

Ulva is not Eigg and popular resident owner Jamie Howard is no Marlin Eckhard-Maruma.

Anyone on Mull with livestock knows there is no money to be made in farming these days, even with the EU subsidy. Sheep and cattle are about to disappear from the hills and forestry and all other grants must soon end.

What, then, of the North West Mull Community Woodland Company's business plan, which reads more like a Christmas wish list?

With the aid of the Scottish Land Fund, it may find some of the £4.2 million to bid for the island but where is the annual running cost, estimated to be in the region of £100,000, to come from? The answer is Joe Public who would be paying for this foolhardy experiment for generations through a tax hike.

There is only one hope for the future of Ulva, and that is for the NWMCC to withdraw and allow private money to be poured into the island, thus enhancing its environment and creating far greater employment opportunities than Argyll and Bute Council or the Scottish Government ever could.

Public funding simply does not produce the goods, as the directors of another community-led buyout group have evidently discovered by asking the previous landowner to take back their estate.

**Iain Thornber,
Knock House, Morvern.**

OT

Mull CC against Ulva buy-out

SANDY NEIL

sneil@obantimes.co.uk

MULL Community Council have refused to support a community buy-out of the Isle of Ulva because a recent local poll backing the bid had excluded most residents from Mull and Iona.

Community councillors voted seven to one against supporting the bid by the North West Mull Community Woodland Company (NWCWC).

The Scottish Government granted NWCWC the right to buy the privately-owned island in October, giving it an eight-month period to develop a business plan and raise money towards the £4.25 million price.

Earlier this month a postal ballot of the residents of Ulva and north-west Mull backed the plan by 63.6 per cent, giving NWCWC a green light to put together a funding package to complete the purchase in June.

But following their meeting this month, Mull Community Council chairman Billy McClymont told *The Oban Times*: 'The members thought the poll should have been island-wide, not just folk close at hand.

'They do not see a good enough business case. We do not want to see it go from one land owner with no money to another.'

Oban Times columnist Iain Thornber argued the Scottish Government's 'unprecedented' support for a 'small, unelected

group' in north Mull to buy Ulva and 'back it financially thereafter is set to create deep divisions which will not be easily healed.

'If this is what the Scottish Government desires, and I don't believe it is, it runs contrary to a ballot recently taken by Mull's democratically-elected community council who voted 7-1 against the proposal. Argyll's MSP and MP should recognise the island's local voice and relay this information to the Cabinet Secretary [for Land Reform].

'Anyone on Mull with livestock knows there is no money to be made in farming these days, even with the EU subsidy. Sheep and cattle are about to disappear from the hills, and forestry and all other grants must soon end.

What then of the NWCWC's business plan?

'With the aid of the Scottish Land Fund, they may find some of the £4.2 million to bid for the island, but where is the annual running cost, estimated to be in the region of £100,000, to come from? The answer is Joe Public.'

However, Colin Woodland of NWCWC said: 'The viability of our proposals has been confirmed by independent experts who have helped us draft a practical and achievable business plan.

'A great deal of work has been done getting to the present stage and we know that there will be a lot more hard work to come involving many people as we put our plans into action.

'At this stage, we believe it is important to acknowledge the very wide support we have received from the community and from a range of organisations and individuals who share our wish to see Ulva thrive again, this time with the people living on Ulva and Mull in the driving seat.'

Argyll and Bute MSP Michael Russell added his support for the buy-out, saying: 'Community purchase gives a new opportunity for Ulva. It is simply a fact that the current owners do not have the resources to invest in it and can only preside over decline. I have no doubt their intentions are good but they recognise the time for change has come.

'The question is whether that change should be driven by those who live locally to serve the needs of the community or whether it should be dictated by an as-yet-unknown third party from outside the island whose sole qualification to do so will be the possession of a great deal of money and whose motivation will be about enjoying and protecting their financial investment.

'This is about the age old question: is it better to do things for ourselves, or have them done to us? There is huge amount of goodwill on Mull, in Argyll, across Scotland and more widely towards the community buy-out.'

■ Letters – page eight.

[REDACTED]

From: John Addy [REDACTED]
Sent: 25 January 2018 14:32
To: [REDACTED] crtbt mailbox
Subject: Ulva Press
Attachments: Statement 25 1 18 FINAL iii.docx

Hello [REDACTED]

For info, here is a statment we are putting out on social media and to the press following the article and letter in today's Oban Times

regards

John

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Statement by the Ulva Buyout Committee 25 1 18

The Ulva Buyout Committee wishes to respond to an article and letter in the Oban Times today on our plans for the Isle of Ulva after the Community Council has apparently voted against the planned buyout.

The Community Council decision was surprising, because at no time have they contacted us to seek further information on our plans following our initial contact requesting their support. As there is no member on the Community Council representing North West Mull and Ulva, we would reasonably have expected them to check with us so they could have an informed discussion.

