



Rural Housing

A research paper to inform the North Ayrshire
Local Housing Strategy 2017-2022

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یہ دستاویز دیگر شکلوں میں بھی دستیاب ہے، جیسے آڈیو ٹیپ، سی ڈی، بریل اور بڑے حروف کی
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Introduction

1. The Housing (Scotland) Act 2001 places a duty on local authorities to develop Local Housing Strategies, consulted by its local partners and informed by a Housing Need and Demand Assessment.
2. Nationally and locally the challenges faced by rural communities vary greatly from cities and towns and must be considered in the development of the Local Housing Strategy. Ensuring the supply of housing meets the needs of rural residents, and supports community sustainability is a priority for North Ayrshire Council.
3. This topic paper will explore both the profile of North Ayrshire's island settlements on Arran and Cumbrae and relevant policy interventions applicable to that rural context. The aim of this paper is to present any exceptional housing issues present within North Ayrshire's remote rural settlements.
4. The islands are unique in North Ayrshire in that they alone meet the Scottish Government's definition of 'remote rural':
"Settlements of less than 3,000 and with a drive time of over 30 minutes to a settlement of 10,000 people or more"
5. Other areas of North Ayrshire can be classed as 'accessible rural'. However, our research has found that these areas reflect the socio-economic factors of other, less rural, settlements. Therefore, the needs of those communities are addressed elsewhere.
6. This topic paper builds upon the work and progress made, in terms of addressing local housing issues, during the implementation of the Local Housing Strategy 2005-2010 and the Local Housing Strategy 2011-2016.
7. The North Ayrshire Council Local Housing Strategy topic paper 'Rural Housing' has been developed through a collaborative process involving input from officers from across Council departments, our partners, stakeholders, and the rural communities of Arran and Cumbrae.
8. As a consequence of the findings presented within the 'Rural Housing' topic paper, a number of outcomes and actions have been identified. Over the course

of the Local Housing Strategy 2017- 2022, the Council and its partners will work to deliver these outcomes.

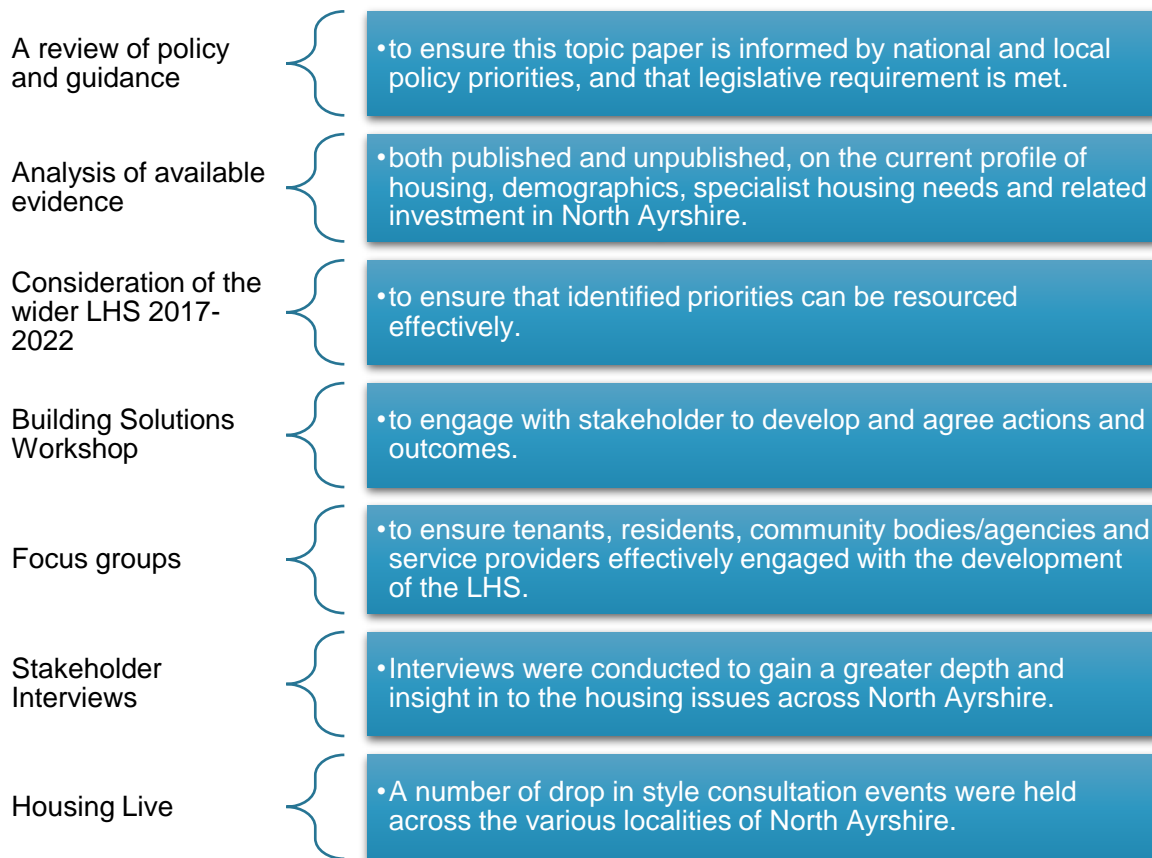
- 9. Rural Housing is one of a number of topic-specific papers that together comprise the North Ayrshire Local Housing Strategy 2017-2022, and these strands are summarised in Figure 1

FIGURE 1: TOPIC PAPERS OF THE LOCAL HOUSING STRATEGY 2017-2022



10. Following final consultation, the strategic interventions identified through the development of this topic paper will be included within the North Ayrshire Local Housing Strategy 2017-2022. The full consultation process is presented within the Consultation topic paper.

11. Specifically, the process of developing this topic paper has involved:



Legislative Drivers

12. The Housing (Scotland) Act 2001 is the principal legislative driver for the Local Housing Strategy. It places a statutory requirement on local authorities in Scotland to produce a Local Housing Strategy which sets out its strategy, priorities and plans for the delivery of housing and related services.

13. Other legislative influences which relate to exceptional rural housing issues include:

- Housing (Scotland) Act 1987
- Homelessness (Scotland) Act 2003
- The Land Reform (Scotland) Act 2003
- Title Conditions (Scotland) Act 2003
- Environmental Assessment (Scotland) Act 2005
- Croft House Grant (Scotland) Regulations 2006
- Housing (Scotland) Act 2006
- Crofting Reform (Scotland) Act 2007
- The Crofting (Designation of Areas) (Scotland) Order 2010
- Equality Act 2010
- Housing (Scotland) Act 2014
- Public Bodies (Joint Working) (Scotland) Act 2014
- Community Empowerment (Scotland) Act 2015
- Croft House Grant (Scotland) Regulations 2016
- Private Housing (Tenancies) (Scotland) Act 2016
- The Land Reform (Scotland) Act 2016

National Strategic Drivers

14. The Scottish Government states its purpose is to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. It has set 16 National Outcomes which, if met, should achieve the Government's purpose (Scottish Government, 2016a).

15. Housing makes a vital contribution to a number of these national outcomes. Four of the National Outcomes are of particular relevance to the North Ayrshire's rural communities:

- We live in well-designed, sustainable places where we are able to access the amenities and services we need.
- We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.
- We value and enjoy our built and natural environment and protect it and enhance it for future generations.

- Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it (Scottish Government, 2016a).

16. This topic paper contributes to achieving the National Outcomes.

The Crofting Reform (Scotland) Act 2007

17. The Crofting Reform (Scotland) Act 2007 gives Scottish Ministers the power to designate new areas where crofting tenure can apply. In 2010, both Arran and Greater & Little Cumbrae were designated as new Crofting areas. Their designation as new crofting areas is of significance to the supply and demand of housing on these islands.

18. Significantly, The Crofting Reform (Scotland) Act 2007 amended the Crofters (Scotland) Act 1993 and allowed for the creation of new crofts and new croft leases. In addition to this, the amendments also allowed for the conversion of small landholdings within newly designated crofting areas (Crofting Commission, 2016c).

19. With regards to Arran and Cumbrae, an owner of any land within a newly designated crofting area can apply to the crofting commission to register the land as a croft (Crofting Commission, 2013). This provision will facilitate landowners on Arran and Cumbrae wishing to convert their land to a croft.

The Land Reform (Scotland) Act 2003

20. Any tenants of holdings in Arran or Cumbrae who are legislated by the Small Landholders Act 1911 would gain crofting tenure rights should their landlord decide to convert their land. As a provision of The Land Reform (Scotland) Act 2003, crofting tenants have the right to buy the site of their home on a croft as well as an additional area for garden use, they also have the right to buy the entire croft land. (Shelter Scotland, 2016).

21. This is an unconditional right which a landlord must adhere and cannot refuse to sell to a tenant. Whilst tenants have the right to apply to also buy their croft land it is not an absolute right and landlords are entitled to refuse this request. Any sale is subject to the terms and conditions met by both the landlord and the tenant meaning a price must be met between the two parties, mediated by the Land Court.

Homes fit for the 21st century: The Scottish Government's Strategy and Action Plan for Housing in the next decade: 2011-2020 (Scottish Government, 2011)

22. The Scottish Government sets two overarching objectives for housing this decade:

- To build new, high quality, affordable homes (including social housing) to meet current need and demand arising from our growing and ageing population.
- To maximise the sustainable housing options available across all tenures, including for people living on lower incomes, and to significantly improve the quality of the existing housing stock and the places we create (Scottish Government, 2011a).

23. Increasing supply and improving housing choice and equity have been at the heart of the Scottish Government's housing policies since the publication of Homes Fit for the 21st Century. Consideration towards developing this national ambition for rural communities is an important aspect of this topic paper.

24. The national strategy expires in 2020 but the new Local Housing Strategy cover the period 2017- 2022. Any national strategic policy updates which may influence the delivery of the Local Housing Strategy 2017-2022 outcomes should be noted

Age, Home and Community: A Strategy for Housing for Scotland's Older People, 2012-2021 (Scottish Government, 2011b)

25. The Scottish Government has a long-standing policy of supporting older people to live independently at home for as long as possible, rather than in care homes or hospitals. The national Age, Home and Community strategy recognises that the benefits of providing the right housing and support at the right time could be considerable, by reducing both the costs and trauma of unplanned hospital admissions.

26. The Scottish Government's vision is that:

“Older people in Scotland are valued as an asset, their voices are heard, and older people are supported to enjoy full and positive lives in their own home or in a homely setting.”

Scottish Government 'Age, Home & Community: A Strategy for Housing for Scotland's Older People 2012-2021'

27. The national strategy recognises that achieving these goals will be challenging due to a rapidly ageing population at a time of diminishing public resources.

A Place to Stay, a Place to Call Home (Scottish Government, 2013)

28. A Place to Stay, a Place to Call Home sets out the Scottish Government's vision for the private rented sector in Scotland. The Scottish Government envisions the private rented sector becoming a sustainable, long-term housing tenure which can provide homes for individuals and families.

29. It is important to acknowledge the significant role the private rented sector can play in addressing the housing needs of those living in the rural communities of North Ayrshire. Further regulation and a stronger private rented sector on Arran and Cumbrae may offer alternative options to those seeking appropriate housing.

Scottish Government Urban Rural Classification 2013 - 2014

30. The Scottish Government's Urban Rural classification system provides a definition of rural areas in Scotland, based on an assessment of population size and location of settlements. Both Arran and Cumbrae fall into the remote rural classification (category 6) defined as settlements of less than 3,000 people and with a drive time of over 30 minutes to reach a settlement with a population of 10,000 or more (Scottish Government, 2014a).

31. Therefore, it is appropriate for North Ayrshire Council to strategically assess the distinct rural housing needs of both island settlements as part of a wider assessment of North Ayrshire within the Local Housing Strategy.

32. Notably, small mainland villages such as Springside and Barrmill would be defined as accessible rural areas under this classification. However, mainland rural areas will not be the focus of this paper due to their accessibility to settlements of 10,000 or more people. These housing issues within these areas are incorporated into the rest of the Local Housing Strategy 2017-2022.

Local Housing Strategy Guidance 2014

33. The Scottish Government acknowledge the varying challenges in delivering housing related services which meet the needs of rural and island communities. Local Housing Strategy guidance notes that consideration should be given to addressing any distinctive issues associated with rural or island communities. (Scottish Government, 2014b).

Scottish Planning Policy, 2014

34. National Planning Framework 3 outlines a vision of vibrant rural, coastal and island areas with sustainable communities supported by new opportunities for employment and education. The character and challenges vary significantly across Scotland (Scottish Government, 2014c).

35. Scottish Planning Policy indicates that in remote and fragile island areas, emphasis should be on maintaining and growing communities through development which offers sustainable economic growth for the area. In remote rural areas, where new development can often help to sustain fragile communities, plans and decision-making should include provision for small-scale housing and other development which supports sustainable economic growth in a range of locations.

The Public Bodies (Joint Working) (Scotland) Act 2014

36. The Public Bodies (Joint Working) (Scotland) Act 2014 introduced the integration of health and social care across Scotland. As a requirement of the act, health boards and local authorities have created newly formed Health & Social Care Partnerships, jointly responsible for the health and social care needs of an area.

37. The North Ayrshire Health and Social Care Partnership was introduced in 2015. A Housing Contribution Statement, outlining the role Housing Services can play in achieving the health and well-being outcomes for North Ayrshire was developed by the Council's Housing Services and the Health and Social Care Partnership. Further information can be found within the Housing Contribution Statement

Community Empowerment (Scotland) Act 2015

38. The Community Empowerment Act was passed by the Scottish Parliament on 17 June 2015 and received Royal Assent on 24th July. The act aims to empower community bodies by extending the community right to buy and facilitate the ownership of land and buildings.

The Land Reform (Scotland) Act 2016 (Scottish Government, 2016)

39. The Land Reform (Scotland) Bill received royal assent in March 2016 and sets out the Scottish Government's vision for land reform to deliver assets to communities for the benefit of the many, not the few. The strategic outcome of reform is to ensure ownership of land is delivering greater public benefits, creating a strong relationship between the people of Scotland and the land of Scotland (Scottish Government, 2016c)

40. Part 5 of the Act is of most significance with regards to Arran and Cumbrae where acquiring developable land for housing may be a barrier to development due to land banking by landowners. The Land Reform Bill proposed a right to buy land to further sustainable development within a community. This aspect of land reform offers community bodies the opportunity to apply to Scottish Ministers for land to be transferred to their control should it be of significant benefit to the community. Any identified sites must also exhibit significant harm which is affecting the community, where the transfer of the land would resolve any issues associated (Scottish Government, 2016d).

Local Strategic Drivers

North Ayrshire Single Outcome Agreement

41. The North Ayrshire Single Outcome Agreement between the North Ayrshire Community Planning Partnership and the Scottish Government sets the priority outcomes for North Ayrshire. The Agreement details how the Community Planning Partnership will work towards achieving these priorities, and how they contribute to the delivery of national priorities.

42. There are three outcomes within the Single Outcome Agreement that are supported by this strategy:

- A working North Ayrshire.
- A healthy and active North Ayrshire.
- A safe and secure North Ayrshire.

Council Plan 2015 - 2020

43. The Council Plan 2015-2020 sets five key priorities for North Ayrshire:

- Priority 1: Growing our economy, increasing employment and regenerating towns.
- Priority 2: Working together to develop stronger communities.
- Priority 3: Ensuring people have the right skills for learning, life and work.
- Priority 4: Supporting all of our people to stay safe, healthy and active.
- Priority 5: Protecting and enhancing the environment for future generations.

44. Under each of these priorities is a set of outcomes which the Council will seek to achieve by 2020. Housing has a role to play in achieving a number of these outcomes:

- To have towns that are more vibrant with a wider choice of quality housing as well as retail and leisure facilities (Priority 1).
- To have sustainable island communities (places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life) (Priority 1).
- To develop a supply of high-quality, affordable housing that meets the changing needs of our communities (Priority 4).
- To prevent homelessness and make sure that people who have been made homeless have access to permanent housing (Priority 4).
- Less antisocial behaviour in North Ayrshire (Priority 4).
- Buildings, homes and our work to be energy efficient, fit for purpose and high quality (Priority 5).

45. Rural considerations within this paper must link to the Council Plan and contribute to meeting its priorities.

Local Development Plan Adopted 2014

46. The North Ayrshire Council Local Development Plan was adopted in May 2014 and covers a ten-year period up to 2024, assisting in identifying an appropriate housing land supply for the development of housing across all tenures. The

Local Development Plan recognises that housing is the most extensive form of development in North Ayrshire and is integral to its success.

47. The Local Development Plan is the 'land use' expression of the Council Plan, identifying opportunities for new homes, business, industry, shops and community facilities while protecting places of value to people and wildlife. As such, it has an important part to play in creating sustainable communities. The Local Development Plan provides guidance on what, where and how development should take place in North Ayrshire, and informs decisions on planning applications in the area.

48. The Local Development Plan has identified that there are sites on Arran for both affordable and market housing development indicating land supply is not a significant barrier on that island. However, on Cumbrae, there was only one site identified for affordable housing and no market sites.

North Ayrshire Affordable Housing Policies: Isle of Arran & Mainland (inclusive of the Isle of Cumbrae)

49. Under the Affordable Housing Policies, North Ayrshire Council is the primary point of contact for prospective developers for mainland development (including Cumbrae) and the Isle of Arran.

50. North Ayrshire mainland policy requires affordable housing contributions from all housing developments (including conversions) of:

- 16 units or more or
- With a site area of equal to or greater than 0.6 hectares with an overall market development capacity, as determined by the council as 16 units or more (North Ayrshire Council, 2011).

51. The rates which apply within the applicable Sub Housing Market areas are Irvine/Kilwinning 15%, Three Towns, 10%, North Coast 25%.

52. The Isle of Arran policy requires an affordable housing contribution at a rate of 25% from all housing developments (including conversions) of:

- 4 units or more or

- With a site area of equal to or greater than 0.2 hectares with an overall market development capacity, as determined by the council as 4 units or more (North Ayrshire Council, 2009).

53. The Affordable Housing Policy will be subject to review in the production of the Main Issues Report due for publication in 2017 which will inform the Local Development Plan, 2019 - 2029.

North Ayrshire Economic Development and Regeneration Strategy 2010 - 2020

54. The North Ayrshire Economic Development and Regeneration Strategy 2010 – 2020 was developed in partnership with North Ayrshire Council and the Community Planning Partnership. The strategy seeks to address the economic difficulties present in North Ayrshire comprising of; high unemployment, multiple deprivation, poor quality urban fabric, lower than average house prices, low levels of business start-up and business stock.

