TIREE SOCIO-ECONOMIC ASSESSMENT

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Donald M Harrison
SAC Farm Business Services
GLENCRUITTEN ROAD
OBAN
ARGYLL
PA34 4DW
Tel: 01631 563093
Fax:01631 565074
E-mail:d.harrison@ed.sac.ac.uk

Marsaili MacLeod
SAC Rural Economy Team
CRAIBSTONE ESTATE
SAC ABERDEEN
ABERDEEN
AB21 9YA
Tel: 01224 711249
Fax: 01224 711270
E-mail: m.macleod@ab.sac.ac.uk

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EXECUTIVE SUMMARY

1. SAC was contracted by Highlands and Islands Enterprise, on behalf of the Tiree Development Partnership in November 2003, to compile a socio-economic assessment of Tiree which would detail the main social and economic trends, and help inform the production of a five-year development plan for the Island.

2. Using all available secondary data, information held by local agencies and organisations, and through interviews with a cross-section sample of the island's population, this report provides baseline data to highlight key features of Tiree's social and economic structure, recent trends, and future implications using SWOT (strengths, weaknesses opportunities and threats) analysis. Recommendations and suggestions made in this report are derived from interviews with a cross-section sample of members of the community.

3. The report is structured by way of nine main sections; population structure and distribution; housing; natural resource base and land use; industrial and employment structure; quality of life; economic trends in tourism, agriculture and fisheries, concluding with a summary of information.

4. The Isle of Tiree is 8,800ha in size and is located in the Atlantic some 60 miles west of Oban, the nearest mainland port. The population is 770 and has been stable since the 1991 census, following a more prolonged period of population decline. The population is, however, ageing with 24.8% over the age of 65 compared to 14.2% nationally.

5. Of the 477 occupied houses on the island, some 138 (29%) of these are seasonally occupied. There are a high number of caravan dwellers compared to the average, which reflects the shortage of rented, affordable accommodation on the island. Indications are, that the demand for housing is not currently being met which restricts the accessibility of Tiree as a destination for economically active in-migrants. Currently, there are 21 names on the Argyll & Bute Council housing waiting list, for the one available tenancy.

6. The natural resources of Tiree have much to offer and form the basis of the Island's key economic sectors, tourism and agriculture. A high percentage of land area is protected by statutory designations in recognition of the biodiversity rich environment, and 4,753ha hectares have benefited from Environmentally Sensitive Area (ESA) scheme.

7. The island's main industries are crofting, fishing, tourism and the service sector. The largest employer on the Island is Argyll and Bute Council, followed by the agricultural sector. The island agriculture is based on store lamb and beef production, which are produced on 82 active farms and crofts.

8. The tourist industry is based primarily on self-catering accommodation provision. A key attraction to visitors is the island's biodiversity, and the availability of a range of outdoor pursuits. Tourism is seen as an economic growth area, which has been significantly developed over the past decade. Deficiencies have been highlighted, however, with regard to the provision of visitor guidance to island attractions, and a lack of inter-firm collaboration, which means tourism service provision is relatively uncoordinated.

9. The fishing industry is small in scale, with only six full-time boats in operation. The species caught are velvet and brown crabs, which are sold mainly to the Spanish market. The fishing industry is buoyant, but the quality of crab is falling due to limited crab fishing grounds. The scope for expansion in the fishing industry is limited, due to limited pelagic resources, coupled with competition from non-local boats.

10. The quality of life is high on the island; it has low unemployment, a wide range of leisure activities and services and low levels of crime. The cost of living on Tiree is comparable with other parts of the Highlands and Islands, with the exception of fuel, which is relatively more expensive. This reflects the high haulage costs to the islands.

11. The level of voluntary activity, and the wide range of social clubs and activities, particularly in the cultural heritage categories, suggest Tiree has high levels of social capital. The high level of participation of the civic population in a range of economic development activities suggests that such social capital is an asset to the Island.

12. Despite having a sound skills-base there are skills deficiencies, such as professional services and skilled tradesman. It is considered that the low availability of housing is acting as a barrier to the Island attracting such skilled in-migrants.

13. Increasing the availability of crofting tenancies, and subsequently the availability of land for housing, would alleviate the situation through provision of affordable housing. The use of the Crofters Building Grants and Loans Scheme could help to reduce costs.

14. There are indications that there is a significant proportion of inactive croft holders, who are not working the croft, some of whom let the crofts out either on an official or unofficial basis. Increasing the availability of crofting tenancies to young, would-be crofters, could be a valuable objective in order to ensure this sector continues to be sustainable, and offer socio-cultural, environmental and economic benefits.

15. The assessment highlights the vulnerability of the island, both demographically, and economically. The island has successfully attracted skilled entrepreneurs over recent years, but diversifying the economic base beyond the current mainstays of tourism, agriculture and fishing, is critical to reversing the population trend to one of growth, and for restoring the 20-44 year age-group.

16. The following suggestions were made by local interviewees on the basis of the weaknesses and opportunities identified:

- **The requirement for affordable housing is a priority. In the absence of there being accommodation available to rent the view is that the release of crofts from aged tenants or the creation of new crofts could address this in part by providing an opportunity for new tenants to build using the Crofters' Building Grants and Loan Scheme.**

- **Increased availability of crofts is also seen as essential for the future of crofting. The release of existing crofts or the creation of new crofts is viewed as a priority. The anticipated reduction in stock numbers as a result of changes to the livestock subsidy system could be partially offset by this initiative.**

- **The common view is held that local interests could direct the allocation of the crofts and that the Crofters' Commission could devolve these powers to a local group, which could be set up to take the lead. However, current legislation will not allow the Crofters Commission to devolve such powers at this time, but may be possible when the new Crofting Act is passed.**

- **An in depth analysis of croft use could be carried out. Crofting will be affected by the EU Mid Term Review and it is likely stock numbers will continue to fall.**

- **Attempts could be made to at least negotiate the same concessions for fuel and human foodstuffs as there exists for crofting inputs.**

- **Tiree could seek to take advantage of the Scottish Executive's job dispersal programme as statistically there is a deficiency of professional posts on the island.**

- **There are a number of organisations preparing to engage part-time managers. It is suggested that thought be given to the creation of an 'Island Manager' post which would offer services to the various organisations. A manned tourist information centre could be established incorporating the booking service for instance.**

- **The reversal of the non-cropping trend on crofts could result in the provision of produce to the local and visitor market.**

- **Young crofters could be encouraged and the release of crofts is seen as essential to facilitate this. The opportunity to give young crofters preferential financial treatment when starting in business could be considered.**

- **Crofting is viewed as the mainstay of the island and every effort is required to maintain a stable and sustainable industry.**

- **A training scheme for young crofters could be considered.**

- **Encouragement could be given to accommodation providers for quality assessments through VisitScotland or some other reputable authority.**

- **A locally operated on-line booking service could be considered.**

- **It is suggested that there are opportunities to further develop the culture and heritage side for the benefit of all, e.g. additional display space for An Iodhlann archives would provide a wealth of information about the island. The development of Gaelic song and drama could be given priority.**

- **It would be an advantage to local fishermen to lobby to have an exclusion zone or regulated area around the island for the fishing of local boats only. This would allow diversification into other species, particularly prawns.**

1.0 INTRODUCTION

1.1 Background

SAC were contracted by the Highlands and Islands Enterprise in November 2003 to compile a Socio-Economic Assessment for the Isle of Tiree. This Assessment is intended to inform the production of a five-year Development Plan for the island, by providing baseline quantification on social and economic aspects of life on Tiree.

1.2 Pen-picture of Tiree

The Isle of Tiree is the most western of the Inner Hebrides, lying some 60 miles in the Atlantic from the nearest port, Oban. Access is by plane or ferry, the former from Glasgow and the latter from Oban. The island is approximately four hours sailing time from Oban, which makes it one of the most peripheral and inaccessible areas of the UK.

Like many Scottish island communities, it has suffered from significant population decline over the last century, but has a fairly stable population of 770 today. The island economy is based on primary industries. An absence of a manufacturing base means the population is engaged in crofting, fishing, tourism, the building service industries. The principal commercial activity is crofting, with the majority of the Tiree land area held under crofting tenure. There are 292 crofts with associated common grazings and six farms.

The most important land characteristic is the machairs which are alkaline shell sand soils. These provide a rich plant diversity and a consequent wildlife interest. Tiree is internationally recognised for its flora and fauna, the latter being the birdlife. It is this natural resource base, and its north Atlantic climatic position, which underpins a growing tourism industry and sustainable crofting system.

1.3 Methodology

This report combines both available secondary information derived from national secondary sources, and unpublished data collected from local organisations and firms.

The published data are mainly derived from the 2001 Census undertaken by the General Registrar's Office for Scotland (GROS) and from other national surveys undertaken by the Office for National Statistic (ONS)[1]. In addition, the report uses metadata provided through the Scottish Executive's Economics and Statistics Division, the Scottish Neighbourhood Statistics programme, in addition to sample survey based reports, where available.

Further to producing a profile of Tiree using the above sources, a cross-section sample of the island's population were interviewed to contribute to the production of an analysis of key socio-economic features and trends, using a SWOT analysis (**S**trength, **W**eaknesses, **O**pportunities, and **T**hreats). Each interviewee was asked questions of relevance to the sector they represented. Their responses were combined with the statistical evidence to generate a SWOT analysis. Each SWOT analysis is summarised with locally identified opportunities highlighted. These opportunities are brought forward from the interviews as suggestions from the community for further action.

[1] Unless otherwise stated, all graphs are based on data from the 2001 Population Census.

1.4 Report Structure

The report is arranged in specific sections; the data presented is assessed either in the form of a SWOT or comment, or both. The suggestions from interviewees highlight possible areas for investigation by the Partnership in the preparation of the Development Plan. The proceeding sections are:

2. Population Structure and Distribution
3. Housing
4. Natural Resource Base and Land Use
5. Industrial and Employment Structure
6. Quality of Life
7. Recent and Expected Trends in Economic Activity – Tourism
8. Recent and Expected Trends in Economic Activity – Agriculture
9. Recent and Expected Trends in Economic Activity – Fishing
10. The Role of Crofting in the Future of Tiree
11. Social and Human Capital
12. Renewables
13. Conclusions

2.0 POPULATION STRUCTURE & DISTRIBUTION

2.1 Resident Population

With an island area of 8822 hectares, and a total population of 770 (2001), Tiree has a population density of 0.09 persons per km^2. This figure is comparable to the AIE area (0.1 persons per km^2) and total HIE area as a whole (0.12 persons per km^2).

Table 1: Resident Population, 1991-2001

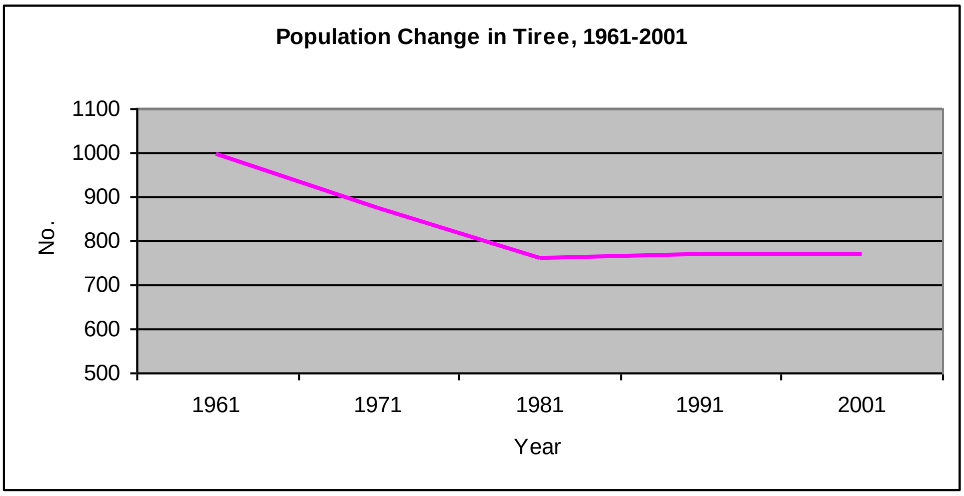
	1991*	2001	Change	% Change (1991 base)
Tiree	768	770	2	0.26
AIE	71,007	70,156	-851	-1.2
HIE	430,361	433,745	3,384	0.8
Scotland	4,998,567	5,062,011	63,444	1.27

Source: GROS 2001 Census

* Based on non-revised 1991 Census population for AIE and HIE

Table 1 shows the change in the resident population in Tiree, compared to the AIE area, HIE area and Scotland, from 1991 to 2001. The Tiree population has remained stable, whereas the AIE area has experienced a population decline of 1.2% since 1991.

Figure 1: Population Change 1961-2001



Source: Population Census

This compares overall with a growth in the HIE area, of 0.8%. An examination of longer-term population trends reveals, however, that this was not always the case. In 1830 the population of the island was 4,450. Subsequent famines and evictions during the latter part of the 19th Century resulted in a steep decline in population, which continued in to the 20th Century**.**

Figure 1 illustrates that since 1961, Tiree has suffered a massive population decline of 22.7%, whereas in the same period, the total AIE island population declined by only 6.6%.

Reversing this trend, to one of population growth, is the most significant challenge facing the Island and is concurrent with the development of economic opportunities.

2.2 Age Structure of Population

Table 2 shows the changing age structure of Tiree as a percentage of the total population, compared to the AIE, HIE area and Scotland.

Table 2: Distribution of Population by Age, 1991-2001 (% of total population)

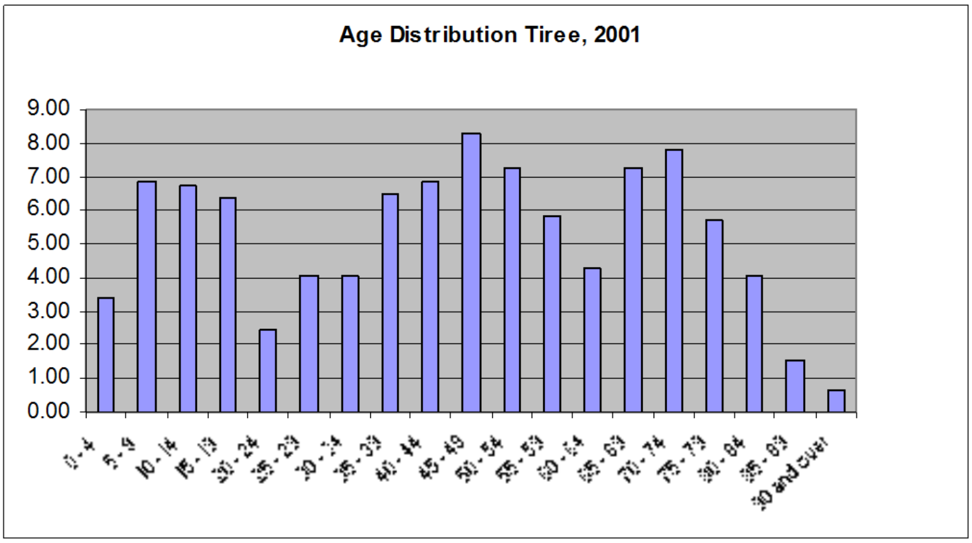
Age Group	Tiree 1991*	Tiree 2001	AIE 2001	HIE 2001	Scotland 2001
0-4	5.8	3.4	4.9	5.4	5.5
5-19	18.6	20.0	17.6	18.6	18.7
20-44	27.5	23.9	28.8	32.0	35.5
45-64	23.8	25.7	28.3	26.7	24.5
65-84	22.7	24.8	17.9	15.2	14.2
85+	1.6	2.2	2.6	2.0	1.8
Total (N)	768	770	70,156	433,745	5,062,011

Source: GROS 2001 Census

* Based on revised 1991 Census population

The percentage of population aged 44 or less is 47.3%. This is lower than that for HIE area, which was 56% in 2001, and for the AIE area, which was 51.5%. A closer examination of the age distribution reveals however, that younger people (aged 5-19) make up a significant proportion of the population in Tiree, and that the weakest age cohorts are between 20-34 accounting for 4% of the population, relative to the Scottish average of 7%. These figures suggest that the population pattern is influenced by the tendency for young adult age cohorts to move outwith Tiree, for example, to pursue further education.

Figure 2: Age Distribution, Tiree, 2001



Consequently, the percentage of people of pensionable ages (65 or over) in Tiree stands at 27%, which again, is higher than the percentage for the AIE and HIE areas, which are 20.5% and 17.2% respectively. Reflecting this age structure, Tiree has a high **dependency ratio** of 105.7%, relative to Argyll and Bute (67.73%) and Scotland (60.8%), as illustrated in Table 3.

In summary, Tiree is shown to have an older population than the HIE area, with a trend towards an ageing population.

Table 3: Dependency Ratio, 1991-2001 (% of population)						
Age Group	Tiree 1991*	Tiree 2001	Argyll & Bute 2001	AIE 2001	HIE 2001	Scotland 2001
People of working age	50.52	48.74	59.65	57.47	60.26	62.19
People of pensionable age	28.83	31.3	21.61	23.91	19.85	18.61
Children aged 15 & under	20.65	19.96	18.73	18.62	19.64	19.2
Dependency ratio	97.94	105.17	67.63	74.00	65.53	60.80
Total (N)	768	770	91,306	70,156	433,745	5,062,011

Source: GROS 2001 Census

Note: Pensionable age refers to men aged 65 and over and to women aged 60 and over.

