



Local Housing Strategy

2024-2029

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This document can be made available on request in a range of formats and languages.

1. Purpose of the Local Housing Strategy

The Housing (Scotland) Act 2001 places a statutory duty on local authorities to assess the housing needs of all persons in the area, across all housing tenures, and to develop strategies to meet those needs. This requires the production of the Housing Need and Demand Assessment, and Local Housing Strategy (LHS). The Strategy sets out the priorities and actions required for housing supply, housing quality, and access to housing. The Strategy covers the period 2024-2029.

The Orkney Housing Market Partnership encompasses the Council's Member Officer Working Group. It has responsibility for developing and monitoring the LHS implementation on behalf of Orkney Islands Council.

Fundamental to the development of the Local Housing Strategy is the [Orkney Housing Needs and Demand Assessment](#). This was undertaken with oversight from the Housing Market Partnership and was assessed as 'robust and credible' by the Scottish Government's Centre for Housing Market Analysis in October 2023.

Orkney Islands Council as the Strategic Housing Authority

The Housing (Scotland) Act 2001 (Section 5) sets out the specific role of the strategic housing authority. This outlines the strategic housing function of the local authority to ensure that the actions required for housing supply, quality and access to housing are actually delivered. The role set out in the 2001 Act is summarised below:

- Carry out a Housing Needs and Demand Assessment
- Prepare and submit to Scottish Ministers a Local Housing Strategy
- Have regard to the long-term supply of trained construction and maintenance labour in the area
- Set out the authority's policy for exercising its functions and co-ordinating the activities of registered social landlords and others concerned with housing provision and the provision of related services.

Orkney Islands Council approach to fulfilling its housing strategic and enabling role

The Council's policy to fulfil its housing strategic and enabling housing role is:

- Leading and co-ordinating all activity relevant to implementation of the Local Housing Strategy
- Establishing and servicing the Orkney Housing Market Partnership to understand the function of the housing markets across the islands and develop and monitor policies and strategies to meet those needs
- Co-ordinate action across public and private sectors to ensure the strategies and actions plans are completed
- Report to the Housing Market Partnership quarterly and the Council and Scottish Minister annually on progress with the action plans
- Develop a Strategic Housing Investment Plan (SHIP) annually for the development of new affordable housing supply through a range of partners
- Ensure implementation of the SHIP programme by working in partnership with Scottish Government More Homes and internal Council services, and co-ordinating the activity of RSLs and Development Trusts, private developers and others involved in new housing supply.

2. The Housing Market Partnership and wider community consultation

The Housing Market Partnership comprises the following partners:

- Orkney Islands Council Elected Members
- Orkney Islands Council - Education, Leisure & Housing; Neighbourhood Services & Infrastructure; Enterprise & Sustainable Regeneration; Strategy, Performance & Business Solutions; Orkney Health & Care.
- Orkney Housing Association (OHAL)
- Orkney College UHI
- The Development Trusts' housing consultant
- Highland & Islands Enterprise (HIE)
- Housebuilders

- NHS Orkney
- Scottish Government More Homes Division
- Scottish Water

The Partnership held 8 meetings between January and December 2023 to oversee production of the Housing Needs and Demand Assessment, and then to develop the Local Housing Strategy. This process involved:

- Consideration of Housing Strategy topic papers and presentations
- Workshops on each topic with a total of 20 break out groups over the development period including a total of 45 stakeholders. Most Partnership members attended multiple workshops.

The Housing Market Partnership's work built on wider community consultation led by the Council in late 2021 and early 2022 – 'Orkney Matters', with findings feeding into the Housing Need and Demand Assessment, and the Local Housing Strategy development. The focus was on community and place with questions asked on what's working, what's not working so well, and what the community would like to improve. The engagement was through survey, online consultation, and art workshops for harder to reach groups. This project involved all Council teams including the Housing Service and partner agencies from Orkney's Community Planning Partnership.

The Local Housing Strategy consultative draft was issued for public consultation with a questionnaire to ask for feedback on the housing vision, priorities, outcomes and actions. The draft was disseminated through proactive media engagement with the established network of organisations and community groups including Community Councils and the Development Trusts. Separate consultation took place with the 10 Development Trusts during the production of the Housing Needs Assessment. The Development Trusts' housing consultant is

also a member of the Housing Market Partnership and there was a presentation to the Development Trusts on the draft Housing Strategy. Findings from the consultation were reported separately (this can be found on the Council's website) and findings have been integrated into this final strategy. A total of 62 responses were received to the consultation, with the main themes from these consultees being:

- The need to reduce empty homes, second and holiday homes – this was the most common theme expressed across all responses.
- Increasing housing supply – including the need for different types and sizes of housing to meet a range of housing needs for individuals, families and starter homes.
- Quality of existing homes – highlighting the need for maintenance, and the need for focus on energy efficiency/fuel poverty especially in Council housing, and the lack of access to tradespeople for people who want to make repairs to their own home.
- Location – consultees argued that housing was needed across different locations/communities with some also noting that new development should be sustainable – in the right place for amenities, travel, and within communities.
- Key workers and local households – many noted the need for housing for key workers (including incoming workers), but with a similar strength of opinion around ensuring local resident's housing needs are met.

The Council has a statutory duty to assess the impact of the Strategy in relation to equalities, environmental impact and islands communities impact. Summaries of the draft impact assessments and screening are provided in Section 10. These impact assessments were finalised following consultation on the Strategy.

3. Orkney's profile and housing context

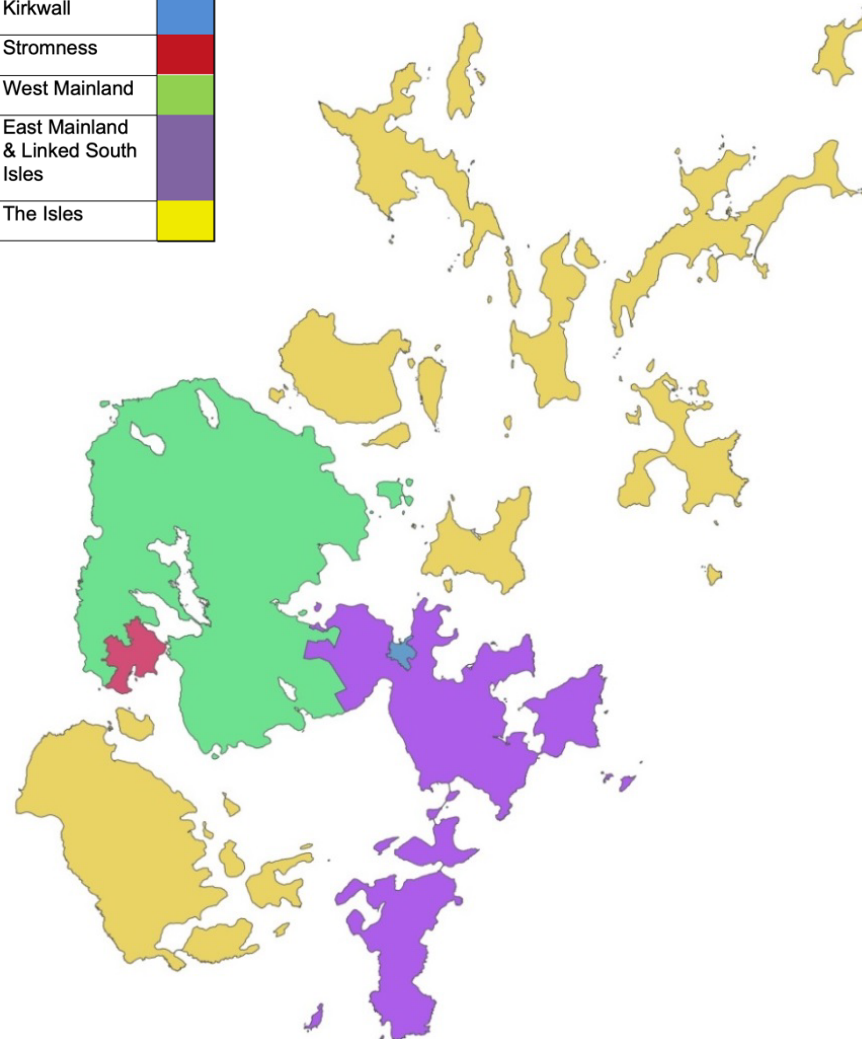
Housing Market Areas

Orkney's housing system comprises five Housing Market Areas which represent reasonably self-contained areas in which people move and purchase housing. The area with the highest population, and the highest need and demand is Kirkwall followed West Mainland, Stromness, East Mainland and the Linked South Isles, and Isles and the Isles.

| | |
|------------------------------------|--------|
| Kirkwall | Blue |
| Stromness | Red |
| West Mainland | Green |
| East Mainland & Linked South Isles | Purple |
| The Isles | Yellow |

Housing affordability

Average house prices in the Orkney Islands have increased over time with [Orkney's mean house price](#) of £216,638 now slightly higher than the Scottish average of £216,333 (2022/23). Orkney's mean household income is £42,239 (CACI 2022) which is slightly higher than the Scottish average of £41,878. Lower quartile incomes in Orkney are £19,646 (Scotland £18,225) but there is considerable disparity between Housing Market Area with a mean household income of £34,622 on the Isles and lower quartile income of £15,512 per annum – 21% lower than the Orkney average. Lower quartile house prices are generally not affordable at lower quartile incomes while median house prices are more affordable for people on median incomes. Private renting is more affordable than purchasing, but not for lower wage occupations. There is also lack of privately rented property and increased pressure on private rents.



Orkney's housing market drivers

Orkney has had higher than average population growth - since 2001, the population in [Orkney has increased by 17%](#), compared with 8% across Scotland, the second highest growth area in Scotland after Midlothian. This has been driven by high net migration.

There has been almost double the rate of [household growth in Orkney at 29.5%](#) over the last 20 years compared to Scotland's 16%. Orkney's growth is the highest in Scotland over the same period.

It is predicted that population and household growth will continue. Kirkwall and East Mainland is projected to see growth while the North Isles are projected to see a decline in population.

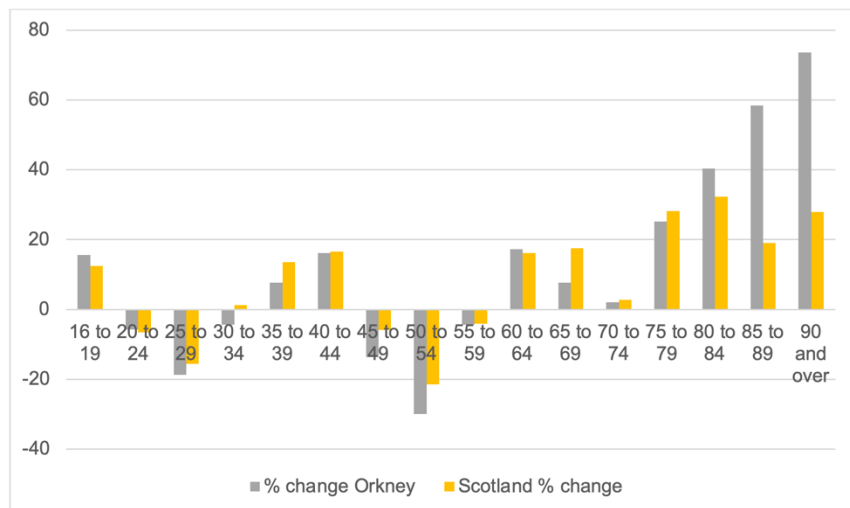
There is evidence of a higher level of net migration in recent years and in addition, significant temporary migration among the 'supplementary' workforce who live on Orkney on a rotational, agency and interim basis. This population is unlikely to be captured in official projections and this temporary population adds further housing pressure. There is evidence of migration being constrained due to the lack of housing for incoming essential permanent workers.

Pressure is evidenced by increasing house prices, and rental prices, and lack of availability of private rented and social rented housing for residents and essential incoming workers. Most recent data from [Registers of Scotland](#) shows Orkney house price growth being double the Scottish average (2021/22 and 2022/23).

Orkney has high levels of employment and low unemployment. There is potential for significant economic growth in Orkney as part of The Islands Growth Deal and from the renewables industry. This has impacts on short-term and longer-term housing needs.

For further information go to the [Orkney Housing Needs and Demand Assessment](#)

Although the Orkney population has increased significantly since 2001, this has been disproportionately greatest among older groups. The figure below shows the projected change in the profile of households by age of reference group between 2018 and 2028, with the greatest expected proportionate growth in the older households. There is also some growth projected in the 16-19 age group and 35-44 years age groups, but a drop in the proportion aged 20-34 years and 50-60 years.



Source: [2018-based Household Projections](#) (Council area profiles)

In future, a significant increase in single and two-person households is projected alongside a reduction in the number of families over time, with the greatest expected proportionate growth in older households.

Housing stock characteristics

Orkney housing stock is predominantly houses, although more flats have been built in recent years in the social sector. Smaller properties are needed to accommodate newly emerging households and 60% of the social rented waiting list needs a 1-bedroom property. The private stock (owned and rented) is significantly larger compared with the social rented stock. The predominance of larger houses has continued recently in new build housing - between 2016 and 2022 while more

than half of the properties built in the social rented sector were 1 or 2-bedroom properties, private sector new-build properties have tended to be larger, with around three-quarters having 3 or more bedrooms and a third having 4 or more bedrooms.

The need for accommodation of all sizes and types (including smaller starter homes and 1- and 2-bedroom flats) has been identified in recent primary research through the Essential Workers Housing Strategy which surveyed essential workers and students.

Stock pressures

There is a low turnover in social renting and high demand in Kirkwall and Stromness in particular, with lower demand on the Isles, but there is a need to sustain these communities by enabling targeted new housing supply. Over Orkney as a whole, the social housing waiting list is more than five times the number of lets available in a year.

Although the population has increased, the number of private rented properties available has not. There is evidence of pressure in private renting and owner occupation through rising prices, with not enough lets available and difficulty accessing ownership.