As Rebecca Munro, one of the residents on Ulva stated, "We are disappointed that the Community Council didn't approach any of the tenants or businesses on Ulva to discuss the buyout or our concerns about a private sale before deciding whether to support or oppose us"

The various Community Companies working on Mull over the past couple of decades have transformed opportunities on the island. Look at the achievements of MICT, SWMID as well as NWMCWC. All these bodies are fully supportive of the Ulva Buyout, as are other local representative bodies and many national organisations. Our local MSP and MP are also fully behind the project. Community ownership of Ulva will bring huge benefits to Ulva itself and also more widely for Mull as a whole. It is a shame therefore, that the Community Council appears so out of step on this matter.

Regarding the questions raised in the article about the recent ballot, it is important to understand the legislation we have been working under. Whilst efforts have been made to engage interests across Mull, the Right to Buy legislation insists that only voters as defined by the applicant community body's membership area are balloted. We have done what was required and are very pleased to have secured nearly 2:1 support in the ballot.

Turning to the letter also published today in the Oban Times; the correspondent clearly hasn't read in detail the Feasibility Study which has been produced. It is available on our website for anyone to read and it is very clear that under community ownership, with different priorities for expenditure compared to a private estate owner, the picture will be very different from the £100k pa loss claimed by the current owner.

In fact our plans have been very carefully drawn up following extensive work by respected independent consultants looking at the feasibility of various options and then developing a carefully phased Business Plan. We are very confident this project will work, otherwise we wouldn't be pursuing it.

Is Mull "at peace with itself" as the correspondent asserts? Well, few would disagree that Mull is a wonderful place to live and it has a vibrant community. However it is also true that many people are living and working with little security and opportunity to thrive because of the lack of affordable housing opportunities. Also affordable access to land for business development can be difficult, particularly for young people starting up. Differing opinions exist within any community and it does no-one any favours to pretend otherwise. Indeed on the question of the Ulva Buyout, the decision of the Community Council, running counter as it does to the expressed views of those in North West Mull and Ulva is evidence of that tension.

Disappointed as we are with the Community Council's decision, our focus and the efforts of the many people involved already in this process will remain on working hard to deliver a bright new future for a reinvigorated Ulva. Properties currently in a dilapidated state through lack of maintenance, farmland no longer in use and a complete lack of accommodation and facilities for visitors will all be turned round. New businesses will breathe new life into the island. The school roll at Ulva Ferry will rise and local businesses throughout Mull will all benefit.

Land reform in Scotland is all about empowering communities to make decisions for themselves about how the land on which they live is run. Should it be a private landlord or the residents themselves? We are very clear it should be the latter, but unfortunately the Community Council may have just put themselves on the wrong side of history.

[REDACTED]

From: John addy [REDACTED]
Sent: 28 January 2018 12:58
To: [REDACTED] crtbox mailbox
Subject: Addy contact details

Follow Up Flag: Follow up
Flag Status: Completed

[REDACTED],

I'm away Monday Tuesday and back on Mull Wednesday afternoon.
Thought I'd give you my mobile number.....

[REDACTED]

Regards

John

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[REDACTED]

From: John Addy [REDACTED]
Sent: 29 January 2018 08:08
To: [REDACTED] crtbt mailbox
Subject: Ulva

Follow Up Flag: Follow up
Flag Status: Completed

Good morning
For info.
The post doesn't arrive on Ulva until late in the afternoon.
We understand that the owner is away this week
Regards
John

Sent from my iPhone

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[REDACTED]

From: crtbt mailbox
Sent: 01 February 2018 14:11
To: 'John Addy'; 'colin@nwmullwoodland.co.uk'
Subject: North West Mull Community Woodland Company Limited (CB00221) - Notification of Scottish Ministers decision on the Community Right to Buy

Afternoon John/Colin

**NOTICE BY THE SCOTTISH MINISTERS UNDER SECTION 51(5) OF THE LAND REFORM (SCOTLAND) ACT 2003:
DECISION ON CONSENT FOR NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED TO PROCEED WITH THE RIGHT TO BUY LAND CONSISTING OF THE ISLE OF ULVA AND ASSOCIATED SMALLER ISLANDS INCLUDING LAND AT ULVA FERRY ON MULL, ARGYLL AND BUTE**

Please find attached Scottish Ministers decision on North West Mull Community Woodland Company Limited's Community Right to Buy.



This notice has been sent to you in the post today by recorded delivery, and will appear in the Register of Community Interests in Land early next week.

North West Mull Community Woodland Company Limited under the legislation have until **9 June 2018** to conclude purchase. However this date can be extended by agreement by both parties, and, there is nothing preventing either party from agreeing and concluding the purchase before this date.

I would however be grateful if in due course you could let Scottish Ministers know when the conclusion of transfer is to be completed for our records and to close down this case file.

Best regards

[REDACTED]

[REDACTED]

Mr C Morrison
Penmore Mill
Penmore
Tobermory
PA75 6QS

Your ref/Ur faidhle:
Our ref /Ar faidhle: CB00221
1 February 2018

Dear Mr Morrison,

NOTICE BY THE SCOTTISH MINISTERS UNDER SECTION 51(5) OF THE LAND REFORM (SCOTLAND) ACT 2003: DECISION ON CONSENT FOR NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED TO PROCEED WITH THE RIGHT TO BUY LAND CONSISTING OF THE ISLE OF ULVA AND ASSOCIATED SMALLER ISLANDS INCLUDING LAND AT ULVA FERRY ON MULL, ARGYLL AND BUTE

Case Number: CB00221

Notice under section 51(5) of the Land Reform (Scotland) Act 2003 ("the Act") is enclosed.

