SWMID

South West Mull and Iona Development

SUSTAINABLE TOURISM IN THE COMMUNITY

MARCH 2021

South West Mull and Iona Development is a Company Limited by Guarantee

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Section 1 - Why Tourism and Why Now?

1.1 Introduction

Tourism plays a huge role in the economy of the islands, providing a range of opportunities for businesses and charitable providers to generate an income and employ and train people across a range of sectors including maritime and hospitality. However, large numbers of tourists can overwhelm and communities across the west coast of Scotland, from Skye to Arran, have increasingly been raising issues of capacity – transport, environment and facilities are all under pressure impacting on the quality of life for residents and changing the very essence of the islands that draws people to them.

The first national Covid-19 lockdown in 2020 meant that tourism in Scotland was, for the most part, delayed until the 15th of July, although some self-catering could open two weeks earlier than that. In SW Mull and on Iona, some businesses remained closed – HES at Iona Abbey, Iona Heritage Centre Café, The Keel Row in Fionnphort, the Ninth Wave and accommodation providers such as Seaview Guesthouse, Staffa House Bed and Breakfast and the campsites at Fidden and Uisken. For those that opened, the challenges of cleaning, providing meals, sourcing stock and supplies and then managing the administration of levels and tiers for UK visitors as rules and regulations across the UK changed, meant that many worked many more hours for far less.

Challenging as this was, the pause in business as usual provided an opportunity for the local community to see how the islands could look with fewer visitors. This was reflected in tourist destinations worldwide. What should the relationship between tourism and the community be in the future? SWMID have secured funding from NatureScot to research the community view of tourism and consider the opportunities and tensions which tourism bring to areas where resources are constrained by location. This report reviews that research and makes recommendations and suggestions about ways forward.

1.2 What do we mean?

Tourists is used to describe those who are visiting the area for leisure purposes and who have no further connection to the area.

Visitors is used more broadly to describe anyone who is coming to the area for family/friendship visits or for business purposes.

Service providers is used to describe any organisation involved in providing a service, facility or function that supports tourism across the area. This includes businesses, public sector organisations and charities who provide services to generate an income. For example, local public toilets and car-parks are owned by Argyll and Bute Council and the island of Staffa is managed by the National Trust for Scotland.

Rough Camping is used to describe camping that is not in a managed campsite. This includes motorhomes, campervans and other vehicles used as temporary accommodation and which are specifically excluded from "wild camping"[1] which by definition must be done on foot and for short periods of time.

[1] https://www.outdooraccess-scotland.scot/practical-guide-all/camping

Section 2: Research and Analysis

The primary research which underpins this report, is a survey of local residents which took place at the end of February 2021 and a follow-up series of targeted telephone interviews with local service providers to provide additional depth and context. Due to lockdown rules, there were no workshops or focus groups, although an Advisory Group was established and met online 3 times to consider and help steer the study as it developed.

The purpose of this study is to explore and understand the relationship between tourism and the local community. The survey, which was open to all permanent residents of SW Mull and Iona, received 92 responses and 9 additional telephone interviews were undertaken. This is against a population of 723.

Using Excel spreadsheets, the survey comments were analysed and allocated according to common themes. For example, a comment could be “we need less tourists to reduce the impact on the environment. But there are still too few places to eat and visitors need to come better prepared for the area”. A comment like this would be allocated to three columns – firstly “managing tourism”, secondly “improve facilities” and finally “visitor education”. The numbers allocated to each column were then totalled up to give overall scores and the areas of common concern and priorities could then be identified. This was used to provide the methodology for developing this report and its subsequent recommendations.

2.1 Area and Income

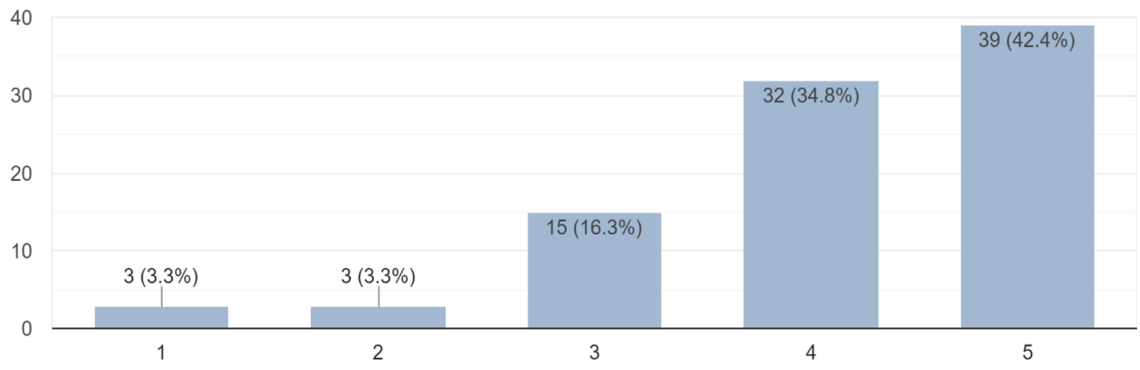
For the survey, there was a good spread of responses from across the local area. 16 responses (17.4%) were received from Iona with 76 received from the South West of Mull. Of those who responded, 22 were fully reliant on tourism for their income, 27 had no links to tourism at all and 43 residents, nearly 50% of those who responded, supplemented their income from tourism. This means that overall 71% of respondents’ incomes were considered by them to be linked to tourism.

2.2 Accessibility and Availability

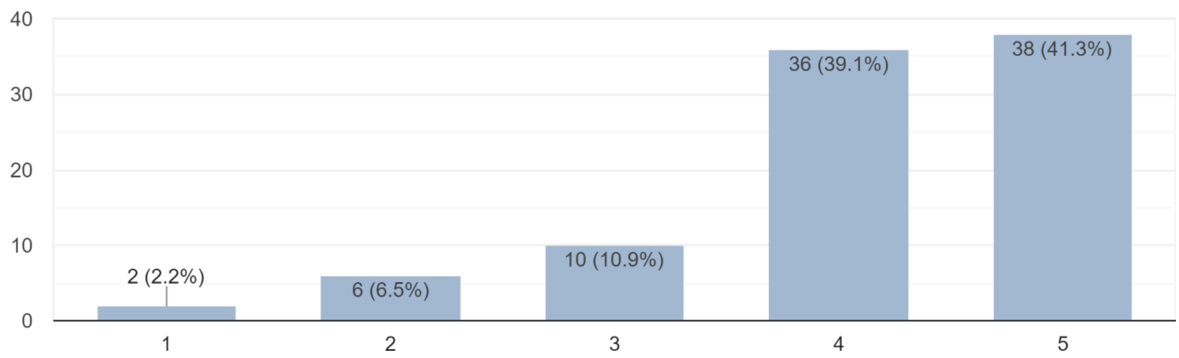
The results show that more than 90% of respondents agree that tourism is positive for the local economy. There was also 90% support for the question about having good local facilities and those being accessible all year round and again, over 90% supported improvements to local infrastructure.

However, the responses to question 3d – should we build a visitor economy for the winter months could be considered as more neutral – 25% of people disagreed or disagreed strongly, 36% of people sat in the middle leaving 40% of people who agree/strongly agree with building a visitor economy for the winter months.

