



Orkney Housing Market Partnership

Note of meeting held on 26 March 2026 at 10:00 in the Council Chamber / via Microsoft Teams.

Present:

- Frances Troup, Head of Strategic Housing, Housing Operations and Homelessness (Chair).
- Councillor Gwenda Shearer, Kirkwall East / Chair of Education, Communities and Housing.
- Councillor Ivan Taylor, Kirkwall West and Orphir / Vice Chair of Education, Communities and Housing.
- Councillor Heather Woodbridge, North Isles / Council Leader.
- Councillor James Moar, East Mainland, South Ronaldsay and Burray.
- Councillor Jean Stevenson, West Mainland.
- Councillor John Ross Scott, Kirkwall East.
- Councillor Sandy Cowie, Kirkwall West and Orphir / Council Deputy Leader.
- Lesley Mulraine, Service Manager (Housing, Homelessness and Schoolcare Accommodation).
- Andrew Hamilton, Service Manager (Resources).
- Rachael Batty, Development and Empty Homes Officer.
- Gavin Barr, Head of Planning and Regulatory Services.
- Susan Shearer, Service Manager (Development and Marine Planning)
- Margaret Gillon, Senior Planner.
- Erlend Hutchison, Team Manager (Architecture).
- Erlend Poke, Team Manager (Projects).
- Shonagh Merriman, Service Manager (Corporate Finance).
- Stuart Allison, Service Manager (Enterprise).
- Anna Evans, Housing Consultant for Hub North / Director, Indigo House Group.
- Mairi Ross Grey, Highlands and Islands Area Manager, Scottish Government.
- Representative of R Clouston Ltd.
- Stephen Kemp, Director, Orkney Builders Ltd.
- Fiona Lettice, Vice Chair, Orkney Housing Associated Ltd.
- Craig Spence, Chief Executive, Orkney Housing Associated Ltd.
- Tracey Longworth, Director of Housing and Operations, Orkney Housing Associated Ltd.
- Luke Fraser, Development Manager, Orkney Housing Associated Ltd.
- Ruth Kirkpatrick, Area Team Leader, Highlands and Islands Enterprise.
- Katherine Hayes, Deputy Principal, UHI Orkney.

- Duncan Bertram, Senior Development Manager (Land) – Scotland, Places for People Scotland.
- Susan Davies, Development Manager, Places for People Scotland.

Apologies:

- James Wylie, Director of Education, Communities and Housing.
- Laura Baillie, Team Manager (Housing Strategy, Development and Data).
- Kenny MacPherson, Head of Property and Asset Management.
- Glen Thomson, Service Manager (Property and Capital Programme).
- Derek Manson, Team Manager (Development Planning).
- David Custer, Service Manager (Engineering).
- Karen Bevilacqua, Service Manager (Legal Services).
- Georgette Herd, Principal Solicitor.
- Erik Knight, Head of Finance.
- Sweyn Johnston, Head of Enterprise and Economic Growth.
- Kirsty Groundwater, Team Manager (Communications).
- Lynda Bradford, Head of Health and Community Care.
- Ruth Lea, Occupational Therapy Lead.
- Marcus Weurman, Development Manager, Hub North Scotland.
- Steven Paterson, More Homes Division Co-ordinator, Scottish Government.
- Pamela Strachan, Senior Service Planner - Development Planning, Scottish Water.
- David Campbell, Housing Consultant, Development Trusts.
- Morven Brooks, Chief Executive, Voluntary Action Orkney.
- Brian Kynoch, Chair, Orkney Housing Associated Ltd.
- Alan Scott, Head of Estates, NHS Orkney.

1. Welcome

Frances Troup welcomed everyone to the meeting and introductions were done for the new attendees.

The minutes from the meetings that took place in 2025 are now on the [Council website](#). It was proposed adding presentations to this section of the website to enhance transparency and partnership working.

Thanks were noted to Mairi Ross Grey who is retiring after 35 years' service and has played a significant role in the facilitation and development of affordable housing in Orkney.

