

# Orkney Economic Review 2023



This document aims to bring together and review the latest data available on the Orkney economy and statistics and information which might influence the economy. The majority of the statistics come from published sources, which are credited below each table.

Whilst it is the purpose to present up-to-date information, in a few cases, where current data was not available at the time of publication, more dated figures are shown.

Every care has been taken in the completion of this review. However, the publisher cannot accept responsibility for any errors or omissions. It should be noted that small local sample sizes can lead to some rounding of figures, and that some figures previously published in this review have been revised in light of the availability of updated statistics and research. Additionally, the most recent data for some sections of this review refers to 2021 or 2022, this is due to the availability of data. Furthermore, due to limited staff resources and competing priorities it was not possible to undertake for the years 2021-22. Key issues arising since the last review include: the pressure from high interest rates, geopolitical uncertainty and growing international trade restrictions partly counter the boost to output from lower inflation.

If you have any suggestions for subject areas which could be included in future Orkney Economic Reviews, please forward them to:  
[economic.development@orkney.gov.uk](mailto:economic.development@orkney.gov.uk).

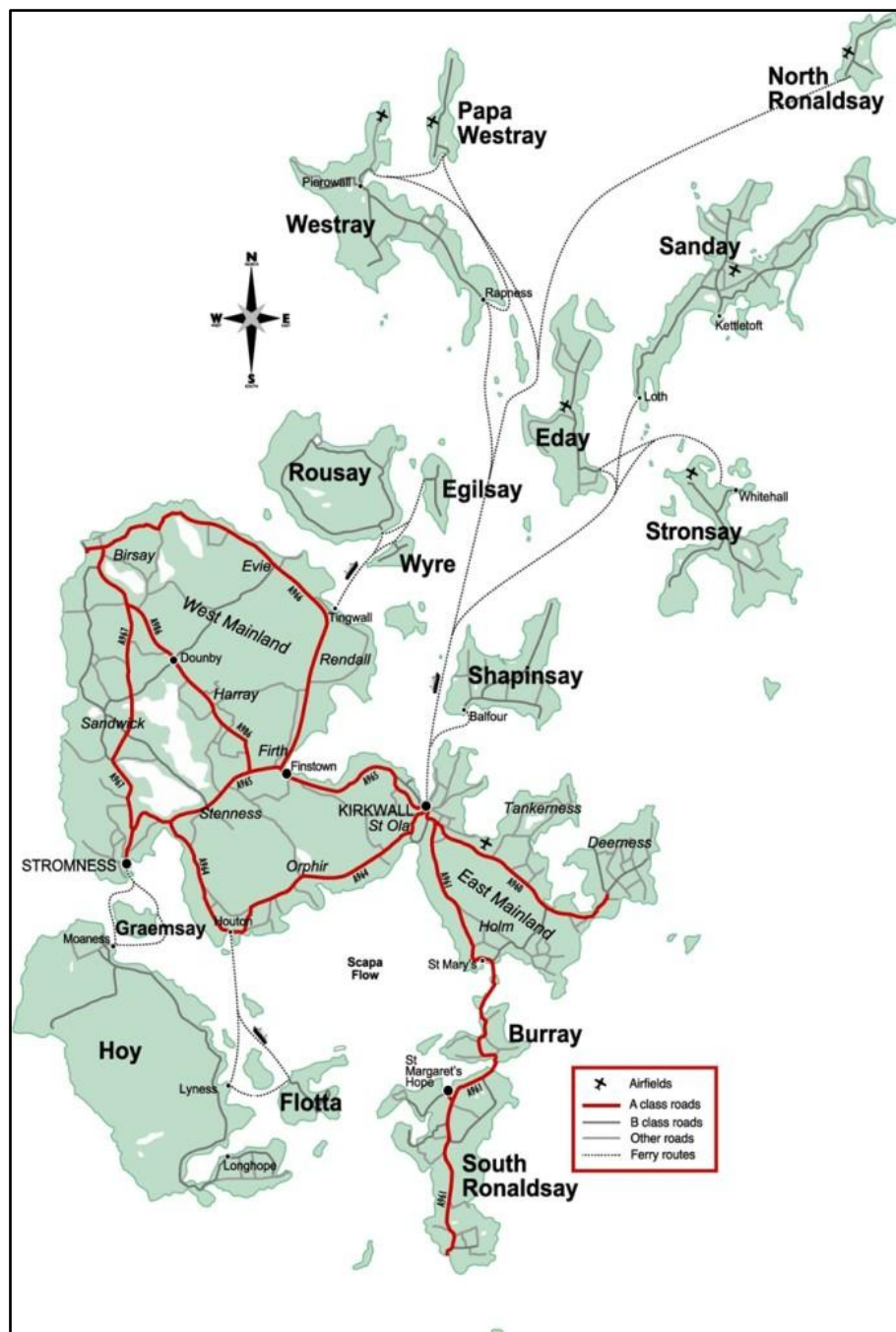
Please note: The Western Isles are referred to throughout as 'Eilean Siar'.

## Table of Contents

1. Weather .....	8
Climate Statistics.....	8
Temperature .....	8
Rainfall and sunshine hours .....	9
Wind speed. ....	11
2. Population.....	12
General Population .....	12
Births, Deaths and Migration .....	12
Households and Dwellings .....	13
3. Economic Activity.....	15
Workforce Qualifications .....	17
4. Labour Market.....	21
Claimant Count .....	22
5. Agriculture .....	23
Herd / Flock.....	23
Livestock Numbers.....	23
Milk production .....	25
Livestock Shipments .....	25
Land Use.....	26
Employment in Agriculture .....	28
Common Agricultural Policy (CAP) Subsidies.....	29
6. Fishing .....	30
Orkney Fishing Fleet .....	30
7. Shellfish .....	32
8. Fish Farming.....	33
Employment .....	33
9. Energy .....	34
Oil and Gas .....	34
Ship to Ship Transfers.....	34
Accommodation Rigs/ Vessel Lay-Up .....	35
Renewable Generation .....	36
10. Transport .....	37
Stromness to Scrabster Route (Northlink Ferries).....	37
Shetland to Kirkwall to Aberdeen Route (Northlink Ferries) .....	38
Kirkwall Airport Traffic .....	38
Orkney's Internal Ferry Routes .....	39

11. Housing .....	42
Average Purchase Price of Residential Property (£) .....	42
Number of Residential Property Sales .....	42
Value of Residential Property Market – Number (£ Million).....	43
New Housing.....	43
12. Tourism.....	44
Staying Visitors .....	44
Visitor Attractions .....	46
Cruise Vessels .....	46
13. Digital Connectivity .....	48
Broadband .....	48
Mobile Phone Coverage.....	51

## Map of Orkney and Internal Transport Routes



### Orkney Internal Transport

An internal ferry service operates to the following islands of Orkney:

- North Ronaldsay.
- Papa Westray.
- Westray.
- Sanday.
- Eday.

- Stronsay.
- Rousay.
- Egilsay.
- Wyre.
- Shapinsay.
- Hoy.
- Flotta.
- Graemsay.

For more information contact: <http://www.orkneyferries.co.uk/>.

Orkney Ferries Ltd is to trial two electric ferries after being awarded more than £15m of funding. The hydrofoil vessels - which have the hull above the water - are being supplied by Belfast-based Artemis Technologies for the three-year trial. The £15.5m funding comes from the UK government's Zero Emission Vessels and Infrastructure Fund, which is aimed at decarbonising the maritime sector.

One will be capable of carrying 12 passengers, and will travel between Kirkwall, Shapinsay, Rousay, Egilsay and Wyre.

A larger vessel, capable of carrying 50 people and some light cargo, will be on a route between Kirkwall, Westray, Eday, Sanday and Stronsay. They are fully electric and the charging infrastructure was installed in winter 2023. This is ahead of the first smaller 12m (39ft) vessel arriving August 2024, with the 24m (78ft) hydrofoil to be delivered in 2025. Consultation on routes and other passengers benefits taking place over the course of 2025.

The following Orkney Islands can also be reached by plane from Kirkwall Airport:

- North Ronaldsay.
- Papa Westray.
- Westray.
- Sanday.
- Eday.
- Stronsay.

For more information contact: <https://www.loganair.co.uk/>.



## Air Travel

Loganair operate a flight service from Orkney to various Scottish airports and onward to other UK and International airports:

- Kirkwall to Edinburgh.
- Kirkwall to Glasgow.
- Kirkwall to Aberdeen.
- Kirkwall to Inverness.
- Kirkwall to Shetland.
- Kirkwall to London Heathrow (stopping in Dundee enroute).

For more information contact: <https://www.loganair.co.uk/>

## Sea Travel

There are three harbours in Orkney from which the mainland ferry services operate:

- Stromness (Stromness Pier).
- Kirkwall (Hatston Pier).
- St Margaret's Hope.

Northlink Ferries operate the ferry service between Scrabster (Thurso) to Stromness Pier (Stromness) and between Aberdeen, Kirkwall and Shetland. Pentland Ferries operate the ferry service between Gills Bay and St Margaret's Hope.

For more information contact: <http://www.northlinkferries.co.uk/>, and <http://www.pentlandferries.co.uk/>

## 1. Weather

As an archipelago so dependent on economic activity related to agriculture, fishing and tourism, the weather in Orkney can be very influential both in terms of productivity and reputation.

Orkney's climate is heavily influenced by the sea, in particular the Gulf Stream and is a marine west coast climate which is mild and cool with no dry season and warm summers. Mild winters can occur which by nature bring on heavy precipitation.