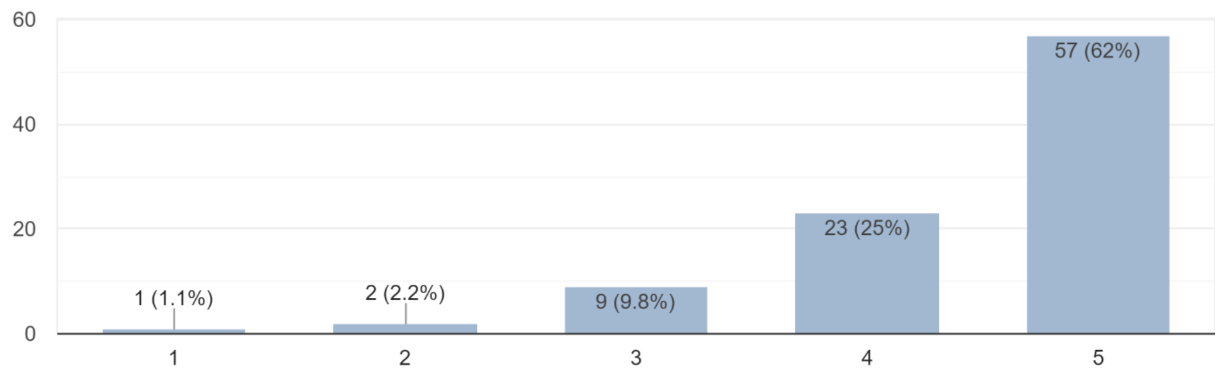
3 a. As a local resident do you think tourism contributes positively to the local economy?
92 responses



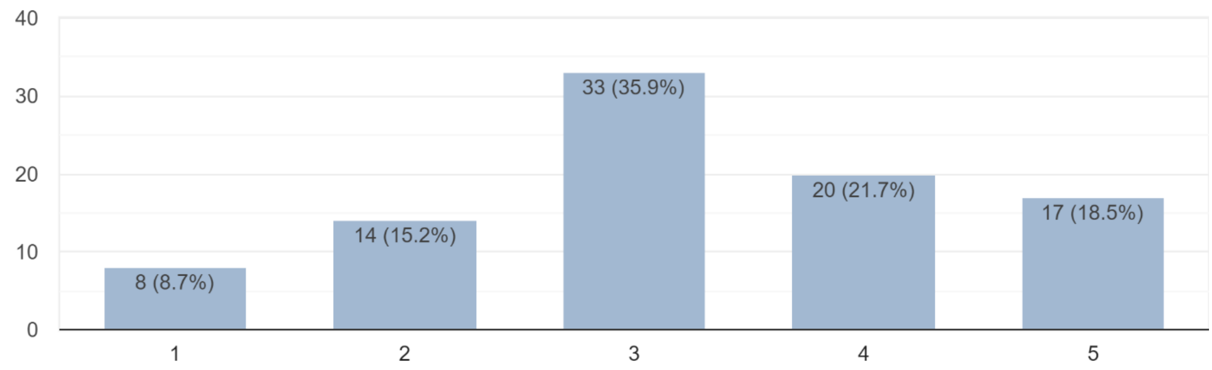
3 b. As a local resident do you think we need good local facilities that are open all year round?
92 responses



3 c. As a local resident do you think that improved infrastructure benefits both the community and visitors?
92 responses

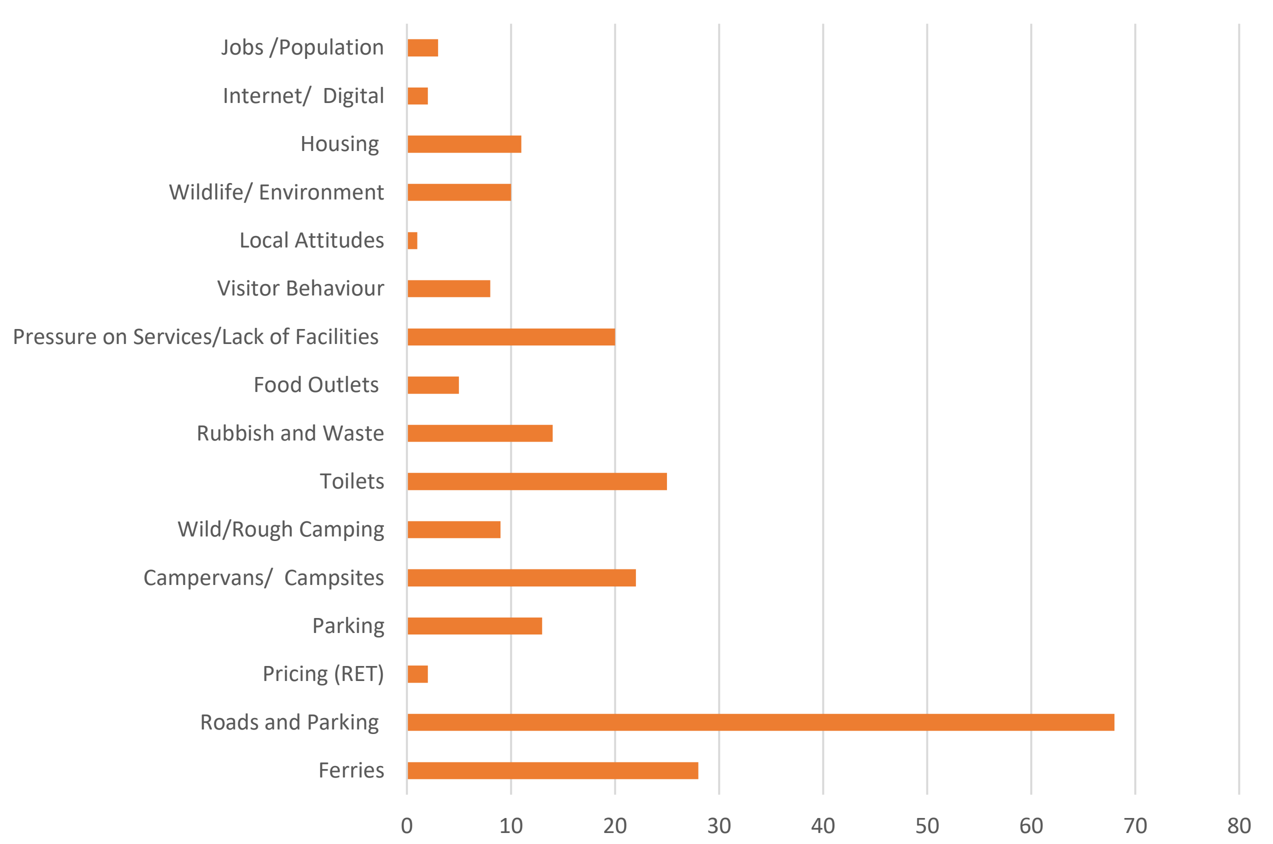


3 d. As a local resident do you think we should build a visitor economy for the winter months?
92 responses



