



# **HOUSING NEEDS SURVEY REPORT FOR DUNVEGAN COMMUNITY TRUST**

**FEBRUARY 2025**

## Contents

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 1)Executive Summary.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2  |
| Resident's survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2  |
| Non-Resident's Survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2  |
| Business Survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 3  |
| 12 businesses responded to the survey, from multiple sectors, and 8 employ additional staff. One business was looking to start up in the area with between 2 to 5 staff. Most of the businesses mainly recruit from the local area and the majority concurred that they have experienced both problems recruiting staff due to a lack of skilled workers locally and affordable housing (4). The lack of suitable housing has also had a negative impact on staff retention with many having lost employees due to not being able to find a suitable home. 2 estimate that they have lost less than 5 staff and 1 estimate that they have lost between 5 and 10 employees in the Dunvegan hospitality sector..... | 3  |
| Methodology .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 4  |
| 2. Permanent Resident's Survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 4  |
| 2.1) Respondent Age Profile.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 6  |
| 2.2) Suitability of Current Households .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 7  |
| 2.3) Existing Residents wishing to move and stay in Dunvegan Area .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 8  |
| 2.4) Tenure Choices for those wishing to move home.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 9  |
| Low-Cost Home Ownership Overview (LCHO).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 10 |
| Low-Cost Rent Overview .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 11 |
| Housing availability (prospects)   Highland Housing Register Prospects.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 12 |
| Self-Build Overview .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 13 |
| Open Market Purchase Overview .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 14 |
| Private Rent Overview .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 14 |
| Adaptable/ Flexi-Home for Rent Overview.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 15 |
| Renovation Overview .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 16 |
| 2.5) Respondents who have already tried to find alternative housing .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 16 |
| 2.6) Future Potential Independent Households in Dunvegan Area .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 17 |
| 2.7) Combined Housing Need for Current Residents & Future Households .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 18 |
| 2.8) General Community Views & Comments from the Community:.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 19 |
| 3. Non- Residents Survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 22 |
| 3.1 Respondent Profile .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 22 |
| 3.2) Housing Preferences for those wishing to relocate .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 23 |
| 3.3) Business Opportunities and Services.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 24 |
| 4) Business Needs Survey .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 25 |
| 4.1 Profile of Respondent looking to set up a new business in Dunvegan area.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 25 |
| 4.2 Profile of Respondents with an established business in Dunvegan CC area.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 26 |
| 4.3 Businesses that have experienced staffing and recruitment problems .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 27 |
| 4.4 Businesses with employees that have a current housing need .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 28 |
| 4.5 Views on Housing Provision and Workspace Requirements.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 28 |

|                                           |    |
|-------------------------------------------|----|
| 4.6 Business Growth and the Future .....  | 29 |
| 5) Final Conclusions .....                | 30 |
| 5.1) Next Steps .....                     | 31 |
| Appendix 1 - Tenure options summary ..... | 32 |

## 1)Executive Summary

Communities Housing Trust (CHT) have been commissioned by Dunvegan Community Trust (DCT) to carry out three housing needs surveys: 1 for permanent residents, 1 for people wishing to return / relocate to the area and 1 for local businesses and service providers, to help guide housing development the Dunvegan Community Council area.

In September 2021 a new school building, on the existing Dunvegan Primary site, was approved by Highland Council and incorporated into the capital programme. Alongside this, a master plan was prepared for the Dunvegan campus that included the development of adjacent land for 16 new affordable homes and a site for a new community sports pitch. In 2023 however, the Council voted to drop plans for a new school from the 2024-2029 capital plan which meant that plans for the interdependent master plan for the 16 new affordable homes and sports pitch were also delayed. Lochalsh and Skye Housing Association are working on the affordable housing project.

There are several other proposals under consideration in the area, driven by the local community and these include the potential purchase of two local assets. The first being an area of woodland at nearby Orbst, which has the potential to create woodland crofts and associated croft houses, or plots, and the second; the potential asset transfer of a disused farmhouse in Orbst is suitable for conversion into smaller units. The survey has explored the housing needs of the area with all the above pipeline projects in mind. The survey findings illustrate the need for mainly affordable rented housing although there is some demand for low-cost home ownership models too.

### Resident's survey

76 households responded to the survey, 14 indicating that they are considering moving home and wish to stay in the Dunvegan postcode area, with a concentration wishing to remain in the main village. Additionally, the survey showed that there are 15 potential home leavers who wish to set up new households within the next 5 years.

Of the 14 current households that are considering moving, most are interested in an affordable 2- or 3-bedroom home to either rent, buy with a discount or buy on the open market. Most of the future households are interested in low-cost rent as a tenure, followed by low-cost home ownership options. Only 10% of respondents have said that they would benefit from downsizing and moving into a smaller more accessible home.

### Non-Resident's Survey

18 people completed the Non-Resident's Survey, 9 of whom have lived in Skye & Lochalsh. The tenure options selected by all non-residents were very mixed, with low-cost home ownership (5) and low-cost rent (6), self-build (4), open market purchase (2) and not specified (1). 12 have already tried to find a home in the area, suggesting that it is highly probable that they will move to the area, if they can find suitable affordable accommodation within their financial means.

6 of the households looking to relocate to the area have 1 or more children under 16. Given the ageing population in the area and population projections, it is vital for the primary school roll that families with children remain in / move to the area.

## Business Survey

12 businesses responded to the survey, from multiple sectors, and 8 employ additional staff. One business was looking to start up in the area with between 2 to 5 staff. Most of the businesses mainly recruit from the local area and the majority concurred that they have experienced both problems recruiting staff due to a lack of skilled workers locally and affordable housing (4). The lack of suitable housing has also had a negative impact on staff retention with many having lost employees due to not being able to find a suitable home. 2 estimate that they have lost less than 5 staff and 1 estimate that they have lost between 5 and 10 employees in the Dunvegan hospitality sector.

Looking to the future, 2 businesses anticipate that they will need to recruit additional staff within the next 3 – 5 years, and furthermore, 1 anticipates that an additional 5 to 10 affordable homes will be required. It is evident from the results of the survey that the lack of workers locally and affordable housing is already impacting businesses, and should more housing is not provided, it will continue to impact on future operations, with some anticipating that they will have to reduce staff and could also face operational / financial difficulties.



[Community Councils - boundary maps | Dunvegan Community Council.pdf](#) [isle of skye map - Search Images](#)

## Report Objectives

Help guide housing development in Dunvegan

Consider the housing needs of the area with all the above pipeline projects in mind.

Based on survey results, make recommendations on the most suitable types of homes and tenures required in the community

## Methodology

Dunvegan Community Trust (DCT) commissioned 3 surveys to assess housing demand in the Dunvegan area: one for permanent residents in the Dunvegan Community Council postcode area, one for non-residents wishing to relocate or return to the area, and one for local businesses and service providers.

All surveys were promoted locally through social media, by CHT and DCT, as well as publicised in the local paper and radio station. Posters with a QR code link to the surveys were also shared within the community.

Supplementary information from various sources is used throughout the report and referenced.

In common with most surveys, this report provides a snapshot of the potential housing need at the time of writing. The data represents only the proportion of those who took part in the survey and whilst some questions in the surveys were mandatory, it is important to note that most were not, and respondents therefore only answered questions they wished to answer. Consequently, response rates for questions vary.

## 2. Permanent Resident's Survey

76 permanent resident households replied to the survey



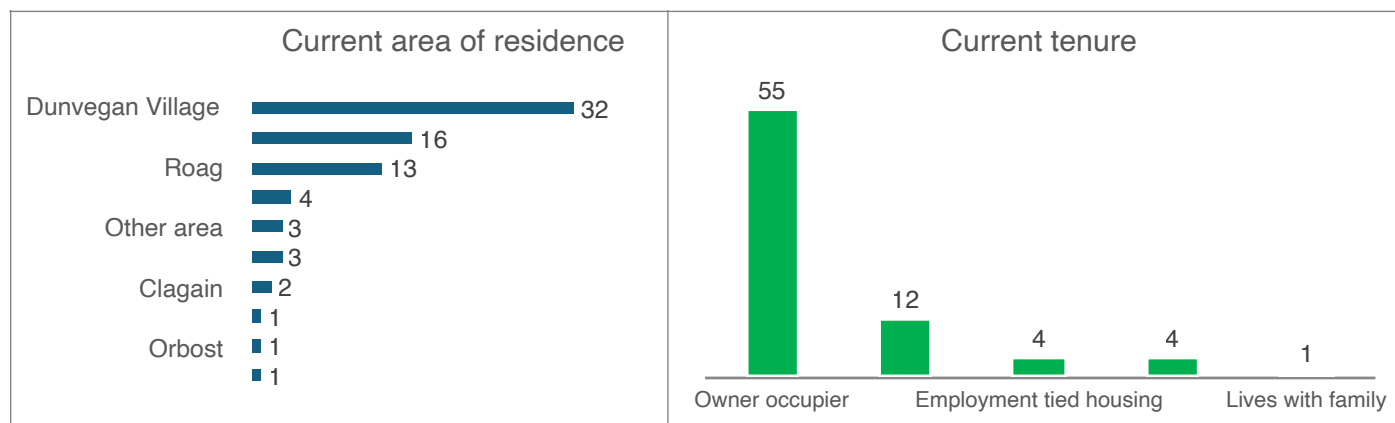
79% are home owners



The majority reside in either Dunvegan village, Harleosh or Boag



The respondent households comprise of 185 individuals, 22% of whom are aged 15 or under



- The survey received 76 responses from householders who permanently live in the Dunvegan community council area.

- There are approximately 280 households in the Dunvegan community council area at present and based on this and a response to this survey of 76, 27% of households within the community have engaged with this survey.
- Similar to these survey results, Census 2022 results for Northwest Skye show that most occupied households are owner occupiers <https://www.scotlandscensus.gov.uk/>
- When looking at the provision of social housing, Census 2022 results for the Highland region showed that social housing accounted for 20% of dwellings. However, when looking at the provision of social housing in Northwest Skye area only, social housing was found to only account for 9% of dwellings:

Table: Tenure Results for Survey in Comparison to 2022 Census

| Tenure                 | Highland Wide Census 2022 | N W S k y e C e n s u s 2 0 2 2 | CHT Survey |
|------------------------|---------------------------|---------------------------------|------------|
| <b>Owner Occupier</b>  | 67%                       | 84%                             | 73%        |
| <b>Social Rent</b>     | 20%                       | 9%                              | 16%        |
| <b>Private Rent</b>    | 11%                       | 6%                              | 5%         |
| <b>Lives Rent Free</b> | 2%                        | 1%                              | 0%         |
| <b>Tied</b>            | 0%                        | 0%                              | 5%         |
| <b>Other</b>           | 0%                        | 0%                              | 1%         |

- The Short Term Let Public Register shows a list of short-term licence applications for Highland Council. A specific search for Dunvegan showed that at the time of writing this report, there were 148 registered properties. [Information for the public register | Short term lets public register | The Highland Council](#).
- Of the Scottish islands, Skye appears to have disproportionality high numbers of short term lets (654) compared to the other large islands (Harris, 200; Lewis, 127; Arran, 99). [Distribution of Airbnb Short Term Lets in Scotland - Scotland's data on a map](#). Based on the data from this report, short term lets in Skye accounted for 18% of overall short term lets in Highland.
- Short term lets alone account for a significant number of properties. Second homes and long term empty properties are not included in the above statistics. There is a concern that a high concentration of second or empty homes and former homes used as short term lets can increase house prices and reduce housing supply for local people. [Second homes in Scotland – facts, figures and policy – SPICe Spotlight | Solas air SPICe](#)



## 2.1) Respondent Age Profile

The 76 respondent households comprise of 185 individuals.



