

Agenda Item	7
Report No	SCC/22/26

The Highland Council

Committee: Sutherland County

Date: 31 August 2026

Report Title: Community Asset Transfer Request – Former Altnaharra Primary School and Grounds

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

- 1.1 The Community Empowerment (Scotland) Act introduces a right for community bodies to request to own, lease or use public sector assets through a process known as Community Asset Transfer. Once a formal request is submitted, local authorities have six months to assess the application against a range of potential community benefits and determine whether to grant the request.
- 1.2 Where Council assets are below the value of £100,000, decision on the transfer of any asset rests with the Area Committee; this report asks Members to consider and agree the Community Asset Transfer (CAT) request received from the SCIO Altnaharra Community Trust (ACT) for the ownership of the former Altnaharra Primary School and grounds, Lairg, IV27 4UE

2 Recommendations

- 2.1 Members are asked to **agree** the Community Asset Transfer request for the property and grounds comprising of the former Altnaharra Primary School and Grounds to be sold to Altnaharra Community Trust SCIO at a nominal cost of £1, in line with the conditions set out in 8.2.

3 Implications

- 3.1 **Resource** – ACT is requesting ownership of an asset with an estimated value of £77,000 for £1. The CAT Asset Management Board, including representatives from Legal, Finance, Property and Community Support and Engagement, has considered and scrutinised the CAT request and supporting evidence. The request is recommended to proceed as the wider community benefits would outweigh the benefit from the Council retaining the Assets.

- 3.2 **Legal** - Community Asset Transfer (CAT) is a legislative process set out in the Community Empowerment Act. Public bodies have the right to refuse a CAT application on the grounds that greater community benefit will arise from current or alternative use; however, community bodies have the right of review, first to the public body and then by appeal to Scottish Ministers.

School closures are subject to statutory consultation and Government approval. In the case of Altnaharra Primary School, a statutory consultation was undertaken in accordance with the Schools (Consultation) (Scotland) Act 2010 during 2018-19. Following the Council's decision to discontinue education provision at the school, Scottish Ministers considered the proposal under the statutory call-in process and determined that there were no grounds for intervention. Ministers therefore did not call in the decision for further review, allowing the closure proposal to be implemented.

- 3.3 **Risk** - Although any CAT assessment considers sustainability, there are risks that any group could fail in the future or choose to dispose of the transferred asset. The Community Empowerment Act provides a clause which stipulates how dissolution must be dealt with to ensure any transferred asset remains in community hands, for the benefit of the community, in the event of an organisation ceasing to exist.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are not considered to be any implications associated with this transfer.
- 3.5 **Gaelic** - There are not considered to be any implications associated with this transfer.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 **Integrated Impact Assessment - Summary**
- 4.3.1 An Integrated Impact Assessment screening has been undertaken on the asset transfer request of the former Altnaharra Primary School and grounds. The conclusions have been subject to the relevant Manager Review and Approval.
- 4.3.2 The Screening process has concluded that there are positive impacts identified in relation to socio economic, equalities, children's rights, island and mainland rural and climate change. Members are asked to consider the summary in **Appendix 1** to support the decision-making process.

4.3.3 Impact Assessment Area

Impact Assessment Area	Conclusion of Screening
Equality	Positive
Socio-economic	Positive
Human Rights	Positive
Children's Rights and Wellbeing	Positive
Island and Mainland Rural	Positive
Climate Change	Positive
Data Rights	No impact

5 Background

5.1 Former Primary School and grounds

The former primary school, which is located in Altnaharra, Lairg, IV27 4UE, was mothballed in 2017 due to the absence of pupils and a lack of forecast enrolments. At the time the Council commenced the statutory closure process, there were no prospective pupils in the foreseeable future and no long-term prospect of maintaining a viable school roll.

5.2 Altnaharra Community Trust

Altnaharra Community Trust was established in 2015 and is a registered Scottish Charity (SC046400). It was formed to represent the interests and aspirations of the local community and to lead projects that support long-term sustainability. Key features of ACT include:

- Governance by five volunteer directors, all of whom live and/or work locally
- Dedicated project officer to drive forward the initiative
- A strong understanding of local needs, challenges and opportunities
- Proven experience in managing community benefit funding
- Active engagement with statutory and third-sector partners

5.3 ACT manage the annual Creag Riabhach wind farm community benefit fund, which has enabled the Trust to build financial reserves and plan for transformational community-led projects.

In addition to this asset transfer request, ACT has successfully acquired the Church from the Church of Scotland and has begun the restoration of it into a multi-functional community space.

6 The proposal

6.1 ACT is seeking to take ownership of the former Altnaharra Primary School and grounds through Community Asset Transfer to redevelop the site for long-term community benefit through the provision of community led homes and business units which directly support population growth and local employment.

6.2 The current building has deteriorated during its period of vacancy and the proposal is to demolish the existing structure and redevelop the site. The intended uses of the site include:-

- Affordable, community-owned housing, designed to meet local needs and support population retention and inward migration.
- Small-scale workshop or business units, providing opportunities for local enterprise, employment, and remote working.
- Creation of a functional community focal point, helping to rebuild social cohesion and support local services.

The development will be designed to be:-

- Energy efficient and sustainable
- Future-proofed to allow flexibility of use over time
- Compatible with the scale and character of the village

6.3 The redevelopment of the former primary school is a cornerstone project within ACT's wider regeneration agenda, which includes:-

- Addressing depopulation and an ageing population
- Increasing the availability of affordable housing
- Supporting local employment and enterprise
- Strengthening community infrastructure and resilience

The proposed delivery approach includes:-

- Community Asset Transfer of the school site from The Highland Council.
- Partnership working with L&L Fraser Ltd and Rural Community Solutions to provide technical support, feasibility studies, and project management.
- Phased delivery to manage risk and ensure financial viability
- Ongoing community engagement at each stage of the project

The project aligns with wider strategic priorities, including the Sutherland Area Place Plan and NW2045 Vision, around rural regeneration, housing need, and sustainable communities.

6.4 The long term outcomes of the above would include:-

- Creation of new homes for year round occupation.
- Job creation and workspace provision for small enterprise.
- The possible reversal and delay of local population decline through new residents and economic opportunities.
- Sustainable, low maintenance use of publicly owned land.
- Strengthened community empowerment and self determination.

Further information can be found in the full business plan (December 2025) and in the business plan update provided in July 2025 in **Appendix 3 and 4**

6.5 **Housing Management Strategy**

The updated business plan indicates that ACT will look to appoint a third-party management organisation to undertake housing management on behalf of the Trust. This will be done through a formal agreement setting out to create safe, secure properties which are maintained to the standards agreed for the benefit of the residents, local community and ACT. The housing management provider will oversee day-to-day operations including maintenance, tenant allocations, rent collection and tenancy management. Properties will be maintained to Scottish Government standards, supported by a planned maintenance programme, regular inspections and a dedicated fund to address repairs. The business plan update references the creation of a Local Letting Plan which will ensure that the priorities of the local community around skills shortages and retention/increase of population are included in the allocation assessment.

6.6 **Evidence of Community Support**

The business plan highlights that Altnaharra is a small, close-knit community where regular engagement allows residents to actively contribute to decision-making and express their views to the Community Trust. The closure of the primary school had a significant impact on the village, reinforcing strong local support for community ownership and redevelopment of the site.

Engagement through the Housing Needs and Demand Assessment for Bettyhill, Strathnaver and Altnaharra, alongside ongoing discussions and board meetings, demonstrates clear and consistent backing for the project. There is strong support from local stakeholders, including neighbouring community councils and the Farr North Community Development Trust, whose housing needs assessment identifies a clear demand for housing across the area.

