

HOUSING EMERGENCY – WORKER ACCOMMODATION PROPOSALS - ISLAY

1.0 EXECUTIVE SUMMARY

- 1.1 The main purpose of this report is to provide information on a worker accommodation proposal in Bowmore on Islay to enable essential HSCP services to be delivered to our communities and to request Strategic Housing Fund grant to support this proposal.
- 1.2 The report confirms the requirement for the Council to work with partners to enable an innovative housing solution using an existing building in Bowmore, Islay.

RECOMMENDATIONS

It is recommended that Council:-

- i. Approve a grant of up to £145,000 from the Strategic Housing Fund to enable an NHS property in Bowmore, Islay to be brought back into use for HSCP staff delivering health and social care services on the island. This contribution will be match funded by the NHS.

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2.0 INTRODUCTION

- 2.1 As the strategic housing authority for Argyll and Bute, the Council has a statutory duty to assess the need and demand for housing in the area and to ensure that any unmet need for housing is addressed through the Local Housing Strategy (LHS) and the Strategic Housing Investment Plan (SHIP).
- 2.2 The Council declared a housing emergency in June 2023. One of the main issues identified was the lack of worker accommodation in Argyll and Bute. If the lack of worker accommodation is not addressed there will be a serious impact on the general economy but more specifically there will be a risk that essential health and social care services will not be delivered in communities across the local authority area.
- 2.3 A housing summit took place in Oban on 27th November 2024. The 4 broad themes of the summit focused on the delivery of more market homes, the delivery of more affordable housing, the delivery of more workforce housing and how partners make best use of existing housing. The proposal in this paper will help to tackle the issue of delivering more workforce homes through bringing a property back into use in an area of high demand for housing.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Council :-
- i. Approve a grant of up to £145,000 from the Strategic Housing Fund to enable an NHS building in Bowmore, Islay to be brought back into use for HSCP staff delivering health and social care services on the island. This contribution will be match funded by the NHS.

4.0 DETAIL**Background: The Housing Situation on Islay**

- 4.1 There are around 1962 homes on the island, of which 14% are deemed ineffective in terms of meeting local needs, i.e. 192 are second/holiday homes

and a further 82 are empty/long term unoccupied. In addition, there are also currently 203 self-catering units on the island.

- 4.2 ACHA, West Highland Housing Association and Trust Housing Association currently provide 480 properties for social rent on the island; which amounts to 24% of the total dwelling stock or 28% of the occupied stock.
- 4.3 Affordability on the open market remains a significant issue for local residents. The average archived house price on Islay for the last 12 months is £268,947 which would require a household income of £76,842 to be considered affordable. 75% of residents on the island cannot afford to purchase on the open market; and therefore require alternative affordable options such as social rent and shared equity.
- 4.4 Expressed demand for RSL housing is registered via the HOMEArgyll waiting list, and currently there are 202 active applicants with Islay as first or second area of preference. 142 of the 202 applicants have been awarded housing need points (HOMEArgyll Waiting List, May 2024). Turnover of social rented property has been relatively low on the island resulting in a pressure ratio of 6 applicants to every allocation rising to 7 applicants for every allocation of a 1 bedroom property.
- 4.5 The HSCP have indicated that health and social care services are being impacted significantly on Islay due to lack of housing options for staff. HSCP have set up a working group with a focus on accommodation for staff on Islay. There is a risk that the HSCP will not be able to recruit staff to live on the island to provide care at the care home and care in the community. There is a risk that the existing health and social care facilities on the island will not be able to be utilised to capacity if the worker accommodation issue is not addressed.