In terms of section 51 of the Act, the Scottish Ministers have considered the application by North West Mull Community Woodland Company Limited (NWMCWCL) to buy land consisting of the Isle of Ulva and associated smaller islands including land at Ulva Ferry on Mull, Argyll and Bute. Scottish Ministers now give consent for NWMCWCL to proceed to buy the land.

The enclosed Notice sets out the reasons for the Scottish Ministers' decision and your attention is specifically drawn to the notes contained in the Notice, which provide information on the effect of the right to buy and on rights of appeal against the Scottish Ministers' decision.

Where a community body confirms they wish to proceed with their right to buy the registered land, it has eight months from the date of confirmation to conclude missives, or such later date as is agreed by both parties, in terms of section 56(3)(a) of the Act.

Scottish Ministers would like take this opportunity to highlight that they consider that NWMCWCL's financial plans will require further updating over time once further confirmation of costs, and how these costs are to be met, are known and would encourage the community to ensure that costs are carefully monitored in order to help them plan ensure their plans continue to be viable and affordable.

Scottish Ministers acknowledge that NWMCWCL's business plan is a living document and will evolve as time goes by and that the proposals for the Isle of Ulva, associated island and land at Ulva Ferry is to be a long term project that could take a number years for the community to see the full benefits of community acquisition.

In accordance with section 51(5) of the Act, a copy of this letter is being sent to the landowner (Henry James Howard, Ulva House, Isle of Ulva, Argyll PA73 6LZ and Robin James Scott Morton WS, Morton Fraser LLP, Quartermile Two, 2 Lister Square, Edinburgh EH3 9GL as joint executors of the late Jean Margaret Howard), the heritable creditor (Clydesdale Bank PLC, 30 St. Vincent Street, Glasgow G1 2HL) and to the Keeper of the Register of Community Interests in Land and to the Keeper of the Register of Community Interests in Land.

Yours sincerely


On behalf of Scottish Ministers

Notice by the Scottish Ministers under section 51(5) of the Land Reform (Scotland) Act 2003

The Scottish Ministers have considered whether to give consent to North West Mull Community Woodland Company Limited (NWMCWCL) to proceed to buy land consisting of the Isle of Ulva and associated smaller islands including land at Ulva Ferry on Mull, Argyll and Bute, in terms of Part 2 of the Land Reform (Scotland) Act 2003, (“the Act”). Scottish Ministers are satisfied that the right to buy be entered in the Register of Community Interests in Land (RCIL) for the following reasons:

Section 51(2)(a) &(b) of the Act requires the community to approve the community body (CB) proceeding to buy the land in question. This approval is demonstrated where Scottish Ministers are satisfied that:

- (a) the proportion of the members of the community who have voted in a ballot on the question whether the community body should buy the land; is, in the circumstances, sufficient to justify the community body's proceeding to buy the land;
- (b) that the majority of those voting have voted in favour of the proposition that the community body buy the land.

The ERS (the appointed balloter) advises that 401 people comprise the “community” for the purposes of this ballot and, as such, were eligible to vote in terms of section 51(2) of the Community Right to Buy (Scotland) Act 2015. A total of 255 votes were cast. This equates to 63.59% turnout, which meets the requirements of section 51(2)(a)(i) of the Act (where the proportion who voted is sufficient to justify the community body’s proceeding to buy the land). Scottish Ministers are satisfied that the criterion of Section 51(2)(a)(i) has therefore been met.

Section 51(2)(b) of the Act requires that the majority of those voting have voted in favour of the proposal that the CB buys the land. The ERS advises that 163 of the 255 persons voting, voted in favour of the proposed community purchase of the land. This equates to 63.92% of those who voted, voting in favour of the community proposal. There was 1 spoilt ballot paper. Scottish Ministers are satisfied that the criterion of Section 51(2)(b) has therefore been met.

Section 51(3)(b) of the Act requires the Scottish Ministers to be satisfied that the community body continues to comply with the provisions of section 34 of the Act. NWMCWCL submitted their latest Articles of Association and Scottish Ministers have checked them against the section 34 requirements and are content they continue to comply. Scottish Ministers are satisfied that the criterion of Section 51(3)(b) has therefore been met.

Section 51(3)(c) of the Act requires that the CB’s proposals for the use of the land are compatible with furthering the achievement of sustainable development. NWMCWCL submitted a Feasibility Study and Business Plan to demonstrate support that the proposals will further achieve the sustainable development of the land and the community.