### Climate Statistics

As data from the Meteorological Office (taken at Kirkwall Airport) is no longer available, 2023 data and the year averages are provided from the Loch of Hundland climate station, privately operated by Mr Keith Johnson.

### Temperature

Month	Mean maximum temperature (degrees Celsius)			Mean minimum temperature (degrees Celsius)		
	2023	23-year average	50-year average	2023	23-year average	50-year average
January	6.9	6.6	5.6	2.3	1.9	2.0
February	8.4	6.7	5.8	3.3	1.5	1.7
March	7.1	8.2	7.1	0.8	2.4	2.3
April	11.0	10.4	9.0	3.4	3.7	3.2
May	12.5	12.9	11.5	7.5	5.6	5.5
June	18.6	14.9	13.8	9.4	8.3	7.8
July	16.4	16.7	15.3	10.3	10.1	9.7
August	17.1	16.5	15.5	10.3	10.2	9.9
September	16.3	14.7	13.6	10.0	8.9	8.6
October	11.3	11.9	11.2	6.6	6.6	6.8
November	8.6	9.0	8.0	2.3	4.1	4.1
December	6.8	7.1	6.2	1.4	2.0	2.6



Month	Mean maximum temperature (degrees Celsius)			Mean minimum temperature (degrees Celsius)		
	2023	23-year average	50-year average	2023	23-year average	50-year average
<b>Average.</b>	<b>11.75</b>	<b>11.29</b>	<b>10.2</b>	<b>5.63</b>	<b>5.44</b>	<b>5.3</b>

Sources: Loch of Hundland climate station.

The months of January, February, April, June, August and September were generally warmer than the 23 year averages, with mean maximum and mean minus.

### Rainfall and sunshine hours

Month	Rain (mm)			Sun (hours)		
	2023	23-year average	50-year average	2023	23-year average	50-year average
January	147.3	122.3	107.2	17.0.	30.0.	30.4.
February	92.2	91.4	81.4	35.3.	62.8.	60.8.
March	52.5	78.7	85.9	84.8.	103.9.	95.2.
April	37.8	59.3	55.8	155.8.	148.3.	141.1.
May	32.4	57.3	50.2	173.2.	197.3.	169.7.
June	35.0	48.6	55.8	113.2.	146.9.	156.6.
July	89.6	59.9	56.2	112.4.	137.9.	132.9.
August	106.2	73.5	74.5	120.7.	133.1.	132.3.
September	96.0	96.7	94.4	88.3.	97.4.	104.1.
October	129.3	132.4	113.6	75.6.	74.6.	74.4.
November	75.6	129.5	123.5	43.3.	37.6.	38.6.
December	195.4	116.2	117.1	19.6.	21.9.	22.6.
<b>Average</b>	<b>1089.3</b>	<b>1065.8</b>	<b>1017.2</b>	<b>86.8.</b>	<b>99.3.</b>	<b>96.6.</b>

Sources: Loch of Hundland climate station.

### Rainfall (mm)

The average rainfall levels in 2023 were somewhat mixed when compared to the 23 and 50-year averages, despite being a high average for the year. Rainfall in August and December 2023 was significantly higher than the 23- and 50-year averages.

There was higher than average rainfall in January, February, July, August and December.

### **Sunshine (Hours)**

The overall sun hours for 2023 were lower than the 23 and 50-year averages. Only April and October witnessed higher than average hours.

## Wind speed

Month	Average wind speed (K)		Dominant wind direction
	2023	23-year average	
January	15.6	14.1	SW
February	14.7	13.8	WSW
March	11.1	12.9	SE
April	11.4	12.2	SE
May	12.7	10.9	SE
June	8.0	10.6	SE
July	10.4	9.7	WSW
August	9.2	9.8	SE
September	12.2	11.3	E
October	13.3	12.6	SSE
November	8.8	13.6	SSE
December	15.6	13.0	SE
Average	<b>11.9</b>	<b>12.0</b>	

Source: Loch of Hundland climate station.

Wind is a key feature of the climate. In summer there are almost constant breezes and winter there are frequent strong winds. The average wind speed for 2023 was slightly lower, nearly the same in fact, than the 23-year average.

## 2. Population

### General Population

The National Records of Scotland estimates the population of Orkney in 2021 was 22,540. This is an increase of 0.6% from 22,400 in 2020.

Orkney had the lowest population in 2022, out of all 32 council areas in Scotland.

\*Please note that 2023 figures were unavailable at the time this report was compiled.

### Estimated population of Orkney, by age group in 2022

Age group	Total population	% of total population
0-15.	3487	16.0
15-24.	1896	9.0
25-44.	4774	21.0
45-64.	6588	29.0
65-74	2870	13.0
75+	2643	12.0

Source: National Records of Scotland.

In Orkney, 16% of the population are aged 0 to 15 years. This is higher than the Scottish average which is 15.3%. Persons aged 65-74 make up 13.% of Orkney's population, lower than Scotland where 20.1 % are in this age group. These trends are reflected in the 2002 Census that shows the overall population of Scotland is ageing.

### Births, Deaths and Migration

In 2022, Orkney witnessed 163 births, a decrease of 8 from the figure for 2021.

The number of deaths in Orkney increased by 24 to 278 in 2022, compared to 254 deaths in 2021.

In 2020, Orkney's population natural growth rate (births minus deaths) remained negative.

The level of estimated out-migration in Orkney was 720 in 202-21, which is a 35.8% increase from 530 in 2019-20.

## Orkney population change 2014 – 2023.

Year	Births	Deaths	Natural growth	Estimated migration (net)	Estimated population
2014.	181.	205.	-24.	68.	21580.
2015.	191.	222.	-31.	83.	21670.
2016.	178.	223.	-45.	223.	21850.
2017.	184.	276.	-92.	204.	22000.
2018.	168.	226.	-40.	250.	22190.
2019.	186.	242.	-57.	150.	22270.
2020.	179.	254.	-75.	167.	22400.
2021.	171	254	-83	220	22540
2022.	163	278	-115	*	22000
2023.	162	277	-115	*	22338

\*Information unavailable at the time of compiling the Orkney Economic Review 2023.

Sources: National Records of Scotland/ Vital Events/ Births Time Series Data/ Table BT 4 and National Records of Scotland factsheet. Scotland's Census 2022. NRS Scotland Council Data Sheets.

## Households and Dwellings

The most recently available National Records of Scotland figures reports that the number of households in Orkney in mid-2022 was 10799. This is an increase of 41 from the 2021 figure of 10,758.

Orkney had the 2nd lowest number of households in 2022, out of all 32 council areas in Scotland. Between 2021 and 2022, all councils saw an increase in the number of households.

Since 2001, there has been an additional 2,460 households in Orkney, a 29.5% increase. This is the highest percentage change out of the 32 council areas in Scotland and a more rapid change than at Scotland level (+16.2%).

With regard to Council Tax, band B was the most common in 2020 (25.4%) followed by band C (21.1%).

## Household Projections

The total number of households in Orkney is projected to change from 10506 in 2018 to 11010 at 2028, an increase of 4.8%. Within that number, the number of lone adult households is projected to increase by 10.2%, and the number of larger households in Orkney is projected to fall, with the number of households of 2 or more adults with children decreasing by 6.2% over the 10-year period.

Households headed by 90 and over age group re projected to more than double in number between years 2018 and 2028.

<b>Household by age of head of household</b>	<b>Base-year (2018)</b>	<b>Projected number of households (2028)</b>	<b>% change in Orkney Islands 2018 – 2028</b>
<b>16 to 19</b>	79	91	15.6
<b>20 to 24</b>	310	292	-5.7
<b>25 to 29</b>	581	472	-18.7
<b>30 to 34</b>	652	624	-4.4
<b>35 to 39</b>	637	686	7.7
<b>40 to 44</b>	672	780	16.1
<b>45 to 49</b>	885	764	-13.7
<b>50 to 54</b>	1,087	762	-29.9
<b>55 to 59</b>	1,134	1,084	-4.4
<b>60 to 64</b>	932	1,093	17.3
<b>65 to 69</b>	855	920	7.7
<b>70 to 74</b>	777	793	2.1
<b>75 to 79</b>	891	1,115	25.2
<b>80 to 84</b>	545	765	40.3
<b>85 to 89</b>	323	511	58.4
<b>90 and over</b>	148	257	73.6

A lack of available housing is now consistently recognised as a constraint to business growth and development plans in Orkney. This covers all tenures including social and private rented housing.

### 3. Economic Activity

The percentage of the Orkney population who are economically active, in other words, either in employment or actively seeking employment, tends to be consistently higher than both the Scotland and Great Britain averages.

#### Economically active as % of (estimated) working age population (16 – 64)

Year	Orkney (%)	Scotland (%)	Great Britain (%)
2010.	81.5.	77.0.	76.2.
2011.	84.2.	77.0.	76.3.
2012.	85.9.	76.9.	76.9.
2013.	82.7.	76.9.	77.2.
2014.	91.7.	77.5.	77.3.
2015.	89.0.	77.7.	77.8.
2016.	88.1.	76.7.	77.8.
2017.	88.3.	77.5.	78.4.
2018.	90.4.	77.9.	78.9.
2019.	89.1.	77.5.	78.9.
2020.	87.7	76.5	78.7
2021	80.6	76.2	78.1
2022	87.5	77.1	78.5
2023	89.8	77.9	78.8

Source: Official Labour Market Statistics (nomis).