2. Local Housing Strategy – Update on Action Plan

Andrew Hamilton presented an update on the Local Housing Strategy (LHS) Action Plan. Key points included:

- **Overview:**

- The LHS covers 2024-2029, with three strategic priorities – More Homes, Quality Warm Homes and Access and Choice of Housing for All.
 - The focus of the past year has been predominantly on More Homes.
 - The year-end figures are incomplete due to the timing of this meeting. A full update will be provided at the next meeting in June.
- **Strategic Housing Investment Plan:**
 - There is a balanced development pipeline across Kirkwall, Stromness, East Mainland, West Mainland and the Isles.
 - Significant activity is underway.
- **More Homes:**
 - Positive progress against 103 homes/year target with a 60% affordable / 40% private split.
 - This is the first projected overspend of Orkney's Scottish Government Resource Planning Assumption (RPA) in 10 years. Projected spending for 2025/26 is £6.5m compared to the £4m RPA due to increased delivery (overspend of £2.5m) and is hugely positive for this area.
 - Strong development pipeline for the coming years.
- **Key Projects:**
 - **Orkney Islands Council:**
 - Walliwall 9A (6 units for social rent) – nearing completion.
 - Cairston Road, Stromness (8 family homes for social rent) – nearing completion.
 - Moar Drive (4 person supported accommodation) – awaiting site start.
 - Copland's Road (25 units) – tender action underway.
 - Former Papdale Halls of Residence – demolition surveys underway.
 - Various 'off the shelf' acquisitions.
 - Early work on West Mainland sites (Dounby).
 - Houton – SSEN/OIC initiative for serviced site for temporary worker accommodation; longer term legacy site for permanent housing – Planning Permission achieved.
 - Former St Rognvald's House – repurposing for agency staff accommodation. Due to go to Policy and Resources Committee in April.
 - **Orkney Housing Association:**
 - Walliwall 9A (8 shared equity) – complete.
 - Walliwall 10 (41 units approved for mixed tenure) – approved and phased completion to 2027/28.
 - Various 'of the shelf' acquisitions.
 - **Development Trusts:**
 - 14 affordable units across seven islands completed since 2019.

- Five projects currently on-site providing nine additional homes for island communities (North Ronaldsay, Westray, Eday, Rousay and Shapinsay).
- **Places for People Scotland:**
 - Early work on due diligence on former Papdale Halls of Residence and Weyland sites.
- **Other Work:**
 - Short term lets (STL) – working group established to consider policies for STL management through Local Development Plan.
 - Modular build work through UHI Orkney.
- **Quality Warm Homes:**
 - OIC are in the progress of commissioning a stock condition survey for 2026/27.
 - HEES: ABS programme funding:
 - For 2024/25 - £1.2m allocation, with an additional £300k through lobbying. This delivered 146 measures for 106 household (loft insulation, internal and external wall insulation, underfloor insulation, installation of high heat retention storage heaters).
 - For 2025/26 - £1.75m secured, plus additional £220k allocation. It is expected that 190 measures to 160 households will be delivered through to the end of May 2026 and full spend expected by project close in June 2026.
 - For 2026/27 - a new multi-year managing agent tender is underway.
- **Access and Choice of Housing:**
 - Section 5 Protocol is under review between OIC and OHAL.
 - Digital housing application system being developed.
 - Two student houses purchased via Islands Programme (1 completed, 1 pending).
 - Homelessness statistics:
 - 104 households awaiting permanent housing.
 - 81 in temporary accommodation.
 - 11 staying with family or friends / homeless at home.
 - 12 awaiting temporary accommodation placements.
 - Permanent lettings to homeless household continuing through OIC and OHAL allocations.
 - Homeless applications are rising – 154 year-to-date (113 last year).
 - Key constraint is supply, not process.
 - Review of Joint Adaptations Protocol planned for 2026/27 to ensure equitable access across housing.

Katherine Hayes provided an update on **modular housing**, noting:

- £75k funding from SSEN, delivered via Orkney Construction Training Group and UHI Orkney.

- Producing two low-tech modular demonstrator units suitable for rural communities.
- The aim is to create an open-source digital toolkit for rural modular housing.
- Governance issues delaying the start.
- Project learning intended to support wider Scottish rural housing.