Empty homes are a significant issue for Orkney - unoccupied exemptions, long-term empty properties and second homes now account for over 1,200 properties (10% of dwellings). This is far higher than Scotland (4%) while rates of properties empty for 12 months+ are more similar to Scotland, at around 1% of the stock. Over the last 7 years 70 empty homes have been brought back into use.

Short-term lets are clustered on the mainland while second homes and long-term empty properties make up a larger proportion of properties on the Isles. Addressing the impact of short-term lets is challenging, with several hundred properties making the short-term let market almost a third of the size of the private rented sector. These lets also contribute to the local economy and individual household income. Home shares (part of the property rather than whole property being let) contribute to the local economy but do not take units out of the residential housing stock.

The high demand for social renting and constrained supply of private rented properties indicates the need for more below-market options.

Estimates of housing need and demand

The [Orkney Housing Need and Demand Assessment](#) (HNDA) shows the quantification of new housing supply requirements over the next 20 years in Orkney. The estimates take into consideration existing need and projections on new household formation under three different scenarios. The resulting estimated requirement for new housing supply over 20 years is:

- Principal scenario (with +0.5% population growth to take account of current levels of net migration) – an estimate of 1,837 additional units required across the whole HNDA period of 20 years, an average of 92 units per year.
- High migration scenario (with +1% additional population growth to support net migration for workforce pressures and potential economic growth) - an estimate of 3,214 additional units required over the 20-year period – 161 units a year.
- Low migration scenario estimates additional need for 562 units – 28 units a year across the whole HNDA period.

The table below sets out the housing estimates by 5 years tranches, and by type of housing required for the principal estimate. This shows

Principal housing estimates (+0.5% population growth)

| | Annual 2023 - 2027 | Annual 2028 - 2032 | Annual 2033 - 2037 | Annual 2038 - 2042 | Total whole period | Annual whole period |
|--------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| Total | 131 | 76 | 85 | 75 | 1,837 | 92 |
| Social rent | 59 | 14 | 17 | 15 | 525 | 26 |
| Below Market | 18 | 16 | 18 | 16 | 346 | 17 |
| PRS | 23 | 20 | 22 | 19 | 425 | 21 |
| Buyers | 30 | 26 | 28 | 24 | 541 | 27 |

Source: Housing Need and Demand Assessment 2023

that over the whole HNDA period, the split between private housing and affordable housing is broadly 50:50. The estimates also show that a proportionally higher requirement is needed in the first 5 years to address the current backlog of existing housing need.

Looking at the principal estimates by Housing Market Area this shows:

- In **Kirkwall**, 35 additional units a year on average are needed over 20 years, but with 59 a year in the first 5 years.
- In the **West Mainland**, 26 additional units a year on average are needed over 20 years, but with 22 a year in the first 5 years.
- In **Stromness**, 10 additional units a year on average are needed over 20 years, but with 15 a year in the first 5 years.
- In the **East Mainland**, 19 additional units a year on average are needed over 20 years, but with 23 a year in the first 5 years.
- In **the Isles** – 5 additional units a year on average are needed over 20 years, but with 8 a year in the first 5 years.

It is emphasised that these are estimates. The Housing Market Partnership has considered these estimates and has developed a 10-year Housing Supply Target – a target for new housing supply which can be realistically delivered in practice. This is set at 1,035 homes over 10 years, or 103 per annum. The rationale for the target is discussed in detail in the More Homes section below.

4. The strategic context

The Local Housing Strategy must be set within the context of wider relevant national and local priorities which, along with stakeholder consultation, has helped to shape the housing outcomes to be achieved across Orkney's communities over the next 5 years.

National housing strategies and priorities

Housing to 2040

Housing to 2040 is Scotland's long-term national housing strategy which aims to deliver the ambition for everyone to have a safe, good quality and affordable home that meets their needs in the place they want to be. The strategy is set around four key themes:

- More Homes
- Affordability and choice
- Affordable warmth and zero emissions
- Improving the quality of all homes

Housing to 2040 makes a commitment by Scottish Government to increase housing supply by 100,000 affordable homes by 2031/32. At least 70% of these homes will be social rented homes.

New Housing Bill

A new Housing Bill is due to be introduced by the end of the parliamentary year 2023/24 to begin to deliver the actions set out in the consultation a [New Deal for Tenants](#) and some other aspects of Housing to 2040.

Net Zero and Fuel Poverty

To meet Scotland's target date for net zero emissions of all greenhouse gases by 2045 a range of climate change legislation and regulations have been introduced by the Scottish Parliament. The most relevant for housing is the [Heat in Buildings Strategy 2021](#) with the associated consultations issued in November 2023 on Heat in Buildings and the new Social Housing Net Zero Standard. The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 set statutory targets for reducing fuel poverty, and introduced a [new definition of fuel poverty](#).

National Planning Framework 4

[National Planning Framework 4 \(NPF4\)](#) sets out Scottish Government's national spatial strategy. It outlines spatial principles, regional priorities, national developments, and national planning policy. NPF4 identifies Orkney Islands as one of six Sustainable Places National developments. These are significant developments of national importance, with Orkney identified as one of the Energy Innovation Developments for renewable energy generation, renewable hydrogen production, infrastructure and shipping, and associated opportunities in the supply chain for fabrication, research and development.

Local strategies and plans

There are Orkney local strategies and plans which underpin and support the development and implementation of the Local Housing Strategy.

The [Orkney Community Plan 2023-2030](#) incorporates the Local Outcomes Improvement Plan. The Plan describes what the members of the [Orkney Partnership](#) aim to achieve by working together to improve outcomes for individuals, families, and communities, and especially to combat inequality and prevent disadvantage. The current Community Plan is looking further ahead than the usual 5-year Plan as the Partnership's ambition is to see Orkney reach net zero by 2030, fifteen years ahead of the national 2045 target for Scotland. Orkney has a unique opportunity to capitalise on the rapid expansion of the green and blue economies, but to do so will require significant new infrastructure and especially more housing. The Community Plan strategic priorities are listed below, with outcomes highlighted that relate directly to housing:

- Cost of Living – co-ordinating an agile response to the cost of living. Outcomes relate to addressing child poverty, food dignity and fuel poverty.
- Sustainable Development – exploiting the synergy between two linked themes: development of a wellbeing economy and combatting the climate emergency. Outcomes include those relating to climate action and achieving net-zero emissions in Orkney by 2030.

- Local Equality – improving the viability of Orkney’s most disadvantaged communities by levelling up the availability of services, facilities and opportunities. Outcomes include improvement of population and demographic balance, and improvement in the outcomes for Orkney’s most disadvantaged communities.

The [Council Plan 2023-28](#) and the accompanying Delivery Plan describes the Council’s overarching projects, services and policies that will help the Council deliver its priorities and achieve positive outcomes for Orkney. The Council Plan has an overall theme – ‘Transforming our Council’ – to provide the foundations for staff to deliver outstanding customer service and performance.



The Council Plan three key priority themes are: Growing our Economy; Strengthening our communities; and Developing our Infrastructure.

These priorities are underpinned by the following core principles:

- Protecting our environment and combating climate change.
- Equality, fairness, and inclusion, particularly for vulnerable and remote communities like the ferry-linked isles
- Sustainable and accessible services for all.
- Community wellbeing and mental health.
- Community wealth building for future generations.



There are other local strategies and plans of relevance to the Local Housing Strategy. Implementation of the LHS will ensure there is connection across different workstreams, partner organisations and services to ensure outcomes are achieved. The key local strategies and plans relevant to the implementation of the Local Housing Strategy are:



- [Council Plan 2023-28](#)
- [Council Delivery Plan 2023-2028](#)
- Orkney Essential Workers Housing Strategy 2023
- [Orkney Community Plan 2023-2030](#)
- [Orkney Child Poverty Strategy 2022-2026](#)
- [Orkney Local Development Plan 2017-2022](#) (under review)
- Orkney Strategic Housing Investment Plan 2023-2028
- [Orkney Islands Council Empty Homes Strategy 2018-2023](#)
- [Orkney Islands Council Carbon Management Programme 2016-2026](#)
- [Orkney Sustainable Energy Strategy 2017-2025](#)
- [Strategic Commissioning Implementation Plan](#)
- [Orkney Islands Council Homelessness Strategy](#)
- Rapid Rehousing Transition Plan

What has been achieved since the last Local Housing Strategy?

The previous Local Housing Strategy 2017-2022 set out 7 different priorities. The table below shows these priorities, and the overall progress made against key targets within that plan. The table includes red, amber and green arrows with red denoting lack of progress or deterioration of the position since the last strategy, amber means no change, and green shows positive progress. The detailed sections in this new Housing Strategy including More Homes; Quality Warm Homes; and Access and Choice of Housing for All set out the current position in relation to meeting the statutory requirements, and the work that is now required to make further progress.

| Priority | Key targets and what has been delivered | Progress |
|---|---|---|
| Ensuring adequate supply of houses | <p>All new build target 5-year requirement – 583 Actual all new supply built 2018/19-2022/23 – 428 Affordable homes projected 5-year requirement – 448 Actual affordable homes delivered 2018/19-2022/23 – 110 The new Local Housing Strategy has placed a renewed emphasis on increasing housing supply, including provision for a range of demand groups and all Orkney communities.</p> |  |
| Preventing and alleviating homelessness | <p>Number of homeless applications 2018/19 – 134 Number of homeless applications 2022/23 – 135 Number of people living in temporary accommodation March 2018 – 28 households Number of people living in temporary accommodation March 2023 – 72 households It is expected that with the increased focus on new supply in the new strategy should help decrease the number of households living in temporary accommodation.</p> |   |
| Older People | <p>Orkney Housing Association has continued to build amenity housing and now has a total of 200 amenity standard homes. Age Scotland was commissioned in 2019 to capture information on the housing aspirations and preferences of older people in Orkney. Different models of providing housing and related services for older people have been examined including for ‘Care for Sanday’ by the Stronsay Development Trust, and Hope Co-housing cohousing project for older people within St Margaret’s Hope. More work is required to implement these projects. There has been lack of progress on pursuing technological solutions and improved care and support options for people with dementia and older people living on the Isles.</p> |   |

| | | |
|---|--|--|
| <p>Housing and support for people with particular needs</p> | <p>The core and cluster new housing development at Carness was completed in 2023 which is now home for 4 people with learning disabilities.</p> <p>The housing and support needs of young people who have left care are considered through regular joint meetings between housing and social work teams.</p> <p>Information and advice about the Care and Repair scheme for disabled adaptations is widely disseminated.</p> <p>A restructure has been implemented to provide generic housing support, support for refugee resettlement and sheltered housing including two registered care inspectorate support services.</p> <p>The Council's housing letting policy for people with particular needs to ensure appropriate joint working is in place.</p> <p>The need for supported accommodation for people with mental health problems is still unmet need and is a continued requirement in the new housing strategy.</p> <p>The possibility of implementing a housing first model for young people has been considered and rejected due to lack of resources.</p> |  |
| <p>Improving standards in the private sector</p> | <p>The Scheme of Assistance through Orkney Care and Repair service has been funded over the strategy period and the contract is under review in 2023/24.</p> <p>The action to undertake a local house condition survey was not undertaken with Scottish House Condition survey identified as a statistically robust published alternative.</p> <p>70 empty homes have been brought back into use over the last 7 years.</p> <p>Funding has increased through Energy Efficient Scotland: Area-based scheme (EES:ABS) from £785,102 in 2015 to over £1.7million claimed in 2022/23 to install energy efficiency improvements in private sector housing. Since 2015 a total 1292 energy improvements have been completed across 1012 households.</p> <p>Action required to advise, support and ensure enforcement in the private rented sector landlords have not been implemented to the extent required and are included in this new strategy as an action to review the approach and resources available for this statutory function.</p> |  |

| | | |
|---|--|---|
| <p>Reducing fuel poverty and increasing energy efficiency</p> | <p>Council stock meeting current Energy Efficiency Standard for Social Housing Standard - 96%</p> <p>Housing association stock meeting current Energy Efficiency Standard for Social Housing – 98.5%.</p> <p>Both social landlords are now taking a fabric first approach and are implementing improvements to move to the new Social Housing Net Zero approach in the context of Orkney Net Zero 2030 policy target.</p> <p>Energy efficiency in the private sector has improved through EES:ABS scheme (as above).</p> <p>Orkney Fuel Poverty Strategy was put in place in 2017 but actions required to eliminate fuel poverty, prioritising the most vulnerable households have not been fully progressed. Renewed focus and action is included in this new strategy.</p> |  |
| <p>Sustaining Orkney’s communities</p> | <p>The Islands Development Trusts have been funded through the Rural and Islands Housing Fund to develop new housing. Over the last 5 years 9 homes have been completed, 5 are under development and 13 are at feasibility stage.</p> <p>The Essential Workers research and housing strategy which includes the housing needs of students has been completed for approval in February 2024 for implementation during the new Strategy period.</p> <p>Discussions commenced in 2023 with infrastructure developers on their temporary accommodation requirements and to develop plans which minimise risks for the existing housing system and to maximise the housing legacy for the long term.</p> |  |

5. Orkney's housing vision, housing priorities and outcomes

Vision

The Housing Market Partnership decided on the following vision for the housing strategy:

Orkney has a wide range of good quality, sustainable homes that are affordable and meet the current and future needs of individuals, families and local communities across the Orkney Islands.