Orkney's active percentage is significantly above the national averages. Anecdotally, Orkney has a higher proportion of people with more than one source of employment, than other areas in Scotland/UK. This is particularly the case in the Outer and Southern non-linked isles.

#### Self-employment – regional comparison

Year	Orkney		Scotland	Great Britain
	Count	%	%	%
Self-employment 2010.	1800.	16.0.	10.9.	9.1.
Self-employment 2011.	1900.	17.1.	11.5.	9.2.

Year	Orkney		Scotland	Great Britain
	Count	%	%	%
Self-employment Dec 2012.	1900.	17.3.	12.2.	9.6.
Self-employment Dec 2013.	2300.	20.0.	11.5.	9.7.
Self-employment Dec 2014.	2300.	17.8.	11.8.	10.
Self-employment Dec 2015.	2100.	17.5.	11.8.	10.2.
Self-employment 2016.	1900.	12.9.	8.7.	10.6.
Self-employment 2017.	2600.	17.6.	8.5.	10.6.
Self-employment 2018.	1900.	11.4.	8.4.	10.6.
Self-employment 2019.	1800.	15.6	8.1	9.9
Self-employment 2020.	#	#	8.0	9.9
Self-employment 2021.	#	#	7.6	9.3
Self-employment 2022.	#	#	7.6	9.2
Self-employment 2023.	#	#	7.7	9.2

Source: Official Labour Market Statistics (nomis). # indicates sample size is too small for reliable estimate and may be disclosive.

Unfortunately, due to how statistics are collated and the sample size of the Orkney population, there was insufficient data available for 2020-23.



## Workforce Qualifications

In terms of accredited skills and education at a higher level National Vocational Qualification (NVQ) 4 and above, the most recent figures below suggest that the Orkney working-age population is ahead of Scotland and the aggregated Great Britain labour pool across all levels of qualifications.

### Qualifications – people aged 16 to 64, 2022

Qualification	Orkney		Scotland	Great Britain
	Number	%	%	%
NVQ 4 and above.	6300.	52.4.	45.3.	40.3.
NVQ 3 and above.	8800.	76.2.	60.8.	58.5.
NVQ 2 and above.	11100.	91.4	75.6.	75.6.
NVQ 1 and above.	11100.	91.4.	83.5.	85.5.
Other qualifications.	#.	#.	4.5.	4.7.
No qualifications.	#.	#.	8.0.	7.7.

# indicates sample size is too small for reliable estimate.

Source: Official Labour Market Statistics (nomis).

Notes: NVQ is known as Scottish Vocational Qualification (SVQ) in Scotland.

In vocational terms NVQ4 indicates management skills; and in academic terms, NVQ4 or above indicates HND or above (Scottish Credit and Qualifications Framework level 8 and above).

## Enterprises

Reliable and inclusive data on business churn is not available. However, an enterprise birth and death rate is available in respect of what is termed 'Active Registered Enterprises', in other words, those which had either turnover or employment at any time during the reference period and were registered with Her Majesty's Revenue and Customs (HMRC) for VAT and / or PAYE.

### Active registered enterprises - Orkney

Enterprise births / deaths	Business births.	Business deaths.
2010.	50.	55.
2011.	70.	60.
2012.	60.	75.
2013.	85.	40.
2014.	70.	50.

2015.	60.	50.
2016.	70.	50.
2017.	75.	60.
2018.	45.	40.
2019.	55.	65.
2020.	45	65
2021	50	60
2022	50	45

Source: Office of National Statistics, Business Demography.

### **Businesses supported by Business Gateway**

<b>Year</b>	<b>Businesses Supported By Business Gateway</b>
2019-20	34
2020-2021	36
2021-2022	50
2022-23	41

The number of business births in 2022 can be correlated to the number of businesses receiving support from Business Gateway. The increase in business deaths between 2020 and 2022 can be attributed to several factors. Firstly, the impact of the Covid-19 pandemic has felt across all business sectors. Secondly, the combination of geo-political instability affecting supply chains and the increase in interest rates are also critical factors that have influenced business survivability over the past several years.

The Scottish Government's 'Businesses in Scotland' publication provides information on the characteristics of Scotland's business stock – including Orkney, and how business stock has changed over time. The publication includes all enterprises that operate in Scotland regardless of where the enterprise is based. It shows the estimated total enterprises, registered for VAT and / or PAYE, the table below shows information for Orkney over the last 6 years.

**The estimated (rounded to the nearest 5, excluding central and local government) enterprises operate in the following sectors (Standard Industrial Classification, 2007)**

<b>Active number of Orkney enterprises 2018 – 2023</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Agriculture, forestry and fishing.	675.	665.	650	635	660	635
Mining and quarrying.	5.	5.	5	5	5	5
Manufacturing.	50.	55.	60	55	70	70
Electricity, gas, steam and air conditioning supply.	30.	35.	30	35	30	30
Water supply, sewerage, waste management and remediation activities.	5.	5.	5	0	0	0
Construction.	140.	135.	135	135	130	145
Wholesale and retail trade and repair of motor vehicles.	165.	165.	155	155	160	165
Transportation and storage.	55.	60.	60	60	60	55
Accommodation and food services.	80.	80.	75	75	70	75
Information and communication.	25.	25.	25	25	25	25
Financial and insurance services.	10.	10.	10	10	10	10
Real estate activities.	20.	20.	20	20	20	20
Professional, scientific and technical activities.	105.	105.	105	110	110	105

<b>Active number of Orkney enterprises 2018 – 2023</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Administration and support services.	85.	85.	75	75	70	75
Education.	10.	10.	10	5	5	5
Human health and social work.	45.	45.	50	45	45	45
Arts, entertainment and recreation.	25.	30.	30	30	30	35
Other service activities.	40.	40.	40	40	40	40
<b>Total</b>	<b>1565.</b>	<b>1575.</b>	<b>1535</b>	<b>1510</b>	<b>1545</b>	<b>1545</b>

Source: The Scottish Government, Business in Scotland Tables.

There are a substantial number of enterprises in Orkney which have no employees and are therefore not included. This is a particular characteristic of the business landscape in Orkney, where there is a particularly high number of SMEs.

The table shows that the overall numbers of active enterprises has decreased slightly in 2020 after increasing between 2018-19. The decrease between 2020-21 can be attributed to the Covid-19 pandemic and the impact it had across all sectors. After falling to 1510 registered businesses in 2021, numbers began to increase between 2022-23.

There are some minor changes in some sectors between 2018 and 2023. For example, Agriculture, Forestry and Fishing from 675 to 635. Manufacturing increased from 50 to 70. Construction increased from 140 to 145 between 2018 and 2023, after dropping between 2019-2022. Arts, entertainment, and recreation increased from 25 to 35.

#### 4. Labour Market

##### Claimant level (% Jobseekers) in Orkney 2018 - 2023

Month	2018	2019	2020	2021	2022	2023
January.	0.9.	1.2.	1.4	2.7	1.9	1.6
February.	1.0.	1.4.	1.4	2.8	1.9	1.8
March.	1.0.	1.4.	1.5	2.9	1.8	1.8
April.	0.8.	1.4.	2.8	2.7	1.7	1.7
May.	0.8.	1.2.	3.1	2.5	1.5	1.6
June.	0.8.	1.4.	2.8	2.1	1.5	1.6
July.	0.6.	1.3.	3.0	2.1	1.5	1.5
August.	0.6.	1.2.	3.1	2.0	1.5	1.6
September.	0.5.	1.3.	3.0	1.8	1.4	1.5
October.	0.6.	1.3.	2.7	1.8	1.5	1.5
November.	0.8.	1.3.	2.8	1.8	1.5	1.5
December.	1.0.	1.3.	2.7	1.9	1.6	1.6
<b>Average.</b>	<b>0.8.</b>	<b>1.3.</b>	<b>2.5</b>	<b>2.3</b>	<b>1.6</b>	<b>1.6</b>

Source: Nomis Labour Market Statistics

Note: These unemployment rates represent the proportion (%) of the resident population who are of working age and who are seeking employment (ages 16 – 64).

As of October 2015, this figure includes people claiming JSA and Universal Credit.

The above table illustrates the unemployment rate measured by Claimant Count rate (%).

The figures between 2014 and 2015 may be more difficult to compare with the introduction of Universal Credit figures, now added to those claiming JSA in 2015 figures.

Orkney's average unemployment rate nearly doubled from 1.3% average in 2019 to 2.5% in 2020. This could be attributed to the impact of the Covid-19 pandemic and the impacts from measures introduced to combat it. However, one can see a drop in the average of unemployed between 2021 and 2023. This rise can be the result of pandemic measures being eased and economic activity approaching pre-pandemic levels.

## Claimant Count

### Job Seeker Allowance and Universal Credit

Under Universal Credit a broader span of claimants are required to look for work than under Jobseeker's Allowance. As Universal Credit Service is rolled out in particular areas, the number of people recorded as being on the Claimant Count is therefore likely to rise.

At December	2022	2023	Change 2022 – 2023
			Number
All claimants.			
Aged 16+	215	215	0
Aged 18 – 24.	45	35	-10
Aged 25 - 49	100	125	25
Aged 50 and over.	60	50	-10

Source: Nomis. Official Census and labour market statistics- claimant count by age.