Local residents and businesses have highlighted depopulation, loss of key services and lack of accommodation as major challenges, with evidence that housing shortages are affecting workforce recruitment and economic sustainability.

Overall, there is strong community and partner support for the proposed redevelopment, with the project aligned to wider regional priorities, including those identified through the NW2045 Partnership and the Sutherland Area Place Plan, to address housing shortages, support local businesses and contribute to long-term community resilience.

6.7 Phased Development

As the project remains at an early stage, the programme should be regarded as indicative and subject to funding and statutory approvals, including Planning Permission, Building Warrants and land purchase/transfer negotiations.

The outline programme is as follows:-

Stage	Indicative Timescale
Confirm landowner support and project governance	Autumn 2026
Community engagement through Local Place Plan	Autumn 2026 – Spring 2027
Appoint architect and technical team	Autumn 2026
Secure site acquisition	Winter 2026
Engineering surveys and infrastructure assessments	Winter 2026
Scottish Water, Roads, Planning and utility discussions	Winter 2026
Develop concept designs and cost plans	Spring 2027
Detailed design	Late Spring 2027
Planning application	Summer 2027
Procurement	Summer 2027
Funding applications	Summer 2027
Building Warrant Application	Summer 2027
Construction	Late 2027 Subject to funding approval

This programme provides flexibility, but if there are delays with major early stages, like concluding site purchase, there will be a knock-on effect on subsequent stages

6.8 Funding and Finance

The business plans sets out the following costs for acquisition and the initial phase of the project:-

Acquisition Costs	
Purchase through Community Asset Transfer	£1.00
Legal fees and associated costs	£3,000.00
Community Housing Trust Fees	£2,256.00
TOTAL	£5,257.00

Initial Project Costs	
Demolition of current buildings	£60,000.00*
Feasibility work	£30,000.00

*Estimated figures

Development costs will depend on the final designs agreed. However, ACT has already secured significant funding for the project.

ACT Funding	
Creag Riabhach Windfarm (April 24)	£141,646.94
Creag Riabhach Windfarm (January 25)	£165,456.57
Creag Riabhach Windfarm (Dec 25)	£178,675.41
TOTAL	£485,778.92

6.9 A blended funding package is anticipated, combining community investment with external grant funding. The primary funding support is expected to be through the Rural and Islands Housing Fund. Other potential funding sources include:-

- Scottish Land Fund (if land acquisition is required)
- Community wind farm funding if possible
- Highlands and Islands Enterprise (subject to wider programme development and aimed at any mixed use employment opportunities)
- SSEN community benefit funding where housing supports local infrastructure investment or workforce requirements
- Charitable trusts and foundations supporting rural regeneration

6.10 **ACT capacity to deliver**

ACT has demonstrated strong capacity to deliver community-led projects and regeneration initiatives since its establishment in 2015. The Trust is governed by a knowledgeable board of local residents with strong understanding of community needs and priorities, bringing experience across estate management, community leadership, education, hospitality and business management.

ACT has a proven track record of successfully managing significant projects, including administration of the Creag Rhiabach Wind Farm Community Benefit Fund and the delivery of fibre-to-the-premises broadband infrastructure for Altnaharra. It has also successfully secured the transfer of the former Church of Scotland building and has commenced restoration works to create a multifunctional community facility. These achievements demonstrate the Trust's ability to manage complex projects, secure funding, engage stakeholders and oversee delivery.

The organisation has further strengthened its capacity through the recent appointment of a dedicated consultant to progress development projects. This additional resource has increased organisational capacity significantly, accelerating project activity, maintaining momentum and strengthening links with key support agencies and professional networks.

ACT operates within a strong partnership framework. The Trust has developed effective working relationships with Highland Council, Communities Housing Trust (CHT), Highlands and Islands Enterprise (HIE), Rural Community Solutions and L & L Fraser Ltd. Through these partnerships, ACT has access to specialist expertise in community asset transfer, housing development, project management, feasibility studies, business planning, procurement, financial management and risk management.

The Trust is also part of a wider strategic regeneration programme focused on reversing depopulation across the North West. This includes wider community-led housing initiatives covering Bettyhill and Strathnaver as well as Altnaharra, the regeneration of community assets, and delivery of the NW2045 Call to Action Strategy. The project benefits from oversight through the Bettyhill, Altnaharra and Strathnaver Housing Project Steering Group, providing opportunities for cooperation additional technical expertise and strategic direction.

Collectively, the board's local knowledge, proven delivery record, dedicated project resource and extensive professional support network provide ACT with the skills, experience and capacity required to successfully deliver the proposed asset transfer and associated community regeneration outcomes. The close-knit nature of the community also provides strong local engagement and informal support, ensuring projects remain responsive to local needs and priorities.

7 CAT Board Assessment

- 7.1 The full assessment is presented in **Appendix 2** of this report. The proposal has been evaluated as follows:

Criteria	Assessed as:
Benefit to the community	
Capacity to deliver	
Level of community support	
Sustainability	
Resourcing	

- 7.2 The CAT request for £1 equates to a 100% discount of the market value (£77,000). The wider social, economic and community benefits which could be achieved through a community asset transfer are significant and are deemed to justify the discounted sale price.

Given that the school has been unused since 2017 and that both The Highland Council and Scottish Ministers accepted there was no realistic prospect of a viable future educational use, redevelopment of the site for housing and business units would constitute a more beneficial use of the asset. The proposal would generate wider and more enduring community benefits than retaining a vacant former school building, and would support local economic activity, housing provision and the sustainability of the Altnaharra area.

- 7.3 In summary, this is a strong application from an established local community organisation with a track record and the skills and capacity necessary to deliver the commitments outlined within the proposal.

The project seeks to bring a long-vacant asset and land back into productive use through the creation of housing and business workspace, delivering both local and wider community benefits. The proposal has the potential to support population retention and growth, encourage economic activity, and contribute to the long-term sustainability of the area.

The redevelopment of the former Altnaharra Primary School site represents a positive and sustainable use of an asset that has been unused since 2017. The proposal aligns strongly with the priorities identified within the Sutherland Area Place Plan and supports The Highland Council's strategic objectives relating to community resilience, affordable housing, economic development and sustainable communities.

On balance, the application presents a strong case for asset transfer and demonstrates clear community benefit.

8 Recommendation

8.1 It is recommended that the Community Asset Transfer request be approved, with the former Altnaharra Primary School and grounds being sold to Altnaharra Community Trust at the nominal cost of £1.

8.2 Terms of the transfer would include:-

- ACT will cover all reasonably incurred property and legal costs associated with the asset transfer process – both the Council's and its own;
- Community access for use of the facility must be maintained in line with the Community Empowerment Act;
- The transfer will be subject to a use restriction requiring the property to be used for the provision of affordable/community housing, in accordance with the purposes set out in the Community Asset Transfer request;
- Any redevelopment or change of use will be subject to obtaining the necessary planning permission and other statutory consents, and any material change from the approved use will require the prior written consent of the Council;
- A right of pre-emption is proposed on the property to ensure that in the event the property is sold or otherwise disposed of, or should ACT cease to be a Community Transfer Body as defined by the Community Empowerment (Scotland) Act 2015, the Council will seek the option of re-purchasing the asset for the original value of £1;
- Any transfer will be subject to existing burdens/conditions in the Council's title to the property (e.g. third-party access right, etc); and
- The Council will only transfer property which it has title to do so.

Any other terms to agreed by the Assistant Chief Executive – Place in consultation with the Chair of Housing and Property Committee.

