

**HOUSING EMERGENCY - STRATEGIC HOUSING FUND APPLICATION –  
ISLAND OF ULVA**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The main purpose of this report is to update members on progress in relation to housing on the island of Ulva since the community buy out of the island by the North West Mull Community Woodland Company (NWMCWC) in 2018 and to request a Strategic Housing Fund grant to upgrade the water and sewerage infrastructure to enable the capacity to deliver more affordable homes on the island.

**RECOMMENDATIONS**

It is recommended that Council:-

- Approve a grant of up to £80,000 from the Strategic Housing Fund to upgrade the water and sewerage infrastructure on the island of Ulva by constructing a new water treatment shed to facilitate the development of additional affordable houses.
- Delegate to the Executive Director with responsibility for Development and Economic Growth, in consultation with the Executive Director with responsibility for Legal and Regulatory Support, the terms and conditions to be attached to any grant required as a consequence of this report.

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**2.0 INTRODUCTION**

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**3.0 RECOMMENDATIONS**

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**4.0 BACKGROUND**

4.1 The North West Mull Community Woodland Company (NWMCWC) purchased the island of Ulva on 21<sup>st</sup> June 2018 via the Community Right to Buy process. The purchase price was £4.65 million with £4.25 million funding from the Scottish Land Fund and £600,000 funding from other sources such as private donations, local and internet based fund raising. Funding was put in place for a Development Manager, a Land Use survey, a Bio Diversity Action plan survey and initial design work for the housing refurbishment.

- 4.2 One of the key aims of the NWMCWC for Ulva is to repopulate the island from 5 residents to 20 residents by 2028 initially through the renovation of the 6 existing properties on the island which is now complete. The population of Ulva is now 16. Work is ongoing with ACHA to look at the feasibility of building 5 new affordable houses on the island. In addition, outline planning permission has been obtained on 5 other plots, 2 of which will be marketed for sale in the next couple of months. It is recognised by NWMCWC that significant new housing developments will represent a challenge to the existing infrastructure not least the water supply.
- 4.3 In the Scottish Index of Multiple Deprivation (SIMD) the North West Mull area (which includes Ulva) is ranked amongst the most deprived 20% of neighbourhoods in Scotland for access to services and housing. This proposal addresses a key element of Ulva's infrastructure which is currently in a fragile state and only just coping with present needs. The recent increase to 16 permanent residents, and rising visitor numbers for example staying at the hostel or eating in the Boathouse restaurant means demand is likely to exceed supply in dry summers. No additional housing, whether provided by ACHA or directly by the community owners will be possible until major improvements in the water infrastructure have been made. The outline planning permission is conditional on improvement work being completed. Funding to put in place a completely new treatment system will keep delivery of Ulva's social and economic development on track, by enabling the development of new housing units.

## **5.0 DETAIL**

- 5.1 Argyll and Bute Council carry out inspections of private water supplies every 5 years and produce a risk assessment report based on the inspection. The most recent inspection of the Ulva private water supply was carried out in July 2021. The report identified that a high priority was to install a new higher capacity filtration and sterilisation plant. Other recommendations were to install non-return valves in the supply to all cattle troughs and fence off the intake facilities.
- 5.2 Following the Council's report NWMCWC commissioned an independent study to review the supply and recommend action including improvement of capacity to meet current and future demand. The main conclusions of this study were that the catchment currently used to supply the east end of Ulva, where all the buildings are located, is adequate but the collection system was unsatisfactory. The report recommended switching from the current inadequate spring source(s) and instead recommissioning the existing but disused reservoir which was built in the late 1940's.
- 5.3 Subsequent testing of pressure and flow rates at existing properties carried out during building restoration work has shown that the current distribution pipework itself is inadequate for present needs let alone future increased demand.
- 5.4 The proposal is to install a new water supply network on Ulva with the capacity to deal with existing demand and also meet the needs of developments

envisaged in the island's Masterplan. This will involve recommissioning the reservoir, upgrading/replacing the treatment unit, laying a new higher capacity pipe network, providing connections to existing houses and pre-installation of connections at all future development locations. To date work on recommissioning the reservoir has been completed. The priority now is to install a new treatment system to provide assurance of an effective, future-proofed quality of supply in line with the social and economic development objectives for the island.

- 5.5 The request from the Strategic Housing Fund is a grant of up to £80,000 to construct a new water treatment unit. This grant is only for the creation of essential infrastructure work it will not fund housing construction. It is important to note that any future delivery of affordable housing is likely to require as a minimum Strategic Housing Fund grant allocation of £12,000 per unit as is standard. Moreover, given the increasingly high development costs experienced in remote rural areas, there may be the potential of additional requests for grant funding.
- 5.6 Members should also note that due to the increasing population on Ulva, there is an associated increase in the demand for public service provision, such as refuse collection. Such issues will be addressed separately from this report.
- 5.7 Officers are undertaking an assessment in regard to subsidy control issues and this will be completed and issues addressed prior to issuing any third party grant approved by this paper.

## **6.0 CONCLUSION**

- 6.1 This report provides the detail of the progress made by NWMCWC since the community buy out of the island in 2018 and also provides detail of infrastructure improvements required to build on the positive re population work already carried out. The provision of infrastructure to enable the delivery of affordable houses in remote rural and island areas of Argyll is essential to the economic objectives of the Council.

## **7.0 IMPLICATIONS**

- 7.1 Policy - Complies with the objectives of the Local Housing Strategy.
- 7.2 Financial - £80,000 will be required from the Strategic Housing Fund.
- 7.3 Legal – The Council has a statutory duty to deliver statutory housing functions.
- 7.4 HR – None.
- 7.5 Equalities (Fairer Scotland Duty): Positive in terms of delivering infrastructure

to enable the delivery of affordable housing.

- 7.5.1 Equalities - Protected characteristics – None.
- 7.5.2 Socio-economic Duty - Positive in terms of delivering infrastructure to enable the delivery of affordable housing.
- 7.5.3 Islands – Positive in terms of delivering infrastructure to enable the delivery of affordable housing on the islands.
- 7.6 Climate Change – Any improvements to the water and sewerage works on the island will be carried out taking into account benefits to the environment.
- 7.7 Risk – If the work detailed in the report is not carried out it could put the long term sustainability of a fragile remote island community at risk.
- 7.8 Customer Service – None.
- 7.9 The Rights of the Child (UNCRC) – the infrastructure activity described in the report will create the ability to deliver affordable housing for families with children.

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