Specific suggestions for the future, submitted by NWMCWCL, include:

- Manage the estate to provide sustainable benefits for the community and land in the long term for future generations.
- Improve infrastructure e.g. improving path networks, the housing stock and other buildings, to help to repopulate of the island.
- Unlock the very large tourism potential largely untapped at present.
- Develop business and community space.
- Revitalise the agriculture on Ulva e.g. new smallholdings or crofts could be made available.
- Manage forestry and deer management sustainably.
- Protecting and promoting Ulva's natural, cultural and built heritage.
- Enhanced biodiversity and conserve sensitive habitats and species.

with the development of the land contributing to the sustainable development of the land and community through

- community ownership of Ulva will contribute positively to addressing social welfare issues, particularly in relation to addressing housing need through high quality accommodation through well maintain property portfolio and help reduce population decline
- community ownership will contribute to local economic development by stimulating business opportunities, especially but not exclusively in relation to tourism by safeguarding the future of existing private businesses and enable creation of new businesses
- community ownership will also promote environmental sustainability on the island through careful management of Ulva's extensive built and natural heritage that is valued, enjoyed and cared for by the local community.
- a landscape farmed/crofted by tenants with a long-term commitment to Ulva. A deer herd that is managed sustainably for the benefit of the community and the environment. Healthy woodlands that support community development and access.
- objective for development of Ulva to be "green" and environmentally sustainable and this will be a major factor in deciding how to approach infrastructure

Scottish Ministers are aware that NWMCWCL's financial plans may require further calculations to be taken into account in order to fully reflect expected future costs, however the project is long term and the community can if need be amend proposals accordingly to address any financial short comings for the project. The proposals are unlikely to benefit the entire community directly (as more aimed at the residents currently on Ulva and local fisherman and community members around Ulva Ferry). It is clear, however the proposals will contribute to furthering the achievement of sustainable development of the land and the part of the community around Ulva, through:

- improvements to the housing by making them more environmentally sustainable and therefore making homes more comfortable for current residents and encouraging new residents to live in the area

- developing tourist and community facilities in existing facilities and improving the current path networks, thereby encouraging additional tourists into the local and wider community.
- setting up bio-diversity plans to manage land for the benefit of rare species.
- Developing a long term land management plan to ensure the woodland and agricultural land is sustainable, along with deep management control to help ensure land is sustainable.
- If successful in securing new residents and an increase in tourist visitors, then these additional people, could contribute to helping the wider community and community facilities become more sustainable long term.

The proposals will take time to develop but will contribute to sustainable development and Scottish Ministers are content that the provision in section 51(3)(c) of the Act has been met.

Section 51(3)(d) of the Act requires that the proposed purchase of the land is in the public interest. Scottish Ministers are satisfied that the proposed purchase of the land is in the public interest. NWMCWCL plans do require further development work to confirm future plans and developments as and when circumstances allow, however their aspirations at present show intent to address community needs and aspirations. Although it is not totally clear how the wider North West Mull community's needs will be met, the needs of at least a section of their defined community (Isle of Ulva and Ulva Ferry), should benefit from the proposals.

Benefits to the community would be achieved by renovating existing properties to improve current living conditions for residents, and also in the hope of attracting new residents, thereby increasing the population and reducing population decline. NWMCWCL plan to develop tourist and community facilities to attract more tourist, which along with increasing the population could benefit the wider community and local facilities through increased footfall using the facilities. NWMCWCL plan to promote the cultural and natural heritage for future generations, along with ensuring the agricultural and forestry land is used in a productive many in the future, following further careful considerations. The proposals will also bring back a number of vacant and underutilised properties and areas of wood and farm land back into long term sustainable use. This may help ensure that an area of the wider North West Mull community has the opportunity to become more viable, resilient and sustainable as the NWMCWCL community has done in the past with the community purchase of areas of woodland.

The aims of the legislation include creating opportunities to empower and strengthen communities where this would be in the public interest. There is no evidence to suggest that the proposals would disadvantage the wider community, the environment or the economy, nor harm any private or commercial interest as a result. Scottish Ministers are aware of the price the property has been valued at, and that NWMCWCL are taking steps to raise funds from a number of sources, including match funding. From the additional information requested from NWMCWCL, it is noted that they plan to ask the Scottish Land Fund for 80% of the acquisition costs (though no definite figure is stated). Scottish Ministers conclude therefore that NWMCWCL purchase of the land would be in the public interest.

Scottish Ministers are satisfied that the criterion of Section 51(3)(d) has therefore been met.

Section 51(3)(e) of the Act requires that Scottish Ministers are satisfied that there has not, since the date on which they decided that NWMCWCL interest be entered in the Register of Community Interests in Land (RCIL), that is 10 October 2017, been a change in any matters to the extent that, if the application were to be made afresh, they would decide that the interest should not to be entered in the RCIL. NWMCWCL confirm that there have been no such changes. Although the business plan doesn't capture all the plans as approved by Scottish Ministers, the business plan captures a high percentage of those proposals as approved, and NWMCWCL have advised that where proposals have not been detailed at this stage, it is due to the proposals at this time not being a priority, but will be considered fuller once initial proposals have been established. Scottish Ministers are satisfied that the criterion of Section 51(3)(e) has therefore been met.

- International Covenant on Economic, Social and Cultural Rights

In reaching their decision under section 51(1)(b) of the Act, Scottish Ministers have had regard to the International Covenant on Economic, Social and Cultural Rights adopted and opened for signature, ratification and accession by General Assembly resolution 2200A (XXI) of 16 December 1966 subject to any amendments in force in relation to the United Kingdom for the time being, and any reservations, objections or interpretative declarations by the United Kingdom for the time being in force. Scottish Ministers have had regard to the ICESCR and they are satisfied that the decision does not affect the advancement or enjoyment of the rights enshrined in the ICESCR.

