The Orkney Partnership

Working together for a better Orkney

Locality Plan 2018-2021 Appendix 2

Non-linked Isles

A profile of the isles

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A profile of the isles

A wide range of statistical information was considered when developing the Locality Plan. This document presents some of the statistical evidence of socio-economic outcomes on the non-linked isles, compared with Orkney's mainland and linked south isles, and with mainland Scotland where relevant.

Population

Figure 1: Census data showing population trends

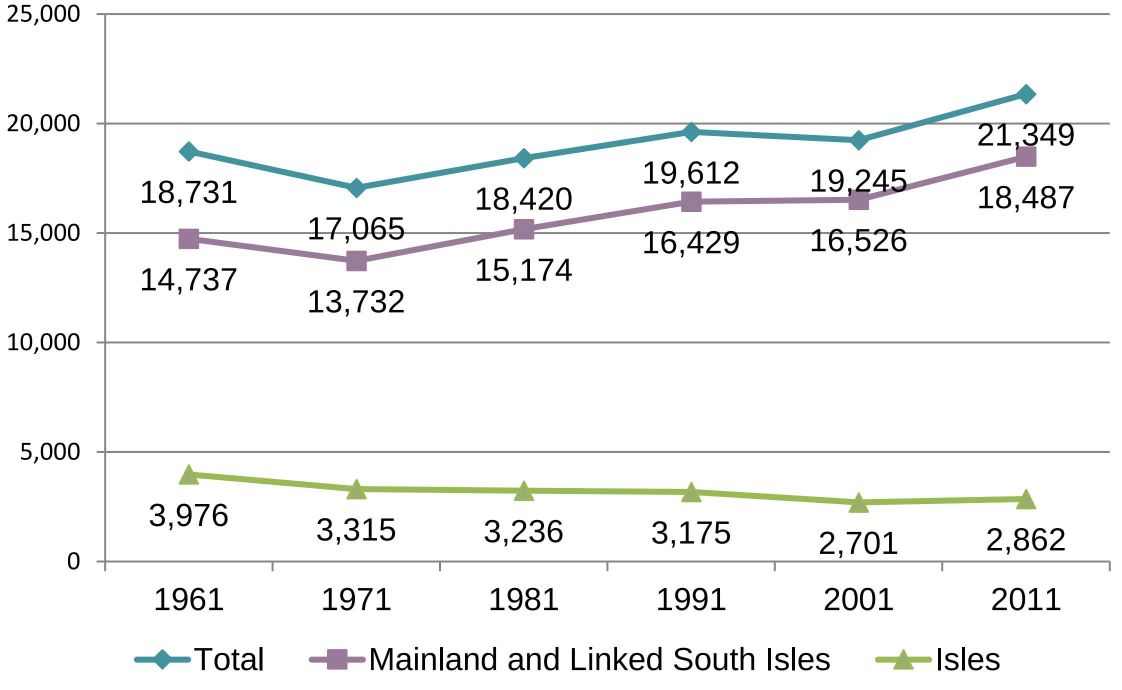


Figure 1 shows population trends for Orkney. This demonstrates that, after a low point in 1971, the trend in the Mainland and linked south isles has been upwards, and in the non-linked isles downwards, with a slight recovery in 2011.

Of the individual islands, North Ronaldsay in particular has experienced a very steep decline in population. Flotta shows a significant spike in the 1981 Census figures, due to oil terminal activity, and a steep decline thereafter.

More detailed information on population can be found on the National Records of Scotland Statistical Bulletin on the 2011 Census results. It should be noted that in the Census, in order to protect against disclosure of personal information, some records have been swapped between different geographic areas. This means some values are affected, particularly small values at the most detailed geographies. In addition, the Census was undertaken some time ago and there have been changes since then.

The Inhabited Islands analytical report presents statistics from the 2011 Census on the characteristics of the populations of Scotland’s islands. The data for the figures and tables in the report can be found in the background tables.

Age Profile

Orkney's demographic profile is changing and, in line with the rest of Scotland, the shift is towards an older average age with significant increases in the over 65 age bracket, along with reductions in the working age population. Figure 2 shows that a greater percentage of people in the isles are over 65 and there is also a marked difference in the 20 to 44 age group.