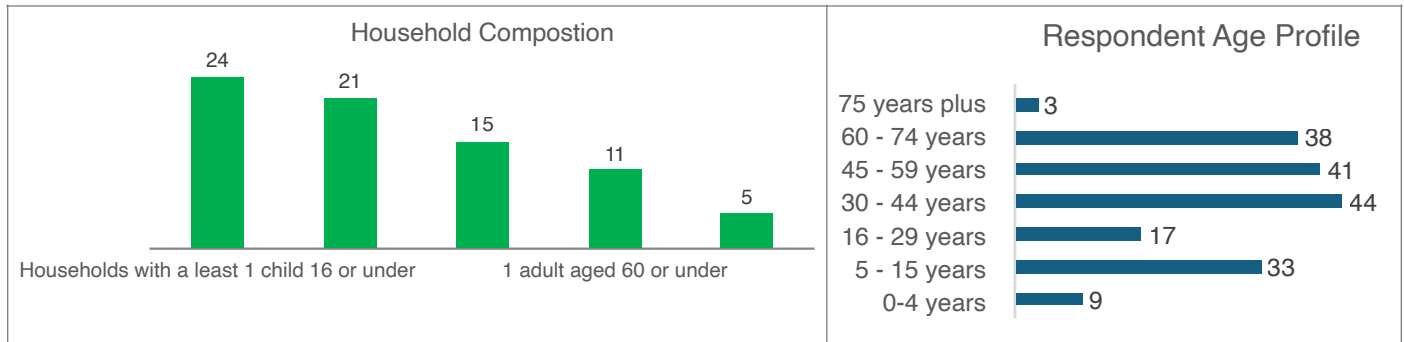
Households with Children aged 15 or under account for 32% of respondents



Over 20% of individuals are aged 60 or over



The primary school roll is currently 0 and decreased from the previous year



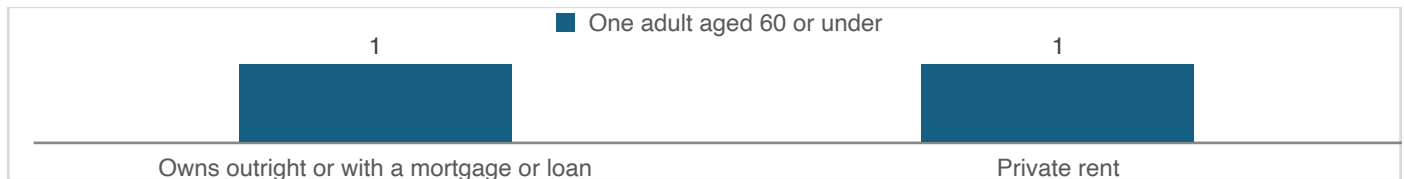
- Nearly a quarter of respondents are aged 60 or over (22%). During the period from 2002 to 2021, there was a 67% increase in the 65+ age group in Skye, Lochalsh and West Ross, and in general, the age profile of the population is older than within the wider Highland area. [demography-skyelochalshandwestross-2022.pdf](#)
- In Northwest Skye, the area in which Dunvegan Community Council is situated, results from the 2022 census show that there has been a marked increase in the number of people aged 70 and over living in the area compared to the Highland area in general.
- In contrast, the census results for 2022 show a decline in the population of the under 19 age group, and a decline in working age group generally in Northwest Skye compared to 2011.
- The school roll Dunvegan Primary for 2024/25 is currently 56 (56% roll/total capacity) and it is forecast to fluctuate over the next decade. [School Rolls | School Rolls 2024-2025](#)
- With plans for a new primary school currently on hold, there are concerns about the state of the current primary school building along with the large catchment area it serves.
- When looking at the secondary school roll, there was a steady decline in the Portree High School roll which has fallen from 723 pupils in 1993 to 475 in 2019, a drop of 34.3%. The current role for 2024/25 is 521 and is only 55% of total capacity.
- Given that the primary school is operating at less than 60% capacity, any future housing projects should be mindful of this. There is the need to attract and retain economically active people, and those with school children, to sustain the local economy, services, and local school roll.
- However, many rural areas are struggling to retain young people. This presents the challenge of providing affordable housing to retain and attract younger people whilst also providing accommodation for the ageing population.

## 2.2) Suitability of Current Households

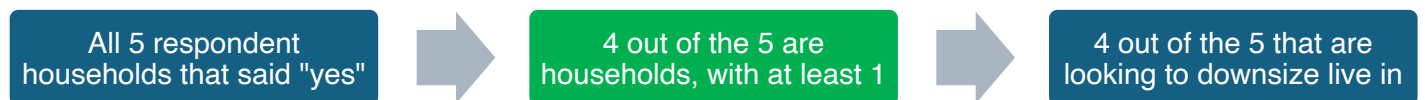
| 10% live in a home that is currently too large and would benefit from downsizing |                                                            |                                                        |
|----------------------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------|
| 4% are at risk of becoming homeless                                              | 4% are living in a home that does not meet the need of all | High energy costs were the main reason for housing not |

- Overall, 4% of survey respondents class themselves as being at risk of becoming homeless (2). Both are adult only households and the profile of those at risk of becoming homeless is as follows

Chart: Summary of respondents at risk of becoming homeless:



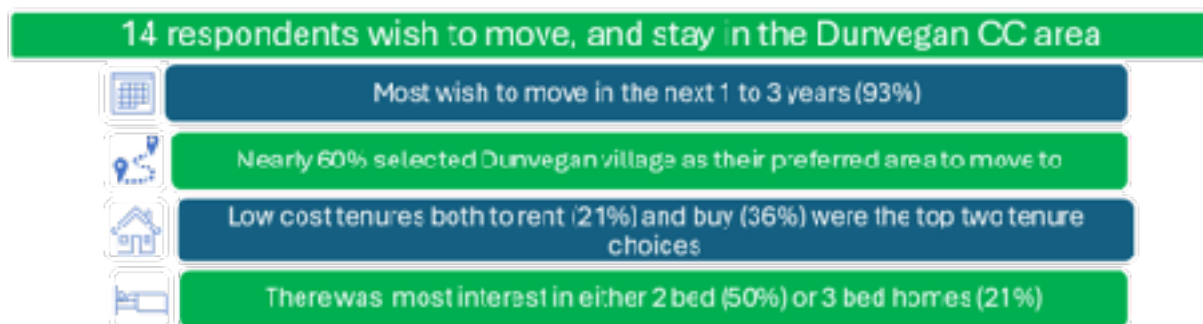
- A minority of survey respondents (10%) said “yes” to their current home being too large and that they would benefit from moving to a smaller home (5) in the future:



- Age Scotland’s Chief Executive, Brian Sloan, recognises the widespread issue of people wishing to downsize but not being able to: *"Too many older people are already stuck living in unsuitable accommodation and unable to move or downsize if they wish. Scotland must future-proof its housing stock by building more affordable, adaptable homes to allow people to continue living independently in their communities. Ensuring older people are able to stay connected to communities, services and people is also vital in tackling the acute issues of loneliness and social isolation."* [Scotland must rise to meet the needs of an ageing population \(ageuk.org.uk\)](https://ageuk.org.uk)
- 12% said that their current home does not meet the needs of all householders (9). The majority are owner occupiers (5) and the most selected reason for homes not meeting needs was that of requiring additional bedroom(s) for children.
- 5 out of the 9 who said that their homes do not currently meet the needs of all householders are considering moving home.
- 1 respondent gave no central heating as a reason for their home not meeting their current needs.
- Census data from 2022 shows that in the Electoral Ward for Isle of Skye, 6% of all occupied households have no central heating.



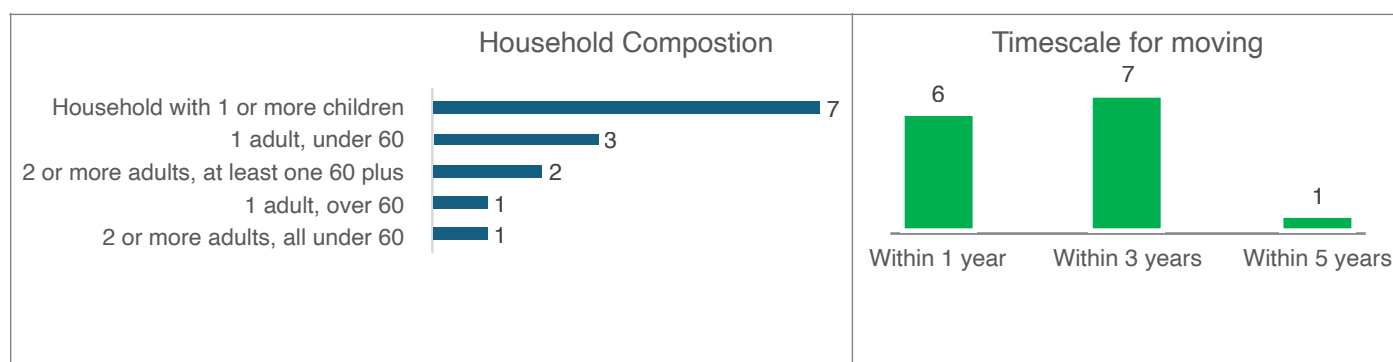
## 2.3) Existing Residents wishing to move and stay in Dunvegan Area



- Overall, 18% (14) of survey respondents said “yes” to considering moving home and staying in the Dunvegan community area.
- The majority looking to move currently reside in Dunvegan village (64%) and current tenures vary:

|                                                      | Dunvegan Village | Feorlig  | Harlosh/Vatten | Roag     | Struan   | Total     |
|------------------------------------------------------|------------------|----------|----------------|----------|----------|-----------|
| <b>Rents from the council or housing association</b> | 5                | 0        | 0              | 0        | 0        | 5         |
| <b>Owner Occupier</b>                                | 0                | 1        | 0              | 2        | 1        | 4         |
| <b>Private rent</b>                                  | 2                | 0        | 1              | 0        | 0        | 3         |
| <b>Employment tied housing</b>                       | 2                | 0        | 0              | 0        | 0        | 2         |
| <b>Total</b>                                         | <b>9</b>         | <b>1</b> | <b>1</b>       | <b>2</b> | <b>1</b> | <b>14</b> |

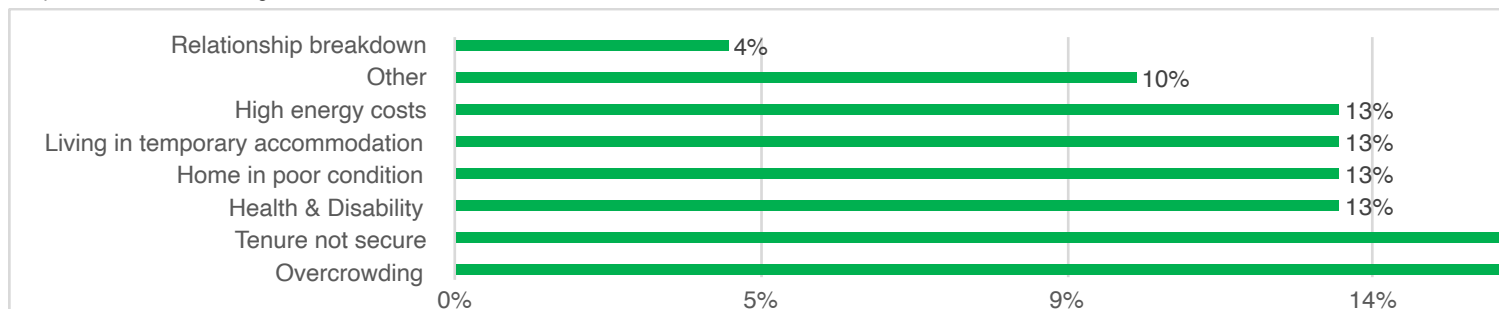
- Out of the 14 households looking to move, 7 (50%) have at least one or more children aged 16 or under. To sustain the school rolls, which are both at 60% under capacity, it is vital to retain young families in the area.
- Most would be looking to move home in the short-term, within the next 1 to 3 years:



- Respondents were asked to select the main reason(s) for wishing to move home and most selected multiple reasons, with the top two reasons being: overcrowding and tenure not secure.

