



THE HIGHLANDS
SMALL COMMUNITIES
HOUSING TRUST

Assynt Housing & Business Needs Summary Report



**Working for all the communities
of Assynt**

This report was commissioned by the Assynt Development Trust

Executive Summary

The Highlands Small Communities Housing Trust (HSCHT) was commissioned to carry out a survey of all households in Assynt. The study was commissioned by Assynt Development Trust to inform further operational and development plans and to establish where there is demand for future new housing provision. The study clearly reveals a number of informative and important results which can be summarised as follows:

- A total of 678 surveys were delivered to properties in Assynt, including holiday homes, and 165 completed surveys returned giving a response rate of 24.3%
- The survey returns show that there is a high number of people who own their home, 83% (117) of those surveyed.
- The 2011 census reported that there were 698 homes in the community, 188 (26.9%) of which are second residences / holiday homes. This is significantly higher than the Scottish average of 1.5%.
- There is an aging population in the area with 48% (67) respondent households containing one adult aged over 60, some of whom may need alternative housing provision in the future.
- The majority of the community supported the statement that the area needs both more affordable homes to rent (110) and affordable homes to buy (110) and that priority for these homes should be given to local people (136) and local people with young children (131).
- Over half of survey respondents (53%) said they spend more than 10% of their income on energy bills and maybe in fuel poverty. The Scottish Government defines fuel poverty as a household that spends more than 10% of its income in order to maintain a satisfactory heating regime.
- When asked about requirements for energy efficiency measures, 61% of respondents said that their home would benefit from energy efficiency measures. The two top measures identified were: new / more efficient heating system and renewable energy.
- A small number of respondents (10) said that improvements or adaptations were required to allow them to continue living in their current home. The two top measures identified were a new bathroom or kitchen refit. As some of the measures are age or disability related, financial assistance may be available following a means assessment.
- A total of 25 respondents said that they are considering moving home. Of the 25, 19 would like to stay in the Assynt area and 6 would like to move away from the area.
- Of those wishing to move and stay in the area, most currently reside in privately rented accommodation (9). Other current tenures of those wishing to move are: owned (5), social rent (4) and renting from the council (1).
- Overall, the preferred 1st choice tenure of most people wanting to move and stay in the area is social rent (renting from either the council or housing association), selected by 9 respondents. Other first choice tenures selected were: building a home (5), buying a property (3), buying a shared equity home (3) and buying a smaller accessible home (1).
- Of those that chose the 1st choice preference of social rent, most (7) selected a monthly rental budget of £276 - £400 per month. Only 4 out of the 9 that selected the 1st choice tenure of social rent are currently registered on the HHR.
- When looking at potential future demand and future independent households in the area, 24 individuals were identified that may require independent housing in Assynt within the next 5 years.

- Again, the preferred 1st tenure choice for most of these potential new households was that of social rent, selected for 11 out of the 24 new households.
- There is demand for smaller bed units, with 9 selecting the option of one bedroom properties and 8 selecting the option of two bedroom properties.
- A separate survey was commissioned to try and identify people who would like to relocate to the Assynt area. This survey was completed by 11 respondents, with 10 stating that they would like to relocate to the area to live permanently.
- Social rent again was the preferred 1st tenure with 6 selecting this as their first tenure choice.
- All 10 would be looking for a 2 bedroom property.
- Taking into consideration the overall housing need (**both current residents and potential future households**) of respondents to this survey, the most popular first choice tenure is that of social rent (27) with high demand smaller 1 and 2 bed units. This is followed by building a home (10) and buying on the open market (9).
- The below tables summarises the combined housing need of all respondents and shows the potential housing demand within the next 5 years based on 1st choice preferences only.

