

Jon's notes for forum

Over the last few years many of us have taken part in a range of consultations and questionnaires and surveys, all designed in some way to elicit the concerns, and aspirations of our community. Despite a degree of cynicism and survey fatigue, these exercises have also given free expression to a plethora of positive ideas, ambitions, and aspirations. For a day or two there is a frisson of excitement at the extent of community opportunity. Conversations breakout about pools, and hubs, and office units. And slow tourism and piers with ferries scurrying to and fro. Then, things settle down, the consultants hand in their invoices to HIE, and reports are published highlighting the conventional wisdom that somehow by having stated our aspirations, we are some way to making them happen. It literally pays the consultants to sell us this idea. But few of those aspirations ever come to fruition

Typically (depending on the way the questions are framed) the priorities identified are reasonably predictable. Social housing, better employment and business opportunities, better community facilities, less holiday homes, more footpaths, retail units and workshops, underpinned by more nebulous aspirations such as economic and demographic resilience.

So I have been asking myself, how best do we get to the point where we can tick some of those boxes.

The plan outlined by Owen will tick the social housing box - perhaps the biggest box of all, and the plan outlined by Phil will tick many of the much smaller boxes further down the list. It will not address any of the big priorities, and it will only tick each little box once. It is nonetheless still a worthwhile, serious and manageable option.

I am a big fan of social housing. In fact, I'm such a big fan that Elaine and I decided not to exercise our right to buy our council house in Camusterrach at a substantial discount, because we wanted it to remain in the social housing pool, which, happily it has for the last 19 years.

Building new social housing units in multiple blocks, is a cost efficient and effective way of dealing with a significant part of our housing need. HSCHT favour this approach to meeting housing need, because it is the most cost efficient way to provide housing units that meet modern building controls. It does not, however, solve the whole problem for a variety of - sometimes counter-intuitive reasons.

My personal journey provides a perfect example. Before we moved to c place, we lived in a 2 room property in Camustiel, rented privately. When I say 2 rooms, I don't mean 2 bedrooms..When we moved out, the house fell empty,

and was eventually sold. It has been a holiday home ever since. So, although we got a much better property to live in, for which we were truly grateful, the pool of social or private rented housing did not increase, and the proportion of holiday homes to permanent homes increased. When a block of housing is built, this effect is magnified. There is a brief period of turbulence as people move out of sub standard or unsuitable property into the new housing. This is great, but what happens to those vacated properties. With no potential tenants left around to fill them they are often sold, more often than not, as holiday homes, because permeant dwellings are - except in the case of retirees - invariably linked to employment opportunities. In one sense, we should be grateful that many properties are still in existence at all precisely because of the holiday home market. It is hard to imagine that houses such as those at Ard Bain would still be standing otherwise, and certainly there are many others that would have become ruins over the years. If all local demand is met through either private ownership or social housing, owners of houses that used to be in the private rental sector are left with no choice but to sell up or allow vacant properties to fall into disrepair.

Social housing was built at Milton, but the population didn't grow, whilst the proportion of holiday homes did. This pattern was repeated with Burnside, Camusterrach, and Craic Barn. every time we build more social housing the population is unaffected and the proportion of holiday homes either grows or remains. The street provides a perfect example. Further, traditional models of social housing do nothing for the growing proportion of seasonal and transient workers in an increasingly mobile and unpredictable workforce, in which traditional family units are invariably smaller.

Building 6 or 8 units at one go is also beyond the human resource capacity of local builders, so there is no short term gain in employment, skills growth or wider income generation.

So, the question I have been asking myself for years is, is there a way to tick more of those pesky boxes. Is there a way to improve the housing mix, manipulate the price of housing, reduce the proportion of holiday lets, provide employment opportunities, encourage population growth and community resilience, whilst providing, in the long term a steady income to allow us to tick so many more of the littler boxes on our list.

And you'll not be surprised to learn that I believe there is.

I am going to make some broad, but conservative assumptions, they are illustrative so don't pull me up on them.

If there are say 50 holiday lets in Applecross, and if they average 20k per property pa in income, then the gross annual worth of that asset class is exactly 1 million pounds per year. 1 million generated every year in our tiny community, 1 million, largely spent elsewhere

Like communities all around the coast, and in our national parks, we complain that our young people are priced out of the housing market. We complain that

income is generated in our community that flows out to distant bank accounts, often in the south of England.

It's a bit like sitting on a goldmine, and complaining that someone else is mining all the gold, when we should be rejoicing that we have such a precious asset - and a sustainable (in the case of housing) one at that, just waiting for us to take up our tools. At the most complex level, a property portfolio could offer a personal stake, indeed, a pension fund, for every single resident of this community. It's not impossible..... At one time, everyone in Applecross was part of the crofting system. Each was inextricably tied to a piece of land. That is no longer the case and there is a growing group of people who see Applecross as home, but are denied those physical ties. Perhaps a stake in a community portfolio could be the post modern way to re-connect us to a place that for many of us is our spiritual home.

£800,000 leveraged by the Scottish Land Fund would build another 6 social houses , yet further away from all our social hubs. The shop, the hall, the surgery, the school, whilst the heart of our existing townships continue to disappear.

That same sum could also buy several existing properties. A mixed property portfolio would give us a dizzying array of permanent, sustainable opportunities.

So with my remaining couple of minutes let me paint a picture...

It's 2030.