Scottish Ministers are therefore satisfied that, by giving their consent to proceed to buy the land, it would provide an opportunity for NWMCWCL to address directly the aspirations of the local community and, in consequence, meet the objectives of Part 2 of the Act.

NOTES

An owner of land a community body a person who is a member of a community or creditor with a standard security may, by virtue of section 61(1)(b) or (2)(b) of the Act, appeal by summary application to the sheriff against a decision by Scottish Ministers in respect of right to buy.

An appeal under section 61 of the Act should be lodged within 28 days of the date on which Ministers decided whether to enter the community interest in the Register.

A community body and owner of the land have a duty under section 44A of the Act to notify changes to information relating to a registered interest to Ministers as soon as reasonably practicable after the change.

Under section 45 of the Act, if Ministers are satisfied that there has, since the date on which they decided that a community interest should be registered (or re-

registered) in the Register, been a change in any matters to the extent that, if the application to register that community interest were made afresh, they would decide that the interest is not to be entered in the Register, they shall direct the Keeper to delete that interest.

[REDACTED]

From: [REDACTED]
Sent: 08 May 2018 10:52
To: crtbt mailbox
Subject: FW: Ulva: Lands Tribunal application by NWMCWC
Attachments: Lands Tribunal Letter.PDF

-----Original Message-----

From: John Addy [REDACTED]
Sent: 27 April 2018 08:24
To: [REDACTED] David Knight
Subject: Ulva: Lands Tribunal application by NWMCWC

Attached for info to keep you up to date with our application to the Lands Tribunal.

regards

John Addy

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LANDS TRIBUNAL FOR SCOTLAND

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www.lands-tribunal-scotland.org.uk

Harper Macleod LLP
Solicitors
DX GW86
Glasgow

Our ref: LTS/LdRef/2018/0001

Date: 24 April 2018


Dear Sirs

North West Mull Community Woodland Company Limited
The Isle of Ulva
Executors of the late Jean Margaret Howard
Land Reform (Scotland) Act 2003 – Section 57(1)

I refer to the above Application and now enclose copy Interlocutor allowing the Respondents to lodge Answers.

For completeness, copies of this Interlocutor together with the Application have been sent to the individual Executors and Messrs Gillespie Macandrew.

Yours faithfully


Douglas Ballantyne
Deputy Clerk to the Tribunal



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LANDS TRIBUNAL FOR SCOTLAND

Ref: LTS/LdRef/2018/0001

Land Reform (Scotland) Act 2003

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED, Penmore Mill, Dervaig, Tobermory, Argyll, PA75 7QS, per Harper Macleod LLP, The Ca'd'oro, 45 Gordon Street, Glasgow, G1 3PE

Applicants

against

HENRY JAMES HOWARD, Ulva House, Isle of Ulva, Isle of Mull, PA73 6LZ and ROBIN JAMES SCOTT MORTON, c/o Quartermile Two, 2 Lister Square, Edinburgh, EH3 9GL, as Executors of the late JEAN MARGARET HOWARD, lately of The Old Manse, Ulva Ferry, Isle of Mull, PA37 6LZ

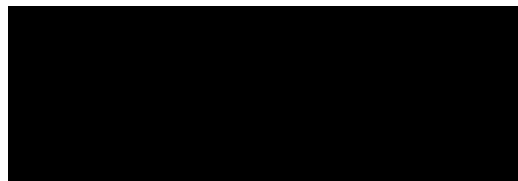
Respondents

Reference in terms of Section 57(1)
In respect of

**The Isle of Ulva
Including Land at Ulva Ferry on Mull**

24 April 2018

The Lands Tribunal for Scotland, having received an Application, ORDAIN the Respondents to lodge Answers thereto, with the Clerk to the Tribunal, on or before 15 May 2018, *with a copy to the Applicants.*



Deputy Clerk to the Tribunal

[REDACTED]

From: Johnny Bell <johnnybell@twindeerlaw.co.uk>
Sent: 30 May 2018 16:30
To: [REDACTED] crtb mailbox
Cc: [REDACTED] Lorraine Fraser; Marianne Fraser
Subject: RE: Ulva - Tax Relief proposal

Thanks [REDACTED]

We likewise had no knowledge at all that the relevant status applied to Ulva until this morning.

I entirely agree, we are highly conscious that NWMCWC are principally the community vehicle for what are very largely public funds and that therefore if the tax relief system has the potential to create a saving, it is for the donors of that public funding to decide what should be done with it. That said, as things stand, the sums involved will be paid and accounted for through the IHT etc system, which is of course perfectly proper – as indeed is the potential alternative that is being discussed.

All that said, the key objective is the completion of the purchase as always envisaged and contracted-for on 21st June.

I think once you have discussed with colleagues and are briefed-up, let's get a conference call organised asap.

We have also started to have some discussion with David Knight at SLF directly, so that is basically the same discussion.

More shortly.