55. To address these economic difficulties a vision for North Ayrshire in 2020 is outlined within the strategy:

- Vibrant - More businesses and jobs located in the area, and revitalised town centres.
- Diverse - There will be a diverse range of businesses and industries in North Ayrshire, attracting a wide range of people to live and work in the area.
- Connected - North Ayrshire will be well-connected to ensure individuals and businesses can take advantage of opportunities outside the area. North Ayrshire will have a clear role in the wider Glasgow City Region
- Ambitious - Individuals and businesses will be ambitious, making the most of what North Ayrshire has to offer and taking advantage of the connections to elsewhere. The public sector will be ambitious for North Ayrshire as a whole and ensure the supports are in place to help individuals and businesses to realise their ambitions.
- Visible - Individuals, businesses, policymakers and funders will have a clear sense of what North Ayrshire can offer them.

56. A key consideration for this paper is the contribution that housing can make towards reaching the vision set out by the North Ayrshire Economic Development and Regeneration Strategy. Access to appropriate housing is

influential in attracting and retaining young professionals to deliver key services and workers for the hospitality and tourism industry. Within the implementation of the Economic Development and Regeneration Strategy ten strategic priorities are identified. The strategy seeks to attract people to live and work within North Ayrshire through a diverse range of businesses as well as an improved tourism offer. It is important to note the potential adverse effects of increased tourism within rural communities and the impact on the available housing supply (North Ayrshire Council, 2010).

Equality Statement

57. We are committed to ensuring equality of opportunity for all North Ayrshire residents and to addressing any form of discrimination on the grounds of:

- Age;
- Disability;
- Race;
- Religion or Belief;
- Gender;
- Gender Reassignment;
- Sexual Orientation; and
- Maternity or Pregnancy.

58. We will eliminate discrimination and harassment from the services we are responsible for and we will take appropriate action to achieve this, including legal and non-legal remedies.

59. This topic paper has been subject to an equality impact assessment which is included in Appendix A.

Research

North Ayrshire Housing Need and Demand Assessment

60. The updated Housing Need and Demand Assessment offers an analysis of North Ayrshire at a sub-housing market area level. A housing market area can be defined as the area within which people will search for housing and within which they are willing to move, greatly influenced by factors affecting mobility (Scottish Government, 2003).
61. The Housing Need and Demand Assessment offers an analysis of Arran but does not offer an examination of Cumbrae which is encompassed within the North Coast (North Ayrshire Council, 2016a). Many projections and data are published on a locality basis or by intermediate data zone and for this reason, does not solely provide information for Cumbrae. Due to the limitations in accessing Cumbrae specific information, this topic paper also refers to The Housing Need and Demand Assessment for Arran & Cumbrae, published in 2013.
62. The Housing Need and Demand Assessment for Arran & Cumbrae specifically explored in greater detail the distinct housing need and demand on both Arran and Cumbrae than had been previously examined within earlier HNDAs for North Ayrshire as a whole (North Ayrshire Council, 2013a). It is for this reason that both publications are referred to within this paper.

Consultation

63. The Housing (Scotland) Act 2001 requires Local Authorities to consult on their Local Housing Strategy. This process necessitates the involvement of a wide range of local residents. Local Housing Strategy guidance directs that early engagement with partners and stakeholders is essential in identifying priorities and determining how to deal with them.
64. Consultation should be conducted through a range of different media to ensure that engagement is representative of the residents of the region and the local population is accurately reflected within the Local Housing Strategy. Many individuals may not readily be reflected within traditional engagement methods

and the consultation process should account for this (Scottish Government, 2014).

65. Therefore, as part of the development of the North Ayrshire Council Local Housing Strategy 2017-2022, it is important to seek input from as varied and broad a section of North Ayrshire society as possible. The development of the rural housing topic paper was informed by several consultation events with key stakeholders. This included focus groups, surveys and stakeholder interviews.

Focus Groups

66. Two rural housing specific focus groups were held to seek the views of stakeholders from North Ayrshire's island communities. One focus group was held in Garrison House, Millport, and focused on the rural housing needs of Cumbrae; the other was held in the Ormidale Sports Pavilion, Brodick and discussed the specific housing needs of Arran.

67. Respondents on both islands identified safe, settled, and close communities, acknowledged the presence of an ageing population and a need to address the housing needs of the future.

68. Respondents on Cumbrae raised concerns on the suitability of the housing stock on the island. The group acknowledged that a large proportion of the available housing stock was tenement flats and indicated an aspiration for more amenity housing.

69. Furthermore, respondents noted a desire to attract younger people to the island in the interest of community sustainability. The group discussed a feasibility Study being conducted by the Elderly Forum to develop a care home (20/30 bed unit) in Millport.

70. Looking forward the respondents saw that it was important to encourage people to move to the island to benefit the school and community. Respondents noted that any age is welcome but the proposed care home would hopefully attract younger people for employment. It was noted that the vast majority of people are living in Millport, a close-knit community where everyone looks out for one another and it is important to maintain this. Respondents viewed employment

opportunities as a particular issue, amongst older people and getting younger people involved in island life.

71. Likewise, respondents on Arran identified the ability to attract young professionals to provide key services needed on the island as an important issue. Respondent's concerns were focused towards the housing market and the high house prices presently making the acquisition of housing an issue for workers on the island. It was noted that there is a shortage of care staff on the island, particularly care at home staff and commuting from the mainland is not practical due to the long hours.
72. With consideration to developing housing, respondent's suggestions focused on obtaining community support through the rural housing fund. Respondents felt that developments should have rural housing burdens attached and provisions should be made which make them the principal property of the owner. Additionally, a rural housing initiative for self-build properties was suggested. It was agreed by respondents present that re-establishing a Rural Housing Working Group would be of benefit to the community in achieving progress on the island
73. Other contributing factors to a complex housing market raised by stakeholders included the issue of the private rented sector, empty & second/holiday homes and land banking preventing the development of housing.
74. It was felt that the private rented sector for many does not offer security of tenure with many lets being used as holiday homes in the summer and many properties lying empty for larger proportions of the year. However, respondents noted that new government legislation, The Private Housing (Tenancies)(Scotland) Act 2016 could push private landlords away from the sector as they will not be able to ask tenants to leave in the summer season to use the property as a holiday home.

Stakeholder Interviews

75. To gain greater depth, insight and specialist expertise on rural housing issues highlighted during the consultation process, the Council conducted one to one stakeholder interviews with councillors, strategic housing organisations and service providers. Exploration of the local knowledge and first-hand experience

of frontline officers, chief executives and councillors benefit the consultation process greatly. This process contributes a qualitative local context to complement the statistical quantitative research presented within this topic paper.

76. Stakeholder interviews followed the same themes which were discussed within the focus groups and many of the same issues were highlighted during discussions. Notably, concerns were raised again about the ageing demographic present on both Arran and Cumbrae and the pressures of the local housing markets, restricting individuals accessing housing which is appropriate to their needs.
77. Private sector housing, the limitations of the private rented sector, expensive lets, high house prices and the high proportions of second/holiday homes were notable concerns raised. The condition and quality of much the private sector housing in Arran and Cumbrae was highlighted by respondents. One respondent noted that there are a lot of people living on the islands who are capital rich (e.g. own a home) but are income poor and cannot maintain their homes. Therefore, homes are in disrepair and much of the housing stock is old, not meeting quality standards.
78. Some private lets are in terrible condition with people expected to live with faulty electrics and without tenancy agreements due to rogue landlords. There is an apprehension of individuals to make formal complaints on their landlords due to a fear of being blacklisted on Arran. Other respondents indicated that fuel poverty is an issue as there is no gas on Arran, many use wood burning stoves and there are high electricity costs.
79. The stakeholder interviews identified limited specialist housing provision on Arran and Cumbrae. The St. Beya Gardens development of amenity bungalows in Millport has been heralded as a successful project but stakeholders indicated there is scope for greater provision on Cumbrae.
80. Work is now being undertaken by community groups to assess the feasibility of developing some form of care hub or sheltered housing provision in Millport to address the needs of the older age population.

81. Trust Housing Association noted they operate two sheltered housing complexes with a total of 35 units. Gaps in provision were identified, there is a warden in each complex working 27 hours a week each offering a limited level of care. Additionally, it was expressed that those who need care and are under the age of 60 are excluded from specialist provision due to allocations policy. Furthermore, there is no provision for those in need of greater support provided within sheltered housing but are not at the stage of residential care.
82. Cunninghame Housing Association indicated that the Care and Repair Service is difficult to operate on Cumbrae due to travel from the mainland and the number of visits required for residents to receive a good service. Cunninghame Housing Association is reliant on local joiners and handymen as it is not cost effective to send tradesmen over from the mainland.
83. Second/Holiday and Empty homes are notable issues and provide added pressures on the housing supply/market. However, there was recognition amongst respondents that from an economic perspective the islands are reliant on the tourism industry meaning many holiday homes are left empty over the winter months and use up infrastructure capacity.
84. Contrasting opinions were given with regards to housing development and what type of housing is required on Arran and Cumbrae. Affordable home ownership is considered vital to attracting key workers/young professionals on both islands by stakeholders. However, respondents noted that the shared equity development in Lamlash by Irvine Housing Association and difficulties in selling the properties, there is an apprehension amongst respondents in the use of low-cost homeownership.
85. The ratio between median incomes and house prices is so significant there is an acknowledgement from respondents that affordable options need to assist those looking to rent and owner occupation. Suggestions ranged from more social rented housing, intermediate renting and the facilitation of self-build housing. However, respondents felt that development within a rural context is complex, there is land suitable for development on the islands but acquiring it from landowners charging significant prices creates barriers.

Local Housing Strategy Surveys

86. As part of the consultation process to inform North Ayrshire Council's Local Housing Strategy 2017-2022, residents from across North Ayrshire were invited to share their views and opinions on housing by completing a series of surveys. Surveys were advertised and made available through the North Ayrshire Council website and Facebook page (North Ayrshire Council, 2016).

87. Surveys were also distributed to key service providers and stakeholders to offer widespread accessibility to service users who may not be able to gain access to the surveys online. At the request of community groups on the island, surveys were also distributed to Garrison House in Millport.

88. In total, 489 people from across North Ayrshire responded to the Supply and Place Making survey. Table 1 shows how many respondents were from Arran and Cumbrae. Table 2 illustrates how many respondents preferred Arran or Cumbrae if they were considering a move. Table 3 illustrates respondents who felt North Ayrshire Council should focus development in Arran and Cumbrae. The figures are representative of the total respondents who answered these questions (some respondents did not offer a response).

TABLE 1: LOCATION OF RESPONDENTS

| Area | Number | % of respondents |
|---------|--------|------------------|
| Arran | 14 | 2.86 |
| Cumbrae | 2 | 0.41 |

TABLE 2: PREFERRED AREA OF NORTH AYRSHIRE IF CONSIDERING A MOVE

| Area | No. of respondents | % of respondents |
|---------|--------------------|------------------|
| Arran | 13 | 9 |
| Cumbrae | 5 | 3 |

TABLE 3: AREA'S WHERE NAC SHOULD CONCENTRATE DEVELOPMENT OVER NEXT 5 YEARS.

| Area | No. of respondents | % of respondents |
|---------|--------------------|------------------|
| Arran | 98 | 24 |
| Cumbrae | 61 | 15 |

89. In the context of this survey, the figures illustrate there is an appetite within North Ayrshire to see rural housing development although there was a limited response from Arran and Cumbrae.

90. When asked about the quality of their town centre four respondents on Arran and one on Cumbrae viewed it as poor/very poor. 5 respondents from Arran viewed town centres as good/very good, no responses were recorded from Cumbrae for this. Additionally, four respondents from Arran viewed that there was not enough suitable housing in the local area.

91. In total, 170 landlords respondent to the Private Landlord survey, table 4 indicate landlords who had properties in Arran and Cumbrae.

TABLE 4: LOCATION OF LANDLORDS PROPERTIES

| Location | No. of respondents | % of respondents |
|----------|--------------------|------------------|
| Arran | 4 | 2 |
| Cumbrae | 8 | 5 |

92. Significantly, respondents were asked whether they were aware of reform in the private rented sector. Results were split with 80 saying they are aware of proposed reforms, and 82 saying they were not aware. This suggests that an awareness raising exercise around the proposed reforms would be beneficial.

93. With consideration to stakeholder interviews responses on the condition of housing in the private sector, it is apparent that greater awareness and education is needed within rural communities on these issues. When asked about the Private Sector reforms around half of the landlords did not offer an opinion or said they did not know enough about it. Other key emerging themes included:

- Lack of consideration for the rights of the landlord by tenants
- Private Sector reforms risks punishing good landlords instead of weeding out bad landlords
- Private Sector reforms could have a detrimental impact on landlord's ability to let properties.

94. Unfortunately, there was very limited engagement from Arran and Cumbrae with the survey process as a whole which has produced limited results from a rural housing perspective. However, the responses which have been collected have

contributed towards a greater understanding of the core housing issues present within these communities.

95. Further details on consultation methodology, responses and findings can be located within the Consultation topic paper.

Profile of Rural North Ayrshire

Localities

96. The North Ayrshire Community Planning Partnership is committed to Locality Planning in order to develop strong local partnerships that focus on engaging with people and local communities. In 2012 the Council and its Community Planning Partners adopted a Locality Planning approach, establishing six commonly agreed localities (based around existing geographic neighbourhoods). A bespoke approach is taken to planning services in each of these areas.

97. There are 6 Locality Partnerships in North Ayrshire, and with one exception, these mirror Sub Housing Market Areas (previously outlined in paragraph 58) identified in the Housing Need & Demand Assessment.

| Sub Housing Market Area | Locality |
|--|---|
| Arran | Arran |
| North Coast (including Cumbrae) | North Coast & Cumbraes |
| Garnock Valley | Garnock Valley |
| Three Towns | Three Towns |
| Irvine (including Springside, Dreghorn & Drybridge)/Kilwinning | Irvine (including Springside, Dreghorn & Drybridge) |
| | Kilwinning |

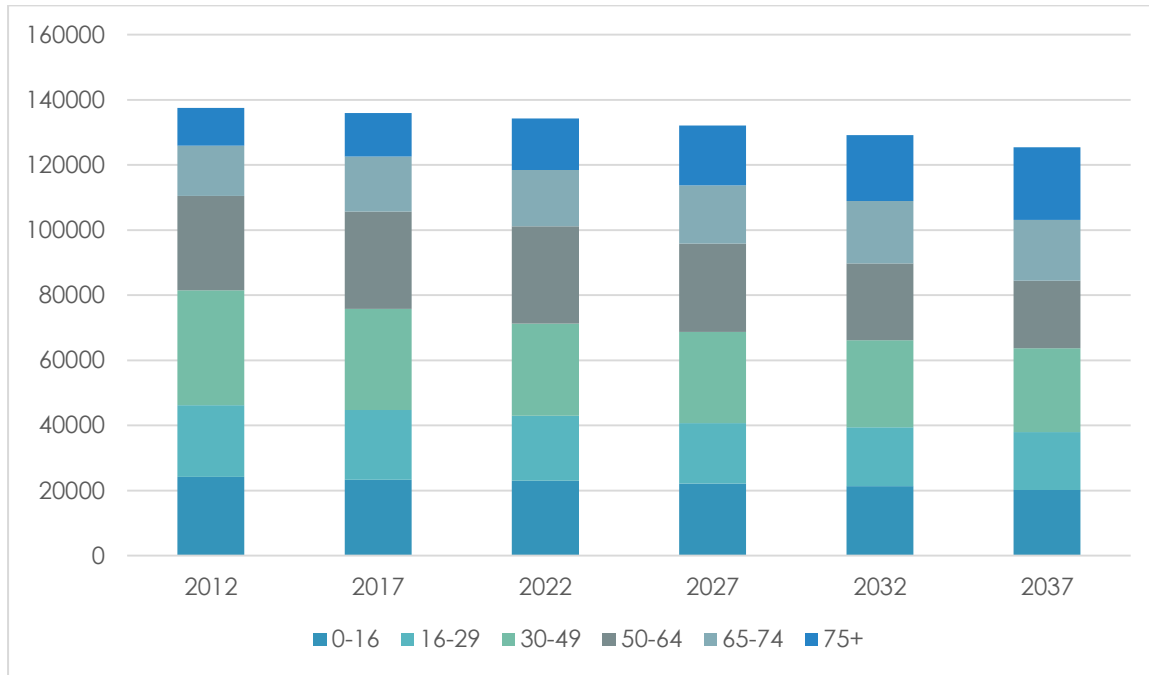
98. Locality Partnerships will identify and address local issues by working with local people, community groups and organisations.

Population

99. The National Records of Scotland projects the population of North Ayrshire in 2017 to be around 135,590 residents. This is a local population decrease of

1.4% from 2012. Figure 2 illustrates population projections for North Ayrshire by age from 2012-2037.

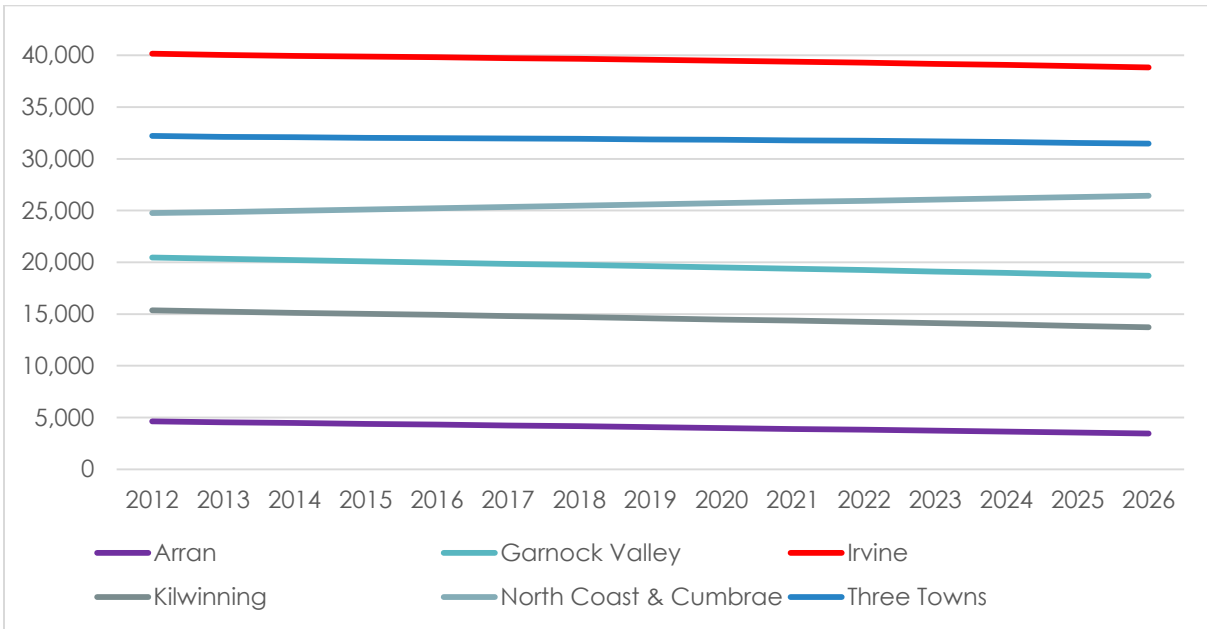
FIGURE 2: POPULATION PROJECTIONS BY NUMBER OF RESIDENTS FOR NORTH AYRSHIRE 2012-2037 BY AGE (SOURCE: NATIONAL RECORDS OF SCOTLAND 2012 BASED PROJECTIONS)



100. Nationally, projections indicate a growth in the general population of 6.6% and more significantly within the older population. These population projections represent a decline in North Ayrshire’s population of 8.8%. Notably, however, the population of those of pensionable age and over is to increase by 21% in line with the national trend.

