



ORKNEY
ISLANDS COUNCIL

Item: 13

Education, Leisure and Housing Committee: 12 November 2025.

Local Housing Strategy - Annual Report.

Report by Director of Education, Communities and Housing.

1. Overview

- 1.1. The Orkney Local Housing Strategy (LHS) was approved in July 2024. There is a requirement to report annually to the Council, the Orkney Housing Market Partnership and the Scottish Government. This report summarises progress over the first completed year of the Local Housing Strategy.
- 1.2. The Strategy has three strategic priorities:
 - More Homes.
 - Quality Warm Homes.
 - Access and Choice of Housing for All.
- 1.3. This annual report shows the considerable progress that has been made to set a new framework for housing supply delivery in Orkney over the next ten years. In addition, progress is being made in relation to the two other strategic objectives as set out in this report and monitoring action plan.
- 1.4. The report appraises the Council on progress with implementation of the Local Housing Strategy.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
 - i. Note progress in implementation of the Local Housing Strategy, as detailed in Appendix 1 to this report.
 - ii. Note the consultation and ongoing engagement that has been undertaken with the Housing Market Partnership and the wider construction sector during 2024 and 2025.

3. Background

- 3.1. 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.
- 3.2. The Orkney Housing Market Partnership encompasses the Council's Member Officer Working Group for the Local Housing Strategy and involves a range of stakeholders including a range of internal Council Services and external organisations including Orkney Housing Association (OHAL), UHI Orkney, Development Trusts' representatives, Highland and Islands Enterprise (HIE), housebuilders, NHS Orkney, Scottish Government More Homes Division and Scottish Water.
- 3.3. The Partnership is led by the Council and has responsibility for developing and monitoring the LHS implementation on behalf of Orkney Islands Council. There must also be an annual report to the Council, and the Scottish Government. At the date of writing, this draft Annual Report and the accompanying monitoring tables (Appendix 1) is due to be considered by the Housing Market Partnership on 31 October 2025.

4. Progress with the Local Housing Strategy

- 4.1. Unless otherwise stated, progress relates to the year June 2024 to June 2025 as the LHS was approved in June 2024.

More Homes

- 4.2. A key focus of activity over the past year has been on the More Homes priority.
- 4.3. The Housing Supply Target is 1030 over 10 years, or 103 per annum with a 60/40 affordable/private split.
- 4.4. Over the last year (June 2024-2025):
 - 69 new homes have been built in Orkney against a Housing Supply Target of 103. This volume, and the required focus on affordable homes has some way to go to meet target.

- 29 acquisitions ‘off the shelf’ for social housing to meet the Council’s Essential Worker Strategy objectives, funded through Scottish Government’s Key Worker Scheme.
- Planning permission has been approved for a new Council house provision for those with particular needs which will start in 2026, pending a successful tender process.
- Work is ongoing to repurpose the existing care home, St Rognvald House, on a temporary basis for agency worker accommodation when it is vacated by current residents and thereby release mainstream private rented sector housing for Orkney residents.
- An empty homes scheme has been developed and is being delivered with SSEN, with two empty homes now being occupied by SSEN workers and a further five being explored.
- Work is ongoing on SSEN’s significant community benefit investment in servicing a housing site at Houton for SSEN’s short term temporary use, and long-term permanent housing development.
- The Council approved a new Empty Homes Loan scheme in July 2025 with the Policy and Resources Committee to consider allocation of £1m to the scheme from the Strategic Reserve Fund over 5 years (£200,000 per annum) to enable the start of the scheme in 2026/27.
- Work is ongoing on development of the new Local Development Plan which will align to the Housing Needs and Demand Assessment, and the Local Housing Strategy.
- Orkney Housing Association (OHAL) has announced the launch of its Community Bond to provide Mid Market Rent housing from 1 November 2025.
- The Development Trusts have started 3 houses and completed 2 houses over the last year.

4.5. In addition to the official Scottish Government figure of 69 new-build completions, local Building Standards records show a total of 100 new homes completed in Orkney. This local figure includes conversions and reflects all homes for which completion certificates were issued by 31 March 2025. The Scottish Government’s 69 completions remain the official statistics used for benchmarking and national reporting, while the local total provides a useful on-the-ground snapshot of delivery activity in Orkney.