Regards

Johnny



JOHNNY BELL

Twin Deer Law
TDL HQ | Lochaber Rural Complex | Fort William | PH33 6SQ
Tel : 01397 702519 | Fax : 01397 608555 | Mob : [REDACTED]
DX 531400 Fort William | LP 8 Fort William

johnnybell@twindeerlaw.co.uk
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From: [REDACTED]
Sent: 30 May 2018 16:16
To: Johnny Bell <johnnybell@twindeerlaw.co.uk>; crtb@gov.scot

Cc: [REDACTED]

Subject: RE: Ulva - Tax Relief proposal

Johnny

Thanks for your email.

I have heard of this option, and in fact we had discussed it within the team fairly recently, without realising that the status was already applied to Ulva.

However, I'm afraid that I can't give you a quick answer on this today, as I would need to check with finance colleagues (and property colleagues) about what could be done, and what they would be willing to do in terms on taking on ownership.

In addition, there is the question of where any "return" of funds should go. Should it go back to the SLF as the funder, which is ultimately funded by the SG (who would be the officially buyer in any case), or part to NWMCWC and part to SG or all to the community group. Again, I would need to check with finance colleagues about what we *can* do and what we have some choice over. In addition, there is obviously a policy angle to it for us as well.

In short, I don't think I'll be able to get back to you with a decision this week, there's just too many people that would need to get involved at very short notice.

I'll ask around when I'm back in the office tomorrow afternoon and get back to you with some sort of indication ASAP.

[REDACTED]

From: Lorraine Fraser [<mailto:lorraine Fraser@twindeerlaw.co.uk>] **On Behalf Of** Johnny Bell

Sent: 30 May 2018 14:36

To: [REDACTED]; crtbt mailbox

Cc: John addy

Subject: Ulva - Tax Relief proposal

Importance: High

Dave,

I refer to John Addy's brief conversation with [REDACTED] just now regarding the Ulva purchase and in particular, the very late in the day proposal that's come forward from the seller, Jamie Howard, to structure things so that the transaction can benefit from the very considerable tax relief that may be available through Ulva being designated, for HMRC and Inheritance (and other capital) Tax purposes as a "conditionally exempt" property.

Basically, and forgive me if I'm teaching grandmother to suck eggs, owners of specific types of nationally important property can request designation from HMRC that they should be exempt from Inheritance Tax, subject to certain conditions. Ulva (unknown to us until this morning) has had this conditionally exempt status with HMRC for about 20/30 years. The sale now, as currently envisaged, as a straight sale to NWMCWC, will end that conditionally exempt status and result in a significant tax charge falling on the seller (we believe about £2m).

Instead, the seller can structure things to sell the conditionally exempt property to a public institution at a “special price” which is basically a price marginally (10% is the default rate, although he may look for more) above what he would get in his hand if he simply paid the tax. The benefit to the seller is that he achieves a slightly greater end net result than he otherwise would and the benefit to the public interest is that important property is secured for public benefit and in this case, effectively the bulk of the tax saving would (subject to, amongst others, SLF approval) be saved for use within the project. On the HMRC default basis for calculation, we think there may be a basis for saving approximately £1.8m for use within the project, which is obviously a transformational potential outcome.

I attach the following:-

- A copy of the relevant part of HMRC’s manual on the matter, which I have marked up showing the relevant sections.
- The list of the qualifying bodies to whom the special price transfer can be made. To do this, we would require one of the qualifying bodies to be the party that takes the initial transfer of the land from the seller and then immediate back to back transfer to NWMCWC would be done. As you’ll see, the HMRC notes specifically envisage that that can be done and permits it. There are several potential qualifying bodies on the list that we could ask to be involved, but by far the easiest would be if the Scottish Ministers/SG were able to do it.
- A worked example from the HMRC manual.

As I say, this proposal has only just been put to us by the sellers this morning and we are very much only initially considering it at this stage. However, we do consider it to be an entirely legal, fully statutorily available and encouraged scheme and obviously, it has the potential to deliver a transformational outcome. However, we will not wish to consider it any further unless it has the clear support of both the Scottish Government and the Scottish Land Fund (and indeed our other funders). On that basis, we would ask please for an urgent view from you, on behalf of the Government as to:-

1. Whether the Ministers would have any objection to us proceeding on that basis and indeed we would welcome their support on it; and
2. Whether the Scottish Government would be prepared, at least in principle at this stage and subject to the detailed requirements getting fleshed out, to act as the qualifying transferee from the seller/immediate transferor to NWMCWC as envisaged by the HMRC guidance.

Clearly within the purchase timescale that we are currently working to (21 June), if we are to look to engage with this proposal, we need to do so pretty much immediately and there will probably be a lot to be done to structure things to get the benefit of it, so we are very anxious to get an initial view from you absolutely as a matter of urgency please. Sorry to land it on you, but as I say, it’s just been put to us.

Happy to discuss with you or any colleagues whenever convenient.