Note: Dependency ratio is calculated as (people of pensionable age + children aged 15 & under) / (people of working age)

* Based on revised 1991 Census population

2.3 Births and Deaths

Births and deaths are the main components of population change. The figures for 1999-2001 highlight that Scotland as a whole is recording a natural decrease in population (an excess of deaths over births). This trend has been linear since 1997, and furthermore, this natural decrease is projected to continue to grow and is the main factor in the projected population decline for Scotland as a whole. The trend of declining births is, however, less pronounced in rural areas which have fewer students and females participating in the labour market, than in urban areas.

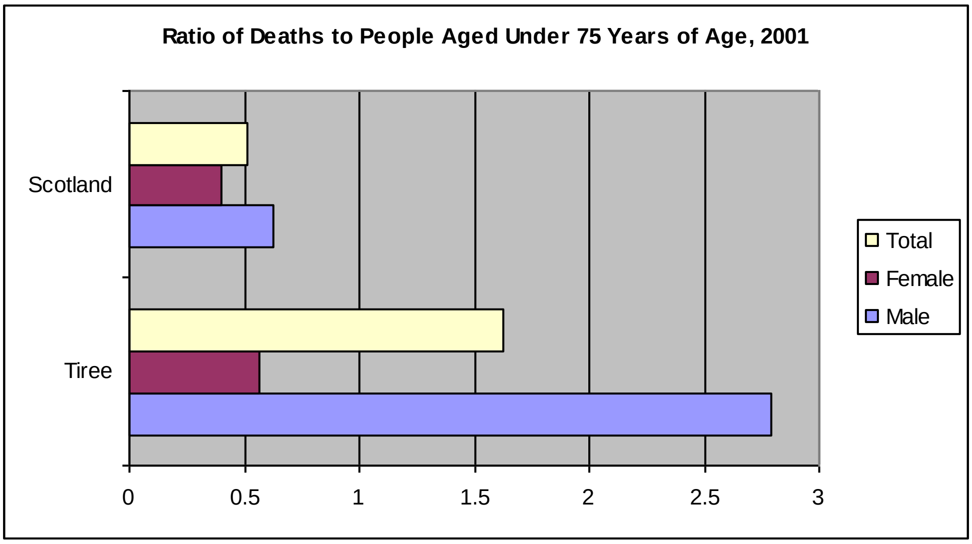
The figures for Tiree are consistent with this trend, with an excess of deaths over births between 1999-2001 (Table 4). In Argyll and Bute in 2001 there were 47-48 live births per 1000 of the female population (aged 15-44), and in Scotland the figure was 49. By comparison, in Tiree there were seven births per 117 women, which in percentage terms, is actually a slightly higher birth rate relative to Scotland as a whole. On the other hand, the death rate for Tiree was higher than the Scottish average in 2001 (Figure 3).

Table 4: Births and Deaths (1999-2001)									
	Tiree			Argyll & Bute			Scotland		
	Births	Deaths	Net	Births	Deaths	Net	Births	Deaths	Net
1999	2	8	-6	834	1237	-403	55,147	60,281	-5134
2000	7	9	-2	792	1162	-370	53,076	57,799	-4723
2001	7	18	-11	780	1134	-354	52,527	57,382	-4855
Total	16	35	-19	2406	3533	-1127	160,750	175,462	-14,712

Source: Scottish Neighbourhood Statistics

As for all areas of Scotland, for men and women under 75 years of age, the highest cause of death was cancer followed by heart disease and strokes during this period.

Figure 3: Ratio of Deaths to People Aged 75 Years of Age (2001)



2.4 Migration

Although Tiree has suffered from a natural decrease in population in recent years, the statistics show Tiree to have a **stable population over the last 10 years** due to modest levels of net migration, the other component of population change. It is worth noting that although the 2001 Census revealed a net migration loss from both the Argyllshire (excluding Bute) and Scottish inhabited islands, Tiree alongside Colonsay, Iona and Luing have experienced small net migration gain.

However, unlike births and deaths, there is no comprehensive source for estimating migration and hence it is the most difficult component of change to measure. Migration and the reasons for migrating are also much more susceptible to short term changes in social and economic circumstances than births and deaths. These factors and the fluctuating nature of migration make it very difficult to estimate. Net migration rates, that is the amount of net migration between 1991 and 2001 as a proportion of the 1991 population, are a useful indicator when comparing migration between areas. In this instance, changes in the Tiree GP register data source have been used to derive migration at the Tiree level. Not all residents, however, are registered with the practice for a variety of reasons.

In the period 1993 – 2003, 155 patients joined the practice of which 28 (18%) were classed as pensioners and 28 aged under 16. Over same period the number of de-registrations was 259 with 22 (8.5%) being classed as pensioners, and 38 under 16. This gives a net loss of 104 patients. Although this indicates an underlying fall in population, the number of registrations since 2000 has exceeded de-registrations by 25, 10 of which were under 16 years of age.

The Census 2001 data for Tiree reveals that 8.31% (64) of the Island’s population are migrants, primarily, though not exclusively, from elsewhere in the UK. This is below the Scottish and AIE average, which is a consequence of Tiree’s island status.

The Census 2001 collected data on who moved to or from Tiree in 2000. Tiree experienced a small net migration gain of three (this represents less than .5% of its population), with 37 in-migrants and 34 out-migrants to the Island in 2000. Of the 37 in-migrants, 25 lived elsewhere in Scotland prior to moving their address to Tiree, and 12 lived outwith Scotland.

2.5 Ethnicity of Population

An examination of the country of birth of the resident population reveals that the Tiree population is largely Scottish by origin, (85.8%), with non-UK born residents accounting for only 0.6% of the Tiree population, relative to the Scottish average of 3.8%. In comparison to the Argyll and Bute area, Tiree has a smaller cohort of population of English origin, reflecting the difference in accessibility to the Argyllshire mainland.

Table 5 **Country of Birth, 2001 (% of population)**

Country of Birth	Tiree	Argyll & Bute	AIE	HIE	Scotland
Scotland	85.84	78.12	81.78	82.646	87.15
England	10.65	17.04	14.05	13.448	8.08
Wales	0.39	0.63	0.48	0.544	0.33
Northern Ireland	0.52	0.74	0.53	0.437	0.66
Ireland	0.39	0.35	0.32	0.243	0.43
Rest of Europe	0.52	1.04	0.82	0.86	1.1
Elsewhere	1.69	2.08	2.03	1.83	2.25
Total (N)	770	91,306	70,156	433,745	5,062,011

Source: GROS 2001 Census

The 2001 Census shows that there are just over 100,000 people from minority ethnic backgrounds living in Scotland. This equates to some 2% of the population, and compares with 1.3 per cent in 1991. By comparison, only 0.7% of the Argyll and Bute population is from an ethnic minority (Indian, South Asian, Chinese or other).

2.6 Summary and SWOT

Strengths	**Weaknesses**
• Population has risen slightly since 1993. • Highest population sector is the age group 45-49. • Birth rate equal to the Scottish average.	• Long term population decline. • Very high pensionable age group. • Very low 20-44 age group. • Death rate higher than the Scottish average.
Opportunities	**Threats**
	• High numbers aged 60+ could lead to a population decline.

Having suffered a massive fall in population between 1961 and 1981 the resident population has remained unchanged since 1981. Although the initial fall exceeded that which occurred in other areas the recent stability is broadly in line with the rest of the country. The principal variation is in age distribution.

The number over the age of 65 at 24.8% exceeds AIE, HIE areas and Scotland by 6.9%, 9.6%, and 10.6% respectively. Whilst the age groups between 0-19 are in line with other areas the 20-44 group is significantly lower. This indicates out-migration by this age cohort in search of work or further education.

The Tiree death rate exceeds that of Scotland. This fact combined with a standard birth rate indicates that Tiree could be experiencing a potential fall in population given the very high proportion of the population who are pensioners. Coupled with the low 20-44 age cohort, this pattern indicates that effort has to be expended in attracting members of this age group back to the island or creating conditions which will allow them to stay.

Additionally the variable birth rate indicated in Table 4 suggests variable school intakes with potentially no intakes in some years. This is a particularly vulnerable situation for the Gaelic Medium Unit.

The greatest weakness is the low 20-44 age group. A strategy for reversing the out-migration of this group could be considered.

3.0 HOUSING

In 2001, there were 339 households (with residents) in Tiree – this figure has **increased** fairly significantly over the past 10 years from 311. On the other hand, local evidence suggests that there are an additional 138 households (29%) seasonally occupied.

At the time of writing (February 2004), there is a current planning application lodged with Argyll & Bute Council for a housing development. The application is in its early stages with 29 houses being currently being proposed. If approved 23 houses will be sold on the open market with the remainder being available as affordable housing for the community. The development will occupy the site of the former oil storage site. To ensure financial viability the developer is working in partnership with the local enterprise company to balance the cost of decontamination by offering a portion of the site for the development of workshops and offices.

3.1 Household Composition

The Census employs a household type classification based on the size of household, the age of people within the households and relationships between members of the household. Given the population structure outlined above, the high percentage of pensioner-only households is unsurprising (Table 6). Combined with other residents living alone, 37.8% of the Tiree population lives alone, compared to the Scottish average of 32.8%.

Table 6**: Household Composition, 2001 (% of households)**

	Tiree	Argyll & Bute	AIE	HIE	Scotland
One person – pensioner	23.60	16.84	18.21	15.52	14.98
One person – other	14.16	16.01	16.79	16.02	17.9
Lone parent – with dependent children	5.60	5.24	5.35	5.01	6.91
Lone parent – all children non-dependent	4.13	2.93	3.02	3.25	3.59
Married couple – with dependent children	17.11	16.98	15.08	17.93	16.76
Married couple – with no dependent children	14.45	20.59	14.86	21.04	19.33
Cohabiting couple – with dependent children	1.77	2.98	3.07	3.16	2.71
Cohabiting couple – with no dependent children	2.65	3.89	3.83	4.03	4.15
Multi-person – all student	-	0.02	0.02	0.02	0.56
Multi-person – all pensioner	10.03	10.51	10.92	9.55	8.5
Other	5.91	4.02	4.12	4.47	4.6
All households	339		31540	185604	2192246

Source: GROS 2001 Census

Note: Pensionable age refers to men aged 65 and over and to women aged 60 and over.

This may partly be a consequence of selective out-migration of younger people, and partly a result of the in-migration of retirees.

3.2 Accommodation Type

Tiree has a very high proportion of detached dwellings, 73.7% compared to only 34.2% in the Argyll and Bute region. This reflects the high proportion of Tiree housing held in, or decrofted from, crofting tenure. Of concern, however, is the higher than average proportion of the population living in temporary, caravan accommodation, as illustrated in Table 7.

A lack of affordable housing in many rural areas in Scotland is an increasing concern. It is related to several factors, namely, household income, the composition of dwelling stock and the costs of renting or buying a house. The relatively high level of temporary accommodation recorded in 2001 suggests there be a shortage of rented accommodation, which affects households on a low income levels.

Table 7**: Accommodation Type, 2001 (% of population)**

	Tiree	A & B	AIE	HIE	Scotland
Total no. of households	339	38969	31540	185604	2192246
Detached	73.74	34.24	34.95	22.13	20.4
Semi-detached	19.76	20.96	22.44	23.79	23.48
Terraced house	1.77	13.5	12.49	19.87	20.25
Flat, maisonette or apartment	2.65	30.48	29.19	33.95	35.58
Caravan, other mobile or temporary structure	2.06	0.75	0.90	0.24	0.21
Households in a shared dwelling	.007	-	0.09	0.09	.009

Source: GROS 2001 Census

3.3 Housing Tenure

Further, a high proportion (71.2%) of households owns their properties outright, or is buying them with a mortgage or loan. The pattern of household occupancy in Tiree differs from the national average, given the proportionately low availability of council housing for rent, yet higher proportion of privately rented properties (Table 8).

Housing availability is poor in Tiree, particularly for those looking to rent e.g. those on low incomes. The Hebridean Trust and Argyll and Bute Council are the main providers of rented accommodation on the island. The former has 12 units available for let and the latter 26 units. Argyll & Bute Council have reported that at the current time there are 20 applicants on the Tiree waiting list, and one transfer request. Between 01.04.02 and 31.03.03 five of these properties were available for letting whilst in the following year to 31.01.04 there was only one.

Table 8: Housing Tenure, 2001 (% of population)

	Tiree	A & B	AIE	HIE	Scotland
Owned	71.26	64.57	62.76	65.31	62.59
Rented from council	8.87	15.68	16.09	17.51	21.57
Other social rented	0.53	5.58	6.28	3.91	5.58
Private rented (Unfurnished)	19.34*	6.35	6.04	5.41	3.1
Private rented (Furnished)	0.00	4.05	4.50	3.71	3.61
Living rent free	0.00	3.77	4.32	4.15	3.55

Source: GROS 2001 Census

*Or living rent free

At the time of writing, (March 2004), there is a current planning application lodged with Argyll and Bute Council for a proposed housing development, that if approved will alter the figures in the above two tables. Locally referred to as the 'Tank Farm' and located to the North of Scarinish, the proposed development comprises 29 houses in two build phases (9 and 20), with 23 houses to be sold on the open market, the remainder to be made available as affordable houses for the community. The development is to occupy the site of a former oil storage site and as such has a degree of contamination. To ensure financial viability, the developer is working in partnership with the Local Enterprise Company to balance the costs of de-contamination by offering a portion of the site for the development of workshops and offices for island based enterprises.

3.4 Household Amenities

The physical condition of housing in Tiree was highlighted in an earlier study published by Rural Forum (1994) of being of concern. The data from the 2001 census provides some further evidence to support of this concern. Using central heating installation as an indicator, 24.7% of households were without compared to 9.7% and 7.2% in Argyll and Bute and Scotland respectively. However with the absence of gas and the relatively recent access to bulk oil reliance on central heating will be low. Electricity heating is the main form of heating but the relatively cheap cost of coal results in open fires being a common heating source.

Since 1999 Argyll & Bute Council have approved house improvement grants on Tiree to the value of £527,199. The largest part of these have been Improvement Orders which amounted to £372,939.

3.5 Second Homes

Of the 477 households recorded locally on the island, 29% (138) are seasonally occupied, according to local evidence. These are, in the main, second homes owned by crofters, holiday houses held by those with Tiree connections or having retained the family home. In addition, there are a number which have been purchased by visitors to the island as second homes.

3.6 Summary and SWOT analysis

Strengths	**Weaknesses**
• Very high proportion of detached dwellings. • Very high numbers of crofts which could be available for assignation and hence house building.	• Very high single occupation of houses – 37.8%. • Higher than normal number of caravan dwellers. • Indications are that house improvement programmes should be continuing.
Opportunities	**Threats**
• Transportation of bulk oil extends the opportunity to improve houses with	• Aged crofters not releasing crofts to the younger generation.

central heating. • Potential for housing provision with the Crofters' Building Grants and Loan Scheme • To inform the aged members of the population the options for croft assignation	

The data indicates there is a shortage of housing available, particularly for low income households. This is highlighted by the relatively high proportion of the population living in caravans: 2.06% compared to 0.75, 0.90, 0.24 and 0.21% in Argyll & Bute, AIE, HIE and Scotland respectively. A justification can be made in some cases where caravan occupation is necessary for croft work convenience. However, the relatively long waiting list for social housing suggests that this is not the underlying cause of temporary accommodation.

House prices and house site prices have followed national trends. This has resulted in the cost of housing to be beyond the financial reach of most young families. In 2000 there were 34 out-migrants and 37 in-migrants. The numbers of in-migrants purchasing housing or out-migrants selling is not known. However it could be safely assumed that there would have been considerable movement in the housing market with a high level of purchases and sales. This would therefore reflect national trends and bring about substantial rises in house prices taking the opportunity to buy a house even further beyond the ability of a local person.

That 23.6% of houses are inhabited by a single pensioner is another revealing statistic. This figure is well above the average for the other areas. In addition to this the fact that 73.74% and 71.26% are detached and owned respectively, gives a strong indication that a significant proportion of the population are living in croft houses.

4.0 NATURAL RESOURCE BASE & LAND USE

4.1 Agricultural Area

Tiree is owned mainly by the Duke of Argyll. The exceptions to this are the airport area and owner occupied crofts. There are 292 crofts and six farms with 211 occupiers. The Integrated Administration and Control System (IACS) is the mechanism for obtaining agricultural subsidies. There are 82 registered IACS businesses which suggests that there are 82 active croft businesses. Akin to all of Scotland's rural areas, agriculture accounts for virtually all of the land area. Of the total land area of 8822 hectares, 7,600ha are classified as agricultural land, with Less Favoured Area (LFA) status.

Historically Tiree was always intensively farmed. With 292 crofts and only six farms it was and remains a crofting area with one of the highest outputs both in livestock and in income generated. The introduction of the Hill Livestock Compensatory Allowances (HLCA) in the mid-1960s brought about a stock increase as did the introduction of European Union subsidies which took effect in the very early 1980s. The Suckler Cow Premium Scheme (SCPS) and the Sheep Annual Premium Scheme (SAPS) considerably increased the headage subsidies paid at a time when livestock prices were falling in real terms. Associated with this was the improvement in husbandry techniques, particularly with the management of grassland. These improvements led to larger yields of hay and latterly silage which provided winter fodder for the increased livestock population. Table 9 describes production trends since 1940.