101. The National Records of Scotland have forecast how population change will affect each locality up to 2026 illustrated in figure 3.

FIGURE 3: POPULATION PROJECTIONS FOR NORTH AYRSHIRE 2012-2026 BY LOCALITY (SOURCE: NATIONAL RECORDS OF SCOTLAND 2014)

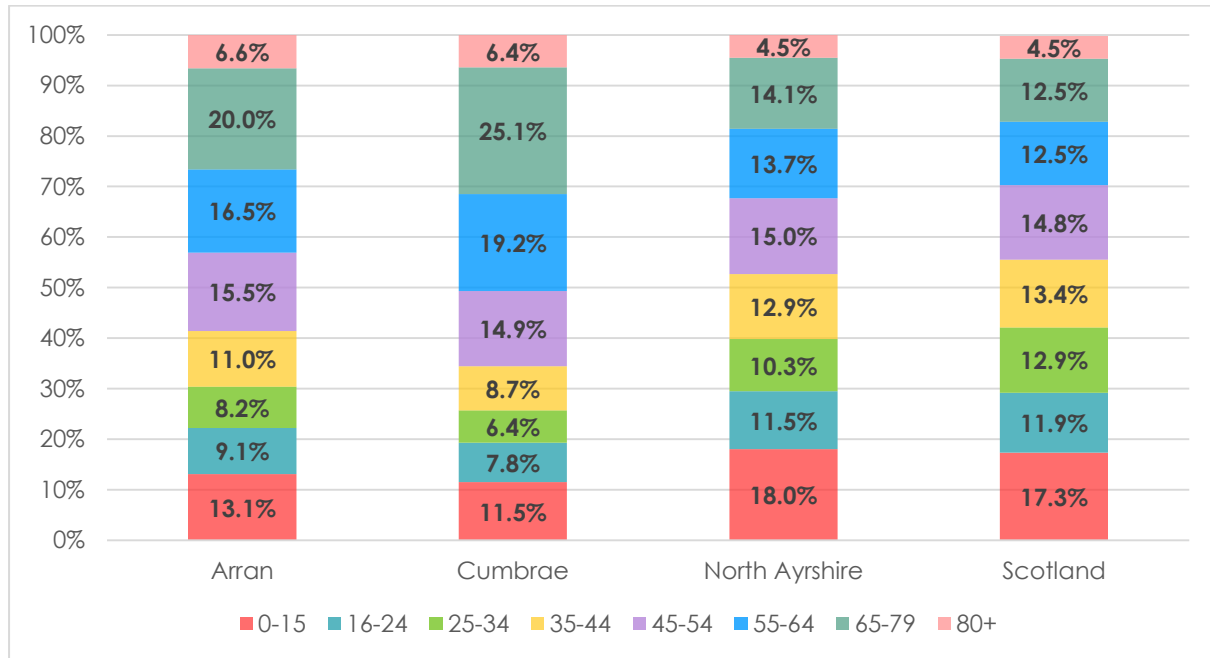


102. The projected decrease in population size across North Ayrshire is mirrored in Arran but not the North Coast locality. The population of Arran is projected to decrease by 25% 2026. In contrast, the population of the North Coast is projected to increase by 6.8%.

103. It is important to note that although the North Coast locality incorporates Cumbrae these figures do not definitively reflect its trends with the island constituting a small proportion of the overall population of the North Coast. Mid-year estimates presented in the Housing Need and Demand Assessment for Arran and Cumbrae reported a population of 1,396 on Cumbrae (North Ayrshire Council, 2013a). Indeed, respondents involved in the Cumbrae focus group noted there was a need to attract younger people to the island.

104. Furthermore, figure 4 illustrates the age composition of Arran, Cumbrae, the rest of North Ayrshire and Scotland.

FIGURE 4: MID-YEAR POPULATION ESTIMATES BY AREA AND SPLIT BY AGE, 2011 (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT ARRAN & CUMBRAE (2013): NRS (2010) POPULATION ESTIMATES FOR DATA ZONE AND INTERMEDIATE GEOGRAPHY AREAS VIA SNS)



105. The figures indicate an older population in both Arran and Cumbrae. 26.6% and 31.5% of the populations of Arran and Cumbrae respectively are aged 65 years old and over.

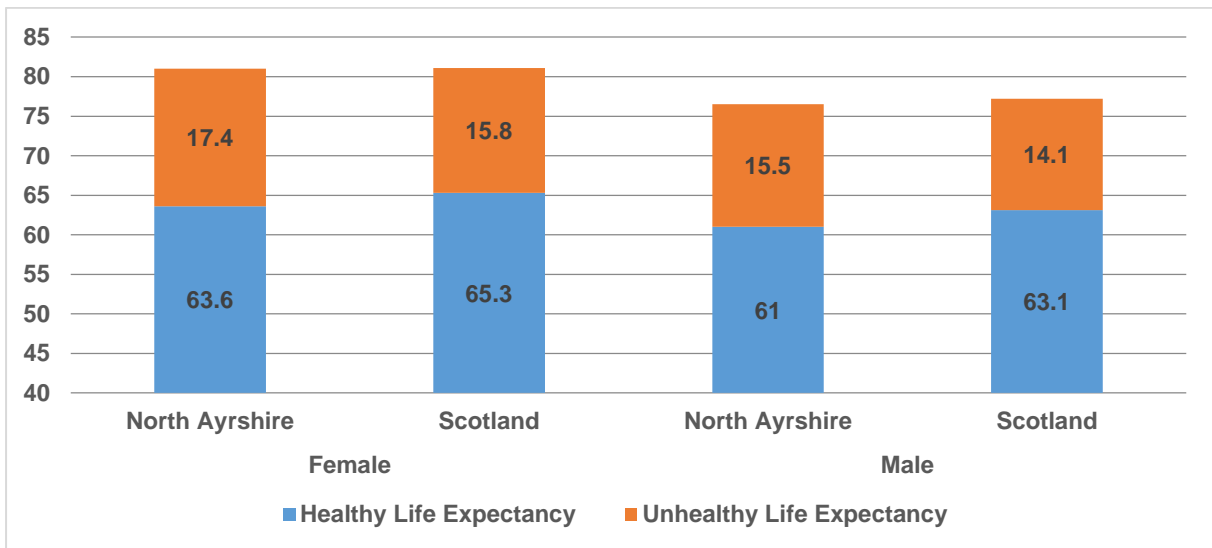
106. In contrast, only 18.6% of the rest of North Ayrshire’s population and 17% of Scotland’s population were are aged 65 years old and over. These figures highlight the contrasting age demographics between mainland and rural North Ayrshire.

107. Significantly, 13.1% of the population in Arran and 11.5% in Cumbrae are aged 0 – 15 years old. These figures are both below the North Ayrshire and national averages of 18% and 17.3% respectively. The larger proportions of those aged 65 and over demonstrate ageing populations in rural North Ayrshire. The implications of an ageing demographic in Arran and Cumbrae should be considered.

Life Expectancy

108. Healthy life expectancy is an estimate of how many years' people might live in a 'healthy state' and is, therefore, a key summary measure of a population's health. Figure 5 presents the life and healthy life expectancy for North Ayrshire and Scotland.

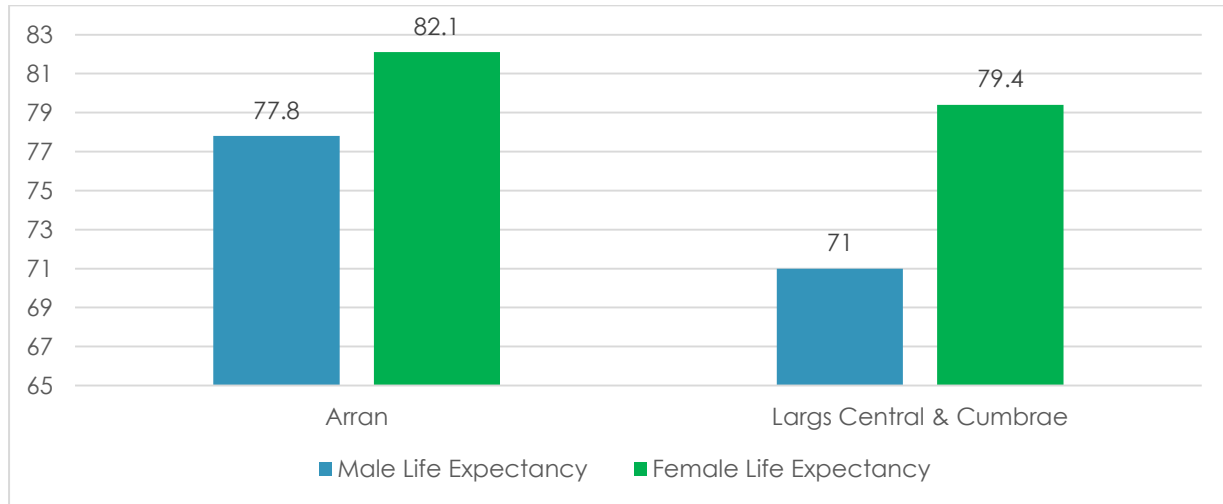
FIGURE 5: LIFE AND HEALTHY LIFE EXPECTANCY (SOURCE: NATIONAL RECORDS OF SCOTLAND, 2015, SCOTPHO, 2016)



109. The North Ayrshire Community Planning Partnership published their Areas of Family resilience report in 2014. The report offered an analysis of all six localities within North Ayrshire based on data zone and intermediate zone information from the 2011 Scottish Census.

110. Figure 6 outlines life expectancy in Arran and Largs Central & Cumbrae. From the information presented, Arran is ranked the fourth highest out of 38 intermediate zones in North Ayrshire for life expectancy.

FIGURE 6: MALE AND FEMALE LIFE EXPECTANCY, INTERMEDIATE ZONES (SOURCE: NORTH AYRSHIRE COUNCIL, COMMUNITY PLANNING PARTNERSHIP, 2014c)



111. In Arran, life expectancy for males at birth is significantly greater than the figure for both North Ayrshire and Scotland. (North Ayrshire Council, Community Planning Partnership, 2014c). Similarly, female life expectancy at birth is also greater than life expectancy for North Ayrshire and Scotland.

112. Unfortunately, life expectancy for Cumbrae is categorised by the intermediate zone, Largs central and Cumbrae and there is not a figure for just Cumbrae. Life expectancy for males in Largs Central & Cumbrae is significantly below the North Ayrshire and Scotland figure. In contrast, female life expectancy for Largs Central and Cumbrae is higher than the regional figure but slightly less than the national life expectancy.

Older People Housing

113. North Ayrshire Council recognise the developing housing needs of an older age population and the particular difficulties of achieving this in a rural context. The policy goals of the Scottish Government’s Reshaping Care for Older People Programme was to, ‘optimise the independence and wellbeing of older people at home or in a homely setting (Scottish Government, 2011c).’

114. Looking forward, the need to offer increased specialist provision and options which will enable older people to live independently within their rural community will become an increasing priority for the Health and Social Care Partnership

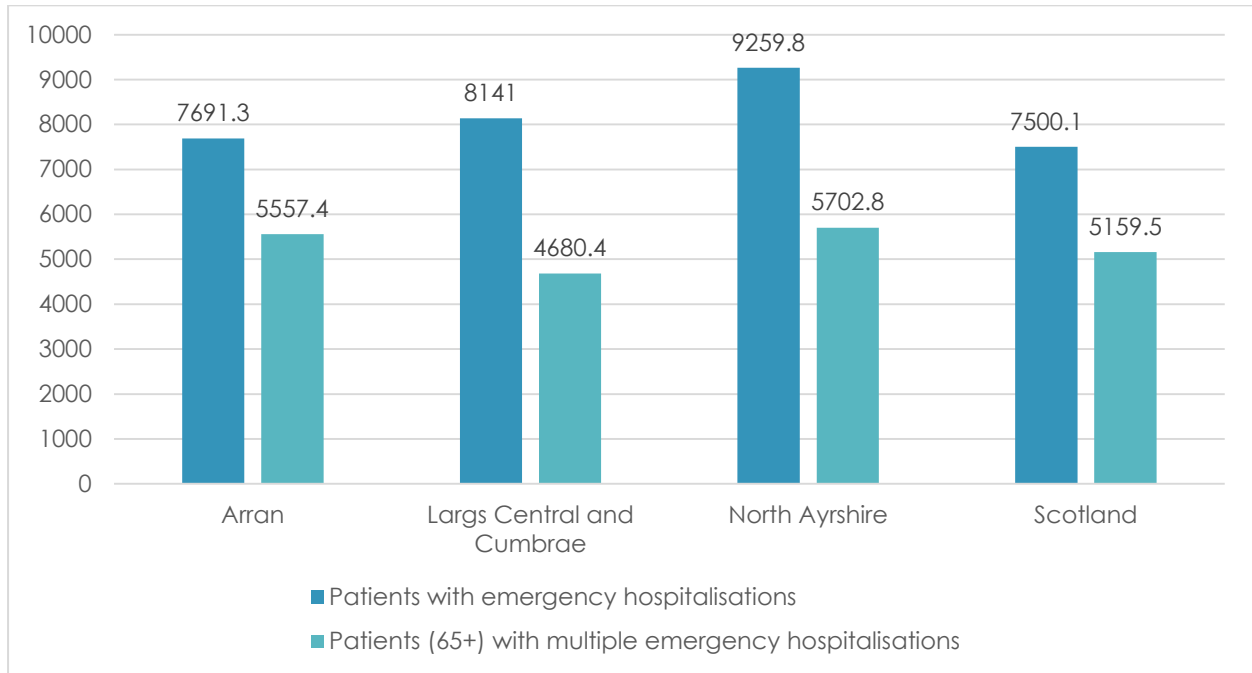
and the Council. In Arran and Cumbrae there is a significant proportion of older residents illustrated previously in Figure 4). Ensuring the housing stock meets the needs of older people will be of importance. The effective delivery of aids and adaptations on Arran and Cumbrae will be important in assisting independent living and supporting older people to remain living at home.

115. With the integration of Health and Social Care, there is an aspiration to create better opportunities in delivering joint working between the North Ayrshire Health & Social Care Partnership. The delivery of effective care and support packages to those living independently is becoming an increasingly significant issue due to an ageing population. There shall be further opportunity for joint working between North Ayrshire Council and the Health and Social Care Partnership through the development of the Housing Contribution Statement.

Health Profile

116. Figure 7 presents a 3-year rolling average of emergency hospital admissions and patients with multiple hospitalisations over the age of 65 as reported by the North Ayrshire Health and Social Care Partnership. The rate is per 100,000 people.

FIGURE 7: EMERGENCY HOSPITAL ADMISSIONS PER 100,000 PEOPLE (SOURCE: NORTH AYRSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP, 2016)



117. Figures 8 and 9 illustrate the rate of early deaths per 100,000 of those under 75 years from coronary heart disease and from cancer as published by the North Ayrshire Health and Social Care Partnership.

FIGURE 8: EARLY DEATHS FROM CORONARY HEART DISEASE PER 100,000 PEOPLE (SOURCE: NORTH AYRSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP, 2016)

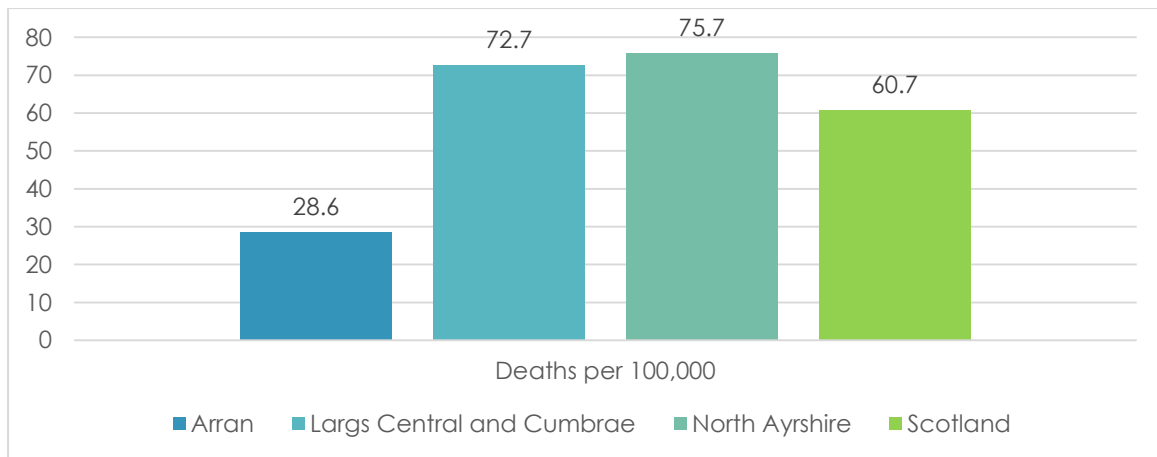
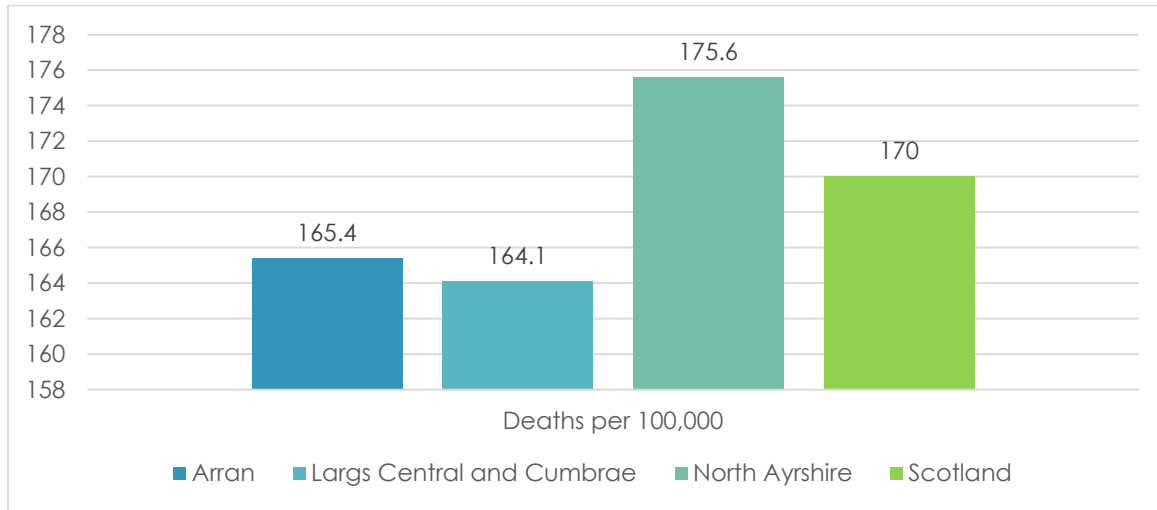


FIGURE 9: EARLY DEATHS FROM CANCER PER 100,000 PEOPLE (SOURCE: NORTH AYRSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP, 2016)



118. Notably, figures for Arran and the Largs Central and Cumbrae intermediate zone are lower than the regional and national figures for early deaths from both cancer and coronary heart disease.