Figure 2: Population % breakdown by age

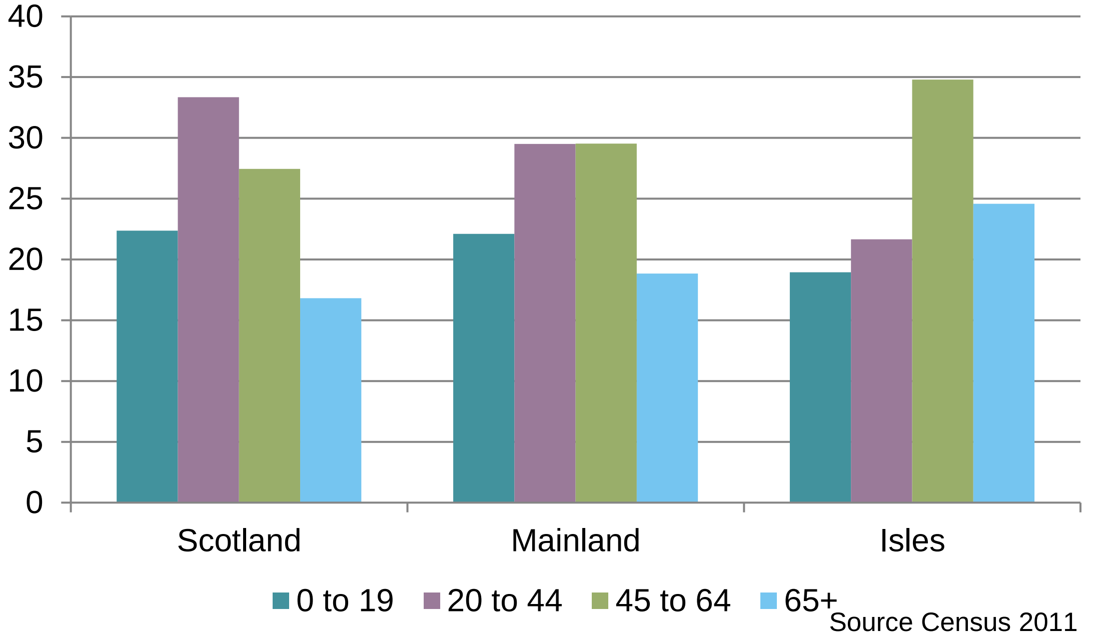
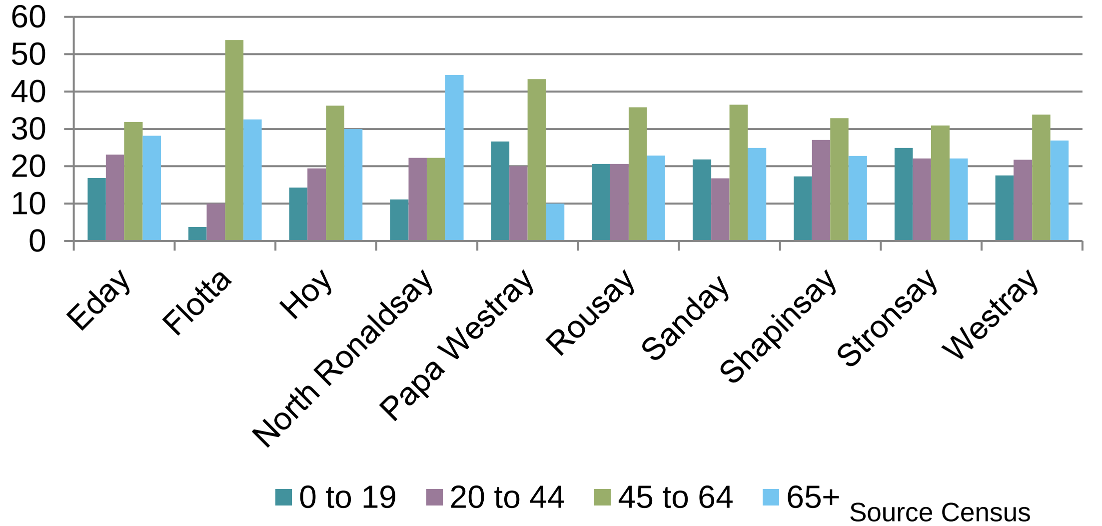


Figure 3 shows these age groups broken down per island and it is immediately noticeable that North Ronaldsay stands out, with twice as many of the population aged 65+ as aged 45 to 64. Flotta is also worthy of note, with a relatively high population aged 45 to 64 but very low figures for age groups 0 to 19 and 20 to 44. (Note that the figures for Hoy include Graemsay and the figures for Rousay include Egilsay and Wyre.)