Strategic housing priorities

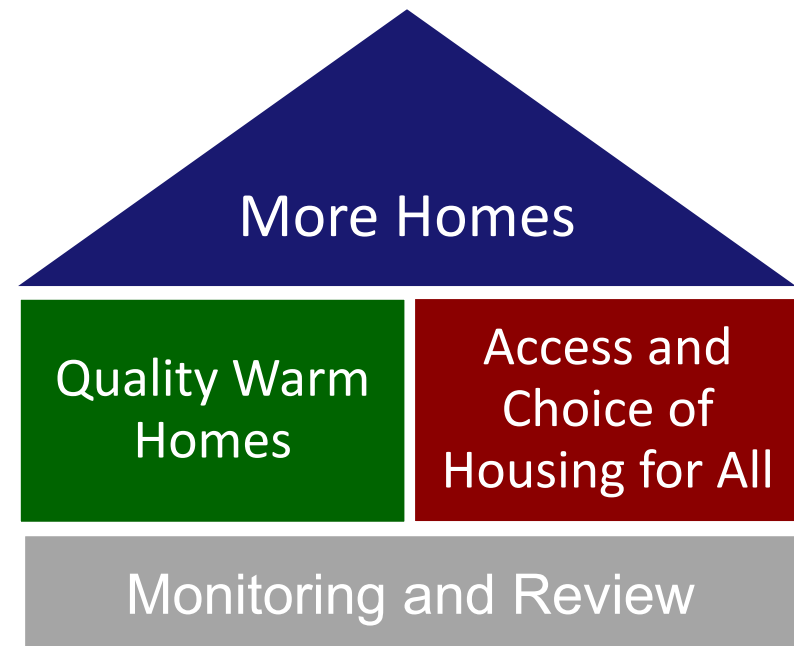
Orkney's three housing priorities over the next five years are:

- More Homes
- Quality Warm Homes
- Access and Choice of Housing for all.

These housing priorities all interlink with the Orkney Community Plan priorities of Cost of Living, Sustainable Development and Local Equality, and the Council Plan's priorities of Growing our economy; Strengthening our communities; and Developing our infrastructure.

The Local Housing Strategy implementation is underpinned by Orkney Islands Council's values of: People, Unity, Trust, Ownership and Creativity.

In addition, the Housing Market Partnership discussions showed that implementing this ambitious housing strategy needs commitment to the principles of enabling; partnership working and being driven by results.



Outcomes

The outcomes to be achieved under each housing priority are listed below.

Housing priorities and outcomes

| Priority | Outcomes |
|---|---|
| More Homes | More homes are supplied for rent or to buy across Orkney Islands communities. |
| | The capacity to deliver more affordable homes is increased by attracting new housing providers to Orkney, and/or by creating new supply mechanisms. |
| | Housing supply processes are more efficient within the Council, and across partners to enable more supply. |
| | Empty homes are brought back into use for Orkney residents and essential incoming workers. |
| | The number of Short-Term lets (STLs) and second homes are monitored to understand the impact on Orkney's housing system, and where necessary the number of STLs are controlled. |
| Quality, Warm Homes | The quality and energy efficiency of social housing is improved through the use of up-to-date technology, and construction methods. |
| | The quality and energy efficiency of existing private housing is improved through information, advice and grant support. |
| | Carbon emissions across all the housing stock are reduced under a just transition to net zero. |
| | Fuel poverty in Orkney is reduced. |
| | The design of new homes optimises the principles of good placemaking and sustainability. |
| Access and Choice of Housing for All | Homelessness is prevented as far as possible, and when it does occur, the time spent homeless is kept to a minimum. |
| | Access to housing and choice of housing is improved for all. |
| | People live independently and safely at home or in a homely setting in their own community, with access to support when they need it. |
| Monitoring and review | The local Housing Strategy implementation is monitored, and changing drivers in the housing system (demographic, economic and housing market factors) are understood. |

6. More Homes

The Local Housing Strategy outlines how current and future housing need and demand is to be met across all housing tenures by building more homes. The Strategy is underpinned by the principles of good placemaking so that mixed communities are created that provide housing choice, high quality and sustainable homes that are in the right location, and are of the right tenure, type and size.

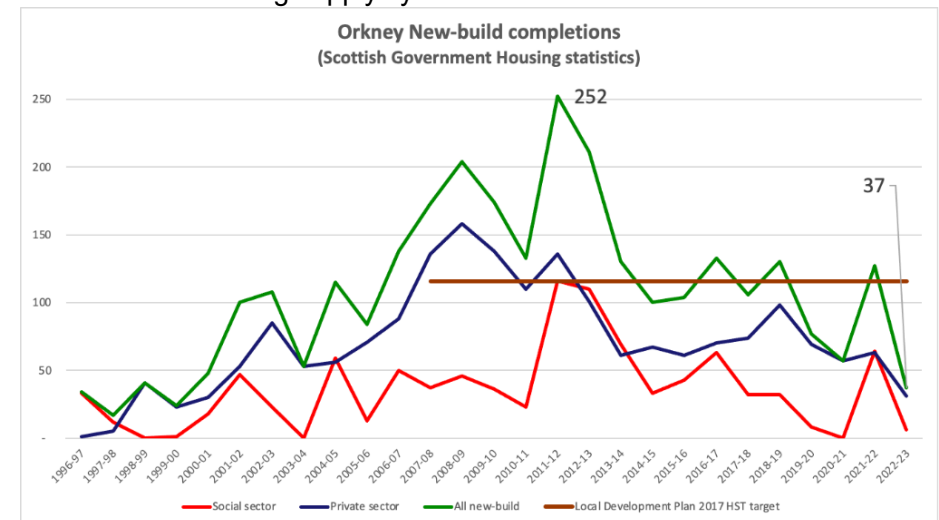
Strategic priority and outcomes

| More Homes |
|---|
| More homes are supplied for rent or to buy across Orkney Islands' communities. |
| The capacity to deliver more affordable homes is increased by attracting new housing providers to Orkney, and/or by creating new supply mechanisms. |
| Housing supply processes are more efficient within the Council, and across partners to enable more supply. |
| Empty homes are brought back into use for Orkney residents and essential incoming workers. |
| The number of Short-Term lets (STLs) and second homes are monitored to understand the impact on Orkney's housing system, and where necessary the number of STLs are controlled. |

Housing Supply Target

The Housing Supply Target (HST) is the short and medium-term target for new housing supply across tenure. The Housing Market Partnership (HMP) considered this at its August 2023 meeting, underpinned by the evidence in the [Housing Need and Demand Assessment](#) (HNDA). While the HNDA sets out the estimated needs, the HST sets a target of what is likely to be delivered in practice. The HMP is aware of the following constraints and opportunities for new housing supply in Orkney:

- Socio-economic factors – high population growth driven by net migration, and the need to attract additional workforce to supplement the existing resident ageing workforce in the private and public sectors. There is likely to be significant local economic growth driven by the renewables sector over the next 10 years.
- New housing completion rates – over the last 10 years there has been an average of 100 new build completions in Orkney, but rates have recently fallen to a 20-year low of 37 total new build in 2022/23. At the same time there has been an underspend of the available Affordable Housing Supply resources. The causes include the economic environment and local housing supply system barriers.
- Capacity within the construction sector - this is currently constrained but local contractors argue that a longer-term affordable housing pipeline is required so that they can have confidence to build up their businesses and workforce to respond to requirements.
- Availability of financial and human resources – the Council and Orkney Housing Association are constrained in the amount of new social housing they can supply – less than 35 per annum in total across both providers. There is no current Mid-Market rent supplier on mainland Orkney, although the outer islands Development Trusts supply affordable rented housing. There is also workforce constraint across the housing supply system.



- Other constraints – National Planning Framework 4 (NPF4) has introduced a change in policy which strengthens the previous approach to flood risk and now requires an allowance for the effects of climate change and sea level rise. The Orkney Flood Authority are in discussions with SEPA about this new requirement, and there is cautious optimism that agreement can be reached between partners that existing modelling data incorporating climate change uplifts can be used for determining development consents in the short term, with new modelling data used to inform decisions as it becomes available.
- Housing land supply – there is a good supply of housing land. The Minimum All-Tenure Housing Land Requirement (MATHLR) is sufficient for 1,600 homes and is broadly in line with the HNDA High scenario estimate for 10 years of 1,645 homes. The review of the Local Development Plan will ensure there is appropriate level of housing land allocated overall, and by Housing Market Area.
- Considering all these factors the Housing Market Partnership recommended the Orkney Housing Supply Target of:
 - 10 years - 1,035
 - 5 years - 518
 - Annually - 103 new homes

Tenure, house size and type

Based on current supply conditions, it is likely that achievement of the new housing supply target will be skewed towards years 4-10 of the next 10-year period from 2024. This is due to the lack of current pipeline but plans and systems will be put in place to ensure a longer-term programme and pipeline is achieved through a More Homes Programme delivery approach.

The HNDA showed that housing need and demand was broadly split 50:50 affordable and private housing. Some of the private demand was shown for private rented housing but the current housing development cost to value ratio on Orkney means that new build for unsubsidised private rent is unlikely to happen. More supply for Mid-Market (MMR) rented housing will be needed to meet demand, making the balance of supply broadly 60:40 affordable to private housing. Affordable housing includes social rent, MMR and low-cost home ownership. The split of

new housing supply by tenure is shown below, with private rented housing new supply coming through empty homes being brought back into use for private let.

Housing Supply Target by tenure

| | % split | 5-year provision | 10-year provision |
|--------------------------------|---------|------------------|-------------------|
| Social rent | 35% | 183 | 365 |
| Below Market (Mid Market Rent) | 21% | 110 | 220 |
| Private rented housing | 3% | 15 | 30 |
| Buyers | 41% | 210 | 420 |
| Total | | 518 | 1035 |

The HNDA showed that the majority of housing demand is focused on Kirkwall, followed by Stromness, the West mainland, the East mainland and the Isles. The Strategic Housing Investment Plan (SHIP) includes a range of short, medium and long term projects to meet need and demand across these different Housing Market Areas. The SHIP is reviewed annually.

The projected housing estimates include the need and demand from current residents and people moving into Orkney, based on recent migration trends. The Essential Workers Strategy showed strong demand from households that have recently moved to Orkney for work or study (keyworkers, other essential workers across the private and public sectors, and students). They mainly demand private, or MMR rented housing, with demand also for home ownership. Orkney's housing supply is currently dominated by 3-bedroom houses, with a lack of supply of smaller houses, flats, starter homes, and rented housing which can be used as permanent or 'transitional' shorter-term housing (say 6-12 months). The need for transitional and short-term housing is due to the increasing use of interim and agency staff across the public sector due to workforce pressure. The availability of housing for essential incoming workers will be increased by leasing from the existing private rented sector, acquiring homes from developers off the shelf, and where feasible re-purposing existing non-housing property.

The strategy will also ensure that all new homes will be built with a mix of housing type, size, and tenure, an objective that will be reinforced through the new Local Development Plan.

The Essential Workers Housing Strategy outlines the requirement for temporary accommodation for construction workers involved in the infrastructure developments planned over the next decade in Orkney. It is estimated that approximately 1,500 construction workers will be working on Orkney over that period, starting with the SSEN electricity interconnector in 2024 (with planning consent), then the Harbour Masterplan developments and West and East of Orkney offshore windfarms (all still to obtain planning consent). The accommodation requirements for these developments will be provided by the private developers, but the Council will work with these developers to ensure the impact on the existing pressured housing market is minimised, and the legacy for permanent new housing supply is maximised. This legacy will include unlocking and servicing sites for new housing development, bringing empty homes back into use, and contributing to the provision of additional permanent homes.

Requirement for more affordable housing suppliers

The HST sets out the requirement for 365 new social rent and 220 MMR properties over the next ten years. Following a recent independent review of the Council's Housing Revenue Account, this showed constrained financial capacity for new build social housing to be around 14-15 per annum. OHAL's Business Plan capacity is for 20 new build per annum leaving a combined capacity of 35 social housing per annum against the requirement of 365 over 10 years. This leaves no room for slippage or challenge to the respective Business Plans and means there is a requirement for more capacity through additional suppliers for new social housing provision, and MMR housing in Orkney. During this strategy period existing affordable housing suppliers working in Scotland with a strong track record and financial capacity will be invited to start developing in Orkney.

Efficiency and effectiveness in the new housing supply system

The work of the Housing Market Partnership has identified challenges in the local organisational and regulatory landscape which can make the approval and procurement of new affordable housing supply inefficient. The Partnership discussed the need to cut down bureaucracy through introducing streamlined processes, designing out cost, and building workforce capacity. A range of solutions were identified which are embedded in the Housing Strategy action plan:

- Creating a more certain and longer-term pipeline of projects by developing the Council's strategic and enabling role through a proactive More Homes Programme – overall co-ordination to enable strategic housing site development including land assembly, infrastructure first, and placemaking approaches.
- Taking a partnership and scale approach to commissioning and procuring mixed tenure housing sites to ensure greater efficiency, with one partner leading and transferring ownership to different landlords/owners at completion.
- Having design led solutions to maximise the potential of land in terms of density and infrastructure; and where possible to design out costs.
- For the review of the Local Development Plan to consider increased development density within urban location and to provide infrastructure and design information in the new Local Development Plan. This is in line with National Planning Framework 4.
- Adopting a housing programme approach for governance for the Council's Capital Project Appraisal process – starting with the Strategic Housing Investment Plan forming the Capital Planning and Asset Management Approval Stage.
- Where there is lack of capacity and relevant skills locally due to workforce constraint, draw more widely from the supply chain across Scotland, including design teams, contractors and exploring the potential for modular build.

Placemaking

The More Homes priority is underpinned by the principles of good placemaking to create sustainable new communities.

Within the Council's Planning Service, the Place principle is a key element in review of the Local Development Plan.

Examples of embedding the Place principle include the development of two community local place plans in Kirkwall and Stromness. More recently there has been work supporting the community of Dounby to develop a Local Place Plan which is currently in draft form. The result of the place-based work is that it has resulted in attracting external funding to develop enhanced facilities that will benefit the community and tourists. In addition, in order to ensure development delivers good places there have been a number of development briefs prepared for allocated sites in the [Local Development Plan](#). These seek to take a place-based approach engaging with a variety of agencies and bodies in their preparation and provide a clear guide to developers and the community on the expectations and requirements that should be delivered as part of any development coming forward on that site.

In late 2021 and early 2022, the Council undertook a community consultation 'Orkney Matters' with the focus on community and place; questions asked what's working, what's not working so well and what would the community like to improve. The engagement was through survey, online consultation and art workshops for harder to reach groups. This project involved all Council teams including the Housing Service and partner agencies from Orkney's Community Planning Partnership.

In spring /summer 2024, the Council will hold further community consultation under the banner of "Call for Ideas" where the Service will also be inviting communities to complete Local Place Plans.