Solution

- 4.6 The Strategic Housing Fund grant will enable the HSCP to bring an NHS owned empty building back into use. The empty building is a former dental surgery in Bowmore. The funding will deliver a 2 bedroom property for HSCP staff or staff from other organisations contracted by the HSCP to deliver health and social care services on the island. This is an innovative approach which makes best use of existing buildings on the island.
- 4.7 This former dental surgery in Bowmore has been identified as surplus to requirements by NHS Highland and could be redeveloped for the provision of HSCP worker accommodation to help address the urgent shortage of housing on Islay for HSCP staff. A costing exercise of various design options was carried out in June 2024 to inform decision making with the assistance of IDP Architects and Allied Surveyors Scotland. This included consideration of demolition and new build. The option appraisal concluded that conversion of the property, with a total project cost of £239,200, was considerably more cost efficient. Moreover, given the HNS consenting process required for demolition, it will produce a significantly quicker solution with less development risk, an important consideration given the pressing HSCP need. The proposed conversion option has been granted planning consent.

5.0 CONCLUSION

- 5.1 The Committee is asked to approve the recommendation to award a grant of £145,000 from the Strategic Housing Fund, with the purpose of enabling the delivery of worker accommodation on Islay which will provide a 2 bedroom worker accommodation property. The Strategic Housing Fund was created to allow for allocations in support of priority projects emerging from the Local Housing Strategy and the requirement to address the shortage of worker housing is not only identified within the Local Housing Strategy but has emerged as a key priority in addressing the Housing Emergency which was declared in Argyll and Bute in June 2023.

6.0 IMPLICATIONS

- 6.1 Policy – The proposal is consistent with current Council policy which supports the Local Housing Strategy vision and outcomes which are directly aligned to the overarching objectives of the Outcome Improvement Plan. The proposal does exceed the designated Officer approval for use of the Strategic Housing Fund to enable the delivery of affordable housing which is £12,000 per unit.
- 6.2 Financial – There are sufficient funds in the Strategic Housing Fund to support the proposal.
- 6.3 Legal – None.
- 6.4 HR – None.
- 6.5 Customer Service – None.
- 6.6 Risk – there is a risk of depopulation, damage to the economy, a risk to delivering essential services if partners cannot effectively tackle the Housing Emergency.
- 6.7 Climate Change – making best use of existing stock by bringing empty properties back into use and installing energy efficient measures helps towards achieving climate change targets.
- 6.8 Fairer Scotland Duty – the delivery of housing opportunities across Argyll and Bute facilitates socio-economic opportunities for all.
- 6.9 Equalities – protected characteristics – the activity outlined in the report is consistent with the aims and objectives set out in the Local Housing Strategy which is subject to an EQIA.
- 6.10 Consumer Duty – this housing project delivers opportunities for affordable accommodation and will enable key workers to deliver services.
- 6.11 Island Communities – this project delivers housing on an island within Argyll and Bute.
- 6.12 Children's Rights and Wellbeing – the delivery of this worker housing assists in the delivery of key health service to children.

Policy Lead for Housing – Councillor Jim Lynch

May 2025

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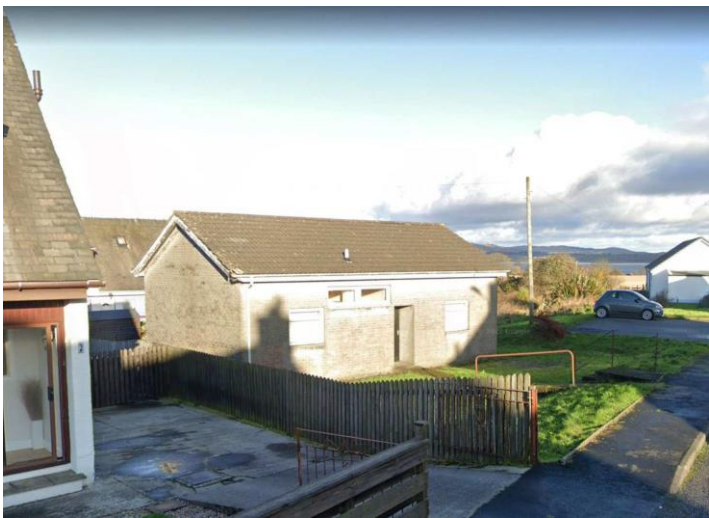
APPENDICES

