



**REFURBISHMENT OF VACANT PROPERTIES IN WINFIELD WAY, BALIVANICH.**

Report by Chief Officer, Economic and Community Regeneration

**PURPOSE**

- 1.1 The purpose of the report is to provide an update on the Winfield Way Housing Project, Balivanich, and seek approval of next steps.

**EXECUTIVE SUMMARY**

- 2.1 The Winfield Way Housing Project originally proposed to redevelop five vacant properties in Benbecula, which are in the ownership of Comhairle nan Eilean Siar (the Comhairle) and return them to domestic use. This has now been increased to six properties, which are a mix of 2- and 3-bedroom houses.
- 2.2 Grant funding of £1.3m towards the project has been secured from the Scottish Government's More Homes Division. This will support redevelopment of the six properties to a walk-in, mid-market rental standard. Initial estimates are that there may be a need for the Comhairle to identify funding of c£200k to complete the financial package. This will become clearer on return of tender prices and there are a range of options that can be explored given that c£40k per annum rental income is anticipated on completion.
- 2.3 It is felt that Tighean Innse Gall (TIG) would be best placed to act as managing agent for the properties on behalf of the Comhairle, due to their level of related work and expertise. Based on the current market for mid-market rental accommodation, the annual income (minus management fees) is estimated to be £5,700-£6,650 per unit. The intention would be for any profit from rental income to be ring-fenced to create a revolving fund to invest in other housing or depopulation initiatives in Uist.
- 2.4 The redevelopment of the properties will make essential mid-market rental housing available in Uist, supporting the aims of the Comhairle, partners and the Uist Repopulation Zone Action Plan to retain and attract people to live, work and study in Uist. There is currently a high demand for rental housing in Uist and therefore insufficient interest in these properties is not foreseen.
- 2.5 Next steps include finalising drawings and plans and putting the list of works out for tender. In parallel with this, work will be progressed to finalise the funding package and property management arrangements.

**RECOMMENDATIONS**

- 3.1 **It is recommended that the Comhairle:**
  - (a) **note the progress of the Winfield Way Housing Project, including the securing of £1.3m Scottish Government funding; and**
  - (b) **delegate to the Chief Officer, Economic and Community Regeneration, in consultation with the Chief Officer, Finance and Chief Officer, Law and Governance, to finalise the funding package and management arrangements for the Winfield Way properties.**

Contact Officer: Christina Morrison, Settlement Officer

Background Papers: [Report to Sustainable Development Committee, September 2024](#)

## IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

<b>Resource Implications</b>	<b>Implications/None</b>
Financial	The grant offer stipulates the preference for the finances to be spent within the 25/26 financial year. Finance from the Comhairle may be required to finalise the project. Assurance is given that income generated will be sufficient to repay any borrowing and cover any recurring costs.
Legal	Officers will continue to liaise with the Head of Law and Governance to ensure any legal requirements are identified and addressed.
Staffing	The plan will require input from staff from across the Comhairle.
Assets and Property	Existing Comhairle assets in Winfield Way, Balivanich would be renovated and transferred from business to domestic use.
<b>Strategic Implications</b>	<b>Implications/None</b>
Risk	Reputational risk for the Comhairle should the properties remain vacant, be sold in their current state, or returned to business use, due to community demand to see the properties being put back into full time housing.  Timescales may be a challenge due to the large amount of work required to be carried out and limited availability of local contractors.
Equalities/Child Rights	The final proposals will be assessed in terms of potential equalities issues.
Corporate Strategy	Proposals would contribute to all four strategic priorities within the Corporate Strategy 2022-27.
Environmental Impact	Little in comparison to building new units.
Consultation	The Uist Repopulation Action Zone community consultation, conducted in March 2023, identified housing as the key priority and critical area. Potential interventions suggested within the final report included key worker accommodation and an Empty Home repurposing pilot.

## BACKGROUND

5.1 The Comhairle has six assets in Uist's main settlement of Balivanich, which sit within a housing scheme and were recently used as business lets – No's 23, 27, 41, 44, 45 and 46 Winfield Way, Balivanich. With the businesses now vacated from the units the opportunity to turn these back to homes within the popular township has been explored as providing a relatively low-cost response to issues having a significant impact on the local community. Grant funding has been now secured from Scottish Government to support the Winfield Way Housing Project.

## PROJECT RATIONALE

- 6.1 Uist is recognised as an area suffering critical depopulation. As a social and economically fragile community facing issues with childcare, transport, staffing shortages, skills gaps, housing and more, it is becoming increasingly difficult to retain young people and to attract people to return / relocate to Uist
- 6.2 Limited housing supply is understood to be the biggest fundamental challenge for people and families wanting to remain in or relocate to Uist. The extremely limited housing opportunities make it difficult, particularly for young people, to find suitable accommodation to meet their needs within their own community. A highly competitive market means it is challenging to get on to the housing ladder, the

social housing provided is oversubscribed with large waiting lists, and the Private Rented Sector is also extremely limited.

- 6.3 Through the Settlement Officer work, there is evidence of a trend of economically active people, often with a family, with a job offer to allow them to relocate to or remain in Uist, however the inability to source suitable accommodation sees them forced to decline the job and relocate elsewhere.
- 6.4 Businesses across Uist are currently unable to adequately fill positions within their organisation and there continues to be staffing shortages across the Public, Private and Third sector due to lack of accommodation for workers and the ongoing population decline.
- 6.5 With only 6% of houses in the Outer Hebrides available for private rent, and 48 applicants currently on the HHP wait list for Benbecula alone, rental housing is a particular area that needs investment and which the Winfield Way Housing Project will go some way to address.

### **PROPOSALS TO DATE**

- 7.1 The Comhairle's Assets & Infrastructure service has undertaken a valuation of each property and ascertained the refurbishment costs. It is estimated that the full project cost will be £1,531,000 with each property requiring investment of between £171,000 and £184,000. Additional costs are included within the full project cost including Preliminaries, Design and contract risks, Professional fees and charges, and Statutory charges.
- 7.2 The Scottish Government's More Homes Division has offered £1,326,234 towards the project. The Comhairle is required to finance the remaining costs, should savings not be made. There are a range of options that can be explored to complete the funding package given that c£40k per annum rental income is anticipated on completion.
- 7.3 At this stage, it is anticipated that an agreement be entered into with Tighean Innse Gall (TIG) to manage the properties on behalf of the Comhairle.
- 7.4 All six assets will remain on the Comhairle's Economic Development assets portfolio. It would ensure that the houses are being used for the intended purpose of repopulating the area and directly address the need for rental accommodation. The intention would be for any profit from rental income, to be ring-fenced to create a revolving fund to invest in other housing or depopulation initiatives in Uist. This would in effect create on-going investment into housing and repopulation in Uist. Opportunities would be identified through working alongside Comhairle officers and the Uist Repopulation Zone Working Group

### **CONCLUSION**

- 8.1 The Winfield Way Housing Project would bring six vacant properties back into full time residential use, in a central and desired location, supporting the aims of the Comhairle, partners and the Uist Repopulation Zone Action Plan to retain and attract people to live, work and study in Uist. Excellent progress has been made in terms of securing significant match funding from Scottish Government and initial costings have been undertaken. It is believed that a full funding package can be achieved and that involvement of TIG as a management agent would reduce risk to the Comhairle while still ensuring project objectives are met.