## 5. Agriculture

### Herd / Flock

Livestock values returned at Orkney Auction Mart have

#### Orkney Auction Mart Prices – Average price, pence per kg

Year.	Cattle: Steers.		Cattle: Heifers.	
	May.	Middle of September.	May.	Middle of September.
2016.	221.80.	214.47.	213.53.	208.04.
2017.	233.08.	223.04.	217.49.	214.62.
2018.	950.	1093.39.	883.42.	996.30.
2019.	961.71.	991.83.	868.76.	909.28.
2020.	933.47.	1124.56.	892.55.	1051.85.
2021.	*	*	*	*
2022.	*	*	*	*
2023.	1323	1566	1217	1451

Source: Orkney Auction Mart.

\*Information unavailable

2020-2023 statistics are the average price, not average price per kilo. This is due to changes in the monitoring system used by Orkney Auction mart.

Lamb values per kg are unavailable for 2013 onwards.

### Livestock Numbers

#### Herd / Flock size in Orkney (2017 – 2023)

	2017.	2018.	2019.	2020.	2021	2022	2023
Dairy cows.	2539.	2569.	2554.	2412	2565	*	2370
Other dairy.	421.	371.	426.	377	373	*	462

<b>Total Dairy.</b>	<b>2960.</b>	<b>2940.</b>	<b>2980.</b>	<b>2789.</b>	<b>2938.</b>	*	<b>2832.</b>
Beef cows.	26032.	25775.	25582.	35591	39174	*	37,852
Other beef.	23074.	23194.	25858.	25547	9813	*	10,001
<b>Total beef cattle.</b>	<b>49106.</b>	<b>48969.</b>	<b>51440.</b>	<b>48,747</b>	<b>48,987</b>	*	<b>47,853</b>
Other cattle.	25859.	25724.	23267.	22547	25,519	*	24,877
<b>Total cattle.</b>	<b>77925.</b>	<b>77633.</b>	<b>77687.</b>	<b>74083</b>	<b>77,444</b>	*	<b>75,100</b>
Breeding ewes.	44292.	43725.	44022.	43,997	46,560	*	47,174
Other sheep for breeding.	9915.	8800.	8623.	9,601	9,642	*	8775
Other sheep.	66279.	63819.	66119.	68,835	72071	*	8752
<b>Total sheep.</b>	<b>120486.</b>	<b>116344.</b>	<b>118764.</b>	<b>121,933</b>	<b>128,273</b>	*	<b>132,086</b>

Source: Scottish Government's Agricultural Census 2017-2023 releases.

\*No agricultural census took place in 2022. Estimates have been published as part of the 2023 release.



## Milk production

The level of milk production took a fall back in 2010 - 2011 when two dairy farms withdrew from the market which resulted in the loss of almost 1 million litres of production. Milk production has declined significantly since its peak in 2009 - 2010. However, the figure for 2017/18 shows a 3.1% increase in production on the previous financial year. The estimate for 2018/19 remains similar to the previous year whilst the 2019/20 figure shows a slight decrease.

90% of all Orkney milk production goes towards the manufacture of Orkney Cheddar, produced by the Orkney Cheese Company Ltd.

## Orkney Milk Production

Year	Volume (litres)	No.of Dairy Farms
2019/2020	13308539	14
2020/2021	12256913	14
2021/2022	12209114	14
2022/2023	11515977	12
2023/2024	12155654	12

## Livestock Shipments

The following table shows that livestock shipments through Orkney Islands Council (OIC) ports.

However, as data for the privately-run St Margaret's Hope to Gills Bay ferry service is not published, total livestock shipments from Orkney cannot be accurately ascertained.

Northlink ferries record the numbers of livestock entering and leaving Orkney. The routes covered include:

- Scrabster-Stromness & Stromness-Scrabster
- Aberdeen-Kirkwall & Kirkwall-Aberdeen
- Lerwick-Kirkwall & Kirkwall-Lerwick

<b>Livestock Out Of Orkney</b>
--------------------------------

<b>Year</b>	<b>Sheep</b>	<b>Cattle</b>	<b>Horses/ Ponies</b>	<b>Goats</b>	<b>Pigs</b>	<b>Poultry</b>
<b>2018</b>	46253	23330	58	0	66	0
<b>2019</b>	52515	23926	48	0	52	0
<b>2020</b>	55528	24658	41	7	12	3
<b>2021</b>	56156	24477	33	11	32	3
<b>2022</b>	55489	25515	32	0	0	0
<b>2023</b>	62979	24135	25	3	13	2

<b>Livestock Into Orkney</b>						
<b>Year</b>	<b>Sheep</b>	<b>Cattle</b>	<b>Horses/ Ponies</b>	<b>Goats</b>	<b>Pigs</b>	<b>Poultry</b>
<b>2018</b>	<b>2566</b>	<b>388</b>	<b>53</b>	<b>5</b>	<b>0</b>	<b>7</b>
<b>2019</b>	<b>4391</b>	<b>431</b>	<b>47</b>	<b>0</b>	<b>20</b>	<b>21</b>
<b>2020</b>	<b>5346</b>	<b>468</b>	<b>41</b>	<b>2</b>	<b>40</b>	<b>114</b>
<b>2021</b>	<b>4499</b>	<b>468</b>	<b>53</b>	<b>0</b>	<b>25</b>	<b>54</b>
<b>2022</b>	6464	512	34	10	13	34
<b>2023</b>	4053	612	29	7	50	67

## Land Use

### Agricultural Land Use in Orkney (hectares)

<b>Land Use</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Cereals.	3912.	3936.	3936	3938	*	3844
Barley.	3714.	3744.	3744	3777	*	3686
Oats.	198.	192.	192	162	*	158
Rape for oilseed and linseed.	0.	0.	0	0	*	0

<b>Land Use</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Potatoes.	22.	24.	24	32	*	24
Stock-feeding crops.	945.	738.	738	693	*	788
Other crops.	143.	160.	160	168	*	96
Set aside.	-	-	-	-	-	-
Fruit and horticulture.	-	-	-	-	-	-
Other vegetables.	10.	10.	14	24	*	17
Bare fallow.	389.	243.	247	318	*	363
<b>Total crops, set aside and fallow.</b>	<b>5408.</b>	<b>5380.</b>	<b>5119.</b>	<b>5174.</b>	<b>*</b>	<b>5132.</b>
Grassland.	50482.	49914.	43464	51145	*	53,351
Rough grazing.	29793.	30683.	30357	32635	*	24,770
Woodland.	206.	321.	280	270	*	91
Other land.	687.	732.	565	671	*	428
Common grazing.	2294.	2294.	2111	2111	*	2111
<b>Total land</b>	<b>88,870.</b>	<b>89,324.</b>	<b>76,777</b>	<b>86,832</b>	<b>*</b>	<b>80,751</b>

\* Not available, June census was not conducted in 2022.

Source: Scottish Government Agricultural Census 2020-23

Notes: Totals may not always tally due to changes in reporting methods.

10% of active agricultural land used in Orkney has fallen by 10% since 2017. Grassland remains the largest land use in Orkney, which suits Orkney's climate well and would support the production of beef cattle and sheep farming in Orkney.

## Cereals

Barley continues to be the largest cereal crop grown in Orkney at 3744 hectares in 2019, a slight increase on 2018.

## Potatoes

The land used for growing potato crops in Orkney peaked in 2013 at 44 hectares and has fallen significantly over the following years. However, 2021 did witness an

increase to 32 hectares. Unfortunately, since 2021 land use for potatoes has returned to 2019 levels. This could be attributed to the increase in costs of products to help fertilize crops due to the geo-political impacts from the invasion of Ukraine in 2022.

## Employment in Agriculture

### Agricultural Employment in Orkney (2016 – 2023)

Category	2018	2019	2020	2021	2022	2023
Full-time occupier.	437.	451.	451	397	*	472
Part-time occupier (more than 50%).	227.	196.	196	187	*	211
Part-time occupier (less than 50%).	657.	632.	632	501	*	541
<b>Total occupiers.</b>	<b>1321.</b>	<b>1279.</b>	<b>1279</b>	<b>863</b>	*	<b>1224</b>
Full-time workers.	265.	254.	254	163	*	353
Part-time workers.	192.	221.	221	154	*	210
Casual and seasonal workers.	93.	113.	113	73	*	135
<b>Total employees.</b>	<b>550.</b>	<b>588.</b>	<b>588</b>	<b>298</b>	*	<b>698</b>
<b>Total employment.</b>	<b>1871.</b>	<b>1867.</b>	<b>1867</b>	<b>895</b>	*	<b>1922</b>
<b>Agricultural holdings.</b>	<b>1920.</b>	<b>1885.</b>	<b>1867</b>	<b>1892</b>	*	<b>1608</b>

\* Not available, June census was not conducted in 2022.

Source: Scottish Government Agricultural Census 2020-23

The impact of the Covid-19 pandemic can be seen in the figures between 2019 and 2020. Additionally, despite a decrease in 2021, by 2023 there has been a recovery in employment levels, increasing by 400 total employees. Despite the ongoing issues around global supply chains, high interest rates and other geo-political factors.

## Common Agricultural Policy (CAP) Subsidies

The total of all subsidy payments received by Orkney farmers during recent years under the EU Common Agricultural Policy (CAP) support schemes is set out in the following table. Fluctuations may be due, in part, to currency exchange rate movements and changes in eligibility for dedicated schemes, although the significant reduction in the number of recipients in 2012 is notable.