4.6. However, achieving housing development at pace and scale remains very challenging in Orkney due to organisational, financial, and wider supply chain constraints, and again this year there have been delays for both Orkney Housing Association and the Council in delivering plans for over 60 new homes in the

current financial year 2025/26. Unfortunately, these housing developments are unlikely to start until late 2025/26 or into 2026/27. The result will be continued underspend of Scottish Government grant, and the intended number of affordable homes have not yet started.

- 4.7. In order to anticipate and alleviate constraints, the Council and OHAL meet monthly to discuss Strategic Housing Investment Plan (SHIP) projects and their progress. The Council's Housing and Planning Services also meet monthly to consider implementation of the SHIP programme and to identify any barriers to housing supply and agree potential solutions. This relates to current planning applications in respect of developments included in the SHIP and identifies any issues affecting the determination of those, with the overall aim of meeting the SHIP programme and housing supply target.
- 4.8. A Housing Design and Development group, led by the Planning service, has also been established, where all the various professional disciplines are brought together in one room with the potential housing developer to consider larger sites at pre-planning application stage. This approach has recently been tested through the Council's Copland's Road site with the aim of ensuring an efficient process when it comes to the actual planning application.
- 4.9. A key action identified in the LHS was to enable delivery of the Housing Supply Target of 1030 houses by improving the capacity for more new affordable housing supply in Orkney. Work is continuing with the intention of bringing in an alternative housing provider with financial capacity to develop affordable housing in Orkney.

Quality Warm Homes

- 4.10. The two existing social housing providers continue to invest in homes to maintain the Scottish Housing Quality Standard (SHQS) and Energy Efficiency Standard for Social Housing (EESH). Performance data for financial years show:
- Significant improvement in the Council's SHQS performance between 2023/24 and 2024/25 from 80.4% to 95.8% compliance.
 - Continued high compliance by OHAL from 96.9% to 98.8% over the same two years.
 - High performance by both providers on EESH to 97.4% for OIC and 99.0% for OHAL for year 2024/25.

- 4.11. A Council housing stock condition survey will be commissioned from 2026/27 to provide independent verification of the standard of the Council housing stock, and to provide vital data to inform long term asset management plans.
- 4.12. The Heat and Energy Efficient Scotland: Area Based Schemes (HEES:ABS) provides funding and energy efficiency works which the Council leads on funding bids to Scottish Government. Despite fluctuations and overall reductions in funding from Scottish Government, the scheme has increased the reach from 106 households in 2024/25 to projected 159 households by end of May 2026 when the current project will close. There is a current tendering process for multi-year management agent of the scheme from 2026/27 onwards.

Access and Choice of Housing for All

- 4.13. Key actions that have been taken forward in relation to Access and Choice of Housing for All include:
- Exploring a digital application form for inclusion on the Council's Housing Options page.
 - Review of Section 5 Referral Homelessness protocol with OHAL, which is piloting Scottish Homelessness Network housing options toolkit.
- 4.14. However, more work is required on rehousing homeless households. There has been little change in the number of households living in temporary accommodation (75 to March 2024, compared to 74 to March 2025) although there has been a slight drop in the number of households where there is a duty to house (101 households to March 2024 and 91 to March 2025). The Council continues to work with OHAL for an increase in allocations to homeless households. It is anticipated that the overall drive for more homes should start to alleviate the homelessness problem over the coming years.
- 4.15. In relation to enabling people to live independently, the proposed scheme for Copland's Road is a key plank of providing housing for older people in Stromness. This provision is next to Hamnavoe House and will therefore provide a core and cluster approach where people may be supported from social care staff from the care home if required. The intention is to repeat this model in Kirkwall and Dounby with SHIP sites identified for this purpose.
- 4.16. A new accessible home in Kirkwall has now achieved planning permission and will be completed in 2026/27.

5. Next steps

- 5.1. Implementation of the LHS will continue with ongoing monitoring and consultation through the Housing Market Partnership on a quarterly basis.
- 5.2. Separate consultation is also undertaken with the construction industry, with two meetings undertaken in early 2025, and a further meeting planned for December 2025 to inform the industry about the approved Strategic Housing Investment Plans, and to appraise builders of the specific site opportunities that will be coming forward over the next few years.