Regards,

Johnny



JOHNNY BELL

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Tha am post-d seo (agus faidhle neo ceanglan còmhla ris) dhan neach neo luchd-ainmichte a-mhàin. Chan eil e ceadachd a chleachdadh ann an dòigh sam bith, a' toirt a-steach còraichean, foillseachadh neo sgaoileadh, gun chead. Ma 's e is gun d'fhuair sibh seo gun fhiosd', bu choir cur às dhan phost-d agus lethbhreac sam bith air an t-siostam agaibh agus fios a leigeil chun neach a sgaoil am post-d gun dàil. Dh'fhaodadh gum bi teachdaireachd sam bith bho Riaghaltas na h-Alba air a chlàradh neo air a sgrùdadh airson dearbhadh gu bheil an siostam ag obair gu h-èifeachdach neo airson adhbhar laghail eile. Dh'fhaodadh nach eil beachdan anns a' phost-d seo co-ionann ri beachdan Riaghaltas na h-Alba.

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[REDACTED]

From: John Addy [REDACTED]
Sent: 20 June 2018 21:10
To: Landa Sullivan; David Knight; [REDACTED] Colin Faulkner; Stephen Moir; crtb mailbox
Subject: Fwd: Community purchase of the Isle of Ulva
Attachments: Press release for 21 6 18.pdf

For info

Attached press release just sent out to our media list
Embargoed till 3:00pm tomorrow

regards

John Addy

Begin forwarded message:

From: John Addy [REDACTED]
Subject: Community purchase of the Isle of Ulva
Date: 20 June 2018 21:01:17 BST
To: NWMCCW <admin@nwmullwoodland.co.uk>, John Addy [REDACTED]

Please find attached press release regarding the community purchase of Ulva estate.
Note this press release is under strict embargo till 3:00pm on Thursday 21st June 2018

Regards

John Addy

Director
North West Mull Community Woodland Company Ltd.



North West Mull Community Woodland Company Ltd

PRESS RELEASE

STRICTLY EMBARGOED TILL 3:00PM THURSDAY 21st JUNE 2018

ISLE OF ULVA IN COMMUNITY OWNERSHIP

Today (21st June) is a hugely significant point in the history of the Isle of Ulva.

Marked by a ribbon-cutting ceremony at the top of the pier witnessed by schoolchildren from Ulva Ferry school, residents of Ulva and North West Mull, sponsors and supporters, today the Isle of Ulva estate passes out of private ownership and into the hands of the local community.

The bid to buy Ulva was launched around a year ago when the present owner, Mr. Jamie Howard decided to put the estate on the market.

North West Mull Community Woodland Company as a recognised Community Body with land holdings close to Ulva on the mainland of the Isle of Mull and whose membership area includes Ulva, applied for a Community Right to Buy under the Land Reform (Scotland) Act 2003.

The aim is to bring about social and economic development of Ulva for the benefit of the community now and for future generations, with a key objective being repopulation of the island.

Rebecca Munro, Ulva resident:

"I believe that the people who live and work here are best placed to run the island. All we are asking for is the chance to shape our own future, and provide opportunities for our children and generations to come. Community ownership offers us a say in that future. And that is what makes it essential."

After a long and complex process, a Community Right to Buy was granted over the bulk of the estate at a price set by an independent valuation ordered by the Scottish Government. Subsequently a price of £4.65M was agreed to purchase the entire estate: lock, stock and barrel. This includes all the buildings and inventory along with most of the foreshore. (Discussions are underway with the Crown Estate which owns the remainder of the foreshore.)

In parallel with the above process, an ambitious fundraising effort was mounted to secure the money needed not only to buy the estate but also carry out some of the most important development work in the first months and years of ownership.

The bulk of the purchase price and also assistance with project management over the first two years will be coming from the Scottish Land Fund. The SLF grant of up to £4.4M is unprecedented in community land purchases in Scotland. It is testimony to the commitment of the Scottish Government to land reform, repopulation and stimulation of the development of remote areas of the highlands and islands.

Roseanna Cunningham, Cabinet Secretary for Environment, Climate Change and Land Reform:

“This is an historic day for Ulva, and I would like to offer my warmest congratulations to the North West Mull Community Woodland Company for seeing the sale through to its conclusion. They can now press ahead with their ambitious plans to regenerate the local economy, and ultimately repopulate the island again – to the benefit of the wider surrounding area. This is another example of land reform in action – with the Scottish Government helping local communities to have a greater say in their own future.”

We always knew that we would be required to find additional funding alongside any SLF support, both for the purchase and to cover the first stages of development, and obviously the higher that contribution could be the better.

Ulva was the birthplace of Lachlan Macquarie, seen by many as the “Father of Australia” We were therefore delighted to receive the enthusiastic support of the Macquarie Group, which we approached at an early stage via their Green Investment Group based in Edinburgh. Their generous “cornerstone” donation of £500,000 alongside the SLF commitment ensured we had the flexibility to make a fair and serious offer to purchase. It also underpins our ability to make early progress on some of the many ideas we have as a community to regenerate the island.

David Fass, Chief Executive Officer, EMEA, Macquarie Group:

“We are delighted to support the community buy-out of the island of Ulva, the birthplace of Governor Lachlan Macquarie, after whom our company is named. We have been impressed by the entrepreneurialism and drive shown by the islanders as they have taken forward the purchase and developed ambitious plans for the future. We look forward to the island and North West Mull having a bright and sustainable long-term future and to the links between Scotland and Australia growing deeper still.”