Figure 3: Population % breakdown by age - per island



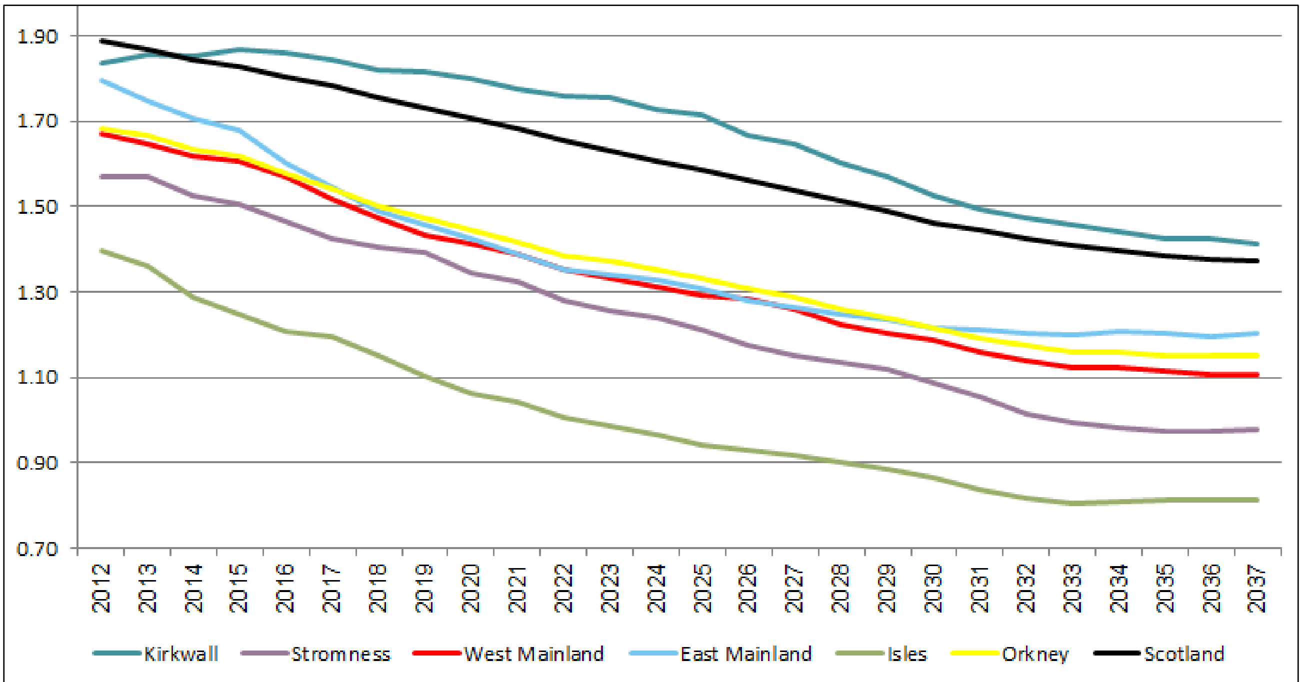
Between 1996 and 2015, the isles have seen the 65+ age group increase in all areas, and significantly in the isles that have seen population numbers drop in all the other age brackets.

Dependency ratios

The dependency ratio for a given area is the number of working age adults between the ages of 16 and 64 for each person in the 0 to 15 and over 65 age groups. For example, for Orkney overall in 2012 there were 1.68 adults of working age to every dependent child and pensioner.

Figure 4 shows recent, current and forecast dependency ratios for different areas within Orkney and provides comparisons with the Orkney and Scotland averages. The figure for the isles is significantly lower than other areas, and is projected to fall below the 1:1 ratio in 2023.

Figure 4: Forecast dependency ratios



Source Scottish Government Small Area Population Projections

Economic activity and Industry

Figure 5 shows people aged 16 to 74 in employment broken down by industry. On the isles, more than a quarter of all work is in farming or fishing, compared with only 8% on the Orkney mainland.

Figure 5: People aged 16-74 in employment, % by industry		
	Isles	Orkney Mainland
Agriculture, forestry and fishing	26.01	7.88
Mining and quarrying	0.82	1.74
Manufacturing	4.26	5.23
Electricity, gas, steam and air conditioning supply	0.60	0.48
Water supply, sewerage, waste management and remediation activities	0.97	0.62
Construction	9.19	11.15
Wholesale and retail trade, repair of motor vehicles and motorcycles	8.67	13.59
Transport and storage	8.07	9.29
Accommodation and food service activities	6.58	6.42
Information and communication	1.05	1.30
Financial and insurance activities	0.45	1.04
Real estate activities	0.82	0.62
Professional, scientific and technical activities	2.39	4.77
Administrative and support service activities	2.24	2.77
Public administration and defence, compulsory social security	2.84	5.74
Education	7.92	8.27
Human health and social work activities	12.26	15.12
Other	4.86	4.76
		Source Census 2011

Figure 6, sourced from CACI Paycheck data[1] for 2017, demonstrates the impact of this uneven employment distribution on household incomes. The average household income in the isles is below the Orkney average and significantly below the Scottish and UK averages. The applicable copyright notices can be found at http://www.caci.co.uk/copyrightnotices.pdf