For Further Information please contact:

Laura Baillie, Team Manager (Housing Strategy, Development and Data), Email laura.baillie@orkney.gov.uk

Implications of Report

1. **Financial:** The LHS is implemented within existing resources and budgets, and any new build resourced within housing providers' business plans and Scottish Government Affordable Housing Supply Programmes Grant.
2. **Legal:** The Council has a duty under the Housing (Scotland) Act 2001 to assess the housing needs of all persons in the area, across all housing tenures, and to develop strategies to meet those needs.
3. **Corporate Governance:** Not applicable.
4. **Human Resources** - None directly relating to the recommendations of this report.
5. **Equalities** - An Equality Impact Assessment is not required for performance monitoring.
6. **Island Communities Impact** - An Island Communities Impact Assessment is not required for performance monitoring.
7. **Links to Council Plan** - The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - ☒ Growing our economy.
 - ☒ Strengthening our Communities.
 - ☒ Developing our Infrastructure.
 - ☐ Transforming our Council.
8. **Links to Local Outcomes Improvement Plan** - The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
 - ☒ Cost of Living.
 - ☒ Sustainable Development.

- ☒ Local Equality.
- ☐ Improving Population Health.

- 9. Environmental and Climate Risk:** Not applicable.
- 10. Risk:** Not applicable.
- 11. Procurement:** Not applicable.
- 12. Health and Safety:** Not applicable.
- 13. Property and Assets:** Not applicable.
- 14. Information Technology -** Not applicable.
- 15. Cost of Living:** Not applicable.

List of Background Papers

Housing Need and Demand Assessment (2023).
Local Housing Strategy (2024).
Essential Workers Housing Strategy (2024).
Strategic Housing Investment Plan (2024).

Appendix

Appendix 1: LHS Monitoring Tables.

Appendix 1: LHS Monitoring Tables

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.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.												
YEAR 1 / ONGOING.															
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 master planning, infrastructure first and land assembly where required to facilitate development. The More Homes Programme includes new	Baseline – existing SHIP sub-group. Target – 103 homes per annum (60/40 affordable/private), 1030 home 10 years.	https://www.gov.scot/publications/housing-statistics-for-scotland-new-house-building/ Progress – Calendar year - Latest data Q4 2024 (to 30 June 2025). <table><tr><th>2024 Q3</th><th>2024 Q4</th><th>2025 Q1</th><th>2025 Q2</th><th>YTD</th><th>Annual target</th></tr><tr><td>26</td><td>16</td><td>12</td><td>15</td><td>69</td><td>103</td></tr></table> 69 completions. 20/40 affordable/private.	2024 Q3	2024 Q4	2025 Q1	2025 Q2	YTD	Annual target	26	16	12	15	69	103	Team Manager (Housing Strategy, Development and Data).
2024 Q3	2024 Q4	2025 Q1	2025 Q2	YTD	Annual target										
26	16	12	15	69	103										

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
housing across all Orkney islands communities, and for supported housing.			
Implement the Essential Workers Housing Strategy to deliver 220 homes for essential workers over 10 years including: • 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.	Target - 220 homes over 10 years. At least 110 first 5 years. Within overall More Homes programme above.	Essential Worker Housing Strategy approved March 2024 Discussion ongoing with MMR developer, and OHAL considering options for MMR provision. Scot Gov Key Worker Scheme (KWS) funding – 2024/25 funded 7 properties for essential workers - Yorston (3) + Nicolson Street (4). SHIP approved November 2024 which includes plans for approximately 22 further KWS in financial year 2024/25 and 2025/26 for acquisition off the shelf (OTS).	Team Manager (Housing Strategy, Development and Data).
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.	Baseline – get average over 5 yrs purchases off the shelf.	Yorston Drive, Stromness (3). Nicolson Street, Kirkwall (4). Until such time as Orkney secures an MMR provider, these will be for Social Rent but allocated through a priority pass within the Council’s lettings policy to essential workers.	Team Manager (Housing Strategy, Development and Data).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
		A total 16 homes at Albert Street and Laing Street, Kirkwall were acquired for social rent in 2024/25 and Q1 25//26 with support from the Rural and Islands Housing Fund. These off-the-shelf purchases contribute directly to increasing affordable housing supply and support delivery of the More Homes Programme.	
Identify and appraise options/feasibility for developing new accommodation and repurposing existing buildings for shorter-term accommodation for essential workers and students.		A proposal to repurpose St Rognvald's House for short-term essential worker accommodation is being developed and will go to Policy and Resources Committee in November 2025 for CPA Stage 1 (Business Justification Case) consideration. The CPA 1 process will further explore feasibility and option appraisal, with detailed confirmation to follow at CPA 2.	Team Manager (Housing Strategy, Development and Data).
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 have been ongoing with SSEN since 2024/25 to obtain housing legacy • SSEN has approved provision of serviced site at Houton for eventual affordable including low cost home ownership after their 'spillover workers site' use. • The Empty Homes scheme funded by SSEN has progressed, with contracts issued for two properties and a further four currently under consideration.	Team Manager (Housing Strategy, Development and Data).
Use the Council's 'Rural Housing Body' status so that where new homes are built on council land and building apply a primary	Target - All housing built on OIC land/property.	Orkney Islands Council Legal Services is exploring the use of Rural Housing Body status, and other methods of securing primary residence burden on land sold by the Council.	Team Manager (Housing Strategy,