119. Significantly, the rate of 24 deaths per 100,000 from alcohol conditions in the Largs Central and Cumbrae intermediate zone is marginally higher than the regional and national figures. Likewise, the rate of 16.8 deaths per 100,000 from suicide in Arran is higher than the regional and national figures (North Ayrshire Health and Social Care Partnership, 2016).

120. The health profile for Arran indicates that health on the island is of a good standard with low rates of death from coronary heart disease, cancer, alcohol conditions and emergency hospital admission rates below regional and national averages. However, the rates of death from mental health and suicide is higher than regional and national figures.

121. The health profile for Largs Central and Cumbrae indicates that Cumbrae's health on the island is of a good standard in comparison to regional performance. Low rates of death from cancer, coronary heart disease, suicide and emergency hospital admission rates are below the regional figure. However, the rates of death from alcohol conditions is higher than regional and national figures.

Scottish Index of Multiple Deprivation

122. The Scottish Government published the latest version of the Scottish Index of Multiple Deprivation (SIMD) on the 31st August 2016. The SIMD uses a range of socio-economic data to calculate deprivation across small areas known as data zones. There are 6,976 data zones across Scotland each with a population of around 760 people.

123. The SIMD 2016 is built up from a total of 38 indicators covering seven domains. The housing domain ranking is determined against two of these indicators illustrated in table 3. Notably, the housing domain ranking only accounts for 2% of the overall SIMD and has a relatively small influence on the overall ranking of a data zone with the smallest weighting of the seven domains. Data used within these indicators was sourced from the 2011 Scottish Census.

TABLE 5: SIMD HOUSING DOMAIN INDICATORS (SOURCE: SCOTTISH GOVERNMENT, 2016E)

| SIMD16 indicators | SIMD 2012 indicators |
|---|---|
| Persons in households that are overcrowded <i>Source: 2011 Census</i> | Persons in households that are overcrowded <i>Source: 2001 Census</i> |
| Persons in households without central heating <i>Source: 2011 Census</i> | Persons in households without central heating <i>Source: 2001 Census</i> |

124. Table 6 illustrates historically the number of North Ayrshire data zones, by locality, in the 15% most deprived areas in Scotland.

TABLE 6: NUMBER OF DATA ZONES IN 15% MOST DEPRIVED IN SCOTLAND BY NORTH AYRSHIRE LOCALITY AREA - 2004-2012 (SOURCE: WWW.NORTH-AYRSHIRE.GOV.UK / SCOTTISH INDEX OF MULTIPLE DEPRIVATION, 2012)

| | 2004 | 2006 | 2009 | 2012 | 2016 | Change 04-12 | Change 12-16 |
|--------------------------|------|------|------|------|------|-----------------|-----------------|
| Most deprived 15% | | | | | | | |
| Irvine | 10 | 10 | 14 | 16 | 19 | 6 | 9 |
| Kilwinning | 6 | 4 | 6 | 5 | 6 | -1 | 1 |
| Three Towns | 15 | 16 | 19 | 19 | 18 | 4 | -1 |
| Garnock Valley | 2 | 3 | 4 | 6 | 7 | 4 | 1 |
| North Coast | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Arran | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North Ayrshire | 33 | 33 | 43 | 46 | 51 | 13 | 5 |

125. Table 7 presents the SIMD 2016 data zones within Arran and Largs Central and Cumbrae 6 and 7 which are the data zones for Cumbrae.

TABLE 7: SIMD 2016 – DATA ZONES IN ARRAN AND LARGS CENTRAL & CUMBRAE INTERMEDIATE ZONES (SOURCE: SCOTTISH INDEX OF MULTIPLE DEPRIVATION, 2016)

| Data Zone | Data Zone | SIMD 2016 Rank | SIMD 2016 Quintile (Top 20%) | SIMD 2016 Top 15% | Urban Rural Classification |
|-----------|-----------------------------|----------------|------------------------------|-------------------|----------------------------|
| S01011171 | Arran – 1 | 4007 | 3 | No | Remote Rural |
| S01011172 | Arran – 2 | 3904 | 3 | No | Remote Rural |
| S01011173 | Arran – 3 | 5429 | 4 | No | Remote Rural |
| S01011174 | Arran – 4 | 3468 | 3 | No | Remote Rural |
| S01011175 | Arran – 5 | 3605 | 3 | No | Remote Rural |
| S01011176 | Arran – 6 | 5504 | 4 | No | Remote Rural |
| S01011177 | Arran - 7 | 4901 | 4 | No | Remote Rural |
| S01011327 | Largs Central & Cumbrae – 6 | 1414 | 2 | No | Remote Rural |
| S01011328 | Largs Central & Cumbrae - 7 | 3223 | 3 | No | Remote Rural |

126. Of the 186 data zones in North Ayrshire in 2016, 51 were in the 15% most deprived in Scotland. Notably, none of these 51 data zones located in North Ayrshire were found in Arran or Cumbrae.

127. Table 8 presents' data zones which fall within 15% most deprived areas in the housing domain.

TABLE 8: NORTH AYRSHIRE DATA ZONES WHICH FALL WITHIN THE 15% MOST DEPRIVED AREAS IN THE HOUSING DOMAIN (SOURCE: SIMD 2016)

| Data zone | Name | Housing Domain Rank | Overall SIMD Rank |
|-----------|----------------------------------|---------------------|-------------------|
| S01011325 | Largs Central & Cumbrae – 04 | 408 | 602 |
| S01011215 | Irvine Castlepark North - 04 | 890 | 817 |
| S01011344 | Kilbirnie South and Longbar - 02 | 906 | 887 |
| S01011326 | Largs Central and Cumbrae – 05 | 723 | 1220 |
| S01011212 | Irvine Castlepark North – 01 | 978 | 1407 |
| S01011327 | Largs Central and Cumbrae - 06 | 372 | 1414 |

128. Notably, Largs Central and Cumbrae – 06 which is located in Cumbrae is within the 15 most deprived areas of North Ayrshire for housing. Additionally, this data zone is ranked the worst for housing deprivation despite ranking out with the 15% most deprived areas in Scotland overall. This information illustrates

that there is significant housing deprivation in Cumbrae and indicates overcrowding, the unsuitability of the housing stock and issues of fuel poverty present.

129. The Scottish Index of Multiple Deprivation also measures access deprivation by considering the drive time for individuals within a data zones to:

- GP Surgeries;
- Fuel Stations;
- Post Offices;
- Retail Centres;
- Primary Schools; and
- Secondary Schools.

130. Public transport times to GP Surgeries, Post Offices and Retail Centres are also considered (Scottish Government, 2016f). Each data zone in Scotland is given ranking on how accessible the area is.

131. Within North Ayrshire, three data zones fall within the top 15% most access deprived; all of which are located within Arran (Table 9).

TABLE 9: NORTH AYRSHIRE DATA ZONES WHICH FALL WITHIN THE 15% MOST ACCESS DEPRIVED AREAS (SOURCE: SCOTTISH INDEX OF MULTIPLE DEPRIVATION, 2016).

| Data Zone | Data Zone | SIMD 2016 Rank | SIMD 2016 Access Domain Rank |
|------------------|------------------|-----------------------|-------------------------------------|
| S01011174 | Arran – 04 | 3468 | 879 |
| S01011171 | Arran – 01 | 4007 | 246 |
| S01011172 | Arran - 02 | 3904 | 336 |

132. Accessibility to key services and infrastructure is a significant consideration with regards to housing which meets the needs of Arran residents. With much of the available housing stock located around the main coastal settlements, it is important to consider the impact on island life to those living out with these areas. Future development of affordable housing should consider the accessibility of potential sites and give consideration to the local infrastructure.

Stock Profile

133. With regards to the stock profile of Arran, both Housing Need and Demand Assessments indicate that the housing offer is distinctly different to that on mainland North Ayrshire, with traditionally built houses being the most common property type. Table 10 identifies detached housing being a prominent feature

on Arran accounting for 61.5% of properties. In contrast, only 4.8% of dwellings were flats while the national and North Ayrshire averages were 36.8% and 27.2% respectively (North Ayrshire Council, 2016a).

TABLE 10: DWELLING TYPE BY LOCALITY, 2016 (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT, 2016)

| | All Household Spaces | Detached | Semi-detached | Terraced | Flats | Other |
|----------------|----------------------|----------|---------------|----------|-------|-------|
| Arran | 2,924 | 61.5% | 23.1% | 10.0% | 4.8% | 0.6% |
| North Coast | 12,344 | 29.4% | 16.3% | 11.5% | 42.6% | 0.2% |
| North Ayrshire | 66,132 | 18.4% | 22.5% | 27.3% | 27.2% | 0.1% |
| Scotland | 2,473,881 | 22.1% | 22.4% | 18.5% | 36.8% | 0.2% |

134. Furthermore, the housing stock profile in Cumbrae contrasts Arran. The most common property type in the North Coast was flats accounting for 42.6% of household spaces in the locality. The Housing Need and Demand Assessment for Arran and Cumbrae supports this figure also stating the stock profile of Cumbrae is dominated by flats and low-value properties offering limited options towards family housing (North Ayrshire Council, 2013a).

135. Table 11 indicates there was growth in the housing stock on Arran (9.9%) and Cumbrae (3.2%) between 2003 and 2011. Likewise, there was growth both nationally (6.1%) and in North Ayrshire (5.5%) during this period; the increase in Arran was notably larger in comparison.

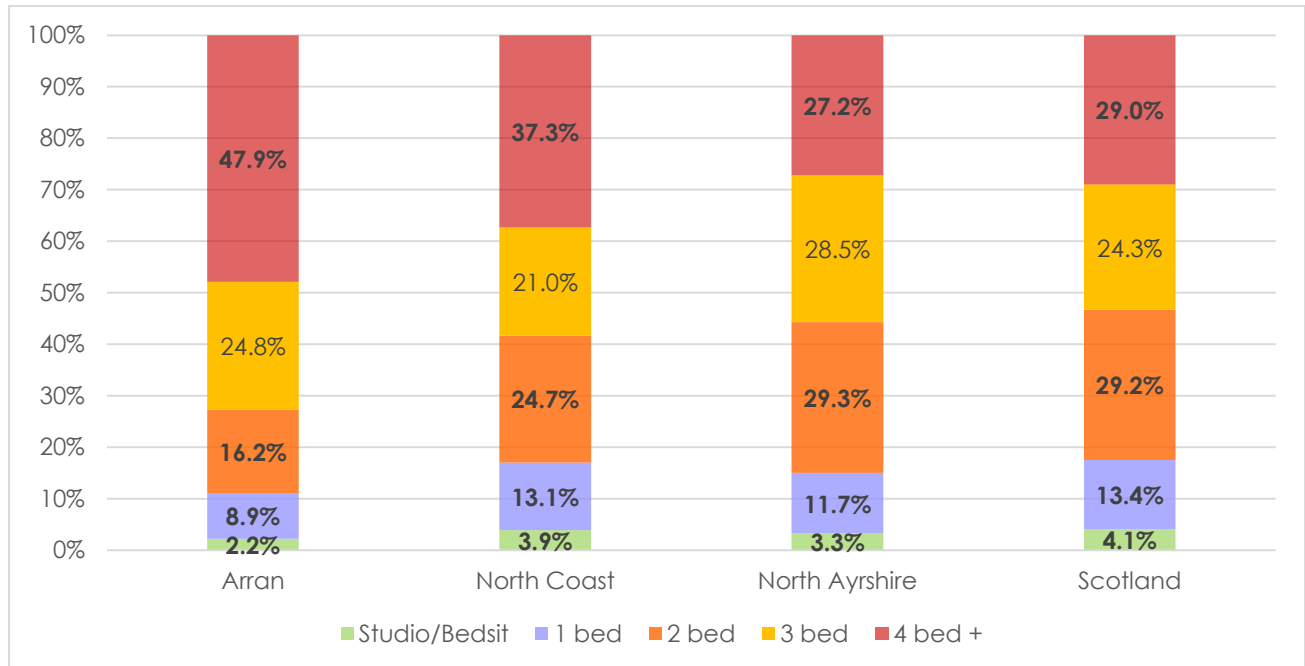
TABLE 11: TOTAL NUMBER OF RESIDENTIAL DWELLINGS, 2003 - 2011 (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT ARRAN & CUMBRAE 2013).

| | Total Stock | | Change 2003-2011 | |
|----------------|-------------|-----------|------------------|-----|
| | 2003 | 2011 | Number | % |
| Arran | 2,702 | 2,969 | 267 | 9.9 |
| Cumbrae | 1,276 | 1,317 | 41 | 3.2 |
| North Ayrshire | 63,195 | 66,648 | 3,453 | 5.5 |
| Scotland | 2,356,176 | 2,500,849 | 144,673 | 6.1 |

136. Figure 10 presents dwelling size by locality. The Housing Need and Demand Assessment for North Ayrshire outlined that 47.9% of dwellings in Arran have 4+

bedrooms, significantly higher than the national average of 28.9% and 27.2% for North Ayrshire. The Housing Need and Demand Assessment for North Ayrshire also notes that detached dwellings are much more common in Arran (North Ayrshire Council, 2016a).

FIGURE 10: DWELLING SIZE BY LOCALITY, 2016 (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT, 2016)



137. Research within the Housing Need and Demand Assessment for Arran and Cumbrae and qualitative research from the Cumbrae focus group suggest that smaller sized flatted properties are more prominent within Cumbrae. (North Ayrshire Council, 2013a). Indeed, the assessment notes that;

60% of the occupied stock comprised of flats. Most flats (75%) are located in custom-built blocks, including tenements built to house the local linen industry prior to WW1 that typically contained one or two small room and a kitchen (North Ayrshire Council, 2013a).

138. With regards to the social housing stock on Arran, the majority were one (28%) and two (56%) bedroom properties. 16% were three bedroom properties and there were no bedsit, 4, 5 or 6 bedroom properties on the island (North Ayrshire Council, 2016a).

Tenure

139. North Ayrshire has a higher than average proportion of social rented housing. However, in Arran, the social rented sector is significantly smaller. Table 12 details the figures for housing tenure on Arran and the North Coast & Cumbrae.

TABLE 12: HOUSING TENURE (SOURCE: NORTH AYRSHIRE HOUSING NEED AND DEMAND ASSESSMENT, 2016A)

| | All Households | Owned | Private Rented | Social Rented | Other |
|-----------------------|-----------------------|--------------|-----------------------|----------------------|--------------|
| Arran | 2,126 | 73.9% | 10.7% | 12.4% | 3.1% |
| North Coast & Cumbrae | 10,823 | 78.2% | 11.3% | 9.1% | 1.5% |
| North Ayrshire | 62,498 | 62.2% | 9.0% | 27.9% | 0.9% |
| Scotland | 2,372,777 | 62.0% | 12.4% | 24.3% | 1.3% |

140. Home ownership dominates the housing stock profile of both the Arran and North Coast localities with limited social and private rented opportunities. Significantly, 72.7% of all household spaces were occupied on Arran and 25.1% were unoccupied second residencies/holiday homes. 2.2% were unoccupied vacant (North Ayrshire Council, 2016a).

141. With such restriction on the available housing stock, acquiring affordable housing on both of the islands is limited. Isle of Arran Homes (Trust Housing Association) is the largest Registered Social Landlord on Arran managing 283 properties on the island (North Ayrshire, 2013a). An additional 56 affordable homes were developed in Lamlash by Irvine Housing Association between 2013 and 2015. Cunninghame Housing Association owns and manages 90 properties on Cumbrae and 12 amenity bungalows are managed by North Ayrshire Council in Millport.

142. The private rented sector, therefore, plays an important role in offering an alternative housing option to social housing on both the islands. The Rural Housing Policy Review Group (RHPRG) identifies that within rural communities' competition from commuters, retirees and second home owners often disadvantages local residents from acquiring housing (RHPRG, 2015). Second homes used for holiday purposes may also offer renting options to people out

with season. However, this offers the insecurity of tenure to those privately renting such properties.

Empty & Second/Holiday Homes

143. The numbers of unoccupied dwellings either vacant or second/holiday homes on both the islands limits the amount of available housing to residents. This makes acquiring a home of any tenure difficult and particularly costly in the private rented sector or home ownership.

144. Table 13 illustrates that occupancy rates on both islands are substantially lower than both the North Ayrshire and national averages. Notably, second homes accounted for 19% and 32% of residential dwellings on Arran and Cumbrae.