<u>First Preference</u>	Bed size not known	1 Bed	2 Bed	3 Bed	4 Bed or more	TOTAL
Social Rent	0	10	13	3	1	27
Buying a low cost shared equity home	1	0	2	2	0	5
Buying a property on the open market	0	0	4	4	1	9
Building a Home	0	0	6	3	1	10
Renting a smaller accessible home	0	2	0	0	0	2
Buying a smaller accessible home	0	0	1	0	0	1
Renovating a property	0	0	2	0	0	2
TOTAL	1	12	28	12	3	56

- A number of respondents (38) said that they had family members or friends that have moved away from the area because they could not find suitable accommodation.
- The survey tried to establish what would encourage more families with young children to remain in, or come to live in the area. The most popular answers were: more job opportunities, affordable housing, better transport links and faster broadband.

Table 7: Householders Considering Moving

Tenure of current home and bedrooms	Composition of home	Does current home meet household needs?	Will home meet household needs in 5 years' time?	Reason for wishing to move	Timescale for moving and bedrooms required	Preferred 1st choice tenure	Preferred 2nd choice tenure	Preferred 3 rd choice tenure	Monthly rental budget	Budget for purchasing a home
Social Rent 1 Bed	1 adult over 60	No	No	Health or Disability, Current home too small, To give or receive family support	Immediately 2 Bed	Social Rent	Not Specified	Not specified	£276 - £400	Not specified
Private Rent 2 Bed	2 adults under 60	No	No	Current housing costs too expensive, Current home in poor physical condition, To get greater security of tenure, Being made homeless	Immediately 2 Bed	Social Rent	Buying shared equity home	Private Rent	£401 - £500	Not specified
Owned 5 Bed	3 Adults and 1 child	No	No	To form a new household with another	Within 1 Year 2 Bed	Social Rent	Buy a property	Private Rent	£276 -£400	Up to £100,000
Social Rent 4 Bed	4 Adults	No	No	Health or Disability	Within 5–10 Years 3 Bed	Social Rent	Buying shared equity home	Not specified	£276 -£400	Up to £100,000
Social Rent 1 Bed	1 adult under 60	No	No	Health or Disability, Current home too small, To form a new household with another, To become a home owner	Within 1 Year 2 Bed	<i>Social Rent OR Building a home</i>	Not specified	Not specified	£276 - £400	Up to £100,000
Private rent 3 Bed	2 Adults plus children	No	Yes	To become a home owner, To get greater security of tenure	Immediately 4 Bed	Building a home	Private Rent	Buy a property	£501 - £600	£40,000 Plus
Private Rent 4 Bed	One adult	Yes	No	To become a home owner	Within 3 Years 2 Bed	Buying shared equity home	Buy a property	Social rent	£276 - £400	Up to £100,000
Private Rent 3 Bed	Single parent family	Yes	No	To get greater security of tenure	Within 3 Years 3 Bed	Social Rent	Buying shared equity home	Building a home	£501 - £600	£100,000 - £150,000
Owned 4 Bed	Single parent family	Yes	No	Current home too large and wish to downsize, housing costs too expensive, Current home in poor physical condition	Within 3 Years 2 Bed	Buying smaller accessible home	Building a home	Buy property	Not specified	£150,000 - £175,000
Owned 5 Bed	3 Adults	Yes	Yes	Retire	Immediately 3 Bed	Build a home	Buy smaller accessible home	Rent smaller accessible home	Not specified	£100,000 - £150,000
Rent from Council 1 Bed	1 Adult under 60	Yes	Yes	Current home too small	Immediately 1 Bed	Social Rent	Not specified	Not specified	£276 - £400	Not specified