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
residence burden on housing property (and potential affordability criteria).		Shapinsay Development Trust have now been formally approved as a Rural Housing Body. This enables them to acquire land for community-led housing with long-term protections in place, supporting the delivery of affordable, permanent homes for local people.	Development and Data).
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).	All new housing developments approved from Year 1.	Ongoing through Planning processes.	Service Manager (Development and Marine Planning).
Increase density in towns and key villages where relevant in line with National Planning Framework 4 and the review of the Local Development Plan.	Increase density to 20-35 density per hectare.	Ongoing through Planning processes and review of the Local Development Plan.	Service Manager (Development and Marine Planning).
Provide serviced sites and a design guide for self-build and develop a register for those interested in self-build. Consider		Through the review of the Local Development Plan and joint working with Housing Services; D&MP will investigate locations for serviced sites for self-build. The provision of a register is a provision in the recent changes to the planning	Service Manager (Development

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
within the More Homes programme where demand for self-build can be satisfied.		system which D&MP lead on. This register will ask key information such as locations where members of the public would like to build.	and Marine Planning).

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.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Undertake discussions with at least one established affordable housing provider with track record and financial capacity to supply new housing in Orkney.		Ongoing discussions.	Director of Education, Communities and Housing, and Head of Community Learning, Leisure and Housing.
Create a Council-sponsored approach to new supply for mid-market rent to complement other supply.		Since approval of the Essential Workers Housing Strategy in March 2024, the Council's preference is to explore external provider rather than Council arms length body. OHAL has launched its Community Bond for MMR provision.	Director of Education, Communities and Housing, and Head of Community Learning, Leisure and Housing.

Outcome: Housing supply processes are more efficient within the Council, and across partners and to enable value for money new supply.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Review the Council's Capital Project Appraisal process as it relates to new Council housing to ensure it is sufficiently agile.		Ongoing.	Capital Projects and Programme Management Officer.
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.		LDP is under review.	Service Manager Development and Marine Planning.
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		Ongoing.	Team Manager (Housing Strategy, Development and Data).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
deliver the More Homes programme.			
YEAR 2.			
Consider use of modular build and modern methods of construction where relevant.		No progress.	Team Manager (Housing Strategy, Development and Data).
Develop a common affordable housing specification to improve efficiency and design out cost.		Discussions ongoing and to be tested through new council housing projects.	Team Manager (Housing Strategy, Development and Data).
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.		K9 under consideration through the planning process.	Team Manager (Housing Strategy, Development and Data).