The current Local Development Plan embeds the Town Centre First principle into the spatial strategy with town centre areas identified within Kirkwall and Stromness. Development will be supported within Kirkwall and Stromness town centres to support their vibrancy, vitality and viability including residential uses. For retail, commercial, leisure, office, community, and cultural facilities that attract significant footfall, a

town centre first principle applies, with the order of preference for potential alternative sites established through a sequential approach: 1 - Town Centres 2 - Edge of Town Centres 3 – Within Settlement Boundaries 4 – Outwith Settlement Boundaries. There is a degree of flexibility allowed to ensure that community, education and healthcare uses are located where they are easily accessible to the communities that they are intended to serve. The existing town centres are mixed use locations with significant residential development in flats and houses in and around retail and services. Through the review of the Local Development Plan, the Council is investigating the Scottish Government's principles in terms of Local Living for a rural island authority.

Placemaking is a key element of the national planning system and will be taken forward in the review of the Local Development Plan. In addition and with the Housing Service; the Planning Service will investigate how to ensure new homes are primary residents only.

Empty Homes and Short-term lets

This Housing Strategy places equal priority on action relating to empty homes and STLs, as it does ensuring the delivery of new housing supply.

The [Housing Need and Demand Assessment](#) sets out the position in relation to empty homes and Short-term lets in Orkney. Orkney has a very high number of empty properties (10% of all dwellings, although a much lower proportion - 1.3% - have been long term empty homes for more than 12 months).

The Council employs an Empty Homes Officer with a specific remit to implement the Council's [Empty Homes Strategy](#) and to work with the owners of empty properties to assist through advice and information. This has been instrumental in bringing 70 homes back into use since 2016/17 (around 10 per annum). The Essential Workers Housing Strategy proposes the creation of an Empty Homes Local Authority Grant through the Housing (Scotland) Act 2006 to encourage more homes to be brought back into use, with these homes to be focused on letting for essential workers through statutory and additional local conditions. The Council will consider the options for introducing Compulsory Purchase Orders, once the Scottish Government has

concluded steps for reform to make the system fairer, clearer and faster for all parties. Council tax proceeds from empty homes will continue to be used to fund Empty Homes Strategy implementation.

Research undertaken for the HNDA showed there were 409 Short-term lets (STLs) in Orkney in May 2023. Of these, it was estimated that there were 298 properties that were entire homes and had the potential to contribute to the stock of residential homes if they were not STLs. As of September 2023 the Council's licensing scheme had received 300 applications from STLs and the Council was checking these. STLs present considerable risk to pressured housing systems, and consultation through Orkney Matters, and through the consultation undertaken for this housing strategy shows that reducing the number of empty homes and Short-term lets in Orkney is a priority for Orkney residents. STLs also present opportunities for the tourism industry which is important for the Orkney Islands economy. Data from Airdna shows rental revenue from STLs in Orkney of over £450,000 in August 2019 for entire home rentals and over £120,000 for private room home-shares. This excludes the associated revenue for the tourism industry from people staying the STLs. However, the Orkney economy has reduced since 2012 when measured by Gross Value Added per head, although there has been a slight increase since 2017 ([ONS, see HNDA 2023](#)).

Over the Local Housing Strategy period the Council will monitor the number of STLs in the area, and consider the costs and benefits of STLs to the local economy and sustainability of Orkney's different communities. It will also consider how STLs Control Areas are being implemented across other areas in Scotland and consider the introduction of STLs control in areas where there needs to be a rebalancing of housing for residents and accommodation for tourists. This process will be managed through the Local Development Plan review.

Apart from STLs Control Areas there are other mechanisms to safeguard residential property for primary residency. These include:

- Use of Scottish Government Housing Grant for housing for sale e.g. through Partnership Regeneration Support grant which includes a title burden for primary residency – this is currently used in Orkney.

- Proactively using the Council's existing [Rural Housing Body](#) status so that any residential property built on Council land (including converted property), regardless of the final owner of the property, includes a title burden for primary residency – this is not currently used and will be more proactively used for this purpose during this Strategy period.
- Housing policies in the Local Development Plan which is currently under review – this will be explored through the LDP review process.

Acquisitions

The Scottish Government has reaffirmed its commitment to fund acquisitions through the Affordable Housing Supply Programme set out in the [National Acquisitions Programme](#). The type acquisitions that can be funded are:

- Open market purchases with vacant possession
- Off market purchases with vacant possession
- Purchases where an owner occupier cannot afford the required maintenance or refurbishment of their home and therefore wishes to sell and remain in the home as a tenant in the social rented sector
- 'Off the shelf' purchases from developers.

The Council has bought 7 properties for social rent in this way over the last 5 years and has improved them to the relevant social housing condition standards. The Orkney Strategic Housing Investment Plan includes resources to enable such acquisitions to happen, whether for social rent or Mid-Market Rent.

Self-Build

Self-build and custom build housing is defined as homes built or commissioned by individuals or groups of individuals for their own use. Orkney Council's Building Control figures show that since 2016, 50% of new supply has been one property developments, many of which will be commissioned by the individual owner.

Much of the focus of the Housing Strategy More Homes programme will be focused on providing new supply by creating a longer pipeline of

volume housing developments, and opportunities will be created for serviced sites within some of these developments.

The Council currently offers information online about self build housing including how to get details included on the self build register online [Self-Build List \(orkney.gov.uk\)](https://www.orkney.gov.uk/self-build-list) and asking people to submit their details if they wish to be added to the self build list. The Council will use the evidence from the self build register and publish it when the Council produces its Evidence Base report for the review of the Local Development Plan. The Council will also use the self build register as a source of evidence to inform our proposals and policies as part of the review of the Local Development Plan and promote the opportunity for households to put their name on the self build register as part of the early engagement with the public and stakeholders on the local development plan review.

Delivery action plan

The action plan below sets out the specific actions and targets for the More Homes priority. The key actions outlined in the action plan are around the following key areas:

- Enabling the delivery of more homes.
- Attracting new affordable housing suppliers to Orkney.
- Implementing the Essential Workers Housing Strategy.
- Working with infrastructure developers to develop construction worker accommodation strategies which minimise impact on the current pressured system and maximise legacy for Orkney's long term housing situation.
- Making housing supply processes in Orkney more efficient.
- Ensuring empty homes are brought back into use.
- Monitor the number and impact of Short-term lets on the housing system and explore and implement mechanisms to safeguard residential property for primary residency.

7. Quality, Warm Homes

The Local Housing Strategy must set out the current condition of Orkney’s housing stock, and plans and policies on how improvements in housing condition and energy efficiency will be achieved. It also sets out Orkney’s fuel poverty strategy – providing evidence in relation to fuel poverty and how this is to be addressed, and the housing contribution to achieve Orkney’s ambitious net zero target by 2030.

Strategic priority and outcomes

| Quality, Warm Homes |
|--|
| The quality and energy efficiency of existing social housing is improved. |
| The quality and energy efficiency of existing private housing is improved. |
| Carbon emissions across all the housing stock are reduced. |
| Fuel poverty in Orkney is reduced. |
| The design of new homes optimises the principles of good placemaking and sustainability. |

Condition standards and policy context

The standards for house condition, energy efficiency and fuel poverty in Scotland are as follows:

[Building Regulations](#) – new and refurbished domestic dwellings, and currently affordable housing funded through Scottish Government must meet Housing for Varying Needs standard. This is changing, and government recently consulted on the new [Scottish Accessible Homes Standard](#).

[National Planning Framework 4 \(NPF4\)](#) – set out planning policy and forms part of Orkney’s Local Development Plan.

[Tolerable Standard](#) – basic level of repair for all housing and the Council can enforce owners to bring property up to this Standard.

[Scottish Housing Quality Standard](#) – SHQS is used to measure quality of the social rented housing but is also used as a quality measure across housing tenure in the Scottish House Condition Survey.

[Repairing Standard](#) – the minimum standard for private rented housing, recently amended with new measures to be in place by 1st March 2024.

[Climate Change \(Scotland\) Act 2009](#) – the statutory framework to meet net zero emissions of all greenhouse gases by 2045.

[New Build Heat Standard](#) – From 1st April 2024 building regulations will change to prevent the use of direct emission heating systems in new buildings, and some conversions.

[Energy Efficiency Standard in Social Housing](#) – EESSH sets out energy efficiency requirements for the social rented sector.

[Heat in Buildings Strategy 2021](#) – the Scottish Government’s vision for achieving net zero in Scotland’s building.

[Heat in Buildings Bill 2023: consultation](#) – this sets out the government’s proposals to make new laws around the energy efficiency of homes and buildings and the way these buildings are heated. The draft Heat in Buildings Bill and Standard will:

- Prohibit the use of polluting heating from 2045 in all buildings.
- In owner occupied homes: require homes to meet a minimum energy efficiency standard by the end of 2033.
- In private rented homes: require landlords to meet a minimum energy efficiency standard by the end of 2028. The proposal for landlords to meet the standard earlier is to protect tenants against fuel poverty.

The proposed energy efficiency standard is a list of measures comprising:

- 270 mm loft insulation;
- cavity wall insulation (CWI);
- draught-proofing;
- heating controls;
- 80 mm hot water cylinder insulation;
- Suspended floor insulation.

At the same time the [Social Housing Net Zero Standard](#) (SHNZ) was proposed with consultation for both between November 2023 to March 2024, to be implemented from 2025.

[Heat Networks](#) – all local authorities are required to develop their own Local Heat and Energy Efficiency Strategy (LHEES) including the identification of zones for Heat Networks. More proposals are put forward in the Heat in Building 2023 consultation.

[Fuel Poverty](#) – the Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 sets statutory targets for reducing fuel poverty, introduces a [new definition of fuel poverty](#) which aligns fuel poverty more closely with relative income poverty. It requires local authorities to identify how fuel poverty will be tackled at a local level and set out the nature and scale of fuel poverty in their area, and the particular causes of this fuel poverty within their Local Housing Strategy.

Orkney's local plans in relation to Climate Change and energy efficiency are:

The [Orkney Partnership](#) has set an ambitious policy target of Net Zero emissions in Orkney by 2030. The aim is to exploit the synergy between two linked priorities: developing an economy that serves the needs of Orkney's population and combatting the climate emergency.

[Orkney's Sustainable Energy Strategy](#) and [Orkney's Carbon Management Plan](#) are both currently under review as set out in the [Orkney Island Council Delivery Plan](#) with these new strategies to be approved in 2023/24 and 2024/25. These will include the Council's Local Heat and Energy Efficiency Strategy. These plans will reflect the power in Orkney's natural resources and how the islands have pioneered the development of renewable energy. By 2013, Orkney became a net exporter of electricity, producing 103% of its total electrical needs from renewable sources, and in 2020 this rose to 128%. Dramatic expansion in Orkney's renewable energy landscape is predicted over the next 10 years through the significant infrastructure development including a new electricity interconnector with construction starting in 2024 which will increase Orkney's export capacity, and the Harbour Masterplan which will unlock the development of the East and West Orkney offshore windfarms. At the same time, Orkney has one of the highest rates of fuel poverty in

Scotland and one of the key actions for this Housing Strategy is to ensure just transition to make sure Orkney residents benefit from its renewable production, to reduce fuel poverty and to move to net zero by 2030.

[Orkney's Child Poverty Strategy](#) - provides a framework for joint planning and action to meet immediate need and to address the longer-term prevention of child poverty in Orkney. The Child Poverty includes an action in relation to energy efficiency of new and existing housing, and the [Cost of Living Task Force](#) has actions to mitigate the impact of energy price rises.

House condition in Orkney

The [Orkney Housing Need and Demand Assessment](#) sets out analysis of house condition in Orkney, based on the Scottish House Condition Survey local authority analysis (SHCS 2017-2019):

- 2% of properties in Orkney are Below Tolerable Standard (BTS, the same as Scotland overall). 3% owner-occupied dwellings are BTS, while there are no social rented dwellings which are BTS.
- 5% of dwellings show extensive disrepair to critical elements compared with 1% of dwellings across Scotland. None of these properties were social rented dwellings.
- 52% of all dwellings in Orkney are estimated to fail the Scottish Housing Quality Standard (SHQS) - 55% of owner-occupied dwellings and 30% of social rented dwellings. This is a higher rate than in Scotland overall where 41% of dwellings are estimated to fail the standard.
- Findings in the SCHS for the private rented sector (PRS) are suppressed due to low numbers. Across Scotland, 3% of the PRS is BTS, 52% shows extensive disrepair and 52% fails the SHQS. So if Orkney is consistent with Scotland overall on housing quality, we would expect a greater proportion of the PRS to fail these standards compared to social rented and owner occupied housing.

Social housing

Orkney Islands Council housing

The latest published Annual Return on the Charter 2022/23 showed achievement of SHQS and EESSH in the social rented stock in

Orkney. 53% of Orkney Islands Council housing stock did not meet SHQS compared with 79% of the social rented stock across Scotland. This drop to 53% from 82% the previous year was due to missing Electrical Installation Condition Reports. Remedial works were quickly instigated, and it is anticipated that performance will be improved for 2023/24.

96% of the Council stock met the current EESSH energy efficiency standard. There were 20 council properties failing EESSH:

- 9 properties required an update of their EPC following works to improve insulation and heating systems.
- 11 had works scheduled year or had works in progress, ranging from loft to underfloor insulation and new heating systems, and some of these properties came out of abeyance during 2022/23.

Meeting the enhanced [Social Housing Net Zero Standard](#) in the council housing stock will be much more challenging. The Scottish Government consultation seeks views on various options to achieve a fabric efficiency rating, equivalent to energy efficiency EPC C to be achieved by 2033, and equivalent EPC B to be achieved by a backstop date of 2040. For this housing strategy, the Orkney Partnership's goal to achieve net zero in Orkney by 2030 is of direct relevance to meeting net zero in the housing stock (for council housing and across all housing tenure).

Analysis undertaken by the Council in 2022 showed that under 200 council houses meets the EPC B standard. The Council has been trialling approaches to meet the higher energy efficiency standard, undertaking an individual assessment when a property becomes void and taking a Fabric First approach, coupled with fitting mechanical heat recovery ventilation systems to help maintain air quality alongside ensuring the provision of an efficient heating system. If this approach was to be undertaken for all council stock that does not meet a standard broadly equivalent to SHNZ then the estimated cost would be a total of £25.2m, or £21,348 per unit (in addition to the normal major component replacement).

