

**STRATEGIC HOUSING FUND APPLICATION – ISLAND OF ULVA**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to update members on progress in relation to the refurbishment of 6 properties on the island of Ulva by the North West Mull Community Woodland Company (NWMCWC) and to request an additional Strategic Housing Fund payment to enable the delivery of the 6 affordable houses on the island of Ulva.

**RECOMMENDATIONS**

Members are asked to approve the sum of £90,663 from the Strategic Housing Fund. This is in addition to the £12,000 per unit (£72,000 in total) Officer mandate grant already approved from the Strategic Housing Fund for this project.

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**2.0 INTRODUCTION**

- 2.1 The North West Mull Community Woodland Company (NWMCWC) purchased the island of Ulva in 21<sup>st</sup> June 2018 via the Community Right to Buy process. The purchase price was £4.65 million with £4.25 million funding from the Scottish Land Fund. The remainder of the funding came from other sources such as private donations, local and internet based fund raising. One of the key actions of the NWMCW was to refurbish the 6 properties of the island of Ulva to assist with the repopulation of the island.
- 2.2 The Council has previously approved significant Strategic Housing Fund contributions to enable the delivery of affordable housing in areas of high housing need in the local authority. In November 2021, the Council approved £168,999 from the Strategic Housing Fund to enable the development of 5 affordable houses at Port Mor on Colonsay.

**3.0 RECOMMENDATIONS**

- 3.1 Members are asked to approve the sum of £90,663 from the Strategic Housing Fund. This is in addition to the £12,000 per unit (£72,000 in total) Officer mandate grant already approved from the Strategic Housing Fund for this project.

**4.0 BACKGROUND**

- 4.1 In June 2018, the North West Mull Community Woodland Company (NWMCWC) purchased the island of Ulva via the Community Right to Buy process. The purchase price was £4.65 million with £4.25 million funding from the Scottish Land Fund. The remainder of funding came other sources such as private donations, local and internet based fund raising. Funding was put in place for a Development Manager, a part time Administrator, a Land Use survey, a Bio Diversity Action plan survey and initial design work for the housing refurbishment.
- 4.2 One of the key aims of the NWMCWC for Ulva is to repopulate the island from 5 residents to 20 residents in the first 10 years initially through renovating the

existing properties on the island. Work is also ongoing with ACHA to look at building 5 new affordable houses on the island by 2024. Bringing new people to Ulva will be both critical to developing a thriving and sustainable community and ensuring there are a range of skills to help deliver the projects proposed for the island. This fits well with the council's priority to increase our population.

- 4.3 In conjunction with the housing provision there are plans to restore and repurpose the listed buildings of Telford Church and Ulva House in due course and as funds permit.
- 4.4 Plans to return abandoned and neglected agricultural land to productive use have been implemented as part of a 5 year ACES programme (Agri Climate Environment Scheme). 34 Highland cattle were purchased in 2019, new stock fencing has been installed and some bracken control measures carried out. A new stockman is due to start work at the beginning of June 2022. An overall Land Management Plan has been developed and a full ecological survey of the island undertaken. An upgrade to the pier at Ulva Ferry is underway which will make it safer for the fishermen (there are 7 boats based there) and users of the Ulva Ferry.

## **5.0 DETAIL**

- 5.1 NWMCWC is currently part way through the refurbishment of the 6 existing properties, at an estimated cost of £1.8M. All were deemed to be below the Tolerable Standard so required extensive work to turn them into modern and affordable housing stock. Essentially each property is being stripped back internally to the bare walls and rebuilt (including new roofs where necessary). All houses will be fully insulated, double glazed and new air source heat pumps are being installed to ensure they are as energy efficient as possible.
- 5.2 During the course of renovations it has become apparent that the existing septic tanks serving the properties have not been emptied for years and as a result are now broken beyond repair and not functioning. They all require to be replaced. This is outside the original scope of the works agreed for the refurbishments but critical to NWMCWC's ability to let the renovated properties.
- 5.3 Two new treatment plants, repairs and improvements to the existing sewerage system are required at a cost of £72,530. Due to Ulva's geology rock breaking equipment is required to prepare sites at both Fisherman's Cottage and Bracadale. The contractor has stated clearly that the costs are indicative, in so far as they cannot tell precisely how long it is going to take to remove the rock. The other issue that have raised concerns about is with regards the state of the present access tracks and their ability to get machinery of the required size and nature out to each location, in order to actually do the work. No provision has been made for any costs that would be associated with the repair/improvement/upgrade of these existing tracks.
- 5.4 These costs are inclusive of transportation of the units and appropriate site preparation equipment to the island. However, given that the extent of the excavations required and the ease with which it can be done, is at the time of

writing this report unknown (as articulated above), a 20% contingency sum of £18,133 has been added to the sum requested – this will only be issued to NWMCWC if required. In the event of the full amount not being required, the remaining funds will be returned to the Strategic Housing Fund.

## **6.0 FUTURE PLANS**

- 6.1 It is important to acknowledge the new housing is not being taken forward in isolation and conforms to an approved masterplan. NWMCWC are putting in place plans to maintain and upgrade critical infrastructure on the island. A new UV water treatment unit is due to be installed by the end of June. This will provide sufficient capacity to cover projected increases in population levels and visitor numbers. Longer term, it has been recommended that the primary source for the water on Ulva be changed from the current spring source back to the original reservoir source, again so there is sufficient storage capacity to deal with increasing demand as the island population and the island economy grows. This will require NWMCWC to source additional funding at some point to cover the costs of repairing the existing reservoir and installing new pipe work and a settling tank.
- 6.2 Proposals for a new ferry with capacity to goods as well as passengers have been drawn up with assistance from a naval architect and it is hoped that this can go forward to an Islands Infrastructure Fund in the future. Having a new, fit for purpose boat will make the logistics of maintenance and development activities much easier as well as having a positive impact on the costs of undertaking such work in the future.
- 6.3 Any new housing built on the island in addition to the work that is already underway, will require to have its own sewage treatment system.

## **7.0 CONCLUSION**

- 7.1 This report provides the detail of the additional works required to enable the delivery of 6 affordable homes on Ulva. The costs of this additional work are clearly set out in the report. The Ulva community have an ambition to grow their population and their economy following the purchase of the island. The provision of affordable housing in remote rural and island areas of Argyll is essential to the economic and population growth objectives of both the Ulva community and the Council.

## **8.0 IMPLICATIONS**

- 8.1 Policy - Complies with the objectives of the Local Housing Strategy.
- 8.2 Financial - £90,663 will be required from the Strategic Housing Fund.
- 8.3 Legal - we have a statutory duty to deliver statutory housing functions

- 8.4 HR – none.
- 8.5 Fairer Scotland Duty: positive in terms of delivering affordable housing.
  - 8.5.1 Equalities - protected characteristics - none
  - 8.5.2 Socio-economic Duty - positive in terms of delivering affordable housing.
  - 8.5.3 Islands – positive in terms of delivering affordable housing on the islands
- 8.6 Climate Change – the upgrading of housing will have a positive impact for energy efficiency and climate change.
- 8.7 Risk – none.
- 8.8 Customer Service – none.

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