Outcome: Empty homes are brought back into use for Orkney residents and essential incoming workers.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Encourage homeowners to bring empty homes back into use through information and advice.	Baseline - 70 homes since 2016 – average 10 per annum. Target - 15 per annum.	Grant no longer being considered due to financial constraint with an Empty Homes Loan Scheme approved by ELH Committee June 2025. Funding will be considered by Policy and Resources Committee November 2025. Number of empty homes properties brought back into use 2024/25 financial year: 16.	Development and Empty Homes Officer.
Incentivise more empty homes being brought back into use through local authority grant (Housing (Scotland) Act 2006).			
Bring empty homes back into use through acquisition for social rent or MMR where the properties can be brought up to relevant standards.			
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 style scheme’ to match properties to temporary residents.	Baseline – 0. Target - 10 homes while infrastructure works ongoing (10 in addition to above).	Empty Homes scheme funded by SSEN has progressed, with contracts issued for two properties and a further four currently under consideration.	Development and Empty Homes Officer.

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
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.	Baseline – 0. Target - 10 properties added to residential housing stock.	As above – The Empty Homes scheme funded by SSEN has progressed, with contracts issued for two properties and a further four currently under consideration.	Development and Empty Homes Officer.
Liaise with Scottish Empty Homes Partnership to 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).		OIC is encouraging the Scottish Empty Homes Partnership to continue raising awareness of VAT reliefs and to support national lobbying efforts to improve financial incentives for renovating long-term empty homes, including VAT reform.	Service Manager (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.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.																																										
YEAR 1 / ONGOING.																																													
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.	Baseline - At May 2023; 400 STLs. Monitor change annually.	Short term let OIC register May 2025 (No outstanding applications): Total 598. 492 secondary letting (33 unconventional). 79 home sharing/B&B. 18 home letting (away on holiday). 9 home letting/sharing. <table><tr><th></th><th>Dwellings (NRS)</th><th>Short term lets* (OIC register) Dec 2024</th><th>Short term lets* (OIC register) May 2025</th><th>% STLs to dwellings</th><th>Change (no.)</th></tr><tr><td>East Mainland</td><td>2,898</td><td>87</td><td>90</td><td>3.11%</td><td>+3</td></tr><tr><td>Isles</td><td>1,721</td><td>49</td><td>52</td><td>3.02%</td><td>+3</td></tr><tr><td>Kirkwall</td><td>3,299</td><td>200</td><td>219</td><td>6.64%</td><td>+19</td></tr><tr><td>Stromness</td><td>1,114</td><td>101</td><td>107</td><td>9.61%</td><td>+6</td></tr><tr><td>West Mainland</td><td>2,526</td><td>123</td><td>130</td><td>5.15%</td><td>+7</td></tr><tr><td>Total</td><td>11,558</td><td>560</td><td>598</td><td>5.17%</td><td>+38</td></tr></table> * STLs geography is different to NRS dwelling geography, Best fit has been applied.		Dwellings (NRS)	Short term lets* (OIC register) Dec 2024	Short term lets* (OIC register) May 2025	% STLs to dwellings	Change (no.)	East Mainland	2,898	87	90	3.11%	+3	Isles	1,721	49	52	3.02%	+3	Kirkwall	3,299	200	219	6.64%	+19	Stromness	1,114	101	107	9.61%	+6	West Mainland	2,526	123	130	5.15%	+7	Total	11,558	560	598	5.17%	+38	Team Manager (Housing Strategy, Development and Data).
	Dwellings (NRS)	Short term lets* (OIC register) Dec 2024	Short term lets* (OIC register) May 2025	% STLs to dwellings	Change (no.)																																								
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West Mainland	2,526	123	130	5.15%	+7																																								
Total	11,558	560	598	5.17%	+38																																								
Consider the introduction of a new Planning Housing Policy to enable holiday accommodation		To be considered through the Local Development Plan review.	Service Manager (Development)																																										

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
to change to long-term residential use where appropriate.			and Marine Planning).
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.	Baseline - Only primary residency mechanism used currently is when Scottish Government grant is provided.	Ongoing / subject to LDP review.	Team Manager (Housing Strategy, Development and Data). Service Manager (Development and Marine Planning). Legal Services.