2.3 Pressure Points

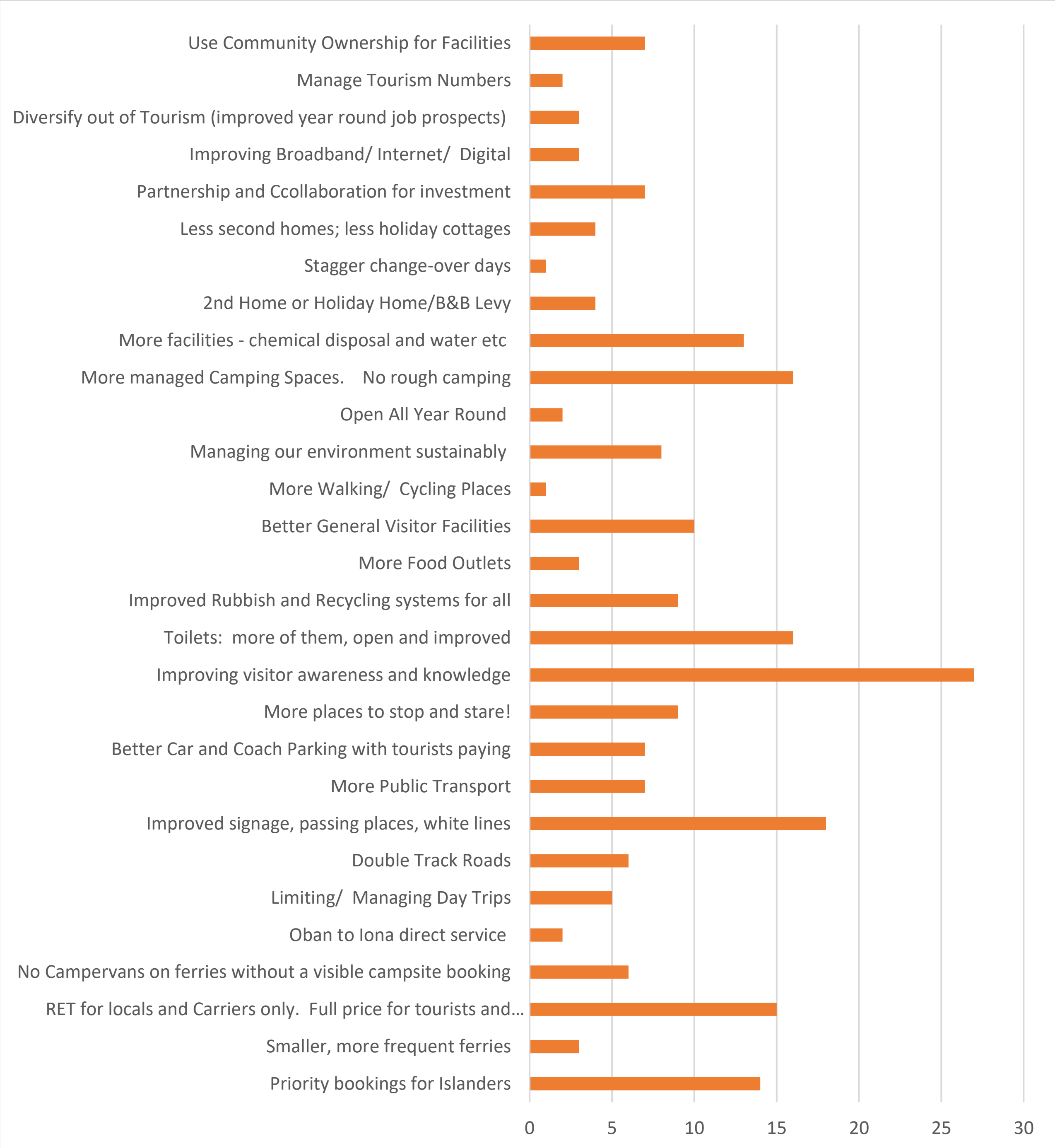
Question 4 was in two parts – what were the pressure points and how could these be alleviated. These were asked as open questions to encourage full responses. Residents' statements were collated and an overview of the main issues were given as follows.



The significant area of concern was the roads, closely followed by ferries, toilets, pressure on services (such as waste and recycling services) and campsites and campervans.

2.4 Alleviating Pressure Points

The second part of this question asked residents how they would address these issues and a range of more detailed suggestions were received. There was a clear desire to see improvements to facilities and infrastructure which, in line with the responses to Question 3b, could be accessed all year by local people. Improvements to roads, provision of toilets and improvements to waste management services will significantly improve residents' quality of life as well as alleviating summer pressures.

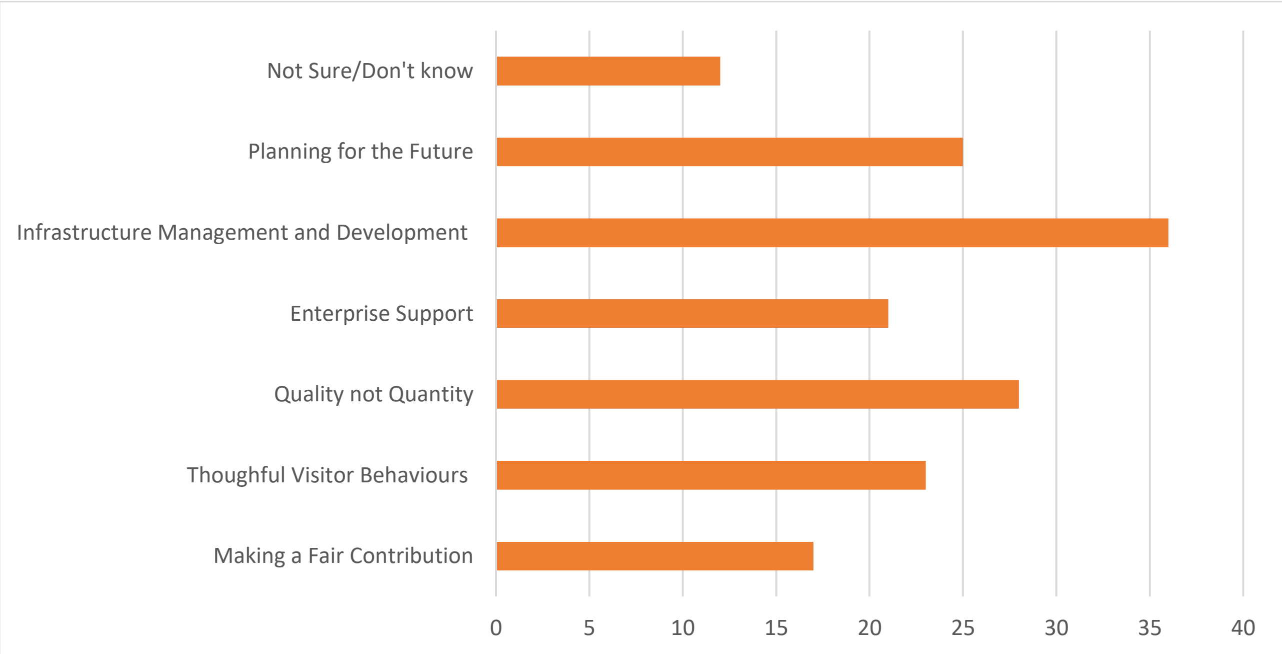


But by far the biggest area of feedback was around "visitor behaviour and knowledge". For example, comments about visitors not knowing how to drive on the roads here or being in need of environmental education.

The issue of waste disposal for campers and campervanners and a lack of toilet facilities in general is highlighted. The need for more sites and facilities to prevent rough camping is of particular concern.

2.5 Better for Locals

Question 5 asked how we could make life better for locals. Two critical elements came through in this section. Firstly the concept of "Tourism Making a Fair Contribution". Changes to RET which would differentiate between permanent residents and visitors/travellers was seen as a substantial way of tourists making a fair contribution. This involved setting different price points for locals and tourists and swapping RET away from motorhomes across to local carriers. It was suggested that motorhomes should be priced as commercial vehicles – in part due to their size. The issue of priority bookings for Islanders was also mentioned.