**CAP subsidy payments** (excludes payments made in respect of Rural Priorities Contracts).

Orkney	Number of recipients	Payments (£000s)
All schemes 16 October 2013 – 15 October 2014.	622.	17749.
All schemes 16 October 2014 – 15 October 2015.	626.	19169.
All schemes 16 October 2015 – 15 October 2016.	661(est.).	17000(est.).
All schemes 16 October 2016 – 15 October 2017.	661(est.).	17000(est.).
All schemes 16 October 2017 – 15 October 2018.	670.	20598.
All schemes 16 October 2018 – 15 October 2019.	658.	20400.
All schemes 16 October 2019 – 15 October 2020.	.	.
2021	667.	16,831.70
2022	645	24,876
2023	627	18,669.80

Source: Scottish Government Rural Payments and Inspections Directorate.

Note: These figures relate to payments made in respect of 12-month periods ending on 15 October. Also, figures for 2021, 2022 and 2023 relate to full year period.

Significant variations in annual values are largely due to fluctuation in the exchange rates prevailing at the appointed conversion date, with annual subsidies being allocated in euros (€).

## 6. Fishing

### Orkney Fishing Fleet

The size and make-up of the fleet remained relatively unchanged between 2018 and 2022.

<b>Vessels</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
10 metres and under	92	93	91	93	99
More than 10 to 12 metres.	22	20	20	19	18
More than 12 to 15 metres.	6	6	6	6	6
More than 15 to 24 metres.	5	5	4	4	4
More than 24 to 40 metres.	3	3	3	3	2
More than 40 metres	Not applicable	Not applicable.	Not applicable.	Not applicable	Not applicable
<b>Total vessels</b>	<b>128</b>	<b>127</b>	<b>124</b>	<b>125</b>	<b>129</b>

Source: Marine Scotland Science Scottish Sea Fisheries Statistics: Supporting documents

### Orkney Vessel Landings by Species

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Live weight (tonnes)</b>					
Demersal	25	11	16	13	15
Pelagic	36	23	37	31	18
Shellfish	3,345	3,022	2,495	2,411	2,001
<b>Totals</b>	<b>3,406</b>	<b>3,056</b>	<b>2,548</b>	<b>2,454</b>	<b>2,034</b>
<b>Value £000</b>					
Demersal	228	716	923	967	1,147
Pelagic	41	37	41	25	1
Shellfish	8,819	7,987	6,186	6,577	6,511

<b>Totals</b>	<b>9,089</b>	<b>8,741</b>	<b>7,149</b>	<b>7,568</b>	<b>7,659</b>
---------------	--------------	--------------	--------------	--------------	--------------

Figures taken from 2022 Scottish Sea Fisheries statistics (table 32) with some variation on previous Economic Reviews in line with SSF adjustments.

There is little correlation between changes in volume of catch and prices achieved as the latter depends on market forces at any given time. Environmental changes and fish stocks impact significantly on volume of fish landed. In the five-year period, the relative price achieved per tonne appears to have increased and would suggest that higher value species are being sought.

Industry specialists confirm a buoyant market and identify that Orkney is able to access high-value markets both domestically and internationally. Due to post Brexit quota reviews, the future picture is unclear and may have opportunities for the Orkney fishing sector. There is optimism that these changes may also bring an increase in new vessels and new entrants into the sector

## Employment

### Orkney fishermen employed

The figures identify an 18% reduction in the total number of fishermen employed between 2018 and 2022. Partially employed numbers has risen in the period from 2018 whilst those regularly employed has declined and is likely to be reflecting reduction in landings.

Year	Total	Regularly	Partially
2018	291	230	61
2019	288	215	73
2020	282	201	81
2021	268	196	72
2022	238	155	83

Source: Marine Scotland Science.

## 7. Shellfish

Shellfish species landed in Orkney since 2018, their live weight and values are as follows.

<b>Orkney Shellfish Vessel Landings by Species</b>					
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Live weight (tonnes)</b>					
Edible crabs	2,297	1,910	1,494	1,265	1,070
Lobsters	79	93	98	93	104
Scallops	359	347	222	390	417
Velvet crabs	244	308	328	355	340
Other shellfish	365	364	354	308	71
<b>Total shellfish</b>	<b>3,345</b>	<b>3,022</b>	<b>2,495</b>	<b>2,411</b>	<b>2,001</b>
<b>Value £000</b>					
Edible crabs	5,067	4,009	2,817	2,553	2,182
Lobsters	1,177	1,395	1,325	1,413	1,516
Scallops	1,214	1,215	725	1,154	1,562
Velvet crabs	909	905	925	1,141	1,175
Other shellfish	452	463	394	316	76
<b>Total shellfish</b>	<b>8,819</b>	<b>7,987</b>	<b>6,186</b>	<b>6,577</b>	<b>6,511</b>

Figures taken from 2022 Scottish Sea Fisheries statistics (table 32) with some variation on previous Economic Reviews in line with SSF adjustments.

The decrease in shellfish landings in the period can be attributed to several factors including:

A reduction in the volume of species such as whelk and green crab landed into Orkney due to market demand- with the industry instead switching to fish for higher value and in-demand species such as lobster, scallops, and velvet crabs (whose landings have increased since 2018 by 31%, 16%, and 51% respectively). Other factors include vessels leaving the industry due to skipper retirement, high fuel costs resulting in changing fishing patterns and extreme weather events reducing fishing opportunity (particularly in 2022).



Source: Scottish Sea Fisheries statistics.

## 8. Fish Farming

### Fish Farming

#### Production

The following table shows salmon and smolt production in Orkney as presented by the Scottish Government.

#### Salmon and smolt production in Orkney

Year.	Salmon (tonnes)	Smolt (no. in 000s).
2018	20956	108
2019	17758	102
2020	21612	97
2021	24407	111
2022	18786	109

Source: Marine Scotland Science – Scottish Fish Farm Production surveys.

Smolt production has been relatively steady between 2018-2022 with little variation in numbers produced. 2019 witnessed a decrease smolt numbers but this recovered by 2022. Salmon numbers have seen small fluctuations in the period and are slightly down from 2018 numbers in 2022.

#### Employment

Employment levels in the industry fluctuate from year to year and no explanation is offered for this. The following table shows fish farming employment in Orkney as presented by the Scottish Government.

#### Fish farming employment in Orkney

Year	Salmon smolt production		Salmon on-growing	
	Full-time	Part-time	Full-time	Part-time
2018.	1.	4.	93.	0.
2019.	1.	2.	93.	1.
2020.	0	2	138	13
2021	1	3	136	3

Year	Salmon smolt production		Salmon on-growing	
	Full-time	Part-time	Full-time	Part-time
2022	2	2	169	19

Source: Marine Scotland Science – Scottish Fish Farm Production surveys.

## 9. Energy

### Oil and Gas

The volume of crude oil leaving the Flotta Oil Terminal in 2023 was almost half of that shipped in 2019 and there were no shipments of propane gas.

Foinaven oil has not been shipped via the Flotta terminal since 2008.

### Annual Tonnages of Cargoes Loaded from the Flotta Oil Terminal.

Year	Tonnage
2019.	2,745,838.
2020.	2,384,704
2021.	2,442,619
2022.	1,924,766
2023.	1,469,385

Source: OIC Marine Services.

### Ship to Ship Transfers

#### Ship to ship operations...

Year	STS transfers	Oil tonnage	LNG tonnage	LPG transfers	LPG – tonnes / air
2018.	66.	5048235.	0.	0.	0.
2019.	53.	3780143.	0.	0.	0.
2020.			0		
2021	66	4498730.	0	19	70324
2022	63	4328484.	0	5	50957
2023	46	3128824.	0	8	63274

Source: OIC Marine Services.

## **Accommodation Rigs/ Vessel Lay-Up**

There are three accommodation rigs that have visited Scapa Flow between 2021 and 2023.

### **The Stena Spey:**

- Arrived October 2020 departed April 2021
- Arrived back September 2021 and departed March 2022
- Arrived back July 2022 and departed June 2023

### **The Stena Don:**

- Arrived July 2020 and departed 17 June 2021
- Arrived September 2021 and departed November 2021
- Arrived back February 2022 and departed June 2022
- Arrived back March 2023 and departed April 2023

### **The Safe Caledonia:**

- Arrived in August 2019 and departed March 2021
- Arrived in December 2022 and is still in Scapa Flow.

N.B The Safe Caledonia paid Wet Anchor Storage even when it wasn't in Scapa Flow.

The monetary value of the rigs is as follows:

- 2021 - £158,920
- 2022 - £151,350
- 2023 - £104,012

All the monetary values includes the anchorage dues, administration fees, pilotage and overcarriage of the pilots when they have moved the rigs in and out of the Flow.

## **Renewable Generation**

The figures below note a drop in generation for 2023 but work is ongoing to understand the cause.

<b>Year</b>	<b>MWh demand total</b>	<b>MWh Output total</b>	<b>Output as a percentage of demand (Not including turbines under 50kW)</b>	<b>Output as a percentage of demand (Including turbines under 50kW)</b>
2018	138609	144736	104%	112%
2019	133689	143234	107%	115%
2020	119980	144015	120%	128%
2021	132742	134531	101%	109%
2022	132800	161382	122%	129%
2023	122202	112507	92%	100%

Data Source: SSEN (Years 2018,2022,2023); and other years  
(<https://www.ssen.co.uk/our-services/active-network-management/orkney-anm/>)

No Demand data available from SSE for 2022. Updated published BEIS figure used instead. Previous figure used 5-year average from previous years from SSEN data.