Private Rent 2 Bed	2 Adults over 60	Yes	Yes	Health or Disability, Current home in poor physical condition	Immediately Not Specified	Not Specified	Not Specified	Not Specified		
Social Rent 3 Bed	1 Adult & 1 Child	Yes	Yes	Current home too large and wish to downsize, Current housing costs too expensive	Immediately 2 Bed	Social Rent	Private rent	Renting smaller accessible home	£276 - £400	Not specified
Private Rent 4 Bed	3 Adults	Yes	Yes	To form a new household with another	Within 1 Year 1 Bed	Social Rent	Not specified	Not specified	£276 - £400	Not specified
Private Rent 4 Bed	2 parent family with children	Yes	Yes	Current housing costs too expensive, To become a home owner	Within 3 Years 3 Bed	Build a home	Buy shared equity home	Buy a property	N/A	£150,000 - £175,000
Private Rent 2 Bed	2 Adults under 60	Yes	Yes	Not Specified	Within 3 Years 2 Bed	Build a home	Buy a property	Buy smaller accessible home	Not specified	Up to £100,000
Owned 3 Bed	2 parent family with children	Yes	Yes	Newer high school/facilities	Within 3 Years 3 Bed	Buy a property	Not Specified	Not Specified	Not specified	£100,000 - £150,000
Owned 4 Bed	4 Adults	Yes	Yes	To live in an area with more facilities, and to live in a more sheltered situation.	Within 5 – 10 years 2 Bed	Buy a property	Build a home	Rent a smaller accessible home	Not specified	£175,000 - £200,000
Private Rent 2 Bed	2 Adults	Yes	Yes	Not specified	Within 5 – 10 years 4 or more	Buy a property	Build a home	Not specified	Not specified	£200,000 Plus

Table 9: Housing Need of Those wishing to relocate to Assynt

Composition of home	Reason for wishing to move to Assynt	No. bedrooms required	Preferred 1st choice tenure	Preferred 2nd choice tenure	Preferred 3 rd choice tenure	Monthly rental budget	Budget for purchasing a home
1 Adult	Family support / connections	2	Social rent			Less than £300 per month	
2 Adults with at least 1 child	New business venture in the area, To live in the area, Current home not suitable i.e. too small, in poor condition, running costs too high, work in Lochinver	4	Social rent	Private rent	Building a home	£301 - £400	
2 Adults	Offer of employment, To live in the area, Family support / connections	2	Social rent	Renovating a property	Private rent	£301 - £400	
3 Adults	New business venture in the area, To live in the area	2	Social rent / Renovating a property	Building a home		£451 - £500	
2 Adults	To live in the area	2	Social rent	Private Rent	Renovating a property	£301 - £400	
1 Adult	To live in the area	1	Social Rent	Private rent		£401 - £450	
2 Adults	To live in the area, Current home not suitable i.e. too small, in poor condition, running costs too high, To form a new household with another	3	Buy a property / Buy shared equity Property				£150,000 - £175,000
3 Adults	To live in the area, Family support / connections	2	Buy a property / Renovate a property				£150,000 - £175,000
2 Adults	To live in the area, To form a new household with another	2	Build a home	Buy a home			Up to £100,000
2 Adults	To live in the area, Current home not suitable i.e. too small, in poor condition, running costs too high, To form a new household with another	2	Build a home	Buy shared equity home	Low cost mid market		Up to £100,000

HSCHT were commissioned by Assynt Development Trust to carry out a Business Survey in the area to identify both existing and future housing and business development needs