Appendix 1 – Photos of existing building, current layout and proposed layout

(a)



(b)



(c)



(d)



(e)



(f)



(g)

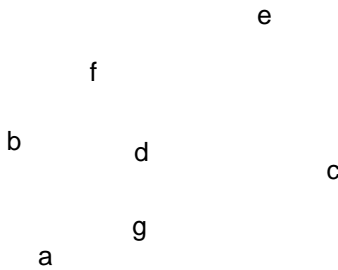



Photo Reference Key

1 : 500


Note: Photos are a mix of Google Street View and archive information, therefore accuracy cannot be guaranteed.

Rev	Date	Description
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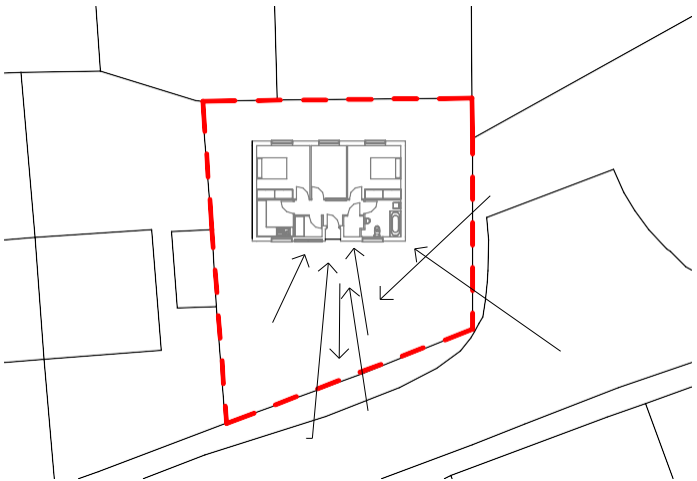
Studio 1, Doges
Templeton on the Green
62 Templeton Street
Glasgow G40 1DA