TABLE 13: TOTAL NUMBER OF RESIDENTIAL DWELLINGS BY OCCUPANCY STATUS, 2011 (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT ARRAN & CUMBRAE – NRS (2012) DWELLING ESTIMATES)

| | Total Stock | Occupied | Unoccupied household space | | |
|----------------|-------------|----------|----------------------------|-------------|--------|
| | | | Unoccupied | Second Home | Vacant |
| Arran | 2,969 | 74% | 26% | 19% | 7% |
| Cumbrae | 1,317 | 59% | 41% | 32% | 8% |
| North Ayrshire | 66,648 | 95% | 5% | 2% | 3% |
| Scotland | 2,500,849 | 95.5% | 4.5% | 1.5% | 3% |

145. The introduction of new council tax regulations allows for an increase in council tax of up to 100% on empty properties. (North Ayrshire Council, 2016). This is intended to help increase the housing supply on the islands by encouraging empty homeowners to bring their empty properties back into use.

146. The islands are still popular holiday destinations and as a result remain popular places to purchase second properties. This remains an issue contributing to pressures on the housing supply and requires consideration.

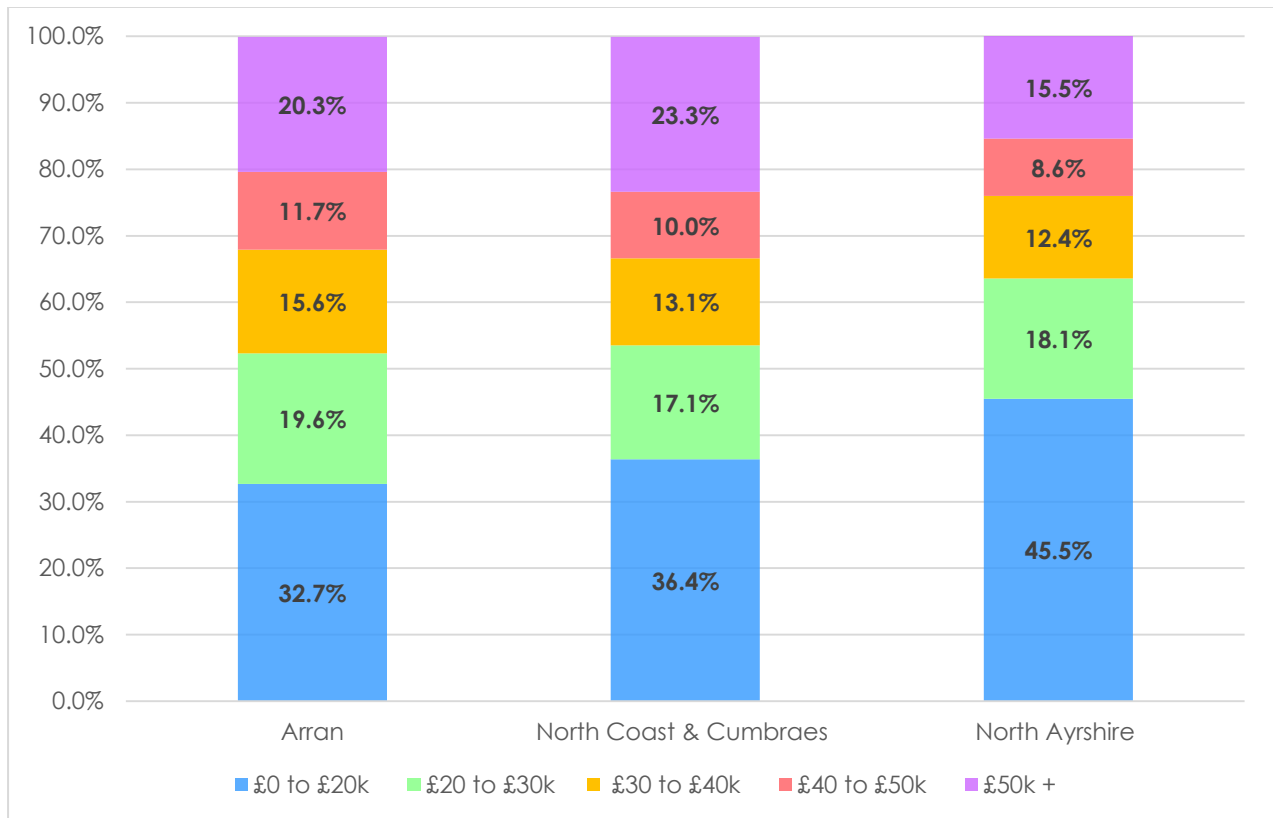
147. Unoccupied empty and second/holiday homes characterise a proportion of private rented properties on Arran and Cumbrae. Ensuring a healthy private rented sector (which is comparable in size to social rented sector on the islands) will be significant in developing the supply of good quality housing to meet the needs of Arran and Cumbrae.

148. Further information on empty homes can be located within the Private Sector Housing topic paper.

Income

149. Recently published CACI paycheck data on gross household incomes by locality area are presented in Figure 11. The data highlights that across North Ayrshire household incomes are dispersed across all the income range groupings with a higher proportion of households on lower incomes.

FIGURE 11: GROSS HOUSEHOLD INCOME BY LOCALITY AREA, 2016 (SOURCE – CACI PAYCHECK 2016, NORTH AYRSHIRE COUNCIL, 2016C)



150. Conversely, it is notable that in the 50k+ income range, both Arran (20.3%) and North Coast & Cumbrae (23.3%) have a higher proportion of households than the North Ayrshire figure (15.5%). Whilst there is still a large proportion of households within the lower income groupings (illustrated in Figure 13) in these two localities, a larger proportion of households with higher incomes creates an

even dispersal of income in comparison to North Ayrshire but greater income inequality.

151. However, the figures for the North Coast and Cumbrae, may not be reflective of the household incomes present on Cumbrae, skewed by more affluent areas within the locality. Median household incomes offering a more accurate representation are available via the CACI Paycheck dataset for Postcode Units, Census Output Areas, Data Zones, Intermediate Zones and Council Wards but not on a locality basis. Table 14 illustrates the median incomes for the data zones present in Arran and Cumbrae.

TABLE 14: MEDIAN INCOME BY DATAZONES, 2016 (SOURCE - CACI PAYCHECK, 2016)

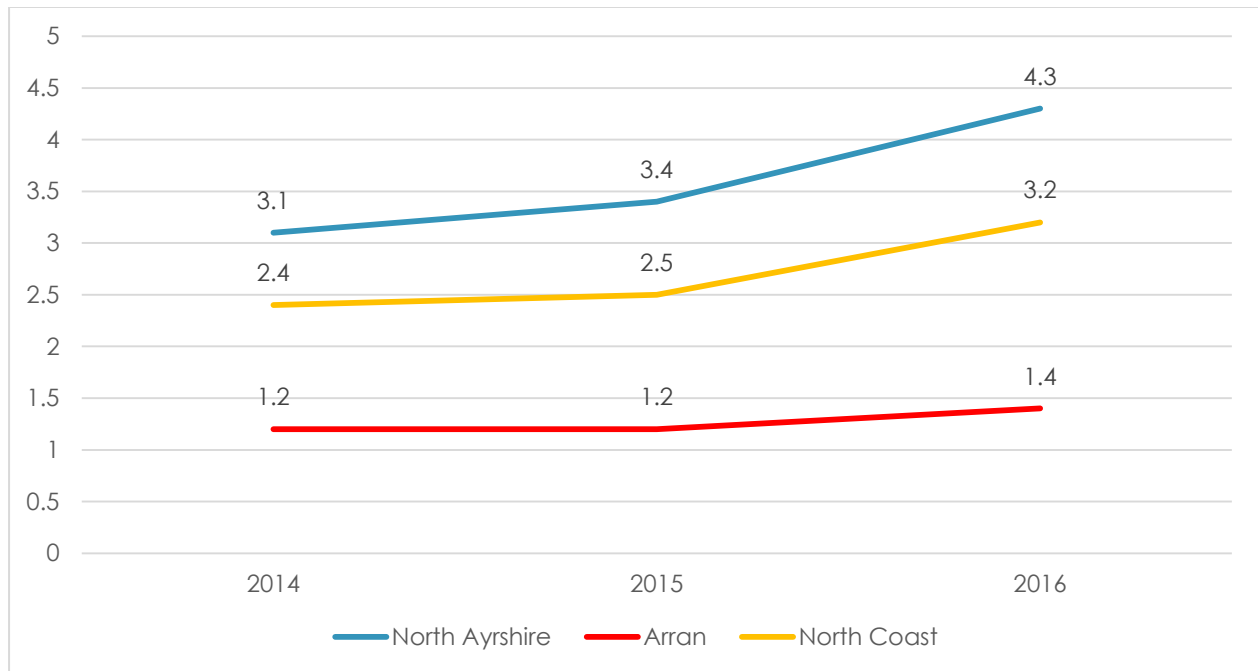
| Area Name | Total Households | Data Zones | Median Income |
|----------------|------------------|------------|---------------|
| Arran | 2,162 | S01011171 | £29,532 |
| | | S01011172 | £27,686 |
| | | S01011173 | £32,208 |
| | | S01011174 | £30,744 |
| | | S01011175 | £23,186 |
| | | S01011176 | £30,606 |
| | | S01011177 | £28,854 |
| Cumbrae | 775 | S01011327 | £16,945 |
| | | S01011328 | £22,883 |

152. There are seven data zones present in Arran with, the lowest data zone's median income of £23,186. This is above the figure for North Ayrshire of £22,303 indicating greater wealth on Arran in comparison to the region as a whole (CACI Paycheck, 2016).

153. There are two data zones present on Cumbrae with median household incomes of £16,945 and £22,883. This highlights the dispersal of wealth in the North Coast (shown in figure 13) does not truly reflect household income on Cumbrae and in fact shows many households are less well off than many of their counterparts in North Ayrshire.

154. Figure 12 illustrates the ratios between the highest and lowest data zones in regards to mean household incomes in Arran and the North Coast.

FIGURE 12: RATIO OF HIGHEST: LOWEST MEAN INCOME, 2016 (SOURCE – CACI PAYCHECK, 2016)



155. Table 15 presents the highest and lowest data zones mean household incomes in Arran, North Coast and North Ayrshire for 2016. It is notable that there is greater income inequality in the North Coast with the highest data zone being 3.2 times higher than the lowest data zone. The ratio for Arran is 1.4 times and the ratio for North Ayrshire is 4.3 times.

TABLE 15: HIGHEST: LOWEST MEAN INCOME, 2016 (SOURCE - CACI PAYCHECK, 2016)

| | North Ayrshire | Arran | North Coast |
|------------------------------------|-----------------------|--------------|--------------------|
| Data Zone with Mean Highest income | £63,631 | £38,418 | £58,060 |
| Data Zone with Mean Lowest income | £14,935 | £28,230 | £18,411 |
| Ratio | 4.3 | 1.4 | 3.2 |

156. The increase in mean income ratios in Arran, Cumbrae and North Ayrshire over the past three years demonstrates a growth in income inequality. The income ratio on Arran for mean household incomes indicates that there is not a significant difference between mean incomes across the seven data zones. Notably, the highest data zone for Arran is significantly less than that for North Ayrshire illustrating the modest income levels on Arran.

157. The income ratio in the North Coast for mean household incomes indicates that there is a greater difference between mean incomes across the locality. The highest mean income is £58,060. If this is compared with the median household incomes for Cumbrae it indicates that household incomes are significantly greater on mainland North Ayrshire than they are on the island.

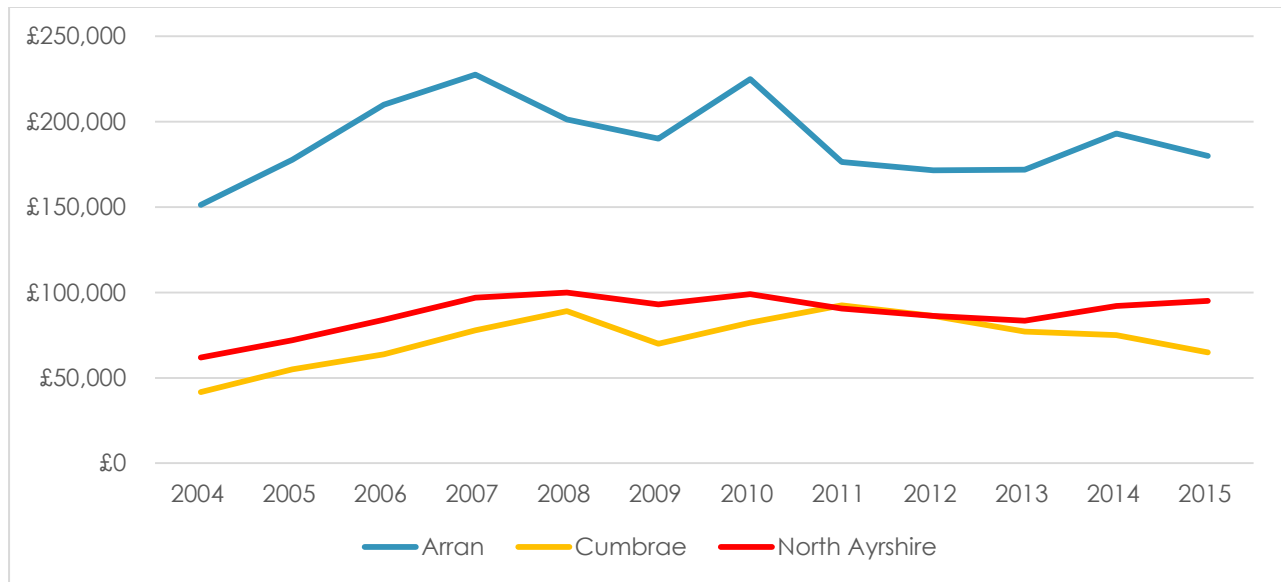
158. Arran's tourist appeal means that significant proportions of properties are purchased as second/holiday homes which in turn contributes to a pressurised housing market and high house prices. This makes it difficult for those on lower incomes to purchase property within the context of the housing market. This is particularly pertinent in an environment of restricted borrowing and mortgage finance following the 2008 financial crisis.

House Prices and Affordability

159. In North Ayrshire, median house prices fell from £99,995 to £95,000 during the period between 2008 and 2014. The newly published UK house price index indicates the average house price in North Ayrshire as of April 2016 was £96,995 (ONS, 2016).

160. Figure 13 illustrates the median house prices for Arran and Cumbrae between 2004 and 2015. The line graph highlights the distinct difference in house prices between the two islands.

FIGURE 13: MEDIAN HOUSE PRICES, 2004-2015 (SOURCE – PROPVALS.CO.UK)



161. These figures highlight the divergent housing markets present on the two island settlements. House prices on Cumbrae have historically been closer to the figures for North Ayrshire although almost always lower

162. Table 16 outlines the median house prices for 2014 and 2015 and illustrates the percentage change between the two years. Table 17 presents the ratio of Income to house price. House prices have fallen in both Arran and Cumbrae but have increased slightly by 3.3% across North Ayrshire overall.

TABLE 16: MEDIAN HOUSE PRICES AND TOTAL SALES 2014-15 (SOURCE: PROPVALS.CO.UK)

| Area | Total Sales | | Median House Price | | % Change 2014 - 2015 |
|----------------|-------------|-------|--------------------|----------|----------------------|
| | 2014 | 2015 | 2014 | 2015 | |
| Arran | 88 | 87 | £193,000 | £180,000 | -6.7% |
| Cumbrae | 39 | 45 | £75,000 | £65,000 | -13.3% |
| North Ayrshire | 1,986 | 2,183 | £92,000 | £95,000 | 3.3% |

TABLE 17: RATIO OF DATAZONE WITH LOWEST MEDIAN INCOME TO MEDIAN HOUSE PRICES (SOURCE: PROPVALS.CO.UK)

| Area | Datazone | Median Income | Median House Price 2015 | Ratio Income to House Price |
|---------|-----------|---------------|-------------------------|-----------------------------|
| Arran | S01011175 | £23,186 | £180,000 | 7.8x |
| Cumbrae | S01011327 | £16,945 | £65,000 | 3.8x |

163. With consideration to the affordability of housing on Arran, the median house price in 2015 is 5.5 times the median household income of the highest data zone presented previously. It is 7.8 times the median household income of the lowest data zone. This suggests that the significant cost of housing on Arran makes purchasing market housing by mortgage finance out of the price range of a significant number of residents. Indeed, Figure 13 previously presented that over half (52.3%) of households on Arran have an income of 30k or less.

164. In contrast, the disparity between household income and house prices appear to be less significant on Cumbrae. The median house price in 2015 is only 2.8 times the median household income of the highest data zone presented previously. It is 3.8 times the median household income of the lowest data zone.

165. Although household incomes are typically lower than on Arran and mainland North Ayrshire, so too are house prices. The median house price for Cumbrae was the lowest in North Ayrshire in 2015 and was £30,000 lower than the median house price for the region. House prices have fallen over the past 5 years as highlighted by table 9 while prices for North Ayrshire have risen.

166. The profiles of the housing markets on Arran and Cumbrae are significantly different and should be treated as such. The figures suggests that people on lower incomes are more likely to find difficulty in buying market housing on Arran than in Cumbrae where house prices are substantially lower.

Affordable Rented Housing

167. Scottish Planning Policy advises that affordable housing is:

'Housing of a reasonable quality that is affordable to people on modest incomes' (Scottish Government, 2010).

168. The UK government outline affordable housing in the form of affordable rented housing or low-cost home ownership to those who are eligible and needs are not met by the market. Eligibility can be measured against local incomes and local house prices (UK Government, 2012).

169. Affordable rented housing encompasses social rented accommodation, provided by a local authority or Registered Social Landlord. Similarly, mid-market rent also referred to as intermediate renting, is also viewed as affordable housing.

170. Mid-market rent allows tenants to pay rent levels below the normal market rent level in their area, although rents are higher than what a tenant would expect to pay for social housing. The Scottish Government advise that intermediate rental rates can be employed, as long as they do not exceed 100% of the Local Housing Allowance. Table 18 outlines the local housing allowances for North Ayrshire in 2016.

TABLE 18: NORTH AYRSHIRE LOCAL HOUSING ALLOWANCE, 2016 (SOURCE: NORTH AYRSHIRE COUNCIL, 2016D)

| Number of rooms (as indicated in the LHA calculator) | Weekly amount |
|--|---------------|
| 1 room (with shared room) | £62.69 |
| 1 bedroom | £80.55 |
| 2 bedrooms | £97.81 |
| 3 bedrooms | £115.07 |
| 4 bedrooms | £158.90 |

171. Table 19 details the average weekly rental amount for a one bedroom property for North Ayrshire Council, local RSLs and the Ayrshire average private rent. With the local housing allowance for North Ayrshire being placed at £80.55 and social rent ranging from £62.77 to £74.42 an intermediate rent for a 1 bedroom property would be placed between £75 and £80 a week.

