



**ORKNEY**  
**ISLANDS COUNCIL**

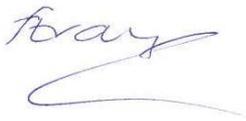
# **Housing Need and Demand Assessment**

**2023**

The Orkney Islands Council Housing Need and Demand Assessment has been signed off by:

Head of Community Learning, Leisure and Housing

Frances Troup

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Date – 10 July 2023

Head of Planning and Community Protection

Roddy MacKay

A handwritten signature in blue ink, appearing to read 'R. MacKay', with a long horizontal flourish extending to the right.

Date – 10 July 2023



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**HOUSING NEED AND DEMAND ASSESSMENT**

**Key Findings Template: Estimate of Additional (New) Future Housing Units**

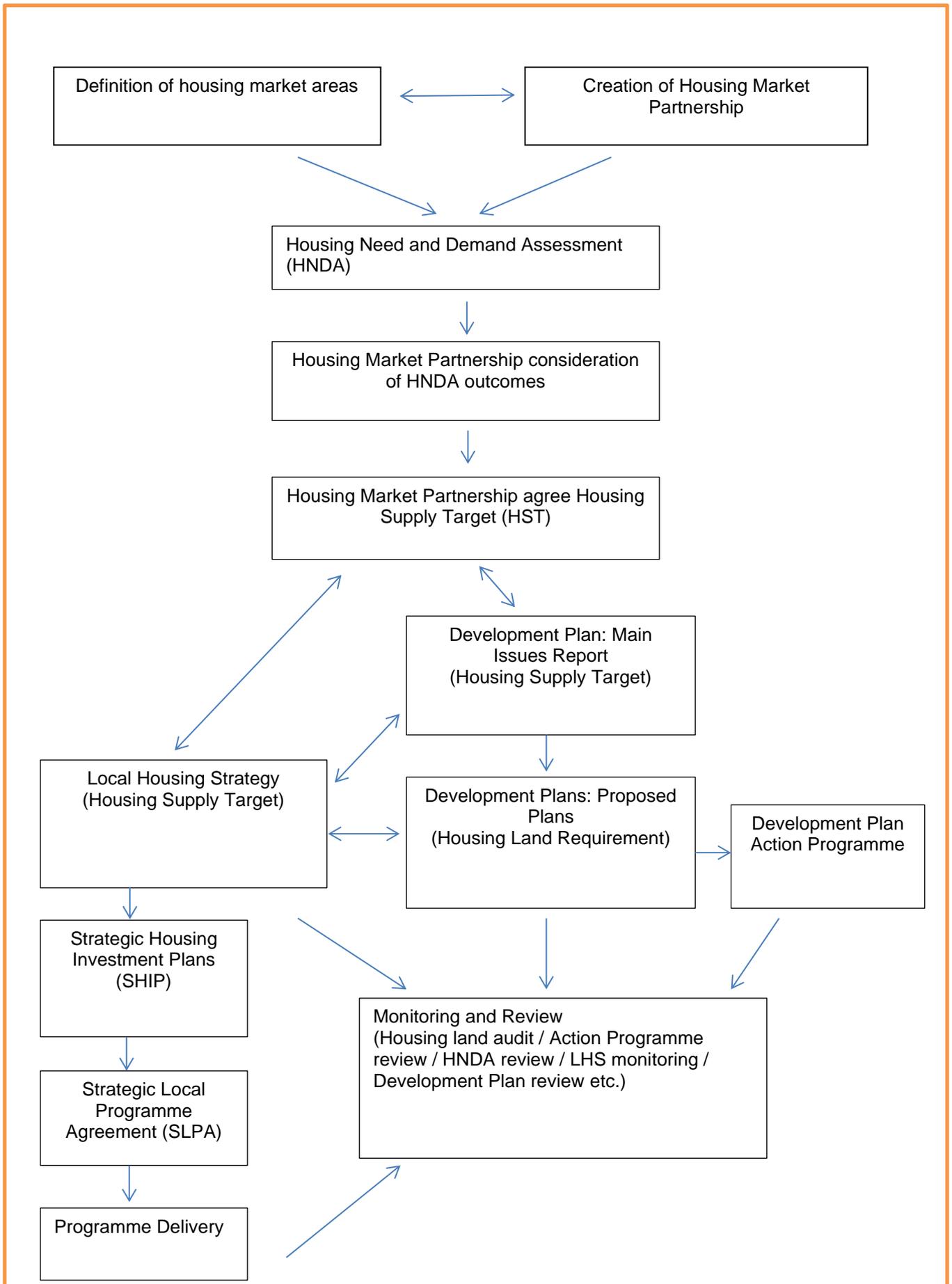
Number of years to clear existing need					
Total households with existing need (net)	198	5			
Household Projection Period					
2023-2042					
	Principal Projection	Low Migration Projection	High Migration Projection		
Total number of new households over the projection period	1,639	364	3,016		
HNDA Projection Period					
2023-2042					
<b>ANNUAL NEED - YEARS 1 TO 5</b>					
Total households over the projection period who may afford:	Principal + 0.5%	High migration +1%	Low migration		
<b>OWNER OCCUPATION</b>	30	51	11		
<b>PRIVATE RENT</b>	23	40	8		
<b>BELOW MARKET RENT</b>	18	30	6		
<b>SOCIAL RENT</b>	59	67	45		
<b>Total additional future housing units</b>	<b>131</b>	<b>189</b>	<b>71</b>		
<b>ANNUAL NEED - YEARS 5 TO 10</b>					
Total households over the projection period who may afford:	Principal + 0.5%	High migration +1%	Low migration		
<b>OWNER OCCUPATION</b>	26	52	5		
<b>PRIVATE RENT</b>	20	43	3		
<b>BELOW MARKET RENT</b>	16	27	3		
<b>SOCIAL RENT</b>	14	19	2		
<b>Total additional future housing units</b>	<b>76</b>	<b>141</b>	<b>13</b>		
<b>ANNUAL NEED - YEARS 10 TO 15</b>					
Total households over the projection period who may afford:	Principal + 0.5%	High migration +1%	Low migration		
<b>OWNER OCCUPATION</b>	28	61	7		
<b>PRIVATE RENT</b>	22	51	5		
<b>BELOW MARKET RENT</b>	18	27	4		
<b>SOCIAL RENT</b>	17	17	3		
<b>Total additional future housing units</b>	<b>85</b>	<b>156</b>	<b>19</b>		
<b>ANNUAL NEED - YEARS 15 TO 20</b>					
Total households over the projection period who may afford:	Principal + 0.5%	High migration +1%	Low migration		
<b>OWNER OCCUPATION</b>	24	64	3		
<b>PRIVATE RENT</b>	19	54	2		
<b>BELOW MARKET RENT</b>	16	22	2		
<b>SOCIAL RENT</b>	15	16	2		
<b>Total additional future housing units</b>	<b>75</b>	<b>156</b>	<b>9</b>		
<b>CUMULATIVE TOTAL AT END OF PROJECTION PERIOD</b>					
Total households over the projection period who may afford:	Principal + 0.5%	High migration +1%	Low migration		
<b>OWNER OCCUPATION</b>	541	1,147	129		
<b>PRIVATE RENT</b>	425	943	95		
<b>BELOW MARKET RENT</b>	346	533	76		
<b>SOCIAL RENT</b>	525	592	262		
<b>Total additional future housing units</b>	<b>1,837</b>	<b>3,214</b>	<b>562</b>		

## **1. INTRODUCTION**

### **1.0 Purpose of Document**

- 1.0.1 Local strategic planning for housing is driven by the assessment of housing need. The Housing (Scotland) Act 2001 places a duty on local authorities to develop Local Housing Strategies (LHS), informed by an assessment of housing need and demand and the provision of related services in their area. In addition, the Town and Country (Scotland) Act 1997 (as amended) requires Local and Strategic Planning Authorities to plan for land use in their area, including the allocation of land for housing. The Housing Need and Demand Assessment (HNDA) will fulfil this function and inform both processes.
- 1.0.2 Figure 1.1 outlines the process linking the HNDA to the LHS and Local Development Plan.

Figure 0-1 – The Housing Planning Framework



- 1.0.3 In 2020, the Scottish Government published revised guidance materials for local authorities undertaking the HNDA. This includes an updated HNDA Tool (a suite of Excel spreadsheets) designed to calculate the requirement for new-build housing and to enable local authorities to develop long-term strategic views of housing need and demand based on nationally produced data sets where possible.
- 1.0.4 In the context of the HNDA, housing need refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance. Housing demand is the quantity and type/quality of housing which households wish to buy or rent and are able to afford.
- 1.0.5 Estimates of housing need and demand fall into two categories and HNDAs must evidence both. These are:
- Future need for households yet to form, and
  - Existing (or backlog) need experienced by households at the present time (i.e. a snapshot in time)
- 1.0.6 The HNDA outlines a range of estimates to try and account for a number of alternative future outcomes. Orkney's HNDA focuses on three key scenarios. These are outlined further in Chapter 4.
- 1.0.7 The purpose of the HNDA is the evidence base for future policy development, decision-making and resource allocation processes; and specifically it should underpin the following key areas of housing policy and planning:
- a) **Housing Supply Target(s) (HSTs)** - to inform the setting of a Housing Supply Target for use in the Local Housing Strategy and Development Plan. The Housing Supply Target sets out the amount and type of housing that is actually deliverable within Orkney over the period of the plan.
  - b) **Stock management** – to develop an understanding of the current and future demand for housing by size, type, tenure and location in order to optimise the provision, management and use of housing stock. This in turn feeds into policy and planning decisions about future stock in the Local Housing Strategy. The HNDA does NOT estimate the size or type of stock that is required in future. The HNDA Tool output estimates need by tenure. The size and type of stock required is a policy decision. However these decisions will be informed by the evidence provided on past and current stock in Chapter 3 of the HNDA.
  - c) **Housing investment** - to inform future housing investment decisions, for example through Strategic Housing Investment Plans (SHIPs).
  - d) **Specialist Provision** - to inform the provision and use of specialist housing and housing-related services to enable independent living for all, as expressed in policy in the Local Housing Strategy and to inform planning decisions e.g. land for Gypsy/Travellers. See Chapter 5 for more information on Specialist Provision.

- e) **Geographic distribution of land** - to inform the spatial allocation of land through the Development Plan for new housing at both Housing Market Area level and Local Authority level.

1.0.8 **The HNDA is purely a factual evidence base.** Setting Housing Supply Targets is a policy decision which is influenced by a range of factors, including wider strategic imperatives; resources and funding availability; land and infrastructure capacity; and the capacity of the local construction sector, amongst others. Consideration of these factors can result in a Housing Supply Target figure which may be lower or higher than the housing estimate in the HNDA. In the context of Orkney, there is a clear mandate from the Housing Market Partnership and wider stakeholders to promote a housing system that supports economic growth and delivers community sustainability. Therefore, while it lies out with the scope of the robust and credible HNDA itself, the housing supply targets for the Local Housing Strategy and Local Development Plan will be set at an ambitiously aspirational, albeit realistic, target based on the level of need identified in the HNDA assessment.

1.0.9 It is also important to note that this assessment is not a definitive “answer” to the question of housing needs and demand in Orkney, rather it is a view of the broad scale of housing issues based on a range of prudent and logical assumptions, in order to gain a good understanding of the likely range of ‘answers’ to the question of housing needs and demand. The modelling presented in this report is not predictive in a simplistic sense though it does give the Council and its partners a valuable resource for developing strategic responses to future housing issues within Orkney.

1.0.10 Appendix 1 outlines the core processes and outputs that are required for a HNDA to be considered robust and credible.

## **1.1 Governance**

1.1.1 The HNDA has been produced in collaboration between staff in the Council’s Housing Service and Indigo House Consulting with input from other Council Services and bodies as required.

1.1.2 In line with best practice the Housing Needs and Demand Assessment has been developed in consultation with the Housing Market Partnership. The Partnership includes:

### OIC Departments

- Education, Leisure & Housing
- Neighbourhood Services & Infrastructure
- Enterprise & Sustainable Regeneration
- Strategy, Performance & Business Solutions
- Orkney Health and Care
  
- Orkney Housing Association - OHAL
- Orkney College UHI

- NHS Orkney
- R. Clouston Ltd (house builder)
- Orkney Builders (house builder)
- Scottish Government More Homes Division
- Heriot Watt University
- Scottish Water
- Highland & Islands Enterprise

1.1.3 The Housing Market Partnership considered the results from the assessment tool and agreed the scenarios that were produced.

1.1.4 The Head of Community Learning, Leisure and Housing, and the Head of Planning and Community Protection signed off for the Housing Needs and Demand Assessment Process. The minutes of the Housing Market Partnership meetings are available on request.

## **1.2 Orkney's Housing Market Areas**

1.2.1 A Housing Market Area (HMA) is a definable geographical area where the demand for housing is relatively self-contained, i.e. a large percentage of people moving house or settling in the area will have sought a dwelling only in that area.

1.2.2 It is acknowledged that rurality presents some specific issues for HNDA practitioners, including: defining HMAs – especially in sparsely populated areas; and small numbers in the data reducing its precision and robustness. While there is no single, definitive method for establishing HMAs, there are a number of potential approaches outlined in the relevant guidance (see in particular the Local Housing Systems Analysis Good Practice Guide, Communities Scotland, 2004). These include:

- Analysis of the origin and destination of house buyers (using sasines data)
- Travel to Work Areas, mainly defined using census data
- Community boundaries such as Community Council areas
- Pre-defined boundaries (e.g. secondary school catchments)
- Local knowledge or instinct based modelling

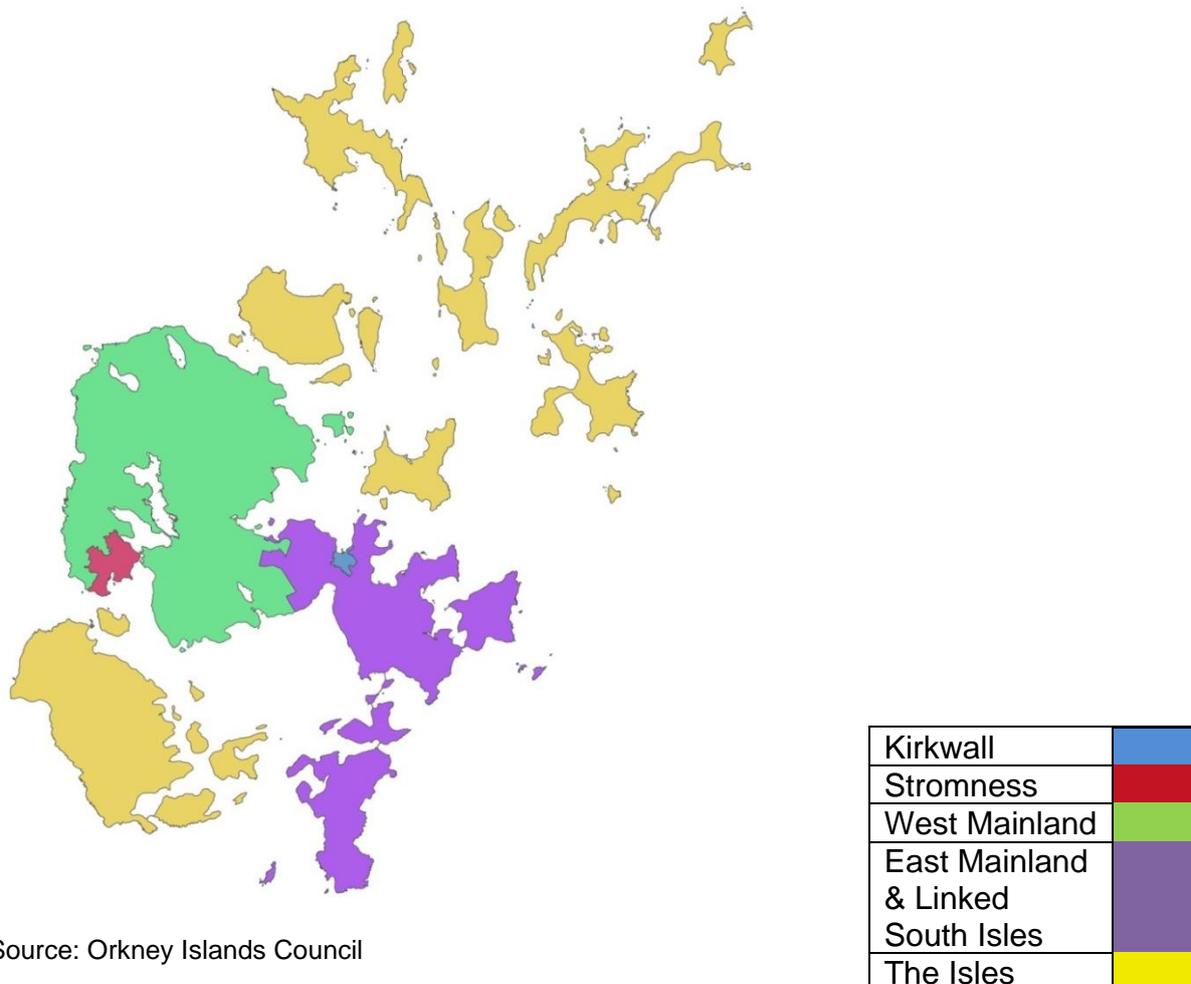
1.2.3 The HNDAs five HMAs have been developed to take into account school role catchment areas, parish and Community Council boundaries, locally understood property sale areas and Scottish Government datazones. These are outlined in Map 1.1 below.

1.2.4 The five HMAs are:

- Kirkwall
- Stromness
- West Mainland
- East Mainland and Linked South Isles; and
- The Isles

- 1.2.5 In order to test whether the five HMAs still represented reasonably self contained housing markets, analysis of the origin and destination data of house purchasers was examined for the period 2015-2020. This analysis is included in Appendix 2. This analysis concludes that the five HMAs previously developed are largely self-contained, albeit with some moves between Kirkwall and the East and West Mainland areas in particular.
- 1.2.6 It is recommended to retain the 5 Housing Market Areas used in the HNDA tool for the analysis in the current HNDA but review the impact of new build developments in future.
- 1.2.7 The use of HMAs will also benefit the development of the Local Housing Strategy and the Local Development Plan as they allow the HNDA to provide housing need projections on a sub-Orkney scale. This was not possible as part of the previous HNDA which reported solely on an Orkney wide basis and this new approach is seen as a major step forward. Map 1.1 below shows Orkney five HMA's.

*Map 1.1 Orkney's Housing Market Areas*



Source: Orkney Islands Council

- 1.2.8 The agreed HMAs utilise the 2011 Scottish Government datazone boundaries rather than the 2001 boundaries. This is primarily because the 2011

boundaries are a much better reflection of Orkney's local geographical boundaries. Some of the available data is still produced in 2001 format and this has been adapted to the 2011 datazone areas as accurately as possible.

1.2.9 HNDA's use a range of geographies, each of which has a specific use in LHSs and Development Plans. Some elements of the HNDA may only require presentation at local authority level and others at Housing Market Area level. The HNDA guidance particularly emphasises the point that "avoiding unnecessary disaggregation will reduce the complexity of the HNDA and the amount of time and resource needed for drafting". As with all statistical estimates the more the data is disaggregated, the less precise the estimates become. For this reason authorities are encouraged to populate the Centre for Housing Market Analysis' (CHMA) HNDA tool with the largest geographies possible.

1.2.10 However, for the results of the HNDA to be fully utilised within the Local Housing Strategy and Local Development Plan the Housing Market Partnership made the decision to request sub-Orkney level HMA's in the HNDA tool even though some of them would be quite small.

1.2.11 The Scottish Government guidance states that HNDA's are designed to give broad, long run estimates of what future need might be, rather than precision forecasts on what the future will be. Therefore, the final HNDA combines quantitative indicators with qualitative analysis to produce a transparent, reasoned and reasonable understanding of the overall need and demand in the area and of the operation and key trends driving the local housing market.

### **1.3 Quality control**

1.3.1 The analysis and drafting of the HNDA has been overseen by a technical group including analysts from the Council and Indigo House. All outputs have been peer reviewed by that group, the Indigo House Director and the Housing Market Partnership.

### **1.4 Monitoring and Review**

1.4.1 The Scottish Government require the HNDA to be comprehensively reviewed every five years with yearly updates to the key figures. In the interim Housing Services will continue to monitor trends in key areas regularly to assist in the development of other strategies and policies, for example the Strategic Housing Investment Plan. Should there be any significant changes or new data released, reports to Council and/or the Housing Market Partnership will be drafted to provide an update.

## 2. HOUSING MARKET DRIVERS

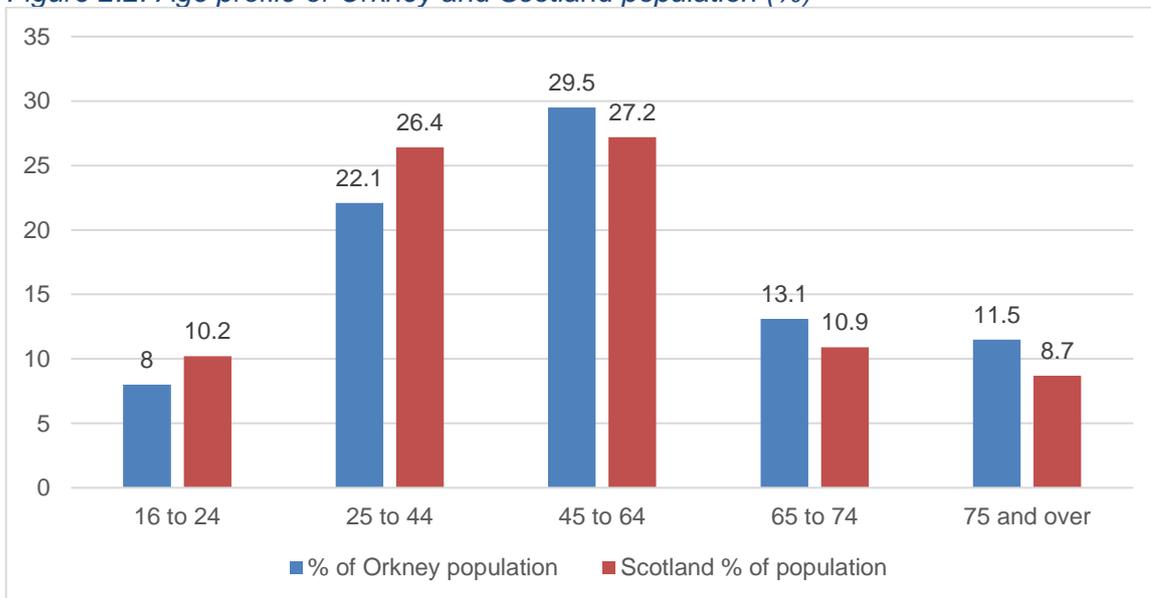
2.0.1 This chapter identifies key factors driving the local housing market, including household formation, population and migration, housing affordability including income, house prices, rent levels, access to finance and key drivers of the local and national economy. This information is used to inform the choice of scenarios run in the HNDA Tool.

### 2.1 Demographic Trends

#### Population

2.1.1 Orkney had an estimated population of 22,540 people in 2021, with a slightly older age profile compared with Scotland overall, with proportionately fewer people aged 16-24 and 25-44 years and proportionately more people in the older age groups.

Figure 2.2: Age profile of Orkney and Scotland population (%)



Source: NRS mid-year estimates 2021, <https://www.nrscotland.gov.uk/statistics-and-data>

2.1.2 Since 2001, the population in Orkney has increased by 17%, compared with 8% across Scotland. There has been a 7% reduction in the population aged 0-15 years, compared with 6% across Scotland. The working-age population (aged 16-64 years old) has increased by 10% compared with 6% in Scotland, while the population aged 65 years or older increased by over 70%, compared with 33% for Scotland as a whole. This very significant ageing in the Orkney population impacts on the projections for future households.

Table 2.1: Change in the working-age profile of Orkney residents between 2001 and 2021 compared with Scotland

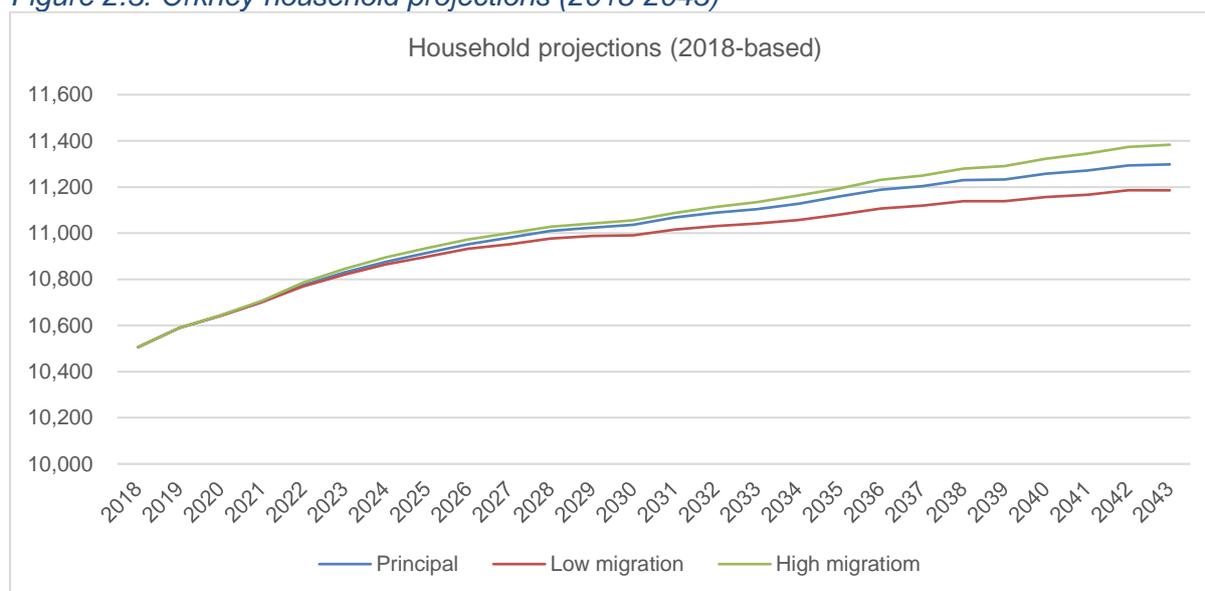
Age group	2001	2021	% change Orkney	Scotland % change
All people	19,220	22,540	17.3	8.2
0 to 15	3,815	3,553	-6.9	-6.1
16 to 64	12,182	13,447	10.4	6.3
65 and over	3,223	5,540	71.9	33

Source: <https://www.nrscotland.gov.uk/statistics-and-data>

## Household Projections

- 2.1.3 A key determinant of housing need is the number of households that there are expected to be in future. The household projections used in the Housing Need and Demand Assessment (HNDA) based on 2018-based projections show three scenarios – the principal is based on ongoing trends projected forward, while the high migration scenario projects based on more people moving to Orkney and the low migration scenario based on fewer people moving to Orkney.

Figure 2.3: Orkney household projections (2018-2043)



Source: <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-projections/2018-based-household-projections> (Detailed Scottish Area Tables)

- 2.1.4 There is a fairly modest difference between the scenarios until around 2030, when the estimates diverge slightly so that by ten years later (2040) the low migration scenario has around 100 households fewer than the principal scenario while the high migration scenario has around 70 more households.

## Household composition

- 2.1.5 Household projections are also available by household type and age by local authority by year for 2018-2043 period.

*Table 2.2: Household projections by type, various scenarios*

Principal	2018	2023	2028	2033	2038	2043	% change
Single person	3808	4047	4194	4312	4429	4501	18%
Two person	3641	3789	3872	3902	3939	3977	9%
One parent with children	471	498	496	484	471	457	-3%
Two parent with children	1747	1654	1638	1611	1583	1542	-12%
Three + adults	839	842	809	794	807	821	-2%
	10506	10830	11009	11103	11229	11298	8%
							% change
High migration	2018	2023	2028	2033	2038	2043	
Single person	3808	4051	4196	4309	4425	4511	18%
Two person	3641	3792	3869	3903	3951	4003	10%
One parent with children	471	499	501	491	478	464	-1%
Two parent with children	1747	1659	1652	1634	1611	1571	-10%
Three + adults	839	843	811	797	815	833	-1%
	10506	10844	11029	11134	11280	11382	8%
							% change
Low migration	2018	2023	2028	2033	2038	2043	
Single person	3808	4043	4180	4286	4389	4454	17%
Two person	3641	3787	3862	3883	3914	3948	8%
One parent with children	471	497	494	479	464	447	-5%
Two parent with children	1747	1653	1633	1600	1567	1518	-13%
Three + adults	839	842	808	792	805	818	-3%
	10506	10822	10977	11040	11139	11185	6%

Source: NRS household projections (2018-based)

2.1.6 In all scenarios, there is projected to be a significant increase in single and two-person households and a reduction in the number of families over time.

2.1.7 There are also sub-LA projections, providing population estimates at a lower level of geography. This 2018-based principal population projections by sex and single year of age, from 2018-2030 for –

- East Mainland, South Ronaldsay and Burray
- Kirkwall East
- Kirkwall West and Orphir
- North Isles
- Stromness and South Isles
- West Mainland.