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.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Continue investment across social housing to meet the Scottish Housing Quality Standard.	Baseline - OIC – 53%. OHAL – 98%. Target - OIC – 94%. OHAL – 99%.	ARC data – https://www.housingregulator.gov.scot/landlord-performance/statistical-information/ Progress - 2023/2024: OIC – 80.4% OHAL – 96.9% 2024/2025: OIC – 95.82% OHAL – 98.83%	Team Manager (Housing Strategy, Development and Data).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
Undertake an independent stock condition survey of Council housing to establish up to date costs of 30 years component replacement and energy efficiency improvements.	Baseline – Current OIC costs.	The proposal for an independent stock condition survey is scheduled to go to the Education, Leisure and Housing Committee in November 2025 for approval. The survey will provide updated evidence on component replacement cycles, planned maintenance costs, and energy efficiency investment needs over a 30-year period. Once approved, procurement process will begin.	Service Manager (Resources).
Continue investment across social housing to meet the new Social Housing Net Zero standard. EEESH.	Baseline - OIC – 96%. OHAL – 97%. Target – OIC – 96%. OHAL – 99%.	ARC data – https://www.housingregulator.gov.scot/landlord-performance/statistical-information/ 2023/2024 OIC – 96% OHAL – 97%. 2024/2025 OIC – 97.4% OHAL – 99.06%.	Team Manager (Housing Strategy, Development and Data).
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.		Dialogue ongoing through HEES: ABS work. Orkney College – Bid to SSE regional (Orkney College Training Group) to build 2 demonstrator student bedroom modules at the college using apprenticeship labour.	Service Manager (Resources). Orkney College.

Outcome: The quality and energy efficiency of existing private housing is improved through information, advice and grant support.
Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
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).		Information on OIC website and HEES: ABS work. What further work be done/could be enhanced? Further ideas through HMP.	Service Manager (Resources).
Review the approach for private landlord registration and enforcement.	Baseline - Currently in Housing Options team.	To be progressed by Heads of Service.	Heads of Service.
Continue to increase the resources available through Heat and Energy Efficient Scotland: Area Based Scheme (HEES: ABS) by bidding for additional resources.	Baseline - £2million (2023/24). Target - £4million by Year 3.	The Scottish Government allocated only £1.21M for 2024/25, a significant reduction from the £2M awarded in 2023/24. However, through ongoing discussions and lobbying efforts, we successfully secured an additional £300,000 in January 2025. For 2025/26, we have secured £1.75M at outset and are underway with project delivery.	Fuel Poverty Officer.

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
		We are currently tendering for a new multi-year managing agent for HEES: ABS 2026/27, onwards. With project design and scope to be determined following contract award and the Scottish Government's HEES: ABS funding distribution.	
Create a framework and measure the impact of HEES: ABS and report annually through the LHS Annual Report.		HEES: ABS 2024/25 delivered 146 measures to 106 participating households. HEES: ABS 2025/26 is projected to deliver 189 measures to 159 households. Installations are continuing through to the end of May 2026, and full spend is expected by project close in June 2026. While targeting for this year's programme did not directly draw on the Scottish House Condition Survey (SHCS), we continue to recognise it as the authoritative national dataset on housing condition, energy efficiency, and fuel poverty. The most recent SHCS Local Authority Analysis Tables (2017–2019) remain the latest available, but updated figures are expected in 2025. These will form an important part of our future LHS monitoring and will help inform the strategic focus of our energy efficiency programmes moving forward	Fuel Poverty Officer.
Lobby UK/Scottish Government directly and through existing networks on additional resources to improve energy efficiency for private sector housing, to revise		As above.	Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
VAT on repairs and maintenance works, including funding for empty homes.			

Outcome: Fuel poverty in Orkney is reduced.
Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
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.	Baseline – 31% fuel poverty. 22% extreme fuel poverty (SHCS LA analysis 2017-2019). Target - Year 1 Q4 framework in place.	https://www.gov.scot/collections/scottish-house-condition-survey/#localauthorityanalyses In 2022, the SHCS found that the fuel poverty rate for rural (35%) households was higher than the fuel poverty rate for urban (30%) households. Additionally, the rate of fuel poverty for remote rural households (47%) is higher than for all other areas (<i>47% best estimate for Orkney in absence of Orkney level data</i>). No progress – Discussions through Director and Head of Service to feed into the review of the Community Plan	Service Manager (Resources).
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.		No progress. Discussions Director and Head of Service to feed into the review of the Community Plan.	Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
Lobby UK Government on the cost of fuel tariffs to ensure these are reduced in Orkney.		No progress.	Service Manager (Resources).
Maximise the potential benefits from Orkney renewable energy developments to reduce cost burden of energy for residents.		No progress.	Service Manager (Resources).
YEAR 2			
Following a review of information and advice, propose and implement any action required, and measure the impact with Cost of Living Task Force.		No progress.	Service Manager (Resources).