- Respondents that selected tenure not secure as a reason for moving either currently live in privately rented accommodation (2) or tied housing (2).
- 3 out of the 4 that selected overcrowding are households with one or more children aged 16 or under.

Graph: Reasons for moving home



## 2.4) Tenure Choices for those wishing to move home

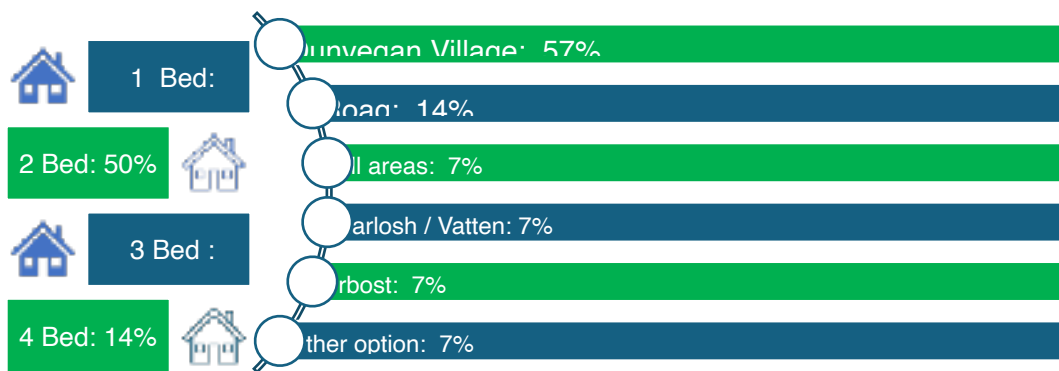
- All respondents wishing to move were presented with seven tenure choices and asked to pick their first-choice tenure option for their new home along with their preferred location.
- Respondents showed interest in 6 out of the 7 tenures, with the low-cost options of low-cost home ownership (36%) and low-cost rent (22%) being the two most popular options.
- As well as selecting tenure choice, respondents were also asked to indicate where in the area they would like their new home to be and nearly 60% selected Dunvegan village as their preferred location.
- The survey shows that there is most demand for 2 bed homes. A breakdown of all preferred tenures, bed choices and locations are as follows:

### Preferred Tenure Summary

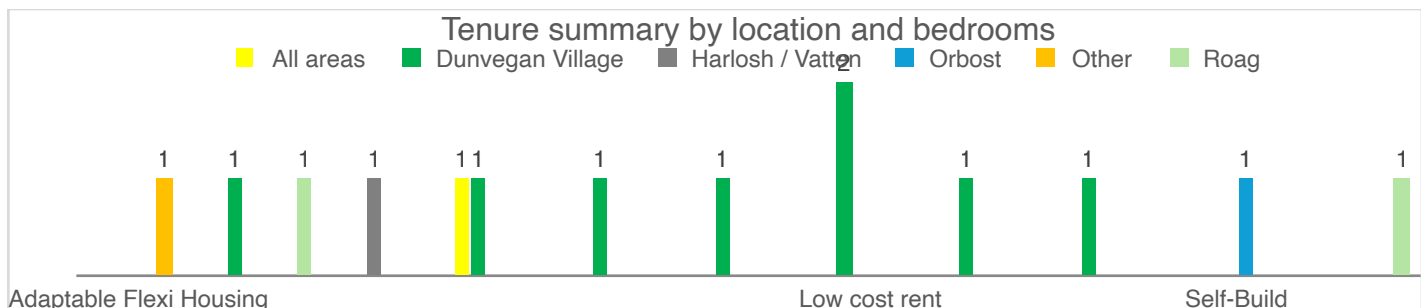


### Bedroom Summary

### Location Summary



|                         | Dunvegan Village | Roag | All areas | Harlosh / Vatten | Orbost | Other | Total |
|-------------------------|------------------|------|-----------|------------------|--------|-------|-------|
| Low-cost home ownership | 3                | 0    | 1         | 1                | 0      | 0     | 5     |
| Low-cost rent           | 3                | 0    | 0         | 0                | 0      | 0     | 3     |
| Self-Build              | 0                | 1    | 0         | 0                | 1      | 0     | 2     |
| Buy on the open market  | 1                | 1    | 0         | 0                | 0      | 0     | 2     |
| Private rent            | 1                | 0    | 0         | 0                | 0      | 0     | 1     |
| Adaptable Flexi Housing | 0                | 0    | 0         | 0                | 0      | 1     | 1     |
| Grand Total             | 8                | 2    | 1         | 1                | 1      | 1     | 14    |



## Low-Cost Home Ownership Overview (LCHO)

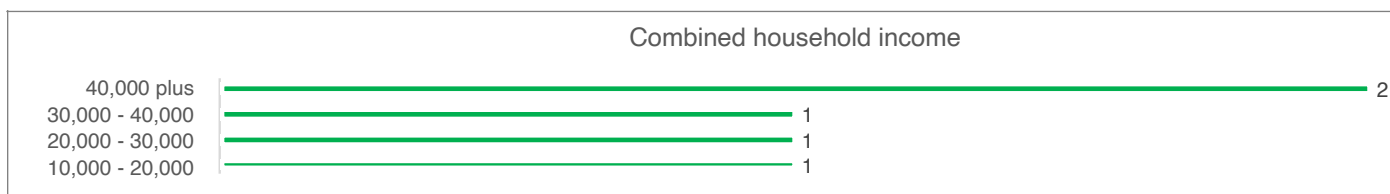


Low-cost home ownership units are properties sold at a reduced cost to people who wish to purchase a property but cannot afford to buy on the open market.

There are various options on how low-cost homeownership can be delivered and these are outlined fully in Appendix 1. One option for delivering LCHO homes is through community-led housing with CHT, and other rural housing bodies, securing a discount on the sale prices of homes, through the Rural

housing burden.

|                         | 1 bedroom | 2 bedrooms | 3 bedrooms | 4 bedrooms or more | Total    |
|-------------------------|-----------|------------|------------|--------------------|----------|
| <b>Dunvegan Village</b> | 0         | 1          | 1          | 1                  | 3        |
| <b>Any area</b>         | 0         | 1          | 0          | 0                  | 1        |
| <b>Harlosh / Vatten</b> | 1         | 0          | 0          | 0                  | 1        |
| <b>Total</b>            | <b>1</b>  | <b>2</b>   | <b>1</b>   | <b>1</b>           | <b>5</b> |



- Combined household incomes vary for those interested in LCHO with the majority having an income of over £30,000 (60%).
- Based on household income alone, those with under £30,000 may not be able to finance the purchase of a LCHO home and low-cost rent may be a more realistic tenure option.
- [The Rural Housing Burden](#) can be applied to this type of tenure and will ensure that homes are kept affordable in perpetuity and not lost to the open market.
- Other shared equity options for DCT to consider are [New Supply Shared Equity](#) and [Open Market Shared Equity](#) (this scheme has stopped accepting applications for 2024 to 2025).

## Low-Cost Rent Overview



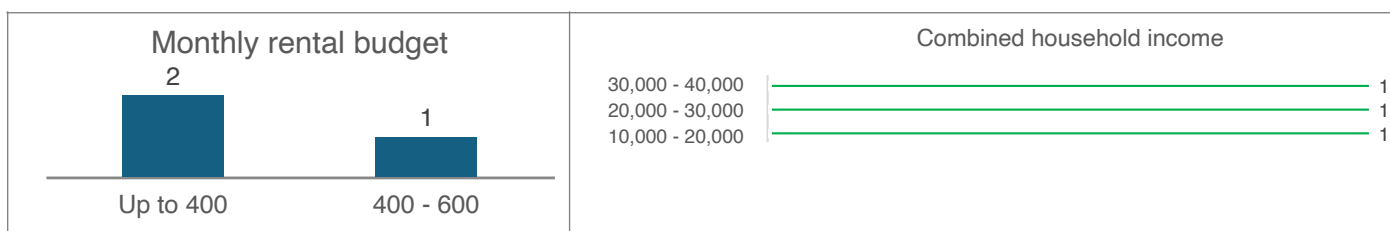
Low-cost rent levels are significantly lower than a tenant would pay in the normal market, with social rented housing, being provided by the local authority or by housing associations, being the most affordable rented housing option, along with offering secure tenancies.

Community Owned Rented Housing is another method of providing low cost rented homes in a community, where the community owns the home and it is rented out, usually at social rented housing levels.