## **Number of Renewable Sites in Orkney**

<b>Year</b>	<b>Photovoltaics</b>	<b>Onshore Wind</b>	<b>Hydro</b>	<b>Offshore Wind</b>	<b>Wave/Tidal</b>	<b>Total</b>
<b>2023</b>	587	803	1	0	2	1,405
<b>2022</b>	410	802	1	0	14	1,227
<b>2021</b>	406	802	1	0	14	1,223
<b>2020</b>	405	802	1	0	14	1,222
<b>2019</b>	405	787	1	0	14	1,207

\*Source: National Statistics publication Energy Trends produced by the Department for Energy Security and Net Zero (DESNZ):  
<https://www.gov.uk/government/statistics/regional-renewable-statistics>

### **Renewable electricity: Installed Capacity (MW)**

<b>Year</b>	<b>Photovoltaics</b>	<b>Onshore Wind</b>	<b>Hydro</b>	<b>Offshore Wind</b>	<b>Wave/Tidal</b>	<b>Total</b>
2019	1.6	52.2	0.0	0.0	15.5	<b>69.4</b>
2020	1.6	52.4	0.0	0.0	15.5	<b>69.5</b>
2021	1.6	52.4	0.0	0.0	15.5	<b>69.5</b>
2022	1.6	52.4	0.0	0.0	15.5	<b>69.5</b>
2023	2.2	52.4	0.0	0.0	3.5	<b>58.1</b>

There has been a drop of off in wave and tidal generation over the last few years. However, this is expected to grow again in the coming years.

\*Source: National Statistics publication Energy Trends produced by the Department for Energy Security and Net Zero (DESNZ):  
<https://www.gov.uk/government/statistics/regional-renewable-statistics>

## **10. Transport**

### **Stromness to Scrabster Route (Northlink Ferries)**

#### **Traffic on Stromness to Scrabster Route (Northlink Ferries)**

<b>Year</b>	<b>Passengers</b>	<b>Accompanied cars</b>	<b>Commercial vehicles and trailers</b>
2018.	155,806.	50,898.	6135.
2019.	161,871.	49,275.	5957.
2020.	10,193	10,193	4402
2021.	14,033	19,373	3547.
2022.	72,384	25,952	2468.
2023.	94,255	32,641	3774.

Source: OIC Marine Services.

Pentland Ferries does not publish the traffic statistics for its St Margaret's Hope to Gills Bay service.

### **Shetland to Kirkwall to Aberdeen Route (Northlink Ferries)**

#### **Traffic on Shetland to Kirkwall to Aberdeen Route (Northlink Ferries)**

<b>Year</b>	<b>Passengers</b>	<b>Accompanied cars</b>	<b>Commercial vehicles and trailers</b>	<b>Cargo (tonnes)</b>
2018.	53,717.	8869.	12180.	135,796.
2019.	56,331.	9148.	11703.	126,443.
2020.	17,286.	4255.	8147.	115,294.
2021.	14,033	3419.	6083.	25,961.
2022.	23,116.	4539.	5470.	23,801.
2023.	24758	4784	5546.	25,197.

Source: OIC Marine Services.

### **Kirkwall Airport Traffic**

<b>Period.</b>	<b>Passengers.</b>			<b>Aircraft movements.</b>
	<b>Total.</b>	<b>Terminal.</b>	<b>Transit.</b>	
2016 – 2017.	179590.	No longer available.		14429.
2017 – 2018.	195982.	No longer available.		14976.
2018 – 2019.	195945	No longer available.		14601.
2019 – 2020.	184011	No longer available.		14212.
2020-2021.	53526	No longer available.		8736.
2021-2022.	112931	No longer available.		11887.
2022-2023.	127915	No longer available.		11818.

Source: Highlands and Islands Airports Limited (HIAL), Annual Reports.

The total number of passengers in 2022-23 were 13% higher than 2021-22. Passenger numbers and aircraft movements fell significantly between 2020-21 by 70%; this can be attributed to travel restrictions as a result of the Covid-19 pandemic. Passenger numbers and aircraft movements have risen steadily between 2021 and 2023, however they are still notably lower than pre-pandemic levels.

## Orkney's Internal Ferry Routes

## Orkney's Internal Ferry Routes

Passengers .	Single journeys – year ended March.					
	2018	2019	2020	2021	2022	2023
North Ronaldsay.	571.	942.	734	145	387	667
Papa Westray.	544.	558.	544	320	497	579
Westray.	42520.	46016.	42345	15843	33400	38436
Sanday.	28678.	28825.	27493	11735	23727	27875
Stronsay.	16453.	16587.	17016	6978	13207	15419
Eday.	9108.	8571.	8363	4699	8003	9508
Inter-Island / Round trip.	3865.	3560.	3874	1145	5796	5559
Shapinsay.	61206.	67300.	60261	30565	52857	59809
Rousay.	48564.	50098.	49398	24027	43188	48689

Passengers .	Single journeys – year ended March.					
	2018	2019	2020	2021	2022	2023
Egilsay.	4246.	4592.	3578	1552	2944	2819
Wyre.	1191.	1065.	1104	907	2281	1475
Inter-Island / Round trip.	3541.	3588.	3216	1648	1985	1933
Lyness.	70534.	65344.	68174	38266	61213	70791
Flotta.	11442.	10908.	10337	8056	12512	12568
Inter-Island / Round trip.	2081.	2217.	2188	1015	1033	1031
Graemsay.	6869.	6647.	11718	2656	4713	4820
North Hoy.	19690.	22383.	16231	8891	17365	18782
Inter-Island / Round trip.	311.	315.	123	38	38	147
<b>Total.</b>	<b>331414.</b>	<b>339516.</b>	<b>326697</b>	<b>158486</b>	<b>285146</b>	<b>320907</b>



	<b>Single journeys – year ended March.</b>					
<b><u>Vehicles.</u></b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Westray.	14179.	14777.	13590	8370	13630	14474
Sanday.	11872.	11847.	11506	7927	11654	12643
Stronsay.	5876.	6697.	6824	4737	6758	7114
Eday.	3833.	3516.	3589	2765	3959	4242
Inter-Island / Round trip.	473.	510.	571	267	479	733
Shapinsay.	11557.	12725.	12090	8824	12859	12876
Rousay, Egilsay and Wyre.	13694.	14271.	14225	9940	15089	16533
Inter-Island / Round trip.	1025.	1221.	1055	930	988	946
Lyness and Flotta.	27364.	28232.	29235	21370	29936	31406
Inter-Island / Round trip.	162.	200.	244	180	267	211
<b>Total.</b>	<b>90035.</b>	<b>93996.</b>	<b>92929</b>	<b>65310</b>	<b>95619</b>	<b>101178</b>

## 11. Housing

### Average Purchase Price of Residential Property (£)

Region	2019	2020	2021	2022	2023	% change
<b>Orkney.</b>	<b>161859.</b>	<b>152500</b>	<b>170908</b>	<b>195250</b>	<b>185000</b>	<b>14.3</b>
Shetland.	158957.	150000	162998	177750	181600	14.2
Eilean Siar.	123556.	123000	125500	136000	150000	21.4
Highland.	185741.	175000	185500	200000	203000	9.3.
<b>Scotland.</b>	<b>182357.</b>	<b>£162000</b>	<b>171001</b>	<b>183000</b>	<b>185000</b>	<b>1.4</b>

Source: Registers of Scotland.

Orkney witnessed a steady increase in house process between 2019-2023, with the average increasing by £23141. Orkney has the second highest percentage increase in average purchase price of residential property, with Highland having the largest at 21.4% In 2023, the Orkney average purchase price of residential property matched the average price for the whole of Scotland.

### Number of Residential Property Sales

Region	2019	2020	2021	2022	2023	% change 2019-2023
<b>Orkney.</b>	<b>394</b>	<b>336</b>	<b>402</b>	<b>316</b>	<b>339</b>	<b>-15%</b>
Shetland.	294.	254	303	276	232	-23%
Eilean Siar.	322.	259	439	329	296	-8.4%
Highland.	4514	3689	4975	4442	3833	-16.3%
Scotland.	101664	85,341	117,303	103,815	93,767	-8%

Source: Registers of Scotland.

In terms of the total numbers of residential property sales, the property market in Orkney witnessed a significant increase in 2021. Nationally, the figures mirrored the increases and decreases between 2021-23 seen in Orkney. Especially increases in 2021 after the impacts of the Covid-19 pandemic in 2020. As well as the decreases in 2022-23 that could be attributed to the high interest rates seen over that period. The % change seen in Orkney does not factor in the increase seen in 2021 and was not as significant as the change seen Shetland.

## Value of Residential Property Market – Number (£ Million)

Location	2019	2020	2021	2022	% change 2019-2022
<b>Orkney.</b>	<b>61.</b>	<b>63.</b>	<b>62.</b>	<b>72.</b>	<b>2.7.</b>
Shetland.	48.	47.	46.	51.	-0.2.
Eilean Siar.	38.	40.	44.	61.	10.2.
Highland.	838.	837.	814.	990.	2.
Scotland.	18539.	18564	18467	22242	2.5.

Source: Registers of Scotland.

All local authority areas highlighted above have witnessed increases in the value of their residential property markets between 2019-2023. With the exception of 2021, where all areas highlighted above saw a decrease in value, this can be attributed to the wide-ranging impacts of the Covid-19 pandemic.