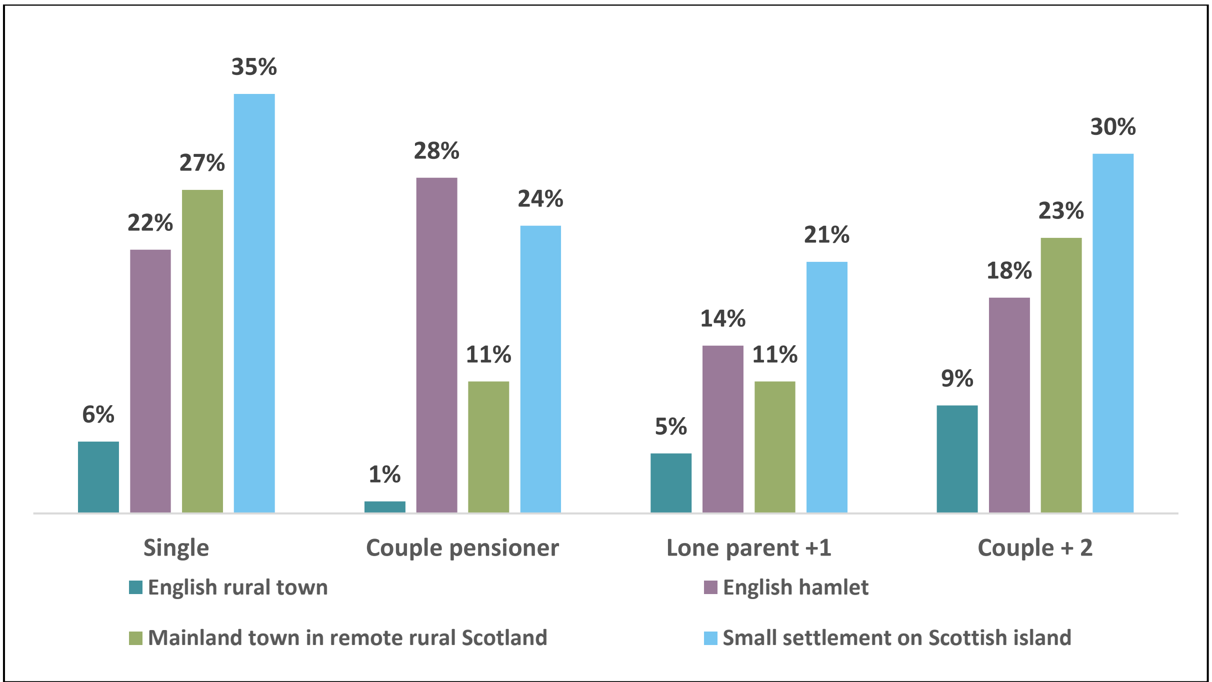
Figure 6: Average Household Incomes		
Area	Average mean income	% of UK average
Kirkwall	£32,723	84%
Stromness	£33,821	87%
West Mainland	£36,780	95%
East Mainland	£37,210	96%
Isles	£25,303	65%
Orkney	£33,426	86%
Scotland	£36,139	93%
United Kingdom	£38,858	100%

[1] The applicable copyright notices can be found at http://www.caci.co.uk/copyrightnotices.pdf

In 2016, Highlands and Islands Enterprise (HIE) updated their 2013 study into the minimum income standard required to live in remote rural Scotland compared to mainland Scotland and the wider UK. The study found that for most groups additional costs are most significant for those living in smaller remote islands such as Orkney's outer isles. As in 2013, the cost of living in a rural town is consistently more expensive in remote Scotland than in England, by up to around 20 per cent.

Figure 7 demonstrates that for most types of household, living costs in island areas are the highest in the UK. Energy, transport and freight (and consequently household goods and food shopping) costs all contribute to living costs. For pensioners living on islands who travel less, and so have low transport costs, a minimum household budget is in some cases similar to that of English hamlets.