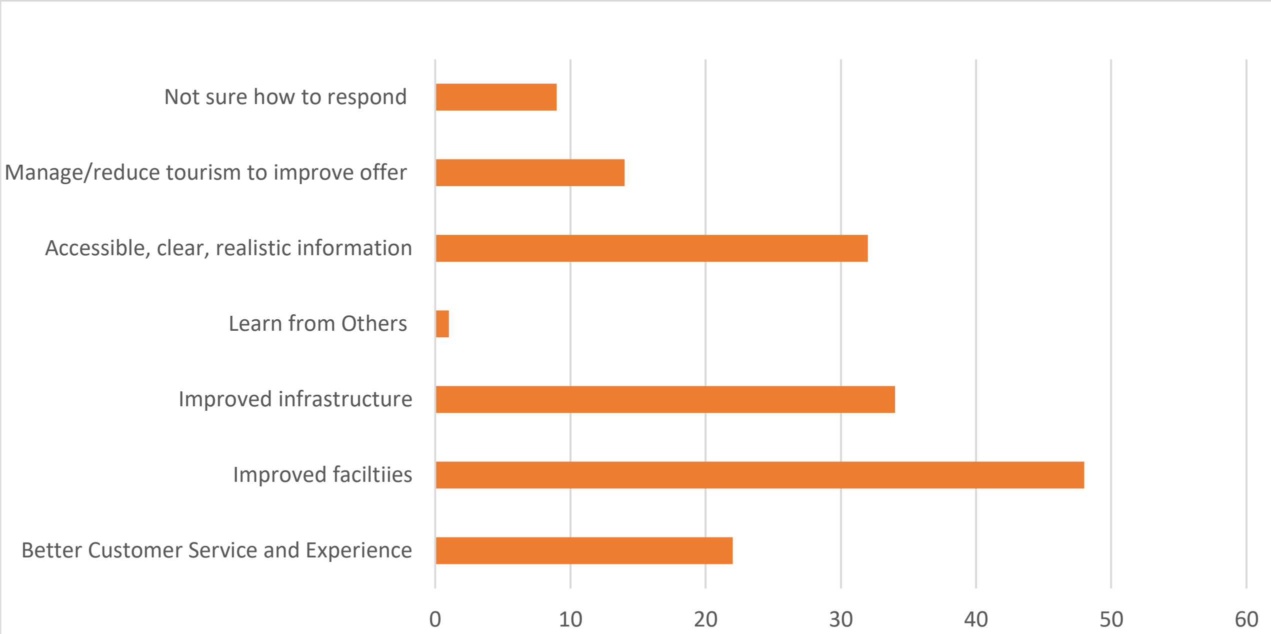


Some respondents were unsure of how to respond or simply took the view that fewer tourists would improve life for local people – the question of value over volume will be addressed in more detail later in the report.

The biggest concern identified in the 92 responses and explored in more depth during the consultation interviews, is the requirement for improved infrastructure and facilities. Importantly, there was an acknowledgment, particularly during the in-depth interviews that it is a lack of fit-for purpose infrastructure that leads to "thoughtless behaviours" . For example, it seems unfair to blame tourists for littering when there are very few waste disposal areas, and those that exist are hidden, often full and not clearly labelled.

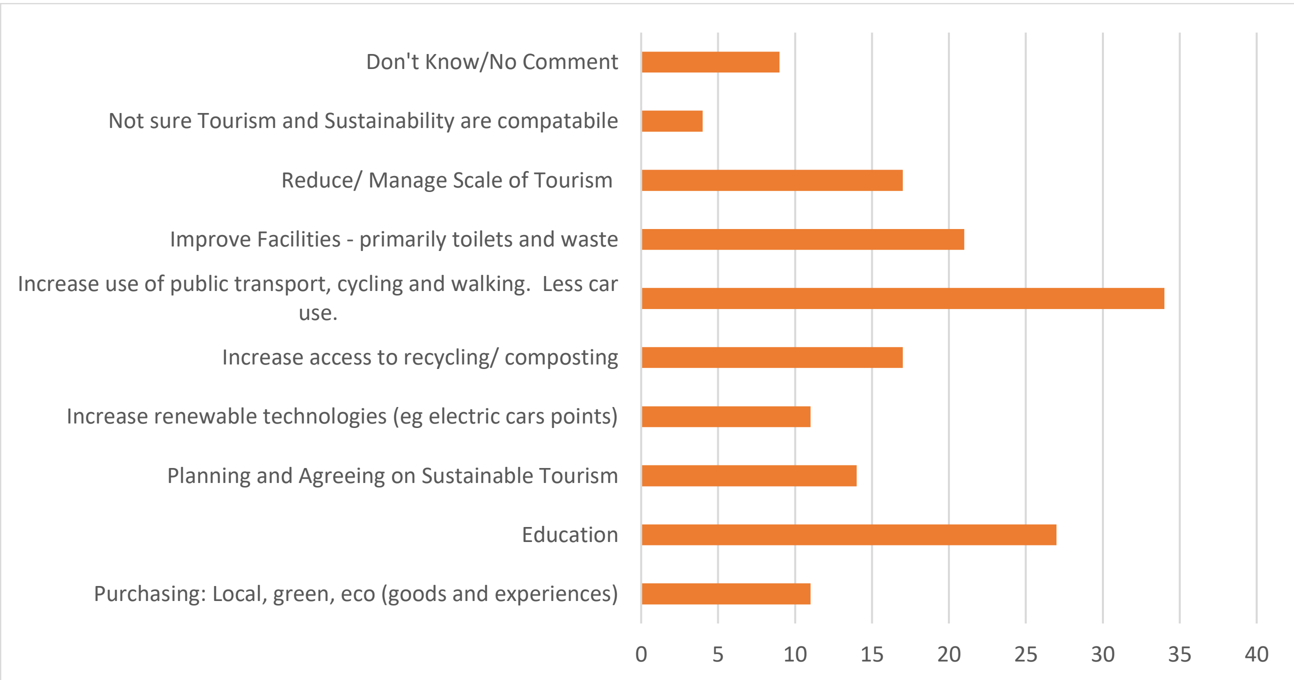
2.6 Better for Tourists

Question 6 asked "*How can we make tourism better for visitors?"* and, again, infrastructure and facilities were seen as critical issues to resolve. A lack of accessible, clear and realistic information were also commented on, and there were several comments about customer service – putting the onus on service providers to assist in providing a good visitor experience.



2.7 Better for the Environment

The final survey question was *"how do we make sure that local tourism is environmentally sustainable?"*



Many responses highlighted the need for the infrastructure that enabled visitors to use alternative means of transport from better cycle routes, to electric vehicle points. There was also support for education and agreeing what sustainable tourism means in the local context. The concept of managing the scale of tourism was well supported and this is explored further in the next section.

Section 3 – Tourism Principles for SW Mull and Iona

3.1 Planning for the Future

Service providers and the community can and should work together to determine how tourism can work better for local people. Many responders would welcome a plan and/or some co-ordinated effort being made to help alleviate the problems that the current level of tourism brings. This is potentially where much of the "behind-the-scenes" work of any future tourism project would be focused as it involves building partnerships and relationships with a range of key stakeholders such as the Council, to make sure that local views are understood and accounted for when larger organisations are "planning for the future". There was also an understanding that community ownership could be used to assist in practical ways.

3.2 Visitor Management

Visitor Management is linked to discussions about the value of tourism to the local community, the fragility of the environment and the sustainability of the local offer and our islands as communities. There are many comments about not considering an increase in tourism numbers as a good outcome for the community and that the focus should be on quality, not quantity. However, there are service providers who do wish to see growth and it is important to keep a debate about numbers open and respectful.

3.3 Infrastructure Development and Management:

Infrastructure and how that impacts visitor behaviours is a key theme and reflects potential capital projects which require land or buildings. There is a focus on transport, housing and premises which need to be built, improved or renewed. While it is understood that decisions over infrastructure developments and improvements are often taken away from the islands there is support for improvements to be campaigned for. Good working relationships with various Council departments from planning to roads, and with other stakeholders, such as transport providers are important to ensure local views are understood and potentially planned for. Community ownership could be explored as part of the solution to some infrastructure issues.

3.4 Visitors Making a Fair Contribution

This is based on comments that visitors should contribute on a fair basis. These focused on subjects such as RET and how it applied to all cars and motorhomes but not to local carriers who provide an essential service to the islands. There were several comments about buying local produce, arts and crafts and activities. Other statements were based around levies and taxes on second homes, with some comments that the funds should be held locally and not just be considered as general Government or Council taxes. Again, much of the work in this area would be around communicating the views of the local area and lending support to any future work to amend pricing and provision on public transport systems.

3.5 Good Knowledge and Behaviours

There were a significant number of comments stating that tourists have little understanding of local ways and etiquette. This is most clearly seen in driving on single track roads or in understanding that services (from food to broadband) are limited by location and that indeed local people do live and work here all year round. This theme considers how to encourage tourists/visitors to be behave in a way that is compatible with local ways.

