

The new development at Kilbeg should provide an alternative to the students halls of residence already provided on campus at SMO. There is a big demand for two-bedroom properties in Sleat, particularly from couples and single person households. This size of unit could provide accommodation for students who wish to share with just one other person or live with their partner and/or family. This development could also provide homes for those leaving their studies but wishing to stay in the area to work. SMO face a problem when housing staff.