An independent review of the Housing Revenue Account (HRA) in 2023 shows the cost of investment in the stock has increased significantly because of rising costs and the requirement to make

council homes more energy efficient. The HRA is therefore under significant pressure and will continue to require careful planning and monitoring. The Council will commission a comprehensive independent council house condition survey to establish the up-to-date costs of major component replacement including net zero/energy efficiency improvements, to establish the best value approaches required to meet the new standard.

Orkney Housing Association

98% of Orkney Housing Association (OHAL) properties met the SHQS at March 2023, (98.5% at September 2023) and 97% met the EESSH energy efficiency standard as reported (98.5% at September 2023). A very small number (13 properties) fail the standards. This is due to a range of reasons including not having an up to date EICR (4) due to tenants refusing entry which means the Association's staff and contractors are physically unable to carry out the required work. The remaining 9 are down to staff being unable to gain access to carry out an updated EPC following planned maintenance works such as heating replacements.

OHAL's approach to improving its stock involves both direct tenant support and a Fabric First approach.

Tenant support - Over the course of the last three years OHAL has successfully bid for a total of £325,000 from various Scottish Government funding schemes. This has allowed OHAL to provide direct financial support to tenants for their energy costs. For example, in the current financial year (2022/23) every OHAL tenant will be able to access a £150 grant to assist with fuel costs. In addition to this OHAL has a dedicated Energy Advice Officer who provides bespoke support to tenants experiencing fuel poverty and/or in need of support or advice.

Fabric First - Like all social landlords, OHAL has an ongoing planned maintenance programme that looks to make best use of energy efficient improvements. This year OHAL has augmented that by successfully accessing the Scottish Governments Social Housing Net Zero Fund. This has allowed the Association to add an additional 50 properties into 2023/24's planned maintenance programme. Works being undertaken through this funding are high efficiency triple glazed windows, replacement high insulation doors, loft insulation top ups and

hot water cylinder jackets. It is anticipated that the results of this work OHAL will see all properties move to an EPC banding of at least C, with many achieving a rating of B. Given this funding stream will be available until 2026 the Association will continue to bid for additional funding to enhance the existing planned maintenance programme. This will include carrying on the Fabric First approach whilst also looking at the feasibility of installing zero direct emission heating systems such as high energy retention storage heaters and heat pumps.

Private housing

In order to tackle BTS housing in the private sector the Council has a [General Enforcement Policy](#), and specific procedure in relation to BTS housing which sets out the various statutory options for addressing the condition. The Council does not have any areas designated as a Housing Renewal Area as there are no areas where there is a concentration of sub-standard houses. As set out in the More Homes section above, 10% of properties are empty in Orkney and an Empty Homes Officer implements the Empty Homes Strategy.

The [Scheme of Assistance](#) in Orkney is delivered through Orkney Care and Repair. It offers independent advice and assistance to help homeowners repair, improve or adapt their homes so that they can continue to live in comfort and safety in their own community. This service also includes referrals to [Warmworks](#) and [THAW Orkney](#) regarding potential heating and energy efficiency improvements, and income maximisation. The Care and Repair scheme will continue to be funded by Orkney Islands Council, and there will be discussions held with Orkney Health and Care, and the Integrated Joint Board with the aim that the small repairs service is strategically and fully funded to maintain the independence for older, disabled and vulnerable residents.

The Council has been successful in securing resources through the [Energy Efficient Scotland: Area-based scheme \(EES:ABS\)](#) which has increased from £785,102 in 2015 to over £1.7million claimed in 2022/23 to install energy efficiency improvements in private sector housing. The current managing agent is Warmworks. In the last financial year 2022/23 there was:

- 239 energy improvements completed across 176 households.

- Grants of between £10,500 to £16,100 were made available per customer.
- SAP ratings for each household improved by an average of 11.7 points.
- On average this resulted in individual annual household fuel bill savings of £728.
- 22% of homes referred to the EES:ABS were previously in the worst SAP Bands F or G.
- Energy efficiency improvements installed under the scheme have helped to save more than 108 tonnes of CO₂.

Since 2015 a total 1,292 energy improvements have been completed across 1,012 households, using a total of £7.9m funding.

The Council secured a record £2 million in funding for 2023/24 and will continue to bid for these resources and promote the scheme. It will also develop a framework for annual reporting of the impact of the scheme through the LHS Annual Report.

Private rented housing

The Orkney Housing Need and Demand Assessment shows that private rented housing in Orkney comprises 10% of all housing stock. As at December 2023 there were 964 landlords and 720 properties were held on the private landlord register (with some joint landlords for individual properties explaining more landlords than properties). There is little data on the condition and energy efficiency of private rented housing due to the small numbers not being reported in official statistics. The [Heat in Buildings Bill](#) proposed that private rented homes meet the minimum energy efficiency standard by 2028, reflecting the need to protect tenants from fuel poverty as much as possible.

Advice and information for private tenants is currently provided through the Council's Housing Options team, or through independent advice agencies e.g. Citizens Advice Bureau. Currently the information, advice and enforcement role for private landlords is also located in the Housing Options Team. The service in relation to private landlords is currently reactive, and through this Local Housing Strategy review it is recognised that more work is required to encourage and support private landlords to improve house condition and energy efficiency

standards. Through the period of this strategy there will be a review the approach for private landlord registration and enforcement.

Orkney Net Zero by 2030

The Orkney Partnership has set the ambitious policy target of Orkney meeting Net Zero by 2030 - 15 years in advance of the Scottish Government 2045 target. The housing contribution to this will mean mainstreaming and embedding net-zero emissions into housing design and across tenure including taking opportunities for additional funding (e.g. ECO4 funding). The Council and Orkney Partnership will bring through formative Orkney best practice into a housing net zero plan for implementation (year 3 onwards of this plan). There will be engagement with the Council's other climate change initiatives such as the OIC Climate Change Officer working group, engaging with the OIC 2024 Net Zero transition study, and seeking funding and transition opportunities such as through the developing Islands Centre for Net Zero.

Fuel poverty in Orkney

A household is in [fuel poverty](#) if, in order to maintain a satisfactory heating regime, total fuel costs necessary for the home are more than 10% of the household's adjusted net income (after housing costs), and if after deducting fuel costs, benefits received for a care need or disability and childcare costs, the household's remaining adjusted net income is insufficient to maintain an acceptable standard of living. The remaining adjusted net income must be at least 90% of the UK Minimum Income Standard to be considered an acceptable standard of living, with an additional amount added for households in remote rural, remote small town and island areas.

Orkney continues to have some of the highest levels of fuel poverty (ranked 7th) and extreme fuel poverty (ranked 2nd) in Scotland. The Scottish House Condition Survey (SHCS, Local Authority Analysis Tables 2017-19) showed:

- fuel poverty of 31% compared to Scotland average of 24%
- extreme fuel poverty of 22% compared to Scotland average of 12%.

The estimated median fuel poverty gap in Orkney was £1,640 compared with £690 for Scotland median fuel poverty gap for fuel poor

households. The fuel poverty gap is defined as the annual amount that would be required to move the household out of fuel poverty.

Seven local authorities had significantly higher fuel poverty rates than the national average, and all but one of these were in rural areas – these were (in order of fuel poverty severity) Na h-Eileanan Siar, Highland, Argyll and Bute, Moray, Dundee City, Shetland Islands and Orkney Islands. The higher levels of fuel poverty in rural areas is evidenced in the recent Changeworks research – [A Perfect Storm: Fuel Poverty in Rural Scotland](#) (2023) which sets out the reasons for greater prevalence of fuel poverty in rural areas. The findings are summarised below and applied to the Orkney context:

High energy costs – rural households are more likely to use electricity to heat their homes, but it can be three to four times more expensive. Standing charges are more expensive, and households spend more than urban equivalent households for the same energy usage. This is particularly unfair for Orkney residents because it is a net exporter of energy to the grid. There is a greater proportion of homes with restricted meter tariffs which limits customers' ability to switch to more competitive rates and there is a greater proportion of dwellings that are reliant on unregulated fuels including oil, LPG and solid fuels. There are fewer protections for householders in the unregulated market for issues such as price increases and performance standards. According to the [Scottish Government's consumption of electricity figures](#), the average household annual electricity KWh consumption figure for Scotland was 3,737 in 2021 while Orkney's figure was 7,493; over double the Scottish rate. This was second highest to Shetland Islands (9,011), and above Na h-Eileanan Siar (6,492), Argyll and Bute (5,999), and the Highland's (5,649) average household consumption. This higher average electricity use in Orkney evidences the reliance on electricity as one of the three main heating types in Orkney.

The latest SHCS (2017-2019) found that 86% of households in Orkney had central heating throughout the home, compared with 96% of households across Scotland. 100% of Orkney households are off the gas grid, compared with just 17% of households across Scotland. The mean Energy Efficiency Rating (EER) in Orkney was 58.3, compared with 66.0 for Scotland overall. Only 15% of Orkney dwellings have an EER of B or C, compared with 45% of dwellings

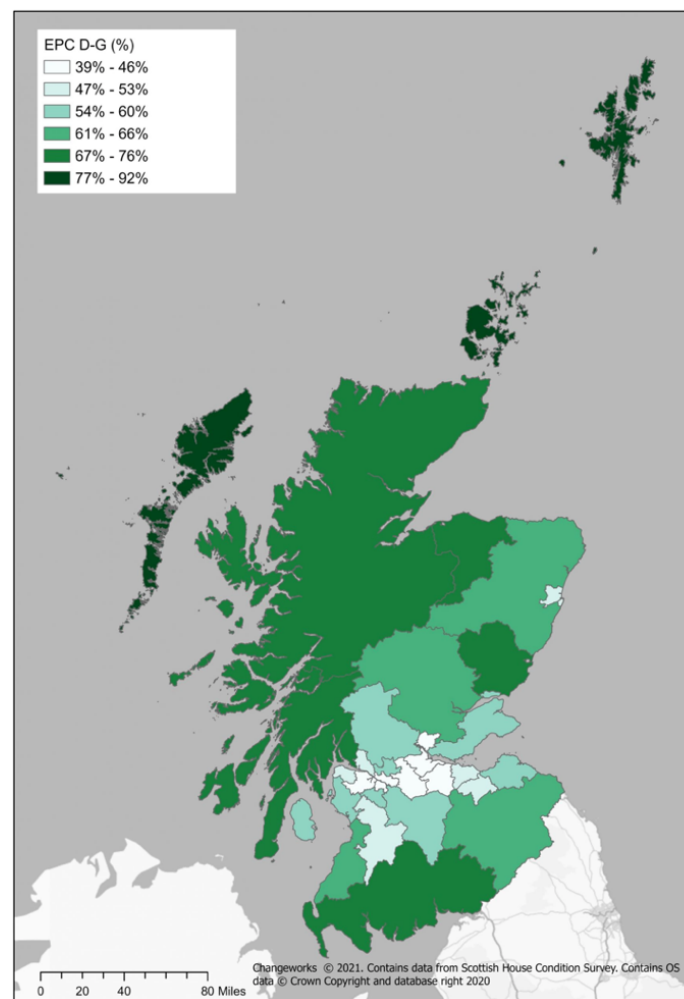
across Scotland. The new Census data will provide an update on these figures and enable a more up-to-date analysis of fuel poverty in Orkney and at lower geography.

Poor energy efficiency of homes - this is a key driver of fuel poverty throughout Scotland, and poorly insulated properties require greater fuel consumption to maintain comfortable temperatures. In rural areas there is a greater proportion of older, less energy efficient properties, particularly those of solid wall construction which can be difficult and expensive to retrofit. Houses are often larger, isolated and are more exposed to wet and windy weather, increasing the rate of degradation. Isolated properties also have higher rates of heat loss, as they lack the benefits of shared warmth from neighbouring properties as with terraced housing or flats. Those in fuel poverty often do not have the financial means to improve the energy efficiency of their homes, potentially leading to self-rationing and further degradation of properties and associated health risks. Many older traditional properties are not suitable for heat pumps without expensive retrofit improvement works. The Orkney Housing Needs Assessment showed that most of Orkney's housing stock is relatively large (69% has 3+ bedrooms), and most are houses (96% are houses and 4% are flats). The age of the housing stock in Orkney is broadly similar to that of Scotland overall - 33% of houses were built pre-1945 and 67% post 1945.

The Changeworks map below (2021) shows the very high proportion of dwellings in the Orkney Islands that have the poorest Energy Performance Certificate (EPC) rating D-G

Low household income - Households with lower incomes have a greater proportionate spend on fuel, especially where that fuel is also more expensive than in urban areas. The [Orkney Housing Need and Demand Assessment](#) showed that the Orkney mean household income is £42,239 (CACI 2022) which is slightly higher than the Scottish average of £41,878. Lower quartile incomes in Orkney are £19,646 (Scotland £18,225) and there is considerable disparity by Housing Market Area (HMA) with a mean income of £34,622 on the Isles and lower quartile income of £15,512 per annum – 21% lower than the Orkney average. Orkney also shows higher average earnings growth compared to Scotland at 3.7% between 2009 and 2021 compared to

2.5% Scotland (Nomis), although inflation has recently outstripped these income growth rates in the most recent period.



Source: [The Existing Homes Alliance](#) (2021)

Therefore, while on average Orkney has higher incomes, this masks lower incomes in certain areas, particularly on the Isles (excluding the linked South Isles) where dwellings are more exposed therefore

leading to higher propensity to fuel poverty. More work is required through this Housing Strategy period to undertake more fine-grained area level analysis of fuel poverty once the new census data is available.

How energy is used in the home – The Changeworks research points to the number of children in the household being a more important determinant of fuel poverty in rural areas than in urban areas. Children and young adults in rural areas spend more time in the home compared with urban counterparts, and self-employment and working from home are both around two to three times more common in rural areas compared with urban areas, meaning more people are spending long periods of time in the home, equating to greater heating and energy usage.