Table 9**: Land Use Trends and Livestock Numbers, 1940-2002**

	1940	1960	1980	2002
Barley (ha)	108	17	4	14
Oats (ha)	410	303	148	9
Turnips (ha)	14	6	3	0
Potatoes (ha)	64	36	17	6
Breeding cows and heifers	821	998	1335	1296
Breeding sheep	5024	5712	5651	5136
Working Horses	290	33	0	0

Source: Scottish Executive Environment and Rural Affairs Department Agricultural Census

In recent years the figures point to a decline in the cropping area in line with trends in other crofting communities, and an increase in grassland over 5 years (see Figures 4 and 5). The number of holdings producing crops has also declined significantly, as illustrated in Table 10.

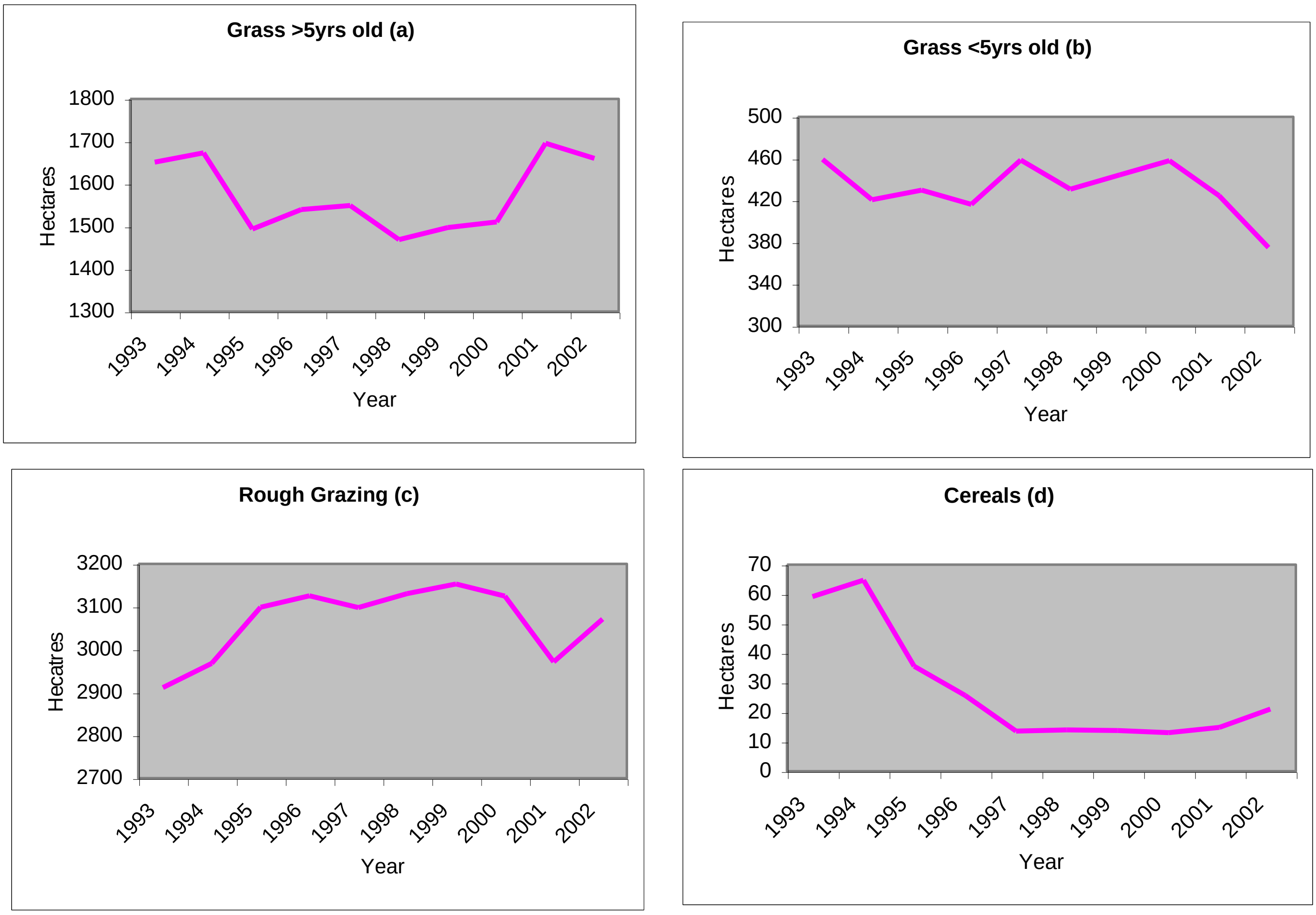
Table 10: Land Use Trends, 1993-2002

No. of Holdings	1993	1997	2002	% Change 1993-02
Oats	31	10	*	-67.742
All cereals	36	10	7	-80.556
Potatoes	39	30	23	-41.026
Total combine crops	36	10	7	-80.556

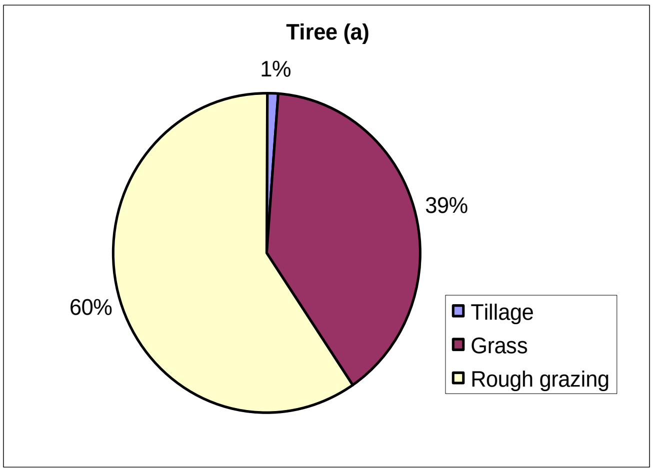
Source: Agricultural Census, Scottish Executive

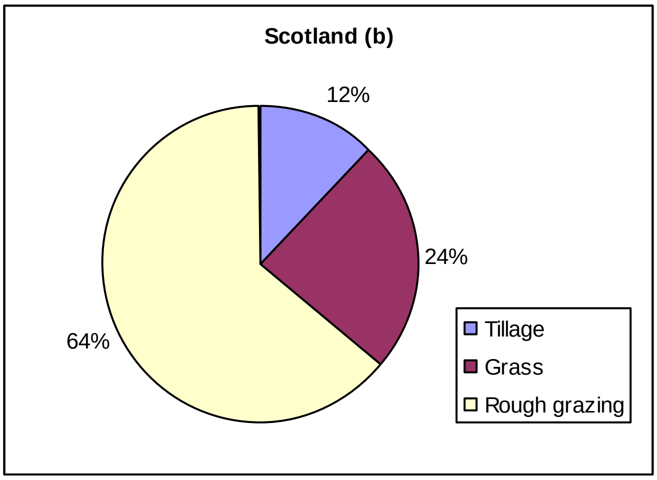
*data suppressed to prevent disclosure of individual holdings.

Figures 4 (a) (b) (c) (d) Changes in Agricultural Land Use in Tiree, 1993-2003



Figures 5(a) (b): Agricultural Land Cover, 2002





With the high level of EU subsidies which became available in the early 1980s, the amount of reseeding declined rapidly. This was due to the fact that husbandry efficiency became less important than the quest to take advantage of subsidies. This accounts for the low level of tillage in what was a high cropping intensity area. This is confirmed with the increased area of grass greater than 5 years old.

4.1.1 Flora and Fauna

Tiree is well known for its rich biodiversity. The machairs are natural pastures which although occurring throughout the Hebrides, occupy a significant proportion of the island. These shell sand based soils with a pH of 7.7 – 8.0 are the basis of the high agricultural output as well as being the base for the islands abundant wildlife. Machairs are herb rich pastures with grasses only making up between 40 and 60% of the total. Combined with the virtual absence of frost these pastures provide grazing for livestock well into the winter.

The best known machair is the Reef. This low-lying shell sand plain extends from shore to shore across the centre of the island. The island airport is located on the Reef and is owned by the Highlands and Islands Airports Ltd (HIAL). The Reef is managed by a partnership between the Graziers and the RSPB. Being an outstanding SSSI the management of the area has been unchanged for many years. The machair is ungrazed throughout the summer affording a build up of vegetation for cattle grazing in the winter. Extending to approximately 380ha it carries 205 cows during the winter.

There are 4 Sites of Special Scientific Interest (SSSI) and 2 Special Protection Areas (SPA), 1 Ramsar site and 2 candidate Special Areas of Conservation (cSAC). The SSSIs relate to the protection of machair and sliabh systems mainly, the SPAs and Ramsar site specifically for the protection and expansion of corncrake, geese and wading bird numbers and the SACs for the protection of Machair systems and two Machair lochs, Loch a'Phuill and Loch Bhasapol. The island is in the Argyll Islands Environmentally Sensitive Area. Maps in Appendix 1 provide detail of these designations.

Tiree is also well known for its birdlife. Arctic Terns, large flocks of golden plover and several species of geese are among the bird species of interest to visitors to the island. However, the most famous is the corncrake. Tiree accommodates 25% of the UK population. These high numbers are attributed to the management regimes which are practised by the crofters.

4.2 Fishing

Although Tiree is surrounded by rich fishing grounds the lack of deep water natural harbours has prevented the development of a major industry. In addition to this the long steaming times to Oban, which is the nearest fishing port, is a major inhibitor.

Velvet and brown crabs are in abundance. Prawns and lobster are secondary species. The Passage of Tiree is fished for scallops. Large boats from elsewhere use modern techniques to remove the scallops from the seabed. There is local evidence that these practices are detrimental to the seabed biodiversity in that reefs have been destroyed.

For many years only two boats fished out of Tiree, mainly for scallops and lobsters. Presently there are six, fishing crab which are transported off the island by a visiting shellfish carrier and exported to Spain.

4.3 Summary and SWOT analysis

Strengths	**Weaknesses**
• Breeding herd numbers remain high. • Breeding flock numbers remain high. • Well managed machairs maintain a high biodiversity interest. • Tiree summers one quarter of the U.K. Corncrake population. • Agri-environment scheme opportunities. • Rich shellfish grounds. • Easy access to fishing grounds.	• Reduction in cropping. • Reduced rate of reseeding. • Harbours dry out at low tide.
Opportunities	**Threats**
• Increase cropping to reduce inputs. • Increase cropping to provide the local market with field vegetables. • Release crofts to allow increased agricultural production. • Introduce croft biodiversity tours for visitors. • Capitalise in general on the interest of visitors in the day-to-day croft activities.	• The possible impact of the Common Agricultural Policy reforms on land use on Tiree, as a result of reduced agricultural production.

Tiree is rich in natural resources, and these resources underpin the islands key industries. The sea is a resource that has only recently had its potential exploited; this is a resource which has the potential to be further developed for fishing.

The tourism industry in Tiree is largely dependent upon the area's outstanding natural environment. The Argyll and Bute Visitor Survey (2000) suggests that there is, however, further opportunity to capitalise on this environment, through educational opportunities for visitors to learn about the islands bird life; machairs as physiological systems; and, the traditional crofting techniques.

There have been changes in crofting practices in recent times, most notably, a reduction in cropping. The growth in the public interest in food quality and consequently, in the origins of food, offers new opportunities for crofters to produce foodstuffs for the visitor market. Visitors already associate Tiree with the healthy outdoors and low-input farming.

Locally Identified Opportunities

- There is an opportunity to offer visitors informed activities about the land and sea.
- Encouragement could be given to crofters to crop for the visitor market with perhaps holding a crofters' market at the new resource facility.

5.0 INDUSTRIAL & EMPLOYMENT STRUCTURE

5.1 Economic Activity

The economically active population is aged 16 and over in employment, self-employed, on a government scheme and unemployed. It excludes those who are permanently sick, retires or inactive for another reason. In Tiree, **the proportion of the population that is economically active is slightly below the national and HIE average**, which is explained by a high proportion of permanently retired people. Of those economically active (532), only 308 are classed as in employment in the 2001 Census (Table 11).

Table 11**: Economically Active Population, 2001**

	Tiree		HIE	
	No.	%	No	%
In employment	308	57.89	195810	62.16
Economically active full-time student	4	0.75	5714	1.81
Unemployed	20	3.76	12670	4.02
Economically inactive	200	37.59	100824	32.01
Economically Active (N)	532	100	315018	100.00

Source: GROS 2001 Census
Notes:
1.''In employment' excludes full-time students.
2.''Unemployed' excludes full-time students.
3.''Economically active full-time students' comprises full-time students aged 16-74 who are employed or unemployed.

Economic activity is measured as the number of people who are in work or looking for work as a proportion of the working age population. Figure 6 below compares the **economic activity rates** in Tiree to the HIE and Scotland figures.

Figure 6: Economic Activity 2001

Figure 6 reveals that those in Tiree are more likely to be **self-employed** than in the rest of Argyll or the HIE area. Indeed, the level of self-employment (16.5%) is higher than the average for all of Scotland's inhabited islands (13.3%). Of the 88 persons registered as self-employed in Tiree, 31 have full-time employees, four have part-time employees, but the majority is working as "sole-traders".

This pattern generally accords with what is known, from other secondary sources, about remote, island labour markets in Scotland.

5.2 Sector of Employment

Figure 7: Sector of Employment, 2001

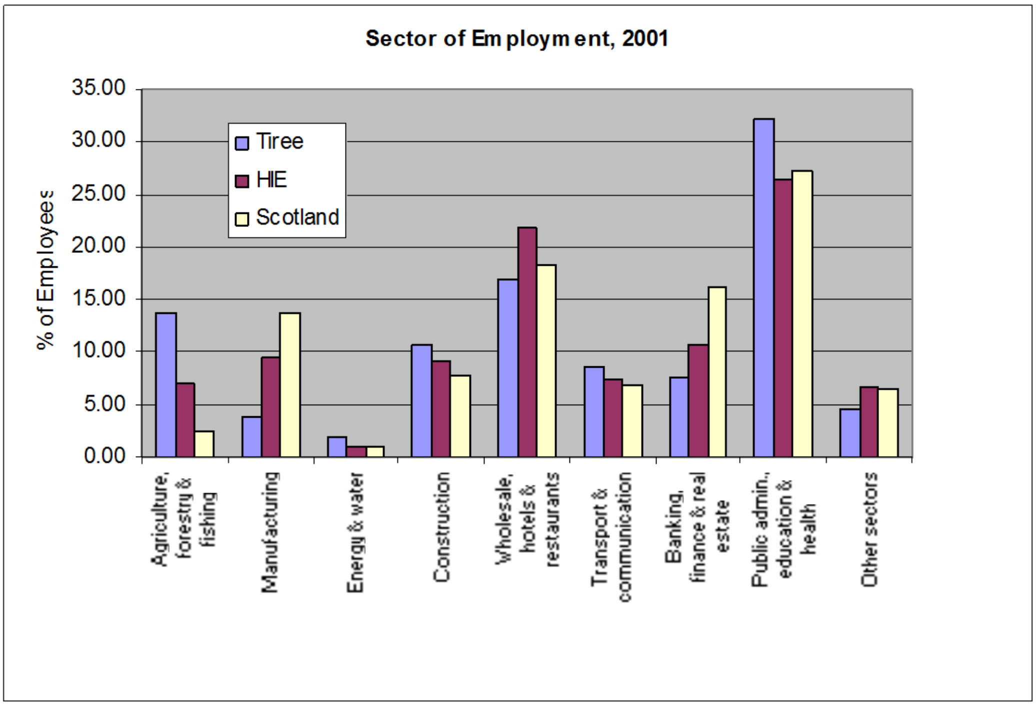


Figure 7: Sector of Employment, 2001

Figure 7 illustrates the main sectors of employment in Tiree at the time of the 2001 Census. It highlights the importance of Argyll and Bute Council, as public sector employment accounts for over 32% of the total workforce in Tiree (4.8% higher than that for Scotland). The second major sector of employment is Agriculture (see section 8 for further details) which accounts for 13.7% of employment. Although this sector is in decline in rural Scotland, accounting for only 6.98% of workforce in the HIE area, it remains a principal economic and social driver in Tiree. The high levels in both these sectors differentiates Tiree from the HIE and Scottish averages, but are fairly equivalent to other island communities where manufacturing is limited to micro enterprises, and the provision of services has a higher cost per unit, due to small population numbers.

The wholesale, hotel and restaurants sector accounts for the third largest percentage, 17% of the total workforce. This figure is below the national and HIE averages, which could suggest that Tiree has a lower dependence on tourism employment. More likely, however, it reflects the tourism infrastructure on the island, which relies heavily on self-catering accommodation (see 6.1).