Designation: Assistant Chief Executive - Place

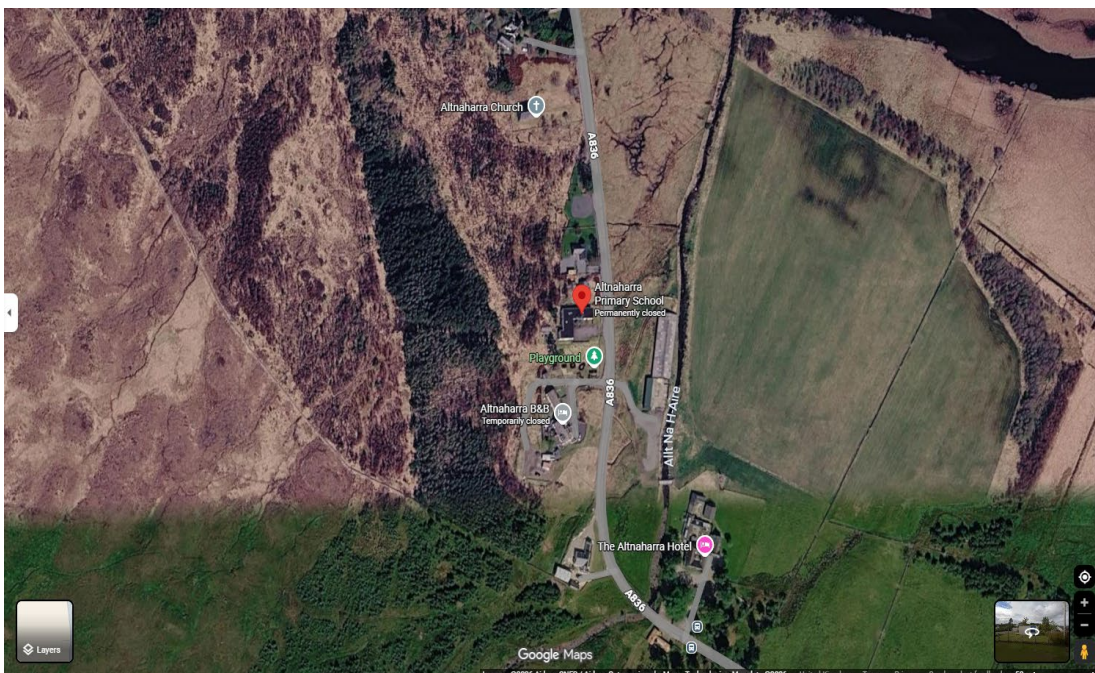
Date: 17 August 2026

Author: Fiona Richardson, Community Development Manager

Background Papers: None

Appendices: Appendix 1 – Integrated Impact Assessment Summary
Appendix 2 – Community Asset Transfer Assessment
Appendix 3 – ACT Business Plan December 2025
Appendix 4 – ACT Business Plan Update July 2026

Photo of former primary school and surrounding land



Integrated Impact Assessment Summary

An Integrated Impact Assessment screening has been undertaken on the Community Asset Transfer Request for the former Altnaharra Primary School and Grounds. The conclusions have been subject to the relevant Manager Review and Approval.

Equalities

The proposal is not expected to have any negative impact on individuals with protected characteristics. The aim is to repurpose the site to provide affordable family housing. The development is intended to help address local depopulation by increasing the availability of affordable homes and creating opportunities for families and younger people to live and remain in the area.

Socio-economic

The proposed development will provide affordable homes alongside work units, creating opportunities for people to live and work locally. This is expected to reduce the need for residents to travel long distances for employment improving access to local economic opportunities. The homes will be designed to high energy-efficiency standards, helping to reduce household energy costs and mitigate the risk of fuel poverty.

Children's Rights and Wellbeing

The proposal is likely to have a positive impact on children and young people through the provision of affordable homes suitable for families. The provision of energy efficient homes built to high standards supports children and young people to have a standard of living that meets their physical and social needs and supports their development (Article 27).

Island and Mainland Rural

Focus of the proposal is to provide improved housing and access to work spaces which will have a positive impact on the rural community. The proposal specifically seeks to address depopulation and support people to remain/return/move to the area.

Climate Change

The proposal aims to have a positive impact on climate change through the provision of energy efficient homes. The proposal also includes the provision of locally based work spaces which will reduce the reliance on cars and need to travel long distances for work thus reducing emissions.

Asset: Former Altnaharra Primary School

Applicant: Altnaharra Community Trust

Date assessed: 24 Feb 2026

Assessed by: Fiona Richardson

THE HIGHLAND COUNCIL

Community Asset Transfer Approach

Assessment Framework

Purpose

The purpose of the assessment is to ensure that the decision making process will produce the best decision for the community, not necessarily Highland Council nor the requesting Community Asset Transfer Body.

Evidence

Primarily the assessment will be based on the information received within the application form and any business plan however additional representations from external parties will also be included along with internal service knowledge.

Cognisance will be taken regarding the nature of the request e.g. whether it is for lease, use or ownership. The level of assurance required will differ depending upon the nature of the request with higher level of compliance/support required for organisations wishing transfer of an asset as opposed to a leasing arrangement.

Structure of Assessment

The assessment will be structured under 5 key headings.

- Benefit to the community (outcomes)
- Capacity to deliver

- Level of community support
- Sustainability
- Resourcing

Consideration will also be given to the terms and conditions requested by the Community Asset Transfer Body and what equivalent terms may be appropriate.

Each of the 5 assessment areas will be assessed separately, considering evidence of best value and be given an overall rating from very strong to poor. A summary of the evidence required to achieve each rating is outlined below:

Evidence	Overview
Very strong	Governance and financial arrangements are strong and sustainable. Best value characteristics are evidenced and contained throughout the approach. Related projected benefits are very robust and demonstrate value for money.
Strong	Governance and financial arrangements are sound and sustainable. Best value characteristics are in evidence in the proposal. Related projected benefits are demonstrated well and represent value for money.
Moderate	Governance and financial arrangements are in place and acceptable. Best value characteristics have been considered as part of the proposal. Related projected benefits are acceptable and could lead to value for money.
Weak	Governance and financial arrangements are weak. Best value characteristics are not well demonstrated in the proposal. Related projected benefits are not based on robust information and demonstrates questionable value for money.
Poor	Governance and financial arrangements are poor. There is little evidence of Best Value characteristics in the proposal. Related projected benefits are ill defined and/or unrealistic and do not demonstrate value for money.