Customer service and a positive visitor experience go hand in hand - local agencies and businesses can work together to educate and inform visitors before their trip and during it to ensure that local information is easy to find and use. The principle is to ensure that a broad range of activities and knowledgeable service help visitors get the best from their stay here

3.6 Enterprise Support

This theme reflects comments about a perceived need to support business and enterprise efforts – perhaps with premises or by advertising customer service training. The other part of this theme is to support any businesses who aim to diversify their offer away from tourism with an emphasis on providing year-round, permanent employment that is not tourism based.

3.7 Slow Tourism

It is worth noting that many of the responses of local people fit a known tourism framework called **slow tourism**. Based on the Italian Slow Food movement, Slow Tourism is designed to encourage tourists to develop a better understanding of the area and community. To achieve this the framework recommends tourists spend longer in one place and learn more about it while they are there, by slowing their pace of life. This may lead to an increase in the use of alternative transport, a deeper understanding of the local surroundings, its community and culture, and an exploration of the less visited areas, spreading out visitor numbers and helping out tourism hot-spots. In essence, they become more of a local. Accommodation providers will do fewer change-overs, saving energy and water and making the stay more economic.

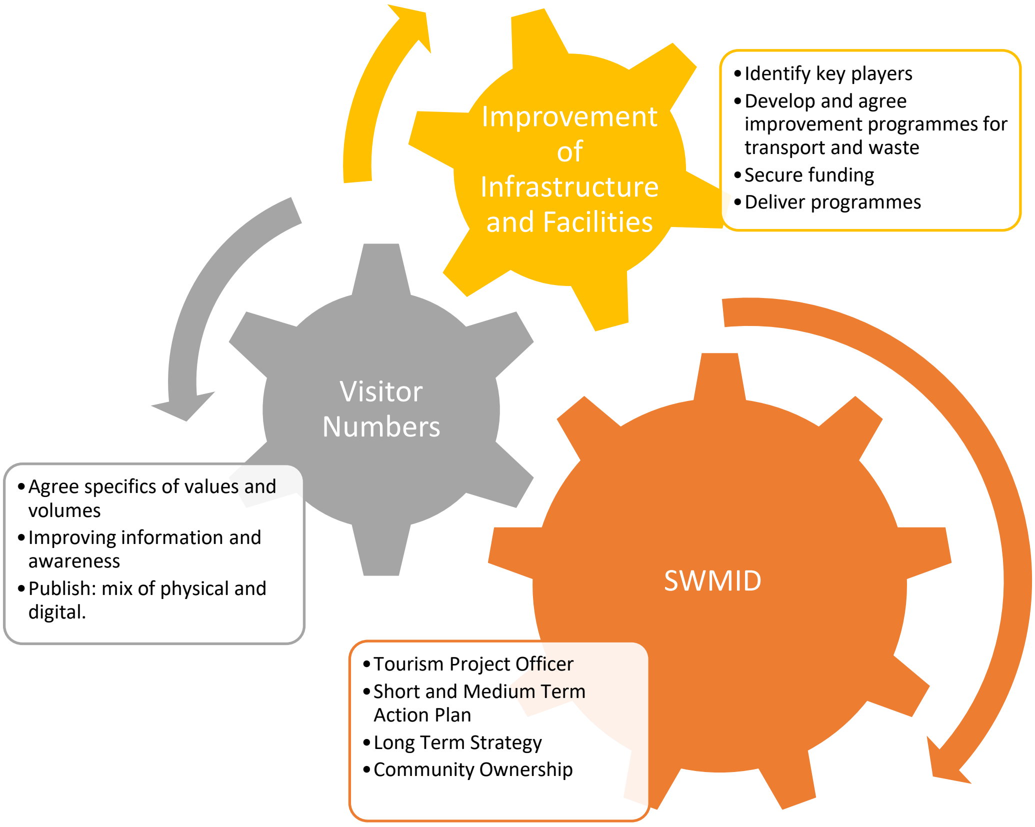
The concept of "Slow Tourism" may be of particular relevance to the tourism offer in South West Mull , encouraging tourists to stay longer and enjoy its beaches, walks and wildlife, with a focus on relaxation and wellbeing, alongside making their day trips to Iona and Staffa. This would also allow SW Mull to be distinct as a destination.

3.8 Summary

It is hoped that adopting these principles would lead to a step change in approach. The overall principle is to work together to ensure that the prosperity generated from tourism enhances the quality of life for all the area's residents; that tourism does not harm the natural environment but instead helps to meet the needs of the local community more broadly through renewed facilities and infrastructure that is sustainably cared for.

Section 4: Moving Forward

How do the views of the community get translated into actions? It will take a partnership approach to securing the improvements and changes which have been identified in the survey results, particularly given that the issues of infrastructure and visitor behaviours are so inter-connected.



4.1 Short-term Actions – SWMID Lead

(a) Tourism Project Officer

Due to capacity constraint, and to progress the recommendations of this report, funding will need to be sought for a Tourism Project Officer. Primary functions for this role can include; developing and consulting on a Local Action Plan, researching data to support activity, undertaking a range of engagement and development activity with local service providers and external stakeholders.

(b) Information and Messaging

There is an immediate opportunity to consult with Visit Mull and Iona and MIFC to understand any information that is being produced for Summer 2021 in terms of marketing, positioning and information share. A critical area is for motorhome/campervan users to have access to good local campsite information due to the limited local facilities prior to their journey.

(c) Developing Local Engagment

Develop a Local Stakeholder Group to reflect the views of tourism service providers. Its remit could include:

- Reviewing **online content** and agreeing new content (prepared by Tourism Project Officer) for sharing with Destination Management Groups such as Visit Mull and Iona, AITC and Visit Scotland
- Exploring the value of a having local **Visitor** and **Sustainable Tourism** Charters and Kitemarks
- Understanding and discussing points of **differentiation** between SW Mull and Iona
- Hosting **familiarisation** trips by mainland DMOs so that they understand capacity and constraints and the Sustainable Tourism Charter.
- **Sharing** and considering other work as it is progressed by the Tourism Project Officer.

4.2 Planning for the Future (medium term)

(a) Understanding our Visitors

The majority of survey respondents in both SW Mull and Iona were in favour of managing visitor numbers more proactively using "quality not quantity" as a marker of success. Going forward it will be helpful for future funding bids and to persuade budget holders of local need if we understand in more detail the tourism sector of South West Mull and Iona.

Collation of current **data** and **research** of the emerging gaps in knowledge would be carried out by the TPO in conjunction with the Local Stakeholder Group:

- How many visitors do we get and how long do they stay for?
- Where do they stay?
- What is the mix between overnight stays and day-trips?
- What are the demographics of our visitors?
- Why do they visit?

Information: What informed people's decision to visit: e.g. social media, websites, marketing, word of mouth? Did they do any research before their arrival and make any distinct plans? Then consider how local information is **accessible**: physical (noticeboards, leaflets) and digital (web pages, social media and apps).

Finally, we need to understand **Local Resources/Facilities** and identify any gaps:

- Camping/caravan infrastructure/waste
- Toilets/showers
- Places to eat
- Cycle routes
- Things to do etc
- Use of community transport

(b) Community Ownership

SWMID can consider using community ownership as a practical tool to progress action. For example, investigating the feasibility of asset transfers or buyouts of current infrastructure, where these are under threat. While existing community land has the capacity to host activities/offers that will benefit both local people and visitors. For example, at Bendoran there is the watersports centre and at Tiroran Community Forest there is the playground and other activities.

(c) Planning for the Future – Tourism Strategy

Due to the level of partnership working and engagement required to support the actions suggested by the survey, it may be helpful to have a Tourism Strategy to underpin the actions recommended here.