- 3 respondents selected the first-choice tenure of low-cost rent, with demand for 2 & 3 bed homes.
- All 3 selected Dunvegan village as the preferred location for their new home:

|  | 2 bedrooms | 3 bedrooms | Total |
|--|------------|------------|-------|
|--|------------|------------|-------|

|                         |          |          |          |
|-------------------------|----------|----------|----------|
| <b>Dunvegan Village</b> | <b>2</b> | <b>1</b> | <b>3</b> |
| <b>Total</b>            | <b>2</b> | <b>1</b> | <b>3</b> |

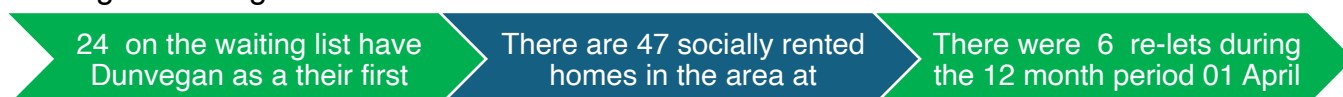


- All respondents selected a monthly rental budget of less than £600 per month. Based on the current local housing allowance rate, depending on the exact budgets and beds required by respondents, rents based on these rates may not be affordable:

**Table: Local Housing Allowance Rates** [Local Housing Allowance Rates: 2024-2025 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/local-housing-allowance-rates-2024-2025/pages/1-2024-2025-rates-by-bed-size-and-local-authority.aspx)

|                    | 1 Bed Shared | 1 Bed  | 2 Bed  | 3 Bed  | 4 Bed  |
|--------------------|--------------|--------|--------|--------|--------|
| <b>Weekly Rent</b> | 87.45        | 109.32 | 136.93 | 159.95 | 195.62 |

- Community groups, that own community housing, have flexibility and discretion at the rent levels set. These groups can devise their own allocation policies, and this is an option worth considering as they are not bound by LHA rates.
- CHT's [RouteMap](#) is a free guide for community organisations interested in undertaking their own housing or development.
- There is a common housing register in Highland called the Highland Housing Register, for those interested in social housing. The list on 1 April 2024 shows registered interest for housing in Dunvegan as:



#### [Housing availability \(prospects\) | Highland Housing Register Prospects](#)

|              | Demand using 1st choice<br>01.04.2024 |               |           | Demand using all choices<br>01.04.2024 |               |           | Total Supply<br>01.04.2024 | Re-Lets<br>01.04.2023 to 31.03.2024 |               |          |
|--------------|---------------------------------------|---------------|-----------|----------------------------------------|---------------|-----------|----------------------------|-------------------------------------|---------------|----------|
| Bed size     | Housing List                          | Transfer List | Total     | Housing List                           | Transfer List | Total     | Total                      | Housing List                        | Transfer List | Total    |
| Bedsit/1 Bed | 13                                    | 4             | 17        | 57                                     | 4             | 61        | 7                          | 3                                   | 0             | 3        |
| 2 Bed        | 4                                     | 0             | 4         | 13                                     | 1             | 14        | 22                         | 3                                   | 0             | 3        |
| 3 Bed        | 2                                     | 0             | 2         | 7                                      | 0             | 7         | 17                         | 0                                   | 0             | 0        |
| 4+ Bed       | 1                                     | 0             | 1         | 3                                      | 0             | 3         | 1                          | 0                                   | 0             | 0        |
| <b>Total</b> | <b>20</b>                             | <b>4</b>      | <b>24</b> | <b>80</b>                              | <b>5</b>      | <b>85</b> | <b>47</b>                  | <b>6</b>                            | <b>0</b>      | <b>6</b> |

- Only 1 out of the 3 that selected low-cost rent as their preferred tenure are currently registered on the HHR.

- 1 person who selected this tenure also said “yes” to considering shared accommodation in a house or flat.
- Anecdotal evidence from CHT’s work in other communities suggests that many people looking for housing do not register on Common Housing Registers as they do not think that they will be successful in finding a house through this route, and either find other temporary housing solutions, move somewhere else or rent privately instead.

## Self-Build Overview



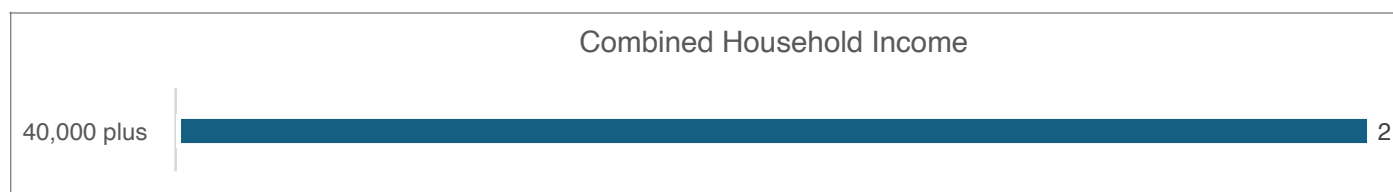
House in Mull constructed under SBLF.

Plots for self-build are mostly available through open market sale through a range of sellers or discounted self-build plots, that are offered for sale at less than market prices.

Schemes such as the Self-Build Loan Fund (SBLF) and Croft House Grant Scheme are available to help those interested in a self-build project.

[Scotland's Self-Build Loan Fund - Communities Housing Trust \(chtrust.co.uk\)](http://chtrust.co.uk)

|               | 3 bedrooms | 4 bedrooms or more | Total |
|---------------|------------|--------------------|-------|
| <b>Orbost</b> | 1          | 0                  | 1     |
| <b>Roag</b>   | 0          | 1                  | 1     |
| <b>Total</b>  | 1          | 1                  | 2     |



- Both respondents who selected the option of self-build already own a plot and have a combined household income of over £40,000 plus.
- Self-build mortgages are available in Scotland whereby mortgage lenders loan the money in stages as the house is built. However, many mortgage lenders will not lend any loan payments until the build is at wind and watertight stage.
- The [Self-Build Loan Fund](#) is a Scottish Government initiative to assist self-builders, who have been (unable?) able to obtain mainstream mortgage finance. The fund is repaid upon obtaining a mainstream mortgage upon completion of the project or by using the equity following the sale of the existing home.
- Due to current construction costs, linked to recent increases in labour and material costs, anyone embarking on a self-build project should carefully work out project costs before commencing on a self-build.
- Given the small demand for self-build, along with current construction costs, the inclusion of affordable self-build plots should be very carefully considered as part of any future development, and only if there is sufficient demand and project costs and finance are viable.



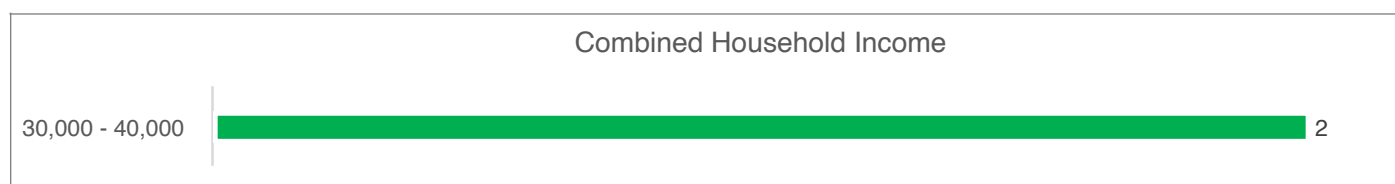
## Open Market Purchase Overview



Information from Rightmove at the time of writing this report states an average house price of £237,700 in Dunvegan over the last year. [House Prices in Dunvegan](#)

The average salary in Scotland in 2024 was £31,697 per year. However, Highlands and Islands were one of the lowest paid regions, with a median hourly pay of £13.71 and £13.75 and the lowest paid regions had a higher concentration of lower earners. [What's the Average Salary in Scotland? A 2024 Overview](#)

|                  | 2 bedrooms | Total |
|------------------|------------|-------|
| Dunvegan Village | 1          | 1     |
| Roag             | 1          | 1     |
| Total            | 2          | 2     |



- Mortgage Lenders typically lend 3 to 4.5 on salaries and based alone on a household income of £30,000 to £40,000, and with an average house price of £237,700, purchasing on the open market may not be affordable for those that selected this tenure and LCHO may be a more realistic option.
- In general, housing for open market purchase, and housing developed as part of a mixed tenure development and sold on the open market, may provide cross-subsidy to help finance low-cost tenures and this is an option worth fully exploring for any future housing development.

## Private Rent Overview

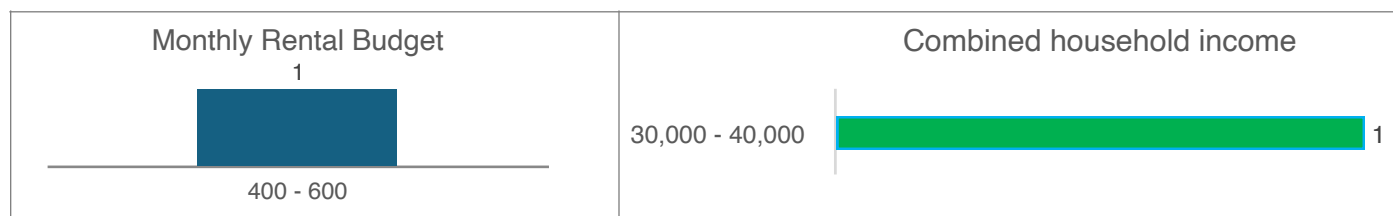


The basic Private Rented Sector definition of a private rent is a **property owned by a landlord** and leased to a tenant. The landlord could be an individual, a property company, or an institutional investor.

Since December 2017, almost all new private sector tenancies where someone moves into accommodation

that is to be their main residence will be a **private residential tenancy**; normally abbreviated to “PRT”.

|                  | 2 bedrooms | Total    |
|------------------|------------|----------|
| Dunvegan Village | 1          | 1        |
| <b>Total</b>     | <b>1</b>   | <b>1</b> |



- At the time of writing this report, an initial search shows that there are no properties available for rent in the Dunvegan area.
- Given rising rent prices, it is worth noting that private rent is no longer an option for many: *“Average rents for 2-bedroom properties, the most common size of property in the private rented sector, increased at a Scotland level by 14.3% in the year to end September 2023, to reach an average of £841 per month, up £105 per month compared with the previous year”.* Private Sector Rent Statistics, Scotland, 2010 to 2023 - gov.scot ([www.gov.scot](http://www.gov.scot))
- In general, over recent years the high number of short-term lets in the area has impacted the availability of privately rented accommodation
- Given the high rents charged by some landlords, along with limited availability in the private rented sector, community owned rented housing with more affordable rent levels may be a more appealing option for those interested in renting.

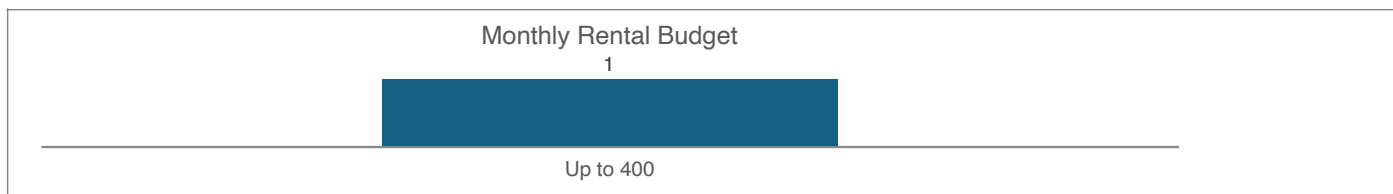
## Adaptable/ Flexi-Home for Rent Overview



CHT Adapted Built home, Invergarry.

These are homes built to be flexible and adaptable, incorporating elements to support the changing needs of individuals and families at various stages of life. As part of the Scottish Government’s new Housing 2040 strategy, it has published a new accessibility standard as part of a new housing strategy that will mean for the first time, homes in Scotland will have to meet a certain level of accessibility.

|              | 1 bedroom | Total    |
|--------------|-----------|----------|
| Other area   | 1         | 1        |
| <b>Total</b> | <b>1</b>  | <b>1</b> |



- Following the results of the 2022 census, which showed that people aged 65 and over generally outnumber people aged under 15 throughout Scotland. Jon Wroth-Smith, Director of Census Statistics, National Records of Scotland commented that *"it is important that we understand how our population is ageing so we can prepare for it. These changes will put greater demand on health and social care services."* Adaptable / flexi housing may be one such measure that could help with these demands.
- Further details on the accessible standard can be found in the guidance: [Housing 2040: Scottish Government Accessible Housing standard - Disability Equality Scotland Access Panel Network](#)

## Renovation Overview

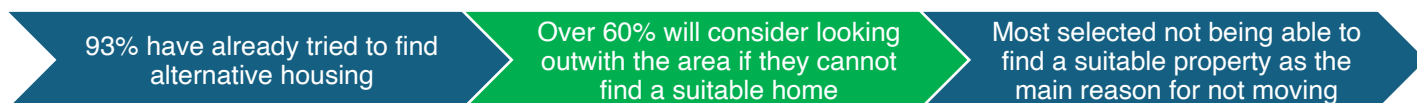


As a rough guide, [Checkatrade](#) estimates it will cost between £76,900 and £138,800 to fully renovate a three-bedroom house.