Outcome: Carbon emissions across all housing tenure are reduced to net zero.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Mainstream and embed net-zero emissions into housing design and across tenure including taking opportunities for additional funding (e.g. ECO4 funding).	Ongoing.	Ongoing.	Service Manager (Resources). Service Manager (Development and Marine Planning).
Bring through formative Orkney best practice into a housing net zero plan for implementation.	Ongoing – Implementation from Year 3.	Ongoing.	Service Manager (Resources). Service Manager (Development and Marine Planning).
Engagement with the Council's other climate change initiatives including contributing into the OIC climate change officer working group, engaging with the	Ongoing.	Ongoing.	Service Manager (Resources). Service Manager

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
OIC 2024 net zero transition study, and seeking funding and transition opportunities, such as through the developing Islands Centre for Net Zero.			(Development and Marine Planning).

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.

Outcome lead: Service Manager (Housing, Homelessness and Schoolcare Accommodation).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
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.	Baseline - Existing Housing Options approach. Target – Start - Year 1. Complete – Year 4.	Discussion with NEC HM system re digital application form. Housing Options page on website. Initial discussions between OHAL and OIC on Housing Options approach. No change since last QTR.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Review, develop and implement a refreshed approach to rehousing for homeless households which embraces national best practice, including	2021/22 and 2022/23. OIC – 58%, 51%. OHAL – 27%, 24%.	Review of Section 5 protocol in discussion with OHAL. OHAL are piloting SHN housing options toolkit and a OIC priority group. Proportion of lets –	Service Manager (Housing, Homelessness and Schoolcare Accommodation).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
the proportion of lets by each social landlord.	Targets to be agreed - Year 1.	2023/2024: OIC 64.5%, OHAL 22.2%. 2024/2025: OIC 50.55%, OHAL 26%.	
Reduce the use of temporary accommodation through rehousing (as above) in line with the Rapid Rehousing Transition Plan.	Baseline - March 2023 – 72 households in temporary accommodation. Target - Year 5 - 45 households in temporary accommodation.	https://www.gov.scot/collections/homelessness-statistics/ To March 2024: 75 households in temporary accommodation. 101 households owed a duty to permanently re-house. To March 2025: 74 households in temporary accommodation. 91 households owed a duty to permanently re-house.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Flip properties used for temporary accommodation to permanent homes for homeless households.	Baseline - 2023 5 between OIC. Target - Annually 5 between OIC.	OIC – 4 properties in 2024/25.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Review the approach to the provision of information provided on homeless	Baseline - Existing approach.	Tenancy sustainment – 2023/2024: OIC 95% sustainment, OHAL 94%.	Service Manager (Housing, Homelessness

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
households to ensure tenancy sustainment is maximised.		2024/2025: OIC 87% sustainment, OHAL 90%. OIC introduced revised procedures for its own tenants and has enhanced information on Section 5 referrals.	and Schoolcare Accommodation).
Provide training across all public sector partners and social landlords on the new prevention of homelessness duty.	Target – implement following enactment of duty.	Duty has not yet been enacted.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).

Outcome: Access to housing and choice of housing is improved for all.

Outcome lead: Service Manager (Housing, Homelessness and Schoolcare Accommodation).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
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).	Baseline - Individual approaches. Target - Start year 1, complete Year 4.	OHAL are piloting SHN housing options toolkit and a OIC priority group.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Maintain dialogue with the education providers to keep options open for existing and new housing supply for students.	Baseline - Range of need 50-90 student households. Target - 50 new provision for students.	HWU dialogue ongoing re difficulties in access to housing in Stromness for students and staff/lecturers. Orkney College – Bid to OCTG (Orkney College Training Group) to build 2 demonstrator student bedroom modules at the college using apprenticeship labour.	Service Manager (Resources).

Outcome: People live independently and safely at home or in a homely setting in their own community.