In summary, fuel poverty in Orkney is high due to:

- High cost of fuel (mainly electricity and oil), restricted tariffs and lack of choice to switch supplier;
- Poor energy efficiency of homes due to house types and climate exposure;
- Low household income in some areas (there are large disparities in income across Orkney) and concentrations of low incomes where property types are more vulnerable to heat loss;
- Home use where households living in rural and remote areas are more likely to be spending more time at home for work and leisure, especially those with children.

Information and advice across housing sectors

Information and advice on fuel poverty energy efficiency and income maximisation is currently provided by a range of organisations: the Council, THAW, Care and Repair, and Citizens Advice. It is not clear the extent to which advice and information is available consistently across the different Orkney communities, and particularly those areas that are more vulnerable to fuel poverty. This is an area for further action over the strategy period.

Fuel poverty: plans for improvement

There is currently a wide range of action being taken to address fuel poverty in Orkney as described above. However, more needs to be done to enable fuel poverty to be reduced to at least the Scottish average. The key actions outlined in the action plan are around the following areas:

- Lobbying Scottish and UK governments on the unfair tariffs experienced in Orkney to enable a just transition for Orkney residents and to reflect energy production on the Islands.
- Undertaking further analysis of fuel poverty at a lower Orkney Islands geography, with annual monitoring and review to enable more targeted action.
- Review information and advice provision for individual households and private landlords on fuel poverty and energy efficiency particularly in areas where fuel poverty is more prevalent.
- Develop a housing net-zero plan for implementation across tenure including taking opportunities for additional funding e.g. ECO4, Social Housing Net Zero Fund, and income from Orkney windfarms.
- Work with schools, universities, HIE and local contractors to promote careers and develop the local workforce in repairs, maintenance and energy efficiency works including accreditation in the insulation sector (across housing sectors).

In addition to actions around fuel poverty, the delivery plan includes detailed actions to be taken for improving housing condition and achieving net zero in the housing stock.

8. Access and Choice of Housing for All

The Local Housing Strategy outlines Orkney’s approach to housing options and homelessness and sets out plans to improve access to housing for all. Current approaches in relation to independent living are outlined, and how the needs of those who require specialist housing provision will be improved. The strategy describes how housing contributes to the outcomes of the Strategic Commissioning Plan and sets out plans for joint action and resources to deliver on health and social care outcomes. This section also includes action around the housing needs of other specialist housing requirements, including essential incoming workers and students.

| | |
|---|---|
| Access and Choice of Housing for All | Homelessness is prevented as far as possible, and when it does occur, the time spent homeless is kept to a minimum. |
| | Access to housing and choice of housing is improved for all. |
| | People live independently and safely at home or in a homely setting in their own community. |

Regulatory and policy context

Homelessness, housing options and access to housing

Homelessness and Housing Options - The Scottish Government is committed to its vision of [Ending Homelessness Together](#) so that everyone in Scotland has a home that meets their needs and homelessness is ended. There is a large amount of homelessness legislation and associated regulation with more new legislation expected. This includes Scottish Government and COSLA’s commitment to ensuring homelessness services are grounded in ‘no wrong door’ and person-centred principles. This means homelessness services should be more flexible so that anyone who needs a service can access it in a way that suits them - people should be able to get help regardless of the service or agency they initially connect with. This principle will be endorsed through a new Prevention Duty to be introduced through a new Housing Bill in 2023/24.

The Scottish Government is also committed to [reducing the use of temporary accommodation by 2026](#) with provision for this also being included in 2023/24 Programme for Government. This links to the established Rapid Rehousing Transition Plans guidance where local authorities and their partners must should focus on:

- a person-centred approach
- prevention of homelessness
- prioritising settled accommodation for all
- responding quickly and effectively when homelessness happens
- joining up planning and resources to tackle homelessness.

All social landlords have an existing role through the [Social Housing Charter](#) to ensure that homelessness is prevented by providing information and advice, and to support tenants to remain in their home.

The local authority also has a [Housing Support Duty](#) which places a requirement on local authorities to complete a housing support assessment for people who are unintentionally homeless or threatened with homelessness where there is reason to believe there is a need for housing support services to help in sustaining a tenancy.

[Housing Options](#) – local authorities and housing associations have a requirement through the Social Housing Charter to work together to ensure that people looking for housing get the information they need that helps them to make informed choices and decisions about the range of options available to them. It is also expected that tenants and people on housing waiting lists can review their housing options if they wish to. People looking for social housing should be able to find it easy to apply for the widest choice of social housing available.

Independent living

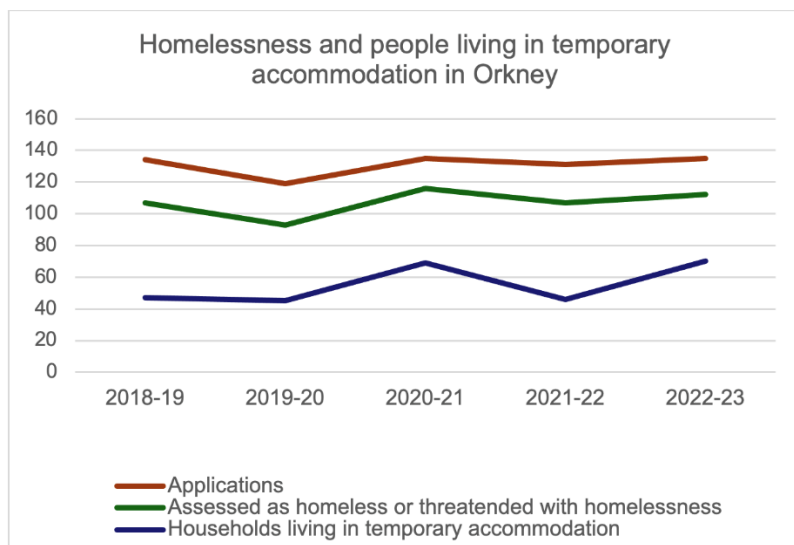
Living in the right type of housing plays a crucial role in addressing health and social care needs in Orkney. The key strategic planning framework for health and social care is the Orkney Health and Care Joint Strategic Needs Assessment (2021) and the [Strategic Commissioning Implementation Plan](#). The previous Housing Contribution Statement is now out of date, and this Local Housing Strategy and the supporting Housing Needs and Demand Assessment serves to provide a review and update on housing outcomes and action which contribute to Orkney’s health and social care needs. The

Council Plan, within the priority of Strengthening our Communities, sets out action between 2023-2027/8 around the themes of:

- Prevention and early intervention
- Community led support
- Care in a co-designed approach
- Redesigning services to support people live in their own homes for longer
- Improving the ranging of, and access to supports relating to dementia and frailty
- Planning and delivering housing provision for people with enduring mental health.

Homelessness in Orkney

The level of homelessness applications and people found to be homeless or potentially homeless in Orkney has been fairly stable over the last five years. However, the number of people living in temporary accommodation rose to 72 households at March 2023 (52% increase on 2021/22) and the total requiring rehousing (including those living with family and friends) was 87 households.



Source: Scottish Government Homelessness statistics 2022/23

This increasing reliance on temporary accommodation reflects the current pressured housing system in Orkney and the fall in new supply over the last 10 years (see More Homes above).

The rehousing outcomes for homeless households tend to be local authority lets, following by housing association lets. Others return to their previous accommodation or go to live with family and friends. At the same time the proportion of all Council and Housing Association lets going to homeless households has varied significantly over the last 4 years. Orkney's [Homelessness Strategy](#), the Rapid Rehousing Transition Plan provides detailed analysis of the key issues, and this Housing Strategy sets out a range of actions for preventing homelessness and reducing the number of people living in temporary accommodation, including enabling more supply (More Homes above), reviewing the proportion of lets to homeless households, flipping temporary homes to permanent tenancies, and increasing housing choice for people that have experienced homelessness. The key outcomes from the Homelessness Strategy are:

- Ensure that homeless households' views are sought and taken into account when reviewing and developing services
- Provide accurate advice and information including through our Housing Options service
- Continue to develop and improve services to prevent and address homelessness through partnership working with other services/organisations.
- Ensure that no one is prevented from making a homeless application.
- Have an effective, timely response to those presenting as homeless including those in crisis.
- Keep stays in temporary accommodation to a minimum.
- Reduce the use of temporary accommodation.
- Increase the proportion of social lets (both Council and OHAL) that are made to homeless households.
- Provide appropriate advice and support to assist households in sustaining their accommodation.

Access to housing in Orkney

The [Housing Options service](#) in Orkney is provided through the Council who provide a range of advice and information on housing options and to prevent homelessness, and support through the homelessness application process where homelessness cannot be avoided. The Council provides a dedicated housing support service across tenure and OHAL provides tenancy support through its housing officers. The Council and the Housing Association has a shared social housing application form and work together on the common housing register. Through the work of the Housing Market Partnership in developing this Housing Strategy it has been agreed that more work needs to be done within a partnership service redesign approach on housing options and access to housing. This should embrace national best practice including digital and self-serve options to increase efficiency and effectiveness for customers, the Council and OHAL.

The Essential Workers Housing Strategy sets out the housing needs of:

- keyworkers and other essential workers moving to Orkney permanently;
- agency/interim staff working in Orkney, who are living temporarily in Orkney for work purposes, but who are permanent residents elsewhere;
- students moving to Orkney for study;
- workers required for potential infrastructure construction projects.

The acute shortage on housing on Orkney means that keyworkers and other essential workers, and students find it very difficult to find housing, and employers responding to the Employers Survey in 2023 showed that housing was one of the main reasons that employers found it difficult to recruit across the public, private and academic sectors. Lack of access is seen to be a key area for stifling growth across sectors including the research and innovation sectors. At the same time, the Essential Worker Housing strategy estimated that up to 1,500 bedspaces will be required to accommodate construction workers for potential infrastructure projects that may start in the islands from 2024 (pending approvals) for completion over the next 10 years.

Most of the action required to improve access to housing for key and essential workers relates to increasing supply (More Homes above). In terms of accommodation for infrastructure construction workers, the Council will work with each developer to consider a specific accommodation plan which mitigates against potential negative impacts on the existing market while maximising the long-term housing legacy for the future.

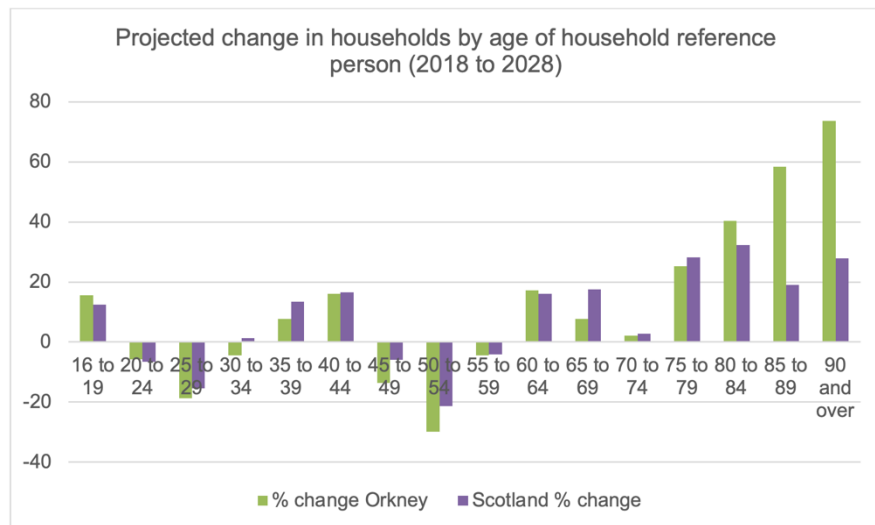
In relation to housing for students, Heriot Watt University and Orkney College UHI have been exploring options for student accommodation including using the youth hostel in the short-term, and developing new purpose-built accommodation in Stromness which would also service Orkney Research and Innovation Centre (ORIC). The Housing Market Partnership will maintain dialogue with education providers to keep options open for existing and new housing supply for students.

The needs of refugees and asylum seekers were explored through the Housing Needs and Demand Assessment. There are currently 14 households (24 people) under Homes for Ukraine Scheme in Orkney: 12 currently living with host families and 2 in social housing. These households will continue to be supported in meeting their future housing needs as required. The lack of an existing host community with appropriate support facilities means Orkney has significant challenges around hosting asylum seekers or refugees who need Muslim community facilities and support. Orkney lacks an equivalent host population, a mosque etc. From experience of refugee resettlement and people from the Muslim community, the appropriateness of Orkney raises issues for the sustainability for resettlement. The Housing Strategy is also required to consider the needs for site provision for Gypsy/ Travellers and sites for Travelling Showpeople. There is currently 0.01% of the Orkney population that consider themselves as White: Gypsy Traveller. As such there is no requirement for a site and the population and demand for this type of provision will continue to be held under review.

Independent living and specialist housing provision

As discussed in section on the housing system, Orkney's population has increased significantly over the last 20 years driven by net migration with increases across all age groups except children. Over

that time the highest growth rate has been in those aged 65 plus (70%, compared to Scotland 33%) and looking forward, while there will be growth in working age households, the most significant growth will be in those aged over 75 years. This has significant implications for health and social care provision, and the suitability of housing stock for older people, those with mobility difficulties and disabled people.



Source: 2018-based Household Projections (Council area profiles)

The [Housing Need and Demand Assessment](#) sets out the current provision and the requirements for additional accessible, adapted and wheelchair housing. Around 300-600 households each year require adaptations to help people remain in their own homes – in practice Care and Repair typically provides 550 annually, with the most common major adaptations being level access showers, external ramping, stair lifts and grab rails. Recent resource levels (until 2023) have been in line with needs, but with the increasing ageing population, this will mean increasing need, and increasing resource requirements for adaptations. There is currently a significant backlog of level access shower installations, in part due to lack of capacity in the specialised workforce required for this type of adaptation.

The small repairs service offered by Care and Repair provided 520 small repairs in 2023. Again, the need will increase with the aging population, projected at 630 small repairs by 2033. This means a need for increasing resources.

It is estimated 50-70 wheelchair properties are required over the next ten years, based on varying assumptions on health outcomes. There is strong demand, and provision for/of bungalows among older residents, which will make adaptation for wheelchair use easier. There is also scope to adapt some of the existing social ambulant disabled housing stock to wheelchair housing to meet this demand.