*Table 2.3: Population projections by area and dependency ratios over time (principal)*

Population projections	2018	2025	2030	Change
East Mainland, South Ronaldsay and Burray	3,945	4,148	4,259	8%
Kirkwall East	4,832	4,672	4,500	-7%
Kirkwall West and Orphir	3,871	4,120	4,275	10%
North Isles	2,224	2,066	1,932	-13%
Stromness and South Isles	2,642	2,659	2,658	1%
West Mainland	4,676	4,680	4,632	-1%
Dependency ratio	2018	2025	2030	
East Mainland, South Ronaldsay and Burray	64%	69%	74%	
Kirkwall East	56%	67%	76%	
Kirkwall West and Orphir	59%	61%	66%	
North Isles	73%	76%	78%	
Stromness and South Isles	63%	68%	68%	
West Mainland	61%	67%	74%	

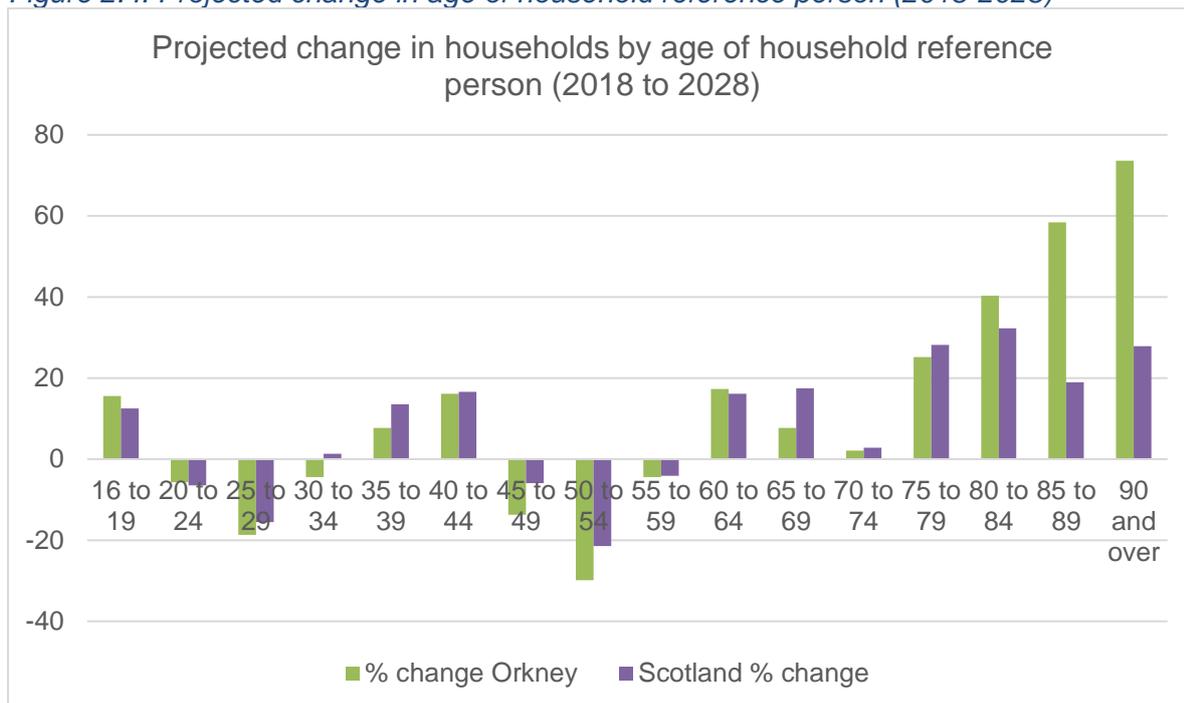
Source: <https://www.improvementservice.org.uk/products-and-services/data-and-intelligence2/sub-council-area-population-projections>

2.1.8 The table above shows the largest increase in population projected between 2018 and 2030 in Kirkwall West, followed by East Mainland, South Ronaldsay and Burray. The greatest loss is predicted in the North Isles (-13%) and Kirkwall East (-7%).

2.1.9 These are also the two locations with the highest dependency ratio projected by 2030 – that is the proportion of working people relative to those that are not working (whether younger people, older or economically inactive for other reasons). So, the relative age of the projected population is associated with more population loss over time.

2.1.10 The figure below shows the estimated change in the profile of households by age of reference group between 2018 and 2028, with the greatest expected proportionate growth in the older households. There is also some growth projected in the 16-19 age group and 35-44 years age groups, but a drop in the proportion aged 20-34 years.

Figure 2.4: Projected change in age of household reference person (2018-2028)

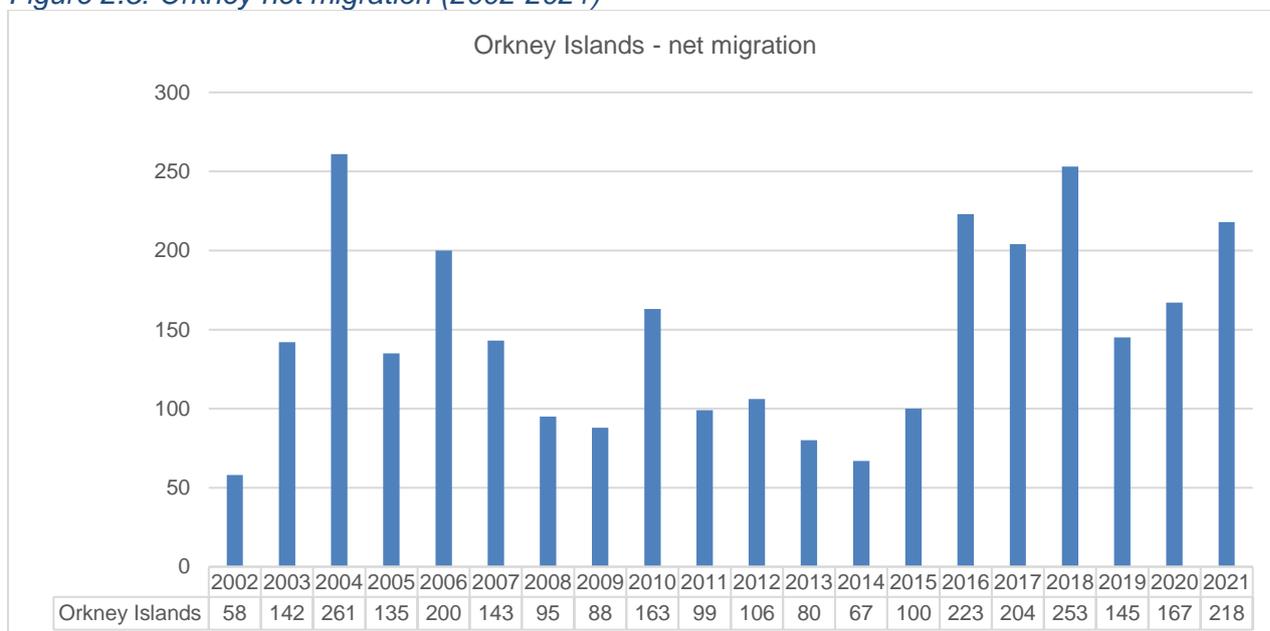


Source: [2018-based Household Projections](#) (Council area profiles)

### Net Migration

2.1.11 Overall, there has been positive net migration to Orkney in recent years, ranging from less than 60 people in 2002 to more than 250 in 2018, and almost 200 people most recently, in 2021.

Figure 2.5: Orkney net migration (2002-2021)



Source: <https://statistics.gov.scot/home> (Net migration)

2.1.12 The most recent migration figure represented net in migration in all age groups, except those aged 15-19 years and 65-69 years. There was a net migration outflow of 19 people aged 15-19 years and 8 people aged 65-69

years. There were 54 more children aged 0-14 years and **an additional 185 people of roughly working age** (between 20-64 years).

2.1.13 A key indicator for sustainable economic growth in future is the working age and non-working age balance in the population. Recent research for Highlands and Islands Enterprise<sup>1</sup> found very high dependency ratios (the proportion of people of non-working age compared with those of working age) across the Highlands and Islands, with the Orkney Islands predicted to have a dependency ratio at 85.7 by 2043, compared with 81.8 across the Highlands and Islands and 65.9 across Scotland.

2.1.14 These projections are based on past trends and do not take into account the economic development projected for Orkney over the next 20-30 years as discussed later. The migration projections are based on the five years prior to the base year (2018)<sup>2</sup> so this would be based on lower rates than more recently – an average of 135 net migrants per year between 2013-2017 compared with an average of 197 per year between 2017-2021. This means the principal projection gives around 60 fewer new migrants per year than recent figures suggest.

2.1.15 It should also be noted that these official statistics do not take into account the supplementary population – agency staff and contractors that live in Orkney required for a range of public and private sector services, who are permanently resident elsewhere, but who nevertheless require housing accommodation on Orkney. These workers will not be included in household population statistics. The Essential Workers Housing Strategy research commissioned by OIC in 2023 shows that there has been an increasing requirement for agency/interim/locum staff to deliver the essential public services in the islands, and it is projected that this type of employment will continue for at least the next decade due to the ageing resident workforce. As at March 2023 there are at least 165 bedspaces constantly used by agency staff required by the public sector who are mainly housed by employers in the private rented sector. There is no specific housing for this group of workers (apart from Graham House nurses home) and therefore they are displacing permanent residents.

2.1.16 The Essential housing strategy also included surveys with recent or possible movers that have moved or want to move to Orkney for work, and Orkney employers. These showed clear quantitative and qualitative evidence of migration being constrained due the lack of housing for incoming permanent workers. The vast majority of recent movers (80%) said it was difficult or very difficult to find housing when they moved to Orkney, and 60% of employers said that it was difficult to recruit employees, with the two main reasons cited being lack of people available to recruit within Orkney (77%) and lack of suitable housing for potential employees (62%). Furthermore, 34% of businesses said that over the past three years or so, employees have been

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<sup>1</sup> <https://www.hie.co.uk/research-and-reports/our-reports/2022/december/20/rural-and-regional-disadvantage-in-the-highlands-and-islands/>

<sup>2</sup> <https://www.nrscotland.gov.uk/files//statistics/population-projections/sub-national-pp-18/pop-proj-principal-18-methodology.pdf>

unable to stay with their business / organisation due to a lack of suitable housing and 54% said that potential recruits have not been able to join them due to a lack of suitable housing.

**HNDA tool – the HMP agreed to three core scenarios with the principal scenario based on more recent migration rates and the higher migration variant based on higher than expected migration to meet constrained workforce requirements (see below). The low migration scenario is based on the unadjusted NRS low migration estimates.**

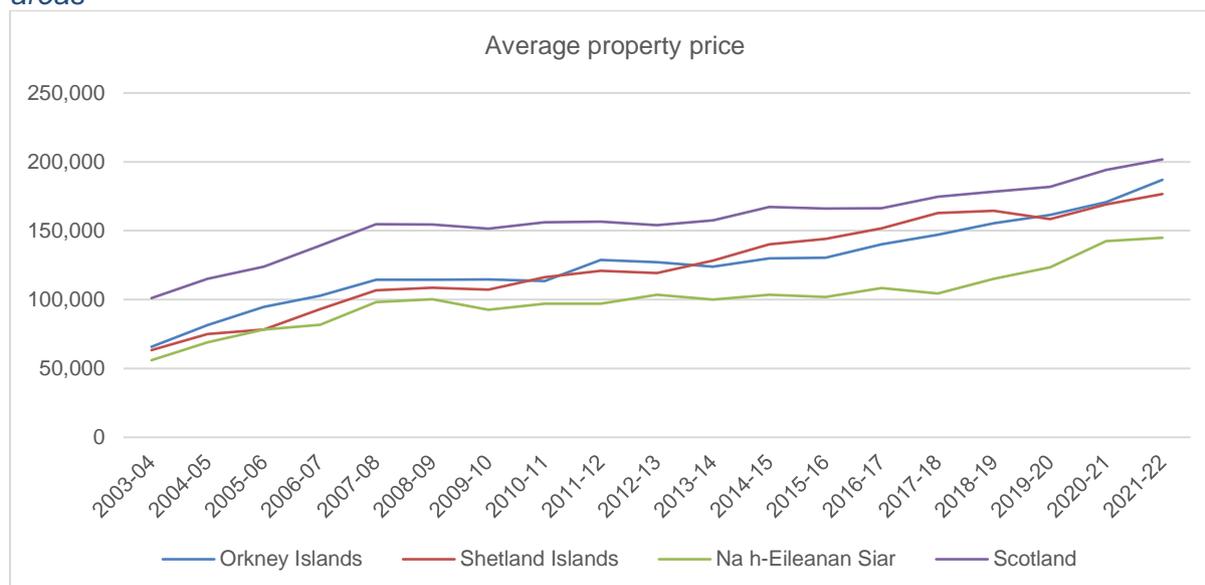
**In consultation with the Island Development Trusts, it was agreed not to produce a scenario to reflect projected population decline in the Isles.**

## 2.2 Affordability Trends

### House prices

2.2.1 Average house prices in the Orkney Islands have increased over time and are now much closer to the Scottish average than previously. The average house price in 2021-22 was £186,956, compared with £201,744 for Scotland overall. Average Orkney prices have edged above those of Shetland and remain significantly higher than in the Outer Hebrides.

Figure 2.6: Average house prices, Orkney compared with Scotland and other comparator areas



Source: Registers of Scotland Property Market Report 2021-22

2.2.2 The Q4 2022 Scottish Housing Market Review<sup>3</sup> reported data from UK HPI that the elevated level of house price growth since the Covid-19 pandemic continued in Q3 2022, although there are signs it might be slowing, with the average Scottish house price increasing by an annual 8.8% to £193K, down from 11.7% in Q2 2022.

<sup>3</sup> <https://www.gov.scot/publications/scottish-housing-market-review-q4-2022/>

- 2.2.3 In the HNDA tool the default scenario in house price growth is equivalent to the annualised growth rate of the average Scottish house price (UK HPI) over the last ten years, which is 1.6% per annum. In the lead up to the 2008 financial crisis, the growth rate of the average Scottish house price was persistently high (around 15% year on year growth in the three years prior to the 2008 financial crisis, according to the UK HPI). However, in the aftermath of the 2008 financial crisis, a combination of reduced mortgage availability and increased unemployment put downward pressure on the average Scottish house price.
- 2.2.4 Over the past ten years though, volatility in Scottish house price growth has moderated, with a fairly stable average growth rate of around 1.6% per annum. The HNDA tool Guidance stated that latest Scottish Fiscal Commission forecast of house prices (published in February 2020, pre-Covid-19) predicted that the year-on-year change in the Scottish house price would be 1.9% from 2021-22 until the end of the forecast period (2024-25). The HNDA core/default setting is slightly lower; however, owing to the adverse economic effect of Covid-19 that has transpired since this forecast was produced, we think that this is a reasonable, long-term assumption.
- 2.2.5 Orkney house prices have grown at a faster rate than across Scotland more recently, which is why prices are starting to converge on the Scottish average. Over the last ten years, this increase has been an average of 5% each year.

**The HMP agreed to scenarios based on moderately high price growth and very high price growth variants as most likely, rather than the default modest house price growth.**

### Income

- 2.2.6 The 2022 CACI income data has been explored to look at how incomes compare to house prices. East Mainland incomes are highest, with a lower quartile income of £25,559 compared with the Isles at just £15,512.

*Table 2.4: Incomes by area (CACI data)*

Area	Mean Income	Median Income	Mode Income	Lower Quartile
Stromness, Sandwick and Stenness	£42,293	£34,714	£17,500	£20,079
West Mainland	£46,921	£39,541	£17,500	£23,107
East Mainland	£50,453	£42,990	£27,500	£25,559
West Kirkwall	£38,470	£30,858	£17,500	£17,868
East Kirkwall	£40,735	£33,395	£17,500	£19,307
Isles	£34,622	£26,962	£17,500	£15,512
Orkney	£42,239	£34,468	£17,500	£19,646

Source CACI Data: 2022

- 2.2.7 The Essential Worker Housing Strategy found that the incomes of incoming workers tended to be higher, compared with Orkney residents – ranging from £35K-£52K for incoming workers compared with £25K-£26K for the average

Orkney public sector keyworker recruit suggesting that more senior or specialist workers are recruited more commonly from outwith Orkney.

- 2.2.8 It is typical to consider affordability using a ratio of income to housing costs, with housing costs of around 25-35% of income as a typical affordable range. Given the current cost of living crisis and increased energy costs, it is likely that a lower threshold of closer to 25% would be more appropriate.
- 2.2.9 At the lower end of the income spectrum, in the Isles, an income of £15,512 would mean an affordable housing cost would be £323 per month at a 25% affordability ratio and £452 at 35%. For the higher income areas with lower quartile incomes of over £25,000, this range would be between £532 and £745 per month.
- 2.2.10 Recent work by the Fraser of Allander Institute has reported an unprecedented stagnation of earnings and household incomes in Scotland (as in the UK) in the decade following 2009/10. Between 2009/10 and 2019/20, household disposable income grew at less than half the rate it had in the previous three decades. By 2021, typical weekly earnings were around £80 per week below what they would have been had long-run trends before 2010 continued. They also reported that income inequality in Scotland, while lower than in the UK as a whole, is above the average of European countries. Inequalities of earnings, wealth and educational attainment are also relatively high in Scotland, and have remained persistently so for many years.
- 2.2.11 Annual Survey of Hours and Earnings data show average earnings growth between 2009 and 2021 of 3.7% in Orkney and 2.5% in Scotland (from NOMIS). Up until recently, this would have represented high real terms income growth (based on inflation of 2%). However, inflation has recently outstripped these income growth rates in the most recent period. The OBR's most recent projections are for RPI inflation to reduce to 2.8% by 2027 (from 8.9% in 2022)<sup>4</sup>.

**The core assumption of modest income growth in the HNDA tool may be optimistic in the short term but more likely over the longer period. The HMP agreed to scenarios based on modest income growth, with higher income growth in the high migration variant.**

#### **House price affordability**

- 2.2.12 A lower quartile house price in the cheapest market (in the Isles) – at £63,750 – would be £352.33 per month, based on a 5.5% mortgage interest rate and 10% deposit<sup>5</sup>. On the East Mainland the mortgage payment on the lower quartile price with a 10% deposit would be £788.25. The Isles are more affordable, while the East Mainland is on the margins of affordability. However, there were only around 50 sales on the Isles in two years so supply in the cheaper areas may constrain the market there. There is also likely to be

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<sup>4</sup> <https://obr.uk/economic-and-fiscal-outlooks/#annex-a>

<sup>5</sup> <https://www.nationwide.co.uk/mortgages/mortgage-calculators/mortgage-repayment-calculator/>  
Based on average online rate for 10% deposit, December 2022

considerable difficulty securing mortgages with lower income levels at present.

*Table 2.5: House prices by location 2019/2020*

	25 percent	50 percent	75 percent	Maximum
Kirkwall	£111,050	£138,000	£170,000	£295,000
East Mainland	£142,625	£176,500	£235,000	£407,000
Stromness	£122,000	£167,000	£220,000	£500,000
West Mainland	£135,000	£175,000	£241,000	£390,000
Isles	£63,750	£102,500	£134,000	£200,000

Source: CHMA datapack/Sasines data, 2019/20

2.2.13 Using income multiple as an indicator of affordability (as used in the HNDA Tool), the ratio of lower quartile house price to income is 4.1 in the Isles ranging to 6.1 in Stromness (compared with the default multiplier threshold of 3.9 in the HNDA tool).

2.2.14 So lower quartile house prices are not generally affordable at lower quartile incomes. Median house prices are closer to being affordable but still range from 3.8 in the Isles to 4.8 in Stromness.

*Table 2.6: Affordability ratios - House price to income ratios by location*

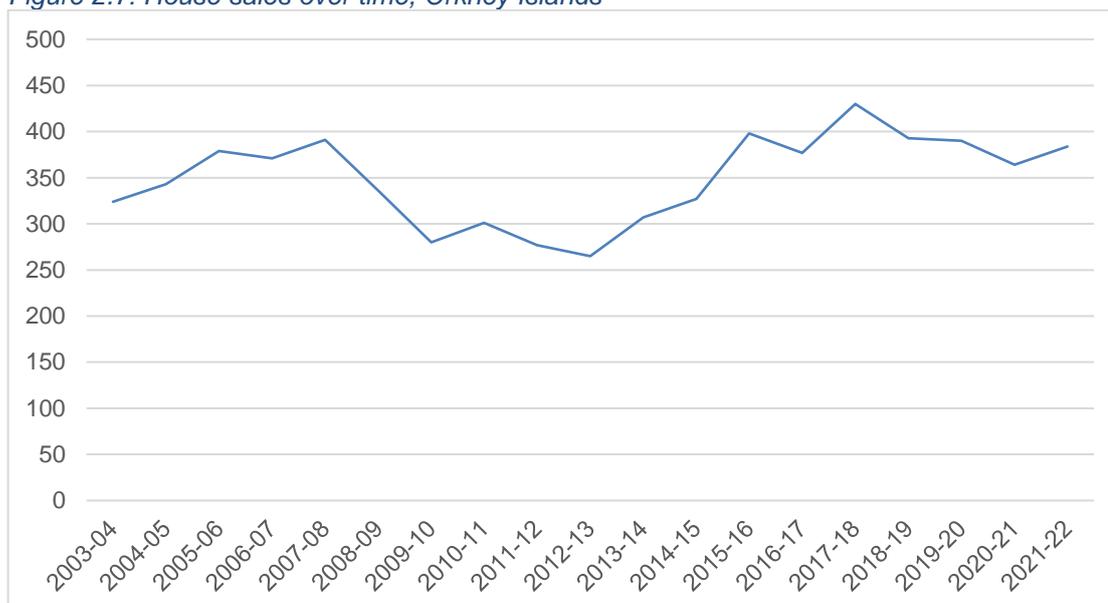
	AR - LQ	AR - Med
Kirkwall	6.0	4.3
East Mainland	5.6	4.1
Stromness	6.1	4.8
West Mainland	5.8	4.4
Isles	4.1	3.8

Sources – 2022 CACI data, 2019/20 house prices (CHMA datapack)

### **Volume of sales**

2.2.15 The latest data on sales volumes (up to 2021/22), shows that sales of properties in Orkney had increased over recent years before the pandemic in 2020. Previously, the last dip in sales was after the global economic crisis in 2008. This, alongside data on price increases indicates a more recent increase in demand for owner-occupied housing.

Figure 2.7: House sales over time, Orkney Islands



Source: Registers of Scotland Property Market Report 2021-22

### Access to mortgage finance

- 2.2.16 The HNDA tool test for mortgage affordability is that the house price is no more than 3.9 times the household's income. To calculate this, the mean loan-to-value ratio for a first-time-buyer mortgage in Scotland in 2019/20 (82%) and mean loan-to-income ratio (3.2) were obtained from UK Finance. To get the house price to income ratio, 3.2 is divided by 82%.
- 2.2.17 The 'rental choice' default in the Tool is set at 60%. This assumes, of those who can afford mortgage repayments, only 60% also have the deposit to actually go on to buy.
- 2.2.18 The latest Scottish Housing Market Report<sup>6</sup> showed a challenging picture for home ownership. Lending to both first-time buyers and home movers fell in Q3 2022, with new mortgage advances to first-time buyers decreasing by an annual 15.9% whilst for home movers they decreased by 8.1%. The large annual decrease can be explained by the high number of new mortgages advanced in Q3 2021 and rises in interest rates (Source: UK Finance).
- 2.2.19 The Bank of England increased the Base Rate nine times since December 2021, taking the rate from 0.1% to 3.5%. This was estimated to increase the monthly payment by around £300 on an average new variable rate mortgage and by £170 on an average outstanding variable rate mortgage in Scotland.
- 2.2.20 In Q3 2022, the mean Loan-to-Value (LTV) ratio on new mortgages advanced to first-time buyers in Scotland stood at 83.1%, an annual increase of 1.3 percentage points. Meanwhile, the mean LTV ratio for home movers in Scotland stood at 71.7% in Q3 2022, up 0.5 percentage points over the one year period.

<sup>6</sup> <https://www.gov.scot/publications/scottish-housing-market-review-q4-2022/>

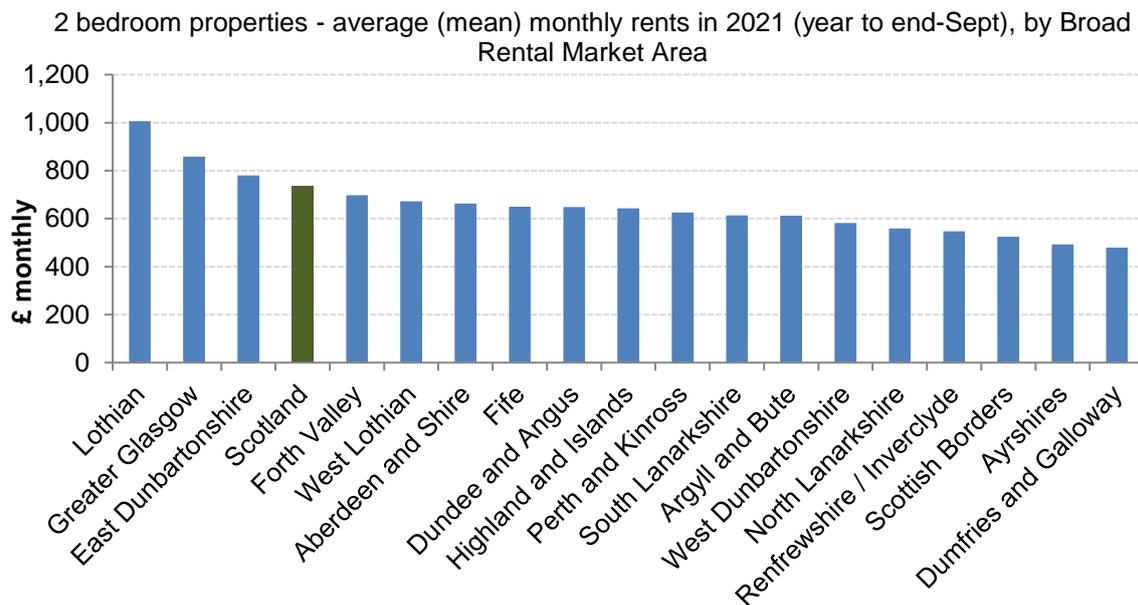
2.2.21 ONS data shows that, In the financial year ending 31 March 2021, the average home sold in England cost the equivalent of 8.7 times the average annual disposable household income, while in Wales the ratio was 6.0, and in Scotland it was 5.5<sup>7</sup>. This suggests that, although access to mortgage finance is becoming more difficult, Scotland is more affordable and the HNDA tool assumption of a multiplier of 3.9 is reasonable for lower income households.

**The HNDA default is used in the HNDA tool – 3.9 mortgage multiplier and 60% who can afford to buy will do so. This allows for people who could afford a mortgage not having a deposit and so not being able to secure mortgage finance. The HMP expressed concern that houses are often sold off-grid or with very high ‘offers over’ prices, so a 50% rate was tested as one of the sensitivity tests (Appendix 3) to reflect more constrained ownership.**

### Private Rents

2.2.22 The average 2-bed rent in the Highlands and islands was £643 – the Broad Rental Market Area that includes the Orkney Islands. The 2-bedroom Local Housing Allowance rate is £126.58 per week or just under £550 per month. Rents in the Highlands and Islands have increased at a rate slightly below the Scottish average, between 2010 and 2022.