Figure 7: Relative cost of living



Source: Highlands and Islands Enterprise

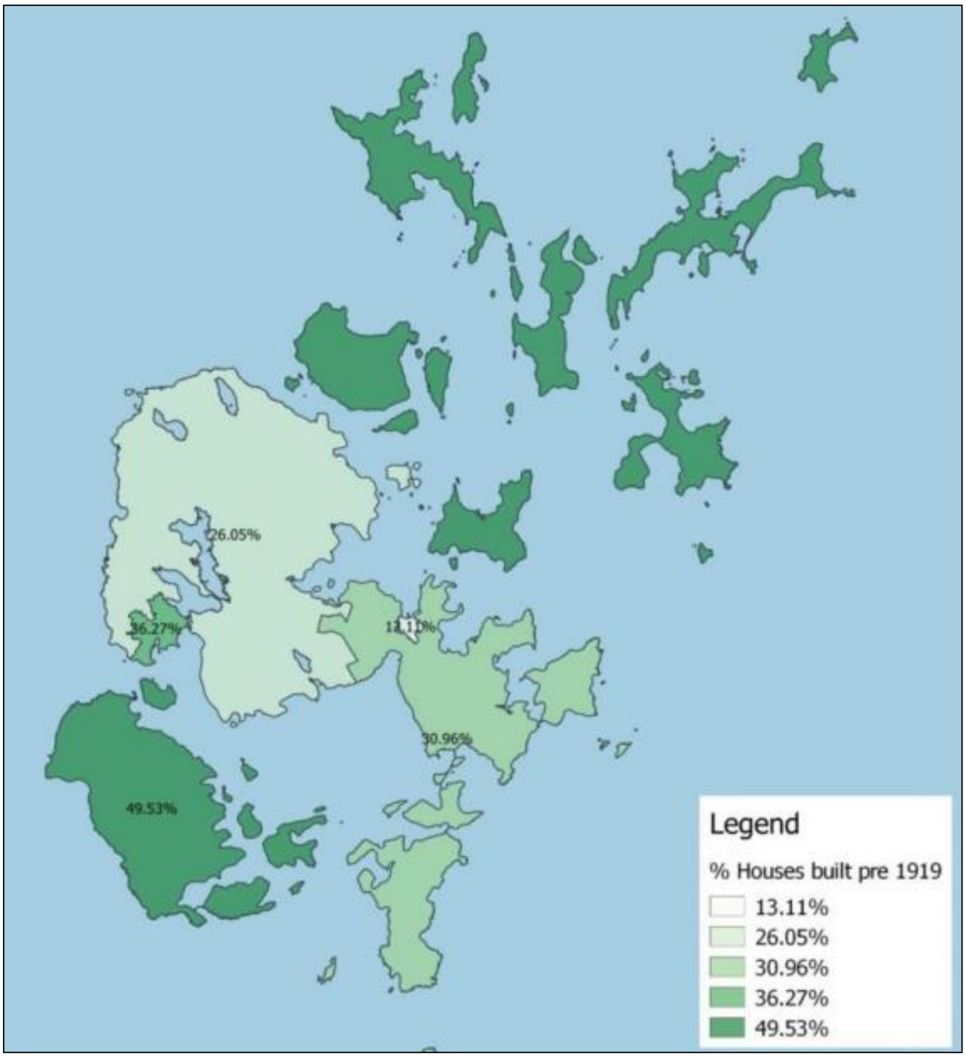
Housing

Housing is a matter of concern in the isles. The non-linked isles have a significantly higher proportion of second/holiday homes (5.6%) and vacant properties (6%) than the Orkney mainland or Scotland. Furthermore, the isles have seen a slight reduction in social housing stock since 2005, whereas all other areas of Orkney have seen substantial increases in social housing stock.

On a more positive note, data for house price affordability, calculated from house sale price and income data, shows that the isles are the most affordable location in Orkney to buy a house. The isles have an unusually high level of in-migration, with house sales to buyers from outwith Orkney (38%) outnumbering those to buyers from elsewhere in Orkney (23%).

The housing stock on the isles is significantly older than in other parts of Orkney. Figure 8, derived from the Affordable Warmth Survey of 2015, shows the distribution of pre-1919 housing stock and illustrates the significant difference, not only between the isles and the Orkney mainland but also between the linked and non-linked isles.

Figure 8: Percentage of Orkney properties built pre-1919



Fuel Poverty

Orkney has the highest level of fuel poverty in the UK, with 63% of households in fuel poverty, rising to over 80% for pensioner households. This high figure is influenced by a number of factors including low average wages, high living costs and old energy inefficient housing stock.

Figure 9 shows the distribution of fuel poverty across Orkney in 2015, and reflects very closely the pattern shown in Figure 8, with the non-linked isles noticeably more disadvantaged than the Mainland or linked south isles.