ASSESSMENT AREA:	BENEFIT TO THE COMMUNITY		
<i>Criteria</i>	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Economic benefits	The vision of the community trust is to repurpose the use of the site into something positive for the area. The likelihood is to demolish the former school building and redevelop the site for new local housing or small-scale commercial units for rent, delivering tangible local benefits in population growth, employment, and sustainable use of land. The long-term outcomes of the above would include: • Creation of new homes for year-round occupation. • Job creation and workspace provision for small enterprises. • The possible reversal and delay of local population decline through new residents and economic opportunities. • Sustainable, low-maintenance use of publicly owned land. • Strengthened community empowerment and self-determination.	See business plan to support assessment,	Strong
Regeneration benefits	The business plan sets out a regeneration programme that will reverse long-term decline in Altnaharra and support the village to become stable, sustainable, and vibrant once again. Key regeneration benefits include of the CAT include:		Strong

	• use the site to build affordable housing and 1 or 2 workshops/business premises which will provide the village with a centre. • Potential for new business/workshop units creates opportunities for local enterprise, jobs and year-round economic activity • Increased population boosts demand for local services and helps attract further investment. • Community leadership through ACT builds local capacity and strengthens local decision-making. • Removing derelict structures and regenerating the school site improves the appearance, safety and attractiveness of the village. The business plan sets out a timeline which takes the project through to demolition and clearance of the site. Detailed information on the redevelopment phases is limited. Potential risk of site lying empty for a significant time bringing limited community benefit.		
Health benefits	The redevelopment of the former Altnaharra Primary School site will deliver health and wellbeing benefits for the community through the provision of modern energy efficient homes – which will reduce fuel poverty, provide secure accommodation and improve living conditions. The project directly addresses the long-term effects of depopulation, isolation, and the closure of key community assets, all of which have contributed to declining community health and resilience. Overall, the CAT will support a healthier, more resilient and sustainable community by improving housing, strengthening social cohesion and supporting improved economic opportunities.		Strong

Social wellbeing benefits	Improved, availability of housing will encourage families to remain in or return to the community. Overall, the project supports a more connected and resilient community. The project focusses on affordable housing and is not being sold on for private or short term use.		Strong
Environmental Benefits	Redevelopment of the site will deliver important environmental improvements for the village. By replacing old structures with modern, energy-efficient homes and community facilities, the development lowers long-term carbon emissions and supports more sustainable living. The regeneration of the site also enhances the overall appearance of the local landscape, creating a more attractive environment that encourages community pride. In addition, local ownership supports long-term stewardship of land and assets, ensuring they are maintained and protected for future generations.		Strong
Tackling inequality	The project helps tackle inequality in Altnaharra by providing affordable, high-quality housing in an area where homes are otherwise unaffordable/unavailable for many local people, addressing a key barrier to remaining in the community. ACT recognise, like many rural Highland communities, the local housing market has become increasingly constrained in recent years. Community feedback consistently highlights the growing difficulty for local people, young families and key workers in securing suitable homes within the area. This challenge has been intensified by a significant reduction in the number of properties available on the open market. An already limited housing supply, increasing competition for the remaining homes, as well as prices, and making it increasingly difficult for people with local connections to remain within or move back to the community. The proposed development seeks to respond positively to these pressures by increasing the supply of affordable homes		Strong

	that remain available for the long-term benefit of local people and the wider community.		
Promotion of equality	The project promotes equality by ensuring that community assets, housing and facilities are accessible, affordable. Through the community engagement that has led to the CAT application, this has strengthened community engagement enabling opportunities for residents to have a voice in shaping the future of Altnaharra – supporting community empowerment.		Strong
Any other benefits detailed			
Benefit to the Community Assessment Summary:		<i>Rating – Strong</i>	

ASSESSMENT AREA:	CAPACTIY TO DELIVER		
Criteria	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Experience of organisation	ACT has been operating since 2015 and is led by a board of local residents with sound knowledge of the community and its needs. The Trust has successfully managed the Creag Rhiabach windfarm community benefit fund and has already delivered major improvements,		Strong

	including bringing fibre-to-the-premises broadband to Altnaharra. ACT has experience in community engagement and project development and has progressed restoration plans for the former church building. Through these activities, ACT has demonstrated partnership working with Highland Council and Communities Housing Trust (CHT), and a proven ability to deliver community-led regeneration initiatives. Recently ACT has employed a consultation to focus on progressing the project. This additional resource has increased capacity significantly which has led to further progress and strengthened connections with wider support networks.		
Access to appropriate advice and support	ACT has received advice and professional support throughout its development work. To date, the Trust has worked closely with the Communities Housing Trust (CHT), which has provided guidance on community asset transfer, feasibility studies, housing development and project management. The project has also benefited from support through L & L Fraser Ltd and from Rural Community Solutions. This collaboration brings extensive experience in community-led housing, housing need and demand, affordable housing delivery, rural regeneration and community development and strategic project development. Sites visits have been carried out to see the potential options, highlighting particular support for mixed-use developments. Collectively, the professional team has significant experience supporting communities across the Highlands and Islands to develop housing projects from initial feasibility through to funding, planning and delivery. This includes housing needs assessments, business planning, funding applications, community engagement, infrastructure planning and	See business plan update from July 2026 for further information on advice and support.	Strong

	partnership working with communities, local authorities, Scottish Government, funders and Registered Social Landlords.		
Have sought advice and support during application phase	ACT has sought advice from HC through the CAT application process. Advice has also been provided by CHT and L&L Fraser and Rural Community Solutions. The projects is part of a wider community housing initiative cover the communities of Bettyhill, Altnaharra and Strathnaver. HIE are actively involved in supporting a funding and support package.		Strong
Appropriate skills within the organisation	ACT benefits from a board made up of experienced local residents with knowledge of the village and its needs. Collectively, the trustees bring skills in estate management, community leadership, education, hospitality and business management evidencing practical, professional and place-based knowledge gives ACT clear understanding of local priorities, and the skills needed to deliver community-led regeneration. Recently a consultant has been employed which provides dedicated resource to drive forward the project which has led to an increase in activity and progress.		Strong
Access and level of volunteer support	The small, close-knit nature of the community means that residents engage regularly with the Trust, offering informal input, local insight and hands-on support when needed.		Moderate
Capacity to Deliver Assessment Summary:		<i>Rating – Strong</i>	

ASSESSMENT AREA:	LEVEL OF COMMUNITY SUPPORT
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Criteria	Evidence from Community Asset Transfer Body	Additional Evidence/Information	Assessment of Compliance
Community involvement in developing the request	Altnaharra is a very small, close-knit community. The business plan states engagement is held on a regular basis with many locals able to voice their wishes to the board of directors. It also states that the closing of the primary school deeply affected those living within the village and their wishes are for community ownership and development. Regular board meetings are held to discuss plans to move forward. The community engaged in a HNDA for the larger NW Sutherland community on behalf of the Farr North Community Development Trust. Altnaharra residents could participate and the return rate was substantial for the area	Housing needs survey	Strong
Community support for the request	The community are supportive of ACT's ambitions to build and own more property as this will give further stability to our organisation and the village to address depopulation issues. Farr North Community Development Trust has also indicated its support.		Moderate/Strong
Level of Community Support Assessment Summary:		<i>Rating – Moderate/Strong</i>	

ASSESSMENT AREA:	SUSTAINABILITY
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Criteria	Evidence from Community Asset Transfer Body	Additional Evidence/Information	Assessment of Compliance
Financial – ability to support/fund the asset in the future	ACT has access to a regular and reliable funding stream through the annual community benefit fund from Creag Riabhach Wind Farm. £485,779 currently held in the bank, providing a financial base for future development and maintenance. The Trust has budgeted for demolition and feasibility work. Final build phase of the plan is not budgeted. Demolition costs est £60k to clear the site. Further details in business plan attached as well as copies of quotes. A blended funding package is anticipated, combining community investment with external grant funding. The primary funding support is expected to be through the Rural and Islands Housing Fund, however it must be mentioned that the current iteration of the fund runs until March 2028. The indicative timeline outlined above would make it difficult for the project to spend the funding which is hoped to be awarded by the Rural and Islands Housing Fund by the current March 2028 deadline. However, it is hoped that an extension to the fund, or a new fund to go beyond March 2028 will be announced/developed over the coming months, which will reduce the risk to this major fund. Potential funding sources include: • Rural and Islands Housing Fund (capital and any future feasibility support) • Scottish Land Fund (if land acquisition is required) • Highland Council support • Community wind farm funding if possible • Highlands and Islands Enterprise	Scoring reflects the need for further funding to realise the full scope of the project – cost for the house build were not provided in the application.	Moderate/Strong