Figure 2.8: Rents by BRMA (2021)

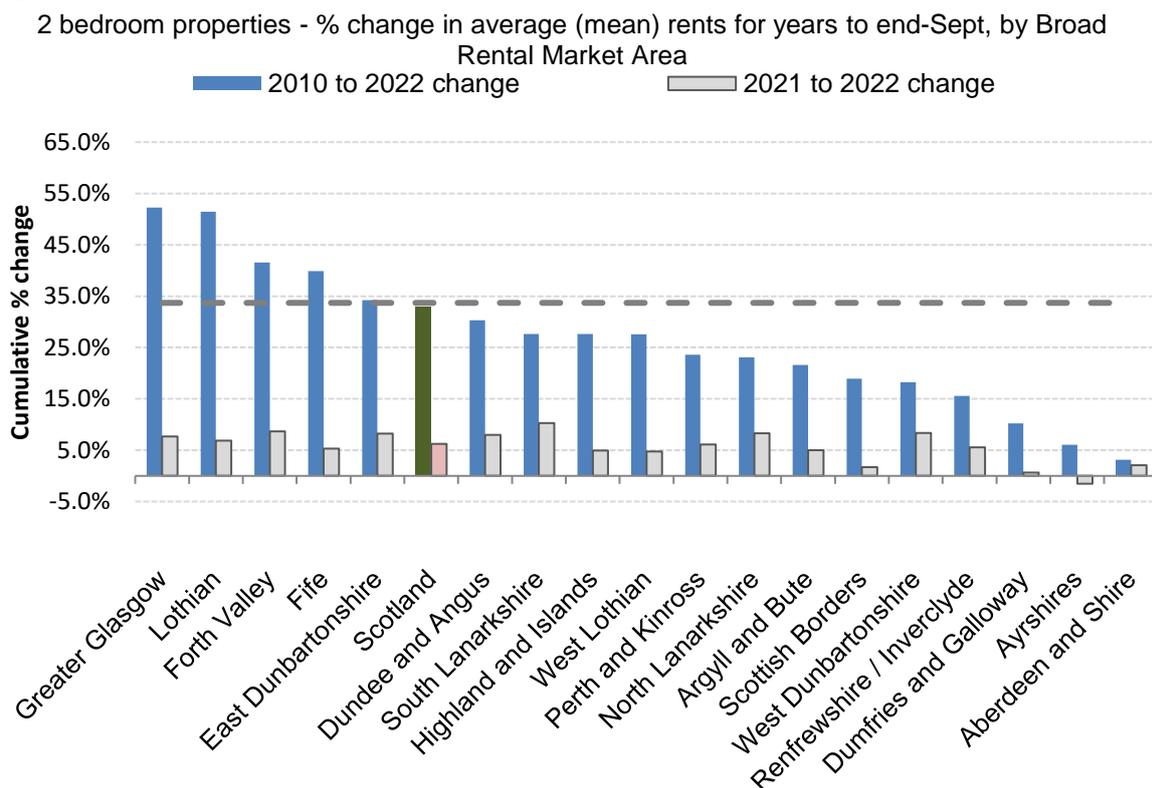


Source: Private Sector Rent Statistics, Scotland 2010 to 2022

7

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingpurchaseaffordabilitygreatbritain/2021>

Figure 2.9: Change in rents by BRMA (2021-2022 and cumulative 2010-2022)



Source: Private Sector Rent Statistics, Scotland 2010 to 2022

Table 2.7: Local Housing Allowance rates

Number of bedrooms	Category	LHA Weekly amount
Shared room rate	A	£74.79
1 bedroom	B	£97.81
2 bedrooms	C	£126.58
3 bedrooms	D	£146.14
4 bedrooms or more	E	£184.11

LHA rates from April 2022, Orkney Islands Council

2.2.23 A look online at available lets shows these in short supply, with a 4-bed property in the Isles for £550 and a 3-bed modern apartment on the West Mainland advertised for £750 per month on one site and Facebook having two 1-bed flats advertised for £425 and £525 per month<sup>8</sup>. These cheaper rents would be affordable for people earning between £20,000-£25,000 (the range between a 25% and 35% of income). The £750 per month rent would be affordable for people earning between £26,000-£36,000.

2.2.24 Orkney Islands Property Developments Ltd rents data showed 1-bedroom properties at around £400-£450 with larger properties at around £600-£700 a

<sup>8</sup> Checked in December 2022

month. Another letting agent (D&H Law) indicated rents of £600-700 for 2-bedroom properties in Kirkwall with prices in Stromness similar. These rents would be affordable at incomes of around £20,500-£28,000 for a £600 rent and salary of £24,000 to £33,600 at a £700 rent.

2.2.25 Rents were higher (£850) for 3-bedroom property in Kirkwall with outside space. That would need an income of £30,000- 40,000 per annum to be affordable. That would be around the median income for Orkney (£34,468).

2.2.26 Smaller private rented properties with rents at below the 2-bed LHA rate (£550) are affordable at lower quartile incomes in East and West Mainland and Stromness but on the margins of affordability in Kirkwall and the Isles (where lower quartile incomes were £15,500 to £19,300).

2.2.27 The private landlord survey undertaken as part of the Essential Worker Housing Strategy research in 2023 asked private landlords for indications of rent levels with responses as shown below. Over 70% of landlords stated that rents were increasing either significantly or a bit over the past 3 years. There is also an expectation that demand will continue to increase over the next 3 years - 60% think that demand will increase, including 36% that think it will increase significantly. When “don’t know” responses are factored out, the relevant figures are 78% and 46% respectively.

*Table 2.8: Were you to put the following types of property on the market for long-term residential let, what is the approximate monthly rent level that you would look for?*

<b>Type of property</b>	<b>Number of survey responses</b>	<b>Mean</b>	<b>Median</b>
A 2-bedroom flat in Kirkwall or Stromness	108	£551	£550
A 3-bedroom house in Kirkwall or Stromness	84	£655	£650
A 2-bedroom house in a smaller settlement or rural area	81	£512	£500
A 3-bedroom house in a smaller settlement or rural area	89	£568	£600

Source: Orkney Islands Private landlord survey 2023

Table 2.9: If you have long-term residential lettings, how would you describe the demand that you have for the privately rented properties that you have in Orkney?

Level of demand	%
Very high	63%
Quite high	27%
Quite low	3%
Very low	1%
It varies a lot according to the property	6%
Base	176

Source: Orkney Islands Private landlord survey 2023

2.2.28 The Q4 2022 Scottish Housing Market<sup>9</sup> report found that Private housing rental prices continued to increase in November 2022, rising by an annual 4.4% in nominal terms, the highest since the series began. (Source: ONS). Data based entirely on new let rents, such as letting agent data, shows higher growth rates in recent months.

**Given the lack of PRS supply in Orkney at present and the generally high increases in private rents, a higher expected rent growth scenario in the HNDA tool is used (very high growth for high migration).**

### **Social Rents**

2.2.29 Social rents are relatively more affordable than private rents, as the latest Annual Return on the Charter data shows (weekly rents, compared with the Scottish average).

2.2.30 Comparing a three-apartment (2-bed) rent with lower quartile incomes, these social rents would be broadly affordable at lower quartile incomes even in the Isles. £86.32 per week equates to 28% of the lower quartile income in the Isles and 23% of the lower quartile income for Orkney as a whole. A rent of £92.50 per week is 31% of the lower quartile income in the Isles and 24% of the lower quartile income for Orkney as a whole.

<sup>9</sup> <https://www.gov.scot/publications/scottish-housing-market-review-q4-2022/>

*Table 2.10: Average weekly rents - Orkney Housing Association and Orkney Islands Council*

Size of home	Number	OHAL	Scottish average
1 apartment	8	£62.30	£75.95
2 apartment	280	£84.22	£81.32
3 apartment	346	£92.50	£84.18
4 apartment	163	£98.91	£91.48
5 apartment	27	£107.79	£100.74
Size of home	Number	OIC	Scottish average
1 apartment	27	£60.31	£75.95
2 apartment	357	£72.93	£81.32
3 apartment	307	£86.32	£84.18
4 apartment	244	£86.29	£91.48
5 apartment	20	£107.54	£100.74

Source: <https://www.housingregulator.gov.scot/landlord-performance/landlords>

2.2.31 Affordability analysis by Arneil Johnstone in 2021 found that OIC rents were on average 8% higher than comparable local authority rents and OIC had the seventh highest rents in Scotland, on average, compared with other local authorities. Rents were on average 2% lower than local RSL rents, though, with rent increases at below the Scottish average in recent years. Projected OIC rents for the next 5 years were expected to sit on average 22% below the Local Housing Allowance rate.

2.2.32 The default rent to income affordability ratios to test market rents in the HNDA tool are reasonable and in line with long-standing approaches to affordability assessment. If a household spends less than 25% of their income on rent the Tool assumes they can afford to rent in the private sector. This threshold has been used historically as the threshold for PRS affordability. If a household spends between 25% to 35% of their income on rent the Tool assumes they are suitable for below market rent. If a household spends more than 35% of their income (including housing benefit) on rent the Tool assumes they are suitable for social rent.

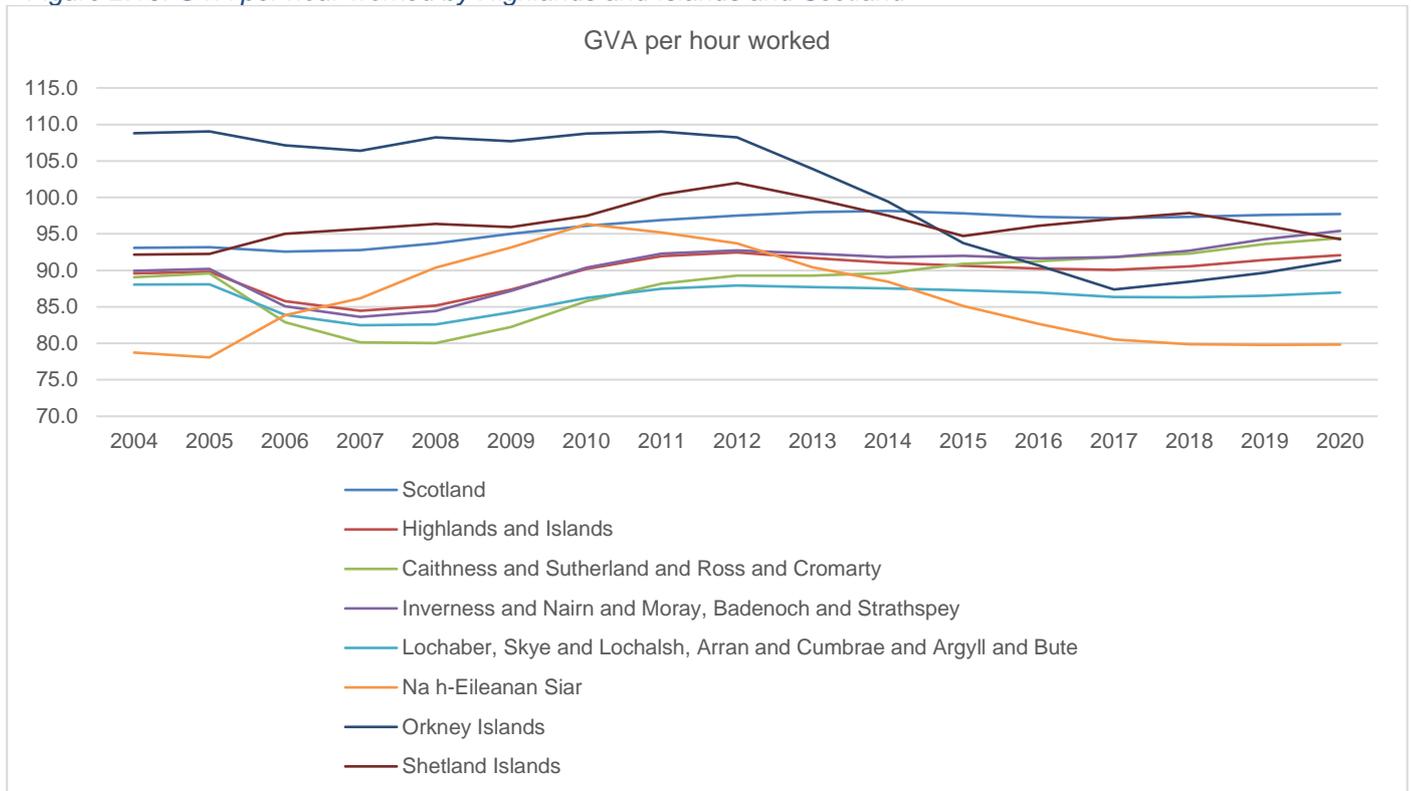
## 2.3 Economic Trends

### Economic Growth

2.3.1 The economic context is a key housing market driver, which is explored through analysis of key variables – e.g. GVA, employment/unemployment and key employment sectors.

2.3.2 In 2004, Orkney had far higher levels of GVA per hour worked (a measure of economic productivity) compared with Scotland and the other areas within the Highlands and Islands. However, this reduced from around 2012. There has been more recent recovery, but the most recent results are still below the Scottish and Highlands and Islands average.

Figure 2.10: GVA per hour worked by Highlands and Islands and Scotland

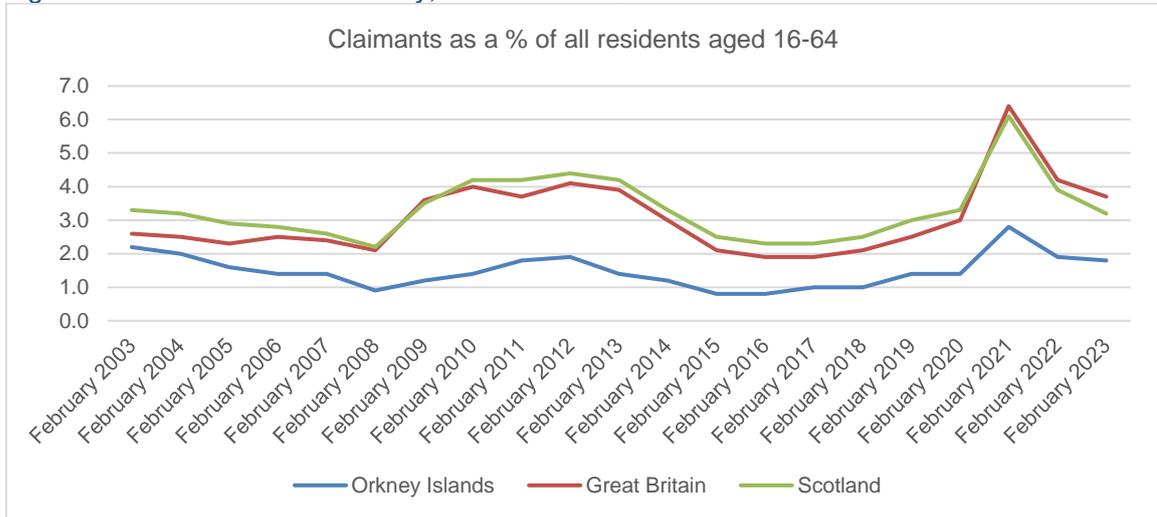


<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/datasets/subregionalproductivitylabourproductivitygvaaperhourworkedandgvaaperfilledjobindicesbyuknuts2andnuts3subregions>

## Employment and unemployment

2.3.3 Unemployment in Orkney tends to be lower than the Scottish and Great British average. Unemployment did rise markedly during the COVID-19 pandemic, to 2.8% in February 2021. The latest reported rate of 1.8% is not quite back to the rate in February 2019.

Figure 2.11: Claimant count Orkney, Scotland and Great Britain

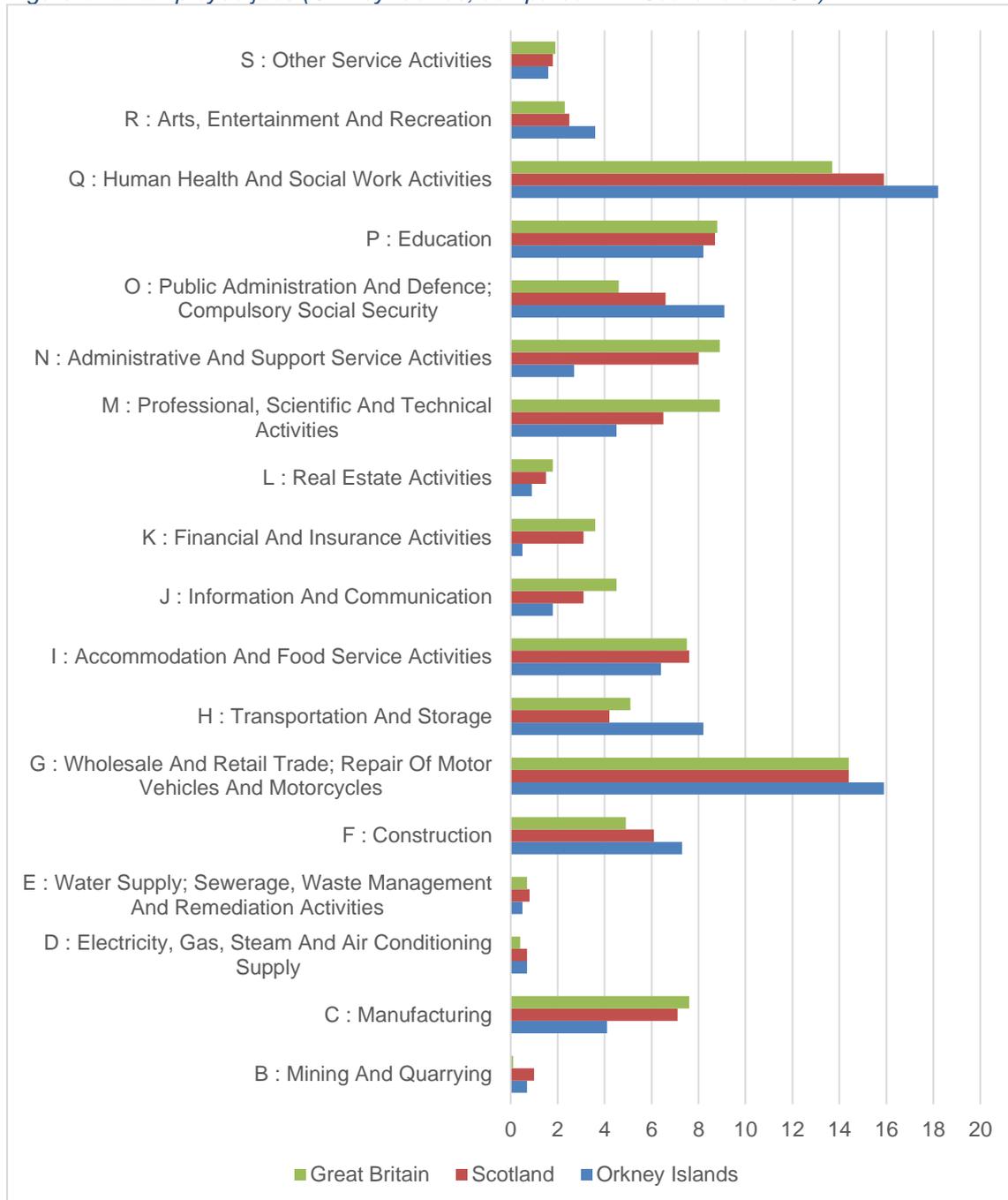


Source: NOMIS

2.3.4 The ONS Business Register and Employment Survey found that, in 2021, 45% of jobs were part-time in Orkney, with 55% full time. In Scotland, just 34% of employee jobs were part-time. Just 41% of Orkney residents aged 16-64 years had a qualification at NVQ Level 4 or above, compared with 50% across Scotland.

2.3.5 Although employment levels are high, there is some evidence of more people in employment part-time and with lower skills. Employment patterns differ also, with fewer people in the Orkney Islands working in manufacture, professional, scientific and technical activities, finance, administration and support services and information/communications. More people work in construction and public services.

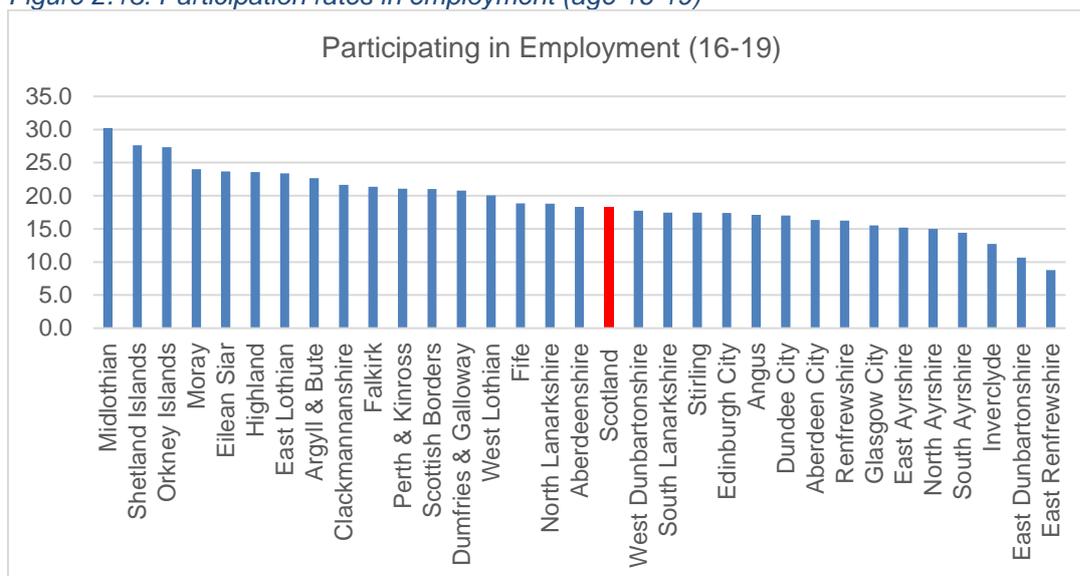
Figure 2.12: Employee jobs (Orkney Islands, compared with Scotland and UK)



Source: ONS Business Register and Employment Survey

2.3.6 Skills Development Scotland found participation in employment among those aged 16-19 years is higher than the Scottish average in all local authorities in the Highlands and Islands area (except North Ayrshire), with rates as high as 27.6% in Shetland and 27.3% in Orkney.

Figure 2.13: Participation rates in employment (age 16-19)



Source: SDS Participation Rates 2020

2.3.7 Conversely, the proportion of those aged 16-19 entering education is lower than the Scottish average in all areas of the Highlands and Islands. Looking at destination by rurality, remote rural and remote small towns in general are more likely to see school leavers enter employment. While many of these jobs may involve learning ‘on the job’ skills, there is clearly a skills gap in many remote and rural areas, including the Orkney Islands. As highlighted earlier, there is a net loss of young people aged 15-19 years old from Orkney.

2.3.8 Respondents in the National Islands Plan Survey, published in July 2021, felt there was a lack of support for young people to remain, move or return to the islands. There was perceived to be a lack of employment, training and higher education opportunities and a lack of childcare options to fit with residents' working patterns. Respondents also felt there was a poor variety of housing (type, size, and tenure) to meet people's needs and a lack of affordable housing. These housing pressures are examined in Chapter 3.

### **Constrained employment**

2.3.9 Public and private sector employers find it increasingly difficult to recruit with high vacancy rates (as at January 2023 - OIC 520 vacant posts or 17%, and NHS requires to recruit 155 FTEs over the next 5 years - NHS Orkney Workforce Plan 2022). The recent OIC private sector employer survey (2023) showed that businesses are finding it increasingly difficult to recruit, with lack of suitable resident recruits and lack of housing being the key constraints. While all employers recruit from off island (NHS 23%, private sector 18% and OIC 7%), this is argued to be constrained due to lack of suitable housing options.

### **Potential economic growth**

2.3.10 In addition to the ongoing economic activity in Orkney, there is significant potential for growth. The Islands Growth Deal programme “Our Islands Our Deal” Heads of Terms was agreed in March 2021. This set out a programme to achieve growth with support from the UK and Scottish Governments. Three projects are supported for Orkney Islands Council – the Scapa Flow Future Fuels Hub, the Orkney World Heritage Site Gateway and the Orkney Research and Innovation Campus. The key themes in the Deal were to lead the way to a low carbon future, support growth and future industries, and support thriving sustainable communities. The potential to support transition to renewable industries is supported in the Scottish Government’s National Planning Framework NPF4 identifying the Orkney Islands as one of the National developments. These are significant developments of national importance that will help to deliver Scotland’s spatial strategy, with Orkney identified as one of the Energy Innovation Developments for renewable energy generation, renewable hydrogen production, infrastructure and shipping, and associated opportunities in the supply chain for fabrication, research and development.

2.3.11 There is a likely to be significant economic growth in the renewables industry with a requirement for 1,359 bedspaces for construction workers for the potential infrastructure projects that may start in the islands from 2024 (pending approvals). These are temporary housing requirements (see Chapter 5), but it is estimated that at least 200 additional long-term jobs will be created for the operational phases, 100 of which are assumed to be filled by incoming workers. The temporary housing requirements will have to be resourced through the developers, but there is an opportunity to harness a legacy through this provision for permanent housing.

2.3.12 The first two potential economic development projects planned for construction phases from 2024 are:

- Finstown SSEN Interconnector Substation - This development is a strategically important piece of infrastructure driven by the requirement to provide a transmission network connection from Orkney to the Scottish mainland and to support renewable energy generation.
- Investment in Orkney harbours through the [Orkney Harbours Masterplan](#) an ambitious blueprint that provides a framework for the long-term future of our islands supporting renewable energy industry development around Orkney.
- Flotta Oil Terminal - The Flotta Terminal has been operational since 1976 and has made a significant contribution to Orkney’s economy and communities for more than 40 years. The owner and operator Repsol Sinopec has a vision to transition the oil industry to clean, green energy and a secure future for skilled oil and gas workers in Scotland and across the UK. At this stage the project is at ‘vision’ stage and so the detail on timescales are unknown.

The 'high migration' scenario assumes migration at a higher rate than the 2018-base to enable migration to meet employment needs in the public and private sector.

LHS & Development Plan	Key Housing Market Drivers - Key Issues Identified in the HNDA
<p><b>Demographic issues for the local housing market</b></p>	<ol style="list-style-type: none"> <li>1. Although the Orkney population has increased significantly since 2001, this has been disproportionately greatest among older groups.</li> <li>2. In future, a significant increase in single and two-person households is projected alongside a reduction in the number of families over time, with the greatest expected proportionate growth in older households.</li> <li>3. Kirkwall and East Mainland is projected to see growth while the North Isles is to see a decline in population.</li> <li>4. There is evidence of a higher level of net migration in recent years and significant temporary migration (supplementary workforce/agency staff), which is not captured in projections.</li> <li>5. There is also evidence of migration being constrained due the lack of housing for incoming permanent workers.</li> </ol>
<p><b>Affordability issues for the local housing market</b></p>	<ol style="list-style-type: none"> <li>1. Average house prices in the Orkney Islands have increased over time and are now much closer to the Scottish average than previously, having grown at a faster rate than across Scotland recently.</li> <li>2. Lower quartile house prices are not generally affordable at lower quartile incomes while median house prices are closer to being affordable on median incomes.</li> <li>3. Average earnings growth between 2009 and 2021 was higher in Orkney than in Scotland but inflation has recently outstripped these income growth rates.</li> <li>4. There is also a lack of privately rented property and increased pressure on private rents.</li> </ol>
<p><b>Economic issues for the local housing market</b></p>	<ol style="list-style-type: none"> <li>1. Although has seen more recent recovery in economic productivity, Gross Value Added (GVA) per hour worked is still below the Scottish and Highlands and Islands average.</li> <li>2. Orkney has high levels of employment and low unemployment but there is also evidence of more part-time working and lower skills levels compared with Scotland overall, with more young people entering work and fewer entering education.</li> <li>3. Public and private sector employers find it increasingly difficult to recruit with high vacancy rates, with housing availability a key factor.</li> <li>4. There is significant potential for economic growth in</li> </ol>

	Orkney as part of The Islands Growth Deal and significant economic growth potential expected in the renewables industry. This has impacts on short-term and longer-term housing needs.
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### 3. HOUSING STOCK PROFILE, PRESSURES & MANAGEMENT ISSUES

#### 1. Purpose of the Chapter

3.0.1 This chapter examines what existing stock is available to meet local housing needs and identifies any under-supply or surplus of housing types. It is intended to show where existing housing stock is pressured and could be managed differently to meet housing needs. It describes the types and number of in-situ solutions used.

3.0.2 Stock is considered by size, type, condition, occupancy (overcrowding and under-occupancy, concealed households and turnover (re-lets and voids), tenure and location.

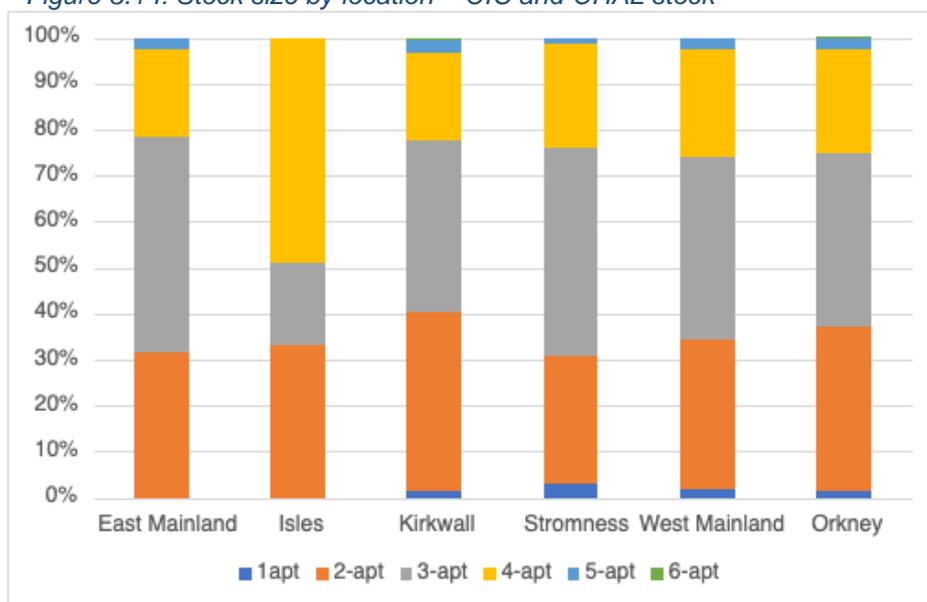
#### 2. Physical stock characteristics

##### 3.1 Dwelling size

3.1.1 The latest Scottish Household Survey LA tables<sup>10</sup> (2017-2019) estimate that the **whole stock** profile for Orkney is as follows –

- 69% had 3+ bedrooms and 31% 2 or fewer bedrooms
- 96% houses and 4% flats
- 33% were built pre-1945 and 67% post 1945.

