Feasibility Study for Community Purchase of Land owned by Fearann Eilean Iarmain in Portree

for

Portree & Braes Community Trust



FINAL REPORT

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PART ONE: BACKGROUND TO THE FEASIBILITY STUDY

1. Introduction

In December 2017 Portree & Braes Community Trust (PBCT) commissioned the current consultants to undertake an assessment of development plans for five areas of land that Fearann Eilean Iarmain (FEI) has offered to sell to the Trust. These areas of land were included in FEI's purchase of 23,000 acres of land on the Sleat peninsula from MacDonald Estates in 1972. As such, they are incidental to the main FEI estate. However, the land areas are highly significant to the community of Portree and Braes, given that greenspace for amenity and recreation is at a premium in Skye's main settlement. The areas of land that FEI originally offered to sell to the Trust include:

- Am Meall na h-Acairsaid (known locally as 'the Lump'). The site includes a natural amphitheatre which is the location for the annual Skye Games, one of the highlights of the summer social calendar on the island. The Lump's elevated location provides a good walking route and an excellent viewing point overlooking Portree Bay. The amphitheatre is owned by the Skye Gathering who lease the land to the Isle of Skye Highland Games.
- **King George V Playing Field**, of which 2.91 ha (7.2 acres) are leased to Highland Council on a 99-year lease from Whitsun 1949 for use only as playing fields/recreation.
- Bayfield Amenity Ground (and Bayfield Boat House).
- **Pairc nan Laoch (Skye Camanachd Shinty Pitch).** The site encompasses pitch and clubhouse facilities in Portree and is leased to Skye Camanachd.
- Sulaisiadar Common Grazing, adjacent to Pairc nan Laoch.

Following on from the original offer to sell Pairc nan Laoch to the Trust, FEI has subsequently gifted that land to Skye Camanachd. It is therefore not covered in this report.

The overarching aim for PBCT taking ownership of the land being offered for sale is to safeguard its use within the community for amenity, recreational and economic development purposes, both now and for future generations. As such, the objectives of the feasibility study are as follows:

- To review the potential to develop and use the land assets as well as identifying any potential liabilities to be considered;
- To identify social, economic and environmental benefits of the proposed land purchases;
- To assess the market for the proposed uses of the assets;
- To identify and consider the costs of running and managing the asset and opportunities to generate income from the assets;

- To review funding availability for the proposed project/acquisition and prepare a detailed funding strategy and delivery plan;
- To prepare a feasibility study and five-year business plan which incorporates initial revenue costs, capital costs to create the facilities, on-going revenue and maintenance costs for the project, and risk analysis;
- To provide an outline work plan for the development stage of the project.

2. Research Methods

The research underpinning the analysis contained in this report was conducted using a combination of methods including:

Desk-based analysis of relevant documents including:

 Highland Council's Local Development Plan; the Skye & Lochalsh Local Biodiversity Action Plan; 'Highland Tourism 2020 Action Plan'; The Highland Council Outcome Improvement Plan 2017-2027; Highland Community Planning Partnership – Portree Community Workshop Wrap-Up Report, April 2017; Highlands and Islands Enterprise's 2014 'Portree Profile' and 2016 report of the 'Portree and Braes Community Conversations Project' co-ordinated by SLCVO; Portree Parking Study.

Primary data analysis of findings from:

- Stakeholder consultation meetings and/or individual telephone interviews with representatives of Fearann Eilean Iarmain, Skye Camanachd, Sulaisiadar Common Grazing, Skye and Lochalsh Council for Voluntary Organisations, Lochalsh & Skye Housing Association, Highland & Islands Enterprise, Highland Council (officials and Ward Councilors), Skye Gathering, Skye Games Committee, UHI - West Highland College, Atlas Arts, Highlife Highland, Fingal Centre/Gymnastics Club, Skye Badminton Association, Kick Boxing Club, Portree Angling Association, and Skye Sailing Club.
- A 'walk-in' community consultation event held in the Community Centre on Monday 5th February between 2pm and 7pm. Using this format, people were free to come along and share their views and suggestions on how each site might be developed to meet community needs and to informally discuss any related issues. Attendees were invited to share their views and suggestions for each site by writing them on 'post-it' notes and placing these on tables dedicated to each of the five sites in the centre. Approximately 100 people attended the event over the course of the day.

3. Key Findings

The following key findings have emerged from the feasibility study:

- There is a clear demand for greenspace for amenity and recreational use in Portree and Braes. Such space is particularly valued in Portree as a result of the relatively limited nature of existing provision. The limitations of existing provision are exacerbated by demographic change in Portree which has experienced considerable increase in population in recent decades and has a younger age profile than the wider Lochaber, Skye and Wester Ross area as a whole.
- The 'Portree and Braes Community Conversations' project identified lack of and under-use of community facilities, lack of maintenance and investment in such facilities and inadequate infrastructure as areas to be addressed to deliver wider community benefits. Findings from the community consultation undertaken for this feasibility study echo these concerns and indicate that development options for particular sites being offered by FEI for sale to PBCT can help in delivering community benefits.
- The Lump is viewed as an iconic location, both for Portree and Braes and for Skye as a whole, which provides economic and social benefits for the community, primarily in its capacity as a venue for open-air events. However, it is viewed by consultees as an under-utilised asset, the amenity value of which could be further enhanced via more structured maintenance and development. Such developments could include: increasing occasional events on the site; providing a permanent electricity supply; introducing small-scale catering facilities; improving access arrangements and associated physical infrastructure; and making improvements to the Tower.
- The King George V Playing Field is highly valued as an important greenspace to be maintained and protected so as to maximise its recreational use for the community. There are drainage issues which compromise the Playing Field's current capacity to be used to best effect for the community. Potential improvements to the field could include; defining a pitch area and improving pitch management, improving drainage and field surface; providing a hard-standing area for the annual agricultural show and other uses, creating a family-friendly park area.
- Bayfield is valued by the local community as both a greenspace to be retained and further developed in terms of its recreational and amenity benefits. The site also offers potential for income generation under community ownership, through provision of facilities for campervans which can be used to help support other community initiatives as appropriate.
- Community ownership of Sulaisiadar Common Grazing provides potential opportunities for development in relation to woodland or a micro-hydro scheme. The crofters are understandably cautious about the former due to the small size of the common grazing and the latter is presently not viable due to falling fiscal incentives. This may change with future UK Government policies. However,

community ownership of the site under PBCT can be pursued in order to safeguard opprtunities for long-term development and any future benefits accruing to the Landlord on behalf of the Portree and Braes community.

- There are various development and/or management roles that PBCT may wish to undertake in relation to particular sites, including 'direct delivery', 'partnership working' and 'enabling'. These roles will require careful consideration in terms of the Trust's development and management functions in relation to the King George V Playing Field and the Lump in particular.
- The main community benefits arising from PBCT's ownership of particular sites being offered for sale are likely to be social and environmental as a consequence of retaining existing greenspace and further enhancing its amenity value. The Bayfield site, in particular, offers opportunities for income generation (through, for example, provision of campervan hook-ups) which may be used to support other initiatives in which PBCT may engage to generate further community benefits.
- There are a variety of funding sources to which applications can be made to support purchase of the sites and their subsequent development and management as appropriate.

PART TWO: DEVELOPMENT CONTEXT AND CONSULTATION

4. Greenspace for Amenity and Recreation in Portree

Greenspace for amenity and recreational use is highly valued for its positive impacts on social wellbeing, together with economic and environmental benefits it brings for communities. The importance of such space is emphasised in the Highland Council's Local Development Plan for the region which states:

"High quality, accessible, fit for purpose open spaces help to enhance the Highland area as a place in which to live and work. They can enhance the feel of the local area and provide opportunities for people to meet up and take part in physical activity" (p.131).

The Council goes on to identify the following as its long-term aims for open space provision:

- The creation of sustainable networks of open space of high quality;
- Areas of local open space that are accessible by foot and linked to a wider network;
- Fit for purpose greenspaces and sports facilities that support and enhance biodiversity; and
- Open spaces that improve the quality of life of residents and visitors.

The Council's Local Development Plan is equally clear as to the importance of playing fields and other sports pitches in providing "communities with valuable areas of open space for more formal recreation. These areas need to be protected and enhanced where appropriate" (p.134).

Greenspace is particularly valued in Portree, given the relatively limited nature of such provision and associated recreational and amenity facilities in the village. Demand for safeguarding and further developing existing space and associated facilities can partly be attributed to a growing population. As HIE's Portree Profile (2014) notes, Portree had a population of 2,318 in 2011, representing an increase of 11.2% from 2001. That is a substantially larger population increase in the same period than that for Lochaber, Skye and Wester Ross (5.8%), the Highlands and Islands (7.5%) or Scotland as a whole (4.6%). The same document also notes that Portree has a younger age profile than Lochaber, Skye and Wester Ross as a whole.

As noted in other documents (e.g. Highland Community Planning Partnership Workshop, April 2017; Portree and Braes Community Conversations project report) such demand is also linked to a perceived lack of suitable amenity and associated recreational infrastructure to fully meet community needs. The next section discusses community and other stakeholders' views on developing the sites.

