



THE HIGHLANDS
SMALL COMMUNITIES
HOUSING TRUST



AN CAMAS MÒR

Business Report

Report for An Camas Mòr LLP on
Cairngorms Business Partnership member
demand and views

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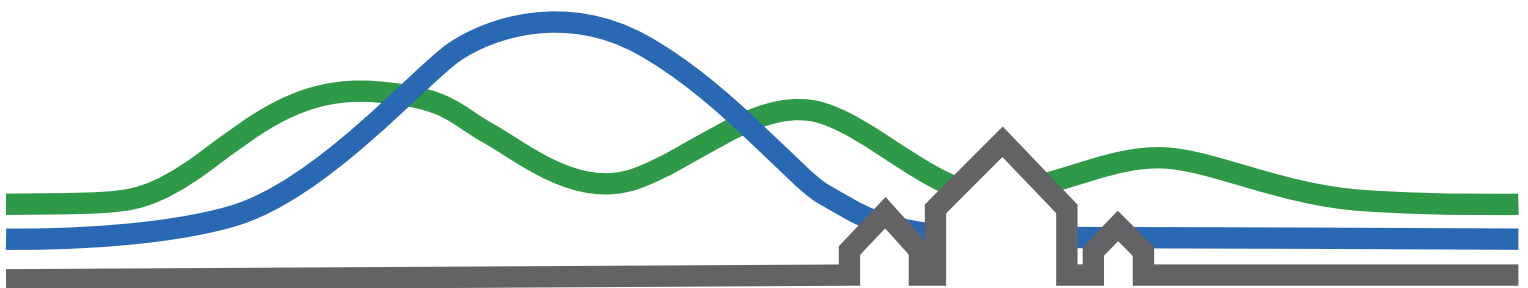
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1. Introduction

The Highlands Small Communities Housing Trust (HSCHT) was commissioned by An Camas Mòr LLP to carry out two surveys, one considering the demand from potential residents and the second considering demand and views of local businesses on the An Camas Mòr development.

The business survey was shared with members of the Cairngorms Business Partnership and promoted by the Partnership on two further occasions.

In order to maximise the amount of data available for analysis, none of the questions in the survey were mandatory and respondents were able to skip any question they chose not to answer.

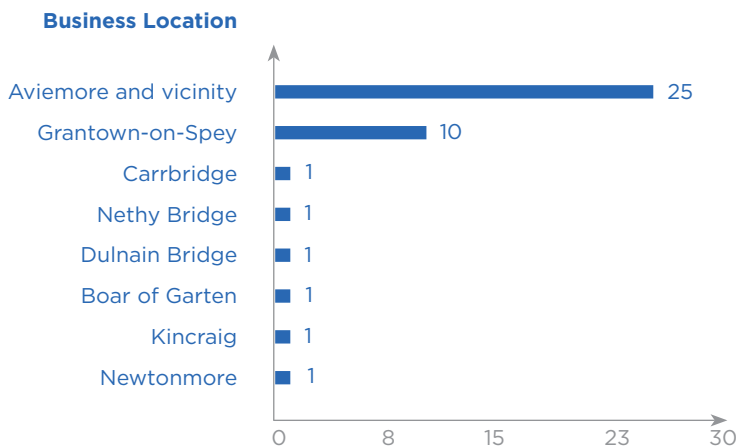
2. Executive Summary

- In total, 69 businesses took part in the survey
- There were 45 complete responses and 24 incomplete responses from businesses. The majority of returns were from the immediate area surrounding Aviemore, and all responses were from the Badenoch and Strathspey area
- The tourism sector was the most strongly represented in the survey, but few businesses identified a defined season for their work
- A broad range of businesses took part in the survey, with a roughly even split between employers and self-employed businesses owners. The vast majority of the businesses had 10 or fewer employees, with only 3 respondents having 51 or more staff
- There was broad general support for affordable housing, and many businesses identified it as a challenge to their growth or made comment on the need for affordable housing
- 50% of respondent businesses believed that social rent housing and Low Cost Home Ownership solutions were the best way to improve the affordable housing situation
- Support for the current An Camas Mòr proposal was mixed:
 - ➔ Supporters identified the benefits for businesses and the development as a solution for local affordable housing issues
 - ➔ Objections largely centered on the environmental impact of development and the location
- Some of the businesses who took part had clear plans for future recruitment; 20 businesses planned to recruit a total of 86 new staff. The majority of these jobs were in the salary bracket up to £19,999
- Approximately one-third of businesses felt that enterprise facilities that could be provided as part of An Camas Mòr would be beneficial to their business. Comments on this question highlighted concerns from businesses about the lack of suitable facilities for businesses in the local area.