Figure 3.14: Stock size by location – OIC and OHAL stock



Source: OIC and OHAL Housing Management data (stock)

3.1.2 Overall, over 70% of social rented properties are smaller – either bedsits (1 apt) or 1-2 bedroom properties (2-3 apt). The Isles properties tend to be larger, mainly 3-bedroom (4-apt). This means that the owner-occupied stock

<sup>10</sup> <https://www.gov.scot/publications/scottish-house-condition-survey-local-authority-analysis-2017-2019/documents/>

(and private rented stock, potentially) is significantly larger compared with the social rented stock.

## 3.2 Dwelling type

3.2.1 The 2021 NRS dwelling estimates<sup>11</sup> provide an estimate of the number of dwellings by area, while the 2016 NRS dwelling estimates also included property size and type. The number of dwellings increased by 4% between 2016 and 2021, mainly in the East and West Mainland.

*Table 3.11: NRS dwelling estimates*

Area	Dwellings est 2021					
East Mainland	2,898					
Isles	1,721					
Kirkwall	3,299					
Stromness	1,114					
West Mainland	2,526					
<b>Grand Total</b>	<b>11,558</b>					

	East Mainland	Isles	Kirkwall	Stromness	West Mainland	Orkney
Detached	1964	1367	887	397	2043	6658
Semi-detached	423	264	1054	332	356	2429
Terraced	157	44	784	227	13	1225
Flat	36	17	565	139	16	773
Unknown	2	7	5	0	3	17
Total 2016 est.	2,582	1,699	3,295	1,095	2,431	11,102

	East Mainland	Isles	Kirkwall	Stromness	West Mainland	Orkney
1 room	9	46	46	14	19	134
2 rooms	225	266	591	139	192	1413
3 rooms	598	419	1044	338	531	2930
4 rooms	812	540	995	330	849	3526
5 rooms	505	248	358	159	479	1749
6 rooms	252	89	180	73	227	821
7+ rooms	176	79	77	42	129	503
Unknown	5	12	4	0	5	26
Total 2016 est.	2,582	1,699	3,295	1,095	2,431	11,102

Source: NRS Scotland dwelling estimates 2021 & 2016

3.2.2 Over the period from 2016 to 2021, the estimated number of households in Orkney increased by almost 5%<sup>12</sup>, from 10,256 in 2016 to 10,758 in 2021. So the number of households is estimated to have increased at a higher rate than dwellings. This helps us to understand the pressure on the housing market.

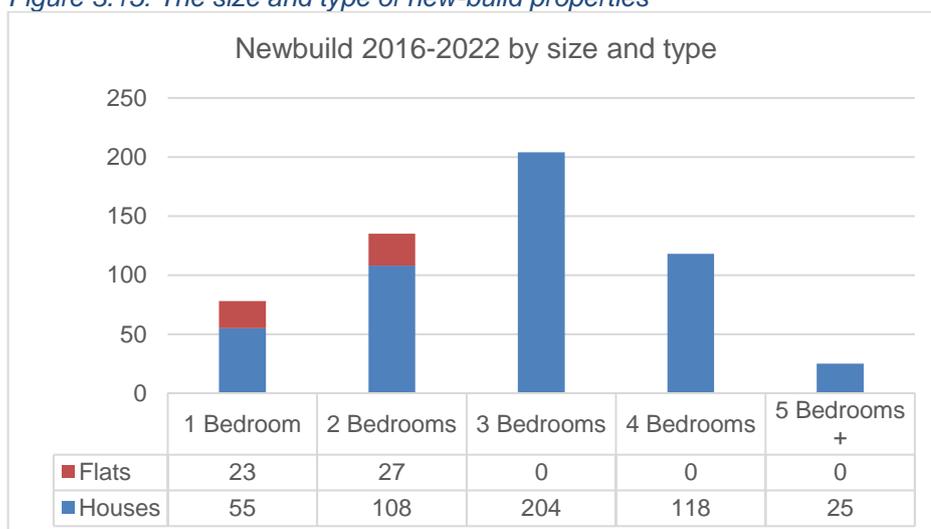
<sup>11</sup> <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-estimates/small-area-statistics-on-households-and-dwellings>

<sup>12</sup> <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-estimates/2021>

3.2.3 Overall, the dwelling profile above reflects the SHCS estimates, that show very few flats, with these mainly found in Kirkwall and Stromness. Around 40% of dwellings have 3 rooms or fewer, concentrated in Kirkwall, while 32% of the stock has 4 rooms and 28% is larger. Larger properties are more commonly found in the East and West Mainland.

3.2.4 Between 2016 and 2022, an additional 50 flats have been built, roughly split between one- and two-bedroom properties. More than half of the properties built in the social rented sector were of this size – over 100 units of the 130 properties built.

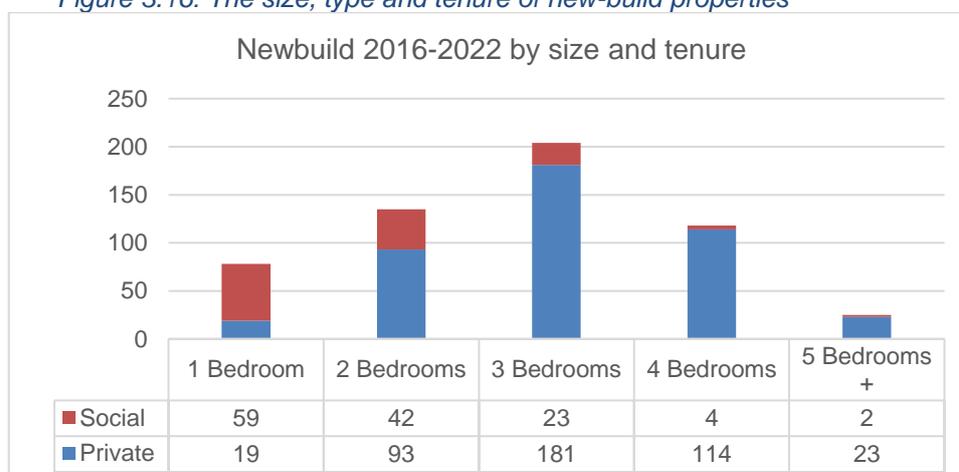
Figure 3.15: The size and type of new-build properties



Source: OIC

3.2.5 Private sector new-build properties have tended to be larger, with around three-quarters having three or more bedrooms and a third having four or more bedrooms.

Figure 3.16: The size, type and tenure of new-build properties



Source: OIC

- 3.2.6 Overall, only 14 of the flats that were built were in the private sector and only a total of 112 one- or two-bedroom properties were built privately. This indicates a tendency for private sector new-build to be larger and higher value properties.
- 3.2.7 In 2022/23, OHAL completed 22 new build social rented houses, all in Kirkwall – fourteen were 1-bedroom properties, seven 2-bedroom properties and one 4-bedroom property.
- 3.2.8 The research for the Essential Worker Housing Strategy (including all essential incoming workers and students) shows that there is lack of availability and choice, especially for smaller one- and two-bedroom flats which incoming households may initially want for the short term while they work out the longer-term housing options. Even for the long-term, the movers survey showed that most commonly, the aspiration would be for a flat or house in a “rural area” (40%) or a house in a town or village (30%) and these would be most commonly for a 2-bedroom home (37%) followed by 3 bedrooms (29%) or 1 bedroom (22%).

### **3.3 Housing tenure**

- 3.3.1 The latest Scottish Government tenure estimates, for 2019<sup>13</sup>, put the dwelling stock profile at 65% owner-occupied, 10% private rented and 15% social rented (with the remaining 9% empty private sector dwellings). This is a higher level of ownership compared with dwellings in Scotland overall (59%).
- 3.3.2 Orkney Islands Property Development Limited also provides some rented accommodation - 24 very sheltered houses in Kirkwall , 5 flats and 2 semi-detached houses in Westray (also very sheltered) as well as 12 flats and 5 houses in Kirkwall. This includes 3 houses (6 rooms) for student accommodation.
- 3.3.3 There is some intermediate provision – Orkney Housing Association Limited (OHAL) has 134 Shared Ownership Properties and has built 24 Shared Equity Properties (although 9 of these have been sold outright). However, there are no mid-market rent options on the islands apart from a few MMR schemes in development that have been provided by private developers, funded through the Scottish Government Rural and Islands Housing Fund.
- 3.3.4 The North Ronaldsay Trust completed a three-bedroom family home in a renovated property on a long lease from the council in 2019. Shapinsay Development Trust also developed two empty three-bedroom properties for rent as family homes (completed in 2021), while Papay Development Trust bought and renovated a four-bedroom home (completed in 2022). Sanday Development Trust purchased an empty property from the council which was renovated to be a three-bedroom family home with home office. A private developer also completed four one-bedroom flats in an underused commercial storage space in 2023.

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<sup>13</sup> <https://www.gov.scot/publications/housing-statistics-stock-by-tenure/>

- 3.3.5 There are also a number of developments under construction. Westray Development Trust - The Westray Development Trust are nearing completion of a development of four 1-2 bedroom flats in a previously empty council owned property. Stronsay Development Trust are in the early stages of renovating a previously empty three-bedroom family home. There are also two private sector developments in Kirkwall – one converting an old office into a couple of two-bedroom flats and the other converting an empty space above a shop and an existing dwelling into 7 one-bedroom flats.
- 3.3.6 Projects at the feasibility stage include – North Ronaldsay Trust planning a two-bedroom flat and community space, the Eday Partnership looking to demolish two properties and build a couple of three-bedroom family homes and to purchase a property through the Scottish Land Fund.
- 3.3.7 Rousay, Egilsay and Wyre (REW) Development Trust also hopes to use the Islands Housing Fund to develop/build two bungalows on land currently owned by OHAL. Shapinsay Development Trust are looking to develop affordable housing in a cottage they were offered to purchase, with plans to extend this cottage using the Rural and Islands Housing Fund to create 3 new 2 bedroom properties and 1 studio flat as affordable accessible housing. They are also developing plans for an affordable housing project. A site has also been purchased that will include two 2-bedroom semi-detached new builds, two 3-bedroom semi-detached new builds and 3 serviced sites for young people to acquire at a discounted rate with a burden attached. Shapinsay Development Trust and Papay Development Trust are also looking into house purchase at the moment.
- 3.3.8 Other projects include ‘Care for Sanday’ – a project to create accommodation for older residents and the Stronsay Development Trust investigating putting a flat in the back of the heritage centre currently being developed. Hope Co-housing are looking to create a cohousing project for older people within St Margaret’s Hope, and there are possibly plans for more mid-market rent from private companies – these are at application/initial interest stage.
- 3.3.9 In August 2022 there were an estimated 1,010 private rented properties on the landlord register, similar to the estimate in 2010 (1,025)<sup>14</sup>. Despite the increase in the population over this period (as shown in Chapter 2) the private rented sector has not expanded.
- 3.3.10 It was clear through the Essential Worker Housing Strategy research that there is extreme pressure on the housing market – both to rent and buy. Overall, only 13% of these survey respondents said it was easy for them to find a suitable home, with 80% saying it was difficult, including 54% that said it was very difficult. This was the case for those with demand for both private renting, and for housing for sale with many examples provided in qualitative research of buyers purchasing properties unseen, or properties being sold

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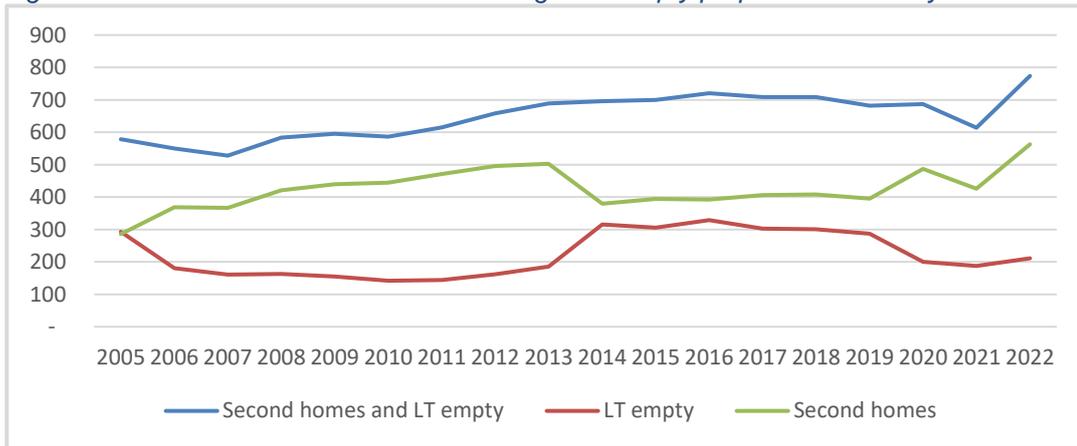
<sup>14</sup> <https://www.parliament.scot/chamber-and-committees/questions-and-answers/question?ref=S6W-11061>

without coming to open market at all. In relation to private renting, the sector tends to be informal and the lack of supply relative to demand is exacerbated by lack of advertising. The private landlord survey showed that 90% of landlords indicated that the demand for the privately rented properties that they have is high, with 63% indicating that this is “very high”. 62% indicate that demand has increased over the past 3 years, including 53% that it has increased significantly. 60% anticipate a further increase in demand over the next 3 years or so. 79% of landlords that expressed a view felt that market prices for homes in the long-term residential letting sector had increased in the past 3 years including 30% that felt this increase had been significant (defined in the survey as more than 20% total increase). Many of incoming permanent households said that they had to rent from expensive short-term lets and had to move from different let to let on a regular basis until they could eventually find something longer term.

### **3.4 Empty homes**

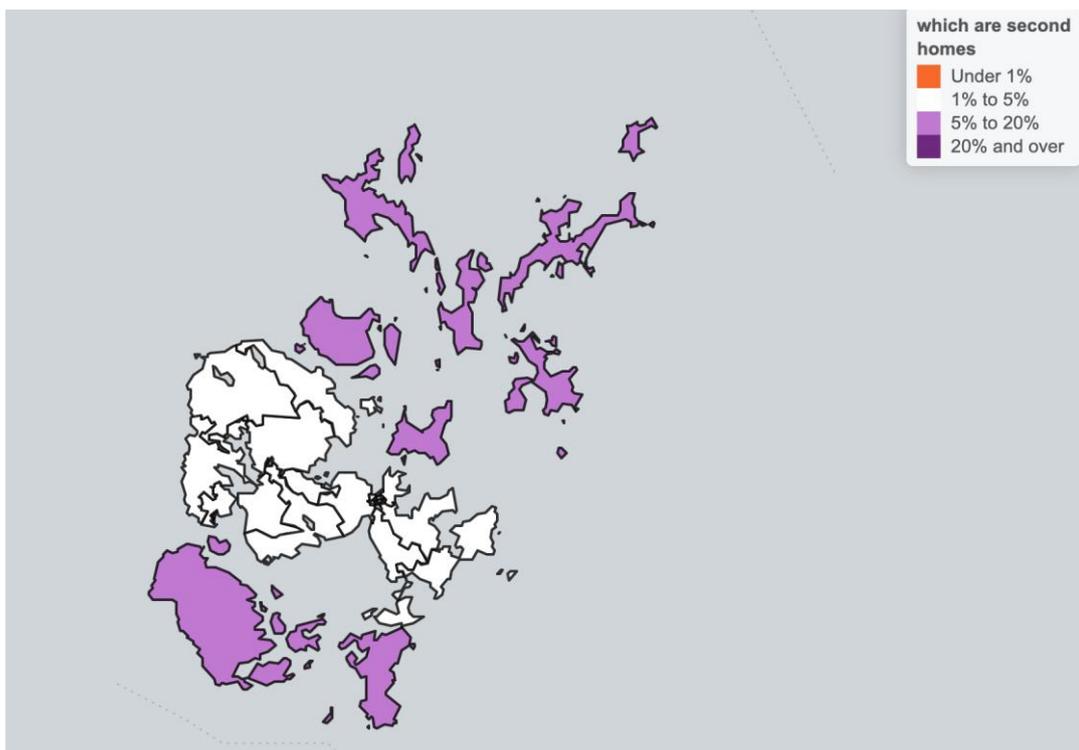
- 3.4.1 The latest data shows that in 2022 there were 427 unoccupied exemptions and 211 long-term empty homes, making a total of 638 empty homes within the county according to council tax figures. There are an additional 563 second homes. These combine to total 1,201 properties – 10% of all dwellings (based on 2021 dwelling estimates). This is far higher than the figure for Scotland which is 4% across unoccupied exemptions, long-term empty homes and second homes. In Orkney, of the long-term empties, 153 had been empty for 12 months or more - 1.3% of properties, compared with 1.0% across Scotland.
- 3.4.2 A total of 70 properties have been reported by Orkney Islands Council to the Scottish Empty Homes Partnership as being brought back into use with help from OIC Empty Homes Officer since the financial year 2016-17. This figure may be subject to error, though, as there have been periods of time without a dedicated empty homes officer keeping track.
- 3.4.3 There had been a slight downward trend in second homes and long-term empty properties more recently, but a sharp increase in 2022. There was also some evidence of reporting changes between 2014 and 2019, where a drop in second homes was matched by a mirrored increase in long-term empty properties. This may be associated with changes in council tax regulations which enabled discretion for local authorities to charge additional tax for long-term empty homes, but not for second homes so there may have been some reclassification.

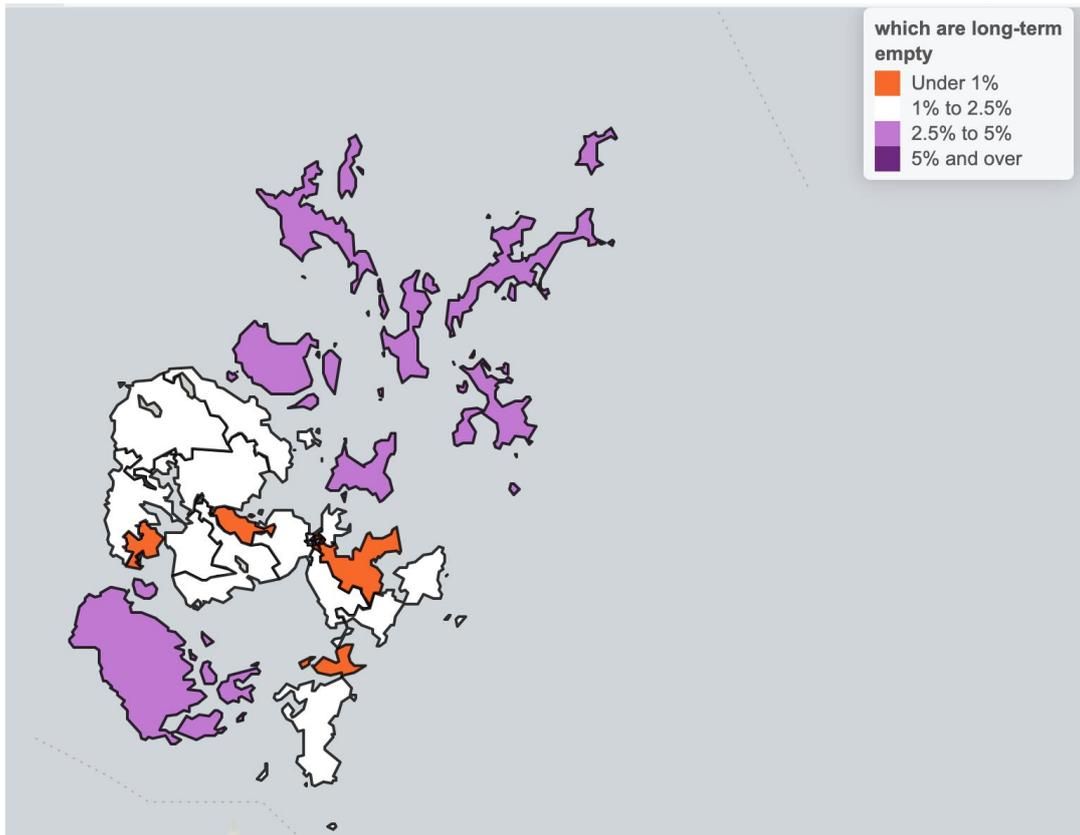
Figure 0.17: trends in second homes and long-term empty properties in Orkney



Source: <https://www.gov.scot/publications/housing-statistics-empty-properties-and-second-homes/>

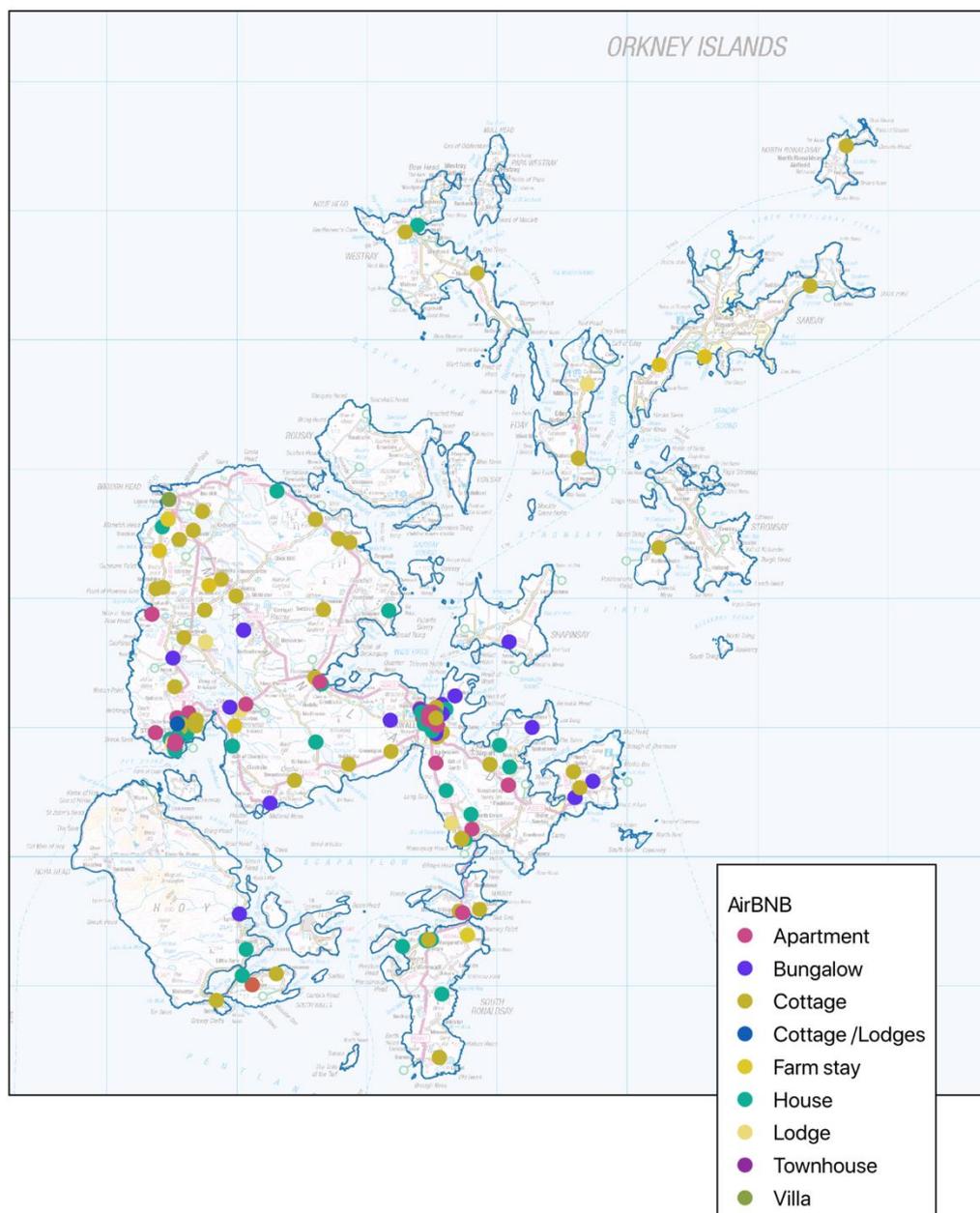
3.4.4 The maps below demonstrate that there are proportionately more second, and long-term empty homes on the outer isles, rather than the mainland where there is greatest housing demand.





<https://scotland.shinyapps.io/nrs-small-area-household-estimates/>

3.4.5 However, considering current advertised holiday lettings/short-term lets (STLs) in particular (established from Airbnb, Bookings.com, Holiday Cottages and Sykes Cottages) this shows that whole-property STLs are most numerous on the mainland, with clusters in Kirkwall and Stromness and other smaller settlements.



3.4.6 Comparing the data between March 2019<sup>15</sup> and 2023<sup>16</sup> on the number of Short-term lets (as advertised, mainly on Airbnb, but also on Booking.com, Holiday Cottages and Sykes Cottages), of 304 properties to let in 2019, 144 were no longer active with 160 still active (with 24 changing the number of rooms available). There were an additional 249 properties identified in 2023

<sup>15</sup> [Research into the impact of short-term lets on communities across Scotland](#)

<sup>16</sup> Research undertaken specifically for the OIC HNDA 2023

(so, a total of 409 properties). It is worth noting that some of these new cases may have been on previous list but listing URL changed. However, this indicates a significant degree of churn within short-term lets over the last few years.

*Table 3.12: Property type of all short-term lets*

Property type	0	1	2	3	4	5	6	Varies	Grand Total
Apartment	1	30	33			7		2	73
Barn		1							1
Bed and breakfast		18		1				2	21
Bungalow		8	13	14			1		36
Cabin		1		1					2
Caravan				1					1
Chalet		2	8			1			11
Cottage		28	29	20		1	1	2	81
Cottage /Lodges								1	1
Farm stay		2	3	3			1		9
Farm Stay/Cottage				1					1
Guest House			1						1
Guest suite			1						1
Guesthouse		13	5			1		3	22
Hotel	1		1						2
Hotel			3						3
House	1	40	36	29	9			1	116
Lodge	3	6		1					10
Loft			1						1
Log Cabin			1						1
Motorhome		1		1					2
Static Caravan							1		1
Tent		1							1
Townhouse		2	4	2			1		9
Villa							1		1
Yurt			1						1
<b>Grand Total</b>	<b>10</b>	<b>159</b>	<b>136</b>	<b>77</b>	<b>15</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>409</b>

Source: Indigo House web search May 2023

3.4.7 A total of 71 properties were let as a room or suite and so not an entire home. Selecting only properties that could be let as **an entire home, there are 338 properties**. Those in bold in the table below have been mapped as properties that could be most likely to be used for housing if they were not STLs. **That is 298 potential dwellings that could contribute to the pressured housing system**. This may overlap with some of the second homes above.

3.4.8 There are also 22 smaller units that are less likely to be suitable for housing – barns, cabins, caravans etc. A further group of 18 properties also appear more like annexed lodgings – described as B&B or hotel or guest house accommodation, where there is a separation from the main family home, so it is categorised as an entire home but the dwelling is part of or adjoined to another dwelling.

*Table 3.13: Property type of whole short-term lets*

Property type	0	1	2	3	4	5	6	Varies	Grand Total
<b>Apartment</b>	<b>1</b>	<b>29</b>	<b>33</b>			<b>6</b>		<b>2</b>	<b>71</b>
Barn		1							1
Bed and breakfast			1						1
<b>Bungalow</b>		<b>4</b>	<b>13</b>	<b>14</b>			<b>1</b>		<b>32</b>
Cabin		1		1					2
Caravan				1					1
Chalet		2	8			1			11
<b>Cottage</b>		<b>27</b>	<b>29</b>	<b>20</b>		<b>1</b>	<b>1</b>	<b>2</b>	<b>80</b>
<b>Cottage /Lodges</b>								<b>1</b>	<b>1</b>
<b>Farm stay</b>		<b>1</b>	<b>3</b>	<b>3</b>			<b>1</b>		<b>8</b>
<b>Farm Stay/Cottage</b>			<b>1</b>						<b>1</b>
Guest House			1						1
Guest suite			1						1
Guesthouse		6	4			1		1	12
Hotel			3						3
<b>House</b>	<b>1</b>	<b>12</b>	<b>34</b>	<b>29</b>	<b>9</b>			<b>1</b>	<b>86</b>
<b>Lodge</b>	<b>3</b>	<b>6</b>		<b>1</b>					<b>10</b>
Loft			1						1
Log Cabin			1						1
Motorhome		1		1					2
Static Caravan							1		1
Tent		1							1
<b>Townhouse</b>		<b>1</b>	<b>4</b>	<b>2</b>			<b>1</b>		<b>8</b>
<b>Villa</b>							<b>1</b>		<b>1</b>
Yurt			1						1
<b>Grand Total</b>	<b>9</b>	<b>98</b>	<b>132</b>	<b>76</b>	<b>15</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>338</b>

Source: Indigo House web search May 2023

3.4.9 If these 298 ‘entire’ properties were to be used as private rented units, there would be an impact on those who derive income from them as tourism revenue. Data from Airdna shows revenue of over £450,000 in August 2019 and over £300,000 in August 2020 for only the entire home rentals.