- The survey link was distributed to 124 businesses in the area and in total 40 surveys were returned. This gave a return rate of 32%.
- Most respondent businesses operate in the tourism sector 55% (22).
- Of the 40 surveys that were returned, 12 were from employers and 28 from self-employed businesses
- 22 respondent businesses have employees – 12 employers and 10 self-employed. The remaining 18 respondents are self-employed with no employees.
- A total of 9 respondents answered ‘Yes’ to having difficulty recruiting or retaining staff due to housing shortages. This highlights that a lack of housing is actively restricting local businesses from achieving business sustainability and potential expansion.
- A total of 10 respondents answered ‘Yes’ to having difficulty recruiting staff due to a lack of suitable / skilled workers locally.
- 10 respondents also answered ‘yes’ to a shortage of housing in the area affecting the operation of their business. The best solution to housing shortages in the area identified by these 10 survey respondents was community owned housing (8) followed by social rent (6) and affordable plots (5). All three are affordable housing options and demonstrates the desire for a range of affordable housing tenures in the area.
- The potential need for a range of affordable options was supported by the low salary levels in the area. Employers were asked to provide information on salary levels to help identify the more appropriate housing tenure. Salary information was provided for 103 individuals, 88 of whom (85%) earn less than £20,000 a year and below the ward average household income of £29,788.
- Businesses identified that a total of 8 houses are required now for their employees
- When looking at future need and how many houses businesses anticipated employees would need in 5 years’ time, the total was 14.
- 68% (27) of respondents answered “no” to the question “do you believe that there is adequate housing provision locally and within community distance of your business”. This again demonstrates that businesses strongly believe that there is inadequate housing provision in the area.
- A number of businesses (17) anticipate that if more housing is not provided in the community it will impact on the operation of their business with 1 business saying they may have to leave the area and 3 stating that they may have to reduce staff numbers.
- A large number of homes 188 (26.9%) are second homes / holiday homes. This is significantly higher than Highland average of 5.7% and Scotland wide average of 1.5%. This may be a contributing factor in employers struggling to house employees due to housing shortages in the area.
- Only 3 businesses would consider a joint venture to provide affordable housing. Given the apparent problem with housing in the area, options for these ventures should be fully explored by the Assynt Development Trust.

- The main factors identified to growing business were: poor broadband, lack of affordable housing and transport. Respondents also expressed concern about young people leaving the area and the aging population.
- Information from the 2011 census also shows that 16% of the local population were retired and 42% of the population were over 60. This may be a factor in businesses struggling to recruit local skilled workers combined with the lack of housing available for incoming workers.
- Similarly, when asked what do you consider the most significant opportunity to growing your business, the availability of local skilled workers was one of the most popular answers along with the NC500 and increased tourism.
- The working age (16-64) population of Highland continues to be influenced by young people leaving Highland for higher and further education and not returning. Over the last 25 years there has been a decline of -23% in the number of working age people in the Sutherland area (HC Planning & Development Service, Briefing Note 52).

Recommendations

- Discuss the report with Assynt Development Trust and create a housing strategy to establish a clear way forward for delivering new homes and housing options.
- Survey evidence shows that homes for sale on the open market currently are all in excess of £200,000. The average household income in North West and Central Sutherland is £29,788 and these homes currently for sale would probably be out the reach of most average local households to purchases. A mix of housing options should therefore be fully considered for the community.
- Following the inaugural meeting, consider setting up a small steering group to inform future development and identify appropriate support mechanisms.
- Liaise with Highland Council to identify suitable sites for future provision of social rented housing as this was the tenure with the highest demand.
- Carry out a land audit in the area to try and establish if there are any landowners willing to sell land.
- Review current Scottish Government funding initiatives (e.g. the Rural Housing Fund, Scottish Land Fund and the Infrastructure Fund) to develop new targeted options which are specific to the area e.g. smaller homes to rent or buy, self-build support mechanisms, low-cost home ownership, home improvements, social rent or community-owned rented housing and empty homes initiatives etc.
- A review of the wide range of housing options should be carried out by the steering group to establish a broader range of options that may be relevant to this area and also consider what new models may be required
- As the community has an ageing population discuss the options for providing or freeing up housing for families and for older people who wish, or need to downsize into more suitable properties.
- Explore the options for partnership working with local service providers and businesses to meet their current and future housing needs.
- Create a strategy for direct engagement with local businesses and service providers
- As self-build is a more traditional way of creating homes and has declined in recent years, investigate how this sector could be reinvigorated.
- A review is required of how to enable improvements and adaptations to take place in existing households given the need for this identified in the study. Due to limited available public funding for such measures consideration could be given to other potential measures.
- Be mindful of the changes to the private rented sector which came into effect on 1st December 2017 and the introduction of Universal Credit on low income households who rent homes.
- Liaise with Highlands and Islands Enterprise and other strategic partners



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