

COMMUNITY OWNERSHIP OF BAYS OF HARRIS ESTATE: FREQUENTLY ASKED QUESTIONS

1. What is the purpose of the ballot?

The purpose of the ballot is to establish whether the community in the Bays of Harris Estate is supportive of a community buyout of the Estate through a negotiated purchase from the current owners. The result of the ballot will establish whether a legally constituted Bays of Harris Community Trust (*see question 3*) has a mandate from the community to enter negotiations to purchase the Estate from the current owners.

2. Who is organising the ballot and what is its legal status?

The ballot is being organised and managed by Comhairle nan Eilean Siar on behalf of the Bays of Harris Steering Group. The ballot has no formal legal status and is therefore advisory in nature.

3. Would individual members of the community be legally liable for any costs relating to the Estate under community ownership?

No. A legally constituted Bays of Harris Community Trust would be created with the purpose of owning and managing the Estate on behalf of the community. The Trust would be governed by an elected Board of Directors representing the different geographical areas and crofting interests of the Estate. The Board would be accountable to the community in its governance of the Community Trust's management of the Estate in the interests of the community as a whole.

4. How much would a community buyout of the Estate cost and how would it be paid for?

The purchase price of the Estate would have to be agreed with the current owners if the ballot result shows that the community is supportive of pursuing a buyout on a negotiated basis (*see question 9*). In that event, the main source of funding for a community buyout of the Estate is likely to be the Scottish Land Fund which can provide grants of up to £1,000,000 to communities wishing to buy land or other assets. In addition to securing grant awards from the Scottish Land Fund, other community land buyouts in the Outer Hebrides and elsewhere in Scotland have been funded from a range of sources including crowdfunding, public, private and third sector investment, and loan financing. It is likely that, in addition to a grant from the Scottish Land Fund, financing from one or more of these sources would be required to purchase the Estate.

5. What about the ongoing costs of managing the Estate under community ownership?

The Business Plan prepared as part of the Feasibility Study into community ownership of the Estate shows that it is profitable, with an annual income of £84,283 in 2021. The Business Plan also shows that the running costs of managing the Estate can be absorbed while still enabling sufficient income to be used for affordable housing provision, creating employment opportunities, supporting crofting, and delivering other community initiatives.

6. Would community ownership of the Bays of Harris Estate change the legal rights of tenant crofters on the Estate?

No. Crofters' rights are protected in existing crofting legislation. A change of ownership of the Estate from the existing private owners to a Bays of Harris Community Trust would therefore not change the legal rights of tenant crofters on the Estate.

7. Would croft rents need to be increased under community ownership of the Bays of Harris Estate?

No. The high level of annual income generated by the Estate means that there is no financial reason to increase croft rents.

8. Could the communities in Berneray and/or Northton subsequently separate from a community-owned Bays of Harris Estate if they so wished?

Yes. The communities in Berneray and/or Northton could separate from a community-owned Bays of Harris Estate at some future point, should either wish to do so.

9. What will happen after the ballot result is announced?

If the ballot result does not provide a mandate from the community to enter negotiations with the current owners to secure a buyout of the Estate, such negotiations will not be pursued. If it does provide a mandate, a legally constituted Bays of Harris Community Trust will be created to:

- a. Conduct negotiations and secure agreement with the current owners to purchase the Estate;
- b. Apply for funding from the Scottish Land Fund and other sources as appropriate to purchase the Estate;
- c. Complete the purchase of the Estate and own and manage it on behalf of the community.

10. How can I access the Feasibility Study Report and Business Plan?

You can access them electronically by using your phone to scan the relevant QR Codes below.



You can also access them via the following links:

Feasibility Study Report

<https://www.communitylandscotland.org.uk/wp-content/uploads/2022/07/BoH.Feasibility-Study.Final-Report.13072022.pdf>

Business Plan

https://www.communitylandscotland.org.uk/wp-content/uploads/2022/07/BoH.Business-Plan.final_.260722.pdf