5. Community and other Stakeholder Consultations

As noted earlier, the main objective for PBCT taking ownership of the land is to safeguard its use within the community for amenity and recreational purposes, both now and for future generations. As such, PBCT is keen to explore the feasibility of development plans to enhance amenity, sports and recreational facilities in Portree for community benefit. At the time this feasibility study was commissioned, these plans included:

- Working in partnership with Skye Camanachd to build a new stand at Pairc nan Laoch and developing the club's existing facilities to extend use for other sports. This is no longer a development option for PBCT as the land has been gifted by FEI to Skye Camanachd;
- Potential development of the King George V Playing Field by, for example, installing better drainage, improving changing facilities, and creating a running track on the Field's periphery;
- Possible improvements to the paths network around Portree by linking paths on The Lump and Sulaisiadar Common Grazing with existing access routes;
- Potentially developing a small hydro scheme on the Sulaisiadar Common Grazing to generate income for the Trust to help fund improved recreational facilities in Portree;
- Developing the Bayfield Amenity Ground as a tourism facility providing camping, campervan hook-ups, and other amenities to generate income to help the Trust meet its running costs. The Bayfield ground has been identified as a potential site for PBCT's much needed 'pay for use' toilet facilities and has potential for introducing extended 'pay for use' car park facilities. This land is viewed as the most immediate priority area for development upon coming into community ownership.

This section presents findings from the consultations undertaken in relation to the study. These include the community consultation event for the project held in the community centre on February 5th 2018, together with relevant points that emerged from the 'one to one' conversations held with representatives of stakeholder organisations and other interested parties. The section also identifies and discusses findings from the 2016 report of the 'Portree and Braes Community Conversations Project', co-ordinated by Skye and Lochalsh Council for Voluntary Organisations (SLCVO). The following subsections discuss comments and suggestions regarding each of the sites in turn. It should be noted that all written comments from the community consultation event on February 5th are included in the discussion, irrespective of their practical merit or desirability.

5.1 The Lump

Community Consultation Event

The Lump was considered by attendees to be an iconic location, both for Portree and for Skye as a whole. It was recognised as a great venue for open air events, and as having significant amenity value for locals and tourists alike to enjoy. However, there was also acknowledgement that "much more could be made of the Lump for both locals and visitors". In that regard, further maintenance would be welcomed in terms of tidying the site up and undertaking some landscaping to enhance its amenity value. One contributor suggested that the site needed to be "made safe with enduring fencing", while another indicated that the steps should be repaired. It should also be noted that the Skye Games currently pay for cleaning of the whole Lump site on a year-round basis from their own reserves and have also undertaken maintenance and repairs at various times. This is not a contractual obligation, but they view the service as a benefit to the community paid for from the income generated by the Games.

It was also suggested that more effective use could be made of the Tower by providing better access to it and making it a viewpoint overlooking the bay. However, concerns were also expressed regarding maintenance costs for the Lump. Clarification was also sought as to whether the amphitheatre would be excluded from community ownership under the Trust and, if so, whether FEI would maintain that part of the site.

Aside from a common desire to see the Lump better maintained, several contributors suggested having managed picnic sites there with benches and BBQ facilities. One contributor suggested having a camp site there which drew some fairly emphatic responses opposing that idea. Another suggestion which attracted additional support was to use the site as a venue for civil marriage ceremonies. There was also a suggestion that regeneration of *"historic pines"* would be desirable in relation to the landscaping of the site. One contributor was unclear as to why the Trust would want the land at The Lump.

Stakeholder Consultations

'One to one' stakeholder consultations broadly reflected views expressed during the community consultation event. There is a recognition that the site has iconic status and that more could potentially be done to utilise the Lump for enhancing amenity and recreational value in particular. However, the Skye Gathering are keen to ensure that any such development of the site be done in such a way as to not compromise the site's use as the venue for the Skye Games. In particular, they would wish to ensure that the amphitheatre at the centre of the venue is not damaged so as to compromise the staging of future Games.

5.2 King George V Playing Field

Community Consultation Event

The King George V Playing Field (KGV) attracted the most written comments and suggestions during the community event, reflecting its importance as an amenity and recreational site for the local community that could be further developed. It was clear from

responses that attendees viewed it as a significant greenspace which required to be maintained and protected from development that would detract from its recreational value to the community in particular. One contributor summed up that view with the comment that, "[*if*] plans for housing at Home Farm go ahead green spaces such as this need to be protected and maintained". It was equally clear that several contributors considered its current use and value to be compromised by a lack of adequate drainage for the site. Indeed, one contributor asserted that there was a "serious drainage issue to address".

A lack of play areas especially, but not exclusively, for young children was mentioned by several people in their comments, with the site being viewed as a location where such facilities could be developed. Specific suggestions in that regard included "outdoor and indoor play areas [for] soft play"¹, and an "adventure playground". It was also noted that existing play facilities on the KGV were unsuitable, with one contributor commenting that the "broken old playpark [is] unsafe" and another suggesting that it should be moved. Another contributor commented that the site is "currently not pleasant for young children".

Other suggestions related to enhancing the sporting facilities available on the site. These included creation of an "athletics track", a "cycling track", a "trim fit track", an "all weather pitch" and "an outdoor gym". There were also suggestions focussing on retaining and developing the amenity value of the field for the community by creating "family areas & picnic areas" and removing fencing. One contributor said that "[the] pitch needs to stay – not just for sport but for community events". In that regard, continuing to have use of the KGV as the site for the annual Agricultural Show was identified by two contributors as being of importance. One contributor suggested that "the community centre be part of KGV development". Another sought clarification as to whether "the old swimming pool footprint [is] going to be included in any community decisions?"

It should be noted that not all who contributed comments wished to see the KGV used for recreational or amenity purposes. One attendee suggested that the Playing Field would be a *"lovely site for flats!"*. Another attendee suggested it could be a location for a *"car park"* and another suggested the site would be suitable for a *"supermarket"*. It should also be noted that each of these suggestions were met with strong views to the contrary.

Stakeholder Consultations

Several groups mentioned the desirability of having an athletics track on the KGV. One consultee suggested that there was an opportunity for short distance running there. They noted that short distance running events for the Skye Games are held up at The Lump and considered this not to be ideal due to tight corners there which can lead to increased injuries. It was also thought that such a facility could be used extensively by the local schools.

There was also a desire to see more use made of the site as a venue for football, as was traditionally the case before the all-weather pitch was built at Portree High School. Several consultees suggested that playing on the all-weather pitch, rather than on grass, led to a

¹ It should be noted that Aros has recently opened a new soft play area which has received public funding, so provision of that type of facility has now increased in Portree.

greater number of injuries to joints. One consultee suggested that while this may have been the case with the earlier artificial pitches, the latest generation of pitches were less of an issue. One suggestion was to have a fixed pitch area maintained at a higher level. The site is also prized as the venue for Skye's annual Agricultural Show, a key event in the island's social calendar each summer and representatives of the organising committee stressed that they would wish to ensure continued access to the KGV in that regard.

There was also a widespread view that perceived drainage issues were compromising the capacity of the Playing Field to be used to best effect for the community. That appears to have led to some tensions following the staging of the Skye Live event there in 2016 which caused considerable damage to the KGV's surface. There have also apparently been some tensions in relation to the staging of the Agricultural Show in terms of damage to the ground. However, one suggested solution is to create a hard-standing area for some Show activities.

5.3 Bayfield

Community Consultation Event

The Bayfield site attracted the second highest number of comments and suggestions during the community consultation event. Several of these mirrored comments and suggestions made in relation to both the KGV and the Lump. For example, in relation to developing a *"kids play adventure/outdoor area"*, an *"outdoor gym for adults, with cover"* and ensuring that Bayfield is retained as a greenspace in Portree. Other suggestions included *"keeping cycle access"* and developing an *"active cycle area in the area behind Tigh na Drochaid"*, as well as having *"a covered seating area when raining"* and a *"BBQ area"*. Others suggested recreational facilities for the site included *"a tennis court area"* and a *"squash court"*. There was also a suggestion to *"link in with a Resource Centre [to create] a multi-age area"*.

Several suggestions were also made in relation to developing built infrastructure that could potentially generate revenue for the community if the site came into community ownership. They included a "camping site" and "facilities for a motorhomes service area". The possibility of a "2 tier parking structure in the parking area" was also mooted. Ideas also focused on the scope to capitalise on the natural assets of the site with one attendee commenting "Top site. Nature watching screens for the otter watchers". Another suggestion was to create an "oyster farm".

A final distinct group of suggestions for the site were also linked to its amenity value, specifically regarding the development of walks linking the site to other parts of the village. One contributor suggested creating a "linked circular walk around the village". Another advocated "a linked walk going towards Aros by shore". In a similar vein, a further contributor suggested a "shore walk below Aros to link up with Forestry walk at Braes road end".

Stakeholder Consultations

As with the community consultation event, there was recognition on the part of stakeholders during 'one to one' consultations that Bayfield offered potential for

development, both as a site for amenity and recreation and for income generation for wider community benefit. It was mentioned as a potential site for a toilet block and for a chemical toilet disposal facility for campervans in Portree.