Figure 3.18: Market revenue from AirBnB lets for entire home lets



Source: Airdna

Figure 3.19: Market revenue from AirBnB lets for homeshares



Source: Airdna

3.4.10 Private rooms in home-shares are also economically important – with revenue of over £120,000 in August 2019 and over £80,000 in August 2020.

### 3.5 Dwelling condition

3.5.1 The latest Scottish House Condition Survey local authority analysis (2017-2019<sup>17</sup>) estimated that 2% of properties in Orkney were Below Tolerable Standard (estimated to be between 0 and 400 households). This is the same rate as Scotland overall. Overall, 3% of owner-occupied dwellings are BTS, while no social rented dwellings are.

<sup>17</sup> <https://www.gov.scot/collections/scottish-house-condition-survey/>

- 3.5.2 An estimated 5% of dwellings showed extensive disrepair to critical elements (affecting between 300 and 800 households), compared with 1% of dwellings across Scotland. None of these properties were social rented dwellings.
- 3.5.3 52% of all dwellings in Orkney are estimated to fail the Scottish Housing Quality Standard - 55% of owner-occupied dwellings and 30% of social rented dwellings. That is estimated to be between 4,800 and 6,100 households. This is a higher rate than in Scotland overall – where 41% of dwellings are estimated to fail the standard. The number failing the SHQS due to serious disrepair was too small to provide a reliable estimate.
- 3.5.4 In the latest published Annual Return on the Charter 2021/22, Orkney Housing Association Ltd reported that 62% of its stock met the Scottish Housing Quality Standard while 82% of Orkney Islands Council stock did (compared with 73% of the social rented stock across Scotland)<sup>18</sup>. In the 2021/22 return, this was projected to be 99% and 94% by the end of the next ARC reporting period. However, OIC data for 2022/23 (not yet published) suggests the figure is 52.8% due to issues with EICR (Electrical Installation Condition Report). 96% of Orkney Council and 97% of OHAL properties met the EESSH energy efficiency standard as reported in the 2021/22 ARC return.

### **3.6 Occupancy**

- 3.6.1 The SHCS estimated that 2% of dwellings in Orkney were overcrowded (a range between 0 and 300 households). This is the same proportion as for Scotland overall.
- 3.6.2 Looking at underoccupancy, 46% of Orkney dwellings exceed the bedroom standard<sup>19</sup> by two or more bedrooms. This is a higher level of underoccupancy than found across Scotland – where 32% of dwellings were similarly underoccupied.
- 3.6.3 According to the Orkney combined waiting list for social housing, 56 of the 1,087 (5% of the waiting list) were a priority due to overcrowding while 1% were a priority due to underoccupancy.

### **3.7 Concealed households**

- 3.7.1 Data provided by the Centre for Housing Market Analysis<sup>20</sup> estimates that an additional unit of accommodation is required where households are overcrowded and where there is a concealed family. Concealed families are defined as including, for example –
- young adults living with a partner and/or child/children in the same household as their parents

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<sup>18</sup> <https://www.housingregulator.gov.scot/landlord-performance/landlords>

<sup>19</sup> The Bedroom Standard is defined in the Housing (Overcrowding) Bill 2003 based on the number of bedrooms in a dwelling and the people in a household who can share a bedroom, based on age, sex and relationship status. Any couple and any adult aged 21 years or more needs a room and younger non-couples are paired according to age and sex.

<sup>20</sup> <https://www.gov.scot/publications/concealed-and-overcrowded-households-methodology-2020/>

- older couples living with an adult child and their family
- unrelated families sharing a household.

3.7.2 Concealed families would not include single adult children, as a single person is not defined as a concealed family.

3.7.3 The CHMA estimated that across a three-year average from 2016 to 2018 SHCS data for Orkney that there were 100 overcrowded households and 200 concealed families<sup>21</sup>. The estimate of overcrowded and concealed households was 100 households (ranging from 0 to 200, with 100 the midpoint estimate). The waiting list has 90 people with priority need who are emergent households living with parents, so the estimate of 100 is broadly consistent with this. This is higher than the HNDA tool default (which assumes just four concealed and overcrowded households).

3.7.4 There are over 300 households with priority need on the waiting list. Setting aside homeless people who we would calculate using the temporary accommodation figures, there is a priority need for housing for emergent households living with parents (90) or in care (2) or due to relationship breakdown (1). There are a further 17 of the 28 households needing to move to live in the community who do not currently reside in Orkney. That is a total of 110 emergent households in priority need.

3.7.5 There are a number of priority need applicants who would free up housing if they were housed - those overcrowded but not concealed (60 households) or under-occupying (17) are excluded, as are those with medical points and leaving service or tied accommodation (1). Other categories are excluded where they would need temporary accommodation or would free up a property (e.g. emergency, unsatisfactory living arrangements – usually needing adaptations or property improvements, insecure tenure).

*Table 3.14: Priority need*

Priority Pass Reason	Number
Corporate Parent*	2
Emergency Platinum	2
Emergent Household*	90
Homeless	58
Insecure Tenure	8
Medical	54
Overcrowding	60
Relationship Breakdown*	1
Service Tied	1
Specific Need to be in Community*	28
Underoccupancy	17
Unsatisfactory Living Arrangements	8
<b>Grand Total</b>	<b>329</b>

Source: OIC Housing Management data (waiting list, June 2023)

<sup>21</sup> [CHMA Concealed and Overcrowded Households Methodology 2020](#)

- 3.7.6 Although single adults are not included in concealed family estimates, there are students accommodated in lodgings in Orkney. These arrangements are insecure and informal, with residents required to vacate properties to provide accommodation during the tourist season, just as exams start. Recent research Essential Worker Housing Strategy (which included essential incoming workers and students) found that an estimated 100 students move to Mainland Orkney for study each year, and like other incoming households, the vast majority of students find it very hard to find housing. The student survey undertaken for this work showed that when moving to Orkney, most students wanted to live in private rented housing (50%), share with fellow students (19%) or live in purpose built accommodation (13%). In fact, much lower proportion could achieve these arrangements and 16% of students had to home share with Orkney residents (but originally had no intention of doing so). If applied to 100 students moving to Orkney each year this would equate to 15-20 households, and a further 5-10 students were unable to find any accommodation. Some students that enrol for Orkney College/UHI in fact have to live outwith Orkney and are supported by alternative UHI campuses, whereas Heriot Watt University has recently seen disappointing numbers of enrolments which is in part explained by lack of accommodation.
- 3.7.7 The HNDA tool default existing need figure does not capture those insecurely housed in lodgings, who are not homeless but not adequately housed. There is additional requirement for 20-30 units for students in unsuitable accommodation or unable to find accommodation. **That is a total existing need estimate of 63+110+25=198, is higher compared with the HNDA default existing need figure.** This reflects the current considerable housing pressures in Orkney.

### 3.8 Stock turnover

- 3.8.1 The SRS **waiting list** provides insights into demand for housing. It records application address (i.e. Orkney or outside Orkney), location preference and number of bedrooms required. There are currently 1,087 people on the combined waiting list. In over half of applications, Kirkwall is the first area choice accounting for 60% of all first choices. Stromness is also popular, with 14% of choices. The table below shows the first area choice, current location, and the difference between potential 'movers' and 'stayers'. Negative figures indicate potential lower demand and positive numbers show higher demand.
- 3.8.2 Of those on the waiting list, 336 (30%) gave a current location of outside Orkney. The proportion of waiting list applicants living outside Orkney is a far higher proportion compared with recent lets - since 2014, only 1 in 10 of OIC lets has been to households from outside Orkney. In addition, looking at current tenants that have taken up residency in the last 5 years and indicated they were moving for employment was only 28 tenants. However, this does not mean that only 28 tenants were moving for work, but this is what they stated on their application.

Table 3.-15: Letting area choices

First Area Choice	Number	Current Location	Number	Difference
Birsay	6	Birsay	6	=
Burray	22	Burray	7	+15
Deerness	10	Deerness	11	-1
Dounby	23	Dounby	16	+7
Eday	7	Eday	2	+5
-		Egilsay	1	-1
Evie	10	Evie	8	+2
Finstown	31	Finstown	34	-3
Flotta	3	Flotta	5	-2
-		Harray	9	+9
Holm	19	Holm	22	-4
Hoy	18	Hoy	10	+8
Incomplete Application	22	-	-	
Kirkwall	649	Kirkwall	384	+265
Orphir	21	Orphir	18	+3
North Ronaldsay	2	North Ronaldsay	0	-2
N/A		Outside Orkney	336	
Papa Westray	0	Papa Westray	3	-3
Rendall	4	Rendall	7	-3
Rousay	8	Rousay	10	-2
Sanday	9	Sanday	11	-2
Sandwick	0	Sandwick	6	-6
Shapinsay	12	Shapinsay	8	+4
St Margaret's Hope	34	St. Margaret's Hope	26	+8
Stenness	10	Stenness	7	-3
Stromness	147	Stromness	107	+40
Stronsay	5	Stronsay	11	-6
Tankerness	4	Tankerness	11	-7
Toab	2	Toab	3	-1
Westray	9	Westray	8	+1
Grand Total	1,087	Grand Total	1,087	

Source: OIC Housing Management data (combined waiting list)

- 3.8.3 Over the period from 2014 to 2022, OIC has let a total of 969 properties (an average of 108 lets a year), so the current waiting list is large by comparison to the expected number of lets. The ARC data (2021/22) shows 85 lets for OHAL in the most recent year. **This suggests significant unmet demand/need for affordable housing, with 5.6 applicants for every available let.**
- 3.8.4 Around 1 in 3 applicants for social housing had a priority need, with the most common needs being living with a parent, homelessness and overcrowding. However, in the past 4 years, between 4% and 12% of lets by OIC have been to applicants with no priority, so it is possible to access social housing and not have priority status.

*Table 3.16: Lets by priority status 2014/15 to 22/23*

<b>Passes</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>Grand Total</b>
Bronze	13	10	16	12	5	3	1	6	0	66
Silver	24	27	27	30	21	9	8	9	10	165
Gold	72	90	91	70	47	49	46	92	58	615
Platinum	2	4	0	3	1	2	0	6	2	20
No Pass	17	7	11	14	18	9	12	5	10	103
<b>Grand Total</b>	<b>128</b>	<b>138</b>	<b>145</b>	<b>129</b>	<b>92</b>	<b>72</b>	<b>67</b>	<b>118</b>	<b>80</b>	<b>969</b>

Source: OIC management data - lets

- 3.8.5 Those on the waiting list tended to apply for smaller properties – almost 60% had applied for a one-bedroom property, while 15% need two bedrooms and 13% had applied for a larger property.

*Table 3.17: Number of bedrooms on housing application*

<b>Bedrooms</b>	<b>N of apps</b>
1	637
2	159
3	80
4	41
5+	18
Bedsit	73
Incomplete Application	75
N/A	4
<b>Grand Total</b>	<b>1087</b>

Source: OIC Housing Management data (waiting list)

- 3.8.6 Comparing the lets with the overall stock, East Mainland and Isles have a higher proportion of lets, compared with the proportion of the stock while West Mainland has a far smaller turnover – 12% of the stock but just 4% of lets. The reverse is true of the Isles, with 5% of the stock but 14% of lets.

Table 3.18: Dwelling stock and lets (OIC)

<b>Stock</b>	<b>2007</b>	<b>2016</b>	<b>2022</b>	<b>% 2022</b>
Kirkwall	452	552	588	58.2%
Stromness	137	163	171	16.9%
East Mainland	37	80	82	8.1%
West Mainland	107	116	116	11.5%
Isles	28	54	54	5.3%
OIC	761	965	1011	100%

<b>Lets</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Total</b>	
East Mainland	31	9	13	10	19	10	9	11	11	123	12%
Isles	27	16	19	25	14	12	12	10	9	144	14%
Kirkwall	43	82	100	71	66	41	30	77	40	550	54%
Stromness	24	25	20	21	8	12	9	16	19	154	15%
West Mainland	9	4	5	8	3	1	5	5	4	44	4%
<b>Total</b>	<b>134</b>	<b>136</b>	<b>157</b>	<b>135</b>	<b>110</b>	<b>76</b>	<b>65</b>	<b>119</b>	<b>83</b>	<b>1,015</b>	

Source: OIC Housing Management data (stock and lets)

3.8.7 This indicates a high level of demand in the West Mainland and lower demand in the Isles.

### 3.9 Voids

3.9.1 On average, there are around 80 voids per year in the Orkney Island Council stock.

Table 3.19: Voids (total and number of days) by HMA (OIC)

<b>HMA</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>Total</b>
East Mainland	17	7	11	11	10	56
Isles	13	8	15	8	10	54
Kirkwall	56	42	36	39	46	219
Stromness	7	15	8	15	14	59
West Mainland	2	2	5	5	3	17
<b>Total voids</b>	<b>95</b>	<b>74</b>	<b>75</b>	<b>78</b>	<b>83</b>	<b>405</b>

<b>HMA</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>Average</b>
East Mainland	49	29	58	80	89	61
Isles	90	93	144	76	111	107
Kirkwall	42	36	48	54	40	43
Stromness	89	27	45	58	71	55
West Mainland	21	21	78	44	44	49
<b>Average days void</b>	<b>53</b>	<b>39</b>	<b>70</b>	<b>60</b>	<b>60</b>	<b>56</b>

Source: OIC

3.9.2 There are more voids in Kirkwall (where there is more stock) but voids take longest to clear in the Isles. The average number of days void varies between

43 days in Kirkwall to 107 days in the Isles, with an overall average of 56 days over the past five years. In the 2021/22 ARC data, OIC reported 102 low-demand units (on the Isles) and 17 unlettable units (mainly tied accommodation). OHAL reported no low demand units, but they only have a relatively small number of stock on the isles.

- 3.9.3 Looking at the balance of priority and non-priority needs and location, 7% of lets in the mainland and linked isles over the past 4 years were non-priority while 37% of the Isles lets were to non-priority applicants. If there is no one with priority, then the property will be let to a household without priority. Where there is no-one on the list for a property the Council will consider advertising more widely and can offer larger than required properties to households while taking in account potential issues with under occupation and social security benefits.
- 3.9.4 It is also notable that, in 2021/22 when more lets were made - 118 - the proportion let to non-priority applicants was lower (4%). The reverse is true when fewer lets are made – when only 67 lets were made in 2020/21, 12 (18%) were to non-priority applicants. However, the trends on lets may have been distorted during this period due to the recovery from Covid 19 and periods of lock-down. The ability to meet needs relies on properties becoming available in the rights areas and of the right size so fewer properties being available reduces the likely mix of location, size and type being able to address needs.

### **3.10 Stock management**

- 3.10.1 In-situ solutions that do not require additional units are somewhat limited in Orkney due to the low level of turnover in the stock, with around 200 lets across 1,807 units reported in the 2021/22 Annual Return on the Charter data<sup>22</sup> compared with a waiting list of 1,087. At this rate, and even assuming no additions to the waiting list, this would take five years to meet needs.
- 3.10.2 Underoccupancy rates are high (as reported in the SHCS above) but social rented turnover rates are low, limiting the scope for transfers to resolve property mis-match. In 2021-22, OHAL reported 6 mutual exchanges in the Annual Return on the Charter (0.6% of the waiting list).
- 3.10.3 According to the Scottish Housing Regulator, the average time to let properties is slightly higher for Orkney Islands Council (average 52.1 days) compared with Scotland (average 51.6 days) but very low for Orkney Housing Association Limited (9.5 days). Void properties take considerably longer to let in the Isles, and OIC has more stock on the Isles, therefore the void performance is affected by the longer let periods on the isles. These figures are also affected by the lock-down periods and recovery from the pandemic.
- 3.10.4 As noted previously, 70 empty homes have been brought back to use since 2016/17. There had been a slight downward trend in second homes and long-

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<sup>22</sup> <https://www.housingregulator.gov.scot/landlord-performance/statistical-information>

term empty properties more recently, but a sharp increase in 2022. There are more second homes and empty homes on the Isles, though, where housing demand is lower.

3.10.5 Scottish Household Survey data estimate that 23% of all households in Orkney have adaptations (an estimated 1,900 to 3,000 households). An estimated 1% of households require adaptations (between 0-300 households).

3.10.6 The estimate of existing adaptations is similar to the Scottish average of 21% while the estimate of those in need of adaptations is lower than average (3%). This is explored in more depth in the Chapter 5 on Specialist Provision.

3.10.7 Current OIC asset renovation plans are to get void properties up to EESSH 2 standards, with select voids being tackled to examine potential costings.

<b>LHS &amp; Development Plan</b>	<b>Housing Stock Profile and Pressures - Key Issues Identified in the HNDA</b>
<b>Housing quality</b>	<p>1. Overall, 3% of owner-occupied dwellings are BTS, while no social rented dwellings are.</p> <p>2. An estimated 5% of dwellings showed extensive disrepair to critical elements (affecting between 300 and 800 households), compared with 1% of dwellings across Scotland. None of these properties were social rented dwellings.</p> <p>3. Although many social rented properties do not meet the Scottish Housing Quality Standard (62% of OHAL and 82% of OIC stock did). In the 2021/22 return, this was projected to be 99% and 94% by the end of the next ARC reporting period. However, OIC data for 2022/23 (not yet published) suggests the figure is 52.8% due to issues with EICR (Electrical Installation Condition Report). 96% of Orkney Council and 97% of OHAL properties met the EESSH energy efficiency standard as reported in the 2021/22 ARC return.</p>
<b>Housing stock pressures</b>	<p>1. The number of households is estimated to have increased at a higher rate than the number of dwellings in Orkney between 2016-2021 (5% for households but 4% for dwellings). This helps us to understand the pressure on the housing market.</p> <p>2. There is a low turnover in social renting and high demand in Kirkwall and Stromness in particular, with lower demand in the Islands. The waiting list is more than five times the number of lets available in a year.</p>

	<p>2. Although the population has increased, the number of private rented properties available has not. There is evidence of pressure in private renting and owner occupation, with not enough lets available and difficulty accessing ownership.</p> <p>3. Short-term lets, second homes and long-term empty properties are significant in number and increasing. Short-term lets are clustered on the mainland while second homes and long-term empty properties make up a larger proportion of properties in the Isles.</p>
<p><b>Size, type, tenure and location of future housing</b></p>	<p>1. The owner-occupied stock (and private rented stock, potentially) is significantly larger compared with the social rented stock. Private sector new build properties have also tended to be larger.</p> <p>2. The stock is predominantly houses, although more flats have been built in recent years. Smaller properties are needed to accommodate newly emerging households and 60% of the social rented waiting list needing one bedroom. Demand is strongest in Kirkwall and Stromness, with lower demand in the islands.</p> <p>3. However, the need for accommodation of all sizes to accommodate families has been identified in recent research on Essential Worker Housing Strategy (which included all essential incoming workers and students).</p>
<p><b>Sustaining communities i.e. using tenure diversification/regeneration</b></p>	<p>1. Addressing the impact of short-term lets is challenging, with several hundred properties making the STL market almost a third of the size of the private rented sector but these lets also contribute significant to the local economy and individual household income. Home shares (rather than using whole properties for STLs) contribute to the local economy but do not take units out of the residential stock.</p> <p>2. To date, 70 long-term empty homes have been brought back into use. However, unoccupied exemptions, long-term empty properties and second homes now account for over 1,200 properties (10% of dwellings). This is far higher than Scotland (4%) while rates of properties long-term empty for 12months+ are more similar between Orkney and Scotland, at around 1%.</p>

	3. The high demand for social renting and constrained supply of private rented properties indicate the need for more below-market options.
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## **4. ESTIMATING HOUSING NEED**

### **4.0 Introduction**

- 4.0.1 This chapter outlines how the Housing Market Partnership have estimated the requirement for additional new build housing units to meet the housing needs and demand in Orkney.
- 4.0.2 The HNDA results are presented for each five-year period, to assist in the development of Orkney's Local Housing Strategy and the Local Development Plan, as well as fully over the duration over the next 20 years of projections (2023-2042). Results are reported by each of the five HMAs that have been developed for the HNDA and link to the requirements of Orkney's Local Housing Strategy and Local Development Plan as closely as possible.
- 4.0.3 Utilising the HNDA Tool provided by the Centre for Housing Market and Analysis (CHMA) the estimates are broken down by tenure where possible. The four tenure outputs from the HNDA Tool fall into two groups, affordable housing, comprising social rent and below market rent, and market housing which comprises private rent and owner occupation.
- 4.0.4 The HNDA Tool outputs focus on the need for additional units of housing and do not tackle housing need that can be met with in-situ or through housing management solutions. The HNDA outputs are solely focused on additional housing stock requirements. This means the HNDA outputs do not equate to social housing need as demonstrated by social housing waiting lists.
- 4.0.5 The HNDA shows the total need for additional units based on a model. The amount of this need that can actually be met on the ground is set out in the Local Housing Strategy Housing Supply Target. The amount of land needed to meet the Housing Supply Target is set out in the Local Development Plan.
- 4.0.6 The Housing Market Partnership has agreed the scenarios set out here provide a good range of options on which to base future housing strategy and to develop a suitable housing supply target.

### **4.1 HNDA scenarios**

- 4.1.1 The need for additional housing is estimated from existing housing need plus emerging need. There are an estimated 198 households currently in housing need, as outlined in Chapter 3 – these households are classed as the existing need in the HNDA Tool. Emerging need is estimated from household population projections.
- 4.1.2 Three main scenarios have been developed for the HNDA. These are the:
- Principal scenario
  - High Demand scenario
  - Low Demand scenario

## Utilising the HNDA Tool

### 4.2 Step 1: Estimating the existing housing need

- 4.2.1 Existing housing need is the first important element to ascertain. It is the summation of outstanding need driven by factors like overcrowding, homelessness, poor quality housing, concealed households and households with care needs that cannot be met within their current accommodation.
- 4.2.2 The majority of existing housing need is met through the existing housing stock. This can include adaptations to the household's current property to make it suitable, transfer to a larger property in the existing housing stock, improvements made to the property or advice and information. However, some housing needs cannot be met in situ and additional housing units are required. These are the housing needs that the HNDA focuses on.
- 4.2.3 The HNDA Tool has been designed by the CHMA with the express purpose of assisting in the development of HNDA's and produced broad scale long-term estimates on potential housing need. The Tool utilises a calculation on existing need as well as future and newly arising need. This method, the HoTOC model or Homelessness and temporary accommodation model is based on nationally available data on the number of homeless households, as well as households living in temporary accommodation in each area.
- 4.2.4 The default existing need calculation using the HoTOC Model from the Tool identified an outstanding need for housing for 40 households in Orkney.
- 4.2.5 The Housing Market Partnership believe it is possible to create a more accurate estimate of the existing housing need in Orkney and have followed the guidance provided by the CHMA on calculating existing need using current social housing waiting list figures and other data on student housing need. This, set out in Chapter 3, leads to a total of 198 households in existing need. This figure has been used in each of the three scenarios.
- 4.2.6 As the existing need figures primarily come from homeless households and those on the social housing waiting list it is likely that the majority of these households will need rehousing within the social rented sector, although a small proportion may be able to afford market housing. Therefore the 198 households that make up the existing need figure have been added into the social housing need figures rather than split across all four need groups.
- 4.2.7 The HNDA Tool also allows a time period to be set for clearing the existing backlog housing need that has built up. Five years is the default setting in the HNDA Tool and the Housing Market Partnership believe that **existing need** should be met within this period (39-40 units per year). A sensitivity test was run to show the scenario for a 10-year period for meeting existing need (Scenario 4 - see Appendix 3).

### 4.3 Step 2: Future Scenarios

- 4.3.1 A number of different scenarios utilising different demographic and economic projections have been developed to project newly emerging housing need. These scenarios have taken account of different projections around migration and population levels, as well as house prices and income data. Appendix 3 outlines the different projections that have been included in each of the scenarios.
- 4.3.2 Three main scenarios have been developed for the HNDA. These are the:
- Principal scenario (1)
  - High Migration scenario (2)
  - Low Migration scenario (3)
- 4.3.3 The Principal scenario extrapolates the trends from previous years into the future in both demographic and economic indicators (high price and moderate income growth). The results of the Principal scenario show population increases across each of Orkney's five localities over the duration of the HNDA reporting period. This scenario has a population adjustment of +0.5% to take account of the fact (as set out in Chapter 2) that recent net migration has been consistently higher than in the period used in the population projections.
- 4.3.4 The High Migration scenario is based on an outlook that Orkney will see an increase in migration into the islands as well as very high price growth and strong income growth. This reflects the experiences as set out elsewhere in the HNDA that in addition to the recent migration experienced in Orkney (which itself is higher than published population), it is possible that migration may increase even further due to ongoing workforce requirements and potential strong economic growth in the renewable sectors. The High Migration scenario could also be described as the best-case scenario. The High Migration scenario shows strong population increases across each of Orkney's five localities as well as an improving economic outlook. This scenario includes a +1% adjustment on the population projections on the basis of the need to enable the constrained workforce requirements highlighted in Chapter 2.
- 4.3.5 The Low Migration scenario assumes a lower level of migration into Orkney as well as more moderate housing market growth. The Low Demand scenario sees a lower level of increase in population across each of the five localities.
- 4.3.6 Consultation with the local Development Trusts highlighted the need to sustain communities and encourage younger people and families to move into the Isles. There was support for positive demand scenarios for the Isles to proactively address projected population decline. This is in line with the default tool scenario (without adjustment, in each case) which produce modest growth rather than population decline.

## **4.4 Step 3: HNDA Tool Assumptions**

4.4.1 Chapter 2 provides an overview of the demographic and economic drivers for future housing need, including house prices and income levels, as well as household population projections. As mentioned above Appendix 3 outlines the criteria used in each of the HNDA scenarios. The reasoning behind the choices of criteria in each of the sections is outlined below.

4.4.2 The Housing Market Partnership is aware that there are many unknowns that will affect housing need within Orkney over the lifetime of the HNDA. The scenarios developed try and offer a wide range of outcomes, but with an area as small as Orkney the effects of large scale changes to the local economy are difficult to predict.

### **Household Projections**

4.4.3 The HNDA Tool allows different migration levels to be selected and these impact upon the population size of the area and the number of households. These are:

- The Principal scenario uses the 2018 National Records of Scotland principal migration household projection figures, with a positive adjustment for higher expected migration (+0.5%), as discussed in Chapter 2.
- The High Migration scenario utilises the 2018 high migration figures with an adjustment 1.0%) in line with the additional migration requirements of public sector and wider workforce, as outlined in Chapter 2.
- The Low Migration scenario the unadjusted 2018 low migration figures.

4.4.4 These options provide the best mix of potential outcomes. The principal migration figures projection shows increases in Orkney's population and household growth continuing as it has over previous years. The high migration figures used in the High Demand scenario show an increase in the number of households migrating into Orkney, while the low migration figures used in the Low Migration scenario still show an increase in Orkney's population, the increase has slowed significantly.

### **Existing Needs Calculation**

4.4.5 The estimate of existing needs figures utilised in all of the scenarios has come from the calculations developed by the Housing Market Partnership based on waiting list information (see Chapter 3) and recent consultation on student accommodation provision (see Chapter 2). These are distributed across the HMAs in proportion to the areas chosen by those in priority need in the waiting list:

HMA preference	East Mainland	West Mainland	Isles	Kirkwall	Stromness	Grand Total
Priority need	21	32	9	225	42	329
% of need	6%	10%	3%	68%	13%	100%
Existing need	12	20	6	135	25	198

### Income Growth

- 4.4.6 In relation to income growth the HNDA tool uses small areas estimates developed by Heriot Watt University and embedded in the tool. This is used in all scenarios.
- 4.4.7 The income growth settings for the Principal and Low Migration scenarios were set at a modest increase in incomes and no predicted change in the income distribution. As outlined in Chapter 2 Orkney has high levels of employment and low unemployment but there is also evidence of more part-time working and lower skill levels compared with Scotland overall, with more young people entering work and fewer entering education. These factors all point towards modest increases in income levels.
- 4.4.8 The High Migration Scenario projects higher growth in incomes and creeping equality in terms of income distribution. The reasoning behind this is that should there be a high migration to Orkney it is envisaged that this will be due to the strengthening of Orkney's economy and an influx of households to take up work. As outlined in Chapter 2 Orkney already has a very high level of economic activity and there is clear evidence of economic pressure, potential economic growth in the renewable sectors and the need for additional workforce to support existing communities across sectors. Orkney's average incomes are already higher than the Scottish average (boosted by incoming worker incomes) and the additional demand for labour and increase in Orkney's economic outlook may increase income levels further.

### Property Prices and Affordability

- 4.4.9 The default house price growth assumption in the HNDA tool is equivalent to the annualised growth rate of the average Scottish house price (UK HPI) over the last ten years, which is 1.6% per annum. Chapter 2 shows far higher price growth than this for Orkney, so even in the Principal and Low Migration scenarios a moderately high rate of price growth is assumed. The High Migration scenario uses a high price growth assumption, in line with recent high price growth.