ACME owns 8 properties in and around Applecross. 5 are rented out locally at social rents. These generate turnover of £40,000 pa. Two are used as B&B, at a higher rent, allowing a couple of young families access to a steady income. The other three properties are luxury holiday lets. They have been refurbished by local trades people using local materials. They are marketed (through our dedicated marketing dept) to a target audience who care that the income generated goes directly to the community. They generate £120000 pa income. Every year.

Along the way, we have bought and sold a couple of properties, allowing local families favourable terms to get onto the property ladder.

Because we have a property portfolio, we made an early decision to use our developing skill set to open a property letting agency. The trust and many private holiday home owners are among our clients as it clearly makes sense to them to be associated with such a positive community benefit. This gives our community 20% commission of every let of almost every property in Applecross generating up to 200k pa, which is spent on infrastructure and other community projects. The improved infrastructure directly contributes to our portfolio growing in value.

Because we have our own properties, and manage many others through our agency, we have been able to retain the services of a joiner, electrician, and plumber. Each has a modern apprentice learning from them.

Our leased out community owned laundry deals with all our property's linen, cutting down on carbon costs of transport and creating a local business opportunity. Indeed, it uses the heat recovered from the local swimming pool, which in turn derives its heat from the hydro scheme.

Building our 4 dedicated seasonal chalet style holiday let properties in 2025 proved to be a master stroke. These tourist specific eco-units reduced demand for more traditional holiday lets. Combined with the the supply side attractiveness of our community ownership d portfolio, this made traditional privately owned holiday home ownership less attractive as an investment, further decreasing demand side pressure on house prices.

Our model is used as a blue print by communities around the country.

So I hope you will all understand that this plan is not about owning a holiday home per se. It is about taking increasing ownership of a small part of the most valuable asset that is available to us, organically, incrementally, but fundamentally allowing us to influence the way the property market works in our community, with potentially transformative consequences for the long term resilience of our community.

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When I have described this vision to people before, several have asked if I have any examples of it working elsewhere, and for a long time , I searched the internet to find working examples. There are a few that are broadly similar, but these are mainly large shared multi use properties in large urban areas. However, there is an old Czech saying that the darkest place is under the lamp, and it eventually dawned on me that there is a charitable organisation doing exactly this, and it is so close to what we would be trying to achieve that some of its board are sitting around this very table.

20 years ago, many trust properties were semi derelict and uninhabitable. Today they have a varied portfolio of mixed housing - several social housing units - several holiday lets - several new employees learning new skills. Along with couple of properties that are allowing the tenants to develop thriving high quality B&Bs

I first proposed this idea to the community company board several years ago.

The board took advice from HSCHT who declared that it would be an inefficient use of resources that they could not support. It is worth noting, I think, that in the years since HSCHT was established in 1998 the trust have refurbished and relet approximately 9 properties for long term rent, whilst HSCHT have provided none. My Children were born, grown up and left home before the established experts could even agree on a proposed site to build them a home. Indeed, if their traditional model for new social housing is so successful, why is there still a crisis across the Highlands?

What the trust have done in the meantime, and around the policies, we can do in the crofting townships. We just need to make the commitment, and take that bold step forward.

I haven't said too much about how we could fund such an ambitious initiative, for several reasons. £170,000 is a reasonable start but wouldn't buy a sweeping portfolio of properties.

There would, however, be several routes forward. The Scottish Land fund, and other national quangos might be persuadable. There is as solid an argument to be made for funding the purchase of existing properties as there is for the building of new ones.

There is also the open market approach, with each property purchase giving us more leverage to borrow.

And there is a crowd funding or IPO style approach. The hydro scheme apple juice raised over £700,000 in a matter of weeks. Whilst it may pay a generous rate of interest on loans received, and generate some income for the community, there is no capital growth for investors, and a hike in inflation could seriously erode the value of them when they are eventually repaid. A property based scheme would give investors a stake in a bricks and mortar portfolio, the value of which is likely to rise substantially over a comparable period of time.

Moreover, properties in Applecross become available on the open market over time, so funds could be accrued and spent incrementally, using leverage, crowdfunding or match funding as appropriate.

Less than a mile from here, over the past few years, Loch end, what is now sanctuary cottage, Uisdeans, little hill of my heart, blaven, the schoolhouse, John and Betty's, 7 burnside, and Seawinds have all been on the market. If we had managed as a community to buy half of those properties as they had come up for sale we would already be in control of our own destiny as a community.

I have also said nothing about how such an ambitious project would be administered. I am no expert on such matters but it seems to me that we already have the legal structures through the trading arm of the community company. Applejuice, which was a massively ambitious and ultimately successful project for such a small community with no land ownership, could

also provide a useful model.

It seems to me - and I hope I am wrong - that £170,000 will not be dropping on the doorstep of our community very often. It may not be a huge sum but that doesn't mean it couldn't be hugely significant. It also seems to me that there is a radical and adventurous core to this community. Folk who choose to live on the far side of the bealach on this western fringe of the highlands are necessarily resourceful and pioneering. As a community we led the way on community broadband, 24 hour fuel and found a way to keep our toilets flowing whilst others closed down. I have already mentioned apple juice in this context. I am therefore sure that some form of this plan is eminently viable. I am not sure if we have the ambition or desire to pursue it. But I do think it is right to at least provoke the discussion. Without pursuing radical solutions I can promise one thing. In 10 years time, we will have one more craic barn or burnside, whilst every winter the lights go all over our existing townships out as holiday lets close down. And someone will present us with a questionnaire asking what aspirations we have for our community. And all the answers will be exactly the same as they are today.