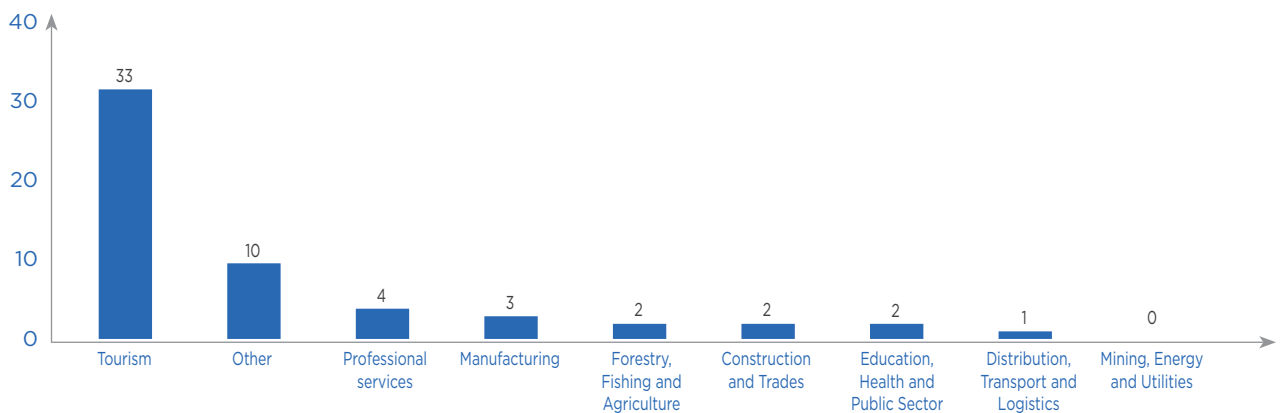
3. Results Analysis

i) Business Location and Sector

Of the 45 complete surveys, 21 were from self-employed respondents and 24 from employers. The majority of businesses are based in the immediate vicinity around Aviemore, including Rothiemurchus, Glenmore and Inverdrue (25); 10 businesses were based in Granttown-on-Spey, and the remainder were based in the Badenoch and Strathspey area. This means that the results are relevant to the area that An Camas Mòr could serve.



The majority of the businesses operate in the tourism sector (58%). The second most popular choice is 'Other Option'.



ii) Employees and Recruitment

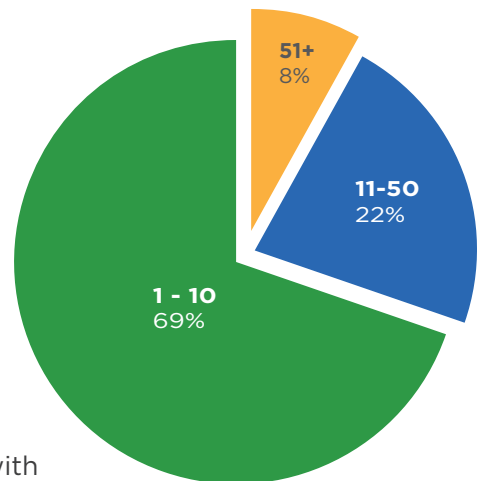
The survey asked how many people the businesses employ. 9 businesses chose to skip this question. 25 of the respondents who answered identified as small businesses with between 1 to 10 employees.

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Number of Employers

2 of the 3 businesses with 51 or more employees and 4 of the 8 businesses with 11 – 50 employees operated in the tourism sector.