### Tenure Split

- 4.4.10 The final set of assumptions cover the tenure split of the newly forming housing need. The affordable tenures are made up of social housing and below market rent, while the market housing tenures are made up of private rent and market purchase.

4.4.11 The default setting in the Tool assumes that a household is suitable for home ownership provided that they could afford to purchase a house at the lower quartile (25th percentile) of the house price distribution. The default also assumes a test for affordability that the **house price is no more than 3.9 times the household's income**. The default in the Tool is set at **60% of those who can afford to own being able to do so**. This assumes, of those who can afford mortgage repayments, only 60% also have the deposit to actually go on to buy. The HMP raised concern that not all those who may wish to buy will be able to due to recent housing market experience of high house sale prices relative to value (price higher than value), and properties being sold off-market due to high demand. This is tested using a sensitivity test of 50% rental choice threshold in an alternative high migration scenario (Scenario 5 - shown in Appendix 3).

4.4.12 Finally, **the split between the PRS, social renting and below market rent is based on rent to income ratios**. The default thresholds in the Tool are set as follows, and are used in all three scenarios:

- If a household spends less than 25% of their income on rent the Tool assumes they can afford to rent in the private sector. This threshold has been used historically as the threshold for PRS affordability.
- If a household spends between 25% to 35% of their income on rent the Tool assumes they are suitable for below market rent.
- If a household spends more than 35% of their income (including housing benefit) on rent the Tool assumes they are suitable for social rent.

## 4.5 Step 4: HNDA Tool Results

4.5.1 This section outlines the results of the HNDA Tool using the criteria from the previous steps. There are three sets of results described below for each of the three main scenarios.

4.5.2 Table 4.1 shows the estimated of housing need annually for each 5-year period and for the whole period of the HNDA – 2023-2042 for each main scenario while Table 4.2 -Table 4.4 shows the area breakdown for each scenario.

Table 4.20: HNDA Tool results for Orkney– HNDA principal, high migration and low migration projection – 2023 – 2042 (Scenarios 1, 2 and 3)

<b>(1) ORKNEY – PRINCIPAL (+0.5%)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	131	76	85	75	1,837	92
<b>Social rent</b>	59	14	17	15	525	26
<b>Below Market</b>	18	16	18	16	346	17
<b>PRS</b>	23	20	22	19	425	21
<b>Buyers</b>	30	26	28	24	541	27
<b>(2) ORKNEY – HIGH MIGRATION (+1%)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	189	141	156	156	3,214	161
<b>Social rent</b>	67	19	17	16	592	30
<b>Below Market</b>	30	27	27	22	533	27
<b>PRS</b>	40	43	51	54	943	47
<b>Buyers</b>	51	52	61	64	1147	57
<b>(3) ORKNEY – LOW MIGRATION</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	71	13	19	9	562	28
<b>Social rent</b>	45	2	3	2	262	13
<b>Below Market</b>	6	3	4	2	76	4
<b>PRS</b>	8	3	5	2	95	5
<b>Buyers</b>	11	5	7	3	129	6

- 4.5.3 The **principal scenario** (with +0.5% population growth to take account of current levels of net migration) estimates overall need of 1,837 units across the whole HNDA period of 20 years, an average of 92 units per year. This ranges from 131 units a year while the existing need is tackled between 2023-2027, to 75 units a year in 2038-2042.
- 4.5.4 The **high migration scenario** (with +1% additional population growth to support net migration for workforce pressures) provides an estimate of 3,214 over the 20-year period – 161 units a year (ranging from 189 a year in the first 5 years to between 141 and 156 units in later years).
- 4.5.5 The **low migration scenario** estimates need for 562 units – 28 units a year across the whole HNDA period, ranging from 71 units in the period from 2023-2027 to just nine units per year in 2038-2042.
- 4.5.6 The five year projection results from 2023 – 2027 show a significantly larger yearly requirement for additional housing than the full 2023 – 2042 results. This is largely due to the requirement to deal with the backlog existing need for 198 new properties over this five year period. As mentioned above and in line with the HNDA Guidance the calculated existing need for properties is focused on the social rented sector. With the majority of the backlog need

being in the Kirkwall area, 135 of the 198, the need for social housing is high in Kirkwall for each of the three main scenarios for the initial five year projection.

- 4.5.7 Over the whole HNDA period, just over half the housing required is in the private sector – in the PRS or ownership – in the principal scenario, while proportionately more housing is market housing (65%) in the high migration scenario and proportionately less is market housing (40%) in the low migration scenario.
- 4.5.8 The range of additional housing on average over 20 years, by area, and by the different scenarios is as follows as shown in table 4.2 below:
- 3-6 (principal 5) units a year in the Isles (from low to high migration scenario)
  - 3-19 (principal 10) units a year in Stromness
  - 4-36 (principal 19) units in East Mainland
  - 5-40 (principal 22) units in West Mainland
  - 12-61 (principal 35) units a year required in Kirkwall.
  - In all the areas there is a high requirement in the first five years. For example, in Kirkwall there is a principal requirement of 59 units a year in the period between 2023 and 2027 (36 of which are social rented per annum).

Table 4.21: HNDA Tool results by area– HNDA PRINCIPAL projection – 2023 – 2042 (Scenario 1)

<b>KIRKWALL – Principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	59	27	29	27	709	35
Social rent	36	6	7	7	284	14
Below Market	7	6	7	6	129	6
PRS	6	5	6	5	107	5
Buyers	10	9	10	9	189	9
<b>STROMNESS Principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	15	9	9	9	209	10
Social rent	8	2	2	2	71	4
Below Market	2	2	2	2	42	2
PRS	2	2	2	2	37	2
Buyers	3	3	3	3	58	3
<b>WEST MAINLAND Principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	26	19	21	19	430	22
Social rent	7	3	3	3	85	4
Below Market	4	4	4	4	82	4
PRS	8	7	7	6	139	7
Buyers	7	6	6	6	125	6
<b>EAST MAINLAND Principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	23	18	20	18	390	19
Social rent	5	2	2	2	57	3
Below Market	4	3	4	3	71	4
PRS	7	6	6	6	125	6
Buyers	7	6	7	6	137	7
<b>ISLES Principal</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	8	4	5	3	100	5
Social rent	3	1	1	1	27	1
Below Market	2	1	1	1	23	1
PRS	1	1	1	1	17	1
Buyers	2	1	2	1	32	2

Table 4.22: HNDA Tool results by area– HNDA HIGH migration projection – 2023 – 2042 (Scenario 2)

<b>KIRKWALL – high migration, +1% pop growth</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	81	50	55	56	1212	61
Social rent	41	8	6	6	303	15
Below Market	12	13	15	14	270	13
PRS	10	10	12	13	224	11
Buyers	18	19	22	24	415	21
<b>STROMNESS - high migration, +1% pop growth</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	22	16	18	18	370	19
Social rent	9	3	2	2	79	4
Below Market	4	4	5	4	84	4
PRS	4	4	4	5	79	4
Buyers	6	6	7	7	127	6
<b>WEST MAINLAND - high migration, +1% pop growth</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	41	37	40	40	792	40
Social rent	9	4	4	4	103	5
Below Market	7	6	5	3	107	5
PRS	13	14	17	19	314	16
Buyers	12	12	14	15	268	13
<b>EAST MAINLAND - high migration, +1% pop growth</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	37	34	37	37	723	36
Social rent	6	3	4	4	84	4
Below Market	6	4	2	0	59	3
PRS	12	13	16	17	288	14
Buyers	13	13	15	17	292	15
<b>ISLES - high migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	9	4	6	4	117	6
Social rent	3	1	1	0	22	1
Below Market	2	1	2	1	28	1
PRS	1	1	1	1	22	1
Buyers	3	2	3	2	45	2

Table 4.23: HNDA Tool results by area– HNDA LOW migration projection – 2023 – 2042 (Scenario 3)

<b>KIRKWALL - low migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	36	4	6	3	245	12
<b>Social rent</b>	29	1	1	1	159	8
<b>Below Market</b>	2	1	1	1	25	1
<b>PRS</b>	2	1	1	1	22	1
<b>Buyers</b>	3	1	2	1	39	2
<b>STROMNESS - low migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	8	1	2	1	61	3
<b>Social rent</b>	6	0	0	0	33	2
<b>Below Market</b>	1	0	0	0	8	0
<b>PRS</b>	1	0	0	0	8	0
<b>Buyers</b>	1	0	1	0	12	1
<b>WEST MAINLAND - low migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	11	3	4	2	100	5
<b>Social rent</b>	5	0	1	0	31	2
<b>Below Market</b>	1	1	1	0	15	1
<b>PRS</b>	2	1	1	1	28	1
<b>Buyers</b>	2	1	1	1	26	1
<b>EAST MAINLAND - low migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	9	3	4	2	86	4
<b>Social rent</b>	3	0	0	0	20	1
<b>Below Market</b>	1	0	1	0	13	1
<b>PRS</b>	2	1	1	1	25	1
<b>Buyers</b>	2	1	2	1	28	1
<b>ISLES - low migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	7	2	3	2	70	4
<b>Social rent</b>	2	0	1	0	19	1
<b>Below Market</b>	1	1	1	0	16	1
<b>PRS</b>	1	0	1	0	12	1
<b>Buyers</b>	2	1	1	1	24	1

4.5.9 The key findings template shows the breakdown by each 5-year period and the overall period, by scenario.

<b>LHS &amp; Development Plan</b>	<b>Estimating Need and Demand - Key Issues Identified in the HNDA</b>
<p>Factors to help determine the HST(s), including for:</p> <ul style="list-style-type: none"> <li>• owner-occupation</li> <li>• private rented</li> <li>• below market rent</li> <li>• social rented</li> </ul>	<ol style="list-style-type: none"> <li>1. The principal scenario (with +0.5% population growth to take account of current levels of net migration) estimates overall need of 1,837 units across the whole HNDA period of 20 years, an average of 92 units per year.</li> <li>2. The high migration scenario (with +1% additional population growth to support net migration for workforce pressures and potential economic growth) provides an estimate of 3,214 over the 20-year period – 161 units a year.</li> <li>3. The low migration scenario estimates need for 562 units – 28 units a year across the whole HNDA period.</li> <li>4. Over the whole HNDA period, just over half the housing required is in the private sector – in the PRS or ownership – in the principal scenario, while proportionately more housing is market housing (65%).</li> <li>5. There is considerable pressure across all tenures – evident through high house prices, lack of PRS rentals and a high number of allocations to lets.</li> <li>6. The PRS supply has not kept pace with household growth in the past. Market rental prices are broadly similar to local housing allowance prices (£550-£650 per month), and even though there has been house price pressure, it is likely that the Housing Supply Target considers the potential overlap between PRS and Mid-market rent demand and supply. The HST could also consider Low cost home ownership options for this part of the market.</li> <li>7. There is particular pressure for smaller units and greater choice of size and type, in Kirkwall in particular. In volume term demand is lower in the outer Isles, but additional supply is important to support growth and halt depopulation. Across all area demand for housing of all types is identified from families to small, emerging households.</li> <li>8. There is a very high number of empty properties and second homes, but short-term lets while removing some effective supply, also contribute significantly to the local economy.</li> </ol>

## 5. SPECIALIST HOUSING

### 1.0 Introduction

5.0.1 This chapter outlines the requirement for specialist housing in Orkney over the next 5 to 10 years and include needs assessments for older people, those with disabilities, students and temporary workers, homeless households and refugees. Each of these areas are outlined separately and any gaps in current provision identified.

5.0.2 Specialist housing can be required by people of all ages, however the requirement for many forms of specialist housing is generally more acute in older households. Chapter 2 provided information on Orkney's aging demographic and the expectation that this will increase the need for specialist housing this chapter starts by highlighting the changes in demographic projected through the National Records of Scotland's population projections for the next 20 years. This breakdown is used in estimating future provision, for example in the estimation of future demand for services including home care and care home beds.

### 5.1 Population estimates by age

Table 5.24: Population by age group 2018-2043

	2018	2023	2028	2033	2038	2043
<b>Population</b>						
Children	3,544	3,389	3,136	2,966	2,891	2,836
Working age	13,377	13,444	13,461	12,934	12,439	12,243
Pension age	5,269	5,505	5,714	6,269	6,693	6,749
16-64	13,412	13,142	12,770	12,205	11,818	11,756
65 & over	5,234	5,807	6,405	6,998	7,314	7,236
75 & over	2,345	2,811	3,221	3,547	3,946	4,366
All	22,190	22,338	22,311	22,169	22,023	21,828
<b>Percentages</b>						
Children	16%	15%	14%	13%	13%	13%
Working age	60%	60%	60%	58%	56%	56%
Pension age	24%	25%	26%	28%	30%	31%
16-64	60%	59%	57%	55%	54%	54%
65 & over	24%	26%	29%	32%	33%	33%
75 & over	11%	13%	14%	16%	18%	20%

Source: NRS Population Projections for Scottish Areas (2018-based)

5.1.1 The 2018-based population projections estimate that there will be a 38% increase in the number of people aged 65 years or over, to be a third of the population (up from 24% in 2018).

Orkney's demographic is changing with a sizeable shift towards an older population. Increases in those aged 75 and over are expected to be especially large, with an estimated increase of 86% from 2,345 people to 4,366 people or up from 11% to 20% of the population, which will put pressure on health and care and housing services. Chapter 2 showed that the demographic changes are projected to be most pronounced in the Isles. This will have implications for the provision of services in the Isles going forward.

## **5.2 Specialist Provision Templates**

5.2.1 The Scottish Government require various elements of specialist housing to be covered in HNDA's and as a result have laid out templates for the needs group areas that require templates and what needs to be included.

5.2.2 The six templates that follow outline the different types of specialist housing that the HNDA Guidance requires to be completed in the Specialist Housing section. These are:

- Accessible and adapted housing
- Wheelchair housing
- Non-permanent housing
- Supported provision including care homes
- Care and support services for independent living at home; and;
- Site provision for gypsy travellers/travelling show people

5.2.3 Each template is outlined below with relevant national and local policies that affect the housing type being discussed, as well as property needs for the housing type, the key client groups, an evidence base and forecast for estimated additional provision over the lifetime of the HNDA.

## 5.3 Template 1: Accessible and adapted housing

### National policies

5.3.1 There are a range of national policies that are relevant to this area. These include:

- Public Bodies (Joint Working) (Scotland) Act 2014
- Equality Act 2010
- The integration of health and social care and the Reshaping Care for Older People agendas and the proposed National Care Service for Scotland.
- Dementia in Scotland: Everyone's Story (2023)
- Leading quality health and care for Scotland: Our Strategy 2023–28
- Age, Home and Community: A Strategy for Housing Scotland's Older People, 2012 – 2021 and Age, Home and Community: next phase (2018)
- Adapting for Change: Final Report of the Adaptations Working Group, 2012
- Equipment and adaptations: Guidance on Provision (2023).

### Local policies

5.3.2 The Housing Contribution Statement which is embedded in the Orkney Housing and Care Strategic Commissioning Plan plays a key role in local policy, as does the Local Housing Strategy. There is also the Adaptations Joint Protocol (2014).

### Property needs

5.3.3 The Public Bodies (Joint Working) (Prescribed Local Authority Functions etc.) (Scotland) Regulations 2014 describe adaptations as:

‘any alteration or addition to the structure, access, layout or fixtures of accommodation, and any equipment or fittings installed or provided for use in accommodation for the purpose of allowing a person to occupy, or continue to occupy, or to continue to occupy, the accommodation as their sole or main residence.’

5.3.4 Many of the new build properties developed by the Council and Orkney Housing Association are designed to be accessible and the two-bedroom properties that are now being developed by the Council are predominantly bungalows to make them as flexible as possible.

5.3.5 The Scottish Government launched a consultation on housing for varying needs in June 2023<sup>23</sup>, which may impact on design in future. Suggestions put forward including enhancing access through removing external steps and increasing entrance spaces for wheelchair/buggy access; increased doorway

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<sup>23</sup> <https://www.gov.scot/publications/enhancing-accessibility-adaptability-usability-scotlands-homes-consultation-summary/>

and corridor widths and automatic doors on flat entrances; additional signage and varying paint colours on doors and different storeys of flats (to assist those with dementia); additional space standards – for wheelchair provision and to accommodate desks/home working; additional eye-level kitchen lighting and additional sockets; window dimensions to allow minimum levels of natural light; enhanced features in bathrooms/increased adaptability; a toilet downstairs as required and garden or balcony space.

### **Key Client Groups**

5.3.6 Accessible and adapted properties are suitable for households whose current accommodation does not meet their needs, be those physical or other health related. The other client group are people with limited mobility but who are able to remain in their mainstream housing with the installation of adaptations.

### **Current provision**

5.3.7 Data from OHAL indicates that there are 199 amenity properties and 4 other specially adapted properties. The Council have a total of 105 adapted properties - 15 amenity, 28 ambulant disabled and 62 other specially adapted properties.

5.3.8 This combined estimate of 308 properties is around 18% of the social rented stock being adapted.

5.3.9 The latest data for the Scottish House Condition Survey (2017-2019) estimated that - 23% of owner occupiers and 36% of social renters are in adapted properties (23% overall). This is a higher estimate for social rented properties with adaptations, compared with OHAL/OIC stock estimates (18%).

5.3.10 There was variation by household type, with 28% of older households, having adaptations, compared with 15% of families and 25% of other households.

5.3.11 Care and Repair data for 2022-23 showed the following activities were undertaken over 2022-23 (across all tenures):

- 294 advice cases (mainly technical, building-related issues)
- 34 adaptations through the hospital discharge service
- 117 major adaptations
- 421 minor adaptations
- 519 small repair service works
- 70 tele-service installations.

5.3.12 This provides some insights into why the proportion of properties classed as having adaptations in the SHCS is significantly greater than those classed as 'amenity' or 'adapted' by the local authority or OHAL. The SRS landlords appear to have a higher standard of adaptation in their definition, while the SHCS cover a wider range of activities.

## Evidence of unmet need

5.3.13 Orkney Housing and Care data indicated that there were 27 people on the waiting list for adaptations in April 2022. By comparison, 1% of dwellings were assessed as requiring adaptations in the latest Scottish House Condition Survey (compared with 3% across Scotland). This would be estimated to be between 0 and 300 households.

5.3.14 The SHCS also found that 3% of residents had a long-term limiting illness and were restricted by their dwelling (compared with 7% across Scotland). That would be between 100 and 600 households.

## Estimates of future need

5.3.15 Based on the unmet need identified in the SHCS, we would expect between 1%-3% of households to need adaptations each year. **That is around 300-600 households each year.** This is consistent with the current provision of Care and Repair – across major and minor adaptations and adaptations to assist hospital discharge (572).

5.3.16 Data from Care and Repair showed that the most common major adaptations were installing level access showers, external ramping, stair lifts and grab rails. This provides an indication of the most commonly needed works in future.

*Table 5.25: Types of major adaptation*

WD Disabled Adaptations	Count of WD Disabled Adaptations
Door Answering	1
Extension	1
External Ramping	15
Grabrails/Handrail hoist	10
Level Access Showers	42
Other Bathroom Adapts	3
Redesign kitchen	1
Redesign/Relocate Bath/Shower	1
Redesign/Relocate toilet	8
Stair lift/Lift	16
Wheelchair accessibility	5
(blank)	
<b>Grand Total</b>	<b>103</b>

Source: Orkney Care and Repair data

5.3.17 In 59% of cases, the family or client paid a contribution to the cost of works – so are likely to be an owner occupier. There may also be some cases where

owners received full grants. Either way, owners make up the majority of adapted property owners.

5.3.18 Adaptations can help households remain and actively live in the homes for as long as possible. New build housing generally is much more accessible thanks to high building standards, however older housing stock will continue to require adapting over the lifetime of the HNDA. After a time, as more adaptations are installed, and more new-build properties enter the stock, the need for additional adaptations may reduce, as the pool of adapted properties increases. However, as Orkney's demographic continues to change the demand for adaptations is also anticipated to increase, **so 300-600 adaptations per year will continue to be required over the short to medium term.**

### **Equalities**

5.3.19 The data available to examine equalities in relation to the need for adaptations is limited. The data on adaptations needed is not disaggregated by equalities groups. However, the SHCS for 2017-19 shows that, across Scotland, older households more commonly need adaptations (5%, compared with 3% overall). In Orkney, 38% of households contain someone with a long-term illness or disability but this is 52% of older households.

### **Consultation on adaptations**

5.3.20 As part of the work, we consulted with Age Scotland Orkney, who had commissioned research in 2019 that captured information on the aspirations and preferences of older people in Orkney. That study found that 35% of older people lived in an adapted home, with 23% having made adaptations themselves and 9% moved to an adapted property. Over half had funded works themselves, while 20% received grants.

5.3.21 The adaptations most likely to be made to respondents' homes were grab rails/handrails (51%), specially designed or adapted bathroom/shower (48%) and outdoor light (39%).

5.3.22 There was good awareness of the Care and Repair Service - 82% were aware and 26% had used the Service. Those who had used the Service were most likely to have had their bathroom adapted and handrails fitted but the findings highlight that the Service had assisted with services ranging from bathroom adaptations to fitting a smoke alarm.

5.3.23 Around 1 in 10 older people had considered moving home due to the barrier with their property, but barriers to moving included a lack of suitable property, the costs of moving and the reluctance to move from their home. In the main, respondents' preference was to adapt their current home than move.

## Conclusions – accessible and adapted housing

- Almost a quarter of the housing stock is adapted in some way, with over 550 adaptations in the most recent year alone.
- Based on the unmet need identified in the SHCS, we would expect between 1%-3% of households to need adaptations each year. **That is around 300-600 households each year.**
- This is consistent with the current provision of Care and Repair – across major and minor adaptations and adaptations to assist hospital discharge (572).
- The most common major adaptations are installing level access showers, external ramping, stair lifts and grab rails. This provides an indication of the most commonly needed works in future.

### 5.4 Template 2: Wheelchair housing

#### National Policies

5.4.1 As well as the overarching policies described in Template 1: Accessible and Adapted Housing, the below national policies and guidance are specifically relevant to the requirement for wheelchair housing.

- **Mind the Step:** an estimation of housing need among wheelchair users in Scotland, CIH/Horizon Housing, 2012. Also **Still minding the step?** A new estimation of the housing needs of wheelchair users in Scotland (2018).
- **Lifetime Homes Standards** – a voluntary housing design standard setting out 16 design criteria that help make a property comfortable and convenient for people at different stages of life, including most wheelchair users and disabled visitors, without the necessity for substantial alterations.
- **Scottish Building Standards** – require all buildings to be constructed to allow all users safe, convenient and unassisted access. A proportion of bedrooms in any dwelling should be wheelchair accessible and a means of unassisted access must be available to, and throughout, at least one level of each dwelling. The guidance is based around the “Housing for Varying Needs” (1998).
- **National Health and Wellbeing Outcomes** – Outcome 2 of the national framework is that people, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.

## Local Strategies

- 5.4.2 The Local Housing Strategy and the Housing Contribution Statement which is embedded in the Orkney Housing and Care Strategic Commissioning Plan - both deal with the requirement to house individuals who may require wheelchair housing.

## Property needs

- 5.4.3 There may well be some overlap between templates 1, 2 and 4 and the provisions set out in each of those sections. For the purpose of wheelchair housing properties require to be wheelchair accessible, including the use of low level or adjustable appliances, wider door openings, barrier-free access to shower/bathroom and suitable surfaces outside. Covered vehicular parking is also used wherever possible.

## Key Client Group

- 5.4.4 Provision of wheelchair housing within Orkney is focused on all wheelchair users including families with disabled children, disabled parents with dependent children, older persons, young adults and those who acquire a disability that necessitates the use of a wheelchair.

## Current provision

- 5.4.5 The table below shows the level of wheelchair housing stock in the social rented sector in Orkney. All social rented wheelchair housing is provided by Orkney Housing Association, with the vast majority of properties being located in Kirkwall. Orkney Islands Property Developments Limited also have a number of wheelchair accessible properties that are utilised by Orkney Health and Care, including two in Westray and 24 in Kirkwall (included in the template on supported housing).

*Table 5.26: Wheelchair housing in social rented housing stock*

	<b>Wheelchair housing stock</b>
Kirkwall	42
Stromness	3
West Mainland	5
East Mainland	5
Isles	3
Total	58

Source: Orkney Housing Association

- 5.4.6 There are also a further 3 units of wheelchair housing owned by OHAL in supported/sheltered accommodation.
- 5.4.7 Information on wheelchair provision in other tenures is not readily available. The most recent Scottish estimate is that 1% of dwellings are fully wheelchair

accessible<sup>24</sup>. In Orkney, this would be an estimated 116 dwellings in total – so an additional 58 private sector dwellings on top of the 58 OHAL units.

### Unmet need

5.4.8 Updated research on Mind the Gap by Horizon/CIH<sup>25</sup> found (based on analysis of the Scottish Household Survey in 2015) estimated that 3.6% of all households contained a wheelchair user and that 19.1% of these had unmet housing needs. That is 0.7% of all households. **That is an estimated 75 households in Orkney** (based on 2021 household estimates).

5.4.9 In April 2023, there were **41 households on the social housing waiting list** with a need for wheelchair housing. This need was spread across the HMAs as follows – 23 in Kirkwall, 6 West Mainland, 5 Isles and 3 Stromness (no East Mainland). According to the Mind the Gap analysis estimate of 75 households, the waiting list may not fully capture need.

### Future need for wheelchair provision

5.4.10 In relation to future need, the Mind the Gap analysis showed two scenarios:

- Scenario 1: improving population health where there is a decline in risk factors, particularly smoking and obesity, and in the prevalence of disabling diseases under this scenario there would be an increase in the disabled population of 0.62% over a ten year period.
- Scenario 2: where current health trends continue – continuation of current trends in chronic conditions associated with disability, which results in increasing disability prevalence rates among older people. Under this scenario there would be an increase in the disabled population of 0.8% over a ten year period.

5.4.11 This would have the effect of increasing the gap in provision over 10 years to 1.3% (from 0.7% - the 75 above) based on current health trends. That would require a further **70 wheelchair accessible properties**. Improved health outcomes would give a reduced gap of 1.1% (from 0.7%) or **50 additional wheelchair accessible properties** over 10 years. As noted earlier, OHAL has a large stock of amenity properties, which can readily be adapted to meet full wheelchair standards in future.

### Equalities

5.4.12 As outlined above, 3% of Orkney residents have a long-term illness or disability and live in a dwelling that restricts their activity and 38% of households contain someone with a long-term illness or disability (52%, in the case of older households).

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<sup>24</sup> <https://accesspanel.scot/housing-2040-scottish-government-accessible-housing-standard/#:~:text=In%20summary%2C%20it%20highlighted%20that,are%20on%20housing%20waiting%20lists.>

<sup>25</sup> <https://www.horizonhousing.org/media/1522/still-minding-the-step-full-report.pdf>

## **Consultation on wheelchair provision**

- 5.4.13 Orkney Islands Council consults with service users/ families consulted in the development of any new provision. There has not been recent disabled provision but a development for adults with learning difficulties included consultation at multiple stages.
- 5.4.14 The recent Age Scotland Orkney work found that, a third of older households (32%) had a long-standing health problem although the responses differed across age ranges with 23% of those aged 55-64 having a long-standing health problem in comparison with 34% of respondents aged 75 and over.
- 5.4.15 The Age Scotland work found that respondents were most likely to consider moving to a bungalow in the future (56%) with 10% potentially moving to a flat, maisonette or apartment. The issue of specific wheelchair provision was not covered in that work.

## **Conclusions – wheelchair housing**

- According to the Mind the Gap methodology, an estimated 75 households in Orkney might require wheelchair housing (based on 2021 household estimates). This is higher than the 41 people on the waiting list.
- In future, an estimated 50-70 wheelchair properties are required over the next ten years, based on varying assumptions on health outcomes.
- There is strong demand for bungalows among older residents, which will make adaptation for wheelchair use easier.

## **5.5 Template 3: Non-permanent housing**

### **National policies**

- 5.5.1 The Homeless Persons (Provision of Non-permanent Accommodation) (Scotland) Regulations 2010 relates to Housing Support and is used where a person is unable to sustain a permanent tenancy because of high levels of support needs.
- 5.5.2 The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004 requires that no children or pregnant women should be housed in bed and breakfast accommodation.

### **Local policies**

- 5.5.3 The Council's Homelessness Strategy and Temporary Accommodation Strategy outline the local priorities around temporarily accommodating homeless households. The Local Housing Strategy covers housing for all household types. The Rapid Rehousing Transition Plan (2022) outlines the

use of the current provision. The recently produced Essential Workers Strategy covers the needs of students and migrant workers.

### **Property needs**

- 5.5.4 This template considers the requirement for transitional accommodation needed for homeless households, students, migrant workers and refugees/asylum seekers and women fleeing domestic violence.

### **Key client groups**

- 5.5.5 The main client groups are young people, households fleeing domestic abuse, agency workers coming into Orkney to help deliver services and students, primarily coming from outside Orkney from the rest of the United Kingdom or abroad.