Figure 9: Distribution of Fuel Poverty across Orkney

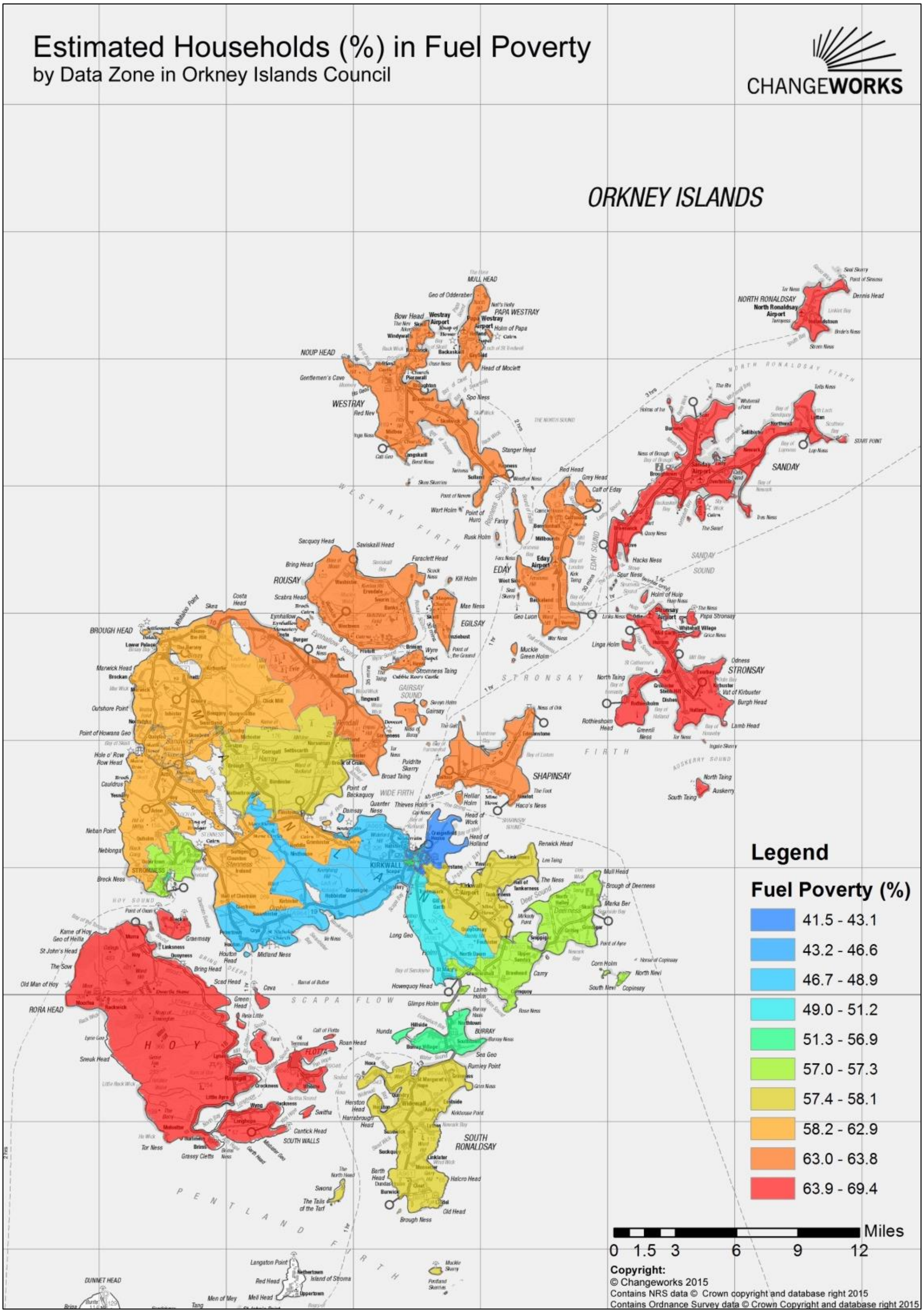
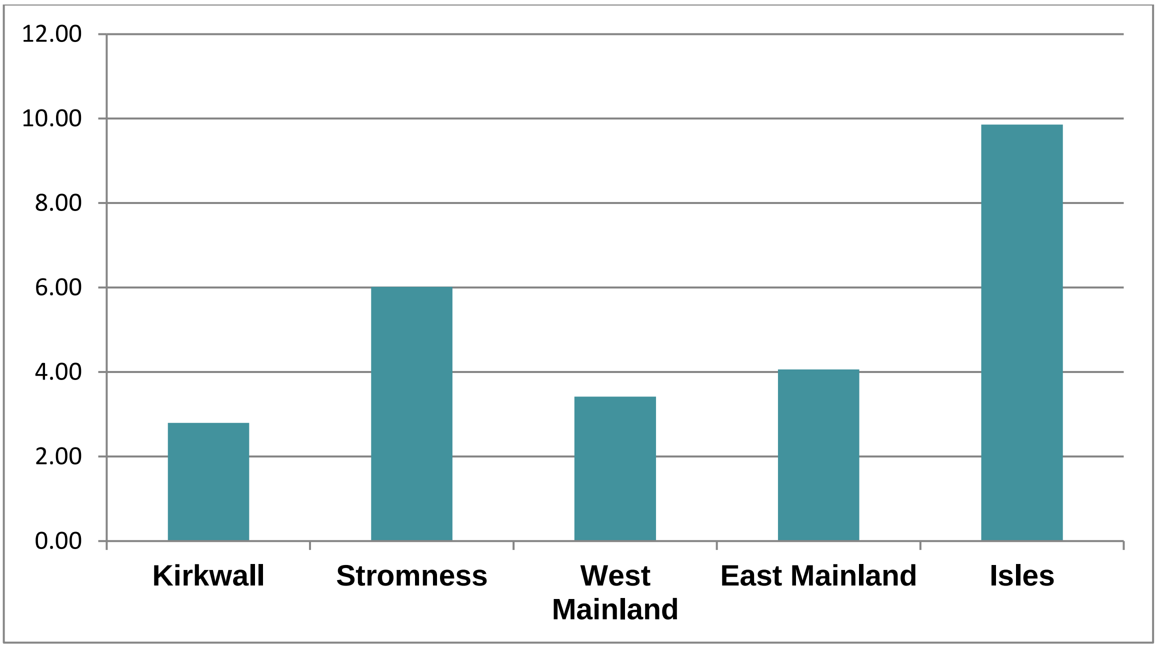