5.4 Sulaisiadar Common Grazing

Community Consultation Event

There were relatively few comments made in relation to either Sulaisiadar Common Grazing or Pairc nan Laoch in comparison to the three other sites under consideration. Suggestions regarding the Common Grazing included planting "deciduous trees" and "reserving most greenspace". One attendee suggested establishing a "mountain bike track" and a "small technical MTB/BMX section and longer endure loop(sic)".

Stakeholder Consultations

Discussions with crofters with a share in the common grazing at Sulaisiadar highlighted concerns over what community ownership would mean for existing rights and whether developments could be imposed upon them. Those present indicated that they were relatively amenable to possible developments of the land as long as they did not compromise their crofting interests. One crofter expressed a desire to put a small number of sheep back on the hill grazing. However, this is not currently a practical option because of the dilapidated nature of the fencing on the land. Several crofters indicated during discussions that they were open-minded about the potential for a woodland scheme on the land. However, they were also of the view that any such scheme would need to be located in the appropriately place so as not to take up too much of an already small area of common grazing. It was noted that creating a scheme on the higher ground would help to fence part of the hill. However, it was also suggested that the area immediately behind the school might be a more appropriate location and would more effectively facilitate the school's involvement for educational and wider community benefit.

Discussions with West Highland College UHI, which has a building adjacent to the common grazing and Pairc nan Laoch, indicated a willingness to explore options regarding developments of mutual benefit. In particular, the possibility of linking to a micro-hydro scheme on the common grazing to supply the college with renewable power was favourably looked upon.

5.5 Other Issues

Stakeholder Consultations

Other general issues reflect a desire within the community for particular types of provision without necessarily being aimed exclusively at one particular site of the five under consideration. For example – and as noted in the community consultation event – there is demand for some bike trails or tracks with Bayfield or Sulaisiadar Common Grazing potentially offering suitable sites in that regard. Similarly, the gymnastics club are looking for a building that would be suitable to have gymnastics sessions running on a regular basis, one large enough to have a fully sprung floor as well as storage for equipment. They

currently run four sessions a week in the Fingal Centre but are limited in terms of storage space. The badminton club have said they would like a facility to play in as the Fingal Centre is busy and they often feel limited by the opening hours when they hold competitions.

5.6 Portree and Braes Community Conversations Project

The 'Portree and Braes Community Conversations' project focused on a community-led set of discussions to examine ways to empower and build capacity within the community for wider community benefit. It collected views from within the community over a year between October 2015 and October 2016. Nine areas for development, organised into three topics, were identified by project participants. These three topics were 'community growth', 'community networks' and 'community facilities and places'. All three topics are closely linked. However, project findings regarding 'community facilities and places' are particularly relevant within the context of the current study. Table 1 classifies underlying challenges and suggested solutions identified by participants in the project.

Table 1: Community Facilities and	Places - Challenges and Solutions
LACK OF FACILITIES AND	UNDER-USE OF FACILITIES
Challenges	Solutions
Shortage of indoor facilities, especially when	Increase the range of activities by building on
weather is poor.	existing community and voluntary activity.
Outdoor and indoor community spaces are under-	Develop more facilities and activities for families.
used, either not being fit for purpose or meeting	
community need.	
Access to sports facilities restricted by age and time,	Increase the provision of sports activities during the
and a lack of activities for young people during the	weekend.
weekend.	
Poor transport options restrict attendance of events	Improved community/public transport e.g. later
and activities, particularly for younger and older	buses after school to enable pupils to participate in
people.	after-school activities.
LACK OF MAINTENAN	ICE AND INVESTMENT
Challenges	Solutions
For facilities to be sustainable more people need to	Look at how tourists could contribute to help
use them. However, conditions discourage/hamper	finance the maintenance of community places.
use.	
No one organisation has responsibility for some	Consider diversifying usage to support sustainability.
outdoor facilities such as paths. As a result these	
are suffering from increased use and lack of	
maintenance.	
	IFRASTRUCTURE
Challenges	Solutions
Between March and October the	Seasonal overspill parking in Portree to cater for the
population in Skye and Lochalsh increases due to	influx of visitors. This would ease visitor pressure
tourism. Facilities such as car parks, roads and paths,	and help local residents and employees go about
signs and toilets are not sufficient to meet demand	their business.
and are deteriorating though additional use.	
	Path from Portree to Braes would be great. It would
	also improve walker/cyclist safety.
	Signs need to be accessible and legible. We need
	access to funding to maintain them, using a mixture
	of contractor and volunteer effort.

Several common themes are discernible in both the consultations conducted for the current study and the '*Portree and Braes Community Conversations*' project discussed above. They include:

- The need for recreational space in general, and especially for younger children;
- The need to retain greenspace in general;
- Additional indoor and outdoor sports and recreational facilities;
- Better maintenance of key sites (e.g. The Lump and KGV);
- More amenity provision by developing places where people can play/picnic;

- Establishing a joined-up network of properly maintained paths throughout Portree and Braes;
- Better infrastructure including improved parking and public toilets provision.

Although these are common themes expressed within the community, it does not necessarily follow that they are straightforward to achieve in practice. This is partly due to the range of different stakeholders who have an interest in, and influence over, how particular sites are managed and/or developed and to what ends. Within the context of the current study, key organisational stakeholders in that regard include the Highland Council, Highlife Highland, Sulaisiadar Common Grazing, Skye Gathering and Skye Highland Games. Each of these organisations has a direct interest in particular sites under consideration within the current study, in terms of either leasing, management/maintenance or other land tenure arrangements. Other representative organisations and/or clubs within the community also have interests in one or more of the sites. More generally, the community of Portree and Braes as a whole clearly has a stake in several of these sites for their general amenity and recreational value and the collective community benefits they currently provide and additional benefits they may include in the future.

6. PBCT's Potential Roles as a Community Landowner

Against the background noted in the paragraphs above two critical overarching issues require consideration. Firstly, the types of development roles that Portree and Braes Community Trust could play in relation to any or all of the sites under community ownership. An important underpinning argument in favour of community ownership of land and/or built assets is that it facilitates community empowerment through collective control of such assets, leading to the generation of a range of community benefits. Combinations of such benefits can be economic, social and/or environmental, depending on the nature of the particular assets. Desk research and our direct experience of working with community landlords elsewhere in the Highlands and Islands indicate that these organisations have three distinct but closely related development roles to play. These include *direct delivery; partnership;* and *enabling*.

The **direct delivery** role relates to situations where PBCT leads in developing and implementing projects because it is either appropriately or uniquely placed to do so. Such situations may be assessed against criteria such as:

- The project's strategic scope for generating income for community investment;
- PBCT's eligibility to attract external funding to develop and/or manage the project;
- PBCT's **capacity** to manage the project.

The **partnership** role relates to projects that PBCT may deliver in collaboration with public or private sector organisations, other community organisations, or private individuals. Relevant examples might include the renovation of existing paths networks or development of new recreational facilities; management of the KGV Playing Field or staging events at the Lump.

The **enabling** role relates to ways in which PBCT can help facilitate the sustainability of the community through, for example, improving the amenity value of specific sites by enabling third parties to provide services of community benefit.

It is important to note that none of the above *direct delivery, partnership* and *enabling* roles are mutually exclusive, but are likely to depend upon:

- the type of developments under consideration;
- the sites where such developments are intended to be implemented;
- the disposition of particular stakeholders towards the developments being considered.

In turn, that brings into focus a second critical issue. Specifically, whether PBCT should aim to undertake a community buyout of all four sites under consideration or take a more selective approach by purchasing a smaller number of those being offered for sale by FEI. As noted earlier, there is considerable community demand for increased amenity and recreational space and associated facilities, together with a desire to retain existing greenspace and develop local infrastructure to enhance the sustainability of the area. The community consultation event in February demonstrated evident enthusiasm for developing several of the sites to meet community amenity and recreational needs in particular. There was also considerable goodwill expressed in relation to the Trust as a potential landlord of particular sites. That goodwill has also been a feature of the 'one to one' consultations. However, there has also been scepticism expressed in some of these consultations regarding both the Trust's capacity to manage developments as a community landlord and what some consultees view as a somewhat patchy record, particularly in relation to its forerunner organisation, Portree Area Community Trust (PACT), both in terms of communicating with other stakeholders and the wider community and in delivering on previously expressed objectives. At the same time, it was acknowledged that recent changes in the Trust's Board membership were likely to enhance the organisation's capacity to achieve its objectives.

Our discussions with FEI's representative indicate that the current landlord would be willing to consider selling specific sites to PBCT rather than only considering a single transaction involving all four sites under consideration; although the latter remains their preferred option. The Trust therefore needs to carefully consider whether it has the capacity to manage and develop all four sites under community ownership. The Trust must also consider whether it might be preferable to focus its attention on bringing particular sites into community ownership by prioritising sites in that regard; especially if agreement cannot be secured with key stakeholders that community ownership of particular sites is an acceptable option.

It is against the background of the findings from the consultation exercise and these wider issues that the next part of the report turns to consideration of development options for each of the four sites.