Figure 8: Industry of Employment by Gender in Tiree, 2001

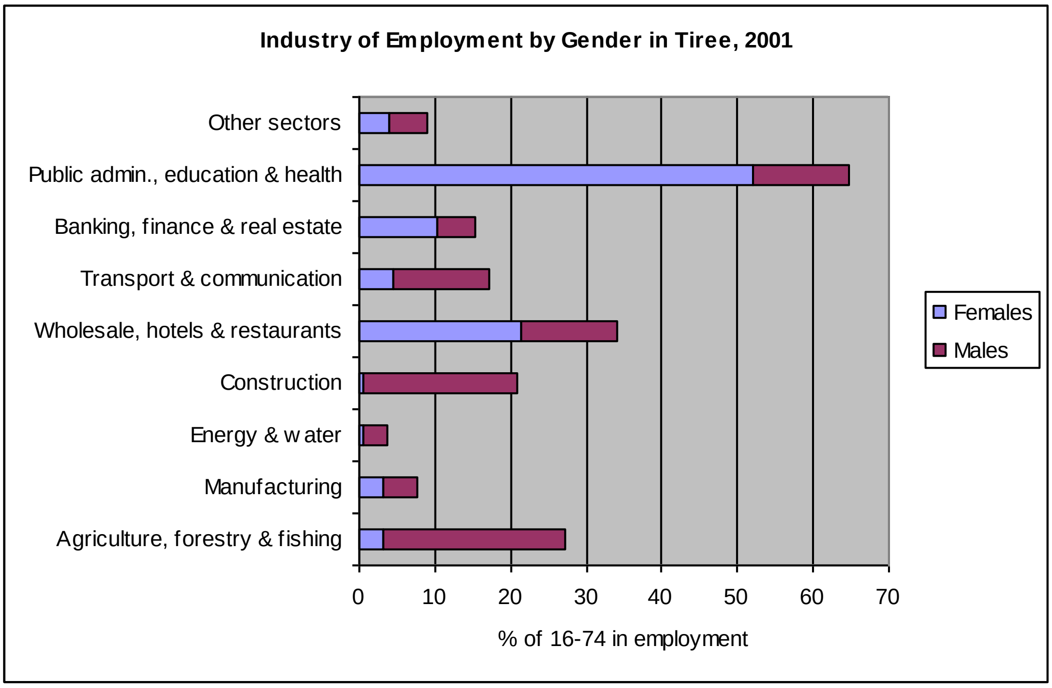
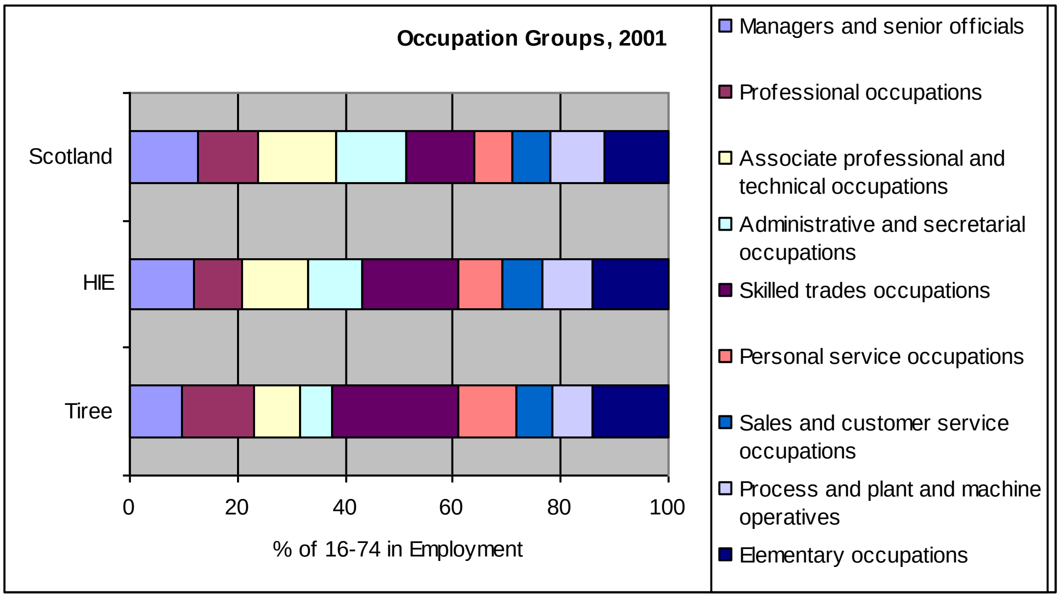


Figure 8 reveals there are significant differences in the sector of employment by gender. Of the 154 females in employment in Tiree, over 50% are employed in public administration, education, health and social work. A further 14% of females are employed in retail and, nearly 8% in the hotel and restaurant sector. Conversely, the 158 males in employment in Tiree dominate the agriculture, forestry and fisheries (24%), construction (20%), and transport and communications (13%) sectors. This pattern accords with employment patterns in the Highlands and Islands. On the other hand, the division of employment by gender in the manufacturing sector is very even. This reflects the type of manufacturing enterprises on the island: primarily craft-based micro enterprises, including painting, fine art, textiles and pottery.

5.3 Occupation Groups

In terms of occupation groups, Tiree has a high percentage working in the skilled trade category, relative to the HIE and Scottish averages, yet relatively less people in professional or semi-professional occupations (Figure 9). This reflects the sectoral make-up of the Island and its business structure.

Figure 9: Occupation Groups, 2001



5.4 Output

Although there are no published gross value added (GVA) statistics available for Tiree, the GVA is likely to be significantly lower than the Highland and national averages, particularly for the manufacturing sector. The nature of the manufacturing activities on the island are small-scale and with low monetary value. Whereas the GVA per full-time employee in Argyll & Bute is £25,000 in manufacturing (2000), in Tiree it is likely to be significantly lower.

In the services sector, the GVA per full-time employee is likely to be closer to the Argyll and Bute figure of £16,667 (2000), due to income generated by the tourism services sector, and personal and household services.

In order to verify these assumptions, information has been gathered from local sources in order to estimate the total income brought into the island. Income generated and spent on the island, including retail turnover has been excluded from the calculation, as this is considered to be recycled funds. An estimate has however been made of the income introduced to these outlets by visitors.

The tourism income has been assessed on the basis of the total number of bed nights of 377 with an average of 46% occupancy (section 6.1.1) and a nightly average charge of £15.00/head (Argyll & Bute Council Visitor Survey 2000)

Agricultural income has been assessed on the basis of subsidy rates in 2003 and sales returns from United Auctions, the Tiree livestock sales agency. Fishing income has been collected from the fishermen based on exports from the island.

Table 12: GVA of the Isle of Tiree - £/sector	
Argyll & Bute Council	1,289,619
Health	250,000
Tourism	740,000
Fishing	700,000
Agriculture	1,650,000
Transport	305,000
Services (Banking, electricity, water, etc.)	240,000
TOTAL	**5,274,619**

Sources: Communications from agencies and estimates from those involved in the industries.

With a working population of 308, Table 12 illustrates that the GVA/head is approximately £17,125. This then compares favourably with the previous Argyll & Bute figure of £16,667 from 2000, for the services industry, but not against the manufacturing GVA of £25,000.

5.5 Summary and SWOT analysis

Strengths	**Weaknesses**
• More self-employed than in the rest of Argyll or HIE area. Nearly half of that self-employed employ someone. • GVA compares with that of Argyll. • Population is at a level that demands a high public sector employment. • Agriculture sector is twice that of HIE average. • Half the male employees are in production work. • Skilled workforce	• Proportion of the population economically active is below the HIE average. • Shortage of some key skills e.g. plumbing and electrics. • Short of professional posts. • Shortage of housing for incoming skilled migrants. • Tourism sector is a significant employer but being seasonal requirement for labour is variable
Opportunities	**Threats**
• To increase the tourism employment opportunities by offering more visitor facilities. • To attract public sector jobs through Government Dispersal programmes. • To attract accountant/lawyer type professions.	• Argyll & Bute Council could reduce its work force. • Reduced agriculture activity due to changes in EU Farm Policy. • Downturn in house building/public works.

Although Tiree has a higher than average number of skilled tradesmen there is a shortage in some trades such as plumbing and electricians. It is considered locally that a shortage of affordable housing prevents the in migration or retention of these skills. Similarly, there is a lower than average number of professional workers.

Locally Identified Opportunities

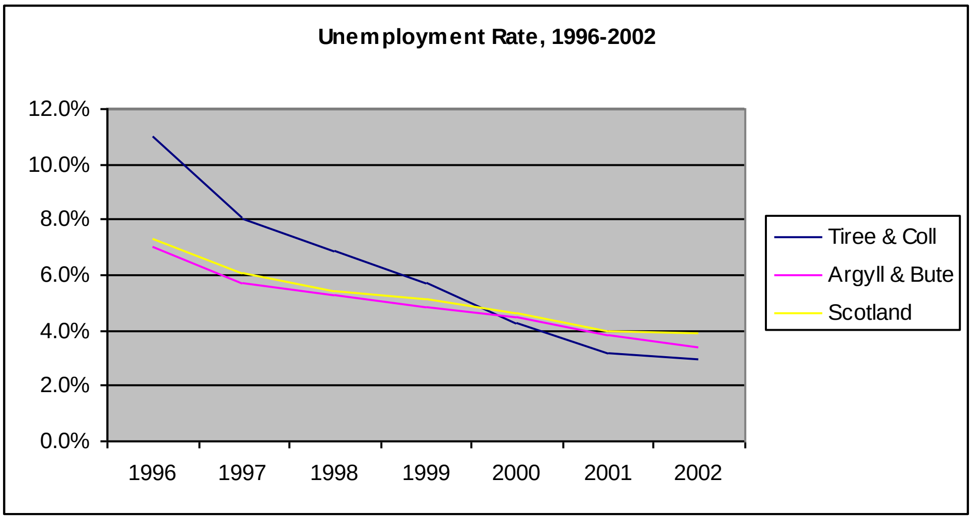
- Housing shortage would appear to be a major factor in attracting jobs to the island. As has been identified elsewhere this problem needs to tackled.

- With proposals by government agencies to disperse jobs Tiree could make a bid to establish a centre to attract such posts. With the rich biodiversity and the number of statutory conservation designations, there could be an opportunity to establish a full time SNH post. The RSPB has already a full time worker in place. Similarly, as Tiree is such an intensive crofting area then dispersal of a Crofters' Commission post or posts could be pursued. Indeed the Tiree Development Partnership responded to the Scottish Executive Consultation on the dispersal of the CBGLS administration, recommending Tiree as a centre.

6.0 Quality of Life

Measuring quality of life is very difficult, due to its subjective nature and the diverse range of factors that affect it at the individual level. Consequently, the national statistics concentrate on identifying geographical regions, and domains, of deprivation and disadvantage. Two major causes of relative disadvantage in both rural and urban areas are low pay (income deprivation) and unemployment (work deprivation). These factors impact on other aspects of life, including education, housing, employment opportunities and health and well being.

Figure 10: Unemployment Rate 1996-2002



Source: Claimant Count Data from the Scottish Executive Economics and Statistics Division

6.1 Unemployment

The 2001 Census revealed that only 20 economically active people in Tiree are unemployed, the majority (13) of which are in the 34-55 year old age category. Further, the latest claimant count data[2] for Tiree and Coll (November 2003), revealed that only total of 10 individuals were claimants, giving an unemployment rate for the island group of only 2.5% against the national average of 3.7% (Table 13). Using these figures, Tiree and Coll has the lowest unemployment rate of all wards in Argyll and Bute.

Table 13: Claimant Unemployed, November 2003

	Unemployment rate			Claimant unemployment			Change over last year	
	Male	Female	Total	Male	Female	Total		
Tiree	3.5%	1.5%	2.5%	7	3	10	-5	-33%
Argyll & Bute	5.2%	2.1%	3.7%	848	306	1,154	-101	-8%

Source: Claimant Count Data from the Scottish Executive Economics and Statistics Division

Note: Unemployment rates are all people claiming unemployment related benefits, divided by the number of economically active people

Akin with trends across the country, the unemployment rate has been decreasing year-on-year since 1996 and stands below that of the Argyll and Bute and Scottish unemployment

[2] Claimant count is the count of claimants of Jobseeker's Allowance (JSA) or National Insurance Credits.

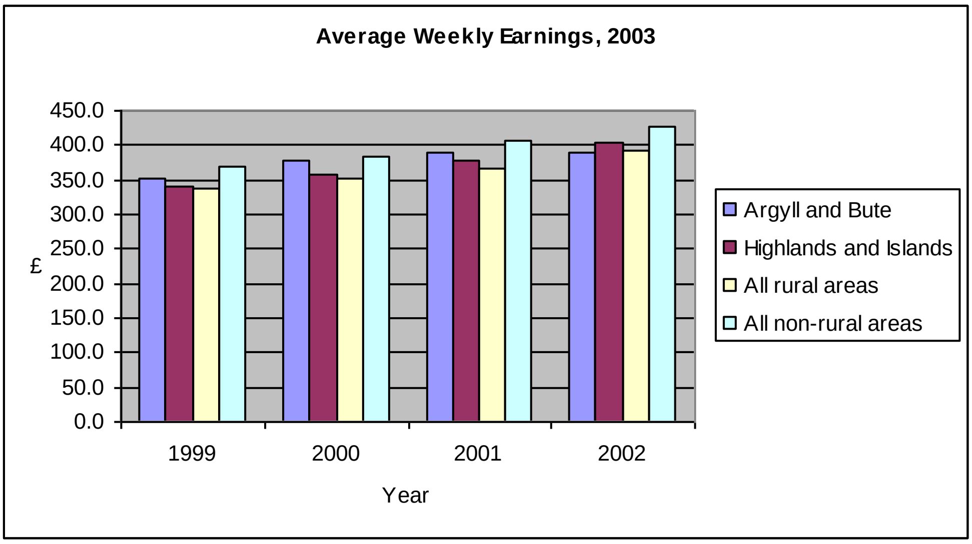
rates (Figure 10). Typifying most unemployment trends, male unemployment is higher than female unemployment in Tiree. It is likely, however, that employment is highly seasonal as a result of a reliance on tourism and primary sector activities.

6.2 Average Earnings

On the other hand, the **quality of employment** in terms of earnings is likely to be significantly below the national average. High levels of self-employment coupled with a dependency on the public sector and primary industries for employment suggest that the average weekly earnings for Tiree are likely to be below those of Argyll and Bute. In December 2003, the average weekly earnings for Argyll and Bute were £382.30 per week, 12 percent lower than those for Scotland as a whole (Figure 11). The figures are taken from the New Earnings Survey but due to the size of the sample, the information is not reliable at the local Tiree level.

A recent survey of crofting households in the Argyll and Bute area revealed that 52% of respondents had a household income of £10,000 or less, and a further 10% under £20,000 (Hecla Consulting, 2003). It is likely that, due to a dependency on agricultural and tourism income, the rate of growth in earnings is relatively lagging behind national growth.

Figure 11: Average Weekly Earnings, 2003



Source: Office for National Statistics, New Earnings Survey (2003)

6.3 Welfare Recipients

Of the 65 primary school pupils, and 55 secondary school pupils in Tiree, 16.8% were registered with Free School Meal Entitlement in 2002. This is significantly higher than in Argyll & Bute (11.44%) and in Scotland's remote, rural areas[3] (9%) but close to the Scottish average of 16.7%. In 2002, free school meals were entitled to children of families who receive income support (IS) or Income Based Job Seekers Allowance (IBJSA), and therefore

[3] Settlements of less than 3,000 people whom are not within 30 minutes drive of a settlement of 10,000 or more people.

suggests that there are higher levels of work deprivation in Tiree relative to other remote and rural parts of Scotland.

6.4 Car/van Ownership

Car ownership is often criticised as a measure of deprivation in rural areas, where households may choose to make other financial sacrifices because they need a car to get to work, rather than a proxy indicator of low income. It is still of interest to note, that in 2001, 79% of all households in Tiree had at least one vehicle compared with 74% in the HIE area, and furthermore, households in Tiree are more likely to own two or more cars. This may reflect the dispersed nature of settlements in Tiree, and the level of self-employed people that rely on a vehicle. Nearly 58% of employed people in Tiree travel to work by van/vehicle, whilst 17% work from home.

6.5 Geographic Access to Key Services

As a result of the small land area of Tiree, all households are within a reasonable drive time of key services, where they exist. The majority of services is located within the townships of Crossapol and Scarinish and includes a butcher, two general convenience stores, a bank and doctor's surgery. The primary and secondary schools are located at Cornaig. The island is also served by three main Post Offices in Balinoe, Cornaig and Scarinish. However, given the dispersed nature of the population throughout the crofting townships, the level of accessibility to such key services, relative to Argyll and Bute and Scotland is low (Table 14). Further, the range of services offered is a restricted. Public services such as a Job Centre Plus, Citizens Advice Centre, and NHS dentist are not resident, however, alternative limited provision is available. There is a visiting dentist and optician who work from facilities at the doctor's surgery. With Lottery funding a permanent Citizens' Advice Bureau link has been set up with the CAB in Lochaber. There is a dedicated employee for Tiree who visits 4 times per year. Additionally there is a dedicated phone link operated for 2 hours per week for the sole access by Tiree people.

Table 14: Access to Key Services, 2001

% households within 0-5 minutes drive time of:	Tiree	Argyll & Bute	Scotland
Primary school	13.8	76.2	94.6
Post Office	n.a.	84.2	95.2
Bank/building society	12.7	60.4	78.9
GP	2.7	67.3	88.6
General store/convenience store	19.5	72.9	91.7
% households over 60 minutes drive time of:			
Hospital	100	5.7	0.6
Dentist	100	10.8 [1]	1.3[1]
Cashpoint	100	64.7	90.8

Source: Scottish Neighbourhood Statistics

Notes (1) Less than 30 mins

Further, small population numbers mean residents are severely disadvantaged in terms of access to private services such as major foodstores, chemist and other retailing. On a more positive note, relative to 10 years ago, Internet services can help alleviate these disadvantages. Households in Tiree are fortunate as, in addition to household PCs (many of which have benefited from public funding to install Internet access), there are four public

Internet access points at the Tiree Business Centre; An Iodhlann; The Glassary and within the School's library.