In addition, other ongoing fundraising from a variety of sources including our JustGiving appeal brings the total sum raised to around £600,000, which is significantly over 10% of the purchase price.

We are grateful to Highlands and Islands Enterprise, (HIE) for their support for the Feasibility Study and business planning work that was so important to establish the practicality of our proposals.

Also most welcome is the non-financial support that has been offered by the Macquarie Group. In coming months we are keen to discuss how their world-wide technical expertise and contacts might be brought to bear in specific project areas, for example in sustainable energy and infrastructure.

Additionally National Trust for Australia has offered to help promote the tourism opportunity for visiting Macquarie’s birthplace.

Planning and design services valued at around £25,000 have been offered *pro bono* by Moxon Architects Ltd to get the existing houses renovated as quickly as possible.

Over the past year we have been heartened by the support expressed directly and also via social media. There is a lot interest in Ulva nationally and internationally, sometimes because of historical family links, often going back to the days of the Clearances or before. There is also a great deal of interest in the context of the unfolding story of land reform in Scotland.

Very welcome letters of support were received from a wide range of local and national organisations including; Ulva School Community Association, Mull and Iona Community Trust, South West Mull and Iona Development, Mull Fishermens Association, Royal Society for the Protection of Birds, Woodland Trust Scotland, Community Land Scotland, Turus Mara, Our Island Home, Mull Charters, Development Trusts Association Scotland, Rural Housing Scotland, Community Woodlands Association, The Boathouse Restaurant, local fishing boat owners and other businesses.

To all our supporters we want to say a huge **THANK YOU** for helping us make this happen.

People tell us that the really hard work is only just about to begin, and of course they are correct. However, for a day or two in midsummer this year the Ulva team will be relaxing and looking forward to the challenges and opportunities ahead.

Perhaps around midsummer in years to come, future generations may also want to mark this special day in the long history of their island.

ENDS

Notes for Editors

North West Mull Community Woodland Company Ltd (NWMCWC) is a community company limited by guarantee. There are no shareholders. Membership is open to all people living in North West Mull – which includes Ulva.

The Company was established in 2006 when it became the first community body to purchase woodlands from the Forestry Commission under the National Forest Land Scheme.

The Company seeks to promote sustainable community ownership generally.

Its woodlands are home to Scotland's first community owned forest crofts.

In addition to managing the forest, current projects include development of affordable housing and installation of a micro hydro scheme.

The Company also has a woodfuel business (Island Woodfuels) supplying woodchips and logs for heating.

Contact Details

admin@nwmullwoodland.co.uk or phone 01688 400600

<http://nwmullwoodland.co.uk/>

[REDACTED]

From: John Addy [REDACTED]
Sent: 24 June 2018 09:36
To: crtbox mailbox
Subject: Howard Family Statement
Attachments: IMG_1574.pdf

For info

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Howard Family Statement

Yesterday on the 21st of June, the community group from North West Mull (North West Mull Community Woodland Company) will no doubt have celebrated its publicly funded take-over of Ulva.

The Howard family wish the very best for the residents of Ulva and for their future. However, the road to this moment has been a somewhat dark one.

The strong indication is that the driving impulse for this acquisition has been, and is, not so much for the welfare of Ulva and its resident community but more to satisfy the long held personal ambitions of a few relatively local individuals on the island of Mull; to

benefit SNP (Scottish National Party) party politics and prejudices, and to feed media headlines.

On multiple occasions, during the course of the acquisition procedure, the legislative guidelines (as published by this Scottish Government) were cast aside, with key, mandated deadlines mendaciously ignored by Ministers and Scottish Civil Servants in order to coincide with keynote Party speeches by the First Minister and to facilitate the acquisition of Ulva, regardless of the merits or otherwise, or the fiscal viability of the community plans. It entirely ignored its elected duty to be even-handed to all Scottish constituents.

The community body concerned resorted to the Land Tribunal at the first indication that it was not going to achieve all its demands, however ridiculous they were. At every stage of the proceedings Jamie Howard was kept in the dark and stonewalled with no access or recourse to official information or assistance. Their dissemination of false and misleading information through the general media has been astonishing and disappointing.

We hope the SNP party activists concerned treat the long- standing Ulva residents with respect despite their track record thus far.

The local SNP MSP (Member of the Scottish Parliament), Mike Russell MSP perhaps could have communicated with, and have acted as a mediator between, ALL his constituents rather than indulging in ubiquitous and tedious SNP partisan sound bites.

It is hoped that the 100,000 plus or so who have visited Ulva over the last 20 years with the encouragement of the Howard family enjoyed their time on this rare and precious island. Time will tell if Ulva continues to be the rural, natural beauty that it is today.

Jamie Howard would like to thank personally the residents of Ulva, past and present;, the Ulva Ferry fishermen, and all those good people of the Isles of Gometra and Mull, who have been of such support recently and to his family in the past, and particularly during the last 35 years since he left Military Service to assist his family in the stewardship of his lovely and precious home. He wishes you all prosperity and happiness in these challenging times ahead.