Drawing links into the housing survey, the respondents were asked if they have ever had difficulty recruiting and/or retaining staff because of a lack of suitable housing. Overall, 40% of respondents said 'Yes'. However, when businesses with 11 or more employees were considered, 82% of businesses said they had difficulty recruiting and/or retaining staff. Recruitment problems related to lack of accommodation are more common amongst larger employers, but the issue also affects smaller businesses. Businesses who answered 'Yes' included the following comments:

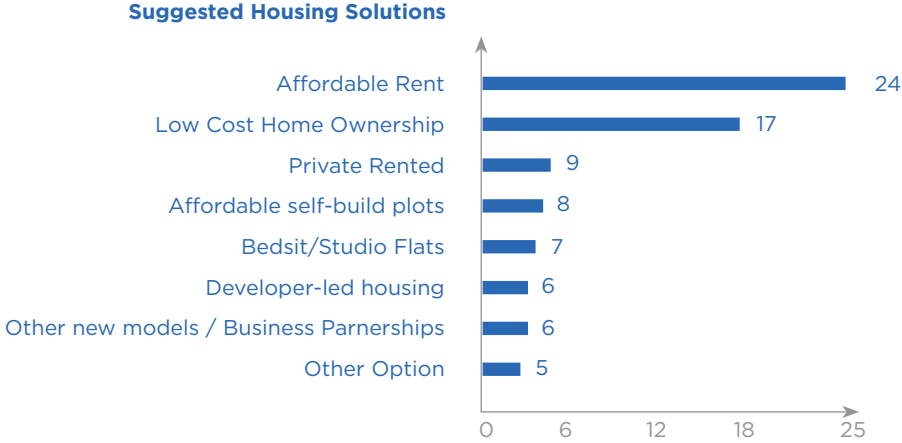


- At least 6 occasions in the last 3 years
- It is a constant struggle to recruit engineers to the area, lack of long term rental rooms and homes makes it harder
- It's a common issue when recruiting
- 3 times over the years
- At least 4 times over the past 5 years.
- Every year, numerous occasions summer more than winter
- Over the last year - really bad and getting worse
- Twice - both occasions staff with well paid jobs could not find any affordable accommodation in Aviemore
- At the moment we have 4 vacancies which we cannot fill because of lack of local accommodation

Businesses were asked if they had a season, what period that season covered. Only 9 respondents out of 45 complete surveys stipulated a fixed season, but 25 businesses skipped the question. With the number of skips it is difficult to ascertain how accurately seasonal businesses are represented in the survey.

iii) Housing Solutions

When asked 'If housing shortage has affected your business, what do you see as being the best solutions?' 29% of respondents answered 'Affordable rented housing provided by a housing association or Highland Council (24)' and 21% answered 'Low Cost Home Ownership e.g. shared equity through LIFT or other LCHO Options' (17).



Seven businesses stated that they would be interested in becoming directly involved with housing provision. All of them are employers with 6 of the businesses being located in Aviemore and vicinity and 1 located in Boat of Garten. 5 of these businesses have already experienced difficulty recruiting or retaining staff because of a lack of suitable housing locally and this could be the main reason that they are interested in becoming involved with providing housing provision. 3 of the businesses had detailed plans for recruitment over the coming 5 years.

iv) Future Recruitment and Premises

When looking at future business needs, 20 respondents (47%) are planning to recruit more staff within the next 5 years. The majority of these businesses are employers (15). 8 of the businesses said they operated solely in the Tourism sector, and a further 3 had mixed operations that included Tourism. The businesses planning future recruitment operate in the following areas: Education; Health and Public Sector; Professional Services; Manufacturing; Agriculture, Forestry and Fishery; a retail shop, electronics, hospitality, service and trades related. Aviemore and vicinity was the location for most businesses planning recruitment, with 16 being based there, 3 in Grantown-on-Spey and 1 in Kincaig.