4.3 Engagement with Stakeholders (Ongoing)

(a) Argyll and Bute Council

- Engage with Councillors' and Officers from the Roads Department to highlight the need for road improvements as outlined in the survey results.
- Engage with the Council Waste Department and establish what can be done to improve local waste management arrangements.
- Engage with Economic Development and Regeneration Officers to ensure that future strategies are mindful of local feeling.

(b) Island Stakeholders

- Mull and Iona Ferry Committee are already dealing with the issues raised in the survey around RET and priority bookings for Islanders.
- VMI are well placed to advise on messaging for SW Mull and for Iona and how that can be adapted as needs change.
- Other stakeholders including MICT, NTS, SEPA and private landowners are all likely to be involved in conversations where it relates to Visitor Management – numbers of campervans, motorhomes and the sites available; visitor numbers to popular sites and attractions.

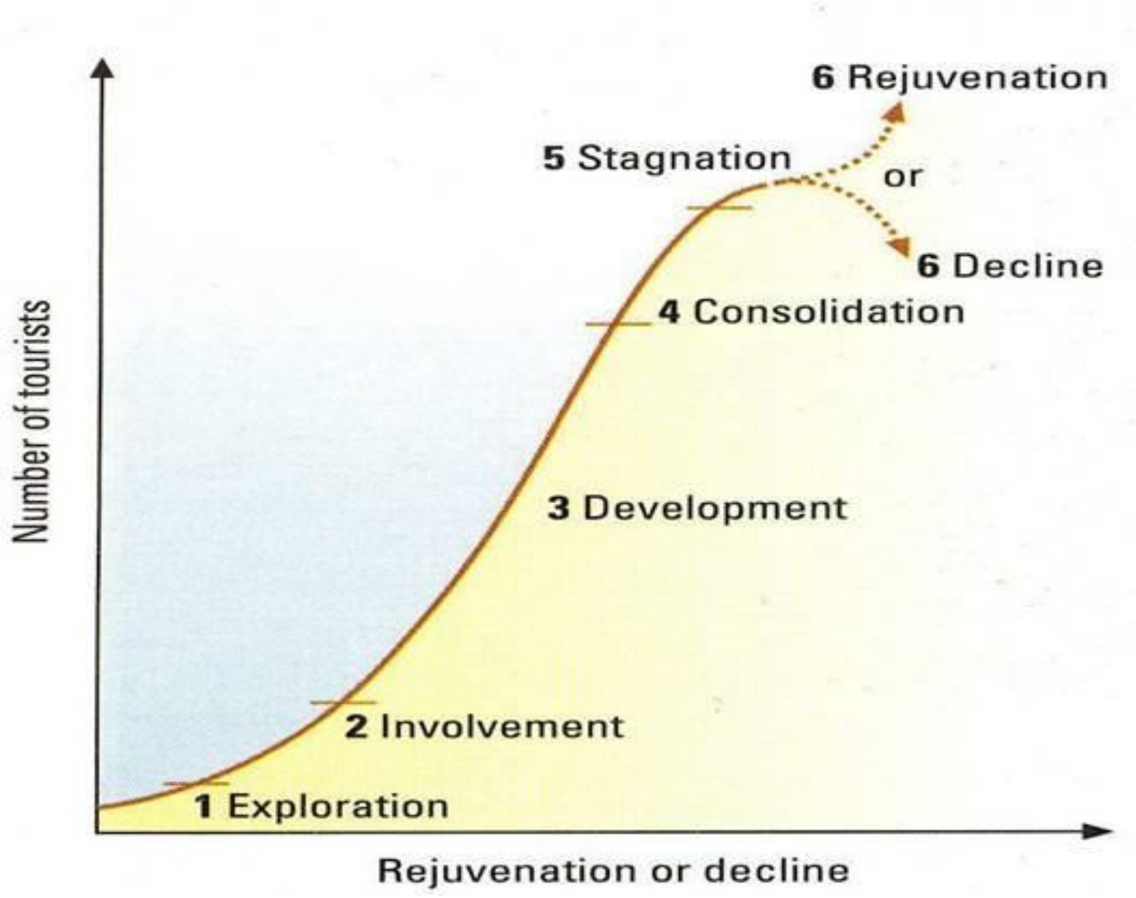
Appendix A – What Do We Know?

The survey and telephone interviews provide an overview of tourism as the community perceives that to be. This is entirely reasonable – permanent residents who live and work here have direct experience of tourism – from earnings or from say, the frustration of summer-time journeys across the island and beyond.

To make a case for the improvements and changes that are suggested by local people in the surveys and telephone consultations, we need to consider what evidence we have to support (or not) the perception that tourism is growing. This will help us to make the case for future funding either for direct delivery via SWMID or from other service providers.

A1 Tourism Development (Butler Model)

This straightforward model was created by Professor Richard Butler who wanted to simplify the understanding of tourism and its development. It is useful to view it in the context of the survey results that conclude that facilities and infrastructure have not kept pace with visitor numbers and shows that without rejuvenation, then decline is predictable.



A2 Tourism Numbers (Volume)

No centrally recorded tourism information for Mull and Iona has been identified. The closest published figures come from AITC (Argyll and the Isles Tourism Council) who report substantial growth of between 25% and 33% on visitor days, visitor stays and visitor expenditure between 2011 and 2019. Visit Scotland[7] report in its annual “Key Facts” document that 2019 was the strongest year for overnight stays for a decade, with over 17.27 million visitor stays and spend of £5.74 Billion. Much of this growth was driven by Scots visiting other parts of Scotland with an increase of 33% on previous years. These high level figures point to on-going national and regional visitor growth.

Does that play out here? HES, who runs day visitor operations at Iona Abbey, provided verbal feedback on a steady number of annual visitors (circa 65,000) since the site was taken into their care in 2000. It is acknowledged that not all tourists to Iona visit Iona Abbey due to the admission charge in place. But NTS who manage Staffa, provided verbal feedback on 100,000 visitors a year while a local service provider who runs regular trips to Staffa gave an estimate closer to 50,000 visitors per year. The disparity in these figures gives credence to the recommendation that some form of data collection is necessary to agree the number of visitors to the SWMID area each year and from those numbers, understand their impact.

A3 Tourism Spend (Value)

The spend figures given in the “Key Facts on Tourism 2019” report prepared by Visit Scotland are broken down as follows:

	Overseas Visitors	**UK Visitors**
Spend per stay	£734	£232
Spend per day	£93	£69

In March 2021, Transport Scotland published a detailed research report into RET[8] across the Clyde and Hebridean Networks. Using onboard surveys, passengers were asked how much they did spend or how much they planned to spend on their trip with respect to accommodation and other spend. The results for island visitors are shown in the figure below:

- Day Trippers spend on average £114
- Visitors who stay one or more nights spend on average £178.40[9] per person on accommodation
- Visitors who stay one or more nights, spend on average £154.80[10] on top of their accommodation costs.

[7] https://www.visitscotland.org/binaries/content/assets/dot-org/pdf/research-papers-2/key-facts-on-tourism-in-scotland-2019.pdf
[8] [Evaluation of Road Equivalent Tariff on the Clyde and Hebridean Network (transport.gov.scot)]
[9] The report average is £446 for a group of 2.5 people, Page 55
[10] The report average is £387 for a group of 2.5 people, Page 55

This is significantly more than the Visit Scotland figures but the Transport Scotland report does note that 43% of those surveyed were earning over £50,000 a year and that the Islands appear to attract high earners.

A4 Accommodation Capacity

One of the common themes of the survey was the perception that day-trippers were not as economically valuable as tourists staying overnight and the spend figures above would support this perception. This was a particularly strong theme in the SW Mull area where the number of coaches and people queuing for trips to Iona and Staffa at Fionnphort Pier is commented on by locals - day-trippers are not seen as spending in the SW Mull area and supports the principle of visitors making a fair contribution.