With inflation still running high, builders in demand and materials sometimes in short supply, home renovators are finding themselves shelling out a lot more for projects now than they did pre-pandemic. [How much do home renovations cost? - Zoopla](#)

- Although no respondents selected this as their preferred tenure choice, bringing empty homes back into use can increase housing supply, improve community safety and contribute to regeneration. Highland Council can provide advice and assistance on ways to bring empty properties back into use. [Empty Homes | Empty Homes | The Highland Council](#)

## 2.5) Respondents who have already tried to find alternative housing



- Most respondents wishing to move home have already tried to find alternative housing (13). Over 60% of whom (8) would consider looking for suitable housing out with the Dunvegan Community Council area if they cannot find a suitable home.
- It is therefore a concern that so many respondents would consider leaving the Dunvegan Community Council area if they cannot find suitable housing. The composition of households considering leaving the area is: adult only households (5) and households contain 1 or more children (3).

- 7 out of the 8 households that would consider leaving the area are classed as economically active and keeping people in the area that are of working age is vital to the local businesses and the economy.



## 2.6) Future Potential Independent Households in Dunvegan Area

| There are 15 potential future households                                                  |                                                                |                                                      |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------|
| Low cost options, both to rent and buy, were the two most popular tenure choices selected | Most selected Dunvegan Village as the preferred location (53%) | The majority would be looking for a 1 bed home (63%) |

- In trying to assess potential future housing demand, respondents were asked if any current members of their household were planning to move out of their household and required independent accommodation in the Dunvegan community council area within the next 5 years. Overall, the survey identified 15 such potential new future households.
- Respondents were presented again with 7 tenure choices for these potential future households and asked to select a first-choice tenure preference, along with a preferred area and the results were as follows:

**Table: Household Leaver's Preferred Tenures**

|                                | Dunvegan Village | Don't know | Harlosh/ Vatten | Orbost   | Total     |
|--------------------------------|------------------|------------|-----------------|----------|-----------|
| <b>Low-Cost Rent</b>           | 3                | 2          | 1               | 1        | 7         |
| <b>Low-Cost Home Ownership</b> | 4                | 0          | 0               | 0        | 4         |
| <b>Adaptable Flexi Home</b>    | 1                | 0          | 0               | 1        | 2         |
| <b>Renovation</b>              | 0                | 0          | 1               | 0        | 1         |
| <b>Self Build</b>              | 0                | 1          | 0               | 0        | 1         |
| <b>Grand Total</b>             | <b>8</b>         | <b>3</b>   | <b>2</b>        | <b>2</b> | <b>15</b> |

- The survey identified that there was mainly support for low cost tenures, both to rent and buy, for potential future households, with stronger interest in smaller 1 or 2 bed homes:



- At present, only 1 potential future household leaver who is interested in the tenure of low-cost rent is known to be currently registered on the Highland Housing Register
- It is encouraging from the results of this survey that people wish to remain in the area and providing a range of affordable housing options may be key to ensuring that younger people do not have to leave the Dunvegan area.
- A major challenge for many rural communities in Scotland is depopulation, with many young people leaving the areas in which they were raised because of a lack of suitable housing or employment, or to access further education. The Scottish Government have recognised this in their plans to reinvigorate Scotland's rural communities. The Scottish Government's 'Housing to 2040' policy has made the engagement of young people an important part of shaping the 20-year housing strategy.

## 2.7) Combined Housing Need for Current Residents & Future Households

- When looking at the housing need for both current residents wishing to move home and stay in the area along with future independent households, there are 29 potential households looking to move / set up a new home in the next 5-year period.
- Based on the results of this survey, a mixed tenure development, both with low-cost homes to rent and to buy would best meet demand, with any new homes being built in the Dunvegan village area.

Table: Combined housing need for current residents and future potential households

|                      | Dunvegan | Roag | All areas | Harlosh/Vatten | Orbost | Don't Know/ Other | Total |
|----------------------|----------|------|-----------|----------------|--------|-------------------|-------|
| <b>Low Cost Rent</b> | 6        | 0    | 0         | 1              | 1      | 2                 | 10    |
| <b>LCHO</b>          | 7        | 0    | 1         | 1              | 0      | 0                 | 9     |
| <b>Flexi Home</b>    | 1        | 0    | 0         | 0              | 1      | 1                 | 3     |
| <b>Self-Build</b>    | 0        | 1    | 0         | 0              | 1      | 1                 | 3     |
| <b>Open Market</b>   | 1        | 1    | 0         | 0              | 0      | 0                 | 2     |
| <b>Private Rent</b>  | 1        | 0    | 0         | 0              | 0      | 0                 | 1     |
| <b>Renovation</b>    | 0        | 0    | 0         | 1              | 0      | 0                 | 1     |
| <b>Total</b>         | 16       | 2    | 1         | 3              | 3      | 4                 | 29    |

## 2.8) General Community Views & Comments from the Community:

- All 76 respondents were presented with 18 statements relating to housing provision in the area and community needs re future housing and were asked to what extent they agreed or disagreed with the statements.
- Overall, the majority of respondents agreed with the need for more affordable housing. The majority of respondents also agreed that local people with families should get priority for any new affordable homes in the area, and that new housing should also be built to high energy efficiency standards.
- There was also support for the idea of bringing disused houses and buildings into community ownership for affordable housing and creating more crofting in the Dunvegan CC area.
- The table below gives a full breakdown of all respondent's views on the statements:

|                                                                                                             | Strongly Agree | Generally Agree | Don't know/ not sure | Generally Disagree | Strongly Disagree |
|-------------------------------------------------------------------------------------------------------------|----------------|-----------------|----------------------|--------------------|-------------------|
| Our community needs more affordable housing                                                                 | 59             | 10              | 2                    | 0                  | 1                 |
| Local people have had to leave the area because they could not find suitable housing                        | 51             | 11              | 11                   | 0                  | 0                 |
| Most people who live in our area want to stay permanently                                                   | 19             | 31              | 20                   | 3                  | 0                 |
| Applicants who live and work in the immediate surrounding area should get priority for new affordable homes | 45             | 25              | 3                    | 0                  | 0                 |
| Applicants who have a family connection should get priority for new affordable homes                        | 27             | 30              | 10                   | 4                  | 2                 |
| Applicants from outside our community area should get priority for any new affordable housing               | 1              | 3               | 23                   | 28                 | 17                |
| The people of our community welcome newcomers from other communities to live here                           | 18             | 39              | 11                   | 5                  | 0                 |
| Our community needs more smaller accessible homes                                                           | 32             | 26              | 10                   | 3                  | 0                 |
| It is important that new housing is built with high energy efficiency standards                             | 55             | 16              | 1                    | 1                  | 0                 |
| There are too many second homes in our community                                                            | 42             | 17              | 10                   | 2                  | 2                 |
| Local people will have to leave the area because they cannot find suitable housing                          | 44             | 18              | 8                    | 2                  | 1                 |
| Our community needs more housing for families                                                               | 50             | 15              | 6                    | 1                  | 1                 |
| It is important that any new housing built has provision for working from home                              | 14             | 20              | 26                   | 9                  | 3                 |
| More should be done to bring disused houses and buildings into community ownership for affordable housing   | 44             | 19              | 8                    | 0                  | 1                 |
| Most people who move here want to stay here permanently                                                     | 7              | 31              | 24                   | 9                  | 1                 |



|                                                                                                          |    |           |    |   |   |
|----------------------------------------------------------------------------------------------------------|----|-----------|----|---|---|
| <b>More should be done to consider options like tiny homes as a stepping stone for permanent housing</b> | 17 | <b>27</b> | 16 | 7 | 5 |
| <b>Applicants with locally desirable skills should get priority for housing</b>                          | 18 | <b>38</b> | 13 | 4 | 0 |
| <b>More should be done to create new crofts in the Dunvegan CC area</b>                                  | 20 | <b>29</b> | 13 | 9 | 2 |

- There was also strong support for the statement that local people have had to leave the area because they cannot find suitable housing in the area with 85% agreeing.
- When asked separately if respondents knew of any children or family members who have left the area but would like to return, 24% answered “yes” to this question.
- Following on from this, respondents were asked to rate the provision of services in the area. Whilst some services were rated as “good” overall, most received an overall rating of “poor”:

#### Good Provision

- Post Office
- Medical Facilities
- Active Community Council
- Places of Worship
- Local shop

#### Poor Provision

- Local Employment Opportunities
- Local Clubs and activities
- Local Pub
- Public transport
- Banking facilities
- Childcare provision
- Youth activities
- Broadband

#### Don't Know / Not Sure

- Support for older residents at home
- Support for residents with special needs

- Finally, all respondents were invited to leave any general comments and from the comments left, there seems to be a consensus about the need for more affordable housing to retain families and young people and the negative impact of second homes in the area:

*“Good affordable housing is vital to our community. More availability of affordable housing would reenergise our community and make it function better, making it more resilient.”*

*“New houses being built at school should have a priority for young local people - couples and families- before we take people in from other areas. It's important too that these people should as appropriate to family situations be working in area and contributing to economy.”*

*“Lack of affordable housing and lack of childcare are primary reasons for family member unable to move back to this area”*

*“Our children are considering future careers and universities - they will certainly leave Skye to study, our worry is that they'll never be able to afford to return & buy their own home nearby, and there's nowhere to rent because if all the second homes and holiday lets.”*

*“Good sized homes need to be built to enable young people to grow their household within it. Or at least make it easy to be extended for extra bedrooms for new kids in the family”*

*“Any houses being sold should not be to buyers who intend to let the property out. This is a small island which people come to for the scenery and they don't want to see row upon row of houses. It seems that people who have land can sell it or put another house on it without any consideration to why those around them bought their houses in the first place.”*

*“community centre should be open seven days a week, so there is always somewhere where folk can meet up, warm up, or socialise. A community pub would provide a space for socialising, combatting isolation, and listening to regular music and culture...there should be more sports clubs and activities for all ages... It would be great to have cycle paths connections, Struan, to Dunvegan to Edinbane and maybe Glendale to link in all the villages in NW Skye... it would be wonderful if a few more footpaths were added to the area.”*

*“Very concerned at the number of businesses for sale in Dunvegan - Kenny's garage, Old Bakery, Jans, Atholl House hotel, etc. Could there be community funding to support anyone local in buying these businesses?”*

