

Orkney Islands Council Briefing – Strategic Housing Investment Plan and Land for Housing



The Orkney Local Housing Strategy (LHS) sets out the approved Housing Supply Target of 1030 new homes over the next ten years, or 103 per annum. 60% of this target should be Affordable Housing, and 40% private housing (also known as 'market' housing). The 60/40 split is the overall target for **all** new housing supply provided in Orkney including all housing provided by affordable, and private sector housing developers.

The LHS also commits to ensuring that 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. This is also a key consideration through [National Planning Framework 4](#) (NPF4) and the current review of the Orkney Local Development Plan.

The Strategic Housing Investment Plan (SHIP) determines what volume and type of affordable housing is developed and where. The Council approves the Strategic Housing Investment Plan on an annual basis after stakeholder consultation.

[Scottish Government guidance](#) sets out the purpose of the SHIP which reinforces the role of the local authority as the strategic housing authority and requires that the SHIP should align with the Local Housing Strategy.

The [current Orkney SHIP](#) was published in November 2025 and will be updated and published annually in the Autumn of each year following Council decision.

The SHIP sets out that land requirements for affordable housing will be as follows (page 7):

- Places for People (PFP) will be focused on large sites in Kirkwall initially, and possibly Stromness in later years. The SHIP assumes land for 500 homes over 10 years.
- Orkney Housing Association Limited (OHAL) will be focused across Orkney including Kirkwall, Stromness and smaller settlements according to demand and landbank availability. The SHIP has assumed 200 new homes over 10 years.
- Orkney Islands Council (OIC) will build across Orkney including all settlements, with development sizes typically being medium or smaller. The SHIP assumes a maximum of 150 homes over 10 years.
- Isles Development Trusts will continue to build / redevelop across the Isles.

These land assumptions total more than the 600 affordable homes required. This is because, inevitably, some sites may not happen or will be delayed and so additional sites and volume of homes have been included in the Plan to allow for sites falling out of the programme.

Any Council land to be used for housing development included in the Strategic Housing Investment Plan and which is identified for development by another housing provider will be sold in line with the Council's Best Value duty. Valuation of land for affordable housing is as defined in Scottish Government Planning Advice Note 2/2010, [Scotland RICS guidance](#)

[note 1st edition](#) (GN 100/2013), and RICS Global Red Book. The valuation will be undertaken by an independent, qualified valuer.

Scottish Government grant availability and awards depend on a range of different factors including mix, cost etc. Funding models may change over time. More information is available from the [Scottish Government website](#).

Orkney Islands Council, April 2026.