This led to consideration of a series of questions:

- What is the breakdown between day-trippers and overnight stays?
- With overnight stays what is the breakdown between guests in catered accommodation (Hotel, B&B), self-catering accommodation (including Air B&B) and those who camp in managed campsites or recognised spots.

None of these could be dealt with in this report. There is a clear need for some primary research to determine the scope of the local accommodation offer and establish the demand now, and in the future.

A5 Cal Mac Carrying Statistics

Cal Mac record monthly passenger numbers for journeys across all its networks which are published in the corporate section of their website[11]. The published figures begin in 2016 (but not for a full year) so for comparative purposes the full years' of 2017, 2018 and 2019 are given.

	2017	2018	2019
Fionnphort to Iona			
Passengers	250,311	229,460	243,386
Year on Year		-20,851	13,926
Oban to Craignure			
Passengers	670,172	634,597	652,345
Year on Year		-35,575	+17,748
Cars	168,122	163,924	169,724
Year on Year		-4,198	+5,800
Other Vehicles	9744	8898	8936
		-846	+38

[11] https://www.calmac.co.uk/corporate/carrying-statistics

This clearly shows a dip in demand between 2017 and 2019 which does not support the general perception of on-going growth. Although these figures are clear, the split between day-trippers and those who are staying in accommodation on Iona or Mull is not known.

Fionnphort to Iona Carrying Figures

Is it possible to disaggregate between local and visitor passenger numbers? The following is given as an example of how this could be calculated using the Fionnphort-Iona route where the winter and summer seasons are apparent.

Fionnphort to Iona	**Tickets Issued**
Total Number of Journeys in 2019	**243,386**
Total Number of Journeys – Winter Months **(November to end of March)**	19,196
Total Number of Journeys in Summer months **(April to end of October)**	224,190
Average Number of Local Journeys per month **(Based on 19,196 divided by 5 months)**	3,839
Number of Summer Journeys by Local People **(Based on monthly average x 7 months)**	26,875
Possible Journeys by Visitors	**197,316**
Equivalent Return Journeys 2019	*98,658*

Even allowing for some variation between months and allowing for commercial support activity by tradespeople etc, then the outcome could indicate close to 100,000 visitors across the year.

Oban to Craignure Figures

Applying the same methodology to the Passenger Numbers provided by Cal Mac for the Oban to Craignure route in 2019 gives the following results:

Oban to Craignure	**Tickets Issued**
Total Number of Journeys in 2019	**652,346**
Total Number of Journeys – Winter Months **(November to end of March)**	119,765
Total Number of Journeys in Summer Months **(April to end of October)**	532,580
Average Number of Local Journeys per month **(Based on 19,196 divided by 5 months)**	23,953
Number of Summer Journeys by Local People	167,671

(Based on monthly average x 7 months)	
Possible Journeys by Visitors ***Equivalent Return Journeys 2019***	**364,909** *182,455*

Any consideration of new ferries and new timetables would require consultation with the islands. MIFC will continue to reflect the views of islanders and engage with Cal Mac, CMAL and Transport Scotland. Beyond the question of ferries and capacity one of the critical issues is Craignure Pier[12] which is currently unable to berth large ships overnight. Argyll and Bute Council, who own the pier, have agreed to make improvements. Breakwaters[13] are also planned for Fionnphort and Iona to allow the MV Loch Buie to tie up in Fionnphort overnight. This may lead to timetabling changes with the possibility of an evening service.

A6 RET (Road Equivalent Tariff)

Mull and Iona Ferry Committee (MIFC) show the clear links between RET and an increase in traffic to the islands[14]. The number of summer car journeys jumped from just over 80,000 in 2015 to nearly 140,000 in 2018. Across the same period, the number of winter journeys also showed a sharp increase from around 28,000 to nearly 40,000 cars, suggesting that the decrease in fares from around £106 for a car and 4 passengers to £55 was appreciated by island residents as much as by tourists.

In March 2021, Transport Scotland published a report on the impact of RET[15] across the Clyde and Hebridean routes. The report concludes that:

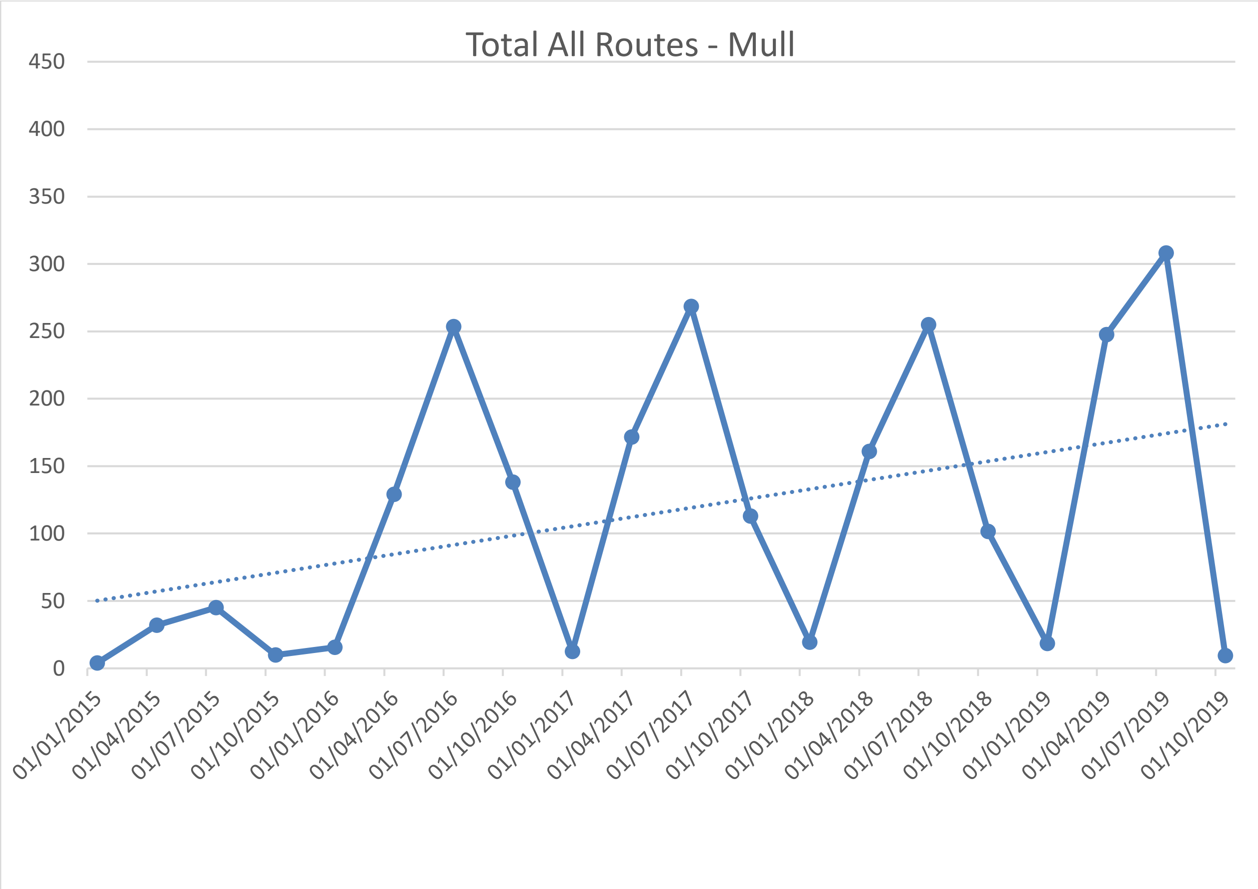
- Around 25% of island residents made more ferry trips as a result of the introduction of RET.
- Around 40% of businesses reported an increase in turnover since the introduction of RET.
- RET helped to grow the 'visiting friends & relatives' market, whilst also making it easier for island residents to access mainland goods and services.
- Across the wider Clyde and Hebrides network, there is clear evidence of an extension of the tourism season for most islands.