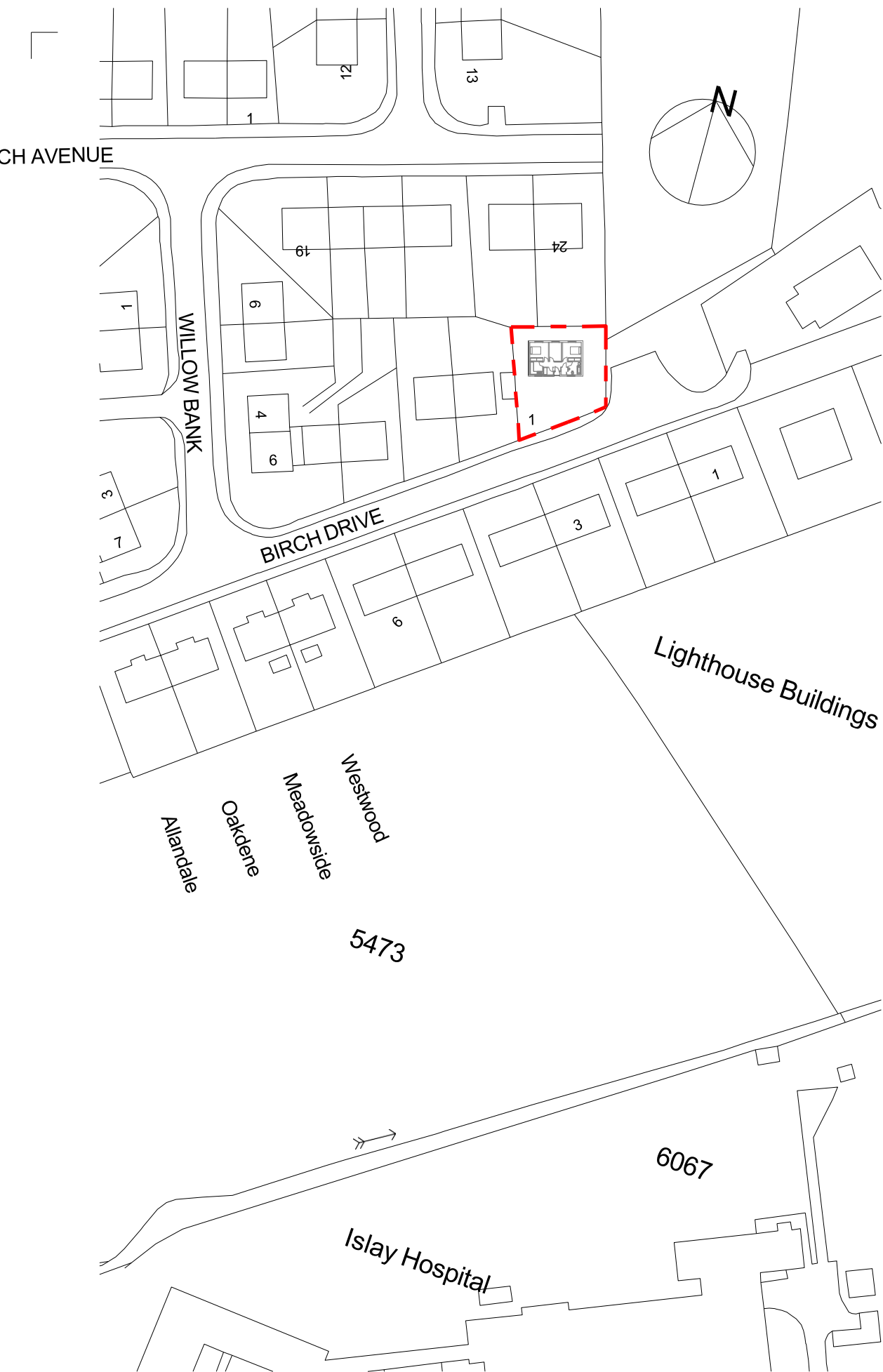


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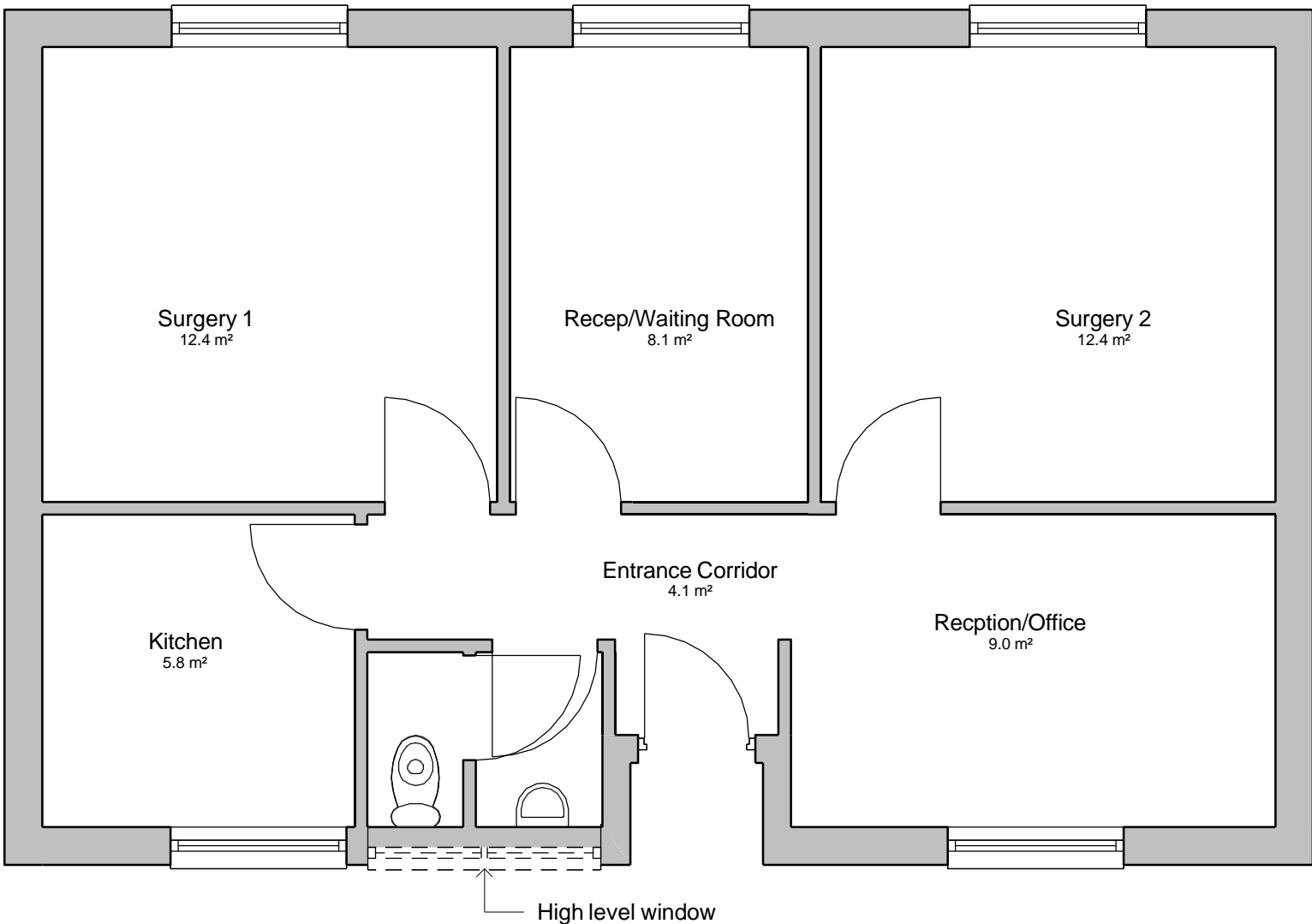
Project	Drawn	Checked
2 Bed Staff Residences Birch Drive, Islay NHS Highland	JB	GB
Drawing Title Site Photos	Date 15.06.22	Cad Ref

Drawing No. 22023 01	Rev	Scale@A3 1 : 500
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Location Plan