The meeting was then opened for questions and discussion:

- **Homeless Households** – Councillor Moar queried if all the homeless households were currently in temporary accommodation within Orkney. Lesley Mulraine confirmed that this was the case. Councillor Taylor queried if PfP would be providing homeless accommodation like OIC and OHAL do. Frances stated that the Council would be looking for PfP to assist with permanently rehousing a proportion of homeless households.
- **Supported Housing Needs** – Councillor Shearer queried if there were any figures in relation to supported housing and the level of need, noting it has been raised a couple of times in the Council Chamber. Frances advised the current need levels (approximately) were 2 households for extra care, 20 households for sheltered housing, and 5-6 households for learning disability supported housing. The needs remain small but important. A briefing note will be prepared for Elected Members. Telecare upgrades are ongoing and there is a push for flexible solutions over hard wiring.
- **Development Trust Models** – Ruth Kirkpatrick raised that this is not only the isles – mainland communities are also expressing an interest. David Campbell to present financing model at next HMP.
- **Former Balfour Hospital Site** – Councillor Scott queried if there was any progress in relation to this. Anna Evans noted that Hub North are working with NHS Orkney on this and carrying out survey works. There were no NHS Orkney representatives at the meeting to provide any further update.
- **Student Accommodation Demand** – Councillor Scott noted a loss of archaeology students due to lack of accommodation. Frances and Andrew stated that the Council owns / manages several student properties. Varying occupancy levels have been observed previously. Modular housing may support future students but is still in the very early stages.
- **Annual Review Workshop** – Craig Spence proposed an annual deep-dive into the entire LHS action plan. It was agreed that a workshop would be scheduled around the end of year 2 (June 2026).
- **SSEN / Empty Homes** – Ruth requested an update on the project. Rachael Batty stated that SSEN have signed agreements with three empty homeowners (two now occupied with SSEN staff) and are looking at another two properties. Frances added that the Empty Homes Loan Scheme goes live on 1 April.

3. Places for People Scotland - Introduction

Duncan Bertram gave an introductory presentation, with this being his first HMP meeting. Key points included:

- **Overview:**
 - **February 2024** – initial visit to Orkney Islands Council.

- **November 2024** – solicitors instructed on Strategic Cooperation Agreement.
 - **July 2025** – delegated authority to enter into the Strategic Cooperation Agreement, approved at Policy and Resources Committee and ratified at Full Council.
 - **October 2025** – SHIP approved at Committee and ratified at Full Council.
 - **November 2025** – Concluded Strategic Cooperation Agreement.
 - **January 2026** – Visit and stakeholder engagement in Orkney.
- **Places for People Group:**
 - Own or manage more than 262,000 homes.
 - Delivered 2,296 new homes in 2024/25.
 - Social enterprise and profits are reinvested into communities. In 2024/25, £500m generated to invest in social value schemes.
- **Places for People Scotland (PfPS):**
 - Responsible for 7,966 properties in Scotland, with the vast majority being for social rent.
 - 5-year business plan supports the continued growth of development handovers, estimated at over 1,700 units over 5 years (includes Orkney proposals).
 - 95% of emergency repairs responded to within 24 hours.
 - During 2024/25, achieved a resolution rate of 94% for anti-social behaviour cases (503 cases addressed).
 - Financial inclusion team in Scotland supported 754 customers to generate an additional £2m in income through rent-related benefits, disability benefits and earnings replacement.
- **Strategic Cooperation Agreement and Development Programme**
 - Commitment to develop a land pipeline for the delivery of 500 new homes.
 - Established a Permanent Working Group between OIC and PfP to support the delivery of the agreement and the development programme.
 - Commitment to engaging with local contractors and consultants in the procurement and tendering processes.
 - SHIP allocated sites:
 - K8 Soulisquoy (100 units).
 - K14 Berstane (250 units).
 - K15 Weyland (200 units).
 - K28 Former Papdale Halls of Residence (60 units).
 - Overall Project Timeline – Former Papdale Halls target dates:
 - **January to June 2026** – due diligence.
 - **June to December 2026** – progress development site acquisition.
 - **January 2028** – commence construction.
 - **January 2029** – completion of first homes.
 - Update on architectural procurement – going live next week, via in-house Procurement Hub. Anticipate tender returns 11 May 2026.