	• SSEN community benefit funding where housing supports local infrastructure investment or workforce requirements • Charitable trusts and foundations supporting rural regeneration		
Governance – sustainability of the organisation	ACT demonstrates long-term sustainability through stable finances, committed governance, and secure income streams. The Trust benefits from a substantial recurring community benefit fund from the Creag Rhiabach windfarm, with £478,000 currently in reserves, including £150,000 ring-fenced in savings, providing a reliable financial base for future development. The business plan sets out a risk register with actions to mitigate these.	Score reflects the small board of 5.	Moderate
Sustainability Assessment Summary:		<i>Rating – Moderate/Strong</i>	

ASSESSMENT AREA:		RESOURCING	
Criteria	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Value of asset	£77k		Yes
Legal title and relevant information	School closure consultation paperwork held by Education		Yes

Current use of the asset and potential impact	Vacant		Yes
Requested purchase/discount value	£1 purchase		Yes
Ability of organisation to pay	ACT has the finances to cover the purchase and legal costs associated with the CAT.		Yes
Resourcing Assessment Summary:		<i>Rating – Strong</i>	



Photo credit Gemma Smith

December 2025

Short Business Plan for former Altnaharra Primary School



Suite 4, 2nd Floor, 16-18 Bank Street, Inverness, IV1 1QY
01463 233549 info@chtrust.co.uk www.chtrust.co.uk

Communities Housing Trust is a Company Limited by Guarantee (SC182862) and a Scottish Charity (SC027544)
Landlord Registration No: I3I303/270/23030 - Letting Agent Registration No: LARN1906024 - VAT Registration No: 980 7002 27

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Executive Summary

Altnaharra Community Trust (ACT) was established in 2015 to represent the interests and aspirations of the local community in one of Scotland's most remote rural areas. The Trust manages the annual community benefit fund from the locally developed Creag Rhibach wind farm, and now that this funding stream is live, ACT is positioned to deliver meaningful, community-led regeneration. The Trust is governed by five volunteer directors who are all members of the local community, committed to reversing long-term decline and securing a sustainable future for Altnaharra.

Over recent decades, Altnaharra and the wider Northwest Sutherland area have experienced significant and ongoing depopulation. The mothballing of Altnaharra Primary School in 2017 due to a dwindling school roll - marked a turning point and a visible reduction in the viability of the village. As families are lost, local services and opportunities disappear, perpetuating a cycle of decline. Community leadership and intervention are now essential if Altnaharra is to stabilise, grow and thrive once again.

The village has historically been anchored by three key community assets: the primary school, the church and the hotel. All three have been diminished:

- **The primary school** sits unused and deteriorating, a visible reminder of population loss
- **The church** has fallen into severe disrepair and is no longer safe for community use
- **The hotel** operates only on a seasonal basis, reducing hospitality and employment opportunities

These closures limit social interaction, weaken community cohesion, and narrow the area's economic prospects.

Employment in Altnaharra is mainly linked to farming and the sporting estates, such as gamekeeping and estate maintenance, supplemented by seasonal roles within the hotel sector. Limited, low-density job availability results in young people moving away, leaving an increasingly ageing population and reducing demand for essential services. While this is a longstanding challenge, it is not irreversible.

ACT has already made significant progress in enabling future opportunities. Through engagement with BT, ACT successfully brought fibre-to-the-premises superfast broadband to Altnaharra and surrounding townships, an essential piece of infrastructure which now supports remote working, digital enterprise and inward migration opportunities that were previously impossible.

Photo of the former primary school and surrounding land (google earth photo)



The property is currently unused and has been left empty since it was mothballed in 2017. ACT engaged in talks with The Highland Council during the process of the school closure and agreed with councillors that the community would gain ownership of the building and surrounding land to benefit the wider community. The CAT transfer will make this possible.

Map of Altnaharra:



https://earth.google.com/web/search/altnaharra/@58.32267128,-4.45166768,0a,177832.35975111d,35y,0.13306671h,1.65479343t,0r/data=CiwIJgokCR4oOM8RJk1AEWPMbYtB1k1AGb5AdC0xtxHAITwRz2zZlhHAQgIIAkICCABKDQj_____8BEAA

2. About Altnaharra Community Trust

Altnaharra Community Trust was incorporated in 2015.

ACT is a registered Scottish Charity: SC046400

Contact details: Altnaharra Community Trust,

Since 2015, ACT has been able to build up significant funding to plan for the following:

- ACT would like to restore the village with additional funding where required to provide residents and tourists with suitable facilities for visiting.
- ACT has already begun restoration plans for the church building after having taken over the building from Church of Scotland and plan to restore the church but also ensure its use can be multi-functional.
- ACT are in the process of applying for the CAT of the school to use the site for some affordable homes and one or two workshop/business premises/opportunities which ultimately will provide the village with a centre.
- In general ACT are looking at making improvements to the village as many parts of it are derelict, run down and neglected.

ACT's current objectives listed below from the Articles of Association:

Purposes

4. The organisation's purposes are:

- (a) the advancement of education for residents within the area of benefit;
- (b) the advancement of community development for residents within the area of benefit;
- (c) the advancement of environmental protection or improvement within the area of benefit;
- (d) the distribution of any surplus funds held by the organisation for any of the preceding purposes within the area of benefit and Scotland generally.

3. Board of directors

Altnaharra Community Trust is governed by five local volunteers who were invited to the board as trustees to ensure a wide representation and who bring a diverse range of skills to our wide range of projects.

The following table details the names, skills and experience of the current board of directors and members of staff:

Name	Job Title	Background
Pieter Bakker	Director – Chair	Manager of Altnaharra Sporting Estate, living and working in the area for over 30 years. Pieter has expert knowledge of what is missing in the community and how best to take steps towards regeneration.
Ann Mackay	Director – vice chair	Now retired, Ann has lived in the village for over 50 years and was employed as the Head Teacher of Altnaharra primary school.
Colin Campbell	Director - Treasurer	Colin's family moved to the area 45 years ago and he was educated at Altnaharra primary school. Colin also managed Altnaharra hotel for a period and now employed by Altnaharra Estate as a gamekeeper. He has extensive experience in life/work in the area.
Rebecca Stickland	Director - Secretary	Rebecca lives and works just outside the village in Farming. She also managed the Altnaharra hotel for a period.
Mandy Smith	Director	Mandy lives and works in the village. She has owned and run a B&B for over 20 years.

4. Membership

Members of Altnaharra Community Trust are key to our organisation. Active members help shape our Trust's objectives, agendas and projects, allowing them to participate in the development of their community.

MEMBERS

11 Qualifications for membership

Voting membership shall be open to:-

- (a) Individual Members Individuals over the age of sixteen years who reside within the area of benefit (for nine months or more in any year commencing 1st January and ending 31st December) and who support the purposes and have complied with the procedure for application for membership declaring that at all times there must be a minimum of 20 voting members.

Non-voting membership shall be open to:-

- (b) Associate Members (a) Any corporate body which supports the purposes and has complied with the procedure for application for membership; (b) Any individual who has been nominated for membership by an unincorporated body which supports the purposes and has complied with the procedure for application for membership; (c) Individuals over the

4

age of sixteen years who reside outwith the area of benefit and who support the purposes and have complied with the procedure for application for membership and; (d) one individual under the age of sixteen years who resides within the area of benefit (for nine months or more in any year commencing 1st January and ending 31st December) and who supports the purposes and has complied with the procedure for application for membership.