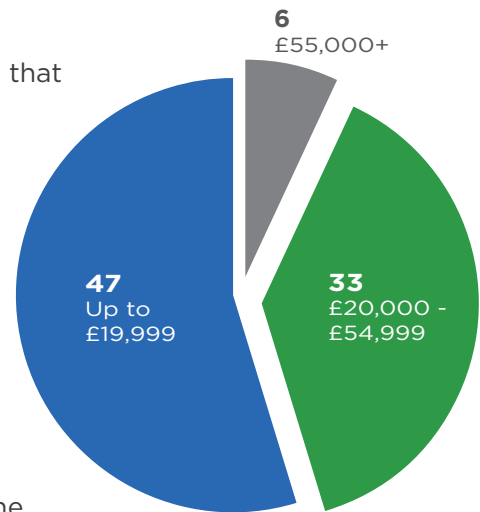
The respondent businesses in Grantown-on-Spey were largely smaller organisations, and the housing demand from the 9 staff they plan to recruit could be met in the Grantown-on-Spey vicinity.

In total, the businesses planned to recruit 86 new staff. Respondents were asked to indicate the salary bracket that these new positions would fall into.

The salaries have been split into these categories to correspond to the potential residents survey. The majority of the new jobs being created are at a level most often fulfilled by social rent (up to £19,999), unless a co-habitant's income lifts the household into the Low Cost Home Ownership level (£20,000 - £54,999).

The respondents were asked 'Would your business benefit from new premises that could be provided in the An Camas Mòr development? E.g. studio, workshop, 'incubator units', hot desks etc.' Overall, 31% of respondents answered 'Yes'. There was no clearly identifiable trends or patterns in the types of business, sector or location amongst the businesses who said 'Yes'. Businesses who answered 'Yes' included the following comments:

- Would use specialist self employed contractors in e.g. IT, marketing, graphic design,
- Warm shop (low cost/energy consumption) with separate outbuilding facility/storage area. Small staff area and work area not publically accessible also desirable.
- Office accommodation for SME's with short lets so as not to take on significant risks.
- Potentially interested in a larger office space to re-locate to
- Not anymore, but only because we were forced to buy a large office due to lack of alternatives. We believe there is huge demand for smaller short term lease units though
- Manufacturing unit



v) Opportunities and Limitations

Businesses were asked what they considered to be the greatest opportunities and most limiting factors to growing their business. Responses included:

Greatest Opportunities

- Being able to recruit appropriate staff and invest in developing their skills.
- Exports which will require additional production staff as it is likely to be container loads at a time.
- Increased tourist numbers
- Online development or moving area.
- The natural environment of the Cairngorms/ Highlands is our biggest resource and an area of growth for many aspects of tourism, there is more interest and people coming to the area to walk, biking, wildlife and photography tourism, all big growth areas. IT advances and the very recent improvements in broadband in some areas of Badenoch and Strathspey will be very good for our and other businesses.
- Growth and marketing of the area
- Having access to a greater pool of skilled staff would help. Having a greater selection of tourist accommodation, especially hotels 4* or higher, would be helpful too.
- Continued growth of International tourism
- More housing and development land.
- Financial help to refurbish empty shop premises on Grantown-on-Spey High Street. Convert all empty premises to basic accommodation and have more people living in the High Street again.
- Making the National Park affordable for young graduates to live and work bringing with them a wealth of knowledge, new ideas.
- People that can afford to stay long term , to allow the park grow and move forward improve technology and help to sustain our way of life in the highlands
- Maintenance and protection of the natural landscape.
- Enhanced communication links.
- Brexit and the fall in the value of the pound

Most Limiting Factors

- Lingering effects of financial downturn. Lack of tourists. High rent and rates. Short tourist season. High outgoings...small income...!
- The effect of the severe shortage of housing that staff can afford to buy or live in, it is very difficult not only to recruit but to retain staff because they have no expectation of being able to get onto or move up the housing ladder in this area. The younger staff want to live in the vicinity of Aviemore because they like the lifestyle, shops bars, cafes and the lack of suitable public transport and cannot afford to live in cheaper areas away from Aviemore, because of the cost of travel.
- Lack of suitable affordable housing. Not social housing but accommodation that the majority of the staff are able to afford.
- Development in unsuitable areas
- Lack of studio space
- Lack of skilled workers
- Lack of IT-skilled workers, slow or non-existent broadband, competition from state-funded sector, uncertainty of the tourism market due to Brexit
- Lack of skilled workers in the area is definitely a relevant concern, especially with relevant experience in similar role.
- Lack of cheap business premises that are suitable to my needs.
- Our public transport is disjointed and has minimal integration. Bus routes do not cross Local Authority areas - thus no buses to Moray to connect with the distilleries.
- Lack of permanent residents and too many partially occupied holiday homes
- It's very easy to attract staff to work in an areas like this. The part is that in reality it's very difficult for staff moving into the area due to the lack of housing and the high costs.

vi) Comments

Respondents were asked for any general comments, which are outlined below:

I think An Camas Mòr will most definitely have a positive impact on my business and see an increase in demand which will enable me to take on more staff.