PART THREE: ANALYSIS OF DEVELOPMENT OPTIONS

7. Development Options

The sites currently being offered by FEI for sale - the Lump, King George V Playing Field, Bayfield, and Sulaisiadar common grazing - are divided into 4 separate parcels which are spread out through Portree over a distance of more than a mile. The sites principally have amenity and recreational uses with the exception of Sulaisiadar common grazing which is used for rough grazing of livestock. The latter site is also distinctive in that it is subject to crofting legislation which provides the shareholders in the grazing with specific rights of tenure which are not available to the wider community. The fragmented nature of the sites for sale, their small size and existing uses mean that there are challenges to be faced in delivering a financially viable project under community ownership that would not be present if the land was consolidated into a single block. Each site, together with related financial opportunities, income, cost and any liabilities, has to be assessed on an individual basis. In contrast, a single, larger parcel of land would offer more opportunities for crossover between initiatives with potential for costs being minimised by sharing them. Despite these challenges, the sites collectively represent an important strategic asset for Portree and Braes. The following analysis covers the sites in a roughly east to west arc, starting with "the Lump" and finishing with the Sulaisiadar common grazing.

8. The Lump

Meall na h-Acairseid, otherwise known as "The Lump" is a promontory of land overlooking Portree Harbour with steep wooded banks dropping to the shore. Although only about 50m above sea level it provides excellent views and is a popular spot for visitors and locals for recreational use. It has a natural amphitheatre which hosts the Skye Highland Games annually in August and more recently, the Skye Live music festival in September. The amphitheatre was previously sold to the Skye Gathering who have leased it to Skye Highland Games. There is an occasional requirement to manage tree growth on the FEI-owned land to protect property below. The cost of the this has historically been shared between FEI and Skye Highland Games.

In addition to the amphitheatre there is a tower on the highest point known as the Apothecary's Tower with an internal steel staircase allowing the able-bodied to climb to the top and get excellent views. The Tower suffers from spray painted graffiti at ground level and it would appear that some of the cornice stones have been deliberately broken away from the top and are lying on the ground below. There is a network of footpaths running through and around the site, including one which is on the slopes below the level of the arena and which has a relatively recent wooden handrail on its lower side.

If the combined site were brought into the ownership of a community trust there are a number of ways in which it could be developed to maximise benefit to the local community and visitors while also retaining its essential character. These are:

a. **Increasing occasional events**. The existing use of the Lump for major events occurs in the mid to latter part of the tourist season. Minor events attracting smaller

numbers of attendees (e.g. local one-off arts events) could take place at almost any time without causing damage to the ground that would require recovery time. Additional major events could potentially take place if at least 6 weeks were allowed between events to allow time for trampled grass to recover. A key consideration in developing a programme of occasional events is to ensure that the condition of the grass is not compromised for the Highland Games, for which a good quality surface is extremely important.

It would be logical as a first step to trial only 1 major event early in the season to assess the level of management required and impact upon later season activities. Temporary protective matting could be used in high impact areas to minimise damage and enhance recovery times. Increased usage of the site would potentially allow for investment in the facilities there, which would enhance the delivery of events by all users. An additional event could yield a rental income from the events' promoters or could be run by PBCT as a fundraising as well as a community social event. A single major event could raise something in the order of £3000 which could then be used to cover insurance and basic maintenance costs.

- b. **Provide a permanent electricity supply**. The hum of generators is a common sound at occasional outdoor events. While people accept this, a permanent grid-connected supply definitely improves the experience. It would remove the time and costs associated with generator hire and installation and also remove a potential safety and pollution risk from fuel handling activities. The provision of an electricity supply would also open up other development opportunities as discussed below.
- c. **Small-scale catering.** Outdoor recreational areas often have food and drink provision in the form of a small hut, cabin or ice-cream van. There could be the potential for this at the Lump but it would depend on public acceptance of the idea and PBCT would need to be aware of possible concerns over displacement from other cafes etc in the village. If, on consultation, no such concerns were expressed the best way to operate this would be for a concession to be granted to a private operator who would pay a rent for the privilege.
- d. Access Improvements. Access to the Lump is currently reasonable but improvements could be made for people with mobility issues. Some parts of paths are muddy from long term leaf litter and are narrower and have steeper gradients than recommended for the less physically able. Situated adjacent to the heart of the village proposed access improvements by PBCT would have a strong chance of attracting public funding. The supply of electricity on-site would also offer the opportunity to light the paths at night. Dark, wooded places tend to be unappealing. Lighting can make them more appealing, visible and safe. Modern LED lights use much less electricity than older types and modern systems are far better designed to project light downwards and reduce light pollution. A well-designed system on wellmaintained paths could make the Lump a popular recreational area in the evening as well as during the daytime. In the peak summer months from mid-May until early August there would be little need for the system but it could prove of real benefit to

visitors in the shoulder months and to locals all year round (even if running costs determined a restricted lighting schedule).

e. **Tower Improvements.** As noted above, the tower provides an excellent viewing platform but suffers from graffiti and vandalism. This tends to happen where there is a lack of a sense of community ownership (in the widest sense of the concept) and the location is not well frequented (particularly at night). Cutting back the undergrowth close to the tower, removing the existing graffiti and repairing the existing masonry damage will be positive steps. Sensitive lighting of the tower may also help to discourage further vandalism.

9. Bayfield

The site of an existing shed and two larger parcels of land are available for PBCT to purchase in Bayfield. The shed is currently under lease to a private individual and yields a rent of £500/yr. This would provide a modest but nevertheless useful income to PBCT. The Trust could either seek to re-let the building or re-use it for its own purposes, such as storage of tools and equipment in the event of the tenant relinquishing the lease at a future point.

The first of the larger parcels of land is the area between the existing public car park and the shore stretching from the boat laydown area in the east to the former Scottish Water plant in the west over a distance of about 100m. The valuation report estimates this area to be roughly 3975m² and notes that it could potentially be used to extend the parking area or to provide toilet facilities, while noting also that waste would need to be pumped back to the main sewer. PBCT have already carried out some work in this area by removing scrub that was encroaching on the view, grassing over the ground and installing a number of picnic tables, contributing to the improvement of greenspace in the area. Purchasing the site would enable PBCT to secure future community control over this valuable amenity asset. As an alternative to creating a few more parking spaces there is potential for development of several campervan hook-ups on this ground as it is wide enough to accommodate vans. Although only electricity could be provided, such a service would be appreciated by campervan users looking to recharge batteries and use high energy items such as heaters and microwaves. The view from the grass would be better than that from the car park with more available space than if parked side by side in the parking spaces. The provision of pitches requiring access where there are existing parking spaces would lead to the loss of those spaces. However, there are no parking spaces at the entry point to the main car park and entry to the grassed area could be created using a dropped kerb.

There appears to be a high level of stone/rubble in the ground which can be seen through the grass so it may be able to support the weight of vehicles. If not, pitches could be created using terram geotextile and type 1 aggregate or alternatively cellular matting that can be laid flush with the surface. Campervan owners will pay £4-5/night extra for hook-up provision. Therefore, if the Highland Council were to charge for parking overnight in Bayfield an additional premium could be added to this. If they do not plan to charge, it would take much longer to recover costs with charges limited to £4-5/night. Booking can be managed through the Freetobook² website which provides a booking service free of charge unless additional extras are requested. The basic service is adequate for camper provision and signage on site could allow for booking on arrival using a mobile phone at quieter times of year. Very occasionally there can be problems with the electricity supply tripping (one of our team has experience of this occurring once in 2 years' operating a small site in Harris). An arrangement could be made for a local electrician to be on call to enable a quick resolution of problems.

Provision of campervan hook-ups would not completely rectify the problem of a lack of campsite provision in the area. However, such provision is being encouraged by Skye Connect, who are including a bid to the Rural Tourism Infrastructure Fund on behalf of the Trust for such a project. Such a development will provide a modest level of service whilst also generating some income for PBCT. At the time of writing this report there is a possibility of developing pitches on the site of the former squash/tennis courts, an option which is supported by the Portree Parking Study and would have the potential to generate significantly more income. If that bid is successful it would make sense to prioritise that option. However, it would also open up the possibility of creating the additional hook-ups on the amenity ground, enabling users to also access water, toilet and shower facilities if these are included on the former squash court site.

The second area of land offered for sale in Bayfield is about 100m further west of the above site. It consists of a wooded area with a path running through it to the bridge over the river at Bridge Road where PBCT recently improved the set of steps up to road level. The valuation report estimated this area to be approximately 4050m². The report notes that the characteristics of the site limit its use to amenity functions. That is not necessarily a disadvantage given that a desire to safeguard existing greenspace for community benefit is an overarching aim of community ownership of sites offered for sale. PBCT favour using the area for some form of outdoor adventure facility for young children. This would be a good use of the space given the lack of a suitable facility elsewhere in the village and the desire to retain and enhance greenspace. The location is suitably well-defined and of a size to allow a little exploration within limits. Following purchase of the site PBCT aims to develop a project to deliver such a facility through its Youth Outdoors Facilities sub-group.

The site lies next to the old squash and tennis courts which as noted above has been mooted as a possibility for future campervan, toilet and shower provision. If this were to happen the availability of the amenity ground will provide added value to any development taking place adjacent to it.