12. Employees of the organisation are not eligible for membership.

Application for membership

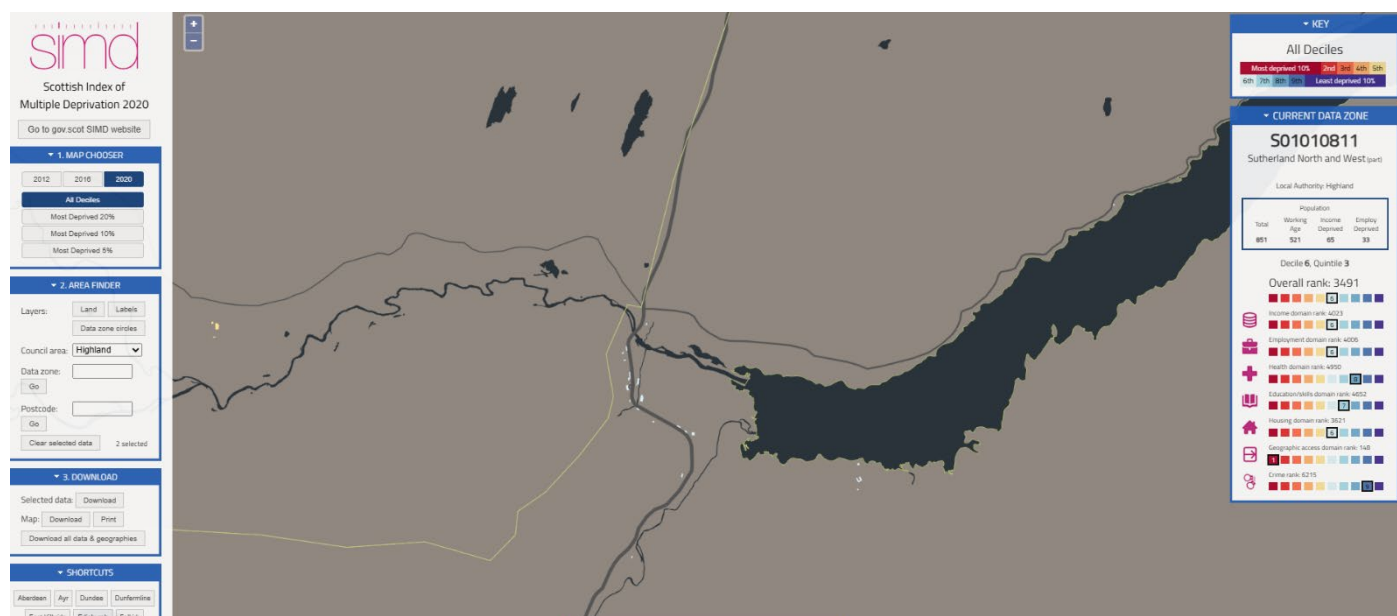
13. Any person or body who/which wishes to become a member must sign a written application for membership (in the case of a corporate body, the application must be signed by an appropriate officer of that body and in the case of an application for membership by an individual nominated by an unincorporated body under clause 11(b), the application must also be signed by an appropriate office bearer of the unincorporated body which is nominating him/her for membership) along with a remittance to meet any annual membership subscription.
14. The application will be considered by the board at the next board meeting.

5. About Altnaharra

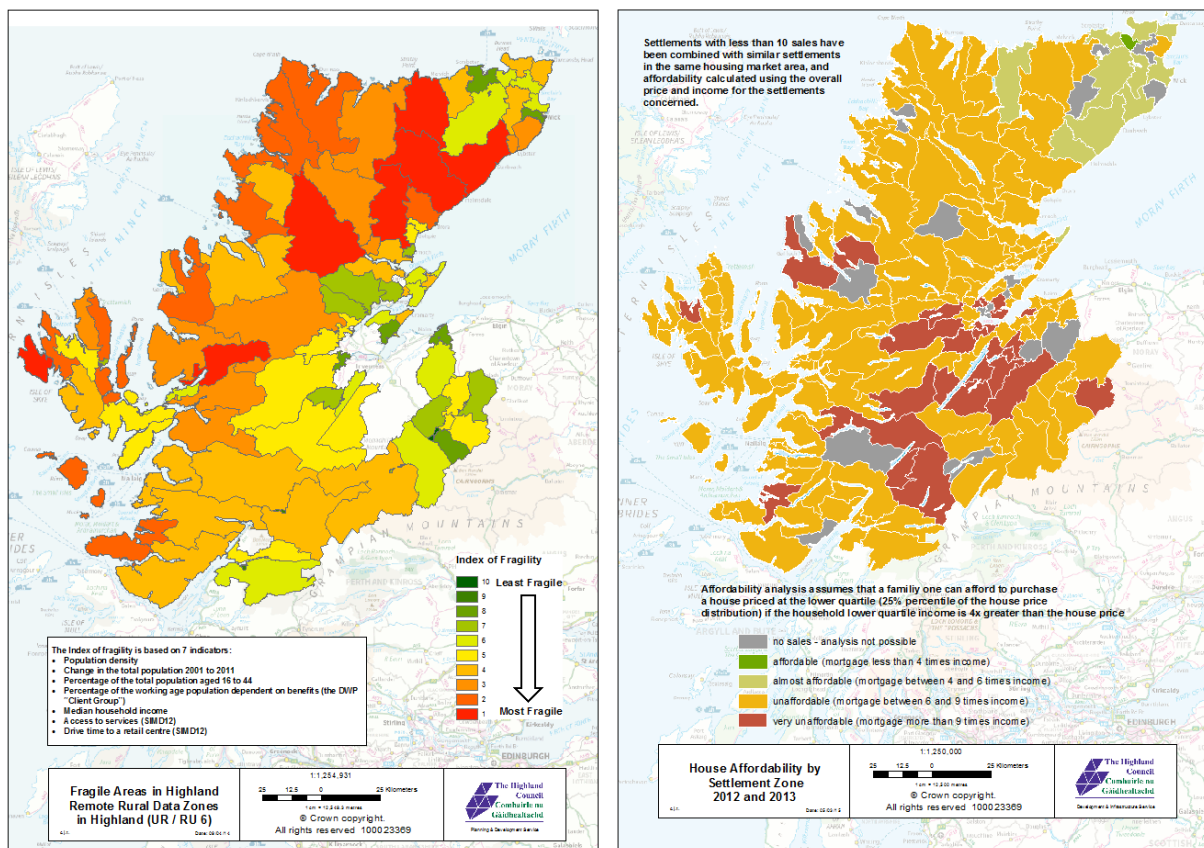
Altnaharra is a small, remote settlement situated roughly halfway between Lairg and Tongue, positioned along the main route connecting the two. Just north of the hamlet, a crossroads offers further access: a B-road travels north-east towards Bettyhill, while a narrow minor road winds below the slopes of Ben Hope and continues to the north coast near Loch Eriboll. All routes in and around the area are single-track, reflecting the rural nature of this Highland location.

Nestled near the western edge of Loch Naver, Altnaharra is connected to the north coast by the scenic road to Bettyhill, which follows the loch's shoreline before meandering through Strathnaver.

While there is evidence of ancient settlement in the wider landscape, Altnaharra's more recent identity is tied to its name. It is thought to derive from the nearby burn crossed by the main road - the Allt-na-h-Aire — meaning “Stream of Watching,” hinting at both its Gaelic roots and the long-standing human presence in this dramatic environment.



The Scottish Index of Multiple Deprivation 2020 screenshot alongside includes Sutherland North and West. However, notably the geographic indexes (1) is the most deprived in this area. The data for Altnaharra alone is not available, although we expect that the housing index would be lower than the indicated (6) for Altnaharra specifically. simd.scot



The Highland Council's Housing Needs and Demands assessment shows that while Altnaharra is classed as 3 on the fragility index – it borders with the most fragile of areas. The report also highlights that housing is unaffordable with buyers requiring a mortgage of 6-9 times their income to purchase property in or around Altnaharra and the community council area.