## New Housing

### Housing Starts and Completions in Orkney

Calendar year	Starts			Total started	Completions			Total completed
	Private	OHAL	OIC		Private	OHAL	OIC	
2010.	69.	43.	30.	142.	102.	19.	0.	121.
2011.	97.	52.	88.	237.	160.	84.	36.	280.
2012.	64.	23.	27.	114.	105.	62.	82.	249.
2013.	64.	0.	18.	82.	57.	49.	27.	133.
2014.	50.	18.	67.	135.	64.	1.	22.	87.
2015.	85.	59.	0.	144.	64.	12.	26.	102.
2016.	129.	36.	0.	165.	85.	14.	37.	161.
2017.	73.	40.	0.	113.	98.	57.	0.	155.
2018.	79.	0.	0.	79.	122.	8.	0.	130.
2019.	91.	0.	25.	116.	76.	0.	0.	76.
2020.	83	0	4	87	69	20	0	89
2021.	68	20	8	96	60	28	34	122
2022.	56	28	14	98	48	14	8	70

2023	36	14	0	50	74	9	-	83
<b>Totals.</b>	<b>1044</b>	<b>333</b>	<b>281</b>	<b>1658</b>	<b>1184</b>	<b>377</b>	<b>264</b>	<b>1858</b>

[Scottish Government Housing statistics quarterly update: new housebuilding and affordable housing supply](#)

## 12. Tourism

### Staying Visitors

<b>All staying visitors (000s)</b>	
<b>2018.</b>	193.41.
<b>2019.</b>	219.56.
<b>2020.</b>	77
<b>2021.</b>	149.7
<b>2022.</b>	183.7
<b>2023.</b>	247.5

Source: Global Tourism Solutions – Scottish Tourism Economic Activity Monitor Trend report.

The annual Scottish Tourism Economic Activity Monitor (STEAM) reported ‘All staying visitors’ (Visitors who are staying overnight for one or more nights away from home for holidays) was 247,540 visitors, an increase of 28% from 2018 figures. Orkney staying visitor numbers were decimated in 2020 by the measures taken to combat the Covid-19 pandemic. As the figures above show, Orkney staying visitor numbers have surged to levels much higher than those seen pre-pandemic.

### Staying visitor's type of accommodation

<b>Staying in paid accommodation (000s)</b>						<b>Staying with friends and relatives (SFR) (000s)</b>			<b>All staying visitors (000s)</b>		
<b>Serviced</b>			<b>Non-serviced</b>								
2023	2022	+ or - %	2023	2022	+ or - %	2023	2022	+ or - %	2023	2022	+ or - %
147.1	100.1	47	68.8	53.8	27.8	31.6	29.8	6.3	247.5	183.7	34.8

Source: Global Tourism Solutions – STEAM Trend report.

In 2023, the number of visitors staying in paid accommodation was 248,400, an increase of 16.2% from 213,750 in 2022. The number of visitors staying with friends and relatives in 2023 was 31640, an increase of 6.3% from 29700 in 2022.

## Estimated Economic Impact

Year	Total (£) (in millions)
2018.	77.97.
2019.	95.40.
2020.	35.48
2021.	63.09
2022.	87.22
2023.	114.01

Source: Global Tourism Solutions – STEAM Trend report.

The Economic Impact of Tourism to Orkney in 2023 was estimated as £114,010,000 an increase of 30.7% from 2022. The figures above again demonstrate the remarkable recovery visitor numbers has seen since the Covid-19 pandemic in 2020.

## Orkney distribution of Economic Impact by sectors

Sector	2023		2022	
	£ (in millions)	% of total distribution	£ (in millions)	% change £ (in millions) between 2023 and 2022.
Transport.	23.156	20.3	17.11	35.3%
Accommodation.	17.353	15.2	15.11	14.84%
Shopping.	18.888	16.6	13.99	35%
Indirect.	20.913	18.3	15.92	31.3%
Food and drink.	12.143	10.7	8.76	38.6%
Recreation.	6.037	5.3	4.445	36.3%
VAT	15.516	13.6	11.8	31.3%
<b>Total.</b>	<b>114.01</b>	<b>100</b>	<b>87.22</b>	<b>23.5%</b>

Source: Global Tourism Solutions – STEAM Trend report.

## Visitor Attractions

Visitor attraction	2020	2021	2022	2023
St Magnus Cathedral (free admission).	8334	22,151	192,177	244,765
Skara Brae (paid admission).	6,642	38,032	90,234	106,839
Italian Chapel (free admission).	#	#	#	#
Skaill House (paid admission).	1712	28965	71786	85460
Pier Arts Centre (paid admission).	6,321	9,956	38,315	41,928

Source: Orkney Islands Council, visitor attractions. # visitor data is no longer retained by the Italian Chapel.

## Cruise Vessels

### Visiting Cruise Vessels

Year	Number of port calls	Increase / decrease in number of port calls	Total passengers	Increase / decrease in passengers	% increase / decrease in passengers
2014.	76.	5.	63800.	13000.	26.
2015.	88.	12.	80000.	16200.	25.
2016.	116.	28.	95750.	15750.	20.
2017.	135.	19.	113085.	17335.	18.
2018.	138.	3.	126724.	13639.	12.
2019.	158.	20.	132388.	5664.	4.5.
2020.	0	-158	0	-132388*	-100%*
2021.	0	N/A	0	N/A*	N/A*
2022.	154	154	127,875	127,875	100%
2023.	205	54	204,606	76,731	60%

Source: OIC Marine Services

\*Between 2020 and 2021 the cruise industry was significantly affected by the measures introduced because of the Covid-19 pandemic.

After having no cruise ships visit Orkney between 2020 and 2021, there has been an upward trend in the number of passengers and port calls from visiting cruise vessels.

The increase in passenger numbers to 217,875 in 2022 represents a significant recovery post pandemic, albeit not quite to the levels of 2019. The number of visiting passengers in 2023 was the largest Orkney has seen since 2014. The number of cruise vessels visiting Orkney has fallen by two thirds between 2022 and 2023, although passenger numbers over the same period increased by 76, 731.

### **Bedstock data**

There has been no comprehensive audit of accommodation on Orkney in recent years. Previously membership of VisitScotland and Destination Orkney Ltd provided a reasonable estimate however with the rise of AirBnB more providers have been promoting directly.

With the new Short-Term Letting regulations registration is required and so full data should be available Short-Term Letting regulations. As of 1 October 2023, all accommodation providers in Scotland must have a licence before offering short-term lets.

In Orkney to date :

- 524 Short-Term Letting Licenses (STL) applications had been received.
- 132 STL licenses had been issued; and
- 0 applications for an STL license had been refused .

Other accommodation providers are estimated to be as shown below. Please note that this is first year this data has been available.

### **Accommodation Type Providers**

Hotels, B&B, Guesthouse	95*
Hostels	16
Camping & Caravans	18

\*The estimate for this category is likely to be overstated with up to 20 on record no longer showing online. Source: Orkney Islands Council

## 13. Digital Connectivity

### Broadband

Orkney has been repeatedly identified as one of the poorest areas in the UK when it comes to quality of internet connections. In order to remedy this, Orkney Islands Council identified digital connectivity as a strategic priority in the Council Plan 2023-28.

<b>Broadband Speed/Type</b>	<b>Orkney Islands</b>	<b>Rest of Scotland</b>	<b>UK</b>
Superfast (>24 Mbps):	<b>73.12%</b>	<b>97.45%</b>	<b>98.11%</b>
Superfast (>=30 Mbps):	<b>70.95%</b>	<b>97.26%</b>	<b>97.91%</b>
Gigabit (DOCSIS 3.1 or FTTP):	<b>9.78%</b>	<b>79.61%</b>	<b>81.65%</b>
Full Fibre (FTTP or FTTH):	<b>9.78%</b>	<b>60.45%</b>	<b>64.25%</b>
Openreach FTTP:	<b>9.78%</b>	<b>41.91%</b>	<b>42.29%</b>
'Fibre' partial/full at any speed: (FTTC/VDSL/G.fast/Cable/FTTP)	<b>84.42%</b>	<b>98.99%</b>	<b>99.19%</b>
Below 10 Mbps down: (Legal USO)	<b>19.63%</b>	<b>1.38%</b>	<b>0.82%</b>
Below 10 Mbps, 1.2 Mbps up:	<b>22.44%</b>	<b>1.94%</b>	<b>1.31%</b>
Below 15 Mbps: (High Speed Broadband)	<b>23.72%</b>	<b>1.85%</b>	<b>1.20%</b>

Source: Think Broadband <https://labs.thinkbroadband.com/local/orkney-islands,S12000023>



Bringing superfast broadband to Scotland is one of the most ambitious infrastructure programmes in Europe and as such, digital connectivity is a key part of the [Digital Scotland Strategy](#). It sets out the measures which will ensure that Scotland will fulfil its potential in a constantly evolving digital world. The Reaching 100% programme (R100) is part of a Scottish Government commitment to enabling access to superfast broadband - speeds of at least 30Mbps - to every home and business in Scotland by 2028.

The R100 Programme is made up of a combination of the R100 main contract being delivered by Openreach and the R100 Scottish Broadband Voucher Scheme (R100 SBVS).