6.6 Transport

Travel and haulage are important aspects of everyday life being an island. Access to Tiree is by air or sea. Loganair operate the air service under licence from British Airways. This service is in conjunction with that to Barra. Caledonian MacBrayne operate the ferry service between Oban and Tiree in conjunction with that to the Isle of Coll and on occasion with the Uists and Barra.

Highlands and Islands Airports Authority own the aerodrome facilities while CalMac own the pier and pierhead at Scarinish.

6.6.1 Passenger Transport

Loganair operate a once daily service between Glasgow and Tiree. Flights are direct although on occasion Barra will be serviced by the same plane in the same flight sequence. Fares to the island are expensive. A full return from Glasgow costs £156 return for the 40 minute flight. There are concessions for travellers purchasing return tickets from Tiree to Glasgow. The plane is the main contact for hospital visiting. Tiree residents visit Glasgow hospitals for treatment and are entitled to a subsidised fare of £8.

Table 15: Passenger numbers by air by year	
1995/96	5,471
1996/97	5,410
1997/98	5,024
1998/99	5,008
1999/00	5,159
2000/01	5,136
2001/02	5,450
2002/03	5,618

Passenger use is constant and usage indicates the importance of the connection. There will be visitor numbers included in the statistics but it is not possible to identify these. The Cobham Tourist Survey (1996) estimated that in the surveyed year, 1995, 650 visitors arrived by plane. Thus 12% of the passenger numbers in 1995 were visitors. It is unclear whether this %age has changed but it is unlikely there will have been a significant shift.

Caledonian MacBrayne were unable to provide any statistics as services may be going out to tender.
Fares on CalMac ferries are published in their timetable. The fares in the current timetable are £9.65 for a single passenger or driver and £58, single for a car. The travel cost for 4 travelling to Tiree for 1 week's holiday with a car would be £193.20.

6.6.2 Haulage

The vast majority of goods are transported by sea. The exceptions are mail and newspapers which are transported by plane.

There are two carriers from Tiree who ship goods between Oban and Tiree. There are other Oban based carriers competing also. Agricultural bulk goods are transported by one specialised Tiree carrier although other specialised mainland suppliers deliver to the island also.

As previously mentioned tonnages and vehicle movements are not available so the relevant statistics cannot be analysed.

6.7 Cost of Living

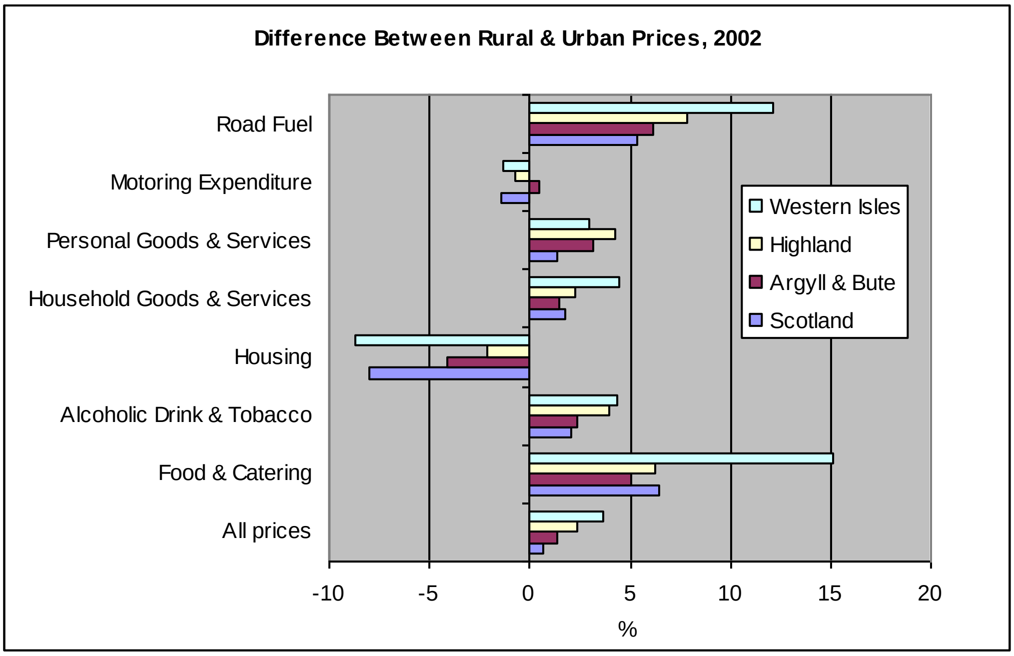
It is generally known that the cost of living in rural Scotland is higher than the national average. The latest Rural Scotland Price Survey (RSPS) (2002) found that on average, prices in rural Scotland were 0.7% higher than in urban areas, with notable differences occurring between the rural HIE area (2.1% higher than urban prices), and southern rural Scottish Enterprise areas (1.1% lower than urban prices).

The results of the RSPS highlight that price levels rise with smaller population levels, and as such, small island populations are most severely disadvantaged, with the cost of importing goods and services to the islands reflected in local prices. The cost of road fuel, household goods and services (including food), and drink and tobacco will be significantly more expensive in Tiree relative to the national average. A comparison of food prices for the purpose of this report revealed, however, that there was no price differential between Co-op stores in Oban and Tiree. Furthermore, Co-op stores in Kinlochleven, Campbeltown, Tobermory, Tiree and Oban all had the same price base. The only difference was that the Oban store being classed as a 'Superstore' had a wider range of offers and promotions than the outlying shops. The cost of basics on Tiree is the same as on the mainland but as identified in Figure 12 is higher than in urban areas.

Four star petrol on Tiree at the time of visiting (or in January 2004) was 92p/litre compared with 76.9p/litre in Oban. This represents a 19.6% higher cost. However, the low turnover necessitates a reasonable margin so that the facility is available to the public. Commercial fuels are charged the transport cost to the island on top of the mainland cost. This represents on average a 4.5p surcharge on any grade of fuel supplied bulk. Agricultural transport receives support for the movement of goods to and from the island.

On the other hand, housing costs (excluding purchase) will be significantly lower. The findings for Argyll and Bute conform to this general pattern. In Argyll and Bute, the percentage difference between rural and urban prices is 1.4% overall (lower than for Highland, Shetland and the Western Isles), with the most significant percentage differences found in road fuel (6.1%) food (5.0%), personal goods and services (3.2%) and housing (-4.1%).

Figure 12: % Difference Between Rural & Urban Prices, 2002



6.8 Health of Population

At the time of the 2001 Census, 66% of the population rated their health as “good”, which is slightly below the Scottish average of 68%. Further, the percentage of people with a long-term limiting illness (LTLI) was also higher in 2001 (21.7% in Tiree and 20.3% in Scotland). These figures are unsurprising given the demographic structure of the Tiree population. The percentage of people of working age with a LTLI is 13%, whereas the AIE area has the highest percentage of working age people with a LTLI of all LEC areas, at 16.1%.

Perhaps surprisingly, given the high proportion of population in Tiree of pensionable age, the number of individuals providing unpaid care is below the average for the HIE and Scotland. The 2001 Census recorded 53 people as unpaid carers, of which three were less than 16 years of age.

The Tiree Forum on Disability has extended its range to include mental health. Having established craft classes for the general population those with mental health problems can integrate in a more informal manner. Alcoholism is considered by this group to be a significant problem. They estimate that there are in the region of 30-40 alcoholics on the island.

6.9 Summary and SWOT analysis

Strengths	**Weaknesses**
• Low unemployment. • High car/van ownership means accessibility not a widespread problem. • All households within reasonable access to facilities. • CAB accessibility. • High numbers of household computers. • Cost of living not too dissimilar from the mainland. • Many leisure opportunities for young and old.	• Low incomes. • High free school meal entitlement. • Poor access to major retail outlets. • High fuel costs
Opportunities	**Threats**
	• High cost of travel

The key factors identified in this section are first, the unemployment figures are below the national average indicating an active economy.

It would appear food costs are little different from the Argyll mainland. As the store on Tiree is a main supplier then it will lead to the other shops maintaining similar prices.

Petrol is significantly higher in price reflecting the long sea journey with commercial bulk deliveries being charged the cost of sea transport.

Travel costs are high for both locals and visitors.

Locally Identified Opportunities

- Attempts could be made to negotiate fare terms for sea transport for fuel and foodstuffs similar to that accorded for hay and animals.

7.0 RECENT & EXPECTED TRENDS IN ECONOMIC ACTIVITY - TOURISM

The employment statistics hide the significance of the tourism industry for Tiree. Tourism related employment is significant both in terms of Tier 1 (hotel, leisure service providers and accommodation), and in terms of Tier 2 (those that service the requirements of local residents and tourists, for example restaurants, art galleries, retail) sectors.

7.1 Tourism Product

The tourism product in Tiree draws heavily upon the island's natural heritage endowments. Tiree has successfully developed an outdoor activity's niche market, based on the islands wind and water. The flora, fauna and ornithology and geology are another major attraction to Tiree. Although there are no published data on the volume and value of visitors to Tiree, an appraisal of firms on the island with a predominant visitor customer base, suggest that tourism, after agriculture, is the second most significant industry, and one which has been growing in recent years. New business start-ups have been concentrated in this sector to take advantage of a growing interest in outdoor pursuits e.g. sand yachting, windsurfing and kite surfing. These complement existing services such as bicycle hire and pony trekking. Further, the Tiree annual weeklong windsurfing event, the Tiree Wave Classic, has increased in popularity and size since its inception in 1985.

The Hebridean Trust has played an important role in developing heritage tourist attractions to help increase visitor numbers and their local expenditure. The Trust has developed key visitor attractions (Sandaig Island life museum, Skerryvore Lighthouse museum, and development of the historical village of Hynish) in addition to developing visitor accommodation (Hynish Centre). The Tiree and Coll Gaelic Partnership museum at Scarinish, An Iodhlann, holds 8,000 items of archive material on the history of Tiree. Combined these initiatives are considered to have made a valuable contribution to the tourism infrastructure, and consequently, tourism employment and income generation on Tiree over the past two decades.

The number of bed places relative to the total population is a good indicator of the tourism capacity of an area. By using a combination of data sources, and excluding camping and caravans, there are estimated 377 bed places on Tiree relative to a resident population of 770 (Table 16). This figure equates to a 2:1 ratio of residents to bed places.

Table 16: Tourism Bed Places, Tiree

	Tiree (1996)	Tiree (2004)
Self-catering bed places	154	257
Hotel bed places	39	54
B&B and Guest House bed places*	43	54
Hostel**	24	16
Total bed places (N)	260	377

Source: primary data and www.isleoftiree.com and Cobham report 1996

*Estimated

** 1996 hostel reclassified as self catering in 2003. The 2004 Hostel is the new facility at Cornaig.

The Scottish and Argyll area tourist board (ATB) average annual occupancy for all accommodation sectors is 46%, based on the Scottish Accommodation Occupancy Survey 2002.

Bed places have risen by 50% since 1996 mainly with increased self-catering provision. The quality of the products are hard to ascertain although tourists' experiences are that there is good all round value for money. The 2004 Argyll and the Isles etc. Tourist Board brochure have entries for three out of the four Guest Houses/Hotels. Two have 3* VisitScotland classification and one is awaiting a classification. Out of the many seasonally occupied properties there are only 7 entries in the brochure. Of the seven, one is classified 4*, two as 3*, three as 2* and one as 1*. Interestingly only one of the seven has a Tiree contact address.

The 'isleoftiree.com' website lists available accommodation. In addition to the Tourist Board listings there are six B&Bs and 35 self-catering units which includes two caravans. Only two out of the 41 have a VisitScotland rating – with one at 4*. There would not appear to be any other quality rating. Further, of the 35 self-catering units only 19 have Tiree contact addresses, suggesting that many of these units are second homes for those living outwith the island.

It would appear that of the 138 seasonally occupied houses 40 are formally let, suggesting that the balance is used for family and friends. This does leave a potential for further holiday letting.

7.2 Tourism Market

The latest available figures for Tiree are derived from the 1999 Argyll & Bute Visitor Survey, where data for Tiree are presented alongside the island of Coll (Table 17). Key features of the tourism market in Tiree and Coll are:

- Younger age profile
- Predominantly domestic visitor market (63%), from Scotland's central belt
- High proportion (23%) of people visiting friends and relatives
- Higher than average length of stay (7.5), and therefore, visitor expenditure
- Visitor market heavily involved in sporting activity, including walking, cycling and water sports.
- 29% of visitors on own, and 37% with one other person.
- 49% of visitors in Income bracket AB.

Overall, tourists' experience of Tiree and Coll was positive with high levels of satisfaction with customer service. Main strengths were considered to be the *friendly local people* and the *natural unspoilt environment*. Relative to the results for Argyll and Bute, Tiree and Coll were less positively rated as *good all round value for money* and although the area was rated as fairly accessible, the *cost of transport* was considered a weakness in the islands as a visitor destination.

29% of visitors are on their own and 37% on holiday with one other person. In combination with the fact that 49% are in social class AB suggests high earning, active visitors. 76% are over the age of 35, with 31% over the age of 55. These groups are interested in knowledge transfer. They are looking for a learning experience and do not demand standard tourist facilities. Wildlife, walking, archaeology etc are their interests. Additionally they have high spending power and are willing to pay for quality and value for money.

Table 17: Key Tourism Facts & Figures

	Tiree & Coll	Argyll & Bute	HOST Area
Age			
15-34	24	20	27
35-54	45	44	42
Over 55	31	37	32
Type of Holiday			
Away from home on holiday	65	75	78
Visiting friends or relatives (VFR)	27	13	11
On business	5	2	3
Other	3	11	16
Classification of holiday			
Main	40	50	42
Secondary/other	60	50	56
Mean Length of Stay			
To area [1]	7.5	5.6	6.9
In Scotland	9.6	8.8	8.9
Mean no of Visits (last 10 years) [2]			
To area	9.1	5.7	7
Activities taken part in			
Sporting	83	60	63
Non-sporting	93	97	95
Accommodation Used/Going to use [3]			
Hotel	21	30	29
Bed & breakfast	24	21	27
Self-catering	38	20	17
Tent at a campsite	3	6	7
Staying with friends/relatives	23	12	10
Touring caravan/motor home	2	5	6
Guest house	7	4	4
Hostel	4	4	5
Expectations			
Better than expected	36	43	27
Expenditure			
Spend per person per night	£45.65	£43.18	£55
Estimated spend per person per trip	£342	£241	£379.50
Total Visitor Respondents (N)	191	2010	4393

Sources: 1999 Argyll & Bute Visitor Survey and 2003 Highland of Scotland Tourist (HOST) Board Area Survey.

Notes

1. Based on visitors spending nights away from home

2. Based on non-area reside

3. Based on visitors spending at least one night away from home. Total does not add up to 100% as multicoding is possible.

7.3 Summary and SWOT analysis

Strengths	**Weaknesses**
• Tiree has the natural resources to service the requirements of the main visitor type. • It has a range of types of accommodation. • It has a visitor population who wish to have learning experience. • Offers many outside and sports activities. • Significant numbers of visitors are in social class AB and therefore have spending power.	• Little quality accreditation. • No tourist information centre. • Difficult booking system • Tiree landmarks not well signposted. • Walks and access not clear • Seasonality
Opportunities • 98 houses seasonally occupied not formally let. • Development of formal walks similar to the 'Pilgrim's Walk'. • Wildlife tours. • Sea tours. • Crofting agriculture walks. • Require central manned tourist point.	**Threats** • Fencing of machair apportionments reducing access. • Cost of travel to the island. • Island accommodation not keeping up with quality demands.

Many of the visitors to Tiree have difficulty in finding their way around the island, due to poor information and interpretation of potentially interesting sites. Further, until recently there has not been a reliable guide to the island. The regular visitor is familiar with the island but the first time visitor without a car has a difficult task.

Very few properties would appear to be offered through booking agencies. The majority are offered through the web site and one can only surmise that with personal contact for booking many bookings are missed.

There are several institutions where some form of part time paid input is required e.g. the Resource Centre, Business Centre and possibly An Talla.

Locally Identified Opportunities

- It is suggested that consideration be given to the employment of an 'Island Manager'.

- It may be possible to amalgamate the above posts in to one, or a job share. In addition to this, using the post to operate a tourist point would be of great help to visitors.

- Using the website to have a centralised booking service could also be attached to this post. Services offered would be chargeable thus making a significant contribution to wage costs.

- Using premises to develop the social and historical interest in Tiree by bringing together many of the island sources into one unit could be the base for continuing and changing displays.

- The redundant pier shed at the pierhead could be considered to house such a facility.

- Encouragement could be given to accommodation providers to have a quality accreditation scheme such as or similar to the VisitScotland star ratings.

- With the number of seasonal properties available it may be possible to increase the number of bed nights if there was an island facility to manage bookings and changeovers.

8.0 RECENT & EXPECTED TRENDS IN ECONOMIC ACTIVITY – AGRICULTURE

The main source of data on agricultural employment and land use activity is the annual Agricultural Census returns. The data is presented at the all holdings level to illustrate general trends in terms of labour force; number of holdings; and agricultural activity.