There is very high demand and unmet need for care at home services, in part due to lack of workforce. At the same time, the level of care home provision is well below the Scottish average rate. This does not mean the solution is more care homes, but there must be adequate resources for the alternative including care at home, very sheltered and / or extra care housing as the need increases. The Council has recently completed a core and cluster development for people with learning disabilities and the Housing Market Partnership discussed using more core and cluster developments, including extra care housing for mixed client groups (e.g. older people, those with dementia, disabled people). This could be a more efficient and effective approach compared to home care in a rural setting, particularly in the context of travel distances and lack of care workforce.

There is a gap in supported housing provision for those with enduring mental health needs who currently live on the Scottish mainland due to lack of appropriate provision in Orkney.

The Housing Market Partnership considered these needs and agreed a range of key actions including:

- Ensuring sustainable resourcing for the Care and Repair service, recognising the vital role this plays in enabling timely discharge from hospital and supporting independent living.
- Pursuing a core and cluster approach for new housing suitable for older people and a range of other needs, including extra care housing.
- Enhancing the telecare service and introducing SMART homes.

- Putting in place supported housing/care provision for those with enduring mental health.
- Review incentives for older people to downsize to move to homes more suitable for their needs.

The full range of actions for access and choice of housing for all are listed in the action plan below.

9. Delivery Action Plan

The following action plan shows the priorities, outcomes, and actions to be implemented over the next 5 years. The action plan also includes the methods by which the action plan will be monitored by the Housing Market Partnership through quarterly monitoring meetings, and annual reporting on the Local Housing Strategy implementation through the LHS Annual Report to the Partnership, and the Council.

Priority: More Homes

Summary: The Housing Supply Target is 1030 homes over 10 years (103 per annum). The Council will shift its focus to develop its housing strategic and enabling role to support the housing supply system to deliver this target across tenure and by different providers (affordable and private). Additional affordable housing providers will be required to achieve housing targets. All new housing supply will be built in line with the principles of good placemaking and sustainability.

Other local plans and priorities: Community Plan – Sustainable development, Local Equality. Council Plan – Growing our Economy, Developing our infrastructure. Local Development Plan. Orkney Strategic Housing Investment Plan. Essential Workers Housing Strategy.

Outcome: More homes are supplied for rent or to buy across Orkney Islands communities

| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
|---|-------------------------|--|---------------------------------------|---|
| Introduce a 'More Homes' strategic programme delivery approach to create a longer term and more certain pipeline to enable supply of 103 homes per annum over 10 years. Target of 60/40 affordable/private. The enabling approach will include masterplanning, infrastructure first and land assembly where required to facilitate development. The More Homes Programme includes new housing across all Orkney islands communities, and for supported housing. | Existing SHIP sub-group | More Homes Programme approach From Year 1 515/1030 homes over 5/10 years | Orkney Islands Council ELH and NSI | Scottish Government More Homes funding HRA development from HRA Business Plan; |
| Implement the Essential Workers Housing Strategy to deliver 220 homes for essential workers over 10 years including: <ul style="list-style-type: none"> OIC securing 20 properties through private sector leasing Enabling 150 new build houses for Mid Market Rent Enabling 85 acquisition for Mid-market rent Enabling 40 empty homes brought back into use targeted for essential workers | - | More Homes Programme From Year 1 220 homes over 10 years. At least 110 first 5 years | Orkney Islands Council ELH and NSI | OHAL development in line with OHAL Business Plan; Specific Resources to be identified as part of Essential Workers Housing |

Definition of acronyms for lead responsibility: ELH – Education, Leisure and Housing; NSI – Neighbourhood Services and Infrastructure; OHAC/IJB – Orkney Health and Care / Integration Joint Board; Enterprise and Sustainable Regeneration – ESR; Strategy, Performance and Business Solution – SPBS; OHAL – Orkney Housing Association Ltd.

| | | | | |
|--|-----------------------------|---|--|--|
| | | | | Strategy development during 2024/25; Resources from additional housing providers to be determined. |
| Undertake acquisitions of individual properties in the existing market or from developers for social rent or MMR where the properties can be brought up to relevant standards. | - | Ongoing | Orkney Islands Council ELH and NSI | As above |
| Identify and appraise options/feasibility for developing new accommodation and repurposing existing buildings for shorter-term accommodation for essential workers and students. | - | Ongoing | Orkney Islands Council ELH and College/Universities | As above |
| Work with new infrastructure developers to understand their temporary accommodation requirements, mitigate risks to the existing market and maximise legacy for future housing supply. | Discussions started 2023 Q3 | Ongoing | Orkney Islands Council ELH with infrastructure developers | Existing resources |
| Use the Council's 'Rural Housing Body' status so that where new homes are built on council land and building apply a primary residence burden on housing property (and potential affordability criteria). | - | Implement from Year 1 All housing built on OIC land/property | Orkney Islands Council ELH | Existing resources |
| Ensure principles of good placemaking and sustainability are adopted on all new housing sites across all Orkney communities i.e. mixed communities, housing choice, quality homes, in the right location and of the right tenure and size. (Will be considered through the review of the Local Development Plan) | Ongoing | Ongoing All new housing developments approved from Year 1 | Orkney Islands Council ELH and NSI | Existing Planning Resources |

| | | | | |
|--|---------|---|---------------------------------------|---|
| Increase density in towns and key villages where relevant in line with National Planning Framework 4 and the review of the Local Development Plan. | Ongoing | Ongoing Increase density 20-35 density per hectare | Orkney Islands Council NSI | No additional resource required |
| Provide serviced sites and a design guide for self-build and develop a register for those interested in self-build. Consider within the More Homes programme where demand for self-build can be satisfied. | - | More Homes Programme Year 1 | Orkney Islands Council NSI and ELH | Existing Planning Resources and within the LDP Review |

| | | | | |
|--|---------------------------|---------------------------|-------------------------------|--|
| Outcome: The capacity to deliver more affordable homes is increased by attracting new housing providers to Orkney, and/or by creating new affordable housing supply mechanisms. | | | | |
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Undertake discussions with at least one established affordable housing provider with track record and financial capacity to supply new housing in Orkney. | - | Year 1 | Orkney Islands Council ELH | Existing resources |
| Create a Council-sponsored approach to new supply for mid-market rent to complement other supply. | Council decision 2023 Q4 | Implement from Year 1 | Orkney Islands Council | Specific Resources to be identified as part of Essential Workers Housing Strategy development during 2024/25 |

| Outcome: Housing supply processes are more efficient within the Council, and across partners and to enable value for money new supply. | | | | |
|--|---------------------------|---------------------------|---|--------------------|
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Develop a common affordable housing specification to improve efficiency and design out cost. | - | Year 2 onwards | Orkney Islands Council ELH and NSI with housing partners | Existing resources |
| Adopt a partnership approach to new mixed housing developments where one partner leads on design and procurement and transfers ownership at the end of development. Test through implementation of site K9. | Underway Q3 2023 | Year 2 complete | Orkney Islands Council ELH with developer | Existing resources |
| Review the Council's Capital Project Appraisal process as it relates to new Council housing to ensure it is sufficiently agile. | - | Year 1 | Orkney Islands Council ELH with other Council partners | Existing resources |
| The review of the Local Development Plan will be completed in line with National Planning Framework 4. The Service is proposing to provide within a new Local Development Plan infrastructure and Design information for settlements and allocated land to enable appropriate development. | Ongoing | Year 1 onwards | Orkney Islands Council NSI | Existing resources |
| Where there are workforce constraints e.g. in new housing design, regulatory approval and construction sector, make use of the wider supply chain to provide greater capacity and agility to deliver the More Homes programme. | - | Year 1 onwards | Orkney Islands Council - all | Existing resources |
| Consider use of modular build and modern methods of construction where relevant. | - | Year 2 onwards | Orkney Islands Council ELH and NSI with housing partners and colleges/ Universities | Existing resources |

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| Outcome: Empty homes are brought back into use for Orkney residents and essential incoming workers. | | | | |
|--|--|---|-------------------------------|--|
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Encourage homeowners to bring empty homes back into use through information and advice. | 70 homes since 2016 – average 10 per annum | 15 per annum | Orkney Islands Council ELH | Existing resources – Empty Homes Development Officer / Strategy and website provision |
| Incentivise more empty homes being brought back into use through local authority grant (Housing (Scotland) Act 2006) | - | | | Specific Resources to be identified as part of Essential Workers Housing Strategy development during 2024/25 |
| Bring empty homes back into use through acquisition for social rent or MMR where the properties can be brought up to relevant standards. | - | | | Specific Resources to be identified as part of Essential Workers Housing Strategy development during 2024/25 |
| Understand the scope of empty homes that can be used for infrastructure workers – undertake empty home-owners survey and work with infrastructure developers through the 'matchmaker scheme' to match properties to temporary residents. | - | 10 homes while infrastructure works ongoing (10 in addition to above) | Orkney Islands Council ELH | Existing resources – Empty Homes Development Officer / Strategy and website provision |
| Achieve legacy from empty homes that are brought back into use for infrastructure workers by working with homeowners to continue offering the property for let or sale for primary residence once infrastructure workers have left Orkney. | - | 10 properties added to residential housing stock | Orkney Islands Council ELH | Existing resources |

Definition of acronyms for lead responsibility: ELH – Education, Leisure and Housing; NSI – Neighbourhood Services and Infrastructure; OHAC/IJB – Orkney Health and Care / Integration Joint Board; Enterprise and Sustainable Regeneration – ESR; Strategy, Performance and Business Solution – SPBS; OHAL – Orkney Housing Association Ltd.

| | | | | |
|--|---|---------|-------------------------------|--------------------|
| Lobby UK/Scottish Government directly and through existing networks on additional resources to improve energy efficiency for private sector housing, to revise VAT on repairs and maintenance works, including funding for empty homes (also in Quality Warm Homes below). | - | Ongoing | Orkney Islands Council ELH | Existing resources |
|--|---|---------|-------------------------------|--------------------|

Outcome: The number of Short-Term lets (STLs) and second homes are monitored to understand the impact on Orkney's housing system, and where necessary the number of STLs are controlled.

| | | | | |
|--|---|----------------------------|---------------------------------------|--------------------|
| Continually monitor the number of Short Term Lets (STLs) and review the experience of STL control areas from other areas in Scotland to assess their impact and relevance to Orkney. | At May 2023 400 STLs | Monitor change Annually | Orkney Islands Council ELH and NSI | Existing resources |
| Consider the introduction of a new Planning Housing Policy to enable holiday accommodation to change to long-term residential use where appropriate. | - | Year 1 | Orkney Islands Council NSI | Existing resources |
| Consider the full range of mechanisms available to safeguard primary residency including the use of the Council's Rural Housing Body status (as above), STLs control areas, use of Scottish Government Housing Grant in affordable new build, and potential housing policies in the reviewed Local Development Plan. | Only primary residency mechanism used currently is when Scottish Government grant is provided | Year 1 | Orkney Islands Council ELH and NSI | Existing resources |

Priority: Quality, Warm homes

Summary: The quality and energy efficiency of homes across tenure is improved, and fuel poverty is reduced across all Orkney Island communities through a just transition to Net Zero. New homes optimise sustainability standards.

Other local plans and priorities: Community Plan – Cost of Living, Sustainable development, Local Equality. Council Plan – Growing our Economy, Strengthening our Communities, Developing our infrastructure. Orkney Child Poverty Strategy. Local Development Plan. Sustainable Orkney Energy Strategy. Carbon Management Plan.

Outcome: The quality and energy efficiency of social housing is improved through the use of up-to-date technology, and construction methods.

| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
|--|---------------------------|---------------------------|---|--|
| Continue investment across social housing to meet the Scottish Housing Quality Standard. | OIC – 53% OHAL – 98% | OIC – 94% OHAL – 99% | Orkney Islands Council ELH and OHAL | HRA development from HRA Business Plan |
| Undertake an independent stock condition survey of Council housing to establish up to date costs of 30 years component replacement and energy efficiency improvements. | Current OIC costs | Year 1 | Orkney Islands Council ELH | HRA development from HRA Business Plan |
| Continue investment across social housing to meet the new Social Housing Net Zero standard. | OIC – 96% OHAL – 97% | OIC – 96% OHAL – 99% | Orkney Islands Council ELH, NSI and OHAL | HRA development from HRA Business Plan |
| Lobby UK/Scottish Government directly and through existing networks on additional resources to improve energy efficiency in social housing, and to revise VAT on repairs and maintenance works. | Ongoing | Ongoing | Orkney Islands Council ELH, NSI and OHAL | Existing resources |
| Work with schools, colleges, universities, HIE and local contractors to promote careers and develop the local workforce in repairs, maintenance and energy efficiency works including accreditation in the insulation sector (across housing sectors). Establish forum through HMP to drive forward. | - | Year 1 | Orkney Islands Council ELH, NSI and ESR | Resource to be identified |

| Outcome: The quality and energy efficiency of existing private housing is improved through information, advice and grant support. | | | | |
|---|-----------------------------------|---------------------------|---------------------------------------|--------------------|
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Review the approach and implement guidance to provide information and advice for homeowners and private landlords on home repair and maintenance, including energy efficiency (Energy Efficiency Standard for private landlords). | - | Year 1 | Orkney Islands Council ELH and NSI | Existing resources |
| Review the approach for private landlord registration and enforcement. | Currently in Housing Options team | Year 1 | Orkney Islands Council ELH and NSI | Existing resources |
| Continue to increase the resources available through Energy Efficient Scotland: Area Based Scheme (EES:ABS) by bidding for additional resources. | £2million (2023/24) | £4million by Yr 3 | Orkney Islands Council ELH | Existing resources |
| Create a framework and measure the impact of EES:ABS and report annually through the LHS Annual Report. | - | Year 1 | Orkney Islands Council ELH | Existing resources |
| Lobby UK/Scottish Government directly and through existing networks on additional resources to improve energy efficiency for private sector housing, to revise VAT on repairs and maintenance works, including funding for empty homes. | - | Year 1 ongoing | Orkney Islands Council ELH | Existing resources |