Highland Councils Housing Needs and Demands Assessment:

https://www.highland.gov.uk/downloads/file/13404/housing_need_and_demand_assessment_2015

These factors combine to make a strong argument for ACT to support the community by undertaking community-led initiatives including possible housing to go some way to address these significant issues, which are having a detrimental effect on the community.

6. Other projects

As well as the demolition of the former primary school for future regeneration, ACT has been actively developing a project on behalf of the community:

- Full planning and building warrant has been granted to renovate the former Altnaharra Church Building into a community hub building.

7. Evidence of need & support

Community Engagement:

Altnaharra is a very small, close-knit community – therefore any engagement is held on a regular basis with many locals able to voice their wishes to the board of directors. The closing of the primary school deeply affected those living within the village and their wishes are for community ownership and development. Regular board meetings are held to discuss plans to move forward.

The community engaged in a HNDA for the larger NW Sutherland community on behalf of the Farr North Community Development Trust. Altnaharra residents could participate and the return rate was substantial for the area.

The community are supportive of our ambitions to build and own more property as this will give further stability to our organisation and the village to address depopulation issues.

8. Development Strategy

Vision: create an exemplar partnership working project that provides long lasting social and economic benefits to the community to reach our target of providing good quality local community owned buildings in perpetuity

Standards for housing

We shall build buildings that provide good quality affordable homes and/or business units in an attractive setting.

We will set and meet standards that produce quality, energy efficient homes that are sustainable in the long-term.

Key Stakeholders and Partnerships

We shall build on and enhance our relationships with the Communities Housing Trust and Highland Council.

We shall engage with key local stakeholders, local government and media as required.

We will carry out community engagement activities for all projects and seek feedback.

Where we will develop

We will build in Altnaharra. We shall create a long-term strategy for the village and maximise compatible funding streams.

What we will develop

Our top priority will be to provide affordable community owned buildings in Altnaharra. We will “future proof” the design of buildings where possible, to incorporate features for a range of users.

Procurement and Community Benefits

We will adopt procurement methods that produce optimum value for money and facilitate the delivery of community benefits.

Financial Capacity

We will always ensure that the provision of any homes is financially viable and fundable, will meet our business plan and funders requirements, and will not impact adversely on our future interests.

Governance and Delivery of the Development

We will ensure that ACT provides leadership and scrutiny for our development activities. We shall work closely with CHT and HC in this regard.

Risk Management

We will be proactive in assessing and managing the risks associated with our development role within this project.

10. Management Strategy

If housing is an option for progression - ACT may appoint a management agent to undertake housing management on our behalf. We will have a Management Agreement in place with a housing management service provider.

Management strategy: To create safe, secure properties which are maintained to the standards agreed for the benefit of the residents, local community and ACT.

Maintenance

As Registered Private Landlords we shall adhere to the current repairing standards as outlined in the Scottish Government's model Private Residential Tenancy Agreements.

Sinking Fund

Our business plan identifies an amount to be set aside for major repairs for each property on a monthly basis. We will agree any major repairs with ACT board and the service provider.

Long-term repairs

We shall agree a planned preventative maintenance policy with our service provider. Inspections will be carried out annually to monitor the condition of the buildings.

Housing Management

The service provider will arrange for repairs and day to day maintenance of the properties. They will allocate properties, arrange for new tenancies to be issued, welcome tenants, collect rents, manage arrears and complaints.

Allocations Policy

We have agreed an allocations policy with CHT which is widely used in other rural areas and highlights household priority factors and community priority factors. This policy will be implemented by the service provider on our behalf. A new Local Lettings Initiative has been created for Altnaharra to help address local priorities in new allocations.

Voids

We shall try to minimise void periods by working closely with the local community, housing partners and the service provider to advertise properties prior to the end of a tenancy. Should a void arise, we have financially prepared for this by retaining a proportion of monthly rents.

Tenancies

We shall use the Scottish Government's model Private Residential Tenancy Agreements. These provide greater security for residents and clearly set out the expectations of the tenants and the landlords.

Review

The management strategy will be reviewed as necessary by board. The service provider will alert to any regulatory or legal implications. The service agreement will be reviewed annually.

11. Project Process

A Minute of Agreement shall be established to identify each organisations roles and responsibilities in the project. A broad outline of the process from this point is below:

CHT:

- CAT application to HC for ACT
- Feasibility work on behalf of ACT
- Secure Rural & Islands Housing Funding and other grants/private finance with ACT
- Project management and facilitation on behalf of ACT

Joint responsibilities between ACT and CHT:

- Community Engagement throughout entire project
- Undertake tendering process to identify costs
- Decision making on behalf of the community
- Oversee the demolition process
- Ensure continual viability throughout project

12. Proposed Project Plan & Timetable

Date	ACT	CHT
December 2025	Apply for CAT	Support from CHT
March 2026	CAT Result and transfer	
April 2026	Updated tender quotes for demolition	Support from CHT
May 2026	Community engagement	Support from CHT
June 2026	Feasibility works	Undertake work to look at feasible options in moving forward for the community
September 2026 onwards	Demolition and site clearance	
2027	Redevelopment	

13. Risk Management

Careful consideration of the potential risks should be given prior to embarking on a community-owned project, as with any development project. While this list is not exhaustive, we have outlined the main risks which communities should be aware of.

Pre-development exit strategies

Area of concern	Identified risk	Mitigation/Action required
Community support	Unsupportive of development	Strong community engagement in early stages. Further consultation on sites and uses. Explanation on need, tenures & benefits to long-term sustainability.
Planning/Building Warrant	Not considered suitable	Check suitability in advance of submitting applications.
Feasibility studies	Viability of new buildings – business units or housing	Carry out appropriate surveys to determine possibilities
Development funding	Explore options to secure funding at the outset.	Prepare detailed financial plans at the outset and make funding applications and/or agree loans or grants in advance.
Budget	Where possible agree fixed costs using professionals	Re-evaluate costs and make savings. Secure additional funding if required.

		Delays or worst-case scenario the project put on hold or stopped completely.
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Development exit strategies

Area of concern	Identified risk	Mitigation/Action required
Unforeseen costs	Budget increases from original estimates.	Obtain fixed cost quote where possible in advance. Retain a contingency in the budget for unforeseen costs. Negotiate with contractors regarding increases. If necessary, source additional funding.
Contractor goes out of business	Establish staged payments	By paying for work on its completion this offers the contractor security over cash flow. It also means that any work done will have been paid for and another contractor could be engaged if necessary.
Defects/maintenance issues	1 year defects liability period in contract	Ensure that there is a suitable clause to allow for all defects to be made right by the contractor. This should include latent defects after the 1 st year.
Heating/ventilation/water/sewage	Ensure systems installed are suitable for property and for users	At the design stage consider most suitable systems, including user and maintenance. Provide user instructions and training to occupants. Set up maintenance contracts where required.
Difficulties in obtaining completion certificates	Engage with contractor and local authority	The contractor is responsible for ensure that the building meets the planning and building warrant requirements and

		obtains the completion certificate.
Delays in grant funding/loan payments	Financial planning	Prior to development begins establish a cash-flow which includes all funding streams and payments. Include an element of contingency.
Delays	Agree build schedule	Delays can impact on many aspects. Some contracts have penalties for delays but this can add costs to the contract sum.