8.1 Agricultural Employment

Table 18: Agricultural Labour Force (Spouses & Occupiers), 1993 - 2002

	1993		1997		2002			
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	% change FT	% change PT
Tiree	45	75	63	70	59	110	31.11	46.67
Argyll Area	846	1146	828	1206	731	1327	-14	16
Scotland	15,576	24,195	15,021	26772	13,516	28,787	-13	19

Source: Agricultural Census, Scottish Executive

Note: Figures the Argyll Area are for 1992 not 1993

The 2001 Population Census highlighted that over 13% of the Tiree workforce were engaged in the primary industry. This hides, however, the real extent to which the population is engaged in agricultural activities, due to high levels of pluriactivity in Tiree crofting households. The 2002 Agricultural Census revealed that 169 occupiers and their spouses work either on a full or part-time basis, on the croft or farm. And whilst the Scottish agricultural labour force is declining, by 3 percent between 2001-2002 alone, Tiree is resisting these trends (Table 18) Since 1993, the number of full-time spouses involved in agricultural labour has increased as have the number of regular and seasonal staff, whilst the number of full-time occupiers has remained constant. The main trends shown are:

- A 31% increase in the number of full-time occupiers and spouses, compared to a 14% decrease in the Argyll area.
- Part-time working has increased by 46% for this category of worker over the same period.

Table 19: Agricultural Labour Force, 2002

	Occupier				Spouse				Total occupiers & spouses	
	Full-time	Half time or more	< half time	Total	Full-time	Half time or more	< Half time	Total	Units	No.
Tiree	45	18	58	121	14	11	23	48	203	169
Argyll & Bute	521	186	456	1,163	112	125	358	595	1,191	1,758
HIE	3211	2089	7217	12,517	-	-	-	5699		18,216
Scotland	11,377	3,888	12,987	28,252	2,139	2,524	9,388	14,051	28,987	42,303

Source: Agricultural Census, Scottish Executive

8.2 Agricultural Holdings

Although there is a national trend of decreasing numbers of major and minor holdings, due to farm amalgamation and the creation of larger economic units, the number of holdings in Tiree has not declined significantly. Over the period 1993-2002 the number of holdings has decreased by 5.1%, to 203 (Table 20). There have been significant changes, however, in the area of land owned during the same period, which has declined by 32%, although the area of land rented has increased by over 5%.

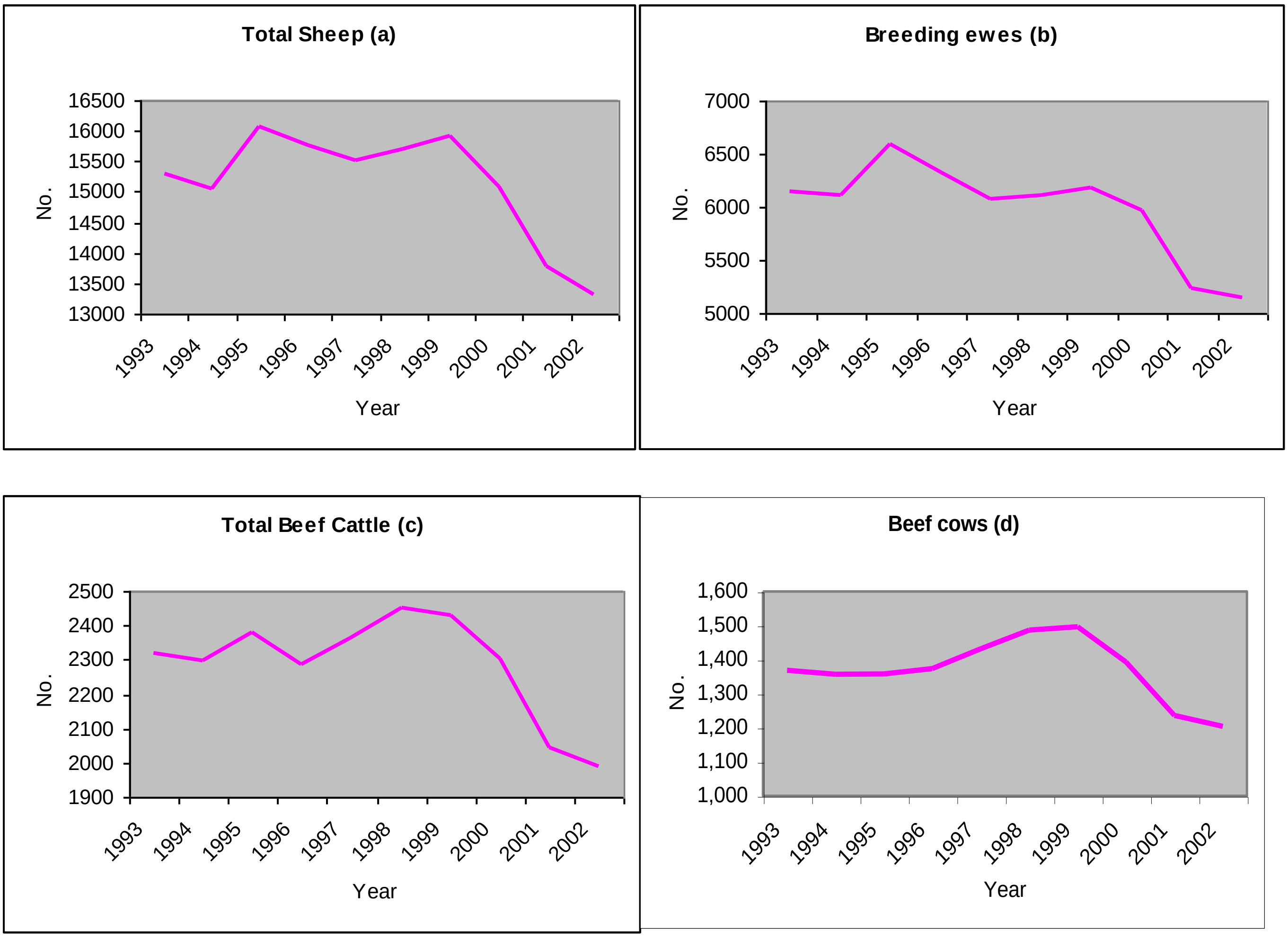
Table 20: Key Agricultural Trends in Tiree, 1993-2002

	1993	1997	2002	% Change 1993-02
No. of holdings	214	203	203	-5.1
Land owned (ha)	831.9	421.5	563.07	-32.32
Land rented(ha)	4389.4	4768.04	4625.97	5.39
Area exc. Common Grazings (ha).	5221.3	5189.54	5189.04	-0.62
No. of working occupiers	120	122	121	0.83
No. of working spouses	37	39	48	29.73
No. regular and seasonal staff	30	48	50	66.7
No. of cattle	3,689	3,692	3,025	-18.00
No. of sheep	15,826	15,519	13,295	-15.99

Source: Agricultural Census, Scottish Executive

The high owned figure in 1993 compared to 1997 and 2002 possibly refers to an area that was purchased from the Estate. It is likely that it was included in the Agricultural returns but in subsequent years was let out this accounts for the increase in rented ground in 1997 and 2002.

Figure 13(a) (b) (c) (d): Livestock Trends in Tiree, 1993-2002



8.3 Livestock Trends

Livestock trends in Tiree mirror those nationally. Beef cattle numbers peaked in 1998, and over the period 1993-2002 declined by 14%. The number of holdings with beef herds also declined over the same period, from 126 to 94, representing a decrease of 25%.

During the same period, sheep numbers peaked in 1995, then decreased sharply in 2001 and 2002 representing a decline over the period of nearly 16%. Similar to the decline in the number of holdings with beef cattle, there has also been a decline of 22% in the number of holdings with sheep, from 120 to 93. Figure 10 illustrates the trend in livestock figures during the period 1993-2002.

Given the small number of holdings involved, in percentage terms, these trends are more pronounced in Tiree than for Argyll and Bute and for Scotland.

Table 21 shows recent trends in livestock numbers.

Table 21: Trends in Livestock Numbers

	1997	1998	1999	2000	2001	2002
Cows and heifers	1496	1631	1600	1509	1307	1296
Breeding replacements	384	372	362	316	297	307
Other cattle >2yr.	79	63	26	28	46	46
Other cattle <2yr.	1638	1640	1691	1559	1359	1592
Ewes	6076	6102	6181	5973	5240	5136
Other sheep for breeding	1245	1315	1368	1201	1189	1092
Lambs	7914	7953	7985	7487	7062	6788

In the 1997 to 1999 period cattle and sheep numbers increased slightly, but have since declined. The Foot and Mouth Disease welfare cull may have contributed to the fall in ewe numbers in 2001 as individuals used the scheme to dispose of older stock. Agricultural policy changes (the Less Favoured Areas Support Scheme and the Suckler Cow Premium Scheme heifer rule) may have contributed to the decline in cow numbers. The latter allowed subsidy payments on heifers rather than cows which likely led to a reduction in cow numbers.

It is interesting to note that the number of units carrying breeding cows in 1993 was 99. This number had reduced to 72 in 2002, a fall of 18%. There is a strong indication that the reduction in cow numbers over this period reflects the reduction in units carrying cows. This in turn suggests that with the numbers of ageing crofters increasing more are disposing of cows due to the practical difficulties associated with the management of cattle. However, the equivalent figures for sheep show a fall of 23% in the number of units keeping sheep. As sheep are much easier to keep from a practical point of view this may serve as an indication of the numbers of crofters retiring from the industry completely. However, these crofters while being inactive will still likely retain the croft and sub let in some form.

At the same time there may not be the numbers of youngsters entering the industry to arrest the decline which supports the hypothesis made in the housing section that significant numbers of crofters are retaining their croft tenancies but not working the croft.

8.4 Economic Assessment

8.4.1 Livestock sale income

The approximate numbers of livestock sold through Tiree market by United Auctions in a typical year is as follows:

Table 22: Approximate Numbers Traded Through Tiree Mart				
Lambs	**Cast Sheep**	**Bullocks**	**Heifers**	**Cast Cows**
7300	1800	880	480	120

Source: United Auctions, Oban

The numbers do not match the statistics, as lambs from the previous year are included in the total. Using average prices this equates to a sale total of £730,500. The most notable sale is of lamb. The vast majority of lamb is sold on the one day in August. As these are very high quality cross lambs buyers come from all parts of the country, which results in an average price exceeding £35/head.

8.4.2 Livestock subsidy income

Livestock subsidy income is a very important income source in the Tiree agricultural economy. There are two principal subsidy sources which are delivered under the European Common Agricultural Policy. The first is the Less Favoured Areas Support Scheme (LFASS) which has recently been converted from an animal headage basis to an area base. The second are headage based and are paid on the number of breeding sheep, namely the Sheep Annual Premium Scheme (SAPS), the number of breeding cows, the Suckler Cow Premium Scheme (SCPS) and the number of young bullocks eligible for the Beef Special Premium Scheme (BSPS).

It has not been possible to obtain actual figures from Scottish Executive Environment and Rural Affairs Department (SEERAD) but an accurate assessment can be made from the Census information using the 2002 payment rates.

Table 23 identifies the value of each subsidy source:

Table 23: Livestock subsidy Income/annum	(£)
LFASS	317,584
SAPS 5,200 @ £18.07/hd	93,964
SCPS 1,100 @ £173.50	190,850
BSPS 550 @ £142.52	78,386
TOTAL	**680,784**

Note: Based on 1100 eligible breeding cattle, 5,200 eligible breeding sheep and 550 bullocks at the 2002 prevailing rates including Extensification premia.

8.4.3 EU subsidy mid-term review

The Scottish Executive has just announced the outcome of the Mid Term Review of the Common Agricultural Policy consultation. The result of this is that EU subsidies will be area based and not related in any way to agricultural production. There will be a single payment of subsidy based on historical levels of EU subsidy payments. The payment will be directly related to the area farmed in each year. The full details of this new scheme have not yet been finalised but there will be environmental, conservation and animal welfare requirements to be adhered to. Land Management Contracts are proposed which although not detailed will provide the basis for good land management practices which will be directly related to subsidy payment. The outcome of this could (and is likely to be) a reduction in livestock numbers. This could have serious implications for the island. If agricultural activity is reduced then the infrastructure could be undermined. The new mart for instance would experience a considerably reduced throughput which could have an effect on viability.

However, the full details have not yet been released so it would be premature to speculate further. It is appropriate to highlight this move as probably the most significant factor affecting agriculture for many, many years.

8.4.4 Agri environment scheme involvement

The Environmentally Sensitive Area (ESA) Scheme for the Argyll Islands is the main agri-environment scheme in place. There is a Special Protection Area management scheme for the corncrake run by SNH. Similarly, the Corncrake initiative operated by the RSPB with financial support from SNH, provides funding mainly for those not involved in an ESA to carry out Corncrake management measures.

The ESA is a multi-habitat scheme with the management of wetlands, species rich pasture, machair and Corncrake management as the important habitats and species.

There are currently 66 individual ESA schemes with 10 on common grazings. Of this 4,753.37ha are actively managed. This equates to 54% of the total farmed area. The individual ESAs manage 63% of the area excluding common grazings.

The total income generated by the ESA is £214,320/annum. The vast majority of the schemes will be for a 15-year period. The ESA scheme will therefore have generated £3,214,800 over the period of the scheme. After the end of the first 10 years the schemes are converted to the all Scotland Rural Stewardship Scheme.

Maps of the areas participating in the Tiree ESA are shown in the Appendix 1.

8.5 Summary and SWOT analysis

Strengths	**Weaknesses**
• Integrity of livestock farming is being maintained • For the size of the island there is a high number of economically active units. • High involvement in Agri-environment schemes. • The management of the island in conjunction with the agri environment schemes is maintaining the high interest wildlife. • The rural resource centre and market	• Age structure of crofters • Too few young crofters gaining entry. • High freight costs. • Reduction in cropping and reseeding. • Lack of financial support to new entrants.
Opportunities	**Threats**
• To develop visitor interest in crofting/farming activities • To identify and establish a working croft 'museum' to preserve old techniques and skills which could be lost. • To capitalise on the CAP reforms by producing higher value stock. • Increased agri-environment support through enhanced management schemes.	• The impact of the recently agreed Common Agricultural Policy reform • The viability of the market.

Without question the main issue by far is the effect on the Tiree flock and herd following the outcome of the Mid Term Review. This will potentially have the most significant effect on the industry since livestock subsidies were introduced in 1964. No assessment of the effect can be made until the full details of the package are released. The 'General Agricultural and Environmental Conditions' consultation will report in late May. The publication of the full details of the scheme will follow.

The second point is the numbers of crofters continuing to retain crofts against a low number of youngsters entering the industry. For those entering there is not the same financial backing that was historically in place for the setting up of a business. This can be a disincentive given the high costs of stock purchase.

Although the Croft Entrant Scheme (CES) provided a financial incentive to inactive crofters to assign in favour of a new entrant to crofting, the uptake on Tiree was low. A review of the Scheme is currently underway and may result in added incentives to outgoing crofters which, in turn, could result in a higher level of crofts being released on Tiree.

Locally Identified Opportunities

- A comprehensive review of the general crofting activity and housing occupation could assist informed decision making and action.
- Consideration could be given to providing special funding for young crofters to start up.

9.0 RECENT & EXPECTED TRENDS IN ECONOMIC ACTIVITY – FISHING

9.1 Current position

Historically there were two boats fishing out of Tiree. One for scallops and the other for lobsters. With the easily accessed Spanish markets and the demand for crabs, fishing methods have changed to take advantage of this high return species. There are now six boats fishing fulltime with them all employing labour. In addition to this there are a number of fair weather fishermen. The main fishing enterprise is crab. Velvet and brown crabs are fished and exported off the island by a visiting buyer. There is also a local market for the produce. The gross value of the catch is estimated to be £750,000.

9.2 Infrastructure

Milton harbour is the commercial berthing and landing point. Boats may be moored in Balephetrish Bay depending on wind direction. The main disadvantage with Milton and all other harbours is they dry out at low water.

In recent years there has been significant investment in Milton. A £40,338 grant was awarded by Argyll and the Isles Enterprise to improve safety standards. Previous grants of £60,000 in the mid 80s financed the upgrading of the harbour to a commercial standard.

To maximise efficiency, consideration could be given to dredging of the harbour to allow access and egress at any tide. This would contribute to safety, as tenders have to be used to board deepwater berthed boats.

9.3 Future trends

The four species the Tiree boats have the capability of catching are velvet crabs, brown crabs, prawns and dog whelks. The latter whilst in abundance do not have a ready market and are therefore not an option at present.

The crabs have been heavily fished for a number of years and quality is falling. This means that boats have to go further afield to obtain a catch. Prawns are an option. If one or two boats switched to prawns this would alleviate pressure on the crabs allowing them to recover to the previous quality standard. It is estimated it would cost between £6,000 and £9,000 to gear up for prawns. All that would be required are prawn creels (which are small lobster creels) and ropes. As the market for prawns is as good as that for crabs this investment would be justified. The use of tubed boxes for the better quality prawns would improve returns.

The Passage of Tiree is a main scallop fishing ground for large dedicated scallop boats. These boats come from distant ports to fish. With their high-tech navigational aids they can come close to the edge of the scallop beds. It is on the muddy edges of these beds where the prawns lie. There are also areas within the scallop beds where there are prawns. These areas have never been fished for prawns.

The reasons for this are that the scallop dredgers use gear which would catch the prawn creel ropes thus dragging them into deep water where they would be cut free and therefore not be recoverable. The risk of losing prawn gear is so high as a result of the scallopers methods, that local fishermen view prawn fishing as not economically viable.

There will have to be some policy in place to ensure the future of the fishing industry on Tiree. Despite attempts to establish local regulated fishing zones requiring operating licences the situation remains unchanged. Six small boats against an industry nationally in turmoil have little chance of success. Nevertheless, the industry is a main contributor to the economy of Tiree and has to be protected.

