

# Orkney Housing Market Partnership

**Note of special meeting held on 12 December 2025 at 10:00 in the Council Chamber / via Microsoft Teams**

## **Present:**

- Councillor Ivan Taylor, Vice Chair of Education, Communities and Housing Committee.
- James Wylie, Director of Education, Communities and Housing.
- Frances Troup, Head of Strategic Housing, Housing Operations and Homelessness.
- Lesley Mulrairie, Service Manager (Housing, Homelessness and Schoolcare Accommodation).
- Andrew Hamilton, Service Manager (Resources).
- Laura Baillie, Team Manager (Housing Strategy, Development and Data).
- Kenny MacPherson, Head of Property and Asset Management.
- Gavin Barr, Head of Planning and Regulatory Services.
- Susan Shearer, Service Manager (Development and Marine Planning)
- Derek Manson, Team Manager (Development Planning).
- Anna Evans, Housing Consultant for Hub North / Director, Indigo House Group.
- Steven Paterson, More Homes Division Co-ordinator, Scottish Government.
- Representative of R Clouston Ltd.
- Stephen Kemp, Managing Director, Orkney Builders.
- Steven Pyke, Development Manager, Orkney Builders.
- Callum Murdoch, Contracts Manager, Orkney Builders.
- Iain Logue, Consultant, Casey Construction.
- David Campbell, Housing Consultant, Development Trusts.

## **1. Welcome**

Frances Troup welcomed everyone to the meeting and advised that the purpose of the meeting was to provide an overview of the Strategic Housing Investment Plan and the development projects included within that. The Planning Team will also provide an update on the Local Development Plan.

## **2. Overview of Strategic Housing Investment Plan (SHIP)**

Frances and Laura Baillie delivered a presentation on the SHIP. Key points included:

- A recap of the three strategic priorities – More Homes, Quality Warm Homes, Access and Choice of Housing for All.
- A reminder of the Housing Supply Target – 1,030 homes over 10 years (60/40 affordable/private split). The affordable housing target is approximately 600 homes, subject to Scottish Government grant availability.

- A Strategic Co-operation Agreement was signed with Places for People Scotland (PfP) in November 2025.
- A Strategic Co-operation Agreement is also to be entered into with Orkney Housing Association Limited (OHAL).
- A delivery programme across four providers over the next 10 years:
  - Council: 150 homes.
  - OHAL: 200 homes.
  - PfP: 500 homes.
  - Development Trusts: approximately 50 homes.
- A reminder that the SHIP is a live programme which is reviewed annually. Early sites include:
  - **OIC:**
    - Moar Drive, Kirkwall – independent living project (large 5-bedroom accessible house). Currently out for tender.
    - Copland’s Road, Stromness – 25 homes with a site start anticipated for Spring/Summer 2026.
    - Houton – will be used temporarily to house SSEN workforce, then will be developed for 3 permanent homes and 3 serviced plots.
    - Dounby and Orphir (12 homes) – early planning stages.
    - Burnmouth Road (5 homes) – currently with the Scottish Government.
  - **OHAL:**
    - Walliwall Phase 10 (41 homes).
    - Toab (2 homes).
    - Holm (6 homes).
    - Burray (6 homes).
  - **PfP:**
    - Weyland Phase 1 (200 homes).
  - **Other housing-related projects:**
    - Former Papdale Halls of Residence – to be demolished by the Council and sold to PfP for development.
    - Former St Rognvald’s House – proposals being developed for interim use by OHAC agency workers but nothing approved yet. Longer term intention is demolition and redevelopment for permanent Council housing.
- There has been an emphasis on a mix of large and small sites to support local contractors.
- Currently there are risks due to the lack of “warm” sites for contingencies if projects slip. The aim is to build flexibility into the pipeline going forward.
- Overview provided in relation to PfP – 2,201 new homes constructed between 2020/21 and 2024/25; currently manage over 9,000 homes and provide services to 10,500 customers across Scotland.
- Delivery of the SHIP is dependent on sufficient Scottish Government funding being available.