14. Budget and Costings

Acquisition Costs		
Community Asset Transfer	1.00	
Legal Fees and Costs	3,000*	
CHT fees	2,256.00	
Total	5,257.00	
ACT Funding		
Creag Rhibhach wind farm April '24	14,164.94	
January '25	165,465.57	
December 25	178,675.41	
Total in bank	478,000.00	**150,000.00 of this amount in savings**

Initial Project Costs	
Demolition of current buildings	60,000.00*
Feasibility Work	30,000.00
Total	90,000.00

*Approx. figures are subject to change

Altnaharra Community Trust
Business Plan for former Altnaharra Primary School
July 26 Update

1. Links to the Bettyhill development

The proposed development in Altnaharra and the emerging housing proposals in Bettyhill are complementary projects, rather than competing. They are some of the first projects in what is hoped to be a coordinated community-led housing programme across north-west Sutherland. Linking the projects allows both communities to share professional expertise, potential joint or at least linked procurement, explore funding opportunities and project management support while addressing distinct local housing needs.

Although the two developments are geographically separate, we know that Bettyhill and Altnaharra face many of the same challenges, including an ageing population, difficulty attracting and retaining working-age households, limited affordable housing, high construction costs and restricted professional capacity to develop projects. Taking both projects forward alongside one another creates potential efficiencies by allowing engineering, architectural, quantity surveying and procurement support to be commissioned jointly where appropriate, reducing overall costs and ensuring a consistent approach to design and delivery. There is the chance that the same house design could be utilised on both sites, and this also stretches to the potential for similar work units to also be developed on both sites.

The two projects will also benefit from the wider Place Plan process which covers both areas, enabling housing priorities to be considered alongside wider community aspirations. Discussions have already taken place with both consultation teams on how to ensure that community engagement done for the Place Plan and any housing needs assessment work are coordinated and don't duplicate questions etc. Community engagement, evidence gathering and project development can therefore be coordinated across both communities.

Both projects also provide the opportunity to explore wider mixed-use development, potentially incorporating small business space, work-from-home facilities or other community infrastructure alongside housing where identified through community engagement. It is possible that both projects may host similar mixed-use facilities or different approaches could be developed on the two sites, providing the potential for shared learning.

2. Indicative Development Timeline

As the project remains at an early stage, the programme should be regarded as very early stage and indicative and subject to funding, statutory approvals, like Planning Permission and Building Warrant and land purchase/transfer negotiations.

Stage	Indicative Timescale
Confirm landowner support and project governance	Autumn 2026
Community engagement through Local Place Plan	Autumn 2026 – Spring 2027
Appoint architect and technical team	Autumn 2026
Secure site acquisition	Winter 2026
Engineering surveys and infrastructure assessments	Winter 2026
Scottish Water, Roads, Planning and utility discussions	Winter 2026
Develop concept designs and cost plans	Spring 2027
Detailed design	Late Spring 2027
Planning application	Summer 2027
Procurement	Summer 2027
Funding applications	Summer 2027
Building Warrant Application	Summer 2027
Construction	Late 2027 Subject to funding approval

This programme allows for some delay in certain elements, but if there are issues with major early elements, like concluding site purchase, it will have a knock on effect with other elements.

3. Potential Match Funding

A blended funding package is anticipated, combining community investment with external grant funding. The primary funding support is expected to be through the Rural and Islands Housing Fund, however it must be mentioned that the current iteration of the fund runs until March 2028. The indicative timeline outlined above would make it difficult for the project to spend the funding which is hoped to be awarded by the Rural and Islands Housing Fund by the current March 2028 deadline. However, it is hoped that an extension to the fund, or a new fund to go beyond March 2028 will be announced/developed over the coming months, which will reduce the risk to this major fund.

Potential funding sources include:

- Rural and Islands Housing Fund (capital and any future feasibility support)
- Scottish Land Fund (if land acquisition is required)
- Highland Council support
- Community wind farm funding if possible
- Highlands and Islands Enterprise (subject to wider programme development and probably aimed at any mixed use employment opportunities)
- SSEN community benefit funding where housing supports local infrastructure investment or workforce requirements
- Charitable trusts and foundations supporting rural regeneration

The professional team will explore any funding opportunities that may arise over the next few years, including funds that may be made available for pilot projects around modular housing or other off-site construction methods.

4. Management of the completed development

Once completed, the homes would be managed through a long-term community-led housing model designed to ensure the properties remain affordable and continue to meet local housing need. It is hoped that a Local Lettings Plan can be developed that will ensure that the priorities of the local community around skills shortages, whether attraction or retention of population or things like school rolls are the priorities at the time of allocation are included in the allocation assessment. This approach has been developed in Orkney and will be adapted to the NW2045 area in collaboration with Highland Council, local housing associations and community groups.

Although the final management arrangements have yet to be determined, potential options include:

- ownership and management by the local Development Trust;
- partnership with a Registered Social Landlord under a management agreement;
- creation of a wholly-owned subsidiary to own and manage housing assets; or
- another community-controlled housing body.

It is expected that the wider North West 2045 housing support project, should it be funded, will work with various community groups across the NW2045, Highland Council and local housing associations to explore the best options for property management for community led housing properties developed in the region.

Whichever model is adopted, the intention is that:

- homes remain available to meet locally identified housing need;

- allocations reflect locally agreed priorities while complying with housing legislation;
- rental income supports ongoing maintenance and future investment;
- planned maintenance programmes protect the long-term quality of the homes; and
- any future surpluses are reinvested into additional housing or wider community development.

The preferred management model will be developed during the detailed business planning stage, ensuring governance arrangements are proportionate and financially sustainable.

5. Links with Luke Fraser and wider professional support

The projects are being supported through collaboration with Luke Fraser from L & L Fraser Ltd and Davie Campbell from Rural Community Solutions. Luke and Davie have extensive experience in community-led housing, housing need and demand, affordable housing delivery, rural regeneration and community development and strategic project development. Luke has visited both the Altnaharra and Bettyhill sites to see the potential of both and is excited about the options, particularly for mixed-use developments. Luke has been invited onto the Bettyhill, Altnaharra and Strathnaver Housing Project Steering Group to support the project development.

It is hoped that Highlands and Islands Enterprise, and potentially NRS Dounreay, will fund a 3 year programme to allow L & L Fraser Ltd and Rural Community Solutions to provide expert support for communities across the NW2045 to develop community led housing projects. The Bettyhill and Altnaharra projects will be in the first tranche of projects should the funding be approved.

Collectively, the professional team has significant experience supporting communities across the Highlands and Islands to develop housing projects from initial feasibility through to funding, planning and delivery. This includes housing needs assessments, business planning, funding applications, community engagement, infrastructure planning and partnership working with communities, local authorities, Scottish Government, funders and Registered Social Landlords.

This wider professional support provides access to specialist expertise that would otherwise be difficult for small rural communities to procure independently. It also creates opportunities to develop multiple projects together, achieving economies of scale and ensuring knowledge gained through one development directly benefits future projects across the area.

Like many rural Highland communities, the local housing market has become increasingly constrained in recent years. Community feedback consistently highlights the growing difficulty for local people, young families and key workers in securing suitable homes within the area. This challenge has been intensified by a significant reduction in the number of properties available on the open market, with a substantial proportion being acquired by a neighbouring estate. While these purchases are entirely legitimate commercial transactions, they have further reduced an already limited housing supply, increasing competition for the remaining homes, as well as prices, and making it increasingly difficult for people with local connections to remain within or move back to the community. The proposed development seeks to respond positively to these pressures by increasing the supply of affordable homes that remain available for the long-term benefit of local people and the wider community.