### **Homeless provision**

- 5.5.6 The majority of the temporary accommodation in use for homeless households is self-contained Council properties taken from the general needs stock. There are a few properties from Orkney Housing Association Ltd. All the accommodation is situated on mainland Orkney. It is as follows (and includes temporary accommodation for young people):
- 51 self contained properties in Kirkwall
  - 4 self contained properties in Finstown (West Mainland)
  - 9 self contained, 3 shared in Stromness
  - 7 self contained in St Margaret's Hope (East Mainland).

- 5.5.7 The majority are one bedroom properties reflecting the domination of single person households.

### **Unmet need**

- 5.5.8 The Council tries to avoid the use of B&B to house homeless households however, there are times when its use is not avoidable but every effort is made to keep its use to a minimum.
- 5.5.9 There was a reduction in the use of B&B in 2022/23 and a decrease in the average number of nights spent in B&B.
- 5.5.10 The Homeless Persons (Unsuitable Accommodation) (Scotland) Amendment Order 2020 introduced changes that in effect prevent the legitimate use of Bed and Breakfast accommodation for housing homeless households and came into force on 1 January 2022. The order extended the seven-day time limit that families with dependent children and pregnant women should spend in unsuitable accommodation to all homeless household groups. The Council has not been in a position of breaching the order prior to this change in legislation. However, this is now a significant challenge due to the number of homeless households requiring temporary accommodation and therefore the Council has breached on 6 occasions during 2022/23.

*Table 27: Number of nights and average time spent in B&B 2017/18 to 2021/22*

Year	Number of nights	Average duration - nights
2017 to 2018	52	3.25
2018 to 2019	21.	2.1
2019 to 2020	149	4.8
2020 to 2021	55	6.1
2021 to 2022	266	5.2
2022 to 2023	182	4.9

Source: OIC figs

5.5.11 The average length of time that a homeless family remains in emergency housing before being offered a secure tenancy from either the Council or Orkney Housing Association Limited varies considerably from year to year, depending on factors such as whether new schemes are built. The average times are shown in the table below:

*Table 5.28: Average total time (months) spent in temporary accommodation, by property size required*

Financial Year.	Bedsit	One Bedroom	Two Bedroom	Three Bedroom
2022/23.	Nil	10.2 months	5.4 months	5.4 months
2021/22.	21 days	9 months	5.3 months	8.9 months
2020/21.	Nil	9.2 months	5.4 months	11.6 months
2019/20.	Nil	8.2 months	4.1 months	8.6 months

Source: (OIC HL1 figs)

5.5.12 This indicates pressure in terms of the supply of lets for homeless households to move on to. Those awaiting 2-3 bedroom properties waited 5.4 months on average and those waiting for a one bedroom property waited almost twice as long (10.2 months). The waiting time for one-bedroom and two-bedroom properties has increased over recent years.

5.5.13 Traditionally, the number of households in temporary accommodation remains relatively constant. However, the number of households in temporary accommodation has been more variable in recent times, increasing to 69 households by the end of March 2021. At the end of March 2022, the number fell to 47 households, which was reflective of a substantial number of new builds coming on stream.

5.5.14 As at 31st March 2023, 72 households were accommodated in temporary accommodation. This was again a substantially higher number of households than in 2021/22.

*Table 5.29: Number of households in temporary accommodation*

Year - as of	Number of households
31 March 2018.	28 households
31 March 2019	45 households
31 March 2020	45 households
31 March 2021	69 households
31 March 2022	47 households
31 March 2023	72 households

Source: (OIC figs)

5.5.15 Comparing the usage of temporary accommodation (between 28 and 72 households) with the overall supply of 71 units suggests that there is generally adequate overall supply but at times in recent years capacity has been constrained. For example, in July 2022, 54 households were accommodated (compared with 71 units) while 10 households were waiting for temporary accommodation, which suggests a **mismatch of supply and demand for temporary accommodation.**

5.5.16 The waiting time for homeless households to be housed is the highest it has been in the last five years. This may in part be due to the delay in some new build coming on stream and the historic imbalance of required house size and demand including from homeless households.

*Table 30: Homeless households waiting time by size of property, 2017/18 to 2022/23*

Year	Waiting time for one bed	No of House holds	Waiting time for two bed	No of House holds	Waiting time for three bed	No of House holds
2017/18	7.5 months	43	3.4 months	29	5.8 months	5
2018/19	5.9 months	37	3.3 months	15	3.2 months	6
2019/20	8.2 months	42	4.1 months	19	8.6 months	2
2020/21	9.2 months	40	5.4 months	15	11.6 months	5
2021/22	9 months	42	5.3 months	17	8.9 months	13
2022/23	10.2 months	39	5.4 months	21	5.4 months	4

Source: OIC figs

5.5.17 On balance, **there is a need for additional permanent housing** to free up temporary accommodation more quickly to improve capacity. The majority of homeless households are waiting for a one bedroomed property in Kirkwall.

5.5.18 Securing settled accommodation in the private rented sector currently plays a very limited role in housing homeless households, where issues such as the sector's size and affordability play a part.

## Future need

- 5.5.19 The number of people in temporary accommodation over recent years ranged from a low of 28 to a high of 72 households. **This suggests that current provision of 71 properties cannot always meet requirements.** Also, the location of need means that more temporary accommodation may be needed in Kirkwall, where the majority of homeless applicants are.
- 5.5.20 The total number of homeless applications in recent years tends to stand at around 140 – 142 in 2022/23, 132 in 2021/22 and 136 in 2020/21. However, changes to the local connection requirement were introduced on 29 November 2022 by the Scottish Government. This change removes the hurdle of a household requiring to have a local connection with the area to which they present as homeless. Since this change was introduced 3 households have been accepted who would have not had a local connection previously. This is being closely monitored and Council representatives are regularly meeting with Scottish Government to analyse the impact to all 32 Councils but with particular scrutiny for the isles.

## Equalities

- 5.5.21 Over the last 4 years of homeless applicants, just one per cent of applicants were from a minority ethnic group. Across the period, 3% were applicants with a disability and applicants were split between 49% female and 51% male. Over half – 54% were aged under 25 years old while 26% were aged between 25 and 44 years and 21% were aged 45 years or older.

## Consultation

- 5.5.22 Feedback from homeless applicants is collected during an exit survey from temporary accommodation. This shows high levels of satisfaction with temporary accommodation, with praise for the homelessness section and support workers. However, some were facing issues of trauma due to relationship breakdown/domestic abuse and were getting support from Women's Aid and Relationship Scotland. Covid also impacted on information channels (e.g. online, telephone more than face-to-face).

## Student accommodation provision

- 5.5.23 There are three education institutions on the islands – Orkney College/University of Highlands and Islands (UHI) based in Kirkwall, and Heriot Watt University (HWU) and Robert Gordons University (RGU) – both of which operate out of Stromness and are associated with Orkney Research and Innovation Campus (ORIC) focused on Orkney's global lead in the field of renewable research and innovation. Orkney College/UHI and HWU have been pursuing expansion and a Council led Student Housing Working Group has been in existence for a number of years and reviews any potential requirement for student housing.

5.5.24 None of the institutions provide student accommodation directly. The private rented sector is the primary tenure used by students that need to find accommodation. Following the work of the Working Group Orkney Islands Council purchased five new build properties off the shelf to provide ten bed-spaces of dedicated student housing and this provision provides additional capacity.

5.5.25 The Essential Worker Housing Strategy (2023) included examination of the needs of students moving to Orkney Islands, or from the outer islands to Orkney mainland. This included data analysis of former and current students and applications and a specific student housing survey.

### **Unmet need - student accommodation**

5.5.26 Unmet need is estimated as follows:

- The student survey showed that the vast majority of students find it difficult or very difficult to find accommodation (see further below). The survey also showed that approximately 20-30 students annually home-share in insecure accommodation with Orkney residents.
- Orkney College/UHI estimates that 100 students move to Orkney mainland every year to take up courses at this institution. This estimate is for Orkney College students. In addition HWU has a range of 10-22 students each year, mainly international students and from elsewhere in Scotland/UK. RGU students are graduate apprenticeships (c. 15) and so are already resident in Orkney.

### **Future provision - student accommodation**

5.5.27 Last year (2022) Orkney College explored options with the Hostelling Scotland to use their accommodation in Kirkwall (jointly with Heriot Watt) outwith the summer months for student accommodation. This was to provide 25 spaces for students - 10 for HWU and 15 for Orkney College UHI. That discussion was not resolved in time for 2022/23 academic year but is being reconsidered for 2023/24, and potential for a similar arrangement in future years has not been discussed. The College has not made any future projections for student housing requirements, although ideally the College is looking for a solution which is fit for purpose for students in terms of quality of accommodation.

5.5.28 In addition to this temporary solution, HWU has explored options for providing purpose built accommodation in Stromness and in partnership with the Orkney Research and Innovation Centre (ORIC) has quantified need for 75 student bedspaces. Whilst its preference is to satisfy the 75-bed requirement in Stromness, it is recognised that the solution could be spread over more than one location, including areas outside of Stromness towards Kirkwall. It will consider Purpose-Built Student Accommodation, conversions of existing buildings and modular systems to satisfy the University's requirement. The University's knowledge of the demand for accommodation from both students, staff and from other ORIC partners means that HWU is confident that 75 beds

will be filled quickly. The University is also prepared to enter a Nominations Agreement with a developer that will commit the University to a minimum of thirty-five (35) beds for an initial term of 10 years from the date the accommodation is formally handed over to the University.

5.5.29 Based on these plans it is estimated that a minimum of 50 new student housing supply is required (Orkney College UHI 15 plus HWU 35-70).

### **Consultation – student accommodation**

5.5.30 Extensive consultation was undertaken with the educational institutions and students as part of the development of the Essential Workers strategy. The two main institutions argued that students moving to Orkney struggle to find accommodation, and that enrolment is reduced as a result of the accommodation shortages. One of the University institutes argued that enrolments could be 20% higher if there was more accommodation, and another Institute demonstrated how growth seen elsewhere on other UHI campuses has been stifled in Orkney due to the lack of accommodation. HWU and RGU both outlined their frustrations regarding the housing situation on Orkney. As noted above, HWU is exploring plans for growth and RGU also has plans for growth with 3-4 more PhD students and 3 additional staff members who will be living full time in Orkney. While these numbers may seem small, RGU consider the limited housing options could mean these numbers would be difficult to achieve.

5.5.31 The student survey (2023) showed that only 16% of respondents moving to Orkney had found suitable accommodation easily and quickly in the area that they wanted, with 78% saying that they had found accommodation but that it was difficult / took a long time and 6% not yet having found accommodation.

5.5.32 Most commonly, when people first moved to Orkney, or within Orkney, for study, they were looking to rent a home privately (50%) or to share with friends and relatives (22%). None had an immediate aspiration to share with an existing Orkney resident, but this was the case in reality for 16% of people when they first moved. A spread of tenures is now apparent amongst these respondents including 31% living in a privately rented home and a further 19% sharing with another student in a privately rented home, and 22% in a bought home.

5.5.33 Qualitative research was also undertaken with students and staff working in the education sector with examples of potential university employees not taking up posts due to the housing shortages, or new employees and their families living in severely overcrowded and unsuitable accommodation for long periods. Several students spoke of lodging in residents' spare rooms and not having the opportunity for independent living sharing with other students, and two interviews were enrolled on a course taught from Orkney, but due to lack of accommodation they have had to relocate to different UHI campuses on the Scottish mainland and taught remotely by Orkney lecturers – they are

studying archaeology for which Orkney is renowned and occasionally travel to the isles for field work but would love to be living in Orkney permanently.

### **Migrant worker accommodation provision**

5.5.34 NHS Orkney (NHSO) and Orkney Health and Care (OHAC) increasingly require non-permanent housing for agency staff that are brought in from outside Orkney to supplement local provision due to shortages in available staffing. Housing these individuals can be a challenge as the requirement can come up very quickly but housing stock is often not available to meet the need. Some flexible housing stock located in Kirkwall would be of real benefit and would help with housing this group.

5.5.35 There is one temporary accommodation block – Graham House - targeted for NHS students (nurses and junior doctors) which provides 30 rooms. There is no other specific accommodation for temporary agency and rotational health and social care staff. NHSO procures accommodation from the PRS, and Orkney Housing Association (OHAL). OHAC used one council house, and also procures from the PRS. This means that temporary “supplementary staff” are displacing residents from access to the PRS. Both organisations are also increasingly procuring accommodation from expensive short term lets.

5.5.36 The total amount of housing currently used (March 2023) for agency/temporary and rotational staff is at least 165 bedspaces comprising a mix of Graham House (30), OHAL stock (11 rooms, or 6 flats) council stock (1x3 bedroom flat) and the balance in the PRS and short term lets. It should be noted that the accommodation requirement is constantly fluctuating, but consultation and workforce plans shows that these requirements are likely to increase as the ageing resident workforce needs to be replaced by a combination of incoming workers and temporary supplementary staff. Both organisations suggested this would continue for at least the next decade.

### **Unmet need – migrant worker accommodation**

5.5.37 The Essential Workers Housing Strategy quantified the requirement (as listed above) as at least 165 bedspaces equivalent to approximately 118 housing units (assuming 1.4 occupancy rate). The numbers may increase, but this is a one-off requirement (i.e. 165 bedspaces required at any one point in time).

### **Future provision – migrant worker accommodation**

5.5.38 The Essential Workers Housing Strategy sets out options for delivery additional housing provision for key and other essential workers. This centred around provision of mid-market and private rented housing through a combined approach of a Private Sector Leasing Scheme (PSL), bringing empty homes back into use, acquisitions from the existing market/new build off the shelf, or commissioning new build.

## Consultation – migrant worker accommodation

5.5.39 Consultation was undertaken across the NHSO and OHAC in the development of the Essential Workers Housing Strategy, with both outlining the workforce challenges and requirement for agency staff continuing as outlined above. Several health and social care workers were interviewed and provided examples of the extent of difficulty in finding accommodation for both permanent and temporary workers.

## Women fleeing domestic/sexual abuse

5.5.40 There is a Women's Aid refuge in Orkney - three self-contained flats within the refuge and four properties which are used as move on accommodation, owned by Orkney Housing Association Ltd and managed by the Council. Accommodation is also available through the Council's homeless accommodation and CCTV security systems can be installed in these properties should they be required.

5.5.41 Table 5.10 shows the level of homeless applications made by households experiencing domestic abuse between 2017/18 and 2021/22. The figures have varied quite significantly over the period.

*Table 5.31: Homeless applications due to abuse or violence*

Reason	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Dispute within household: violent or abusive	6	18	13	13	21	15
Harassment/abuse outwith the home	13	5	7	7	4	6

Source: Orkney Islands Council

5.5.42 The occupancy rates for the women's refuge for the past year are 68%, the total number of days the three follow-on flats were occupied is 750 out of 1,095 which is an increase of 25% on the previous year.

5.5.43 Across all the women's services Women's Aid Orkney (WAO) received 139 referrals in the past year (2022/23), an increase of 16.8% on 21/22. In total WAO supported 160 women in 2022/23 compared 149 in 21/22 and increase of 7.45%. Of the 160 women supported 66 had children.

5.5.44 Across all the Children and Young People (CYP) areas of support a total of 45 referrals were received in the reporting period, an increase of 25% on 21/22. CYP services supported 61 children and young people over the same period an increase of 1.6% on 21/22

5.5.45 The occupancy rates for the women's refuge for the past year are 68%, the total number of days the three follow-on flats were occupied is 750 out of 1,095 which is an increase of 25% on the previous year.

## Unmet need

- 5.5.46 Women's aid facilities are very busy and frequently full, with instances in recent times where women seeking refuge have been unable to attain this as the accommodation is full. In these instances, they would access temporary accommodation. In 2021/22 homeless presentations due to violence or abuse were seven times the capacity of the refuge provision. Those not housed in the refuge or follow-on accommodation would be housed in temporary accommodation.
- 5.5.47 Between April 21 and March 23, the refuge had 9 refuge intakes, 8 from outwith Orkney and 1 from mainland Orkney. In total over the period, 25 were rehoused, 18 off Orkney, 7 on Orkney and 5 returned to the perpetrator. This indicates that, in line with affiliation with Scottish Women's Aid and where need arises, there are times when the provision is used to help families fleeing from elsewhere.
- 5.5.48 Consultation with Women's Aid and Orkney Rape and Sexual Assault Service (ORSAS) for the HNDA exercise in 2023 highlighted a number of areas of concern. They expressed the view that the victims of abuse were required to make a police report in order to achieve a higher scoring of priority need. In fact, the homelessness section, in accordance with homelessness guidance do not ask for evidence of domestic or sexual abuse. The council also provides CCTV and help with changing locks if people are able to stay in their own homes. This suggests a need for awareness raising with partners on the Council's policies and provision around domestic abuse once the policy on domestic abuse has been ratified.
- 5.5.49 The refuge housing is well known in Orkney, which was felt by stakeholders to create as much of a positive as a negative as, although people then know where to go for support, perpetrators also know where partners are likely to be housed. This is a common experience across Scotland, and in cases of domestic abuse and the woman's location is revealed, OIC would house people elsewhere.
- 5.5.50 Stakeholders were concerned that there was no other sanctuary or emergency housing outside of Kirkwall. However, there is emergency accommodation in other settlements including Stromness, Finstown and St Margaret's Hope. The Council also acquires additional temporary accommodation if there is a need and may use the private sector for this. Awareness raising about these flexible approaches would also be beneficial.
- 5.5.51 It was suggested by stakeholders that, when there are events or instances where police are unable to attend this can result in a survivor being trapped by the perpetrator and unable to have a safe haven, if there were a couple of houses available in areas with a lock box or other secure access mechanism this would support those unable to access services following an event to have a place of safety in or around the area in which they live. However, this suggestion is not likely to be viable where there is sporadic need, alongside high demand for temporary accommodation.

5.5.52 Stakeholders identified some gaps in services – specifically a lack of trauma informed support services and services outwith Kirkwall. Women’s Aid and ORSAS have offices in Kirkwall but none in any other area on the island although it is something that they suggest would be beneficial. There may be scope to develop community drop-in provision in a shared community space/hub.

5.5.53 There were also concerns raised regarding the allocation of housing for those fleeing domestic violence. In some cases, there was felt to be health needs caused by trauma which made some housing unsuitable, as well as concerns about sensitivity in lettings for families fleeing domestic violence, where safety and security were a concern. This may indicate a need for further dialogue with partners on allocations protocols.

### **Future provision**

5.5.54 Service use is difficult to predict but there are times when domestic abuse refuge places and follow-on accommodation are full. During these periods, OIC provides temporary accommodation. Additional temporary accommodation provision and additional permanent lets would enable flexibility in emergency lets. However, refuge provision is also used for off-island needs, which impacts capacity.

### **Refugees – current provision and unmet need**

5.5.55 Consultation with support staff in Orkney Islands Council provided insights into the current refugee position. There are currently 14 households (24 people) under Homes for Ukraine Scheme in Orkney: 12 currently living with host families and 2 in social housing.

5.5.56 Out of the 14 households:

- 7 made up of a mother and a child (age range from 5 to 17 yo)
- 1 – full family (a mother, a father and a child)
- 5 – individuals
- 1 – a couple

5.5.57 Out of 12 households hosted by sponsors:

- 5 were told that they can stay in provided accommodation for as long as needed (however, there is always a possibility of the relationship breakdown which may necessitate a homeless application)
- 7 are looking into moving out by the end of 2023. Of these, 4 have already applied for Social Housing. The Council are planning to undertake Housing Options interview with the other 3.

5.5.58 Refugees are supported by the Job Centre (Employability and Benefits), the Learning Link (ESOL provision) and Orkney Islands Council (basic housing support provided). There are no current gaps in their needs that are not currently being met.

5.5.59 In terms of **future need** OIC will house the refugees that are currently resident with hosts in due course. OIC has actively engaged with the Homes for Ukraine scheme and will continue to do so. There is a member of staff who is working with the individuals concerned to explore their plans for accommodation in the longer term and support them if they wish to complete a housing application.

5.5.60 Regarding asylum seekers – OIC has had discussions with the Home Office, raising the issue that Orkney is unable to provide the community facilities and support of an existing Muslim community, which many asylum seekers need. There is the lack of a mosque, halal provision and interpretation services would need to be provided by phone. These things together make it questionable as a location for those experiencing a very difficult time in their lives without appropriate support / the ability to follow their faith etc. In the past, the Syrian refugees all left Orkney citing a lack of cultural amenities and interconnections.

5.5.61 There is also not accommodation available for asylum seekers and additional pressure on accommodation when there is a need to house the workforce. Empty buildings are predominantly rural and these locations would not provide community support/services.

### **Conclusion – non-permanent housing needs**

- On balance, **there is a need for additional permanent housing** to free up temporary accommodation more quickly to improve capacity. The majority of homeless households are waiting for a one bedroomed property in Kirkwall.
- The number of people in temporary accommodation over recent years ranged from a low of 28 to a high of 72 households. **This suggests that current provision of 71 properties cannot always meet requirements.** Also, the location of need means that more temporary accommodation may be needed in Kirkwall, where the majority of homeless applicants are.
- Students – a **minimum of 50 units (with a range of up to 90 units) is required for student accommodation** split between Kirkwall and Stromness.
- Migrant workers – there is an increasing requirement for agency, rotational and temporary ‘supplementary workforce’ in Orkney, particularly in relation to health and social care services. There is a fluctuating requirement but estimated at **165 bedspaces in March 2023 (equivalent to approximately 118 housing units)**. The numbers may increase, but this is a one-off requirement (i.e. 165 bedspaces required at any one point in time).
- Women’s aid facilities are **very busy and frequently full**, with instances in recent times where women seeking refuge have been unable to attain

this as the accommodation is full, so they have accessed temporary accommodation instead. In 2021/22 homeless presentation due to violence or abuse were seven times the capacity of the refuge provision. OIC provides additional temporary accommodation to cover these periods and this will continue to be required in future. Refuge provision in Orkney is also used by families outside Orkney, which impacts capacity.

- There are currently **14 households (24 people) under Homes for Ukraine Scheme in Orkney: 12 currently living with host families and 2 in social housing**. These households will continue to be supported in meeting their future housing needs as required. The lack of an existing host community with appropriate support facilities means Orkney is not an ideal location to host most asylum seekers or refugees, who need Muslim community facilities and support.

## **5.6 Template 4: Supported Accommodation**

### **National Policies**

5.6.1 Many of the key national policies outlined in previous templates are relevant for the provision of supported accommodation as well. The main additional national policies are outlined below.

- Joint Strategic Commissioning Plans
- Scotland's National Dementia strategy
- Keys To Life – Unlocking Futures for People with Learning Disabilities Implementation framework and priorities 2019-2021
- National Carers Strategy 2022
- Mental Health Strategy 2017-2027
- Regulation of Care (Scotland) Act 2001 and Community Care and Health (Scotland) Act 2002

### **Local Strategies**

5.6.2 Local policies include the Orkney Strategic Housing Investment Plan 2017/18 – 2021/22, Orkney Islands Council's Local Housing Strategy, Homelessness Strategy and the Rapid Rehousing Transition Plan (2022).

### **Property Needs**

5.6.3 Supported accommodation primarily focuses on the provision of sheltered and very sheltered housing which utilises some form of warden service. There is some cross over between this template and other templates covering care and support for independent living at home. This template generally covers the need for sheltered, very sheltered and extra care housing as well as care home provision for groups with higher dependency needs.

## Care and Support Needs

5.6.4 This section relates to households and individuals who require some form of support which may be met partly on-site from, for example, a key worker or warden, with additional support from a community psychiatric nurse, or general nurse, social worker, physiotherapist, care assistant, or housing support officer among others. Telecare support is also utilised in service delivery for households with support needs. Other forms of care and support for independent living at home are covered in the following template.

### Key Client Groups

5.6.5 The supported provision in this section would be suitable mainly for older people; those with a physical disability, learning disabilities, or mental health issues; and people with other long-term limiting health conditions which might be affected or exacerbated by their living conditions. Support for younger people leaving care is also included.

### Evidence

5.6.6 The social rented sector in Orkney provides some extra care housing, as well as sheltered housing. Table 5.11 shows Orkney's sheltered, very sheltered and extra care housing stock. The 13 extra care properties in St Margaret's Hope are managed by the Council's Housing Services and have care provided by Orkney Health and Care. Table 5.11 also includes stock from Orkney Islands Property Developments Limited that owns and manages stock in Kirkwall and the Island of Westray while the care element is once again provided by Orkney Health and Care.

*Table 5.32: Sheltered, very sheltered and extra care housing provision in Orkney*

	<b>Sheltered</b>	<b>Very Sheltered</b>	<b>Extra Care</b>
Kirkwall	14	24	0
Stromness	15	0	0
West Mainland	0	0	0
East Mainland (linked South Isles)	0	0	13
Isles	0	7	0
<b>Total</b>	<b>29</b>	<b>31</b>	<b>13</b>

Source: Orkney Islands Council and Orkney Islands Property Developments Limited

### Unmet need and future need

5.6.7 Analysis of lettings information shows that an average of 4.2 sheltered housing units are let by OIC each year. The waiting list currently includes 3 people who have a single shared assessment and so 'actively' waiting for sheltered housing with a further 8 people for whom assessment information is yet to be provided. So applicants to lets might range from 0.7 to 2.6 depending on the outcome of assessments.

5.6.8 Demand for sheltered housing is variable across Orkney. In Kirkwall, the level of demand is broadly comparable to the level of supply, therefore long-term vacancies are uncommon and the wait for sheltered accommodation is relatively short. Most of those currently waiting for sheltered housing want housing in Kirkwall. In Stromness however, there is low demand for sheltered housing and vacancies frequently exist. A similar situation applies to extra care housing in St Margaret's Hope which experiences low demand and regular vacancies.

5.6.9 There is also the additional context that OHAL's amenity housing in Stromness is more modern than the OIC sheltered housing, so relatively more sought after. However, the amenity housing is also occasionally advertised and used for general needs groups. This indicates that there is not always consistent demand for specialist housing but this provides flexibility for future lets.

5.6.10 For the Orkney Islands Developments Limited stock, there are 6 applicants awaiting very sheltered accommodation in Kirkwall and one applicant awaiting a place in Westray. That is almost a quarter of the total supply (7 applicants for 31 places). **Overall, that suggests an overall waiting list is between 10 and 18 people, depending on assessment outcomes.**

5.6.11 CRESR at Sheffield University<sup>26</sup> developed a model-based approach to estimating the future need for specialist housing for older people. The model is based on analysis of housing supply across 100 local authorities in England. The first stage of their modelling approach assessed the level and composition of supply of specialist housing, age-exclusive housing and care beds across the 100 English local authorities with the highest overall provision per 1,000 older people (aged 75 years or older).

5.6.12 They found that in the 100 local authorities with the highest level of specialist housing, these provide 172.6 units per 1,000 people aged 75 years and older. This was made up of:

- 153.2 units of **sheltered** per 1,000 people aged 75 years and older (15.3%)
- 4.4 units of **enhanced sheltered** per 1,000 people aged 75 years and older, and (0.44%)
- 15.1 units of **extra care** per 1,000 people aged 75 years and older (1.5%).

5.6.13 The Three Dragons Consulting<sup>27</sup> approach, also based on surveys with older people and other data analysis and consultative work uses household projection data (rather than population estimates) to forecast the number of households that will seek specialist housing. That model applies the

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<sup>26</sup> <https://shura.shu.ac.uk/18868/1/Archer-OlderPeoplesHousingCareAndSupport%28VoR%29.pdf>

<sup>27</sup>

[https://www.london.gov.uk/sites/default/files/assessing\\_potential\\_demand\\_for\\_older\\_persons\\_housing\\_in\\_london\\_march\\_2014.pdf](https://www.london.gov.uk/sites/default/files/assessing_potential_demand_for_older_persons_housing_in_london_march_2014.pdf)

assumptions that 15 per cent of over 75s and 2.5 per cent of those aged 65-74 will seek specialist housing at any one time.

- 5.6.14 If we apply the basic assumption of 15% of those aged 75+ needing some form of specialist provision (i.e. a more conservative estimate than these examples) we would need **420 units of sheltered, very sheltered or extra care housing**, rather than the current provision of 73 units. However, we also need to take into account of the extent to which Orkney differs from urban centres. Some of that is about provision of land, some is around the independence of island residents and accessibility of relatives. It is a farming community so older family members may remain resident on a farm with relatives co-located. As the Age Scotland Orkney research highlighted above showed, most people wish to remain at home with home care provided either by OHAC if its personal care and otherwise by Age Scotland, Enable etc. (see template below).
- 5.6.15 The earlier template shows a lot of amenity standard housing, which is occasionally let as general needs housing. In future, this provision will provide flexibility for additional supported accommodation, as required.
- 5.6.16 On balance, the needs picture for sheltered housing provision is mixed. Consultation as part of Orkney Matters found that older members of the community identified the need sheltered type houses, to allow them to stay in their communities (especially the Mainland and Linked South Isles). However, there is currently low demand for some sheltered and extra care provision, alongside a waiting list for some very sheltered housing. So overall, the current level of provision would appear to broadly meet needs but **there should be some readjustment to better fit demand**. Any new provision would need careful consideration as there are issues of low demand.
- 5.6.17 If the current level of provision of 73 units broadly meets needs, that would be 2.6% of those aged 75+ or 83 units in 2028 and 92 units by 2033. However, the evidence suggests the need to consider demand and need carefully to meet future need. Generally speaking, demand is stronger in Kirkwall and weaker elsewhere.