10. King George V Playing Field

The playing field extends to 2.91ha (7.20 acres) and is leased to Highland Council on a 99year lease from Whitsunday 1949 at a rent of £10/annum. The field is currently managed by Highlife Highland who give a budget to Highland Council for maintenance services across all pitches. Therefore, it is not possible to identify a specific maintenance cost for the KGV. It is

² <u>https://en.freetobook.com</u>

surrounded on 3 sides by a modern green security fence installed by Highland Council and on the north side by older security fencing that passes through the scrub/trees on the bank above the field.

The field was formerly used for both shinty and football matches until Skye Camanachd moved to their present home. The remnants of several sets of goalposts are clearly visible on the edges of the field, along with pieces of plastic and other rubbish in the shelter of the trees. The deteriorating drainage situation of the field has led to the cessation of organised football activities on the pitch with teams now playing instead on the all-weather pitch at Portree High School.

It is noted that historically the playing field has had problems with drainage due to the nature of the soil on site. Improvements including slit drains and regular spiking of the surface were made previously with the assistance of the Sports Turf Research Institute and considerable new drainage was installed as part of the new secondary school project. While significant expenditure has been made underground, less has been made on the playing surface. A combination of the departure of Skye Camanachd, the transition from Skye and Lochalsh District Council to Highland Council, and budgetary cuts linked to austerity mean that the pitch is no longer spiked and the maintenance regime is limited to grass cutting approximately every 2 weeks from May to September. It is possible that the surface layer has become puddled, impeding the drainage of water from the surface to the drains below. There has also been some settlement of the surface over the lines of the new drains, resulting in an uneven surface.

The field still hosts the annual Skye Agricultural Show. It has also hosted Skye Live on one occasion but is unlikely to do so again, following damage to the ground during and after the event.

The leased area includes a children's play park adjacent to the sports field. The equipment is reasonably modern although the park is showing signs of wear and tear. Participants at the community consultation event were of the opinion that the existing play park was unsuitable for young children in terms of the equipment available and also because it was allegedly a location for anti-social behaviour. Consultees were also critical of the lack of a suitable park where families could go together for a picnic in good weather. In short, the KGV in its current condition does not constitute a *"High quality, accessible, fit for purpose open space..."* as desired in Highland Council's local plan.

Potential improvements to the King George V playing field could include the following:

- 1. **Define pitch and improve pitch management.** One consultee pointed out that, given the size of the field, the marked area of a pitch has been moveable, with the result that the field is part pitch and part amenity area at any given time. If the pitch was clearly defined a higher level of maintenance regime could potentially be applied to it with a lower level regime elsewhere.
- 2. **Improve drainage and surface**. It is recognised locally that this is a fundamental issue that needs to be addressed if the field is to be suitable for sports club activities

again. The range of views expressed among consultees on the exact nature of the problem highlights the need for a careful approach to seeking to remedy the situation. In the first instance trialling surface spiking would be a positive step. If this does not improve the situation consideration could then be given to more complex and expensive drainage solutions. Destoning and the importation of additional soil was considered at the time of the school project but was not implemented. This could be an option for future consideration.

- 3. **Provide a hard standing** for agricultural show and other use. This would provide a defined area for access and livestock pens and would minimise the impact of activities on neighbouring grassed areas.
- 4. **Create a family-friendly park area**. Using part of the site for this purpose would be possible without preventing continued use for football as the grassed area is significantly larger than a single pitch. The area adjacent to the former swimming pool may be a good location for this as it is close to the entry to the park and the Portree English-medium Nursery building. A scattered planting of trees and shrubs with some benches and tables could create a very family-friendly location.

The last suggestion in particular will require considerable thought, discussion and consultation with the local community to ensure that the field is developed in a way which truly benefits the community. The need for interested parties to agree on just how big an area is still required for sporting activities will be fundamental to this.

As noted already the key challenge in taking on areas of amenity value is considering long term sustainability when there are few income-generating opportunities. That task is beyond the scope of the brief for this exercise but it is clear from walking round the KGV that the site of the former swimming pool immediately adjacent to the playing field is strategically very important. Acquiring this ground from Highland Council could offer PBCT the opportunity to generate revenue that is not possible to achieve from the KGV playing field itself.

The position, size and accessibility of the site are such that it would make a very good location for campervans, helping to relieve pressure on parking issues elsewhere in the village. There will already be water and electricity services to the site enabling these services to be installed for perhaps 8 to 10 pitches without great difficulty. The trees and bank around the site provide a level of screening that could be further enhanced with some selective planting. Being close to the community centre, there would be an opportunity for PBCT to work with the community centre to provide toilet and shower facilities for site users with an agreement on sharing revenues. Out of hours access could be provided to the community centre facilities via a keypad or card entry system. The West Harris Trust operates this kind of system at its new community facility in Horgabost, Harris. A conservative occupancy rate of 50% of 8 pitches for 180 days at £20/night would yield £14,400 in gross revenue.

The KGV is a strategic asset at the heart of the village alongside other strategic assets such as the community centre and former swimming pool site. The discussion above and the

strong interest in the site evidenced during the consultation process demonstrate its importance to the local community and the wide range of stakeholders with an interest in its future. Furthermore, the presence (and current closure of) the community centre and the old swimming pool site highlight both challenges and opportunities for the community. In these circumstances it would seem that the best option would be to carry out a more detailed study and consultation process into this immediate area to develop an agreed community plan for its future development. PBCT could play an important role in convening a working group of local and public sector interests to take forward a community-led process.

Future Management of KGV

The purchase of the playing field will not, of itself, result in an immediate change of management of the area, due to it being leased to Highland Council until 2048. Therefore, future management and development of the KGV will need to be agreed with Highland Council prior to purchase. Potential options include:

- 1. **Maintain current management approach**. This would be the simplest option but would not deliver the benefits that could come through community ownership and there would therefore be no value in a community purchase.
- 2. PBCT to assume management. This would involve HC renouncing the lease and responsibility for maintenance and development of the filed passing to PBCT. HLH have said that there are some instances of sports clubs purchasing their pitches in the past from the Council with successful outcomes. Community groups are often able to give more attention to detail in caring for the pitch and their level of ambition rises with ownership and control. A key issue to be addressed would be that of the cost of future pitch maintenance and how it was funded. Even if HC were willing in the first instance to provide an annual grant to assist with this work there would be no guarantee that it would do so in the future. In an age of austerity, it would be unlikely that any formal long-term commitment could be given by HC.
- 3. HC to retain a lease over a smaller defined pitch area and PBCT to manage the rest of the field. This would leave responsibility for pitch maintenance in the hands of HC and avoid the risk of PBCT being left without funds to maintain a pitch in the future. However, this would then leave open to question whether any significant improvements would be possible to the playing surface in the near future.

Consultees were supportive of the potential for community ownership and management of the KGV to deliver real benefits for the local community. Therefore, it is recommended that if PBCT wishes to pursue a purchase from FEI, that it engages in detailed discussions with HC regarding potential future support if PBCT were to take on management of the area.

11. Sulaisiadar Common Grazing

The common grazing lies on the western side of Portree. A narrow strip of land runs from immediately behind the new Portree Gaelic School up to the eastern edge of Pairc nan Laoch where it opens out above the northern edge of the shinty pitch following the Lon na h-Atha burn as its western boundary. The remnants of a former steel fence indicate the southern boundary of the common grazing about 800m up the hill. The OS 1:25000 mapping identifies the neighbouring landowner as the Forestry Commission. The valuation report estimates the area to be 23.83ha (58.88 acres).

Community Ownership & Crofting Tenure

Land that is in crofting tenure is effectively in day to day control of the crofting tenants and not the landlord. The tenants enjoy secure tenure over their crofts and common grazing and are free to go about their livestock rearing activities without hindrance. A side-effect of this is that there are no private purchasers looking to buy croft land as the cost of ownership is generally greater than the cost of administration and ownership brings only limited benefits in terms of occupancy e.g. sporting rights.

Under Part 3 of the Land Reform (Scotland) Act 2003 crofting communities have the right to purchase their land themselves. This can be done by forming a crofting community body either as a company limited by guarantee, a Scottish Charitable Incorporated Organisation or a Community Benefit Society. The community body must have a minimum of 10 members, of which 75% must be members of the crofting community (which includes croft tenants and other members of the community). The Scottish Ministers will approve an application to buy if they are satisfied that the crofting community body is in the appropriate form, the land is eligible croft land, the body has formally taken a decision to purchase and the purchase would be in the public interest. It is worth noting that theoretically at some point in the future the croft tenants and others from Sulaisiadar could seek to buy out the common grazing from a wider community landlord using this measure. It is also theoretically possible for a crofter or crofters to seek apportionment(s) of the common grazing and then purchase that land if it is contiguous to an existing croft boundary. This is less likely under revised legislation which now time limits apportionments to a maximum of 15 years to prevent the loss of common grazing where a historic use of an apportionment is no longer practised. Crofters have to clearly demonstrate that they have an actual need for the land that they wish to apportion. If a single crofter were to submit an application for an apportionment it is likely that other crofters would object, given the negative impacts that the loss of a piece of ground would have on an already small common grazing.