9.4 Summary and SWOT analysis

Strengths	**Weaknesses**
• High value catches. • Easy and quick access to fishing grounds. • Alternative high value species available.	• Boats' design restricts fishing to shellfish. • Harbours dry out at low water. • Crab quality falling due to amount being caught. • No local inshore fishing control. • High insurance costs • Working boats cannot be used for passenger trips
Opportunities	**Threats**
• To diversify into prawns. • Further develop local market for brown crab and prawns to the increasing numbers of employees. • To establish an inshore licensed fishing ground.	• Large boats non-local boats prevent prawn fishing therefore there is no alternative to crab fishing.

The Tiree fishing sector is currently buoyant despite escalating costs, particularly in insurance. However, an intensive training programme in Health and Safety as well as other operational needs is ensuring that these costs are minimised while at the same time maintaining a safety conscious workforce in what is a very dangerous occupation.

This in combination with high prices for a valuable commodity will ensure the medium term future of the sector.

Nevertheless the quality of the catch is falling. The questions could be posed as to whether there are too many boats fishing falling stocks. In practical terms there are no non-fishing diversification options due to maritime regulations and boat design.

There is the option to realise the potential of prawn fishing, an equally high value species to crab. Boats can be re-equipped easily and at an acceptable cost. However, the invasion by non-Tiree scallop dredgers prevent this option being taken up. Damage and dragging of prawn equipment into deep water would be an unacceptable risk. If the prawn option was a possibility an inshore management plan could be implemented to manage the stocks to allow recovery by switching species according season.

Locally Identified Opportunities

- It would be an advantage to local fishermen to lobby to have an exclusion zone or regulated area around the island for the fishing of local boats only. This would allow diversification into other species, particularly prawns. The zone could be protected by a buffer zone which would prevent the encroachment of non-Tiree vessels. There could be an agreed management plan within the area in order to protect stocks and control of fishing.

- The Milton Harbour Association consider that the harbour should be upgraded to allow boat access at all tides. However, this would involve dredging.

10.0 THE RŌLE OF CROFTING IN THE FUTURE OF TIREE

As crofting is such a vital part of the Tiree economy and infrastructure it is considered important to have a section devoted to crofting. The structure of crofting, its legislation and procedures has resulted in a very complex system. From the information presented in this report it can be seen that there are 292 crofts, yet 203 agricultural returns were submitted in 2003. 82 crofters submit Integrated Administration and Control System (IACS) returns, indicating the number of crofters claiming agricultural livestock subsidies. These confusing statistics are themselves indicative of a complex system.

10.1 Crofting agriculture

Crofting generates some £1,650,000/annum in Tiree. This is a very substantial figure for such a small community. There are 59 full time and 110 part time men and women involved. Therefore 32% of the adult population are involved in crofting. Crofting has a great social influence on the island as well as the economic implications.

It is therefore desirable to maintain a sustainable and functional industry. The Mid Term Review of the CAP which will remove headage payments and relate future subsidies to the area in hand will have a significant effect on the island. Early indications are that subsidy will be continued to be paid regardless of stocking levels through the single payment system. As Tiree agriculture is arguably profitable without subsidy, this implies that serious crofters will continue to produce and market livestock. However, there are crofters who will continue to receive subsidy without necessarily farming themselves. This happens at present where crofters can receive a large ESA payment by allowing others to graze the ground. The new system could exacerbate this situation. The result could be that fewer aged crofters will assign crofts as the loss of income could be substantial.

As has been previously said much of this is speculation at this stage.

The possible outcome of this is that units could increase in size as existing crofters strive to cut costs by extending their landholdings. It is also likely that these extensions will be through subletting, official or otherwise.

As far as agriculture is concerned, it is likely to continue at a lower level of production but at a sustainable and economic level. An injection of young blood into redundant crofts would help maintain production levels.

There are youngsters coming into the industry but few are going to College to be trained. With the complexities of modern farming life it will be necessary to reach out to this group to provide training which complements their farming activities. This need not be certificate courses but seminars and croft visits so that they understand what they are doing and why they are carrying out certain practices. Distance learning could be involved. Whatever the situation these new entrants will have to be offered training so that they can cope with the rapidly changing world.

10.2 Crofting Grants

There are two crofting grant schemes viz. the Crofting Counties Agricultural Grant Scheme and the Crofters' Building Grants and Loan Scheme. The former provides grants for a range of agricultural based improvements. The latter is solely concerned with crofthouse repairs and new house building. Crofting capital grants are very important contributors to maintain the basic fabric of crofting such as fencing, shed building, draining. In an island, such as Tiree, these grants are critical. As an example, the freight cost for 1t of concrete blocks for building is the same cost as the blocks themselves. A 50% grant brings some building costs down to that of the mainland thereby cancelling any grant benefit.

The Crofting Counties Agricultural Grant Scheme is currently under review but will remain in place in one form or another. The detail of this is contained in the Scottish Executive Environment and Rural Affairs Department consultation documents.

The Crofters' Building Grants and Loan Scheme is used primarily for new house building. The scheme offers 50% grant up to a maximum of £11,500 and a loan up to £17,500 repayable over 40 years at a fixed rate of 7%. House improvements attract a 50% loan up to a maximum of £2,000 and a loan up to £10,500 repayable at 7% fixed interest rate but over 20 years. These loans are assignable to a succeeding tenant or survivor.

Only tenants of crofts are eligible for the Crofters' Building Grants and Loan Scheme. Where the croft has been purchased, the owner, or close family member may be eligible for CBGLS for up to seven years after the date of purchase. The cost of a new house on Tiree is approximately, £40,000 for site purchase, £10,000 for site servicing and £80,000 for labour and materials. If the croft is tenanted and serviced, this could represent a potential saving of £45,000 to the crofter.

By creating this situation the agricultural output of Tiree has a better chance of increasing than with the status quo, while at the same time providing reduced cost housing to those who require it.

10.3 Croft tenancies

On Tiree there are 292 crofts, yet 203 agricultural returns were submitted in 2003. 82 crofters submit Integrated Administration and Control System (IACS) returns, indicating the number of crofters claiming agricultural livestock subsidies. This latter figure therefore indicates the numbers actively involved in crofting. The numbers of actual crofters are derived from a different source. The definition of a crofter is he or she who is the tenant of a holding registered with the Crofters' Commission as a croft. The number of crofters on Tiree is therefore the number who pay rent to Argyll Estate. Information provided by the Estate shows that the number of crofters paying rent is 120. Of the 82 claiming subsidy most have multiple holdings. Many crofters have 3, 4 and 5 crofts in their own tenure. This has been of necessity to maintain margins as many crofters have substantial numbers of stock. Multiple croft holding is a necessity in the present day and should not be prevented. With 82 crofters claiming grant and 120 paying rent there would appear to be at least 38 crofts which are either unofficially sub let or are redundant.

It therefore follows that there is a large inactive population occupying crofts. This begs the question as to whether these crofts are being worked by this sector. If not then there is a potential source of crofts available for let or assignation. This could provide a potential source of housing sites via croft reletting.

It is possible that there is a lack of clear information available to older crofters on the options available to them. The provision of information may lead to a release of crofts. Local opinion suggests that many crofters do not realise the croft land and the croft house can be dealt with separately.

10.4 Summary

Even with the effect of the EU Mid Term Review crofting should remain vibrant although structured slightly differently. It is anticipated stock numbers will continue to fall but output with higher quality stock, should only fall slightly. This downturn could be diluted if more youngsters had the opportunity to croft on their own account. This includes those with skills who may wish to live on or return to Tiree where crofting is an attraction. However, the housing question is the main issue as is indicated with Argyll & Bute Council housing list.

Crofting can offer solutions but decisions have to be made locally as only locals can identify the real needs of their community.

There is feeling on the island that the Crofters' Commission could devolve its letting and assignation responsibilities locally. There is support for a local group to consider and make decisions on individual cases, and the Crofters' Commission would be invited onto the group to give guidance on matters of procedure and law. However, current legislation will not allow the Crofters Commission to devolve such powers at this time, but may be possible when the new Crofting Act is passed.

Locally Identified Opportunities

- A training programme for new entrants could be initiated.
- It is suggested that an in-depth analysis of the use of crofts by occupiers be carried out locally. This would assess the number of crofts being actively worked. A programme of information delivery on the options for inactive crofters to release crofts could be considered.
- A group could be set up to identify redundant crofts. This group, which would represent crofting and non-crofting groups, along with the Estate. The Estate could invite a local group to input into the directing and re-letting of crofts.

11.0 SOCIAL AND HUMAN CAPITAL

11.1 Educational Attainment

Table 24: Educational Attainment, 2001 (% of population aged 16-74)

	Tiree	Argyll Bute	& AIE	HIE -	Scotland
No qualification	36.8	30.08	33.60	32.89	33.23
Level 1	24.1	24.06	24.97	26.35	24.69
Level 2	14.5	17.09	15.15	15.21	15.65
Level 3	4.32	6.24	5.51	6.17	6.95
Level 4	20.3	22.52	20.77	19.38	19.47
Total population aged 16-74	532	66506	50584	315018	3731079

Source: GROS 2001 Census

Notes:

Level 1: 'O' Grade, Standard Grade, SVQ Level 1 or 2 or equivalent.

Level 2: Higher Grade, CSYS, ONC, OND, SVQ Level 3 or equivalent.

Level 3: HND, HNC, RSA Higher Diploma, SVQ Level 4 or 5 or equivalent.

Level 4: First Degree, Higher Degree, Professional qualifications.

The provision of a school system that enables all children and young people from all areas of Scotland to maximise their educational potential is a key priority for the Scottish Executive. The need to ensure appropriate learning opportunities is vital to the development of a skilled and flexible workforce, a reduction in the inequality of opportunity through an individual's lifetime and the enhancement of a person's ability to seize opportunities as they arise. Tiree Primary and Secondary School provide for children to the age of 18, and the Argyll College further education centre at Crossapol provides adult learning opportunities. However, as in many other remote communities in Scotland, there has been a continued trend for school leavers to pursue Level 3 and 4 further education and thereafter, employment, elsewhere, The Census 2001 reveals that the proportion of population in Tiree with no qualification is 3.57% higher than the national average, but on the other hand, those with Level 4 qualifications account for a higher percentage than the national average.

11.2 Gaelic Language

The level of Gaelic spoken in Tiree is significantly higher than many other parts of the Gaidhealtacht at 47.8% (368 people); the population has the highest concentration of Gaelic speakers in Scotland outwith the Western Isles. At both Scotland and the Tiree level, however, the proportion of persons who speak Gaelic was lower in 2001 than it was in 1991.

More revealing, is an examination of Gaelic spoken by age groups (see Figure 14). In 2001, Gaelic speakers (or people with other knowledge of Gaelic) aged between 3-25 as a proportion of all the population aged 3+ was 23%, which falls short of the desired levels for sustaining Gaelic speaking populations. Interestingly, the Census results for Argyll and Bute show a continued growth towards levels of Gaelic language viability since 1971 although the proportion of Gaelic speakers is significantly less.

The Tiree and Coll Gaelic Partnership are instrumental maintaining the culture both at language and heritage level. The Partnership provides Gaelic evening classes using 2 tutors.

An Iodhlann is a heritage museum which is collecting information on Tiree. The collection ranges from memorabilia to genealogical data. A £40,000 Nadair grant has allowed the employment of a Recorder who is putting all the information onto a database. In addition to this there is a part time archivist and two part time employees who are cataloguing the information particularly the tape recordings of the folklore of the island.

Feis Thiriodh is contributing greatly to nurturing the traditional music, dance and drama talent on the island. In addition to the week long Gaelic Feis in the summer there are on going activities throughout the winter such as the Music Club. The club provides tutoring in guitar, piping, flute, keyboard/piano, fiddle and accordion. The Feis also manages the Charles MacLean Trust which provides financial aid for talented youngsters to extend their abilities.

The priority for the Feis is the teaching of Gaelic song which has been a weak link in their programme. Their aim is to have a Tutor in Residence to teach Gaelic song and drama.

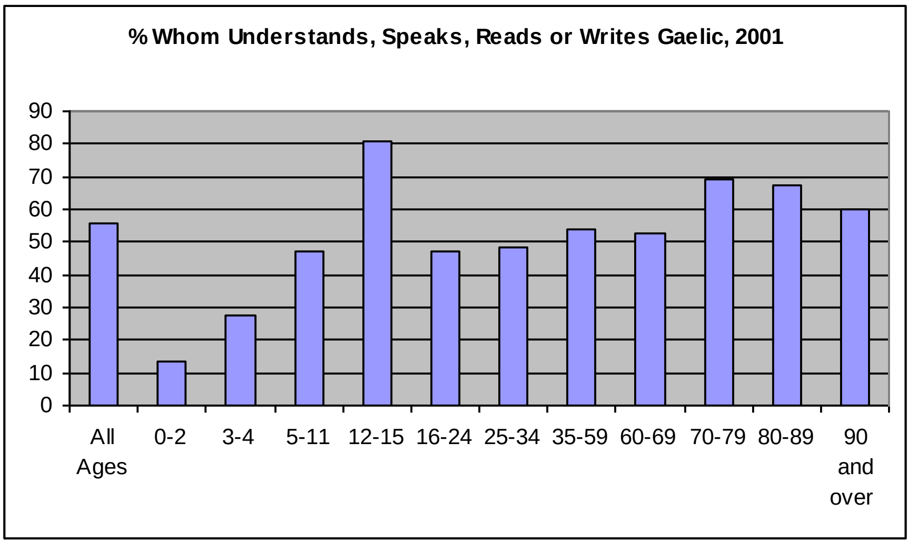
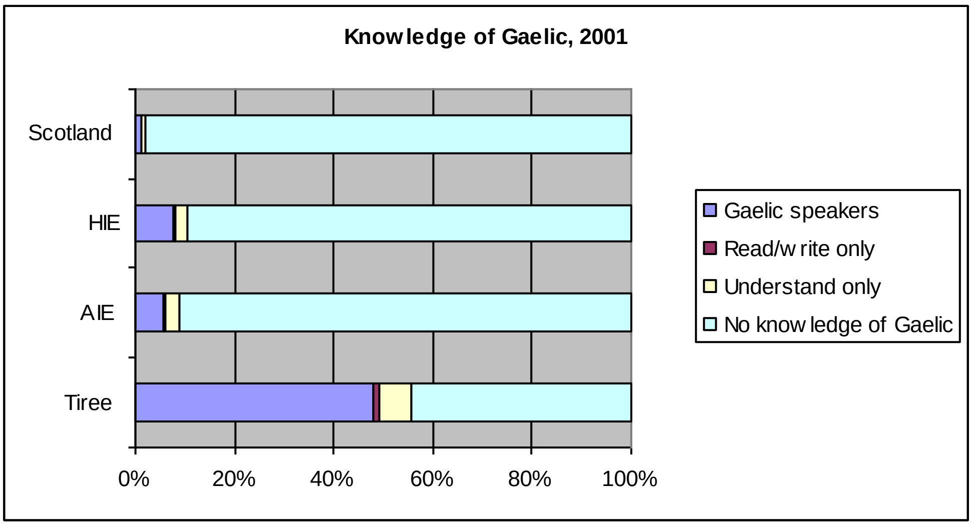


Figure 14: % Whom Understand, Speak, Read or Write Gaelic, 2001

Figure 15: Knowledge of Gaelic, 2001



11.3 Clubs, Sport and Entertainment

All clubs and groups on the island were contacted to ascertain their role in the community. This involved collecting data on the membership, activity and the sectors of the community they catered for. 14 clubs did not respond. Details of the island groups and clubs are in the appendix.

An Talla, the new island hall, will re-establish a major part of the Tiree social scene. Since the demise of the old hall some years ago there have been limited numbers of ceilidhs and dances. This has been a great miss and the committee is confident that when the hall is opened on 1st July 2004 that it will add to the confidence that the island has been recently experiencing. A major contributor to this has been the new mart and Rural Resource Centre. The establishment of this building in July 2003 was the culmination of many years work to cement the future of crofting on the island.

As well as formal bodies such as the Scottish National Farmers' Union, Scottish Crofters' Foundation, Community Council etc. the residents of Tiree have around 30 clubs or groups providing a wide variety of pastime and leisure activities.

Sports facilities are provided at the school which has Community status. As well as indoor court games there is an all weather, floodlit sports field. Outside sports activities are provided by the Windsurfing club, the Regatta, the Golf club and the Angling club.

The Youth Club and youth café attract a membership of 66. This is a very high proportion of the youth population.

Many of these clubs and groups have received substantial funding for their development.

- The Loch Bhasapol Project is an initiative which enhances this important environmental landmark by encouraging responsible use by fishermen, windsurfers and yachters. There is an environmental enhancement programme ongoing with 8 volunteers and a part time project officer. Some £57,000 has been obtained from various sources to support this project.
- Greylag Goose Committee established to manage the large numbers of indigenous geese employs 1 part-time person and 2 occasional persons. Funding of £18,000 is in place.
- An Talla, due to be completed in July 2004 attracted £650,000 for capital works. Fund raising is ongoing to furnish the hall.

Other clubs range from the Gardening club, the Elderly Forum, various art groups, the Christmas Parties Committee to Cardean which is the 'Friends of the Thatched Houses'.

11.4 Summary

As with any community success of community life rests with volunteers. The input by volunteers is very high and is achieving results as can be seen in the list in the appendix. The time spent on attracting funds is time consuming and is left to volunteers. There is a possibility that the wheel is being reinvented many times over. Investment of time, both paid and voluntary and the attraction of funding are paying dividends particularly with the language/heritage/music side. This is a particularly strong sector. It is probably a sector that is if greatest interest to the visitor. An Iodhlann having attracted 1100 paying visitors is an achievement considering the restricted facilities available.