# 3.Non- Residents Survey

## 3.1 Respondent Profile

18 people replied to the Non-Residents Survey

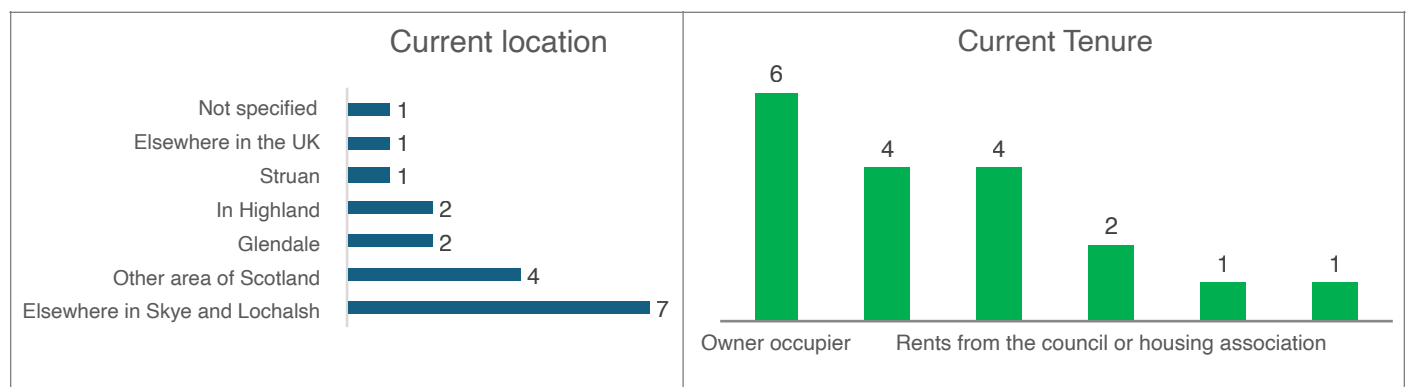


Most households looking to relocate are adult only households (8)

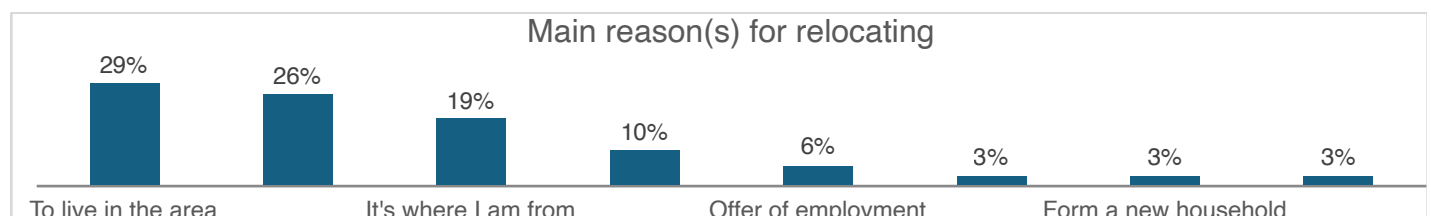


Most looking to relocate reside in the Skye & Lochalsh or Highland area currently

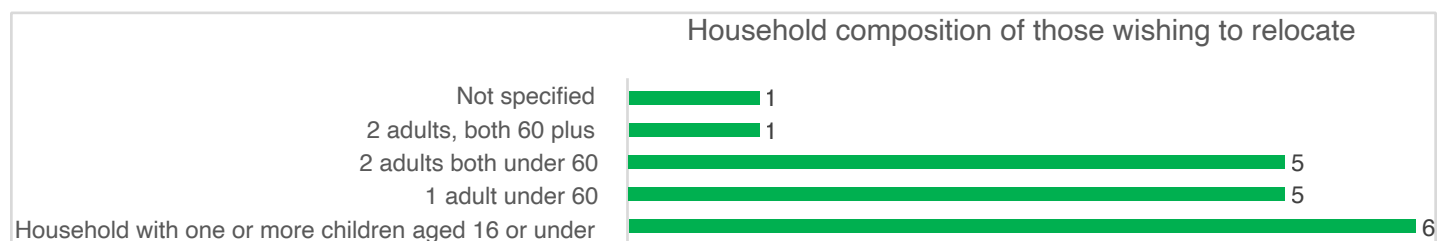
- The majority of those wishing to move to the area currently either live in Skye and Lochalsh (10) or elsewhere in Scotland (6).
- Most of those looking to move either currently own their home or are in a form of rented accommodation:



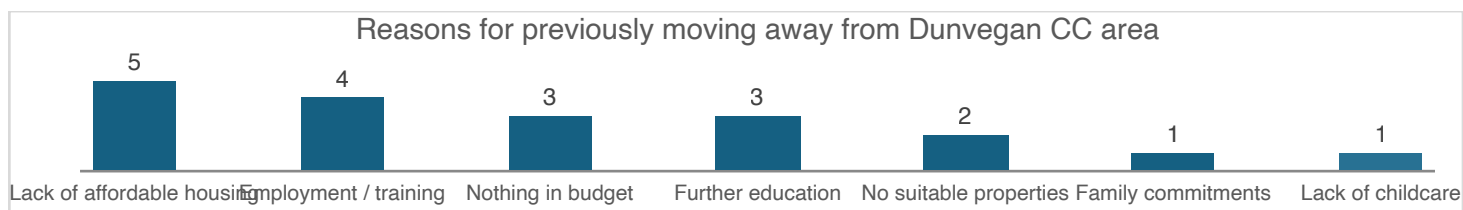
- There were various reasons selected for wishing to relocate, with wishing to live in the area and family support / connections being the top two reasons selected:



- The majority of households looking to relocate to the area are adult only households (60%). With 1 respondent not specifying, the remaining households are those
- Most of these adult households contain adults aged 60 or under so are therefore classed as being economically active (of working age and are employed or actively seeking employment). This may help local businesses in the area experiencing staff shortages due to a lack of local workers:



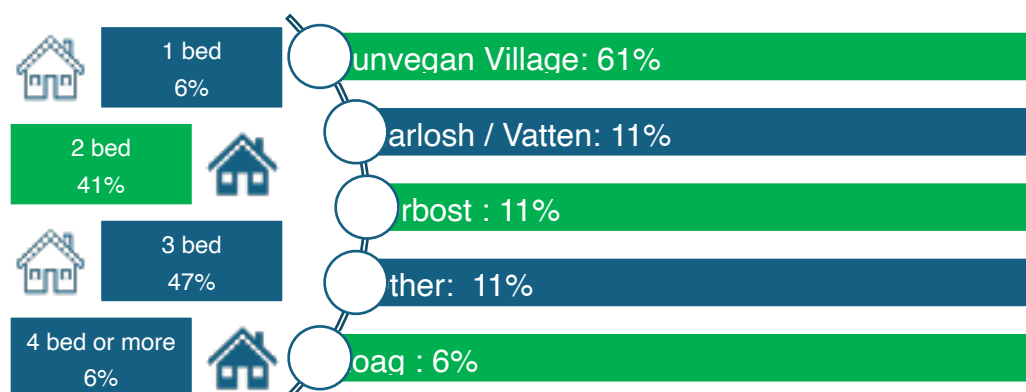
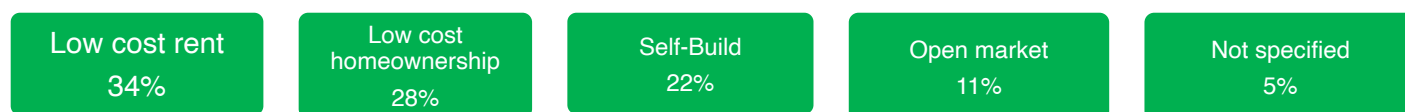
- Most respondents looking to relocate have either lived in the Dunvegan Community Council area before (7) or have lived elsewhere in Skye before (8).
- When asked what were the main reason(s) that contributed to them leaving Skye / Dunvegan various reasons were selected, with lack of affordable housing being the main reason selected followed by employment / training opportunity. All reasons selected were as follows:



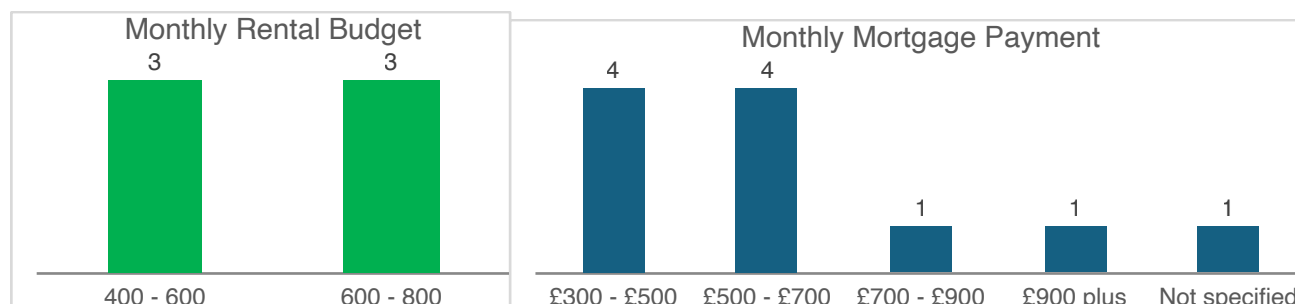
### 3.2) Housing Preferences for those wishing to relocate

- Similar to the resident's survey, respondents were given seven tenure choices and asked to select their first-choice tenure preference.
- There was strong interest in a variety of tenures from those looking to relocate with low-cost options, both to rent and buy, being the top two selected tenures along with a preference for 2 and 3 bed homes:

|                                | 1 Bed    | 2 Bed    | 3 Bed    | 4 bed or more | not specified | Total     |
|--------------------------------|----------|----------|----------|---------------|---------------|-----------|
| <b>Low cost rent</b>           | 1        | 5        | 0        | 0             | 0             | 6         |
| <b>Low cost home ownership</b> | 0        | 1        | 4        | 0             | 0             | 5         |
| <b>Self-Build</b>              | 0        | 0        | 4        | 0             | 0             | 4         |
| <b>Buy on the open market</b>  | 0        | 1        | 0        | 1             | 0             | 2         |
| <b>Not specified</b>           | 0        | 0        | 0        | 0             | 1             | 1         |
| <b>Total</b>                   | <b>1</b> | <b>7</b> | <b>8</b> | <b>1</b>      | <b>1</b>      | <b>18</b> |



- 0 respondents said “yes” to considering shared occupancy.
- Budgets for rental payments and mortgage payments varied and were as follows:



- A high percentage of those looking to move have already tried to find housing in the area (12). This suggests that these respondents are serious about moving and would do so, should they find suitable accommodation:

Nearly 70% looking to relocate have tried to find housing in the area already

Lack of suitable properties or nothing to rent within budget were the two main barriers identified to finding a home

### 3.3) Business Opportunities and Services

- Only a small number of respondents said “yes” to considering setting up a new business in the area if they were to relocate (4).
- Out of the 4 that said “yes” 3 have an existing business and 1 would be looking to set up a new business.
- Similar to the resident’s survey, respondents were asked to rate services and what services were important or not to them relocating.
- Overall, 10 out of the 16 services were overall rated either essential or important to relocating, including local school and medical facilities:

#### Essential

- Local school
- Medical facilities
- Local clubs and activities

#### Important

- Post office
- Local employment opportunities
- Active community centre and cafe