Under community ownership the rights of individual crofters and grazing committees are exactly the same as under private ownership. No rights to secure tenancies and freedom to carry out livestock rearing activities are lost. The benefits that can arise from community ownership are several-fold:

• Administrative procedures carried out locally can be more efficient than those from a remote landlord or landlord's agent and it can be easier to identify the correct person to approach;

- Community landlords and crofting tenants can sit down together to work in areas of mutual interest that will benefit both the crofting and wider community interests (see examples below);
- The financial benefits of any development remain in the community rather than being spent elsewhere by a remote landowner.

A key determinant of the success of community ownership of croft land is the willingness of the crofters involved to see change on their common grazing. Community landowners would normally seek in-principle agreement from the shareholders before exploring a development on their common grazing and would not pursue a development if the shareholders were not supportive. If shareholders have no desire to support any form of change there is little value to be had in community ownership. This section considers what *potential* activities could be pursued on the Sulaisiadar common grazing. These are not *proposals*. They would only become so if PBCT and the shareholders jointly considered any of them worth pursuing.

As the land is in crofting tenure the shareholders of the common grazing would be entitled to compensation for any resumption of land from crofting tenure for a development. Common resumptions are for purposes such as a footprint for a mobile phone mast, a wind turbine or a weir for a hydro scheme. Typically, the benefit to the crofters would take the form of a 50% share of any rent arising from a lease or a single payment that would represent the capital value of the share of the rent.

Suggestions from the public consultation for future uses of the common grazing included growing trees, a BMX track and the need to preserve greenspace. It is understood that there is interest from some cycle businesses and other interested parties who are looking into the possibility of cycle track provision elsewhere and the common grazing is not considered as a suitable option for location, so is not considered here. Potential development options identified are as follows:

Woodland Development

The lack of recent livestock grazing on the common grazing has led to natural regeneration of willow and birch occurring. One crofter has expressed a desire to put a small number of sheep back on the hill grazing, but at present this is not practical because of the dilapidated nature of the fencing. A modest, well-designed woodland scheme could both create new woodland and assist in re-fencing at least part of the hill. This would then reduce the amount of additional fencing required to make the hill (or part of it) stock proof. In the longer term the new woodland would also provide shelter for stock in poor weather.

The sloping north-easterly facing aspect of the site is a good one for woodland establishment as it provides a relatively good level of shelter from the prevailing winds. Highland Council's Highland Forest and Woodland Strategy³ designates the area as Category A which is suitable for all types of planting.

³ https://www.highland.gov.uk/downloads/file/891/highland_forest_and_woodland_strategy

Support for new planting is available through the Woodland Creation⁴ component of the Scottish Rural Development Programme (SRDP) (2014-20) Forestry Grant Scheme. The key components are an initial planting rate followed by an annual maintenance payment rate which is available for 5 years in order to maximise opportunities for successful establishment. The different schemes available are summarised below in Table 2

Table 2: Woodland Grant Support							
	Payment rates in target areas						
	Initial planting payment rate (£/ha)	Annual maintenance payment rate (£/ha/year) for five years	Total payment rate (£/ha)				
Conifer	2160	234	2960				
Diverse Conifer	2430	378	3840				
Broadleaves	3240	594	5520				
Native Scots Pine	2070	306	3200				
Native Upland Birch	2070	144	2790				
Native Broadleaves	2070	306	3600				
Native Low-density Broadleaves	630	108	1170				
Small or Farm Woodland	2700	450	4950				

There is also grant support for key capital items at set rates. Key items of relevance for planting in this area are:

High-Cost Deer Fence	£9.90/m
Deer fence gates	£172 each
Bracken Control	£225/ha

The site would be eligible for the enhanced rates for target areas quoted in the table because of its inclusion in the Highland Forest and Woodland Strategy noted above (for conifer, diverse conifer and broadleaved options) and because of its inclusion as a Highland Native Woodland Target Area (all other options) in the SRDP (2014-2020) Programme.

⁴ Full guidance can be found at: <u>https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/forestry-grant-scheme/woodland-creation/#41199</u>

The last option in the table for Small or Farm Woodland⁵ is likely to be the preferred option for this site. Up to 10 ha of trees can be planted with a maximum size of 5 ha per block with a minimum stocking rate after 5 years of 1100 stems/ha expected for native broadleaves or shrubs or 2500 stems/ha for diverse conifer.

On community-owned land in crofting tenure a woodland planting project could be carried out either by the community landowner or by the common grazing committee. Whichever party was to carry out a project would be responsible for fulfilling the terms of the contract to fence the site so that it is stock proof, to complete planting in the year indicated in the contract, to monitor establishment and beat-up (plant additional trees) if necessary to meet the agreed establishment targets. If the target is not met after 5 years additional planting or repayment of grant may be required.

A community landowner-led project could potentially deliver benefits that one led by the common grazing could not. The principal benefit would be the opportunity to heavily involve the local community in the project in design, planting and management of the trees. Both the new Gaelic primary school and the other local primary and secondary schools are nearby, and a project would offer opportunities to link with the schools in outdoor education activities and volunteer tree planting. A secondary benefit would be that any surplus generated by the project would be available for reinvestment in community projects. In practice, any surplus is likely to be small and a project of this scale should not be planned as a money-making venture but as one that delivers local social and environmental benefits.

A community-led project would also benefit in the resources it can access to deliver the project. Applying for funding and managing a project require considerable time input. Public funding available to support a Development Officer can provide the necessary resource to deliver the project effectively.

As noted in the community consultation section, a number of the crofters indicated that they were open-minded about the potential for a woodland scheme but were of the view that any scheme would need to be in the right place and not take up too much of an already small common grazing.

Micro-hydro

The potential for micro-hydro was identified as a possibility in the project brief. A number of local communities have developed successful micro-hydro schemes in recent years, with support from the Feed-In-Tariff (FIT) regime established by the UK Government to promote investment in smaller renewables projects.

The output of a hydro scheme depends upon 2 key factors: the overall flow of water and the head (or vertical distance between the weir and turbine house). The steep slope down

⁵ <u>https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/forestry-grant-scheme/woodland-creation/small-or-farm-woodland/</u>

which the Lon na h-Atha burn runs means that there is a good head for a hydro scheme. From just behind the shinty pitch to the boundary line of the common grazing there is a head of about 160m over a distance of approx. 750m on the map. The boundary of the common grazing appears to be conveniently at the point where the slope levels out and where there is a good opportunity to construct a weir where it starts to flow through a narrow channel. It may be that a scheme could be developed at this point or a simpler, cheaper one could be constructed further down the hill using only part of the head but saving on construction costs.

The catchment area for a scheme here looks to be fairly modest at something just under 1km². This would leave only a limited area to drain and provide water for a scheme. A weir further down the hill would collect water from a catchment area that was only slightly larger because the slope aspect lower down is such that water drains into multiple small burns rather than into 1 larger one as would occur in a corrie. In summary, a scheme at this site would have a good head and a modest flow rate. The latter would mean that a small turbine may be suitable, perhaps in the order of 20-50kw.

A turbine size of up to 50kw would also fit with available grid connection capacity on Skye. SSE have advised that new connections are limited to a maximum of 50kw export in the Portree area until the main interconnector is upgraded. That is currently planned to occur in 2021. A 50kw connection at any given site is not guaranteed but would only be offered following an application which would lead to an assessment of local availability.

Local people have commented that the burn does not run dry. This may well be the case but at low flow rates there is not normally enough water to run a turbine. On a typical run of river scheme the turbine runs well during and for a short period after heavy rain but will stop running several days after the last rainfall. In heavy rainfall areas on the west coast it is common for turbines to run at 40% of installed capacity; e.g a 50kw turbine is capable of producing 438,000kwh/year running constantly at full capacity but at 40% of capacity it would produce 175,200kwh/yr. A 20kw turbine is capable of producing 175,200kwh/year running constantly at full capacity but at 40% of capacity it would produce 70,080kwh/yr.

Under the FIT regime the owner of a renewables installation is paid a feed-in tariff rate for each kilowatt hour (or unit) of electricity that is produced. The FIT rate varies according to the type of renewables technology, the size of the installation and the date on which it was commissioned. At the beginning of the scheme the rates were high to encourage investment and create a bigger market for renewables. This, in turn, was expected to create efficiencies in production of renewables equipment that would reduce unit costs. This worked particularly well for solar PV where installation costs of £17-20,000 for a 4kw installation subsequently fell to c.£5,000 over a 5-year period as mass production took effect. The same effect has not occurred with hydro. Each system has to be individually designed to take account of the particular local conditions and therefore costs have not reduced to the same extent.

The FIT rate for hydro schemes in the 0-100kw band is currently 7.77p/kwh and is due to fall to 7.71p/kwh in the first quarter of 2019. By way of comparison the rate is 21.87p/kwh for

hydro schemes in the 15-100kw band installed in 2011 and 20.03p/kwh for those installed in the first quarter of 2015.