TABLE 19: NORTH AYRSHIRE – TYPICAL WEEKLY RENT RATES (1-BED EQUIVALENT, 2014/15) (SOURCE: SCOTTISH GOVERNMENT, 2014D AND SCOTTISH HOUSING REGULATOR, 2016)

| Organisation | Average Rental Amount (£) |
|---------------------------------|----------------------------------|
| North Ayrshire Council | £62.77 |
| Irvine Housing Association | £67.88 |
| Cunninghame Housing Association | £74.72 |
| Ayrshire Average Private Rent | £83.77 |

172. Notably, the average market rent level for Ayrshire is £83.77 indicating that there is a very small margin between average social rents, intermediate rent and private rents across North Ayrshire. It is because of these tight margins that mid-market rent has not been viewed as a viable affordable housing option within the area, offering little alternative to what is already available. As a result, it has generally made the application of mid-market rent within North Ayrshire difficult to justify for housing providers and as such has not been utilised within the region.

173. Significantly, the only figures available for market rent levels are on a pan-Ayrshire basis comprising of North, South and East Ayrshire which potentially affects the reliability of these figures as a true reflection of local rent levels. The housing market on Arran is particularly unique with high house prices and pressures on the available housing supply. Similarly, there are high levels of unoccupied stock within Cumbrae although house prices are low on the island. It is because of these factors that the Ayrshire Average Private Rent is not a reliable representation of the private rates for Arran or Cumbrae.

174. The financial vulnerability of the housing market means that the applicability of mid-market rent within a rural context is something which should be continuously reviewed in North Ayrshire. The updated North Ayrshire Housing Need and Demand Assessment highlights that mid-market rent and shared equity housing may offer solutions to housing need on Arran. Figures indicate 50% of newly formed households would be financially able to accommodate an intermediate rent on Arran (North Ayrshire Council, 2016a) and higher house prices make mid-market rent or shared equity options a consideration.

Low-Cost Home Ownership

175. Typically, there are two commonly used models of low-cost home ownership; shared ownership and shared equity. Shared ownership is defined by the Scottish Government as:

‘You purchase a share in the property (25%, 50%, or 75%) and you pay an occupancy charge on the remainder to a housing association. You do not own the property outright’ (Scottish Government, 2012a).

176. Shared Equity describes the purchase of a property which is then owned outright but obtains a mortgage for a certain percentage of equity (e.g. 80%) (Scottish Government, 2012b).

177. The Scottish Government have promoted Shared Equity through the Help to Buy scheme assisting people on low to moderate incomes buy new build properties from developers (Scottish Government, 2016g). The Open Market Shared Equity Scheme assists those on low to moderate incomes to buy homes that are for sale on the open market where it is affordable for them to do so (Scottish Government, 2016h).

178. The Scottish Government has established maximum ceiling sale prices applicable for the Open Market Shared Equity Scheme, deemed to be affordable for their specific area. The sale prices are listed for North Ayrshire and Arran in table 20.

TABLE 20: SCOTTISH GOVERNMENT OPEN MARKET TO SHARED EQUITY CEILING PRICES, 2016 (SOURCE: SCOTTISH GOVERNMENT, 2016H)

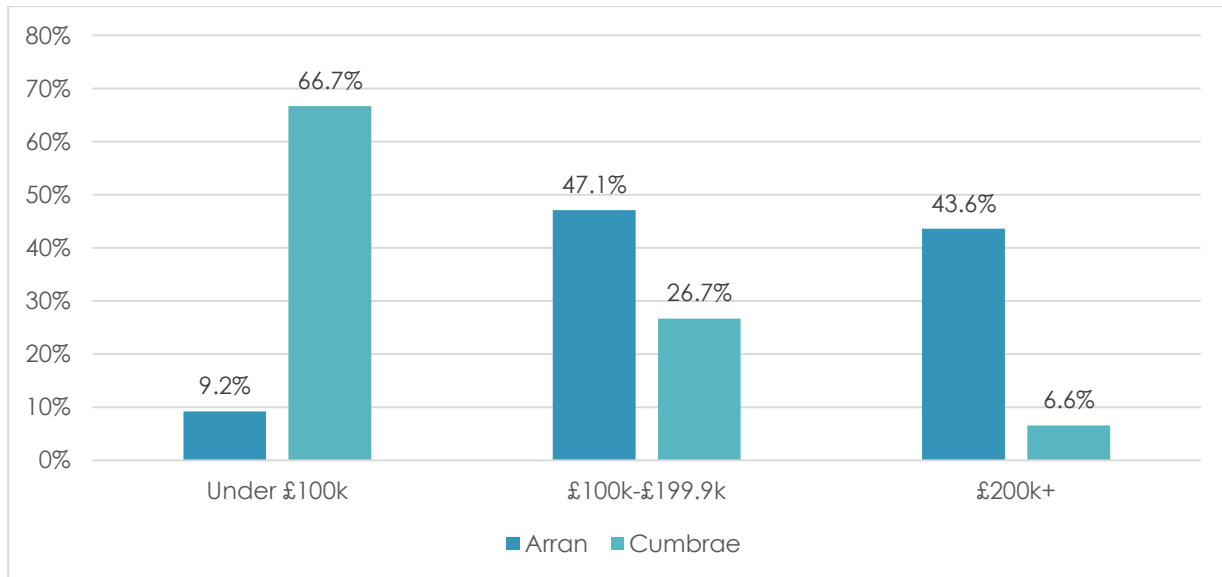
| No of Apartments* | Maximum Sale Price to be Classified as Affordable | |
|-------------------|---|----------|
| | North Ayrshire | Arran |
| 2 | £65,000 | £70,000 |
| 3 | £70,000 | £80,000 |
| 4 | £80,000 | £95,000 |
| 5 | £100,000 | £125,000 |
| 6 | £180,000 | £195,000 |

**Apartments include all rooms apart from kitchens, bathrooms, cupboards or hallways.*

179. Within Arran, the scope for this tenure is relatively limited. Between 2010 and 2015 there was a total of 8 sales in North Ayrshire using the Open Market Shared Equity Scheme indicating a limited uptake in this scheme locally (Scottish Government, 2016i).

180. Referencing the 2015 median house price of £180,000 and the mean house price of £203,585 on Arran (PropVals.co.uk, 2016) against the affordable rates of the Open Market Shared Equity Scheme illustrates the difference between the rates and typical house sales. Notably, Figure 14 outlines that only 9.2% of house sales in Arran in 2015 were under £100,000 and 43.6% were above £200,000.

FIGURE 14: HOUSE SALES, ARRAN AND CUMBRAE, 2015 (SOURCE: PROPVALS.CO.UK, 2016)



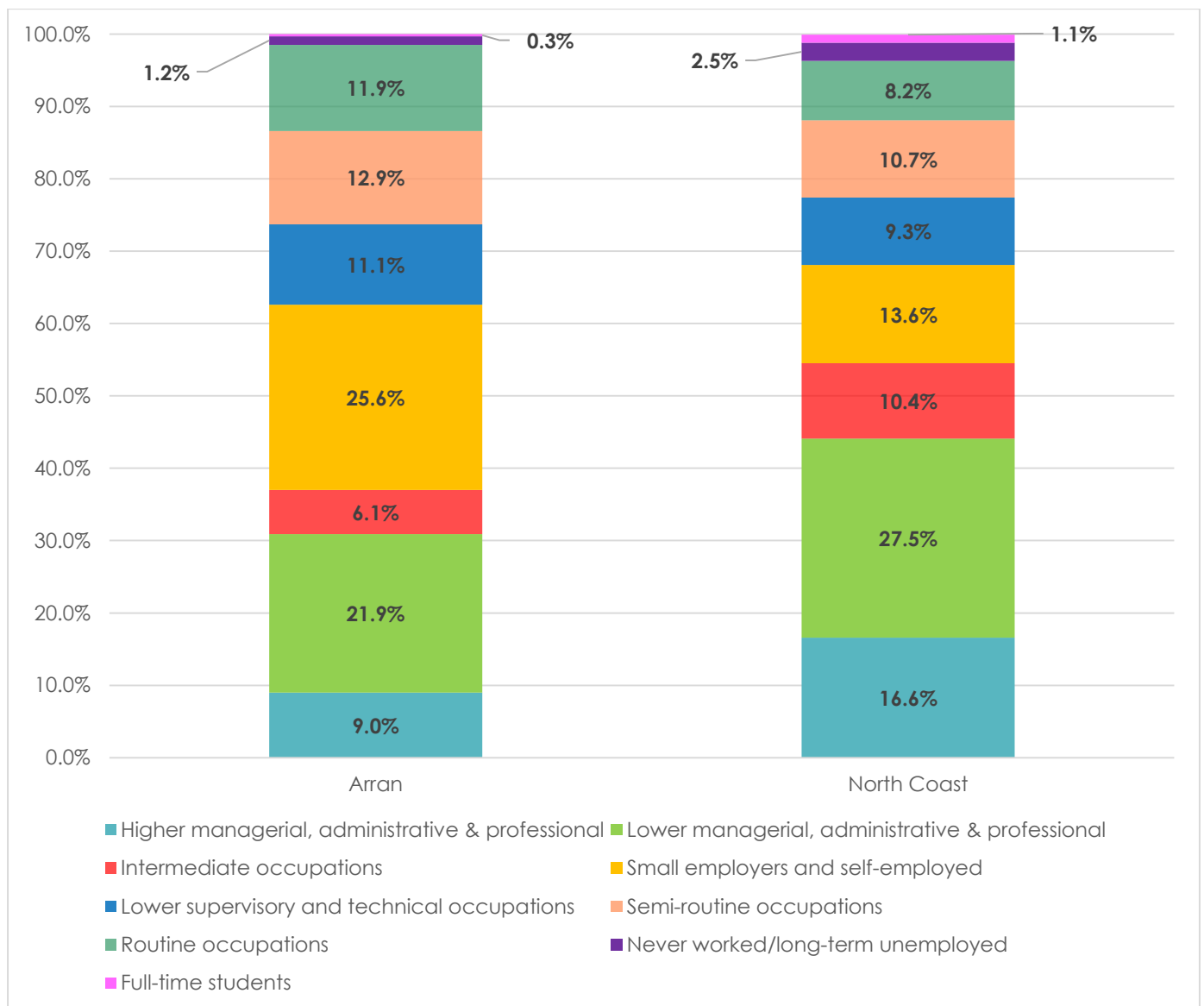
181. These figures illustrate that a significant proportion of house sales in Arran are not applicable within the Open Market Shared Equity scheme’s ceiling prices. Conversely, 66.7% of properties sold in Cumbrae in 2015 were under £100,000 and 93.4% of all house sales were under £200,000. This indicates that a significant proportion of sales are likely to be applicable for use within this scheme if they fall within the correct apartment size ceiling prices.

182. However, the limited uptake figure for the Open Market Shared Equity scheme across North Ayrshire highlight that it is currently an ineffective model in the region.

Economic Activity and Employment

183. The Office of National Statistics reported that in 2015, 73.4% of the population of North Ayrshire were economically active with 64.1% in employment and 9.3% unemployed. This falls below the national figure of 78.9% of the population being economically active with 73.1% in employment and 5.8% unemployed (ONS Annual Population Survey, 2015). Figure 15 displays the socio-economic status and employment of the Arran and North Coast localities from the Scottish Census.

FIGURE 15: SOCIO-ECONOMIC STATUS AND EMPLOYMENT (SOURCE: SCOTTISH CENSUS 2011)



184. It is notable that small employers and self-employed are the largest socio-economic classification group on Arran at 25.6%. This figure is significantly higher than the proportion of workers in this category in North Ayrshire (9.7%) and Scotland (10.1%). The island also has lower levels of never worked and long-term unemployed individuals at 1.2% of the population in comparison to North Ayrshire at 6% and Scotland at 4%.
185. In May and June 2016, Business Gateway Service Arran and Cumbrae carried out a survey of businesses on Arran to identify how the local housing market influences employment and recruitment. This survey outlined there was a total of 168 businesses on Arran with a total of 1,673 employees and an average of 9.96 employees per business. The size of businesses ranged from sole traders to larger businesses, employing over 150 staff (NAC, Highland & Island Enterprise & Arran Economic Group, 2016).
186. One of the key themes explored within the survey was the influence housing has on employment and the ability of businesses to recruit. Appropriate housing which meets the needs of employees was cited by 55 businesses (32%) as having an effect on their business, the most common reasons were:
- Unable to recruit and retain staff
 - A lack of accommodation for single person households
 - It halts expansion plans.
187. The consultation findings presented within the Arran Economic Group's paper significantly reflect research findings within the consultation process for this topic paper. Employers suggested that a range of housing options are required to accommodate staff including seasonal accommodation, private sector lets, rent to buy and shared ownership (NAC, Highland & Island Enterprise & Arran Economic Group, 2016).
188. There is an aspiration to attract people and business to the island but this development is hampered without the appropriate housing supply to support the island's needs. Growth in the rented sector, including both private and intermediate renting options, may offer suitable alternatives to staff accommodation for key workers. Additionally, greater renting options could potentially facilitate growth in businesses hampered by their inability to attract workers without providing accommodation.

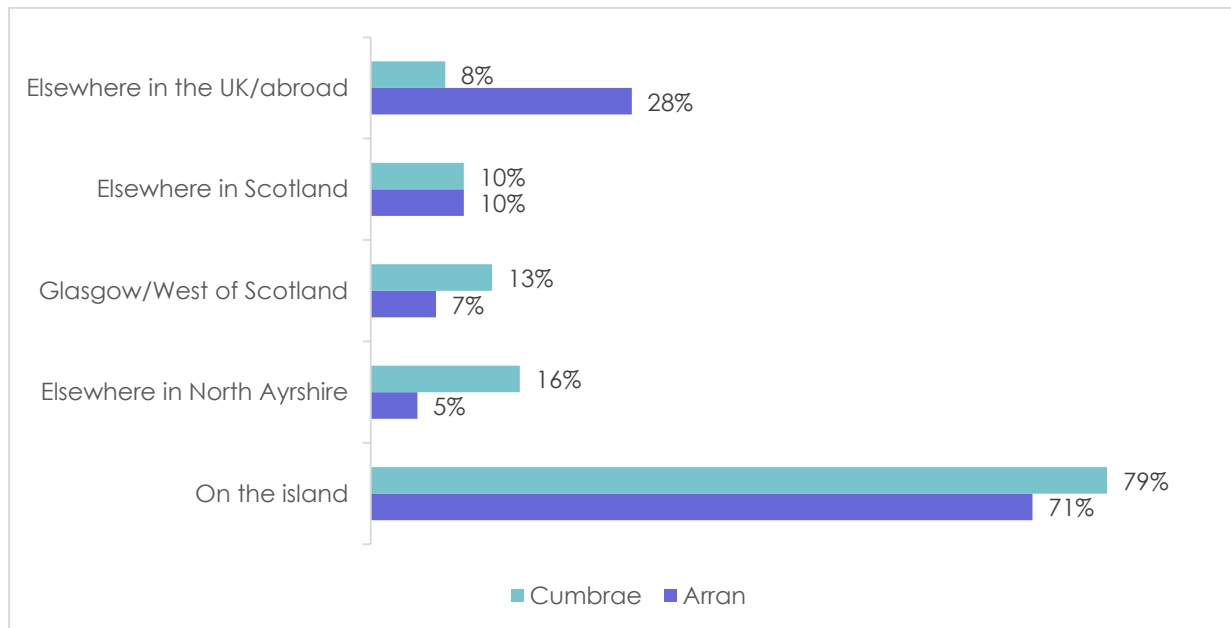
189. Low-Cost Home Ownership options may offer housing solutions to young professionals who would be prepared to relocate to the island but cannot due to the high house prices on the island.

Aspiration

190. Research on understanding the housing aspirations of people in Scotland found that location was the most important factor (McKee, Moore, Crawford, 2015).

191. Figure 16 indicates the preferences of those living on Arran and Cumbrae who had indicated they wished to move home and where they would like to move to. Significantly, the aspirations of those wishing to move on Arran and Cumbrae predominantly wanted to remain on their respective island. Around 2 in every 5 respondents that wish to move on Arran tend to want to live in or close to the village which they already reside in, (North Ayrshire Council, 2013a).

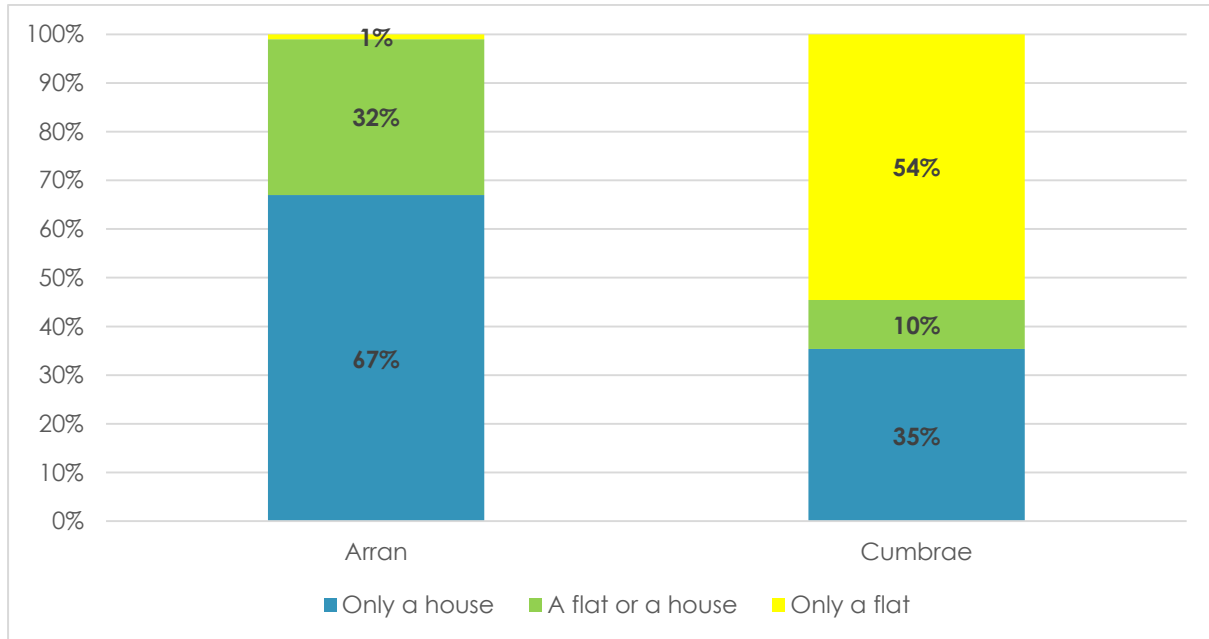
FIGURE 16: LOCATION PREFERENCES FOR NEXT HOME (THOSE WISHING TO MOVE) (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT ARRAN & CUMBRAE, 2013A)



Note: Figures sum to more than 100% as respondents could state more than one area preference.