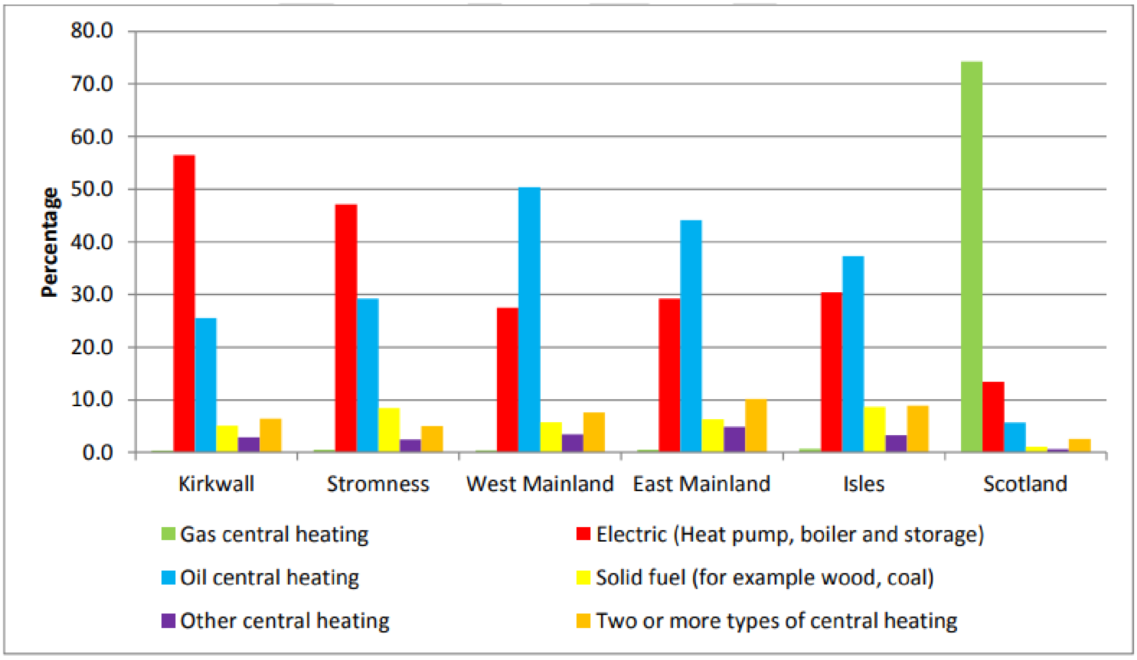
Figure 10 below shows the percentage of Orkney's population that has no central heating, by area, with figures taken from the 2011 Census. All parts of Orkney are higher than the Scottish average of around 2%. However, the Isles at almost 10% are significantly higher than the other four areas.

Figure 10: Percentage of households without central heating



Home heating energy sources are compared in Figure 11 below. This demonstrates that in more urban areas like Kirkwall and Stromness electric heating is the key system, while the more rural areas rely more on oil. Overall, 41% of Orkney's households rely on electric heating while 36% of households rely on oil. However, the most striking contrast is with mainland Scotland where mains gas central heating is by far the most popular option, being cheaper than either oil or electricity, but unavailable in Orkney.

Figure 11: Home heating energy sources



Source: Scotland's Census 2011

Further contributors to fuel poverty are the age and condition of the housing stock, illustrated in the housing section above. Not only is Orkney’s housing stock older than the national average but it also mostly comprises individual bespoke properties rather than streets or areas of the same property style and type. This makes retrofit projects to upgrade the energy efficiency of properties both difficult and expensive, as individual properties often have more than one construction type and may be very different from neighbouring properties.