In addition to being paid Feed-In Tariff on every unit of electricity produced, the generator also receives payment for the amount of electricity sold to purchasers. This can be direct to a private purchaser or to an electricity supply company. In selling to an electricity supply company such as Scottish Hydro a contract can either be negotiated or an option taken to accept the government-set export tariff rate of 5.3p/kwh.

When FIT rates were high a scheme could make a good financial surplus from FIT payments and the associated modest income from the sale of electricity direct to the grid. Under the current regime it is much more difficult to create a viable project, but it can be made possible in some circumstances where a high proportion of the electricity is sold at a higher rate direct to a local user to whom the scheme is connected. Typical tariffs today can be anything from 12-17p/kwh, creating an opportunity to come to a private agreement. If, for example, a local user can buy at 10p/kwh from a local hydro scheme the buyer purchases at a lower than market price and can market their business as being powered by clean renewable electricity. The hydro scheme owner receives a higher income and so both parties win.

The capital costs of a hydro scheme can vary widely as each scheme needs to be designed specially to fit the watercourse and the rainfall regime where it is sited. A 2015 study⁶ showed that for hydro schemes in the 15-50kw bracket costs varied from £2900/kw to £8254/kw of installed capacity with a central case of £5577/kw. For a 20kw scheme this would equate to a range from £58,000 to £165,040 with a mid-case of £111,540. For a 50kw scheme this would equate to a range from £145,000 to £412,700 with a mid-case of £278,850.

Assistance for a feasibility study is available for community groups from the Scottish Government's Community And Renewable Energy Scheme (CARES) which is delivered through Local Energy Scotland. The scheme will provide a grant of up to £10,000 to research a project and carry out necessary community consultation work. It then offers a loan covering up to 95% of agreed costs at 10% interest for development work through to planning. The loan can be written off if planning permission is not granted or if the project "meets another insurmountable obstacle".

Further support is available from Community Energy Scotland⁷, the membership body which represents community groups that own or aspire to own and operate renewables installations.

The fact that the scheme is on the boundary with another proprietor means that an agreement would need to be made with that owner to allow a scheme to go ahead. Initial contact has been made and he has indicated that in principle he is willing to explore a potential scheme led by the community. A common way of delivering a project is to set up a trading subsidiary of the community trust which would lease the site from the community

⁶ Small Scale Generation Cost Update, Department of Energy & Climate Change, August 2015

⁷ <u>http://communityenergyscotland.org.uk/community-support.asp</u>

with the rental being a percentage (say, 5%) of turnover. The trading company delivers the project and transfers profits to the community trust for charitable use. If the burn is the boundary the trading company would require a lease with each owner and the rental would be split between the 2 parties. In the case of PBCT this would be further split as the crofting shareholders would be entitled to a 50% share of the rental that the landlord received.

It is not possible to say definitively in a study of this scale whether or not a scheme on this site will be viable. Research would need to be done into actual flow rates in the watercourse and the costs of developing a scheme to establish viability. However, our initial calculations suggest that that this is unlikely at average capital costs and where all money requires to be borrowed. Furthermore, the UK Government announced a consultation in July 2018 on the proposed closure of the FIT regime from the end of March 2019. It will not be possible to carry out the necessary studies and design work to achieve planning permission by that time so a future viable scheme is now even less likely.

VE Energy. A representative of this company made a site visit in November 2016 and followed up with a letter to one of the PBCT directors. The company is developing a small scale (5kw), modular hydro technology which it is claimed would be significantly cheaper to install than conventional technology. Their target market is off-grid communities in sub-Saharan Africa but the technology could be applicable elsewhere. For intellectual property reasons no information has been given on how the technology works but the company has said that they successfully tested power curves with Southampton University in 2017. They are currently raising funding for more R&D work and do not expect to be in a position to come to market until 2021.

Investing in new technology always involves a greater level of risk than established technology as reliability can be uncertain and unexpected problems may have to be addressed and resolved. Community groups tend to be more risk averse than the private sector as they need to protect their existing (often quite limited) assets. In these circumstances it would be worth while keeping a watching brief on developments with VE Energy. If it does not prove possible to develop a financially viable conventional hydro scheme it would then be worth looking at any offering by VE once it comes to market and more information is available on its capital cost, maintenance requirements and financial returns. As with a conventional hydro scheme a development of this technology would require the agreement of the common grazing shareholders.

Strategic Development Potential

As Portree continues to develop it is possible that the current crofters, or a future generation of crofters will favour non-agricultural developments on part of the common grazing. If so, community ownership will put PBCT in a position to work with the crofters to bring developments that maximise the benefit to the local community in social and economic terms.

12. Linking Sites

A significant proportion of visitors are happy to explore an area on foot, especially if they are guided along routes which are well signposted. The 3 sites in the centre of the village are particularly well-suited to promoting a circular walk or walks which would enable and encourage visits to the different amenity areas.

The stylised map of Portree by J. Maizlish Mole is appealing, quirky and easily available in tear-off form. This is an excellent map. However, many people struggle with map reading and also in identifying the best route to take when faced by a choice of paths and streets. A waymarked circular route going for example from The Lump, along Bayfield Road by the new picnic tables through the woodland, across Bridge Road, up Manse Lane to the KGV and back via Wentworth Street would provide a good circuit. It would both show visitors part of the village that they might otherwise miss and maximise opportunities for use and promotion of community-owned land.

One respondent in the consultation suggested that for pedestrian safety a crossing should be considered adjacent to the steps leading from the Bayfield woodland across the main road to Manse Lane. The speed limit is 30mph at this point and the curve of the road limits visibility. Therefore, a crossing could help improve safety. Advancing the 20mph speed limit to either just before this point or even to the school could also benefit by slowing down traffic. If advanced to the school it would also have the side effect of giving those turning right from Dunvegan Road and heading south more time to do so, potentially reducing tailbacks at the junction.

At present the lack of signposting makes it difficult for a visitor to explore if they do not have a map in hand. Examples where discrete signage is lacking are at the junction of Manse Road and Bridge Road and leading from Bayfield car park to Bayfield Road. New signage indicating a route would be beneficial. It may even be possible for those of an artistic bent to develop signage that would complement the local map.

People could be further encouraged to visit these locations by installing additional attractions such as public art which provide extra interest. An item of art at each site could be developed as a community project which would draw on local history and build identity with community ownership. The Uist Sculpture Trail⁸ is a successful example of art being placed in locations that people would not normally visit in order to attract them there. Atlas Arts have considerable experience of delivering successful arts projects and have expressed a willingness to work with PBCT to deliver future projects, should PBCT so desire.

13. Liabilities of Community Land Ownership

The brief asked for consideration to be given to potential liabilities arising from the purchase of the different sites. On assumption of ownership of a site the new owner becomes responsible for its management, unless that management is devolved to a third

⁸ <u>http://www.isle-of-north-uist.co.uk/what-to-do/uist-sculpture-trail/</u>

party. In the case of the Lump PBCT will assume responsibility for maintenance of the site, including tree management, which, as noted above, is likely to incur an ongoing financial liability. An agreement between the 3 parties with an interest in the site would mitigate this liability. PBCT is already responsible for managing the land at Bayfield through its lease with FEI so no new management responsibilities would arise there. Sulaisiader common grazing would remain under crofting tenure so the only additional responsibility would be that of managing the relationship with the crofters and dealing with any administration issues. The KGV is currently leased to Highland Council. As noted above if PBCT assumes management for the whole site there could be significant financial liabilities arising from field maintenance without HC funding. If PBCT assumes control over only a part of the area, the associated liabilities are much reduced.

The manager of a site is also publicly liable for the activities it carries out. Public liability also arises where a body is responsible for activities or equipment on another person's land. (This would include, for example, signage erected between the sites to guide visitors). It is therefore essential that Public Liability Insurance is put in place. PBCT have been told by their insurers that there would be no extra cost to adding ownership of the 4 areas to their existing policy.

14. Financial Overview of Developments

The four sites being offered for sale to Portree and Braes Community Trust by Fearann Eilean Iarmain present a real challenge from a financial perspective as each site has to be considered individually and the related financial opportunities, income, cost and any liabilities for each site analysed whereas one larger intact parcel of ground would offer more opportunities for crossover between projects and ideas with the potential for shared costs in particular.

Tables 3 and 4 provide an illustrative financial position in the following situations:

- 1. Base case scenario where the Trust takes on the 4 sites and operates those as they are currently run without any development;
- 2. Illustrates some of the potential development opportunities which could be taken forward in the early stages of community ownership.

The bass case and development scenarios for the Lump, Bayfield and the King George V Playing Field are discussed in more detail in the business plan accompanying this feasibility study report.

TABLE 3: BASE CASE SCENARIO

Scenarios considered with	the KG5	site being leas	ed to Highla	and Council a	and without 1	the lease beir	ng in place		
				Scenario 1	Scenario 2		Scenario 1a	Scenario 2	Scenario 1
	Notes	The Lump	Bayfield	KG5	KG5	Sulishader	Total	Total	Total
				HC lease	No HC lease		HC lease	No HC lease	Excl. Lum
ental	1	-		10			10	-	10
ayfield boathouse			500				500	500	500
		-	500	10	-	-	510	500	510
nsurance	2		_					_	
Aaintenance	3	3,000			3,000		3,000	6,000	-
		3,000	-	-	3,000	-	- 3,000	- 6,000	-
let income/(expenditure)		(3,000)	500	10	(3,000)	-	(2,490)	(5,500)	51
he rental income has been	confirmo	d by Fearann	Filein Iarmai	n, the existi	ng landowne	er.			