192. Figure 17 indicates the preferences of those living on Arran and Cumbrae who had indicated they wished to move home and what type of property they wished to move into.

FIGURE 17: PROPERTY TYPE PREFERENCES FOR NEXT HOME (THOSE WISHING TO MOVE) (SOURCE: HOUSING NEED AND DEMAND ASSESSMENT ARRAN & CUMBRAE, 2013A)



193. These responses are perhaps indicative of the characteristics of the housing stock profiles and the available house types on both islands, discussed in this chapter.

194. The findings illustrate the very particular aspirations of those living on Arran. The figures highlight a demand from those wishing to move, wish to move to houses within their own village or area. With limited social and private rented options, homeownership may be the most accessible route to addressing their housing need and aspirations.

195. As previously illustrated, house prices are greater on Arran and therefore homeownership is difficult to attain for those on lower incomes. Low-cost homeownership options could create an accessible route to those aspiring to own their own home but without the financial capacity to do so.

196. However, Irvine Housing Association developed 56 affordable homes at Benlister in Lamlash between 2013 and 2015, a proportion of which were shared

equity. With little appetite from local residents for this affordable housing option, the majority of houses were instead used by the housing association for social rent. This illustrates the complexity of addressing the housing aspirations of island residents.

Housing Needs on Arran & Cumbrae

197. Research carried out during the production of the Arran & Cumbrae Housing Need and Demand Assessment indicated that there was a backlog need of 140 households on Arran and 40 households on Cumbrae at the end of 2012. After netting off the supply of need (due to in-situ solutions and those able to afford market solutions) these figures reduce to a net current need shortfall of 64 and 18 units.

198. Table 21 presents a summary of housing supply estimates by housing market area between 2016 and 2020.

TABLE 21: SUMMARY OF NORTH AYRSHIRE HOUSING SUPPLY ESTIMATES BY HMA, 2016 - 2020 (SOURCE: NORTH AYRSHIRE HOUSING NEED AND DEMAND ASSESSMENT, 2016)

| | Social Rented | Below Market | Private Rented Sector | Owner Occupation | Total |
|-----------------------|----------------------|---------------------|------------------------------|-------------------------|--------------|
| Arran | 7 | 1 | 3 | 2 | 13 |
| North Coast | 30 | 5 | 10 | 12 | 57 |
| North Ayrshire | 173 | 33 | 39 | 73 | 317 |

199. The Housing Needs and Demand Assessment has identified a need for about 65 new homes on Arran between 2016/17 and 2020/21. These properties should be a mix of both social and private rented housing, and homes for sale.

200. The Cumbrae figure is more difficult to ascertain from the 2016 research which notes that in the North Coast Sub Housing Market Area, 285 new homes are required inclusive of Cumbrae.

201. An island specific Housing Needs & Demand Assessment carried out in 2013 found there was sufficient housing on Cumbrae. However, it also found there was a significant mismatch between a) the type of housing people needed, and b) the property that was available. Noting the lack of homes suitable for the island's ageing population will increasingly become more pronounced unless

ways are found to rebalance the stock profile, particularly in the social rented sector.

202. Both Housing Need and Demand Assessment's show that there are contrasts in the housing supply and needs of the rural island communities and mainland North Ayrshire.

203. Perceptions of land supply on Arran indicate that there is sufficient allocation of residential land which would facilitate the development of housing. However, much of the existing sites and developable land is owned by one or two developers (North Ayrshire Council, 2013b). The effect of this makes it difficult to secure land to develop, influencing land values and the cost of developing on the island as a result.

204. Likewise, in Cumbrae land availability is not seen as a barrier to developing housing on the island. Many stakeholders are keen to see development to help support the community. However, qualitative evidence outlined within the Housing Need and Demand Assessment Arran & Cumbrae suggests that there is no consumer demand and therefore little interest from private developers in speculative building. With these constraints present, development of housing on the islands is challenging.

Conclusions

205. Projections indicate population decline as well as an ageing demographic in rural North Ayrshire. Significantly, life expectancy, particularly in Arran, exceeds national and regional figures indicating increasing numbers of older people within the rural communities. Life expectancy in Largs Central and Cumbrae intermediate zone was below the regional and national figures.

206. Current service delivery and specialist housing provision which enables older people to live independently within North Ayrshire's rural communities should be a consideration for both Housing Services and the North Ayrshire Health and Social Care Partnership. It is important that the housing needs of an ageing population within rural communities are met

207. Employment and economic activity is characterised by small employers, self-employed and lower managerial, professional occupations on Arran. Moreover,

long-term employment figures are lower on Arran than national and regional figures. However, consultation findings presented by the Arran Economic Group suggest that the ability to recruit and retain qualified professionals and employees hampers businesses growth on the island. One of the fundamental influences is a lack of accommodation particularly for single person households and the ability for individuals, potentially moving to the island for employment, acquiring housing which meets their needs and aspirations. Consultation findings during the development of this topic paper indicated similar issues in attracting young professionals to deliver key services on Cumbrae. Employers outlined that a range of housing options are required to accommodate staff due to the limited rented opportunities.

208. The housing stock profile on Arran indicates larger, detached housing as a prominent feature on the island. The housing profile is distinctly different on Cumbrae where flats and low-value properties are common and limited option towards family housing. Appropriate housing can be a significant factor in influencing individuals to relocate to the island as well as a significant barrier.
209. With consideration to this, house prices on the two islands are significantly different with Arran having some of the most expensive housing in North Ayrshire. The median house price in Arran was £180,000 and Cumbrae's median house price was £65,000. Notably, median household incomes on Arran are relative to the figures for North Ayrshire suggesting that those on lower incomes will have significant difficulty in buying market housing. This makes the prospect of purchasing a property more attainable in other areas of North Ayrshire.
210. The dominant tenure on Arran and Cumbrae is homeownership, with below average levels of social housing. The private rented sector on both islands is slightly below the national average and slightly higher than the regional average although empty and second/holiday homes remain an issue in this respect. A consequence of the high levels of homeownership leaves residents with limited rented options in comparison to mainland North Ayrshire. This is a particularly important consideration when the aspirations and income levels of those living on the islands are taken into account.
211. This profile outlined that the majority of those living on Arran and Cumbrae who aspire to move wish to do so within the island. Furthermore, the significant

majority of those wishing to move on Arran would only move to a house and not a flat indicating the particular housing aspirations of those living on the island. This point was highlighted within the consultation process with stakeholders identifying the difficulties in selling shared equity properties in Lamlash.

212. The 56-unit development was originally planned to be mainly constituted of shared equity properties for sale by Irvine Housing Association. Following a limited uptake by Arran residents on the properties, only 16 units were sold for shared equity with the rest used as social rented properties. Consultation with Irvine Housing Association outlined that three bedroom houses were the most popular units on the development with smaller two bedroom houses and flats less attractive to prospective buyers.
213. Furthermore, the Scottish Index of Multiple Deprivation 2016 presents that three of Arran's data zones are in the top 15% access deprived areas in Scotland. Accessing key services and infrastructure is a significant consideration to those living on the island and this should be noted in the development of affordable housing moving forward.
214. The Housing Need and Demand Assessment outlines a total of 14 units in Arran and 56 units in the North Coast housing market areas is required to meet demand between 2016 and 2020. Whilst available land for developing housing is not seen as a barrier to development on both islands, no affordable housing developments are identified within the Strategic Housing Investment Plan for the next 5 years. The cooperation of landowners to sell land is viewed as a stumbling block in attaining the land needed to address any housing shortages on the islands and in turn, contributes to high land values.
215. With consideration towards the housing market, barriers to development and the housing aspirations of the residents of Arran and Cumbrae, alternative affordable housing development methods should be investigated. Furthermore, there is a view that the islands require young professionals and key workers to deliver key services on the island. The ability to attract and retain employees on the island hampers business and economic growth with accessibility to housing viewed as a major barrier. Therefore, development should be focused towards creating increased rented opportunities to attract people to the islands and affordable home ownership solutions.

Policy Interventions

Rural Housing Burdens

216. Rural Housing Burdens were created by the Title Conditions (Scotland) Act 2003 and are a special type of right placed within the title deeds of a rural house/plot. Rural Housing Bodies may sell land to communities or as self-build plots at a discounted value in the interests of providing affordable housing in rural areas. A Rural Housing Body will retain an equity share within the property/plot with the opportunity to buy back property sold as affordable housing due to the rural housing burdens attached to the title deeds.
217. This gives a Rural Housing Body the ability to control future sales with the right to repurchase a property if it becomes available for sale. The body has 42 days to accept an offer to repurchase a property (Forestry Commission, 2011). Any discount included within the initial purchase price is retained when the property is sold ensuring that the rural housing burdens is in perpetuity and remains affordable.
218. A rural housing burden can be created by anyone who owns rural land but can only be in favour of a registered Rural Housing Body, the consent of the body is also required for this. Rural housing burdens can only be created on rural land: generally, in settlements of under 10,000 people (Forestry Commission, 2011). Arran and Cumbrae's remote rural classification, therefore, makes them eligible areas for this use.
219. A review of the effectiveness of rural housing burdens by the Carnegie Trust indicated that many housing organisations registered to become rural housing bodies as a form of insurance. It is believed that many have registered to increase their flexibility and options with regards to affordable development. (Alexander, 2011a).
220. Rural housing burdens seek to provide landowners assurance that any affordable provision for sale would be subject to burdens offering long-term community benefit. The Carnegie Trust paper on rural housing burdens states that a mix of affordable rented and homeownership provision is required to meet the needs of rural areas. The commonly held view was that offering homeownership opportunities in rural areas will help in retaining people within

communities (Alexander, 2011b). People may be more reluctant to move from a home where personal wealth is invested.

221. Finding and acquiring an affordable land supply remains an issue for rural housing bodies with much of the plentiful land in rural Scotland not appropriately located or economically viable. Additionally, finding landowners who are willing to sell appropriate land to an affordable housing provider at an affordable cost is a challenge. Respondents within the Arran focus group noted that there is an issue with a small number of landowners land banking on the island. This makes it difficult to acquire land for the development of new housing.

222. With the difficulties associated with procuring an affordable land supply on both Arran and Cumbrae, it could be beneficial to explore the feasibility of a Community Housing Trust to act as a rural housing body. Potentially a Community Housing Trust could seek to acquire land on the islands to enable affordable development, facilitated by the Scottish Government's Rural Housing Fund (discussed later in this chapter). The Community Housing Trust would be able to assure landowners that rural housing burdens would ensure nobody would profit from the use of their land and will instead protect the sustainability of North Ayrshire's rural communities.

223. Developing Affordable Homeownership options using rural housing burdens to ensure properties remain affordable in the future may be an alternative way of offering affordable options to those in need but do not wish to social rent.

Rural Housing Fund

224. As of April 2016, the Scottish Government launched a £25 million Rural Housing fund which is available for the next three years. The aim of the fund is to help increase the supply of affordable housing of all tenures in rural areas while contributing to the 50,000 new affordable homes target set by the Scottish Government. The fund is available to community organisations, development trusts, private landowners, private developers as well as traditional housing providers and will help them assist in meeting the housing needs of rural communities.

225. Table 22 outlines the annual budget allocations set by the Scottish Government for the next three years. The fund is made up of two components,

one a feasibility fund and the other is the main fund. The main fund offers capital support (grant and loan) to enable the direct provision of new affordable housing and refurbishment of existing empty properties. The feasibility fund provides a contribution to assist organisations or community groups to carry out feasibility studies.

TABLE 22: NATIONAL RURAL HOUSING FUND ANNUAL BUDGETS (SOURCE: SCOTTISH GOVERNMENT, 2016K)

| Financial Year | Grant | Loan | Total |
|-----------------------|--------------|-------------|--------------|
| 2016/17 | £5m | £1m | £6m |
| 2017/18 | £7m | £1m | £8m |
| 2018/19 | £10m | £1m | £11m |

226. Eligible projects must: have the support of the local authority, be in a rural area (4, 5 or 6 urban/rural classification), be prepared to undertake community consultation, evidence of housing pressure locally and must have a site/project identified (Scottish Government, 2016I).

227. Whilst the use of the Rural Housing Fund has not been explored due to its recent introduction there could be scope to utilise this resource. The Rural Housing Fund could potentially support a community trust to deliver affordable housing projects as mentioned previously or bring empty properties back into use on the islands.

228. Traditionally, housing development within rural communities is significantly different to mainstream development in urban settlements. Landowners play a more significant role in facilitating development and the costs involved. The delivery of affordable housing within remote rural areas is constrained by costs for infrastructure, suitable land and transport costs of materials etc. As such, an affordable housing development on Arran and Cumbrae is complex and has been limited over the past five years.

229. Furthermore, speculative building in remote rural areas in comparison to urban areas is not as prevalent. Qualitative evidence outlined within the Housing Need and Demand Assessment for Arran & Cumbrae suggests that there is no consumer demand and therefore little interest from private developers in speculative building on the islands (North Ayrshire Council, 2013a).

230. Support within rural North Ayrshire's communities from the Rural Housing Fund could potentially help stimulate affordable development out with traditional methods. The exploration of a community housing trust within Arran and Cumbrae should be a consideration as a means of delivering the distinct housing aspirations and needs of the rural communities.

Community Housing Trusts

231. A review of Rural Housing Enablers in 2008 indicated that Rural Housing Bodies had been influential in stimulating the development of affordable housing in rural areas across Scotland. Rural Housing Bodies such as Dumfries and Galloway Small Communities Housing Trust and Highland Small Communities Housing Trust are two enablers who seek to purchase land and land-bank on behalf of local communities to then develop affordable housing (Scottish Government, 2009). Funding for regional housing trusts is received from a variety of sources. The Highland Small Communities Housing Trust are funded by the Scottish Government and various charitable trusts and foundations in addition to income from housing development work and other fee-earning business activities (HSCHT, 2016).

232. The rural housing burden mechanism has assisted in the development of properties in locations which previously would not have been considered or may have struggled to gain planning permission. In Dumfries and Galloway, the council uses section 75 planning obligations requiring private developers to develop a predetermined proportion of the development as affordable housing. Typically this proportion is around 25% but the Section 75 agreements additionally state that any sold property must be attached with a rural housing burden in favour of their preferred rural housing body, Dumfries and Galloway Small Communities Housing Trust.

233. A community project led by the HSCHT, near Kincaigs in the Highlands, developed 10 sustainable homes for low-cost home ownership with Rural Housing Burdens attached to the properties to ensure community benefit. The project displayed innovation by purchasing land through the Forestry Commission Scotland's National Forest Land Scheme for affordable housing (Forestry Commission Scotland, 2016) with much of the felled timber in the process reused on the site. The project had wider social and economic benefits

to the area and could potentially be used in other communities. It is suggested that this type of community project would meet the criteria to receive financial support from the Rural Housing Fund.

234. Exploration of the demand for self and custom build properties on Arran and Cumbrae would offer a useful insight into the viability of such a method. Offering alternative methods and support to those seeking affordable homeownership could help support the wider objectives of the Council in developing sustainable island communities which meet the diverse needs of existing and future residents while supporting residents to address their own housing need.

235. Additionally, the development of a Community Housing Trust which enables and facilitates affordable housing development on Arran and Cumbrae could offer innovative solutions and help to ensure community sustainability. Notably, the Arran Economic Group propose the development of a Community Land Trust or Community Development Trust as a preferred solution to meeting the affordable housing aspirations of the residents of Arran.

236. A community driven housing project would offer the opportunity for Arran residents to identify, lead and address their own specific needs, within the context of the housing market. Acquiring land for the facilitation of such a project may be one of the key barriers to their progression. The Arran Economic group identify that there is one local developer who has a land bank of sites and would work with any project by providing land and constructing properties (NAC, Highland & Island Enterprise & Arran Economic Group, 2016).

237. Due to the high costs involved in development to keep any new development of housing affordable the Arran Economic Group propose the use of pre-fabricated bespoke housing. Off-site manufacture, assembled on site would keep develop costs to a minimum and enable housing developed by a community housing trust affordable. The Wee House Company based in Prestwick offer studio, 1 and 2 bedroom housing options, priced at £54,000, £75,000 and £99,000 respectively (Wee House Company, 2016).

Forestry Land

238. Preceding the publication of the previous Local Housing Strategy 2011 – 2016, North Ayrshire Council in partnership with the Housing Initiative for Arran Residents conducted a study of forestry land on Arran. The feasibility study

explored the potential to use Forestry Commission Scotland Land on Arran for affordable housing development.

239. The study undertook a methodology which compared each site against each other based on their suitability, identifying the seven most appropriate sites for development. Trust Housing Association followed up this study with a further assessment of the sites identified indicating that only one site was potentially viable for development although it was not considered as an easy development to deliver.

240. The partnership concluded at the time that developing on Forestry Land would not be a viable option due to development and cost constraints (North Ayrshire Council, 2011b). However, consultation within the Arran Economic Group's report on Housing and the Economy in Arran identified that the use of Forestry Commission land is still available. The National Forest Land Scheme offers housing providers the opportunity to acquire forestry land for affordable housing use. The use of land for the development of affordable housing is reflected in the valuation by the Forestry Commission and appropriate missives will be incorporated into any sale that the land must be used for this specific purpose (Forestry Commission Scotland, 2016).

241. Potentially, a community housing trust may seek to utilise Forestry Commission Land should any re-evaluation conclude its suitability towards a self-build/custom build housing project proposed within the Housing and the Economy on Arran paper.

Crofting

242. In 2010 both Arran and Greater & Little Cumbrae were designated as new areas where crofting tenure can apply as a provision of the Crofting Reform Etc. Act 2007.

243. The crofting commission for Scotland defines Crofting as, 'a system of landholding which is unique to Scotland delivering a wealth of benefits to crofters and crofting communities' (Crofting Commission, 2016a). Crofting in Scotland is legislated by the Crofters (Scotland) Act 1993, administered by the Crofting Commission. The Crofting Reform Etc. Act 2007 made amendments to the 1993 Act. Amendments included: allowing the creation of new crofts, bringing

neglected croft land back into productive use and designating new areas for crofting tenure.