Locally Identified Opportunities

- It is suggested that there are opportunities to further develop the culture and heritage side for the benefit of all, e.g. additional display space for An Iodhlann archives would provide a wealth of information about the island.
- It could be possible to develop this commercially by selling information such as CD ROMs with extracts of the database.
- Additional music input in the form of Gaelic song could be developed.

12.0 RENEWABLES

The Island of Tiree has the greatest continuous wind resource of any of the Argyll Islands, however, to date, only a single small proven generator is in situ, serving a single dwelling.

Tiree has no indigenous peat supplies and no afforested areas, and is dependent on imports of fuel oil, electricity, bottled Liquefied Petroleum Gas, peat briquettes, motor spirit and kerosene. An extended undersea cable from the mainland, via Coll, supplies electricity to the Island, although in times of cable failure or under capacity in the link, electricity is generated on the Island at Scottish and Southern Energy's small oil-fired station at Crossapol.

Argyll, Lomond and the Islands Energy Agency Limited (ALIEnergy) recently commissioned a study into wind-powered electricity generation on the Island with a view to stimulating the indigenous interest in the exploitation of wind and the actual capacity for wind developments on Tiree. This study will consider the likely scales, costs and any restrictions, providing authoritatively produced information for the first time. The findings of this study will be made available to all.

13.0 CONCLUSIONS

This assessment has highlighted the many strengths of the Isle of Tiree. The high quality natural resources in biodiversity terms attract many visitors to the island. They are also important in commercial terms in that both the agriculture and fishing industries rely on them. That these resources have survived is testament to the agricultural and fishing practices in place. Tourism has developed in recent times particularly with interest in windsurfing. Alongside this is the developing public interest in the countryside and their appreciation of it. It is this sector of the public who find Tiree as a destination most rewarding. There is the peace and solitude if desired of the many beaches and remote locations. The quality of life is high with the many active clubs and organisations. The heritage value is being realised both historically, in language and in music.

The assessment has also identified the fragility of the island. There is an ageing population. The 20 – 44 age group is lower that the rest of the HIE area and even lower when compared with the National average. There is a shortage of skills. Many factors combine to identify a shortage of housing as a key factor preventing the development of the island. The high Argyll & Bute Council housing waiting list compared with the available properties and the high value of housing prevents many locals accessing the housing market. The effect of the EU subsidies review could have a deleterious effect on crofting. The new payment regime could further encourage inactive crofters to remain on the croft so as to be eligible for these payments. The quality of the crab catch is also an area for concern.

Yet there is cause for optimism as many of the deficiencies have solutions. Although many of the solutions are not easy to implement they do exist.

The statistics suggest that there is a high occupancy of crofts by inactive crofters. There are also indications of redundant crofts. If crofts were released to young incomers or locals to provide housing, this in itself would boost the economy. The Crofters' Building Grants and Loan Scheme offers substantial support for croft house building. The further letting of crofts would also boost the crofting sector. There is a strong support for devolving some of the Crofters' Commission responsibilities for sub-letting and assignation to the local community. It is felt that decisions would be made that would have maximum impact on the community, however, the Crofters Commission does not have the powers to devolve this decision making process at present.

Many of the tourist sectors activities are disjointed. 'Marketing Tiree' is setting the pace and would appear to be doing a good job. Like many initiatives, it relies on a voluntary input. All good initiatives should have financial backing so that they are sustainable. The establishment of an 'Island Manager' post could co-ordinate many of the island activities and perhaps relieve areas particularly reliant on a voluntary input. Suggestions are made for raising income but premises on the pier would be a significant development for locals and visitors alike.

Fishing has to be protected against the ravages of the large scallop boats. To have a sustainable fishing sector then fisheries management is important. Seasonal species controls can encourage stocks over a very short period of time.

The Development Plan will be a significant step forward as it will capitalise on the new found confidence arising from the new mart and resource centre as well as the new hall.

APPENDIX 1

Biodiversity designation and ESA scheme maps of Tiree

Sources: SAC, Oban and RSPB corncrake locations.

APPENDIX 2

Interviewees

Contact	**Organisation**
Andrew Montgomery	Argyll Estates
Ross Lilley	Scottish Natural Heritage
John Holliday	Tiree and Coll Gaelic Partnership
Flora MacPhail	Feis Thiriodh
Myra Brown	Milton Harbour Association
Iain MacDonald	Fisherman
Kevin Brown	Fisherman
Fiona MacKinnon	Tiree Forum on Disability Tiree and Coll Information Services Tiree Heritage Society
Archie John MacLean	Crofter/Farmer
Susan Lamont	National Farmers Union
Mary MacKinnon	Scottish Crofters Foundation
Ian Gillies	Argyll and Bute Council, Councillor
Catriona MacLellan	Tiree Community Business / AIE Working Group
Ewan MacKinnon	Tiree Rural Development Ltd. Crofting
Colin Woodcock	Tourism Marketing Tiree
Mark Jennison	Tiree Development Partnership
Audrey Carter	Pensioner
Mabel MacArthur	Chairperson, Community Council Guest House Owner

APPENDIX 3

Requests for information – agencies and businesses

Argyll and Bute Council – Housing

Argyll and Bute Council – Information Technology

Argyll and Islands Enterprise

Tiree Medical Centre

Highlands and Islands Airports Ltd.

Argyll, the Isles, Loch Lomond, Stirling and the Trossachs Tourist Board

Caledonian MacBrayne

Hydro Electric

Scottish Water

Royal Bank of Scotland

Tiree Development Partnership

S.N.H.

The Glassary

Scarinish Hotel

Kirkapol Guest House

Tiree Lodge Hotel

APPENDIX 4

Requests for information – Tiree organisations

Organisation	No. of Members	Level of Subscription	Age groups	Paid helpers	Voluntary Helpers	Financial support/ Supporting organisation
Tiree Association	No reply					
Tiree Art Enterprises	10	None	15 upwards	None	Committee members + others	Commission at annual exhibition + bidding to Arts Council, Argyll & Bute Council, etc.
Womens Guild	No reply					
W.R.I.	No reply					
The Craft Group	No reply					
Cardean (Friends of the Thatched Houses)	10	None	All ages	None	None	First round Tiree Seedcorn Fund
The School Board	No reply					
Gaelic School Board	No reply					
Tiree Agricultural Society	No reply					
Tiree Christmas Parties Committee	N/a	N/a	All age groups	None	6	Local fund raising
Tiree Regatta Club	10 + 5/6 occasional members	£5 per year	All ages	None	All committee, regularly 3-4 members	£2200 Seedcorn Fund £240 members
Tiree Windsurfing Club	No reply					
Elderly Forum	14	None	55 and over	None	3	Argyll & Bute – Help the Aged
Tiree Dance and Drama Club	No reply					

Tiree Football Club	No reply					
Gardening Club	No reply					
The Youth Club	Youth Café – 20 Senior Youth Club – 18 Junior Youth Club – 28	Youth Club – weekly £1.00	Junior : 8-11 Senior : 12-14 Youth Café : 14-21	None	All voluntary – 3 regular plus rota for parents	
Tiree Badminton Club	No reply					
Tiree Volleyball Club	18	£2/session	14 upwards	None	1 voluntary helper	Small grant for equipment
Vaul Golf Club	No reply					
Tiree Angling Club	No reply					
Loch Bhasapol Project	Not known	None	All ages	1 part-time	8	£24,915 – Heritage Lottery Fund (Nadair) £14,934 – SNH £5,000 – A.I.E. £12,600 – Voluntary
Parents and Toddlers Group	No reply					
Port mor Association	10-11	£25	All	None	3	None
Tiree & Coll Gaelic Partnership	140	£5 per year	All ages	6 part-time	3	£5,000 Nadair Museum charge £300 – 1100 visitors/annum
Community Council	5 + paid secretary	None	All ages	1	3	£150/annum Argyll & Bute, Beach cleaning, etc.
Greylag Goose Committee	Open to all crofters	None	All adults	1 part-time	2 on occasional basis	£15,000 – Goose Control person £3,000 – A.I.E.

APPENDIX 4 (Cont'd.)

An Talla	12 Committee & one secretary	None	All ages	1 part-time	15	£308,295 – AIE £295,605 – ERDF £43.00 – Argyll & Bute
Tiree Disability Forum	6	None	All ages	None	1	Comic Relief - £10,000
Milton Harbour	6 Boats	None	Fishermen	None	1	AIE - £40,338 HIDB - £60,000 – (1983)
Tiree Rural Development	102 + 5 associate members	£100 (full) £10 (associate) per annum	All	2 full, 1 part-time	9 directors 6 on sub-groups	Argyll & Bute Council - £50,000 AIE - £230,507 SNH - £10,000 Scottish Land Fund - £50,000 SEERAD - £70,429 Carnegie Trust - £10,000 Esmee Fairbairn - £50,000 Tiree Community - £47,000 Interpretation Project: Leader+ - £22,500 SNH - £10,000 Private Tiree Community - £17,000 (inc CCDS £7,000) Project Development: SNH, AIE and Argyll & Bute Council Over 6-7 years - £40,000
Tiree Development Partnership	Open to all	None	All	1 full, 1 part-time	Committee + Chairperson	SNH - £10,000 Crofters - £8,000 Argyll & Bute Council - £5,000 AIE - £13,000

APPENDIX 4 (Cont'd)

Tiree Community Business Ltd.	218	On island Residents - £5/annum Off island - £10/annum	Mainly over 21	3 part-time	Approx. 8	AIE, Argyll & Bute Council, Tiree Community Business Ltd.
N.F.U.	29	£46 + VAT	All	None	None	
Tiree Music Club	50	£1/session	8 – 18 years	None	9 voluntary tutors	Small occasional grants
Tiree Citizens Advice Bureau	Not applicable	Not applicable	All ages	1	None	Lochaber Citizens Advice Bureau

APPENDIX 5

Argyll and the Isles Enterprise capital grant profile

The following are the funds approved on TIREE & COLL during the financial year 2002-03. Approval simply means that AIE funds have been made available, but does not guarantee that the project or activity will go ahead. The funds will not be released until the applicant produces evidence that the project has gone ahead.

GROWING BUSINESSES

CAPITAL INVESTMENT PROGRAMME is the financial assistance provided, normally by way of grant, to stimulate new business projects or expansions. Five businesses which expect to invest a total of £172,305 from their own resources in setting up or expanding their operation had assistance totalling £126,100 with the prospect of 8.75 jobs created or retained. The jobs created or retained figure is forecast, agreed between AIE and the business concerned, of jobs created or retained as a result of the AIE investment.

Business development	Total cost	**Assistance approved**	
Roy Barrie, **Isle of Coll Sea Charters** Purchase of charter vessel (Ref 1169/3 7)	£41,000	£2,900 European £2,300	
Bernard D Smith & Son, Tiree Erection of workshop/store/office (Ref 1505/1 9)	£40,105	£14,000	
I & F MacLeod, Tiree Establish fast food facility (Ref 1508/01 10)	£5,500	£1,900	
Tiree Glassary Ltd (Ref 1134/2 11) Upgrading guesthouse and catering facilities	£50,000	£18,000 European	£7,000
Millhouse Activity Centre, Tiree Conversion of derelict buildings to bunkhouse (1499/2 12	£156,000	£55,400 European £22,600	
Bernard D Smith & Son, Tiree Purchase impacting equipment (Ref 1505/02 12)	£5,800	£2,000	

HIE STARTS – Programme of assistance to eligible individuals starting a new business. Support is provided in a number of ways including business advice, business planning, business start-up workshops and financial support. This year six individuals have been awarded fortnightly allowances amounting to a maximum of £3,000 paid over an average period of 48 weeks. Funding is also available to assist with fixed capital expenditure associated with business start-up, up to a maximum of £500. 60% of funding comes from the AIE budget and 40% from the European Regional Development Fund. Approval of assistance has been given but the business may not yet be in a position to start trading.

Applicant	Business	Total Allowance	Capital Grant
Karlijn Bakker, Isle of Coll	Coll Glass Works, glass cutting	£3,000	£500
Judith Boyd, Isle of Tiree	Millhouse Activity Centre, bunkhouse/hostel	£3,000	-
Iain MacKinnon, Tiree	Island Tours, educational/ recreational tours	£3,000	£500
Angus MacPhail, Tiree	Skipinnish Records, record retail	£1,500	£250
Andrew Stevenson, Tiree	Skipinnish Records	£1,500	-
Peter Isaacson, Coll	Deer stalking/handyman	£3,000	£500

ENVIRONMENTAL RENEWAL – funding to projects which repair or renew the physical environment.

Project	Total cost	Assistance approved
Argyll & the Islands Enterprise (Ref 27819 9) Safety improvements to Milton Harbour, Tiree	**£45,338**	**£45,338**

STRENGTHENING COMMUNITIES

COMMUNITY DEVELOPMENT – assistance to community based projects to develop community strengths, leadership and confidence, enhance the quality of the environment and culture, and promote investment in community services and assets.

Project	Total cost	Assistance approved
Tiree Community Business		
- Assistance with development of Tiree Community Business (Ref 26066 4)	**£35,428**	**£6,638**
- Development support to consolidate operations (Ref 28171 10)	**£109,577**	**£30,000**
- Lease of Unit 3, Crossapol (Ref 29671 03)	**£3,818**	**£3,818**
An Talla, Isle of Tiree		
- Community hall development strategy to identify and develop potential usage and income generating activities to ensure long term sustainability (Ref 26643 5)	**£12,000**	**£2,500**
- Assist provision of Tiree Village Hall (Ref 28889 03)	**£676,900**	**£308,295**
Argyll & the Islands Enterprise		
- Investigate cost and design fees for Tiree Auction mart. (Ref 27090 6)	**£10,000**	**£10,000**
- Support costs for Tiree Mart development (Ref 28475 11)	**£13,650**	**£13,650**
- 3 year partnership post to progress development on Tiree (Ref 28311 12)	**£135,000**	**£69,000**
Tiree Rural Development		
- Assistance with de-registration of existing agricultural co-operative and establishing community company (Ref 25969 4)	£1,695	£1,695

- Short term administration support re proposed Tiree Mart development (Ref 27337 7)	**£8,660**	**£4,330**
- Assistance to maintain administrative support to complete funding package to establish Livestock Auction Market on Tiree (Ref 28608 12)	**£6,520**	**£3,260**
- Provision of livestock auction mart facility (Ref 28732 01)	**£531,765**	**£230,507**
Argyll and Bute Council		
- Upgrade of Tiree playing field (Ref 28841 01)	**£21,654**	**£21,654**
Hebridean Trust, Tiree		
- Improvements to Hynish Shorestation (Ref 28777 01)	**£100,972**	**£37,599**

SKILLS & SECTORAL DEVELOPMENT

BUSINESS TRAINING GRANTS (IiP) - discretionary assistance towards training and development, linked to their business objectives, for businesses who are actively working towards achievement of Investors in People, or who have achieved Recognition as an Investor in People.

Project	Total cost	Assistance approved
Project Trust, Isle of Coll	**£6,425**	**£2,570**
MacLennan Motors, Isle of Tiree	**£6,189**	**£2,476**

SMALL COMPANY TRAINING GRANT **-** assistance for companies with three or less employees towards costs of skills development programmes and training courses to enhance the skill levels of their staff.

Project	Total cost	Assistance approved
Myra Brown, Tiree – refresher course in hairdressing	£2,077	£519

SKILLSEEKERS - School Leavers are issued with Skillseekers bond which they may use to pay for training leading to a recognised vocational qualification (VQs) either within employment or with a training provider.

Level	**Applicant**	**Qualification**
Level 2	Iain McInnes, Tiree	Livestock production
Level 3	Ross MacDonald, Tiree	Mechanical and electronic systems
Level 3 MA	Iain Alastair MacInnes, Tiree	Mixed farming

SECTORAL DEVELOPMENT **– assistance for projects, principally in the Tourism, e-Business and Food & Drink sectors.**

Project	Total cost	Assistance approved	
Tiree Windsurfing Club	**£72,646**	**£8,415**	
Support for Tiree Wave Classic 2002 (Ref 28048 10)		**European**	**£6,885**

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APPENDIX 6

Explanation of acronyms

AIE - Argyll and the Islands Enterprise

BSPS - Beef Special Premium Scheme

CAB - Citizens Advice Bureau

CAP - Common Agricultural Policy

ESA - Environmentally Sensitive Area

EU - European Union

GROS - General Registrars Office for Scotland

GVA - Gross Value Added

HIAL - Highlands and Islands Airports Limited

HIE - Highlands and Islands Enterprise

HLCA - Hill Livestock Compensatory Allowance

IACS - The Integrated Administration and Control System

IBJSA - Income Based Job Seekers Allowance

IS - Income Support

LFA - Less Favoured Area

LFASS - Less Favoured Area Support Scheme

LTLI - Long Term Limiting Illness

ONS - Office for National Statistics

RSPS - Rural Scotland Price Survey

RSPB - Royal Society for the Protection of Birds

SAC - Scottish Agricultural College

SAPS - Sheep Annual Premium Scheme

SCPS - Suckler Cow Premium Scheme

SEERAD - Scottish Executive Environmental, Rural Affairs Department

SNH - Scottish Natural Heritage

SSSI - Sites of Special Scientific Interest

SWOT - Strengths, Weaknesses, Opportunities and Threats

VQs - Vocational Qualifications

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