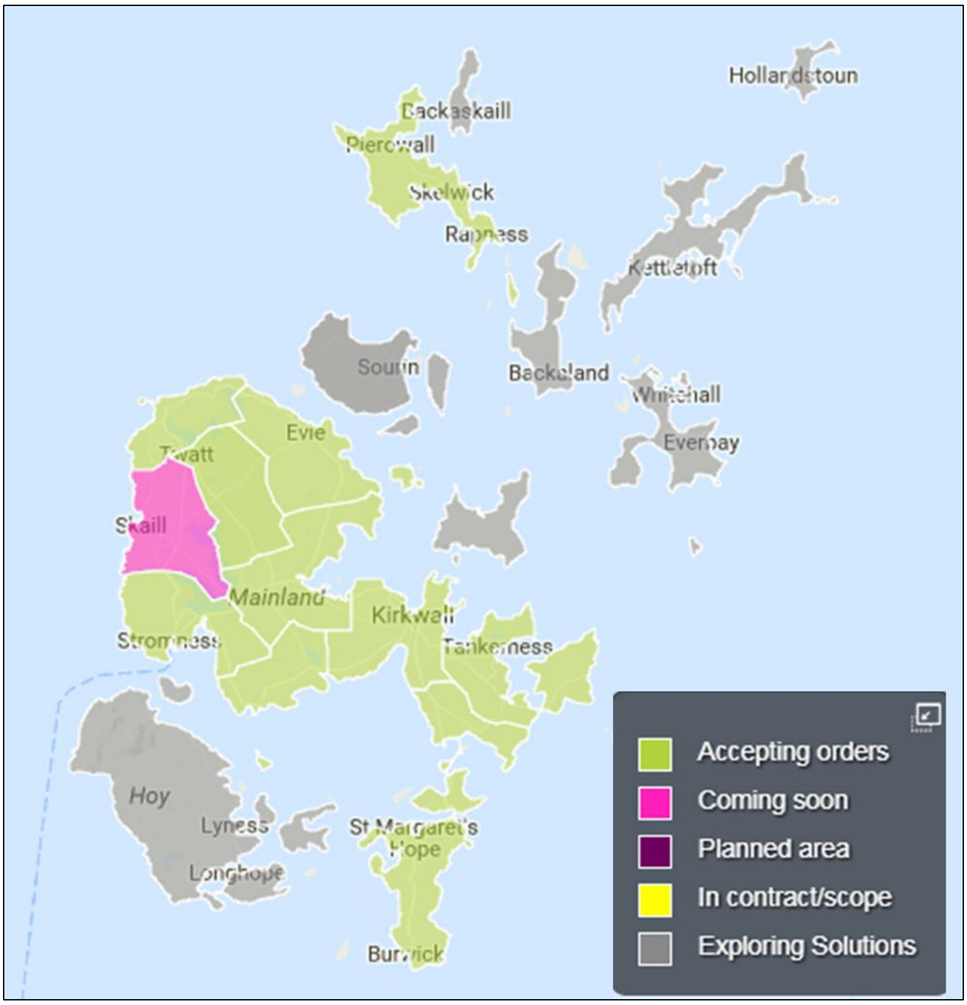
Last but not least, a significant contributor to fuel poverty is the Orkney climate, which as we all know is predominantly cold, wet and windy.

Digital Connectivity

Digital connectivity is the number one priority of the respondents to our consultation exercise. Market failure in the provision of both broadband and mobile connectivity on the non-linked isles has had a major impact on employment and social opportunities. Not only does it affect the socio-eonomic outcomes of residents of the isles, but it deters potential residents from moving to the isles.

Current coverage of superfast broadband is illustrated in Figure 12, sourced from HIE. With the exception of Westray, the non-linked isles are clearly disadvantaged.

Figure 12: Availability of superfast broadband in Orkney at 1 September 2017



The Scottish Government's Digital Scotland Superfast Broadband Programme (DSSB) was on target to achieve 95% coverage by the end of 2017, but most of Orkney falls within the remaining 5%. The new Reaching 100% Programme (R100), launched in June 2017, aims to connect 100% of premises in Scotland by 2021 with a connection speed of at least 30 Mbps.

Scottish Index of Multiple Deprivation

Some of the effects of unequal life circumstances are apparent in the results of the 2016 release of the Scottish Index of Multiple Deprivation (SIMD). The SIMD measures relative deprivation against seven domains: income, employment, health, education, skills and training, geographic access to services, crime and housing. It divides Scotland into 6,976 small areas, or data zones, and ranks them for each domain, with 1 the most deprived and 10 the least deprived. Orkney has 29 datazones, each containing around 350 households, which vary in size from a few streets in central Kirkwall to several of the outer isles grouped together. Orkney's data zones range in position on the aggregate SIMD scale from 2,061 (Hoy, Walls, Flotta and Graemsay) to 6,380 (St Ola – East). The non-linked isles score particularly badly on access to services and housing.

The SIMD is good at measuring deprivation in urban communities, where it mostly occurs in clusters, but deprivation in rural, remote and island communities tends to be disseminated. Individual families may be struggling but will be hidden in the statistics which show that an area is generally well off. Small numbers may also skew results. Nevertheless, the SIMD is useful in helping to pinpoint the areas where people are experiencing poor outcomes.

SIMD data was presented to the Orkney Partnership Board as part of the appraisal process which led to the Board's decision to select the non-linked isles as the subject of the Orkney Partnership's first locality plan.