Existing Plan
1 : 50

Rev	Date	Description
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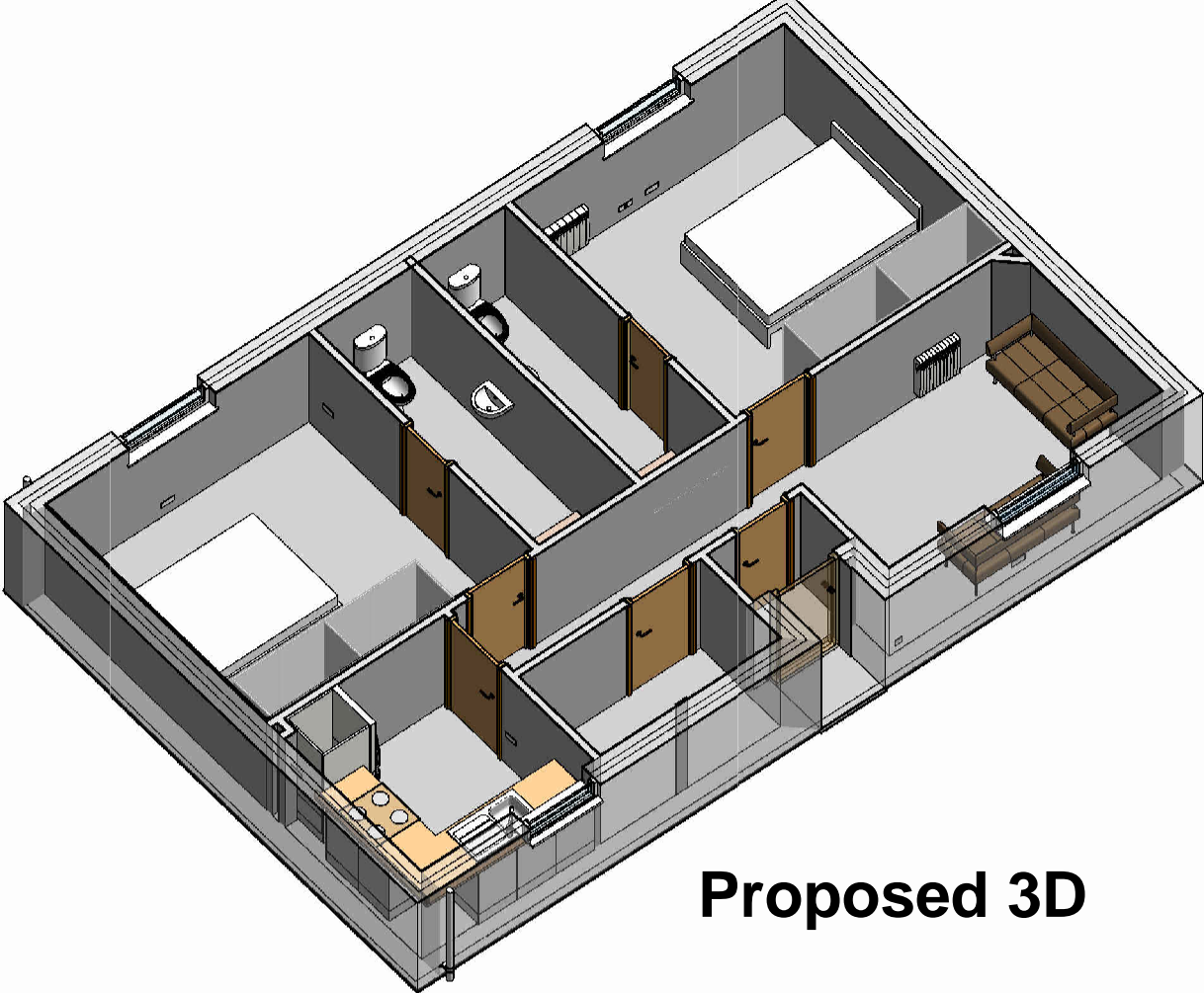
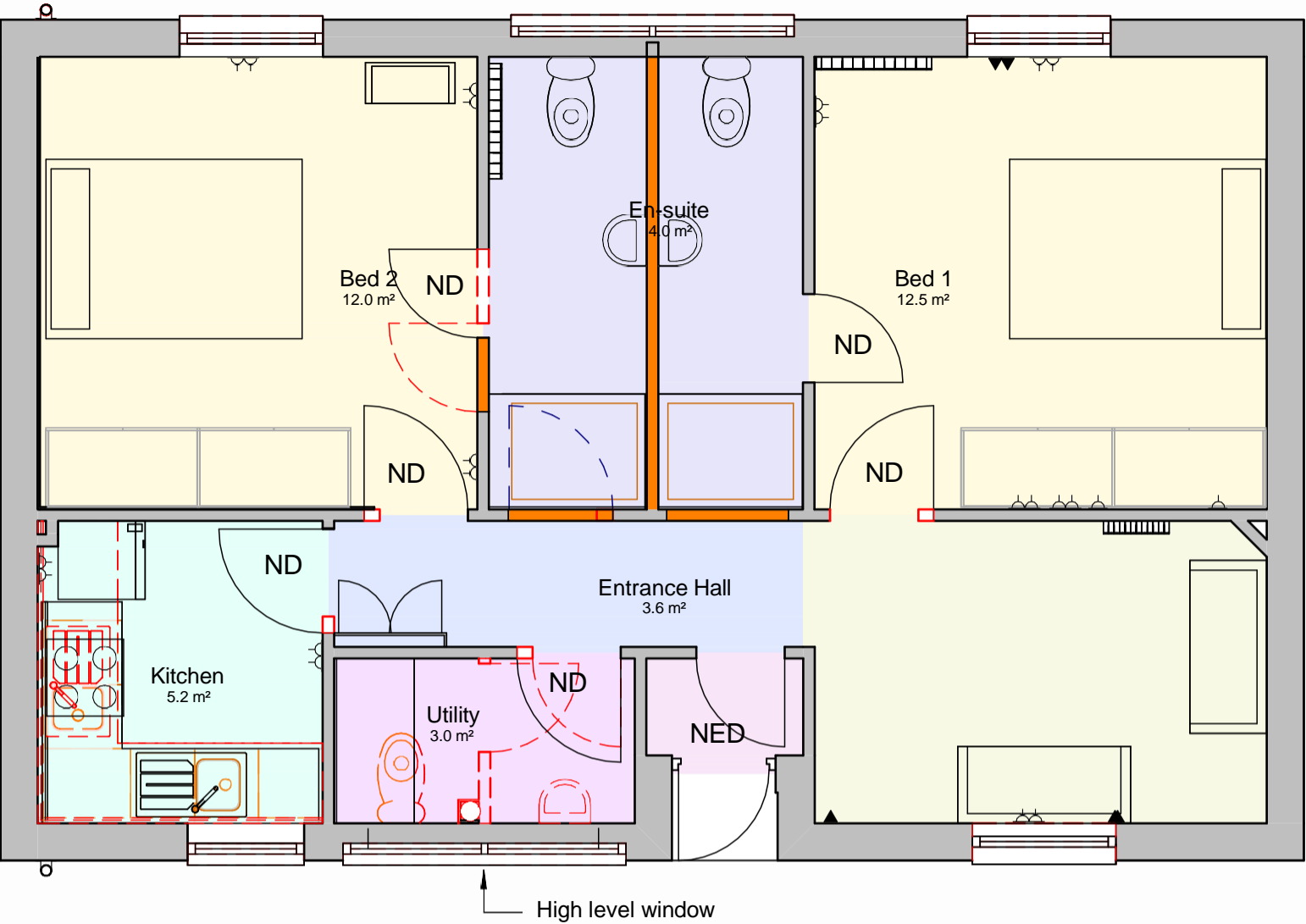