| Outcome: Fuel poverty in Orkney is reduced. | | | | |
|--|---|--|--|---------------------------|
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Explore analysis framework to measure the level of fuel poverty (at a lower geographic level than Orkney) and then report annually on change to fuel poverty and extreme fuel poverty in the LHS Annual Report and to the Cost of Living Task Force. | 31% fuel poverty 22% extreme fuel poverty (SHCS LA analysis 2017-2019) | Year 1 Q4 framework in place Monitoring ongoing | Orkney Islands Council ELH and SPBS | Resource to be identified |
| Review the approach to the provision of information and advice for individual households on energy efficiency and fuel poverty (including income maximisation) provided through the Council, third and private sectors, in collaboration with the Cost of Living Task Force. | - | Year 1 | Orkney Islands Council ELH and SPBS | Resource to be identified |
| Following a review of information and advice, propose and implement any action required, and measure the impact with Cost of Living Task Force. | - | Year 2 onwards | Orkney Islands Council ELH and SPBS | Resource to be identified |
| Lobby UK Government on the cost of fuel tariffs to ensure these are reduced in Orkney. | - | Year 1 ongoing | Orkney Islands Council ESR | Existing resources |
| Maximise the potential benefits from Orkney renewable energy developments to reduce cost burden of energy for residents. | - | Year 1 ongoing | Orkney Islands Council ESR | Resource to be identified |

| Outcome: Carbon emissions across all housing tenure are reduced to net zero. | | | | |
|--|---------------------------|---------------------------|---------------------------------------|---------------------------|
| Actions | Baseline 2022/2023 | Target / timescale | Lead Responsibility | Resources |
| Mainstream and embed net-zero emissions into housing design and across tenure including taking opportunities for additional funding (e.g. ECO4 funding). | Ongoing | Yr 1 ongoing | Orkney Islands Council ELH and NSI | Existing resources |
| Bring through formative Orkney best practice into a housing net zero plan for implementation. | Ongoing | Implementation from Yr 3 | Orkney Islands Council ELH and NSI | Resource to be identified |
| Engagement with the Council's other climate change initiatives including contributing into the OIC climate change officer working group, engaging with the OIC 2024 net zero transition study, and seeking funding and transition opportunities, such as through the developing Islands Centre for Net Zero. | Ongoing | Yr 1 ongoing | Orkney Islands Council ELH and NSI | Resource to be identified |

| Outcome: The design of new homes optimises the principles of good placemaking and sustainability. | | | | |
|--|---------|---|-------------------------------|----------|
| See More Homes above - Ensure principles of good placemaking and sustainability is adopted on all new housing sites. | Ongoing | Ongoing All new housing developments | Orkney Islands Council NSI | As above |

Priority: Access and Choice of housing for all

Summary: Homelessness is prevented through a partnership housing options approach, and temporary accommodation is minimised for homeless households. Access and choice of housing is increased for all demand groups. People with specific needs are able to live independently. This priority will require close working and resources through OHAC and the Integration Joint Board.

Other local plans and priorities: Community Plan – Cost of Living, Local Equality. Council Plan – Strengthening our Communities. Local Development Plan. Homelessness Strategy. Rapid Rehousing Transition Plan. Joint Strategic Needs Assessment. Strategic Commissioning Implementation Plan.

Outcome: Homelessness is prevented as far as possible, and when it does occur, the time spent homeless is kept to a minimum.

| Actions | Baseline 2022/2023 | Target / timescale | Responsibility | Resources |
|--|--|--|--|--|
| Review, develop and implement a refreshed Housing Options approach within a partnership service redesign which embraces national best practice (see Access to housing below) including digital approaches. | Existing Housing Options approach | Start - Year 1 Complete – Year 4 | Orkney Islands Council ELH and OHAL | Resources would require to be attached through the required governance processes |
| Review, develop and implement a refreshed approach to rehousing for homeless households which embraces national best practice, including the proportion of lets by each social landlord. | 2022 and 2023 OIC – 58%, 48% OHAL – 27%, 24% | Targets to be agreed Year 1 | Orkney Islands Council ELH and OHAL | RRTP funding / existing resources |
| Reduce the use of temporary accommodation through rehousing (as above) in line with the Rapid Rehousing Transition Plan. | March 2023 – 72 households in temporary accommodation | Year 5 - 45 households in temporary accommodation | Orkney Islands Council ELH and OHAL | RRTP funding |
| Flip properties used for temporary accommodation to permanent homes for homeless households. | 2023 5 between OIC and OHAL | Annually 5 between OIC and OHAL | Orkney Islands Council ELH and OHAL | RRTP funding |

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| | | | | |
|---|-------------------|-----------------------------|--|---|
| Review the approach to the provision of information provided on homeless households to ensure tenancy sustainment is maximised. | Existing approach | Year 1 | Orkney Islands Council ELH and OHAL | Existing resources |
| Provide training across all public sector partners and social landlords on the new prevention of homelessness duty. | - | Following enactment of duty | Orkney Islands Council ELH | Resources to be confirmed by Scottish Government following implementation |

| | | | | |
|--|--|---|--|--|
| Outcome: Access to housing and choice of housing is improved for all. | | | | |
| Review, develop and implement a refreshed system for access to housing through a partnership approach which meets national best practice – Housing Options, applications, housing register and allocations (including homelessness allocations – see above). | Individual approaches | Start year 1, complete Year 4 | Orkney Islands Council ELH and OHAL | HRA Business Plan / OHAL Business Plan and resources from any additional housing providers |
| Maintain dialogue with the education providers to keep options open for existing and new housing supply for students. | Range of need 50-90 student households | By Year 5 50 new provision for students | Orkney Islands Council ELH and College/Universities | Existing resources |

| Outcome: People live independently and safely at home or in a homely setting in their own community. | | | | |
|--|--|---|---|--|
| Actions | Baseline 2022/2023 | Target / timescale | Responsibility | Resources |
| Provide supported accommodation through a core and cluster approach in the campus of each of the three care homes (with the care homes acting as the core) for mixed client groups to maximise efficiency and outcomes for those requiring care and support. | Carness | Within 10 years Develop 3 core and cluster developments associated with the 3 care homes | Orkney Islands Council ELH and OHAC/IJB | Resources would require to be attached through the required governance processes |
| Ensure the housing needs for older people are met on the isles through developments including co-housing | - | Year 1 onwards | Orkney Islands Council ELH and OHAC/IJB and Development Trusts | Existing resources |
| Review joint adaptations protocol particularly around private housing adaptations to ensure there is equity of access across housing tenure for adaptations. | Existing approach | Year 2 Equitable approach across tenure | Orkney Islands Council ELH and OHAC/IJB | Existing resources |
| Ensure there is sufficient provision for wheelchair provision through the More Homes programme, or through conversion of existing amenity housing. | - | Ongoing 50 new over 10 years – 5 per annum | Orkney Islands Council ELH and OHAC/IJB | Existing resources |
| Explore options to supplement the Orkney Housing Association adaptations budget from Orkney Health & Care, recognising the importance of timely adaptations in reducing hospital admissions. | No revenue contribution from OHAC/NHSO | Year 2 Revised approach agreed | Orkney Islands Council ELH and OHAC/IJB and OHAL | Existing resources |
| Work in partnership with NHSO/OHAC to support resourcing of Orkney Care & Repair to both aid hospital discharge and prevent hospital admission or demands on care services. | No contribution currently from NHSO/OHAC | Year 2 | OHAC/IJB | Existing resources |
| Ensure Orkney Care and Repair is sustainably resourced to meet the growing demand which supports independent living | 2023 budget | Year 2 | Orkney Islands Council | Existing resources |

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| | | | | |
|--|---------------------|--------------------------|--|--|
| | | | ELH and OHAC/IJB | |
| Work in partnership with OHAC to enhance the existing telecare provision including provision of SMART homes. | Existing approach | Year 3 | Orkney Islands Council ELH and OHAC/IJB | Existing resources |
| Explore developing local letting initiatives, especially on the outer isles to prioritise housing to health and care staff and other essential workers. | Existing policies | Year 2 | Orkney Islands Council ELH | Existing resources |
| Work with the Development Trusts to advertise vacant social homes, where local letting initiatives exist to prioritise health and care staff, or other essential workers as relevant. | Existing approach | Year 2 | Orkney Islands Council ELH | Existing resources |
| Review current approaches to downsizing to further incentivise smaller older households to move to homes suitable for the needs. | Existing OIC policy | Year 2 Revised policy | Orkney Islands Council, ELH | Existing resources |
| Ensure supported housing / care provision is supplied for people with enduring mental health conditions to enable people living on Scottish mainland to return to Orkney. | No provision | From Year 2 | Orkney Islands Council OHAC/IJB | Resources would require to be attached through the required governance processes |
| Review housing support in the round – enabling the third sector to provide lower level housing support and freeing up resources for more intense provision to be provided by the statutory sector. | Existing approach | From Year 2 | Orkney Islands Council OHAC/IJB | Resources would require to be attached through the required governance processes |

| Priority: Monitoring and review | | | | |
|---|-------------------------------------|---|-------------------------------|--|
| Outcome: The local Housing Strategy implementation is monitored, and changing drivers in the housing system (demographic, economic and housing market factors) are understood. | | | | |
| Actions | Baseline 2022/2023 | Target / timescale | Responsibility | Resources |
| Develop a monitoring system to continually monitor and review the Local Housing Strategy implementation. | None | Year 1 Q1 | Orkney Islands Council ELH | Existing resources |
| Hold quarterly Housing Market Partnership meetings to review progress on the LHS actions and report on any change in underlying assumptions and housing system drivers. | None | Quarterly Year 1-5 | Orkney Islands Council ELH | To be taken forward following recruitment of Strategy Officer and delivered from that resource |
| Develop a system to regularly maintain and refresh the evidence base in the Housing Need and Demand Assessment and report change through the HMP quarterly meetings and the Local Housing Strategy Annual Report. | None | Year 1 Q1 | Orkney Islands Council ELH | Resource to be identified |
| Provide a Local Housing Strategy Annual Report to the Housing Market Partnership and the Council on progress. | None | Year 2-5 | Orkney Islands Council ELH | To be taken forward following recruitment of Strategy Officer and delivered from that resource |
| Put in place staff and undertake training to undertake the LHS monitoring and review function. | Vacancy in housing strategy officer | Recruitment and training required Year 1 Q1 | Orkney Islands Council ELH | To be taken forward following recruitment of Strategy Officer and delivered from that resource |

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10. Impact Assessments

The Local Housing Strategy (LHS) consultative draft webpage included impact assessments and screening documents which have informed finalisation of the Strategy.

Equality Impact Assessment

Equality Impact Assessments need to be carried out to consider the impact the LHS would have on groups of people with 'protected characteristics', as defined by the Equality Act 2010. Protected characteristics include age, sex, race, disability and sexual orientation (sexuality or sexual preference). The Council must also meet the Fairer Scotland Duty to consider the impact the LHS would have on those who are experiencing socio-economic disadvantage. This equality impact assessment has also included consideration of child rights and wellbeing impacts.

The LHS is expected to improve housing outcomes for people of all age groups. Older people will be provided with better housing outcomes and choice, and the ability to remain longer in their own home. The needs of older people on the isles have been specifically included to ensure suitable housing models are developed in the isles context. Young people and families' housing choices and conditions (including children living in poverty) should be broadened and improved through more housing supply and improved housing conditions. The household income of families (including children living in poverty) should improve through targeted action to reduce fuel poverty, especially in the remote and exposed areas and on the Isles. There are actions in the plan proposed to improve the housing options, and related care and support for disabled people and those with ill-health who may require specialist supported housing. The Strategy sets out the objectives to tackle homelessness and reduce temporary accommodation, with most homeless households experiencing significant socio-economic disadvantage.

Strategic Environmental Impact Assessment

Strategic Environmental Assessments (SEAs) are designed to evaluate the environmental impacts of the proposed Strategy. Plans and

strategies should be submitted to Scottish Government for a decision on whether a full SEA needs to be carried out.

The LHS has been pre-screened for SEA under section 7 of the Environmental Assessment (Scotland) Act 2005 and a notification sent to the Scottish Government SEA Gateway that no environmental effects are predicted. Therefore, Orkney Islands Council considers SEA is not required.

Island Communities Impact Assessment

Island Communities Impact Assessments (ICIAs) were introduced by the Islands (Scotland) Act 2018. Their purpose is to determine whether the proposed Strategy has different effects on, or different unintended consequences for, any particular island community compared with other island or mainland communities. Island residents must be consulted to gather their views on any perceived disadvantages to their communities, and any measures they would like to be put in place.

The LHS has been developed with the Housing Need and Demand Assessment (HNDA) as the foundation data reference. This identifies 5 Housing Market Areas (HMAs) which are the geographic basis for all the HNDA and LHS data analysis. One of the HMAs is the East Mainland and Linked South Isles, and another HMA is 'the Isles' which comprises all the other inhabited Isles. The ICIA considers consultation evidence from Orkney Matters, the Housing Market Partnership workshops which include Development Trust representatives, and direct consultation with the Development Trusts on the Housing Need and Demand Assessment. Consultation was undertaken on the LHS consultative draft with the 10 Development Trusts. A total of 15 responses to the LHS consultation came from individuals or organisations representing the Orkney ferry-linked isles. The key themes from this feedback was to ensure the Housing Strategy supports sustainability of the isles by tackling empty homes and holiday homes, and ensuring new supply which meets a range of needs – in particular smaller and starter homes, and those that meet the needs of older people on the isles so they do not have to move away from their communities.

The LHS will improve housing outcomes through specific differentiated action for the Isles where circumstances differ to the Orkney mainland including adjustment to resources for housing supply, review of letting policies to help sustain fragile communities, and health and social care services which help to support older and disabled people in their own homes on the Isles. The Strategic Housing Investment Plan has identified a range of new housing supply projects, working with the Development Trusts. The Council continues to encourage Scottish Government to meet the higher costs of housing supply on the isles, which to date has generally been supported by Scottish Government through the Rural and Islands Housing Grant, and this needs to continue.