<b>R100 North Contract Planned Build by Exchange November 2022</b>				
<b><u>Exchange</u></b>	<b><u>Local Authority</u></b>	<b><u>Contractual Phase</u></b>	<b><u>Expected 'Ready for Service' by</u></b>	<b><u>Contracted Premises</u></b>
BALFOUR	Orkney Islands	Phase 10.4	September 2024	183
BIRSAY	Orkney Islands	Phase 9.4	September 2024	142
BURRAY	Orkney Islands	Phase 16.4	2026	20
DEERNESS	Orkney Islands	Phase 16.4	31 December 2025	77
EDAY	Orkney Islands	Phase 12.4	March 2025	123
EVIE	Orkney Islands	Phase 6.4	30 June 2023	76
FINSTOWN	Orkney Islands	Phase 3.6	31 December 2022	126
HARRAY	Orkney Islands	Phase 8.4	March 2024	133
HOLM	Orkney Islands	Phase 2.4	31 March 2023	64
HOY	Orkney Islands	Phase 19.4	31 December 2026	184

KIRKWALL	Orkney Islands	Phase 2.4	31 March 2023	112
LONGHOPE	Orkney Islands	Phase 18.4	30 June 2026	228
ORPHIR	Orkney Islands	Phase 7.4	Mar 2024	87
PAPA WESTRAY	Orkney Islands	Phase 18.4	30 June 2026	66
ROUSAY	Orkney Islands	Phase 11.4	March 2025	162
SANDAY	Orkney Islands	Phase 14.4	September 2025	318
SANDWICK (ORKNEY)	Orkney Islands	Phase 8.4	March 2024	200
ST. MARGARET'S HOPE	Orkney Islands	Phase 18.4	30 June 2026	344
STROMNESS	Orkney Islands	Phase 6.4	31st December 2023	166
STRONSAY	Orkney Islands	Phase 15.4	31 December 2025	206
TANKERNESS	Orkney Islands	Phase 2.4	31 March 2023	85
WESTRAY	Orkney Islands	Phase 11.4	March 2025	216

The Gigabit Infrastructure Subsidy programme is a UK government programme aimed to support the build of gigabit-capable broadband infrastructure in the areas of the UK which are unlikely to attract commercial investment for gigabit-capable broadband infrastructure within a reasonable timeframe, if at all. This is the next tranche of funding from the UK Government. There are 5,500 in Orkney properties eligible for funding. However, there are questions on whether the funding given will be enough to reach these eligible properties. Also, BT will not be bidding to undertake the work in Orkney under Project Gigabit.

Procurement for Project Gigabit is currently underway. Orkney and Shetland are included in one procurement group together. No detail on outcome or mapping is expected until late summer 2024 at the very earliest.

## Mobile Phone Coverage

Due to Orkney's remote location there are some areas that do not have access to reliable 4G mobile reception. Orkney Islands Council continues to work with the Scottish and UK governments, as well as the wider telecoms industry to resolve this in several ways. Through the Scotland 4G Infill programme 4G improvements have been built in Burray, Deerness, Stronsay and Hoy.

We are also working with the Shared Rural Network, and the 'Big 4' UK mobile networks (EE, O2, Three and Vodafone), to push for further coverage of gaps in Orkney.

## Fixed broadband performance metrics of matched premises, September 2023

	Orkney
<b>All Matched Premises</b>	12,889
Unmatched premises (data missing)	270 (2.1%)
Below the USO	4%
Super-Fast Broadband (>30Mbit/s)	69%
Next Generation Access (optical fibre)	78%
Receive decent broadband from FWA	0%
Ultra-Fast Broadband (100Mbit/s)	5%
availability	
Full Fibre availability	5%
Gigabit availability	5%
Unable to receive 2Mbit/s	3%
Unable to receive 5Mbit/s	6%
Unable to receive 10Mbit/s	17%
Has 30<300Mbit/s download speed	64%
Has >=300Mbit/s download speed	5%

Source: Ofcom – Connected Nations Report 2023.

## Proportion of premises receiving indoor mobile services 2023

	Orkney Islands
<b>Premises</b>	13,159
<b>Premises with no indoor 2G</b>	15%
Premises with no indoor 3G	10%
Premises with no indoor 4G	4%
Premises with no indoor voice service	1%
Premises with no indoor data service	0%
Premises with no outdoor 5G	100%

Source: Ofcom – Connected Nations Report 2023.

### **Shared Rural Network (SRN)**

The Shared Rural Network (SRN) is transforming mobile coverage, countrywide. The project was developed by the UK's four mobile network operators (MNOs) with support from Government. The programme will make 4G mobile broadband available to 95% of the UK. The operators expect this will extend mobile coverage to an additional 280,000 premises and for people in cars on an additional 16,000km of the UK's roads, boosting productivity and investment in rural areas.

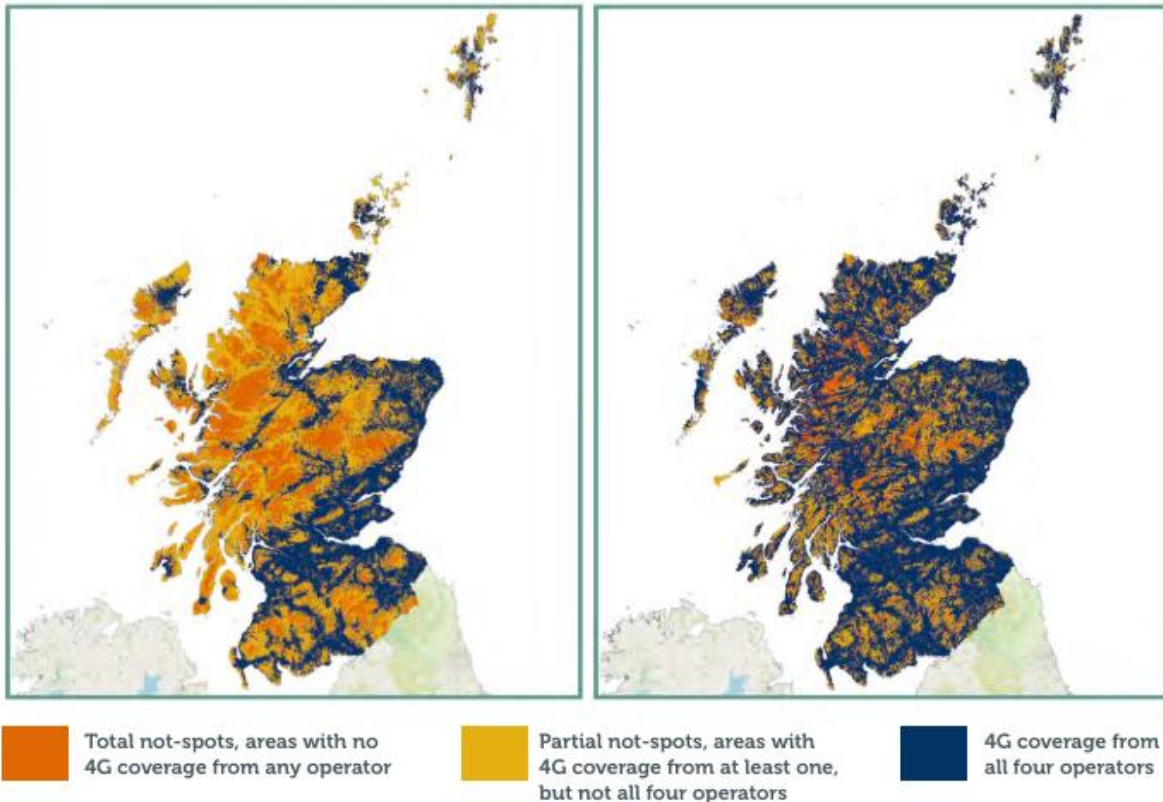
The project consists of MNOs investing to extend their coverage by upgrading their existing networks, working together on shared infrastructure and building new sites, with new government-funded masts being built to target areas with no mobile coverage from any operator. Through its work, the SRN will increase the parts of the UK that get a mobile service from all operators from 69% to 84%, improving consumer choice.

Each of the MNOs' individual networks will cover 90% of the UK, enabling rural businesses and communities to thrive.

Electoral Region	4G Coverage from all MNOs		4G Coverage from at least one MNO	
	Pre-SRN	Forecast post-SRN	Pre-SRN	Forecast post-SRN
Central Scotland	87%	92%	99%	99%
Highlands and Islands	26%	68%	73%	91%
Lothian	88%	94%	99%	99%
Mid Scotland and Fife	53%	78%	80%	93%
North East Scotland	59%	79%	86%	94%
South Scotland	55%	81%	88%	97%
West Scotland	59%	82%	91%	98%

## Pre SRN

## Post SRN



**Notes:** Forecast improvements subject to availability of EAS sites. Coverage improvements subject to finding suitable sites, obtaining power supply and backhaul and securing the necessary permissions through the planning system.

Source: Shared Rural Network.

The four MNOs will build new infrastructure, overseen by a jointly owned company called Digital Mobile Spectrum Limited (DMSL). To minimise the impact on the countryside, all four operators will share each new mast, minimising the impact on the environment. Initial plans developed in 2021 suggested that approximately 300 new sites would be needed to deliver coverage improvements in Scotland. It is now expected that improvement

Thanks to the government's investment, coupled with the work already being delivered via the industry element of the programme, 4G coverage from all four operators is forecasted to rise to a minimum of 74% in Scotland, up from 44% now. Coverage from at least one operator will increase from 81% to 91% once the programme completes. This will be a real step change in connectivity, especially in the Highlands and Islands which will see some of the largest uplifts as 4G coverage from at least one operator will reach 91% of the region's landmass, up from 73%, and coverage from all four operators will rise from 26% to 68%.