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Project 2 Bed Staff Residences Birch Drive, Islay NHS Highland	Drawn JB	Checked GB
Drawing Title Location Plan & Existing Floor Plan	Date 15.06.22	Cad Ref

Rev

Scale@A3
As indicated





Proposed Plan
1 : 50

Room Schedule		
Name	Area	Comments
Bathroom	Not Placed	Room fitted with new fixtures & fittings
Bed 1	12.5 m²	
Bed 2	12.0 m²	
En-suite	4.0 m²	
En-suite	4.4 m²	
Entrance Hall	3.6 m²	
Kitchen	5.2 m²	Room fitted with new kitchen fixtures & fittings
Lobby	0.9 m²	
Sitting Area	8.4 m²	
Store	Not Placed	
Utility	3.0 m²	Room fitted with new fixtures & fittings

- ND New 30 mins rated internal fire door
- NS New 30 mins rated glazed screen
- NED New external door
- New partition
- Demolished element

A	17.08.22	En-suites added to both bedrooms
Rev	Date	Description



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Project
2 Bed Staff Residences
Islay Hospital
NHS Highland

Drawn JB
Checked GB
Date 15.06.22

Drawing Title
Proposed Plan & 3D

Cad Ref

Drawing No.
22023 03

Rev A
Scale@A3 As indicated