#### Not important

- Support at home for older residents
- Local places of worship
- Local pub
- Practical support for residents with special needs

- Finally, when asked what would make Dunvegan a more attractive place to live, most suggestions related to either improved activities /services, and more affordable housing for local residents:

*“I think Dunvegan is already rather attractive, fewer pot-holes in the road would be nice.”*

*“Investment into children, such as the school itself and out of school activities which are non-religious. Affordable housing.”*

*“More young people and places to meet people”*

*“Having youth facilities like it did in the past, and also having properties available for younger generations (instead of those who use these houses as a second home for a couple months in the summer) – this would establish a better community spirit, I believe.”*

*“Ensure where possible people can keep houses in their family. - Establish year-round winter activities/ industries that would reduce the loss of custom/ trend of people only using houses in the summer - Reliable and more frequent public transport system”*

*“To make Dunvegan a better place to live, several key issues need to be addressed. A major problem on Skye is the lack of affordable and reliable tradespeople. Many local trades charge exorbitant prices, often higher than anywhere else in the UK, including London. As a result, essential building and renovation work becomes prohibitively expensive for residents and businesses. Moreover, many of the houses built by local builders are not designed to withstand the harsh Skye climate.”*

*“Improving the appearance of Dunvegan itself is also crucial. The area around the Fruit and Nut Shop and the Misty car park gives a poor impression of the village. The sight of abandoned vans around the shop and the general ramshackle state of the area makes Dunvegan look run-down, which is a bad advert for visitors.”*

## 4) Business Needs Survey

### 4.1 Profile of Respondent looking to set up a new business in Dunvegan area

- Only 1 respondent would be looking to set up a new business in the Dunvegan CC area.
- They are a current resident in the area and the profile of their new business is as follows:

The new business would be in  
Marine Tourism

The business would be based in  
Colbost and would require  
designated workspace

They would look to employ 2 to 5  
employees for the new business,  
some of whom would be seasonal



- When asked for further detail on workspace requirements, this respondent would be looking for a shed and has already identified some suitable options.
- However, when asked to identify the biggest barriers to setting up a new business, 2 were identified namely:

Lack of staff

Lack of housing for employees

## 4.2 Profile of Respondents with an established business in Dunvegan CC area

12 respondents have an established business



8 respondents have additional employees



1 business operates in the public sector and the majority of other businesses operate in the hospitality sector



Most respondent businesses are based in Dunvegan Village



- The majority of respondent businesses hire additional staff (8) and a breakdown of business type and employees is as follows:



6 businesses employ all or some of their staff on a full time basis

5 business employ staff on a seasonal basis

8 businesses employ all or some of their staff on a part time basis

- Most respondent businesses are classed as micro-employers, employing 10 or less staff.
- When asked the locations where staff are recruited from, 5 out of the 8 that answered the question (63%) either employ from the local Dunvegan Community Council area or North West Skye area.

- Other locations that businesses recruit from were: UK wide (2) or other options (1).
- In total, 5 respondents said “yes” to having to rent, build, or buy property to house staff to keep their business running and this was at a considerable cost in money and time to all 5.
- All 5 businesses are based in Dunvegan village and the sector of these businesses is as follows:



- Only 1 out of the 5 left a further comment:

***“We have built staff accommodation as we felt there was no choice. Having needed it we have also been lucky this year to have enough local staff not to need it, but we need that as back up.”***

### 4.3 Businesses that have experienced staffing and recruitment problems

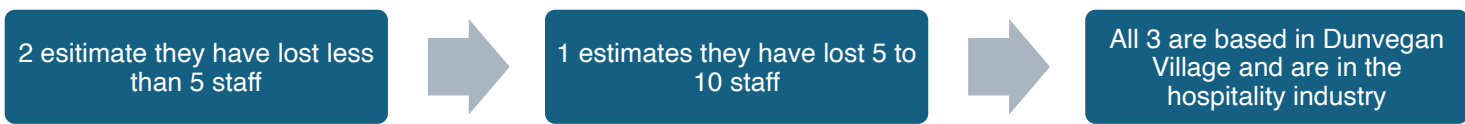
4 businesses have had problems recruiting staff due to a lack of skilled workers locally

4 businesses have experienced problems recruiting or retaining staff due to the lack of affordable housing

2 have had candidates turn down job positions due to not being able to secure housing in the area

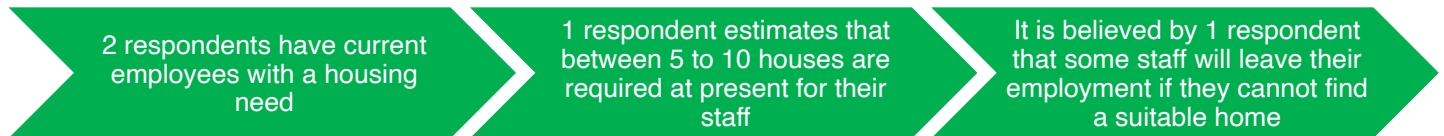
3 have had staff leave their employment due to them not being able to secure suitable housing

- The Skye Business Housing Needs Study conducted in 2022, commissioned by Skye Connect, found that up to 1,700 jobs across Skye and Lochalsh were vacant during the year because workers could not find a home in the area. Furthermore, two in five businesses reported having recruitment problems.
- In response to this survey, 3 businesses have had to curtail business hours/service provision or growth due to staff issues in the area. 2 out of the 3 businesses are based in Dunvegan Village, the other in Harlosh/Vatten. Respondents left the following comments in relation to this issue:
  - “Curtailed business growth to keep it manageable for a couple”***
  - “Always - if we had more staff we could operate 7 days a week”***
  - “Not making the most of all opportunities for business growth by choice due to staffing number restrictions”.***
- In addition to this, 2 out of the 3 businesses also said “yes” to staff turnover being affected by the lack of affordable housing in the area. One commented that ***“there is no housing - affordable or otherwise”***. The other respondent commented, ***“One staff member had to move away and so leave this year.”***
- 4 businesses have experienced problems recruiting and/or retaining staff because of a lack of suitable housing. 2 of these businesses recruit UK wide and the other 2 from North West Skye. All 4 respondents currently provide some form of housing for their staff.
- Respondents who stated that they have lost experienced staff, due to not being able to find a suitable home were asked to estimate the number of staff that have left. 3 respondents chose to answer this question:



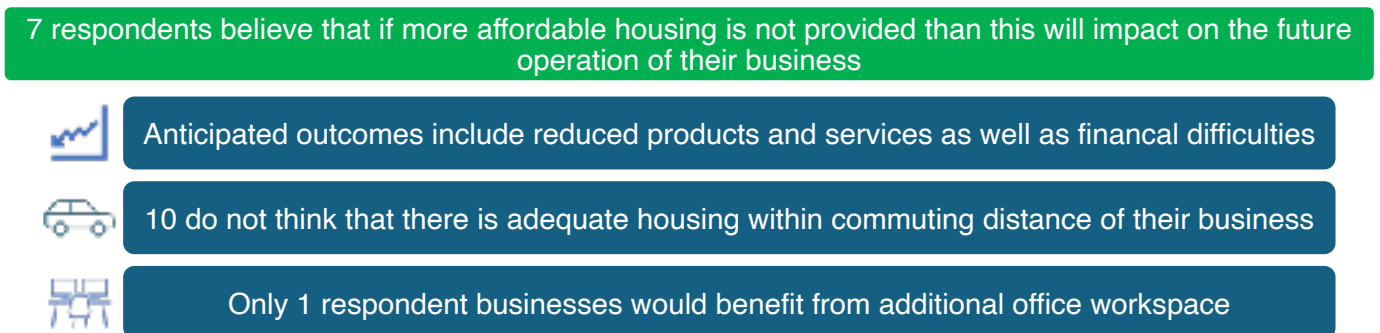
- Likewise, when recruiting for staff, 2 have had staff turn down job offers due to not being able to find secure housing locally. The main reasons attributed to people not being able to find suitable housing were the lack of affordable housing to rent and the lack of temporary accommodation for seasonal workers.

#### 4.4 Businesses with employees that have a current housing need

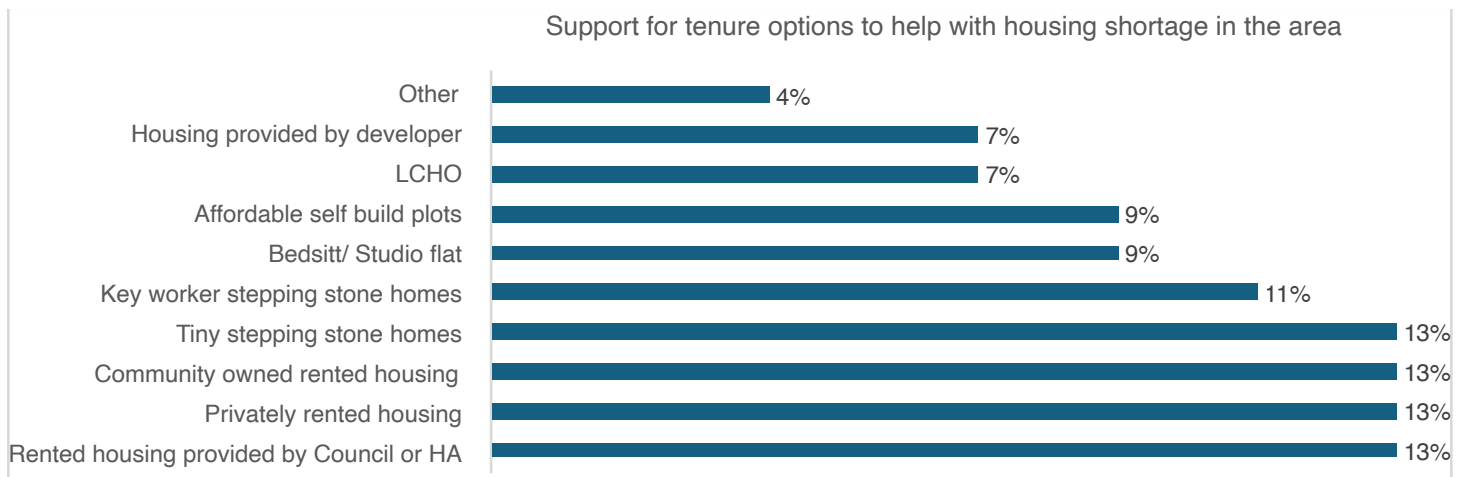


- Businesses having employees with a housing need is a cause for concern. As reported above in Section 4.3, some businesses in the area have already been affected by staff leaving their employment due to not being able to find a suitable home.