Outcome lead: Service Manager (Housing, Homelessness and Schoolcare Accommodation).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
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.	Baseline – Carness. Target - Develop 3 core and cluster developments associated with the 3 care homes within 10 years.	Stromness – Coplands Road is included SHIP and being planned for within 5 years. Soulisquoy, Kirkwall – included in the SHIP and being planned for within 5 years. Dounby – in SHIP targeted for end of 10 year plan.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Ensure the housing needs for older people are met on the isles through developments including co-housing.		Work with Development Trusts is ongoing and with other interested parties in relation to older people housing.	Service Manager (Resources).
Ensure there is sufficient provision for wheelchair provision through the More Homes programme, or through conversion of existing amenity housing.	Target – Ongoing. 50 new over 10 years – 5 per annum.	Wheelchair housing group re-instated to consider who is most appropriate based on the vacancy.	Service Manager (Housing, Homelessness and Schoolcare Accommodation). Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 2			
Review joint adaptations protocol particularly around private housing adaptations to ensure there is equity of access across housing tenure for adaptations.	Baseline - Existing approach. Target - Year 2. Equitable approach across tenure.	Work planned in Q2.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Explore options to supplement the Orkney Housing Association adaptations budget from Orkney Health and Care, recognising the importance of timely adaptations in reducing hospital admissions.	Baseline - No revenue contribution from OHAC/NHSO. Target - Year 2. Revised approach agreed.	No progress.	Orkney Health and Care / Orkney Housing Association Limited.
Work in partnership with NHSO/OHAC to support resourcing of Orkney Care and Repair to both aid hospital discharge and prevent hospital admission or demands on care services.	Baseline - No contribution currently from NHSO/OHAC. Target – Year 2. Revised approach agreed.	No progress.	Head of Community Learning, Leisure and Housing.
Ensure Orkney Care and Repair is sustainably resourced to meet the growing demand which supports independent living	Baseline - 2023 budget.	No progress.	Head of Community Learning, Leisure and Housing.

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
Explore developing local letting initiatives, especially on the outer isles to prioritise housing to health and care staff and other essential workers.	Baseline - Existing policies.	No progress.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
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.	Baseline - Existing approach.	No progress.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
Review current approaches to downsizing to further incentivise smaller older households to move to homes suitable for the needs.	Baseline - Existing OIC policy. Target - Year 2. Revised policy.	No progress.	Service Manager (Housing, Homelessness and Schoolcare Accommodation).
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.	Baseline - No provision.	No progress.	Service Manager (Resources) and Head of Health and Community Care.
Review housing support in the round – enabling the third sector to provide lower level housing support and freeing up resources	Baseline - Existing approach.	No progress.	Service Manager (Housing, Homelessness and Schoolcare

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
for more intense provision to be provided by the statutory sector.			Accommodation) and Head of Health and Community Care.
YEAR 3			
Work in partnership with OHAC to enhance the existing telecare provision including provision of SMART homes.	Baseline - Existing approach.	No progress.	Service Manager (Housing, Homelessness and Schoolcare Accommodation) and Head of Health and Community Care.

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.

Outcome lead: Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
YEAR 1 / ONGOING.			
Develop a monitoring system to continually monitor and review the Local Housing Strategy implementation.	Baseline – None. Year 1 Q1.	System is developed as shown above.	Service Manager (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.	Baseline – None. Quarterly Year 1-5.	First update meeting December 2024, two HMP/house builder meetings held in Jan 2025 and March 2025. HMP meeting held in June 2025, next meeting to be held in October 2025. House Builder meeting to be held in December 2025.	Service Manager (Resources).
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.	Baseline – None. Year 1 Q1.	Undertaken to December 2024 and presented at HMP meeting. Propose annual update due to lack of data on a quarterly basis.	Service Manager (Resources).

Actions.	Baseline / Target.	Progress and Results.	Responsibility.
Provide a Local Housing Strategy Annual Report to the Housing Market Partnership and the Council on progress.	Baseline – None. Year 2-5.	Q2 for the previous financial year (September).	Service Manager (Resources).
Put in place staff and undertake training to undertake the LHS monitoring and review function.	Baseline - Vacancy in 0.5 FTE Housing Strategy Officer. Target – recruitment and training Year 1.	Guidance and training provided November 2024, ongoing. Recruitment for Service Manager and Team Manager achieved in 2025.	Service Manager (Resources).