3 Maintenance costs have not been verified and are based on estimates of the current work undertaken.

TABLE 4: DEVELOPMENT SCENARIO

				Scenario 1	Scenario 2	Scenario 1	Scenario 2
	Notes	The Lump	Bayfield	KG5	KG5	Total	Total
				HC lease	No HC lease	HC lease	No lease
One event		3,000				3,000	3,000
Catering concession		1,500				1,500	1,500
Campervan hookups			4,118			4,118	4,118
Rental	1			10		10	-
Grasscutting service	2			3,000		3,000	-
Bayfield boathouse			500			500	500
Management agreement	3	3,000				3,000	3,000
		7,500	4,618	3,010	-	15,128	12,118
Insurance	4		250			250	250
Maintenance	5	3,000		3,000	3,000	6,000	6,00
Electricity		,	500	,	,	500	50
Supervisor	6		1,000			1,000	1,00
		3,000	1,750	3,000	3,000	7,750	7,75
Net income/(expenditure)		4,500	2,868	10	(3,000)	7,378	4,36
CAPITAL COSTS							
Access improvements		25,000				25,000	25,00
Electricity provision		25,000				25,000	25,00
Tower improvements		20,000				20,000	20,00
Campervan hookups			25,000			25,000	25,00
Drainage					200,000	-	200,00
Hard standing					20,000	-	20,00
Park					50,000	-	50,00
Hydro scheme						-	-
		70,000	25,000	-	270,000	95,000	365,00

1 The rental income has been confirmed by Fearann Eilein Iarmain, the existing landowner.

2 It is anticipated that the Trust could arrange for the pitch grasscutting to be undertaken in a cost effective manner that would allow for a better service to be delivered for the current estimated cost to the Highland Council. This income source would cover the related costs.

3 The Trust is in the process of drawing up a tripartite agreement with the Skye Gathering and the Skye Games for the management and operation of the Lump which will provide a contribution towards the operating costs of the site.

4 PBCT's exsiting insurance provider has confirmed that the purchase of the parcels of land would not add any additional insurance premium to the Trust's existing policy unless the use of the ground is expected to change. £250 estimate for campervan hookup insurance included however to cover this new activity.

5 Maintenance costs have not been verified and are based on estimates of the current work undertaken.

6 A provision has been added to allow for some supervisory costs of the camp site.

15. Funding Sources

The availability of grant funds from the public sector for community-led development projects has become more challenging in recent years due to austerity reducing capital available for disbursement. The prospect of Brexit also means that European funds will no longer be available. However, there are a number of different funding sources which may assist with the community purchase and development of specific sites. They include:

- a. Scottish Land Fund. The fund has £10m/yr for community purchases of land and other assets. It can give up to 95% grant on capital and revenue costs. PBCT has already received funding from this source for the current study and can apply for Stage 2 funding to cover the purchase price and associated legal costs. If PBCT secures a discount on the sale price of the property this will be credited as a community contribution and SLF could fund 100% of remaining costs. Revenue funding could also be available to further develop the project, although this is currently only available until March 2020. Revenue funding is also tightly constrained and therefore a strong case is required for significant revenue assistance.
- b. Sports Scotland. Grants of up to £100,000 at an intervention rate of up to 50% are available from its Sports Facilities Fund.⁹ Amongst other items the guidance for this fund states that Sports Scotland want to support: New, upgraded or extended sports facilities; inclusive changing facilities; and facilities that provide or improve access for outdoor sport and adventure activities. A project to improve the KGV playing field and increase participation would be relevant to these aims. Projects are classed as small (£20k-£250k) or larger (with a value of £250k+) with a one stage on-line application for small projects and a 2-stage online application for larger projects.
- c. Heritage Lottery Fund. There are 2 streams to this fund that would potentially be attractive to PBCT- Sharing Heritage and Our Heritage¹⁰. The Sharing Heritage strand provides grants from £3000 to £10,000 in value and Our Heritage for those greater than £10,000 and up to £1000,000. PBCT could potentially apply to either stream for a project to improve the condition of the Apothecary's Tower or perhaps solely to Our Heritage for a broader project to include access, lighting and interpretation improvements to the Lump and possibly further including measures to link the different sites as outlined above.
- d. **Awards 4 All**. This small lottery fund¹¹ has a simple application process for a broad range of community projects with 100% funding available up to

⁹ <u>https://sportscotland.org.uk/funding/sport-facilities-fund/</u>

¹⁰ <u>https://www.hlf.org.uk/looking-funding/our-grant-programmes</u>

¹¹ <u>https://www.biglotteryfund.org.uk/funding/programmes/national-lottery-awards-for-all-scotland</u>

£10,000. This could be a suitable fund to apply to for creating a familyfriendly park area or a children's adventure area for example.

- e. **Rural Tourism Infrastructure Fund.** The Scottish Government established this fund¹², administered by VisitScotland, to assist areas where infrastructure is struggling to cope with tourism pressures which is clearly the case in Portree.
- f. **Highland Council**. Ward discretionary funds¹³ are available to support community projects. While many awards can be modest they can play an important role in finalising a funding package. In the Year 2018-19 a budget £16,000 is available in each ward.

16. Conclusions

There is clear local demand to safeguard and develop greenspace and associated amenity and recreational facilities to meet community needs in Portree. Taking some or all of the land being offered for sale by Fearann Eilein Iarmain into community ownership with Portree and Braes Community Trust as Landlord offers an opportunity to enable that objective to be realised and in so doing, help meet wider objectives regarding greenspace and playing fields as articulated in the Highland Council's Highland-wide Local Development Plan

Community ownership and management of particular sites will lead to significant benefits for the community, helping to address limitations in existing greenspace provision and associated infrastructure. There are a number of potential opportunities available for developing the sites individually and developing links between them collectively to enhance their existing uses, while also generating sufficient revenue to cover operational costs.

FEI has indicated that they are willing to consider selling individual pockets of the land rather than disposing of them as a single package. The Trust has scope to play various development roles in relation to each of the sites including 'direct delivery', 'partnership' or 'enabling'. However, the Trust should consider whether it might be preferable to focus its attention on bringing particular sites into community ownership by prioritising sites in that regard; particularly if agreement cannot be secured with key stakeholders that community ownership of particular sites is an acceptable option. Key considerations in relation to each site are outlined below.

i. PBCT already have a lease over the land at **Bayfield** and its purchase will not involve any financial risk. There is the potential for further amenity improvement and for possible development of campervan hook-ups. A subsequent purchase of the former squash and tennis court land would fit well and add value to the Bayfield amenity ground.

¹² <u>https://www.visitscotland.org/supporting-your-business/funding/rural-tourism-infrastructure-fund</u>

¹³ https://www.highland.gov.uk/directory_record/196482/ward_discretionary_fund/category/155/grants_for_community_groups

- ii. Purchase of **The Lump** would also offer opportunities for amenity improvements which would benefit the wider community. Social and economic benefits would also arise if more events and activities took place there. It would make sense to carry out the purchase if Skye Gathering either agree to transfer the ownership of the arena area or a satisfactory 3-way agreement is reached between PBCT, Skye Gathering & Skye Highland Games, covering mutual access, management and liability responsibilities.
- iii. The KGV Playing Field does not have any complications with title ownership and there was strong support at the public consultation for community control and improvement of the site. The presence of the community centre toilets on the title ground is an issue that can be resolved. It is recommended that PBCT have detailed discussions with Highland Council and come to agreement on future management funding and practice prior to a purchase so that PBCT is clear on what opportunities and responsibilities it will have. There are potentially further opportunities arising from the former swimming pool site and wider benefits to be had from working with neighbouring parties to explore and agree on a community plan for the area. PBCT could play a key role in leading a working group and a more detailed community consultation process to achieve this.
- iv. Sulaisiadar Common Grazing was a more challenging site. The ability to develop a hydro scheme and the possibility of supplying cheap renewable electricity to one or more nearby buildings was a key driver of this study. Disappointingly, it looks like falling feed-in tariff rates means that the opportunity has passed for now. Nevertheless, there may still be merit in PBCT taking ownership of the land so as to safeguard any future opportunities arising from a change in support levels for renewables, to shape any future development potential, and to maximise social and economic benefit for the Portree and Braes community. In such circumstances PBCT would need to reassure shareholders that their crofting rights were secure and that developments would only happen with the agreement of the shareholders.

In summary, it would be advisable to purchase the land at Bayfield without qualification and the Lump and KGV playing fields with the qualifications noted above. These purchases alone would create significant opportunities within the village and would enable PBCT to build its capacity for any further opportunities which may arise elsewhere in Portree and Braes in the future. PBCT may also wish to pursue community ownership of Sulaisiadar common grazing to keep options open regarding development potential and to ensure future social and economic benefits accrue to the Portree and Braes community.