Many of my friends would like to build their own houses. There seems to be a shortage of affordable plots as developers are greedy! It's also very expensive and there are lots of rules to stop people from living cheaply (e.g. in a small static home) until they can build up the savings to afford to build. If you are single, the banks will lend you less than a house costs... It's so hard to save any of your wages as rents are too high. So, generally speaking, the area becomes for the older wealthier demographic or those on benefits, as younger couples seek to find higher paid work and better opportunities elsewhere. It would be great to see a large range of housing available at An Camas Mòr, from rooms to rent for workers to small affordable flats, to 4 bed houses in the development with decent sized gardens and plots for development.

An Camas Mòr is vital for those living here who are in inadequate homes or are not able to reach their potential due to a lack of housing stock. I know many retired or empty nesters who want a good quality small home but this is in short supply as developments are flats or houses which are extremely large.

I think An Camas Mòr is in the wrong location. Consider an Inverness commuter looking to live in the park, to get to An Camas Mòr they would have to drive through Aviemore, south to dogleg over the river, then north again. For the same commuter time they could live in Kingussie / Newtonmore. I would suggest that the waste land to the west of the A9 at Carrbridge would be a more suitable site for a new village in the park, with its easy access to the A9 and a railway station.

We would really like to see more examples of the affordable housing The Highlands Small Communities Housing Trust took on at Miltonside in Aviemore. Perfect for hardworking local families, we are sure it could have been filled many times over.

It is pointless to build more houses in the National Park until there is government legislation that can restrict the buying of said houses to local workers - without this caveat the houses will continue to be bought by wealthy people outwith the area for second homes. These houses as such will have no benefit to local businesses and are detrimental to local wildlife and the environment and are against the aims of a national park.

From what I have seen, this development will be a great support to the established businesses in Aviemore and right some of the wrongs of the ribbon development that has become Aviemore.

An Camas Mòr has the potential of becoming just another development that will line the pockets of developer, bring on more holiday homes and not address the core issue of affordable housing for workers. Consideration should be given to rented housing for workers in the area vis some form of covenant, with rules strictly prohibiting renting of homes to holiday makers.

I am very in favour of An Camas Mòr in general, it makes a lot of sense to plan for a lot of homes rather than keep squeezing them in and removing the last green spaces in Aviemore. I have concerns about lack of provision for public services and infrastructure and am very alarmed/hostile to the suggestions of reducing access to wild land to mitigate the environmental impact.

Proceeding with An Camas Mòr is a major mistake for the tourism industry in Badenoch & Strathspey. The impact of over 4,000 residents of the completed An Camas Mòr will necessarily impact the freedom of visitors to enjoy and use the landscape in the Strathspey area.

I am actually winding my business down but I am fully in support of more affordable housing and believe that An Camas More is a superb way to deal with the problem as long as the infrastructure to deal with increased numbers is dealt with at an early stage

An Camas Mòr is being presented as necessary for growth in the area, nobody seems to be questioning whether it is wanted or needed. A token number of affordable houses are planned to placate those against the development. A much better proposal would be for ALL the houses to be affordable for locals but of course there isn't profit in that is there.

Why is it taking so long to make decisions about planning and in particular getting building control approval?

As a community we need to conserve the Scottishness of our Highland towns and not let them deteriorate into bland housing developments.... more birch trees, stone dyke walls, slate roofs, one storey dwellings, granite, local architecture, Scottish attributes, etc.....modest functional dwellings reflecting Scottish ethos.

Whilst I understand the need for new housing... I think the location of it should not be in rare or threatened habitat...



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