244. A crofter is either the tenant or owner-occupier of a croft and a croft will usually be in the form of a tenancy with the crofter paying rent to the landlord of the croft. Some croft land is now owned by crofters who have purchased the land. There is no control over changes to ownership of crofted land. However, there is a statutory requirement to inform the crofting commission of any changes, which are regulated by the commission.

245. Crofting tenure offers tenants a range of rights associated with the tenancy. A crofting tenancy exists until either the landlord or crofter decides to end it offering security of tenure to the tenant. With the consent of the crofting commission, a crofter may assign their tenancy to family members or a third party. The crofting commission as the regulatory body has a duty to ensure that a croft is appropriately assigned. Assignment will be approved if the commission understands:

- Crofts will be occupied by a tenant or owner-occupier crofter
- The croft land will not be misused or neglected
- The croft is cultivated or put to other purposeful uses (Crofting Commission, 2016b).

Croft House Grant Scheme

246. The Croft House Grant Scheme has been in use since its creation in 2006, the purpose of which is to facilitate the effective use of croft land. This could either be through the improvement and maintenance of housing or development of a new croft house.

247. The Croft House Grant (Scotland) Regulations 2016 was passed and introduced on the 1st of April 2016. The regulations introduced increased assistance for crofters who are now able to access up to £38,000 if they live on an island (Crofting Commission, 2016d). The new increased rates were due to concern from respondents on the affordability of developing housing within rural communities. Many respondents expressed that the figures for support should be between £50,000 and £60,000 in priority areas to reflect the increased building costs incurred by developing housing in remote areas.

248. There has been a long-standing acknowledgement from the Scottish Government of the contribution which housing within crofting land can make to support and increase the housing supply in rural areas. The committee of inquiry on Crofting in 2008 recognised that an adequate supply of housing was essential to maintaining and increasing the population of rural communities. Concern was raised at the time on increasing demand to use crofting land which may detract from its agricultural capacity. However, there was a recognition that using the land for housing can help develop the rural economy. With consideration to this the Scottish Government's general preference was the provision of affordable housing on less productive agricultural land if feasible (Scottish Government, 2008b).

249. Similarly, consultation on the croft house grant scheme acknowledged that assistance in developing rural housing in crofting communities is important in supporting future crofters.

Concluding observations

250. The designation of Arran and Cumbrae as new crofting areas in 2010 presents opportunity within these localities. The ability for landowners to convert their land to a croft may in itself develop an opportunity for those wishing to make use of such land for agricultural purpose. Growth in crofting could have an influential impact in developing the local economy with new investment within the community.

251. The associated benefits to tenants from land being registered as a croft could help to address individuals' housing needs in areas where housing development is limited and complex. Growth in crofting has the potential to assist the housing services wider objectives of addressing the housing need and demands of tenants and residents of Arran and Cumbrae. The ability for people to work and live within the rural island communities could be an attraction to the area as well as helping to retain young people.

252. Additionally, with the designation of Arran and Cumbrae as crofting areas in its relative infancy much of the impetus is on landholders and their desire to convert their land or not. In 2013, North Ayrshire Council submitted a response to the Scottish Government addressing proposed amendments to the Crofters (Scotland) Act 1993. Within this response, it detailed 'only one approved croft on Arran at High Feorline, Kilmory' under the act (North Ayrshire Council, 2013c).

253. In 2014/15, there was only one approved croft in North Ayrshire. This could be indicative of either the lack of crofting culture on the islands or a lack of desire to engage with the process of converting land to a croft (Crofting Commission, 2016).

Draft Actions

254. The Local Housing Strategy 2017-2022 Outcome Plan details actions to improve housing options, access and support for people living in North Ayrshire. Over the lifetime of this strategy, partners will work together to deliver these actions and contribute towards achieving the strategic outcomes of the Local Housing Strategy 2017-2022

255. The following actions from the Local Housing Strategy 2017-2022 Outcome Plan directly relate to Rural Housing and the issues identified within this topic paper.

| Ref | Action | Indicator /Measure | Target/ Milestone | Time-scale | Responsibility |
|-----|--|---|--|------------|--|
| 1 | Investigate Housing profiles of North Ayrshire localities. | Number of housing profiles created for each of North Ayrshire's localities. | Locality housing profiles produced in line with Locality Planning. | 2017/2018 | NAC Housing Services |
| 2 | Examine Sub-Housing market area in North Ayrshire - Research areas which people live, work and move home. | Yes/No | Sub-housing market areas are reviewed. | 2019/2020 | NAC Housing Services |
| 3 | Review levels of second and holiday home ownership on the islands of Arran and Cumbrae and consider potential interventions. | % decrease level of Second/Holiday Homes (% of overall stock) | Develop Rural Housing Working Group | 2017-2022 | NAC Housing Services |
| 4 | Housing need and aspiration on Arran and Cumbrae researched. | Develop research report. Partnership working with key island groups | Rural Housing working group established. | 2017-2022 | NAC Housing Services |
| 5 | Review of Rural Planning policy as part of LDP2. | Appropriate planning response to rural housing requirements. | LDP2 published. | 2019 | North Ayrshire Council Planning Services |

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Appendix

Equality Impact Assessment

This form will assist in carrying out an equality impact assessment of new, revised and existing policies and practices. Guidance on how to complete assessments is given in the Council's **Equality Impact Assessment Toolkit**. The form is mandatory and must be published on the Council website once the policy or practice has been approved.

Section 1 - Details

1.1. **Service** **Section**

1.2. **Name of Policy or Practice being assessed:**

Is it new Existing

1.3. **List of participants in Equality Impact Assessment**

1.4. **Manager responsible for impact assessment**

Name:

Designation:

1.5. **Timetable**

Date assessment started: (dd/mm/yyyy)

Completion date: (dd/mm/yyyy)

Section 2 – Aim and Relevance

2.1. **What is the purpose of the policy or practice?**

The Rural Housing topic paper explores both the profile of North Ayrshire's rural island settlements on Arran and Cumbrae and relevant policy interventions applicable to a rural context. The aim of this paper is to present any exceptional housing issues present within North Ayrshire's rural island settlements demonstrated within a detailed examination of both Arran and Cumbrae.

North Ayrshire Council will address issues relating to rural housing in North Ayrshire. This will form one of the Topic papers, which will inform the Local Housing Strategy for North Ayrshire.

2.2. What are the anticipated notable outcomes (positive and negative)?

Notably, the topic paper identifies an ageing demographic present within North Ayrshire's rural communities. Therefore, there will be a need to address specialist housing provision, services and support as a consequence within the Local Housing Strategy process.

The paper identifies that the stumbling block for residents of all ages and those wishing to move to Arran and Cumbrae is finding and acquiring the appropriate type, size and tenure of housing. High house prices and aspiration create difficulties for those on moderate incomes seeking housing on Arran. Conversely, in Cumbrae house prices and incomes are below regional figures. However, finding the right house size and type creates barriers for those wishing to move.

Therefore, with consideration to the difficulties associated in housing development on islands, the topic paper presents and promotes policy interventions which offer alternative methods of affordable housing development out with traditional funding avenues (Affordable Housing Supply Programme).

Unoccupied properties in the form of empty or second/holiday homes is identified as an issue on the islands. Bringing empty properties back into use on Arran and Cumbrae remains a priority for North Ayrshire Council. Therefore, notable outcomes identified within the topic paper include:

Re-establish Rural Housing working groups and engage with key stakeholders on both Arran and Cumbrae.

Increase the supply of affordable housing through alternative methods to the Affordable Housing Supply Programme e.g. rural housing fund, support and encourage self-build/custom build development, community housing trusts, rural housing burdens and crofting.

Bring empty properties back into use on Arran and Cumbrae and decrease the amount of unoccupied dwellings.

2.3. Who is affected by the policy or practice as an internal or external service user?

Residents of Arran and Cumbrae.
Specialist Housing Provision – Older People, People with Disabilities,
Owners of second/holiday homes on Arran and Cumbrae.
Owners of unoccupied properties on Arran and Cumbrae.

2.4. Please indicate the equality groups likely to be affected by the policy:

- Age
- Disability
- Other (those living in isolated rural communities)

2.5 Which aspects of the policy eliminate unlawful discrimination, harassment and victimisation?

The strategy includes a number of outcomes and related actions intended to have a positive impact on those living in rural communities. The paper aims to identify ways of increasing access to housing and housing related support for those who are currently finding it difficult to meet their housing needs.

2.6 Which aspects of the policy advance equality of opportunity between people which share a relevant protected characteristic and those who do not?

All aspects of this paper are intended to positively impact on those living in rural North Ayrshire, who are facing challenges which are unique to the rural setting. The topic paper aims to identify ways of improving access to housing and housing related services. Challenges which are inherent across North Ayrshire are dealt with elsewhere.

2.7 Which aspects of the policy foster good relations between people who share a protected characteristic and those who do not?

All aspects of this policy is intended to positively impact on all equality group and foster good relations between people who share a protected characteristic by increasing access to rural housing in North Ayrshire.

2.8 Have any cross cutting impacts been identified from other Council Services or Partner Agencies (multiple discrimination or accumulated effects of multiple proposals on a protected characteristic)?

None identified.

| | |
|------------|--|
| 2.9 | If Crosscutting issues identified with other Services, what discussion/interaction has taken place to mitigate any potential negative impacts of accumulated proposals? |
| | N/a |

Section 3 – Collecting Information

3.1. What evidence is available about the needs of relevant groups?

Source of Evidence

| | |
|------------------------------------|---|
| Demographic data, including Census | Scottish Census 2011, National Records of Scotland – Population Projections. CACI Paycheck – Income, PropVals.co.uk – House Prices, Scottish Index of Multiple Deprivation 2016 |
| Research | North Ayrshire Housing Need and Demand Assessment (2016). North Ayrshire Council, Housing Need and Demand Assessment: Isle of Arran and Isle of Cumbrae (2013) |
| Consultation & survey reports | Rural Housing Focus Groups: Consultation Report, Supply and Place Making Survey, Housing live Survey analysis, Stakeholder Interviews |
| Equality Monitoring Data | None |
| Inspection & audit reports | None |
| Service user feedback & complaints | Interviews, focus groups, workshop. |
| Ombudsman reports & case law | None |

Officer knowledge & experience

Interviews and workshop consultation undertaken with lead staff across a number of Council services with insight into rural housing issues. Knowledge and experience gained through research and consultation process in the development of the rural housing topic paper.

3.2. Are there any gaps in evidence?

No, extensive consultation sought to gather views from all equality groups and invites were extended to consultation events. All surveys were accessible from the North Ayrshire Council website and were available on request. Respondents from Arran and Cumbrae were not excluded from this process.

The topic paper extensively details an accurate reflection of the profile of rural North Ayrshire at the time of production. Research gathered is the most appropriate, up to date information available to the Strategy team. Resources used are detailed above.

Section 4 – Impacts

4.1. Could the proposed policy or practice have an impact on any of the following protected characteristics? (Positive or negative)

| Protected Characteristic | Yes | No | Please explain |
|---|-------------------------------------|-------------------------------------|--|
| Age (Older people, children and young people) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | A key theme is meeting the needs of the ageing population. There will be a positive impact on older people within our communities. |
| Disability (Physical and Learning) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The strategy aims to improve access to rural housing for those with disabilities. |
| Gender reassignment (Where a person is living as the opposite gender to their birth) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |

| | | | |
|---|-------------------------------------|-------------------------------------|--|
| Pregnancy and Maternity | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |
| Race, ethnicity, colour, nationality or national origins (including gypsy/ travellers, refugees and asylum seekers) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |
| Religion or belief | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |
| Sex (Women and Men) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |
| Sexual Orientation (Lesbian, gay and bisexual people) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | There are no 'exceptional' or unique rural housing issues which related to this equality group, therefore no impact positive or negative will arise from this topic paper. |
| Other (Poverty, homelessness, ex-offenders, isolated rural communities, carers, part-time workers, or people in a marriage/civil partnership) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The topic paper specifically examines the housing needs of isolated rural communities within North Ayrshire. Outcomes of this paper are intended to positively impact on isolated rural communities. |

Section 5 – Assessment

5.1. Is there any evidence that the policy:

- may result in less favourable treatment for particular groups?
- may give rise to direct or indirect discrimination?

-
- may give rise to unlawful harassment or victimisation?

Yes

No

No evidence

If yes, give details

- 5.2. If you have identified a negative impact, how will you modify this?**

- 5.3. Is the policy or practice intended to promote equality by permitting positive action or action to remove or minimise disadvantage?**

Yes

No

If yes, please give details

The Rural Housing topic paper intends to positively contribute towards the housing supply on Arran and Cumbrae to enable people to access appropriate housing which meets their needs.

The topic paper evokes discussion and seeks to identify ways of facilitating an increase in housing development.

The paper also identifies potential gaps in provision, need and aspiration to enable forward planning.

Section 6 – Consultation & Recommendations

- 6.1. Describe the consultation undertaken with equality groups, including details of the groups involved and the methods used.**

To ensure consultation was as broad as possible it was vital that service providers, community bodies, tenants and residents from Arran and Cumbrae were included within the consultation process. As a result two focus groups were organised to collect the views of those living on both islands regarding housing issues and services.

Focus Group attendees:

Arran:

- Brodick Improvements
- Arran Community Council
- Arran Elderly Forum
- Private Tenant

- Homeowner
- Arran CVS
- Trust Housing Association
- Scottish Land and Estates
- Private Landlord
- Arran Economic Group

Cumbræ:

- Cumbræ Community Council
- Cumbræ Elderly Forum
- Cunninghame Housing Association
- North Ayrshire Council Tenant

Stakeholder interviews were also conducted with:

- Rural Housing Scotland
- Irvine Housing Association
- Isle of Arran Homes
- Arran CVS
- North Ayrshire Health and Social Care Partnership
- North Ayrshire Councillors

Local Housing Strategy Surveys.

As part of the consultation process to inform North Ayrshire Councils Local Housing Strategy 2017-2022, residents from across North Ayrshire were invited to share their views and opinions on housing by completing a series of surveys. Surveys were advertised and made available through the North Ayrshire Council website and Facebook page

Surveys were also distributed to key service providers and stakeholders to offer widespread accessibility to service users who may not have been able to gain access to the surveys online. Surveys were also distributed to Garrison House in Millport to offer residents of the Isle of Cumbræ a chance to submit responses, this was at the request of community groups on the island.

There were five surveys in total: Supply and Place Making; People with Disabilities; Housing for Older People; Private Tenant; and Private Landlord. Over a 1,000 people responded across the five surveys.

Building Solutions Workshop

Attendees from the islands attended this workshop to agree strategic outcomes, discuss the topic paper and agree forward actions.

Section 7 – Outcome of Assessment

7.1. Please detail the outcome of the assessment:

- No major alterations to policy assessed, EIA shows policy is robust
- Adjust the policy to remove barriers or better promote equality
- Continue the policy – there are justifications to continue the policy despite potential for adverse impact
- Stop and remove the policy as there is actual or potential; unlawful discrimination

7.2. Please detail recommendations, including any action required to address negative impacts identified

None.

7.3. Is a more detailed impact assessment needed?

No.

Section 8 – Monitoring

8.1. Describe how you will monitor the impact of this policy e.g. performance indicators used, other monitoring arrangements, who will monitor progress, criteria used to measure if outcomes are achieved.

This Topic paper is intended to inform the strategic direction of the Local Housing Strategy and will ultimately be subsumed into that strategy. Thereafter, all monitoring will focus on the consolidated LHS.

This Topic Paper was subject to an Equality Impact Assessment to ensure the equalities agenda and equality of opportunity for all North Ayrshire residents was inherent in the strategic development process as this relates to the Local Housing Strategy.

8.2. Describe how you will publish the results of monitoring arrangements?

This Topic Paper does not require monitoring arrangements as the paper was used to inform the Local Housing Strategy.

8.3. When is the policy or practice due to be reviewed?

The LHS 2017-2022 will be reviewed in full at the end of its plan period (i.e. 2021-2022) in advance of the development of the next LHS.

Furthermore, the LHS will be subject to ongoing review and evaluation.

Section 9 – Publication

9.1 All Equality Impact Assessments must be published on the Council website. Please forward to Andrew Hale (ahale@north-ayrshire.gov.uk)

Useful Guidance

Equality and Human Rights Commission: Assessing impact and the public sector duty: A guide for public authorities (Scotland) (2012)

<http://www.equalityhumanrights.com>

Glossary of Terms

Affordable Rented Housing: Housing of a reasonable quality that is affordable to people on modest incomes. Affordable rented housing encompasses social rented accommodation, provided by a local authority or registered social landlord (RSL). Similarly, mid-market rent (MMR) also referred to as intermediate renting is also viewed as an affordable rented housing model.

Community Housing Trust: Community owned organisations which aim to facilitate, manage or develop housing for the socio- economic benefit of the area.

Crofting: A croft is a small agricultural unit of land which is either a tenancy or owner-occupied, located in one of the crofting counties or other specially designated areas. A croft consists of a small area of land and sometimes shares common grazings with other crofts.

Empty Homes: A property classed as 'empty' if it is not the sole or main residence or a second home and it has been unoccupied for a continuous period exceeding 12 months.

Housing Need & Demand Assessment: A housing need and demand assessment provides the evidence base upon which housing supply targets are reached in local housing strategies and suitable available land is allocated through development plans to meet targets set.

Low-Cost Home Ownership: Affordable models of homeownership out with the traditional means of purchasing housing e.g. a deposit and mortgage on the remaining cost of the property. Typically, there are two commonly used models of Low-cost home ownership, shared ownership or shared equity.

Mid-Market Rent (Intermediate Renting): MMR allows tenants to pay rent levels below the normal market rent level in their area, although rents are higher than what a tenant would expect to pay for social housing. Intermediate rental rates can be employed, as long as they do not exceed 100% of the Local Housing Allowance advised by the Scottish Government.

Rural Housing Body: Community Body/Housing Trust or Housing Provider designated by Scottish Ministers to act as A Rural Housing Body and implement Rural Housing Burdens

You purchase a share in the property (25%, 50%, or 75%) and you pay an occupancy charge (rent) on the remainder to typically a housing association. You do not own the property outright.'

Rural Housing Burden: A rural housing burden is a special type of pre-emption right allowing a designated rural housing body the opportunity to buy back a property sold for the provision of affordable rural housing.

Shared Equity: Shared Equity is when you purchase a property and own it outright but obtain a mortgage for a certain percentage of equity. Your lender will secure a charge over the property and the Scottish Ministers will secure a second charge over the remaining share to secure the repayment of its share.

Shared Ownership: Shared ownership is a way of buying a stake in a property if you cannot afford to buy it outright.