However, the report also agreed with the survey results that MIFC and others have also identified. Currently, delivery vehicles are considered to be commercial vehicles and therefore delivery costs to the island can be expensive. Motorhomes are included in RET and are therefore offered prices within that framework. Flipping this situation would alleviate delivery costs for islanders and help with management of motorhomes which is substantial local concern. Any changes to pricing or policy to allow for a demand led approach would require primary Scottish Government legislation.

[12] https://mullandionaferrycommittee.org/craignure-pier/
[13] https://swmid.co.uk/sound-of-iona-harbours-project/
[14] https://mullandionaferrycommittee.org/ret/
[15] RET ferry fares (transport.gov.scot)

A7 Campsite Provision[16]

An analysis of the motorhome figures provided by Cal Mac to MIFC, show that following the introduction of RET in 2016, numbers did rise and then remained fairly stable. The dashed blue line on the following graph indicates that the trend in the 4 years shown (2015 to Oct 2019) is towards growth, with the average number of vehicles on the island across the summer months of May to September peaking between 250 and 300.



It is hard to identify the number of pitches across the island with a review estimating that between 100 and 200 pitches would be charged for. Fidden is the only campsite in SW Mull to offer facilities such as toilets, showers and chemical toilet disposal. It remained closed in 2020 as did the small campsite at Uisken. Due to closure of these local facilities, Ardalanish Farm opened a field to allow vans to park in 2020 and will do that again in 2021. It is not known yet if Uisken will re-open. The next closest motorhome facility is at Craignure.

Agencies such as Visit Mull and Iona, Mull and Iona Ranger Service, Mull and Iona Community Trust, SWMID, Tobermory Harbour Association and MIFC are working together to provide information and advice to drivers before arrival while seeking to plug gaps in the range of facilities on the island.

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[16] *Motorhomes/RVs are not allowed to travel to Iona where the local campsite has to be accessed by campers on foot.*

Appendix B – Long Term Trends

B1 Employment and Business Profile

Tourism is the largest private sector employer in Argyll and Bute with 25% of all jobs attributed to the sector. In 2016 the Economic Forum for Argyll and Bute published a report[17] and placed tourism at the heart of its development efforts – the impetus for this coming from the working age population decline. This is still reflected in the Economic Development plans of Argyll and Bute Council[18] who have stated that population growth is a primary objective.

For the OLI[19] area, 13.1% of the businesses are in the accommodation and food sector against a Scottish average of 7.5%. The majority of businesses (84%) in the OLI area are micro-businesses that is with 0-9 employees – and this is also true of Mull and Iona where there are very few larger employers - the public sector is a significant employer – be that through Education, Waste, Roads and Health. The number of people in the OLI area working in the accommodation (+100), food and hospitality sectors (+200) had increased by 300 people between 2009 and 2013.

The report notes that these smaller businesses are often static and so do not grow in a way that often leads to additional local employment opportunities. This reflects the situation on Mull and Iona where most owners “work” the business and do not need to employ anyone to assist them beyond a small number of front-of-house, catering or cleaning staff often on seasonal contracts.

B2 Income Levels

Jobs and business ownership need to provide a level of income that secures a decent standard of living and an income that is matched to the education, skills and employability of the person who is in the role. The IMD figures for the Local Authority ward that covers Mull, Iona, Coll and Tiree show that levels of income are above the Scottish average, ranked as the 4059th least worse off. Employment is even higher with a ranking of 5,260 out of 6,969 wards where 1 is the worst and 6,969 the best. The weakest part of Mull and Iona’s Index of Deprivations statistics is “access” which relates to infrastructure both physical and digital. By this measure, Mull, Iona, Coll and Tiree are the 30th worst off ward across Scotland.

While income and employment levels are positive, the Scottish Islands Federation notes that the cost of living on an Island is more expensive (+10% to +40%) than on the mainland[20]. Much of this is made up through the additional cost of fuel for heating, delivery costs and for ferry travel to and from the mainland. This affects disposable income levels as this is the element that gives a household confidence to spend on leisure etc beyond the normal range of bills, mortgage/rent, food etc. Access to a mortgage can be difficult; a lender may wish to see wage slips for 12 months and would not consider earnings over an 8 month period sufficient to meet the risk in lending.

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[17] https://www.argyll-bute.gov.uk/sites/default/files/argyll_report_260216-v2.pdf
[18] https://www.argyll-bute.gov.uk/sites/default/files/economic_strategy_1.pdf
[19] ABC, Compelling Report, Sub-Regional Activity Page 44 onwards
[20] https://www.scottish-islands-federation.co.uk/cost-of-living-on-islands-still-40-higher/

Financial instability and life shocks [21] such as loss of income due to the pandemic, can also turn manageable debt levels into a burden that becomes untenable. Problems with debt and financial management can be hidden from friends and neighbours making support hard to provide.

Many local tourism businesses also spend each winter changing and improving their offer, providing a source of income for tradespeople/makers across the island. Due to time constraints, it has not yet been possible to research and understand this spend, its reach or impact.

B3 Housing and Second Home Ownership[22]

Looking at housing is complicated with second homes acting as a catch-all for houses which are let on a short-term basis or only occupied for part of the year. In 2019, Scotland had 24,314 second homes registered, a significant decline from their peak of 39,842 in 2005 (- 39%). This is likely to be linked to policy changes - charges on second homes have increased with council taxes rebates stopping in 2013 and an additional purchase tax being introduced in 2016.

Argyll and Bute's figures have decreased by 10% in the same period from 3414 registered second homes in 2005 to 3131 in 2019. But this is still the second highest level of second home-ownership in the country, with only Highland Council reporting a higher level at nearly 4,000 properties. In 2015, Argyll and Bute Council reported there were 1736 dwellings registered on Mull with 24% of these registered as second homes (417 homes).

SWMID undertook a Housing Needs Assessment in 2019 to 2020 and concluded that the level of local housing need is hidden. This particularly related to the need for affordable homes – both rented and mortgaged. In the context of tourism provision, comments from local businesses highlighted how the lack of local housing impacted their recruitment and staffing options, with a reliance on younger, seasonal workers who did not mind living in caravans, house-shares and staff accommodation. All pointed out how difficult it was to secure full-time mature employees, with also some reports of businesses not expanding due to staffing concerns.

B4 Population Trends[23]

The settlement figure for Tobermory showed an increase of 18% from 1991 when 825 permanent residents were recorded and 1010 in 2012. This is in line with a long-term steady if slow growth in the population of the Islands.

The population of Oban, Lorn and the Isles (OLI) was 20,234 in 2013, and the only area of Argyll and Bute which recorded an increase in population. However, the population of children was decreasing (-8%) and the numbers of people of pensionable age increasing (+20%). This is against an average increase in the number of old people in Scotland of 10%. More significantly, Argyll and Bute Council are estimating an increase in the numbers of residents of pensionable age of 41% by

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[21] https://www.stepchange.org/Portals/0/assets/pdf/stepchange-scotland-in-the-red-2019-report.pdf

[22] https://www.gov.scot/publications/housing-statistics-empty-properties-and-second-homes/

[23] Taken from Argyll and Bute Council Compelling - Sub Regional Report page 37 onwards

2037. The number of children is predicted to increase by 6% and the working age figure is expected to reduce (-2%).

Regardless of the breakdown of the OLI settlement figures between Mull, Iona etc, the loss of young people is regarded as a negative social and economic indicator as is an increase in the number of older people being estimated by the Council. Economic stability and growth rely on a good mixture of young people and their skills entering the labour market and the lack of young people has implications for local recruitment especially for the hospitality and tourism sectors.