#### 4.5 Views on Housing Provision and Workspace Requirements

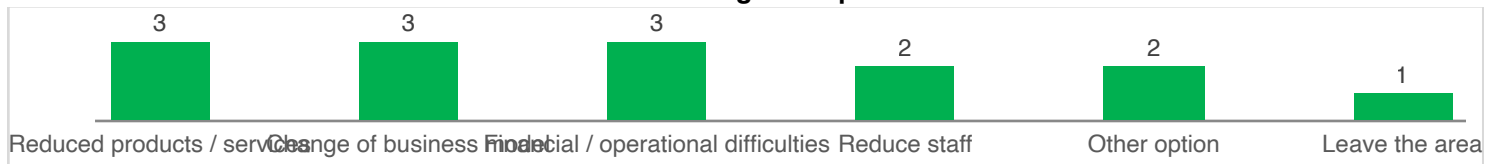


- At present, 6 respondents said “yes” to the shortage of housing impacting the operation of their business.
- Respondents who report their businesses have been impacted by a shortage of housing and/or those who believe there is inadequate housing in commuting distance were asked to select their favoured tenure options.
- Overall, a mix of options were selected with the rental options of community owned, private rent and renting from housing association / housing association, being the top 3 tenures selected:



- There was also support for both tiny stepping stone homes (13%) and key worker housing prior to permanent housing being found (11%).
- Looking to the future, 7 believe that if more affordable housing is not provided then this will negatively impact on their business with the anticipated outcomes being:

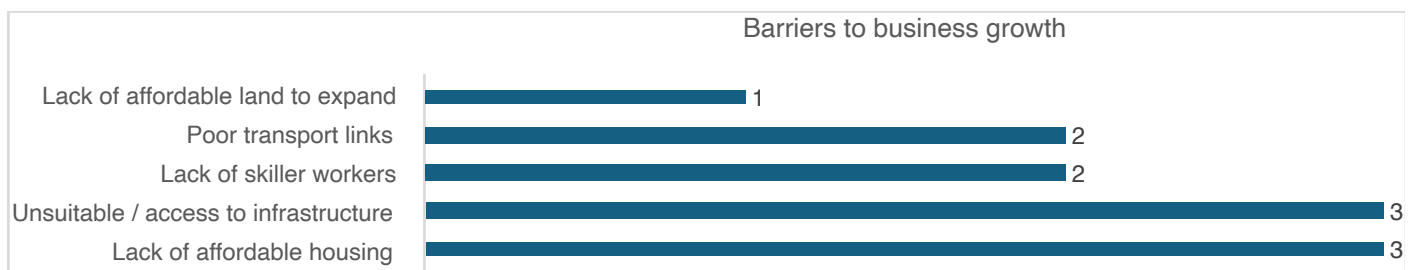
**Chart: Outcome on businesses if more affordable housing is not provided**



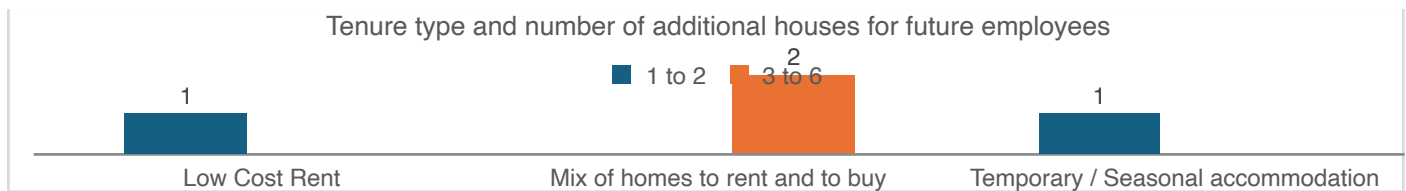
- 1 respondent business would benefit from additional workshop working space. The business is based in Roag.

## 4.6 Business Growth and the Future

- When asked if it is anticipated that your business will grow within the next 5 years, it is encouraging that 5 businesses answered “yes”.
- 4 out of these 5 businesses that anticipate growth also anticipate that housing will be required for additional employees.
- However, a number of barriers were identified that could limit business growth, with the top two factors being the lack of affordable housing and unsuitable / access to infrastructure. All factors identified were as follows:



- When asked how many houses would be required and anticipated tenure types for additional employees, numbers varied for each business as did tenure types, but it appears that a mix of homes to rent and buy would be the best solution:



- Finally, respondents were asked what the biggest barriers are to running their business. Only 4 out of the 5 respondents answered this question but all agreed that the lack of skilled workers in the area was the biggest barrier followed by lack of affordable housing (3)

*Increasing numbers of visitors who are flocking to skye each year is a fantastic commercial opportunity for many local businesses that rely on their spending power, but there is a chronic lack of government and local council engagement and positive target based assistance in all areas that need investment and joined up strategy to manage this welcome growth more effectively.*

*We often hear that young people leave Skye because they cannot afford to buy property here. However, just like other young people throughout the UK, they almost always move to one of the big cities where they get a job and buy a house which is usually much more expensive than most of the houses on Skye. This implies that the underlying issue is a lack of well paid, permanent, non-seasonal jobs in this area. If the jobs were here then the houses here (which are actually much cheaper than equivalents in the cities and suburbs) would be affordable to many more people and the demand would result in more houses being built.*

## 5) Final Conclusions

The survey results offer a snapshot of housing need at a particular point in time, and across a large area made up of several settlements with varying needs. The results have shown that there is a clear need for affordable homes driven by the existing residents, home leavers and businesses. Therefore, a community-led project could be considered in the locality, where communities have more control over who will be offered a home to complement the housing delivered by other providers.

Based on the evidence provided by respondents with a need currently and within five years, local people are most interested in Low-Cost Home Ownership, Low-Cost rental homes and buying on the open market. Most have chosen either a 2- or 3-bed home as their preference. Taking into consideration demand from the surveys it would be recommended to provide up to 25 homes throughout the whole Dunvegan Community Council area. This may be phased over time and it would be beneficial to explore opportunities for small scale developments, like property renovations, to help meet this need. It should be recognised that economic drivers can rapidly increase demand for housing and this target should be regularly reviewed to ensure that there staged delivery of affordable housing in Dunvegan.

Subject to funding conditions there may also be an option, where open market housing can be provided, of reinvesting the surplus from these sales as a cross-subsidy to help finance affordable housing developments – either as part of the same project or elsewhere. These options should be fully explored along with funding possibilities for community-led housing from both the Rural & Islands Housing Fund and The Scottish Land Fund.

Finding solutions to meet the demand throughout the area may require a phased approach with support from strategic partners and funders. An important focus of the work is to identify opportunities to retain and attract people, exploring the provision of a range of suitable housing tenure models, including social

housing, community-owned housing for rent, discounted housing to buy, self-build plots and work at home options. A broad range of housing tenures will ultimately help to encourage more collaborative partnership working and inward investment opportunities. This in turn will help to support the existing local economies, services, infrastructure and businesses to be more sustainable, thereby enhancing the opportunities for growth.

## 5.1) Next Steps

- Use survey findings to guide the planning process, alongside the Local Place Plan and the Dunvegan Community Action Plan, where applicable
- Based on the survey findings, create a housing strategy to establish a clear way forward for delivering new homes and housing options.
- Explore and raise awareness of community-led housing, with public consultations and clear explanations of the route forward for community-led projects. For example, CHT can provide a clear route by talking through our [Routemap](#).
- Run a local event to raise an understanding of the range of housing options and delivery opportunities available to rural communities. The survey suggests that maybe some people are concerned about more housing development in Dunvegan and surrounding areas, and this should mitigate some concerns.
- Maintain open dialogue within the wider Highland Council & Highlands and Islands Enterprise in relation to the future housing strategy and to identify suitable locations for development. The number of future potential households must continue to be a consideration for any future housing provision.
- Review Scottish Government funding initiatives to develop new targeted options that are specific to the area, based on the requirements that can be drawn from the results of this research. This can be done by determining the most appropriate initiatives, tenure, and size to fit the requirements of each community.
- Explore the options for partnership working with key stakeholders such as the NHS, Highland Council, local businesses, local landowners, or housing associations. This can broaden the scope of any future project and can provide further project viability, expertise, funding streams and support.
- Secure support from Highland Council to ensure that any development aligns with and complements their Strategic Housing Investment Programme.
- Consider the local housing needs derived from businesses and the skill shortages locally to evidence the requirement to provide affordable housing options to businesses. Discuss opportunities for key local businesses and social enterprises to develop the most flexible solutions.
- Identify empty properties that could be renovated or converted into affordable housing. Consider the best route for delivery including community-led, local authority, Registered Social Landlord, CHT or the private sector.
- Future proof new developments as much as possible by exploring the use of renewable energies on or off site to help provide power supplies / energy storage to new homes. Explore funding routes at an early stage.

- Explore complementary uses for sites which would sit alongside new housing such as seasonal accommodation, office accommodation, community shop, community campsite or private housing. These can reduce risk, attract additional funding options, and provide benefits to the community.
- Explore a multi-sectoral approach in the area where local businesses, the care sector and larger private businesses that are operating in the area work together to increase investment in housing for their employees and contribute to a circular economy. Costs of materials, attracting tradespeople, and improving infrastructure could be reduced and shared if there is a multi-partner, cross-portfolio approach, and CHT can help with this.

## Appendix 1 - Tenure options summary

There are a wide range of housing models available which can offer secure homes for those in housing need. Below is a very short summary of some of the tenure options available and suitable for small scale rural development:

### **Low-Cost Rent**

*Social Rented Housing* – Is provided by the local authority or by housing associations. This is the most affordable rented housing option, offering secure tenancies. Households wishing to make an application need to register with local authorities or Registered Social Landlords (RSL's)

*Mid-Market Rented Housing* – is provided by several organisations to provide rented housing at a lower cost than market rent.

*Community Owned Rented Housing* – where the community owns the home and it is rented out, usually at social rented housing levels.

*Market / Private Rent* - provided by Private Landlords. Rents are set at the discretion of landlords and are dependent on market forces in the area.

### **Low-Cost Home Ownership**

There are various options under this model, but popular options include:

*Discounted Homes for Sale* – This is where the selling price of the home is discounted by at least 20% and the discount is secured by a mechanism called the Rural Housing Burden. An affordability assessment is undertaken to ensure purchasers cannot afford to purchase a similar home at full open market prices.

*LIFT – New Supply/ Open Market Shared Equity* – are schemes usually provided by Housing Associations, which usually form part of mixed developments including social housing and other tenures. Purchasers can buy a share in the property of between 60% and 80%, depending on affordability.

*Rent to Buy Scheme* –It offers a home to rent for typically 5 years, cash-back on select projects and the option to purchase the home with a discount of at least 20%. Communities can adapt (adopt?) this scheme.

### **Self-Build**

*Discounted Self-build Plots* – are offered for sale at less than market prices. CHT offers a range of self-build plots with discounts protected with a Rural Housing Burden. <http://www.chtrust.co.uk/rural-housing-burden>

*Market Plots* – are for sale at the open market valuation through a range of sellers.

*Self-Build Loan Fund* – The Self-build Loan Fund offers bridging finance to those finding it difficult to secure through high street lenders. <https://www.chtrust.co.uk/scotland-self-build-loan-fund.html>



*Crofter's Housing Grant Scheme* – is available to registered crofters to build a new home or to renovate an existing property. It is means tested and can be used with the Self-build Loan Fund, so long as the plot for the house has been de-crofted. <https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/croft-house-grant/>

*Community self-build plots* – many community landowners can provide discounted self-build plots for sale. Contact CHT to discuss the options. *Woodland Crofts* – can offer a valuable supplementary income resource and look after the environment. For information on getting a croft or developing crofts on your land, refer to: *Woodland Crofts | Supporting Lives & Livelihoods through Managing Woodland*