Following conclusion of the presentation, Frances opened the meeting for questions and discussion:

- Stephen Kemp queried the approximate timeline for PfP moving forward with their first projects, in terms of 'spades in the ground'. Frances confirmed that it was likely to be a couple of years before they were physically on site, but preparatory work would be done from early 2026 (proposals, design, planning).
- Frances asked if it was helpful seeing an overview of the SHIP in this format.
  - Stephen Kemp welcomed the clear overview, noting it addresses previous uncertainty about housing plans over the next decade. He highlighted the inclusion of smaller-scale developments (2-6 units) as a positive which will benefit smaller contractors.
  - David Campbell noted the overview helps him to plan for limited contractor availability in the isles and can co-ordinate work alongside mainland projects.
- Frances advised that PfP will be engaging with the local construction sector and would be following the same procurement processes as OIC and OHAL currently do.

### **3. Evidence Report – Local Development Plan**

Derek Manson delivered a presentation to provide an update on the Local Development Plan. He noted:

- The Evidence Report was submitted to the Government in June 2025, with a response received from the Reporter in September 2025. While they were content with the majority of the evidence, they required the housing figures to be amended.
- The initial report had provided a figure of 1,345 which was based on the Principal Scenario in the Housing Need and Demand Assessment (HNDA) and the Housing Supply Target, with a 30% generosity built in.
- The Reporter wanted the housing figure to exceed what was included in National Planning Framework 4 and recommended using the high growth scenario from the HNDA. As a result, the revised housing land requirement would be increased to 1,650 homes for a 10-year plan, which would ensure a generous and flexible housing land supply.

The next steps include:

- Seeking approval for the revised figure to be included in the Evidence Report, with a report going to the Development and Infrastructure Committee in February 2026.
- Re-submitting the Evidence Report to the Reporter. It is likely to take around three months for a response. If signed off, work can then begin on drafting a proposed Plan, but due to the re-submission, there are likely to be delays in publication.
  - Gavin Barr added that delays in the planning process were common nationally and confirmed ongoing engagement with the Scottish Government to improve efficiency for the future.
- Other strategies and studies will be taken into consideration, such as the Surface Water Study in Kirkwall and the Coastal Adaptation Study.
- It is hoped that an updated Development Plan Scheme will be put to the Development and Infrastructure Committee in March 2026. LDP Database contacts

will be updated on the revised timetable. Requests for inclusion in the database can be made to Derek for those who are not already on it.

Following conclusion of the presentation, Derek asked if the group were content with the revised housing land supply figure. It was clarified by Susan Shearer that the proposed change was intended to provide flexibility and future options rather than a requirement to build 1,650 homes. Stephen Kemp suggested the approach would be met really positively by most builders. Approval was given to progress with the revised figure of 1,650.

## **4. AOCB**

### **Suppliers:**

Clouston's stated that the SHIP overview would be useful for suppliers to know that the work is coming. He also advised of the withdrawal of specific key suppliers in Scotland.

### **Construction Sector Training:**

Stephen Kemp advised of CITB funding cuts which will impact on training for the local construction sector. James Wylie agreed to have a discussion with staff at UHI Orkney around potential solutions.

### **Dissemination of Information:**

Anna Evans queried if there were any other forums that the construction sector has where the SHIP information could be shared. Stephen Kemp agreed to distribute it to the Builders' Federation and the Orkney Construction Training Group.

### **Risk:**

David queried how credible the delivery plan is and how advanced the risk analysis is, noting there has been discussion around suppliers, contractors and land but not about funding and capacity. Frances explained how the SHIP was developed, noting collaboration with the Scottish Government and the Planning Service. She outlined measures to minimise risk, including detailed site assessments, streamlined internal processes and building flexibility into the pipeline to avoid stop-start delivery. It is dependent on sufficient Scottish Government funding being available.

Gavin noted strong capacity within his service area with a full staffing complement and improved forward planning, though challenges remain as it is obviously not just the house build programme that the Planning team are engaging with.

Steven Paterson acknowledged funding cannot be guaranteed but stressed housing remains a political priority, with budgets historically maintained and likely to continue under future administrations, even if funding models evolve.

Stephen Kemp noted it had been a long process to get this far but thought everybody was now feeling very positive and it is great to see a pipeline of work ahead, expressing his thanks for this.

### **Future Meetings:**

Frances confirmed that the Housing Market Partnership will meet quarterly throughout 2026. There will be another meeting with the construction sector at the end of 2026 to provide the annual update on the SHIP.

With no other business, Frances thanked everyone for their contributions and the meeting was closed at 11:10.