The meeting was then opened for questions and discussion:

- **Affordable/Private Split** – There were various queries on this topic.
 - Stephen Kemp sought clarification on the proposed housing split. Duncan confirmed that PfP is working to the same 60/40 split as set out in the Council’s Local Housing Strategy. The private element would consist of affordable homes for sale (e.g. starter/family homes) with some grant support, and not higher-end private housing. Further clarification was given that the 40% private element is a maximum. Some sites may be more heavily weighted towards affordable housing (e.g. Papdale, expected to be 100% affordable), but the primary focus of PfP’s involvement is the delivery of affordable homes.
 - Craig asked whether the 60/40 split would apply consistently across sites and phases. Duncan advised that the intention is to apply a broadly consistent split across developments, subject to site-specific factors and approvals.
 - Frances and Anna emphasised that the 60/40 split is a strategic target across Orkney rather than a rigid site-by-site requirement. Each site’s tenure mix will be agreed with the Council as the Strategic Housing Authority and the Scottish Government, with a strong emphasis on social rent.
 - PfP confirmed that the majority of their affordable homes will be for social rent, with a smaller proportion for mid-market rent and limited low-cost home ownership, informed by local need and funding discussions.
 - PfP outlined their procurement framework and commitment to supporting local contractors’ engagement, with future workshops planned. The Council confirmed ongoing annual engagement with local builders to improve forward visibility of housing programmes. Frances emphasised that the intention is to expand the provision of affordable housing across Orkney. There were some differences emerging in discussion regarding what constitutes “affordable” and what constitutes “private” housing.
- **Site Schedule** – Councillor Scott asked about the phasing for the four Kirkwall sites and whether the developments would be delivered concurrently. Duncan confirmed the developments would be phased and delivered consecutively, reflecting market capacity and local constraints. Frances added that a key aim is to maintain a clear pipeline of work for local builders, coordinate across the partners, provide certainty and avoid delays experienced previously, with alternative sites ready to progress if required.
- **West Mainland Housing** – Councillor Stevenson raised concern that housing plans remain heavily focused on Kirkwall, with declining school rolls in the West Mainland and Stromness. She sought assurance that housing numbers and locations remain flexible and under review. Frances confirmed that housing provision is reviewed annually through the SHIP. Smaller sites are planned across Orkney to be delivered by the Council and OHAL, including Dounby, Houton, East Mainland, and ongoing schemes in Stromness. Housing mix will vary by site, reflecting demand (e.g. one-bed, family housing, self-build/serviced plots), with proposals brought to Committee as they develop.
- **Community Spaces** – Craig Spence raised a query around community facilities within larger housing developments, drawing on examples such as Papdale East. Officers acknowledged the importance of community facilities but noted funding and viability challenges. Planning policy (NPF4, “live local”, sustainable transport, green

infrastructure) supports mixed-use and connected communities, with opportunities explored site by site, including commercial units where viable. Partners highlighted practical challenges of sustaining local shops, while noting potential interest at future sites. Ruth confirmed willingness for HIE to engage early on innovative mixed-use proposals, stressing the need for early pipeline visibility. Duncan supported the principle of mixed-use and 20-minute neighbourhoods, noting experience elsewhere, but cautioned that commercial units are usually viable only at larger scales and carry costs and occupancy risks. Mixed-use elements would need early agreement and funding certainty.

4. AOCB

4.1. Waiting List Update

Craig noted that for the first time in around 5 years, the joint waiting list is now below 1,000 households following a major review and data-cleansing exercise. This was considered a positive sign of partnership working. Frances highlighted the importance of applicants maintaining up-to-date details, especially as part of the annual review process, and stated this in a recent Radio Orkney interview. It is important that applicants ensure they respond to the annual review.

4.2. Meeting Close

Frances thanked all attendees for their contributions and with no other business, the meeting was closed at 12:00.

5. Action Summary

- Prepare briefing note on supported / older people housing needs.
- Schedule LHS Action Plan review workshop.
- Add Development Trust Financing to next agenda.

Postscript

There appeared to some confusion in the meeting around the Housing Supply Target of 60/40 affordable / private housing, what is 'affordable' and 'private', and what affordable housing developers, and specifically what PFP would be providing. The Council officers met with several stakeholders after the HMP meeting and issued a clarification briefing on the Housing Market Partnership website - [Affordable Housing Briefing](#). This clarifies that the Council expects that all the development provided by the Council and RSLs will be affordable, including affordable housing for sale, as defined in the briefing note.