### **Adults with learning difficulties**

- 5.6.18 The Council have recently developed a core and cluster development for adults with learning difficulties due to the increasing demand for supported tenancies for this group. Carness is a development of 4 flats recently opened with a 5th flat used as a staff base.
- 5.6.19 Prior to the build there was a needs analysis completed and this was initially going to be a build for 7 service users, however with various delays and other barriers it opened as a unit supporting 4 individuals. There is room to expand given location and allocation of other properties that could be revisited in the future if need be and with negotiating with Housing in terms of future allocations.

5.6.20 There are a further 14 people supported in other supported accommodation, throughout the community with support provided by Scottish Autism and Enable.

5.6.21 If future need is similar – i.e. 18 units across the adult population, that would be less than 1 unit (0.9) per 1,000 adults. This is similar to the rate expected, compared with the estimated population of adults with learning disabilities in supported accommodation across Scotland. In 2019, there were an estimated 5.2 people per 1,000 with learning disabilities, of whom just under 15% lived in supported accommodation<sup>28</sup>. That is 0.8 per 1,000.

**5.6.22 If Orkney provision continues to meet the Scottish rate in future, the current provision of 18 units will meet this need.**

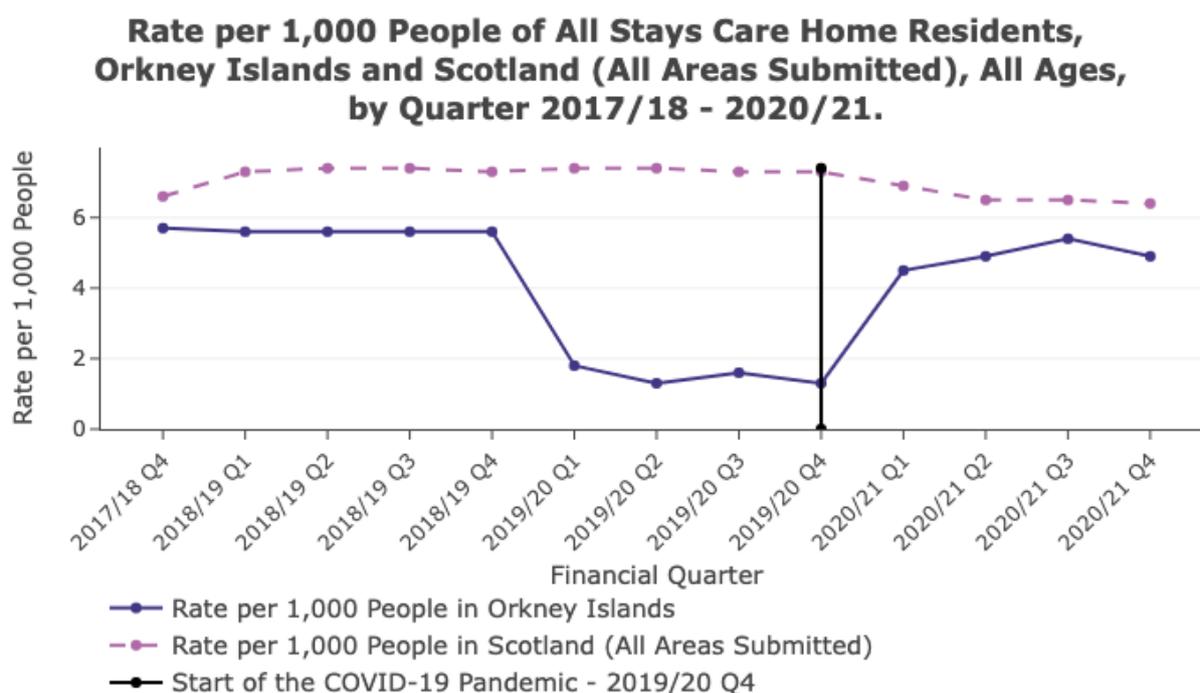
### **Care Home Provision**

5.6.23 Orkney has 107 care home beds currently. There is replacement provision underway for a 40-place facility with the flexibility to add two 10 en-suite room accommodation wings in future and in the meantime build the central services, such as kitchen, laundry, offices to allow for the easy addition of one or two of the original 10-room wings, if and when, demand exceeds the existing capacity. At the point of opening however this will reduce the overall capacity by 4 places (to 103) as St Rognvald House which will close currently has 44.

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<sup>28</sup> <https://www.sclid.org.uk/wp-content/uploads/2019/12/Learning-Disability-Statistics-Scotland-2019.pdf>

Figure 5.20: Care home residents - Orkney and Scotland



Source: <https://www.publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/care-home/>

5.6.24 The number of people supported in care homes in Orkney is lower than the Scottish average. In 2022, Orkney had 20 registered places per 1,000 residents aged 65 years or older compared with 35 places across Scotland.

5.6.25 The rate per person is shown over time below – 4.9 people per 1,000 people in Orkney in 2021/22 compared with 6.6 people per 1,000 across Scotland. Note that the data for Q1 to Q4 2019/20 is subject to error as data was not submitted during this period, with averages calculated instead.

5.6.26 During the first quarter of 2023, Orkney care homes recorded an average capacity of 98%. This was higher than the previous annual figure for 2022 (96%). This means that only those in acute needs are able to be allocated care home places. This means the current provision of 20 places per 1,000 people aged 65 years or older is not adequate.

### Future Needs Projection

5.6.27 The provision of 103 places would be 18 places per 1,000 people aged 65 years or older (5,807 people in 2023). This is well below the current Scottish rate of provision of 35 places per 1,000 people aged 65 years or older. **However, it is not clear whether the Scottish average is an appropriate level of provision for Orkney.**

5.6.28 If 18 places per 1,000 people aged 65 years or older is sufficient to meet needs, there would be a requirement for **115 places by 2028** (for 6,405 people aged 65+) and **126 places by 2033** (for 6,998 people aged 65+).

5.6.29 However, if the requirement was closer to the Scottish average of 35 places per 1,000, this would need **224 places by 2028** and **244 places by 2033**.

### **Equalities**

5.6.30 The latest data available showed that 73% of care homes residents were female and 27% male. Median age at admission was 82 and median age overall was 84. The number of residents aged under 75 years was too small to report.

### **Consultation**

5.6.31 The Age Orkney and Orkney Matters consultations highlighted a strong preference for older people to stay within their community as far as possible, with a preference for additional sheltered housing provision in the Mainland and Linked South Isles in particular.

### **Young people**

5.6.32 The Council has developed additional supported accommodation for young homeless people in Kirkwall and Stromness, as well as **six new build flats** of move on accommodation for young people to utilise as a stepping stone from supported accommodation into their own full tenancy.

5.6.33 The supported accommodation provision comprises, for young people:

- Three units with shared kitchen (Kirkwall)
- Four separate rooms, one of which has en-suite facilities and a shared kitchen area (Stromness).
- Six move-on self contained properties (Kirkwall).

5.6.34 Care experienced young people have individual support plans which includes housing. There are monthly reviews with housing officer (and anyone else they would like to have involved), to review support needs, goals and aspirations. There is a protocol in place with OHAC for young people leaving care to ensure that there are structures in place to enable them to be prioritised for housing in such a manner that they do not have to present as homeless and have that label applied.

5.6.35 When young people move into the supported accommodation they identify the area they would like to live and the type of property they would like to live in e.g. flat, house with garden. If this changes in the time they live in supported accommodation, we would speak with their housing officer to update their housing options.

5.6.36 No additional need has been identified for young people at present.

## Consultation

5.6.37 Consultation with Health and Care providers has been undertaken on current demand and projected future demand. Information and evidence from the Orkney Health and Care has also been used in the assessment and Orkney Health and Care have consulted widely on the Joint Strategic Needs Assessment.

### Conclusion – supported accommodation

- Analysis of lettings information shows that an average of 4.2 sheltered housing units are let by OIC each year. The waiting list currently includes 3 people who have a single shared assessment and so 'actively' waiting for sheltered housing with a further 8 people for whom assessment information is yet to be provided. So applicants to lets might range from 0.7 to 2.6.
- There is low demand for some of the sheltered housing and extra care housing provided, though generally waiting times are short in Kirkwall, where demand is stronger. Careful consideration of future supported housing provision is required. There is also be scope to use amenity housing in future provision.
- If the current level of provision of 73 units meets needs, that would be 2.6% of those aged 75+ or 83 units in 2028 and 92 units by 2033. However, the evidence suggests the need to consider demand and need and readjust provision.
- There is currently adequate provision for adults with learning difficulties, in line with Scottish estimates. That is 18 units or 0.9 units per 1,000 adults. This level of provision is estimated to meet needs in future.
- The number of people supported in care homes in Orkney is lower than the Scottish average. The provision of 103 places after repositioning would be 18 places per 1,000 people aged 65 years or older (5,807 people in 2023). This is still well below the current Scottish rate of provision of 35 places per 1,000 people aged over 65.
- If 18 places per 1,000 people aged 65 years or older is sufficient to meet needs, there would be a requirement for **115 places by 2028** (for 6,405 people aged 65+) and **126 places by 2033** (for 6,998 people aged 65+). However, if the requirement was closer to the Scottish average of 35 places per 1,000, this would need **224 places by 2028** and **244 places by 2033**.
- The Council has developed additional supported accommodation for young homeless people in Kirkwall and Stromness, as well as **six new build flats** of move on accommodation for young people to utilise as a stepping stone from supported accommodation into their own full tenancy. No additional need has been identified for young people at present.

## **5.7 Template 5: Care and Support Services for Independent Living at Home**

### **National Policies**

5.7.1 In addition to the overarching plans and policies set out under previous templates, the following are also relevant to the care and support services for independent living at home template.

- National Telehealth and Telecare Delivery Plan for Scotland to 2016
- Keys To Life – Unlocking Futures for People with Learning Disabilities Implementation framework and priorities 2019-2021
- Self-Directed Support Act 2013

### **Local Policies**

5.7.2 Orkney Health and Care Joint Commissioning strategy 2012 – 2022.

### **Care and Support Needs**

5.7.3 Orkney has a wide range of social care and community-based services available to help households remain in their homes and live independently as long as possible. These include:

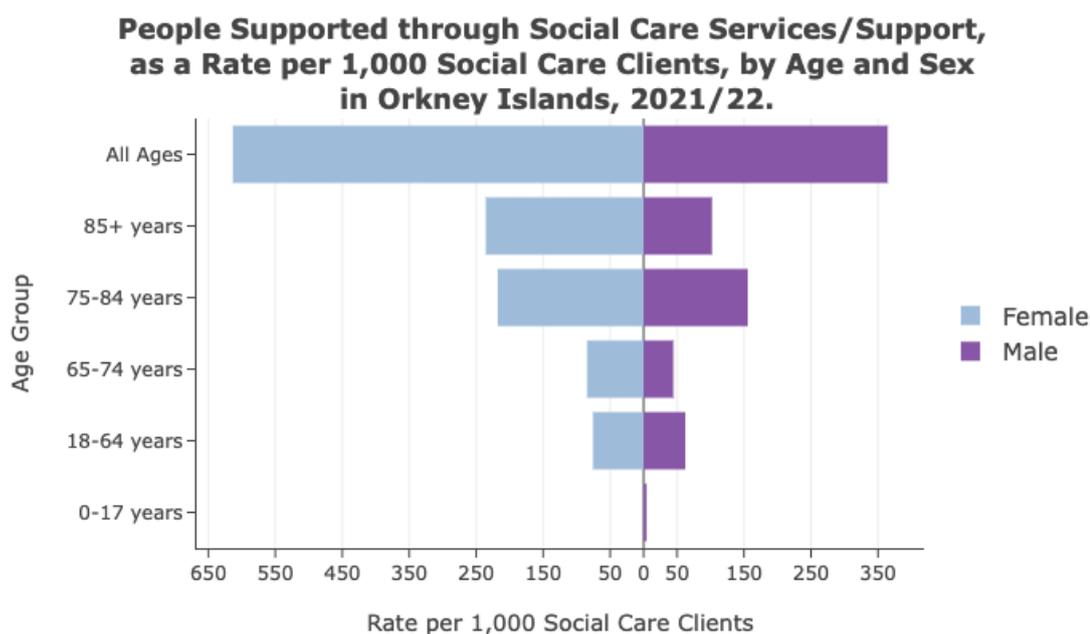
- Telecare/Telehealth and community alarms
- Health services
- Housing support
- Home carers
- Orkney Care and Repair
- Social Workers; and
- 3<sup>rd</sup> Sector support providers

### **Key Client Groups**

5.7.4 Services are available to anyone living in their own home that needs care and support to live independently regardless of tenure.

5.7.5 Figure 5.2 shows the breakdown of social care clients by age and sex. As can be seen, half of clients are aged 85 and over and around 70% of clients are 75 and over. Females make up over 60% of social care clients, while males are just under 40%.

Figure 5.21: Age and sex of clients of social care services

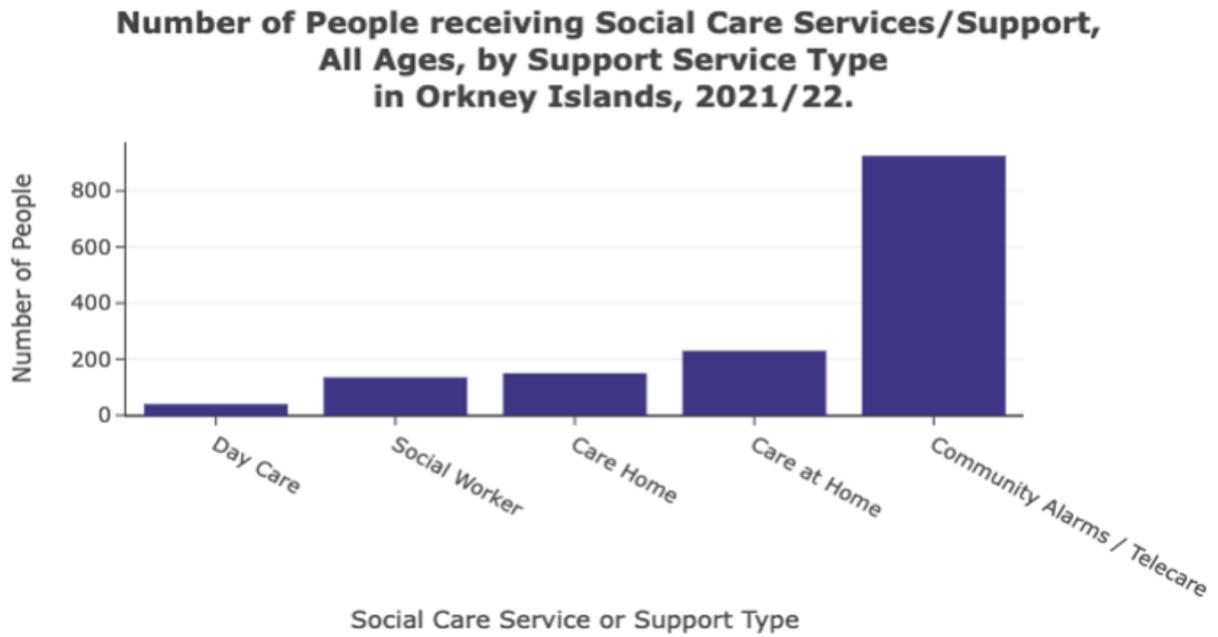


Source: <https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/people-supported/>

## Evidence

- 5.7.6 The figure and table below show the number of people receiving care at home of different types. Community alarms and tele care services were most common – with 925 clients, followed by Care at Home (230), then Care Home (150), Social Work (135) and Day Care (40). The latest available data for telecare services in Orkney Island Council puts the number of telecare customers somewhat lower – at 814.

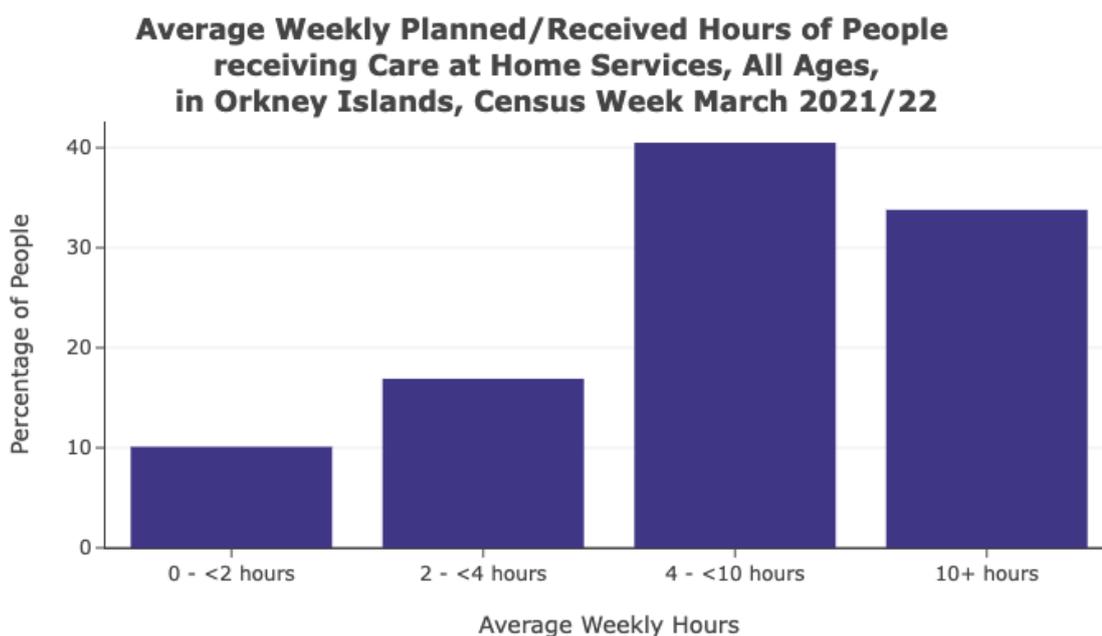
Figure 5. 22: Types of social care services received



Financial Year	Location	Age Group	Type of Service / Support	Number of People
2021/22	Orkney Islands	All Ages	Care Home	150
2021/22	Orkney Islands	All Ages	Care at Home	230
2021/22	Orkney Islands	All Ages	Community Alarms / Telecare	925
2021/22	Orkney Islands	All Ages	Day Care	40
2021/22	Orkney Islands	All Ages	Social Worker	135

Source: <https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/people-supported/>

Figure 5.23: Amount of home care received – 2021/22 (Census week)



Census Week	Location	Age Group	Number of Care at Home Hours	Number of People	Percentage of People
2021/22	Orkney Islands	All Ages	0 - <2 hours	15	10.1
2021/22	Orkney Islands	All Ages	2 - <4 hours	25	16.9
2021/22	Orkney Islands	All Ages	4 - <10 hours	60	40.5
2021/22	Orkney Islands	All Ages	10+ hours	50	33.8

<https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/care-at-home/>

5.7.7 The largest group of service users in Census week 2021/22 used care for between 4 and 10 hours, followed by those using care for 10 hours or more. Those receiving care of 10+ hours per week would more likely to be those who may take up additional capacity in care homes if that were available.

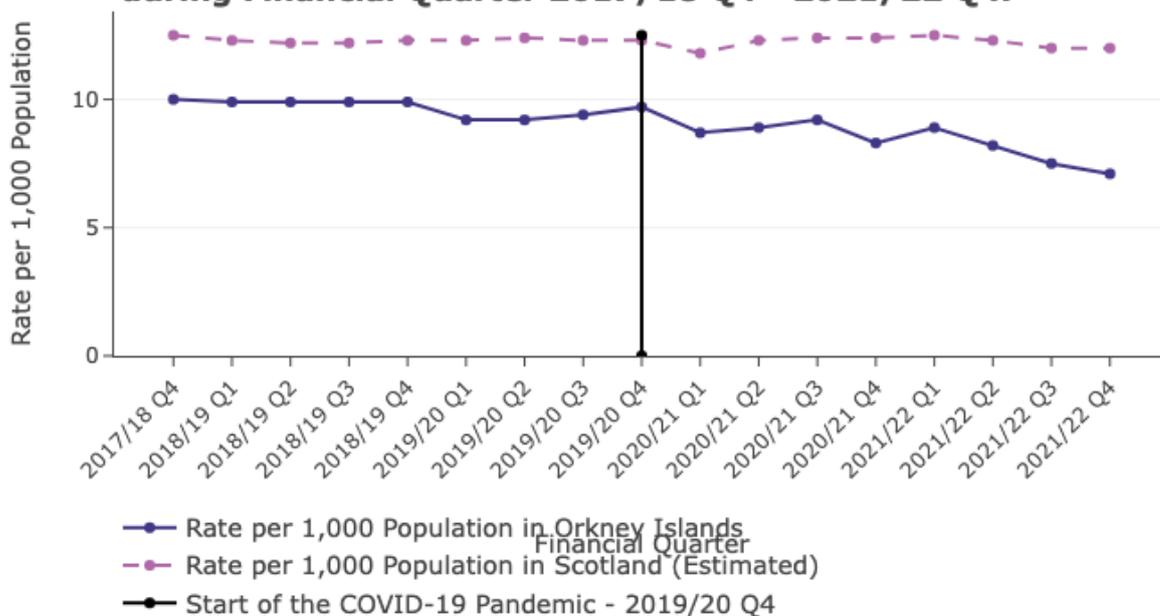
### Unmet need

5.7.8 The number of people receiving home care services as a rate of the population has reduced since the Covid pandemic, from 9.7 people per 1,000 in 2019/20 to 7.1 people per 1,000 in Quarter 4 of 2021/22.

5.7.9 Pre-Covid, in Quarter 4 of 2019/20, 215 people received care at home while in Quarter 4 of 2021/22, 160 people received care at home. The full year 2021/22 (above) shows **230 people receiving care at home**.

Figure 5.24: Number of people supported with care at home services (2017/28 to 2021/22)

**Number of People Supported with Care at Home Services as a Rate per 1,000 Population, in Orkney Islands and Scotland (Estimated during Financial Quarter 2017/18 Q4 - 2021/22 Q4).**



<https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/care-at-home/>

5.7.10 The latest data for 2022/23 shows an average of 39 people waiting for a social care assessment and 48 people waiting for a care at home package<sup>29</sup>. That is total **unmet need of 87 people**.

5.7.11 We have a range of current provision estimated for care at home between 160 people and 230 people (based on quarterly data and annual data). The quarterly estimate is likely to be a better indicator of current use, but we have also seen a reduction in provision and there is unmet need. Adding the unmet need to the latest quarterly estimate would be **247 people needing care at home**.

5.7.12 Based on the 2023 population estimate (22,338) that would be a rate of 11 people per 1,000 receiving care at home. That is closer to the Scottish average of 12 care at home places per 1,000 and above pre-pandemic levels.

<sup>29</sup> <https://publichealthscotland.scot/publications/social-care-demand-for-care-at-home-services/social-care-demand-for-care-at-home-services-28-march-2023/dashboard/>

5.7.13 However, in 2021/22 there were 375 self-directed support clients, which is an additional 145 people compared with the 230 annual care at home client group. All 375 received personal care with 190 also receiving health care and other (unknown) care. 230 received care from the local authority, 95 through a personal assistance contract and 95 through the third sector. Numbers add up to over 375 as people could use different providers.

5.7.14 If we allowed for these clients in the quarterly figures, this factors up the level of need by 100 people (that is the 145 extra people, weighted to the quarterly figure =  $145 \times (160/230)$ ).

5.7.15 The estimated annual need for care at home, then, is higher than 11 people per 1,000 – an updated total need of 347 would be 15 people per 1,000.

### **Future Need Projection**

5.7.16 Increasing the provision of care at home to the equivalent of 15 people per 1,000 or around 350 people would be around 6% of those aged 65+ years.

5.7.17 Projecting this level of need forward, based on an estimated population of 6,405 people aged 65+ years in 2028 and 6,998 in 2033, the total level of care at home needed across all provision will increase to **385 people by 2028** and **420 people by 2033**.

### **Telecare and handy person services**

5.7.18 The latest PHS data estimates that a total of 925 social care clients receive telecare services. That is an estimated 4% of the population or 16% of the population aged 65+. Maintaining this level of provision in future would require 1,025 telecare services by 2028 (100 more) and 1,120 telecare services by 2033 (195 more). There is Telecare provision to sheltered and extra care housing. However, the latest data for OIC suggests current provision is 814 clients, so these estimates may be on the high side. Also, it is noted that at the time of writing Telecare provision is a free service for the Orkney population which is unlike the majority of other areas. Whilst there are no immediate plans that may change during the future. If charging was to be introduced mechanisms would be required to ensure that people who had considerable need for this technology were not disadvantaged by being unable to afford the charge levied.

5.7.19 The small repairs service offered by Care and Repair provided 520 small repairs in 2023. Assuming this rate going forward (the equivalent of 9% of the population 65 years or older) there would be around 580 repairs by 2028 and 630 repairs by 2033.

### **Other care to support independent living**

5.7.20 There were 40 people using day care service and 135 social workers supporting social care service users in 2021/22. We have no data on unmet need for these services. If unmet need were similar to the waiting list for care

at home packages or assessment (87 cases or 38% of the current annual provision) then there would need to be an additional 15 day care places.

5.7.21 Assuming 55 day care places (provision for 1% of the population aged 65+) this would need to be 64 by 2028 and 70 by 2033.

5.7.22 Maintaining the same Social Work provision (43 people aged 65+ per social worker) would require 149 social workers by 2028 and 163 social workers by 2033. This may overstate need (as the 65+ age group are just over 70% of social care recipients) but also assumed that current provision is adequate, which is unlikely to be the case.

## Equalities

5.7.23 Of those who received social care services or support provided or funded by the HSCP, these were broken down as follows -

*Table 5.33: The profile of social care recipients*

Age	Number	Condition	Number
0-17	5	Elderly/frail	125
18-64	65	Learning disability	35
65-74	25	Mental health	5
75-84	80	Physical/sensory disability	80
85+	70	Other	15
	<b>245</b>		<b>260</b>

<https://publichealthscotland.scot/publications/insights-in-social-care-statistics-for-scotland/insights-in-social-care-statistics-for-scotland-support-provided-or-funded-by-health-and-social-care-partnerships-in-scotland-202122/people-supported/>

5.7.24 As highlighted earlier, about 60% of social care clients are female and 40% are male.

## Conclusions – Care and Support Services for Independent Living at Home

- The number of people receiving home care services as a rate of the population has reduced since the Covid pandemic, from 9.7 people per 1,000 in 2019/20 to 7.1 people per 1,000 in Quarter 4 of 2021/22.
- The latest data for 2022/23 shows an average of 39 people waiting for a social care assessment and 48 people waiting for a care at home package . That is **total unmet need of 87 people**.
- Increasing the provision of care at home to the equivalent of 15 people per 1,000 or around **350 people** across all provision would be around 6% of those aged 65 years or older. Projecting this level of need forward, based on an estimated population of 6,405 in 2028 and 6,998

in 2033, the total level of care at home needed across all provision will increase to **385 people by 2028** and **420 people by 2033**.

- The latest PHS data estimates that a total of 925 social care clients receive telecare services. That is an estimated 4% of the population or 16% of the population aged 65+. Maintaining this level of provision in future would require 1,025 telecare services by 2028 (100 more) and 1,120 telecare services by 2033 (195 more). However, the latest numbers (814) suggest this is a higher rate of provision than may be required. It is also noted that demand may also be reduced in future if a charge for the service were levied.
- The small repairs service offered by Care and Repair provided 520 small repairs in 2023. Assuming this rate in future (the equivalent of 9% of the population 65 years or older) there would be around 580 repairs by 2028 and 630 repairs by 2033.
- Assuming 55 day care places (provision for 1% of the population over 65) this would need to be 64 by 2028 and 70 by 2033.
- Maintaining the same Social Work provision (43 people aged 65+ per social worker) would require 149 social workers by 2028 and 163 social workers by 2033.

## **5.8 Template 6: Site Provision**

5.8.1 Orkney has no gypsy travellers' sites and there is no recorded demand for traveller's sites on the islands. In light of this Template 6 has not been completed.

<b>LHS</b>	<b>Specialist Provision - Key Issues Identified in the HNDA</b>
<b>Accessible and adapted housing</b>	<p>1. Almost a quarter of the housing stock is adapted in some way, with over 550 adaptations in the most recent year alone.</p> <p>2. Based on the unmet need identified in the SHCS, we would expect between 1%-3% of households to need adaptations each year. That is around 300-600 households each year.</p> <p>3. This is consistent with the current provision of Care and Repair – across major and minor adaptations and adaptations to assist hospital discharge (572).</p> <p>4. The most common major adaptations are installing level access showers, external ramping, stair lifts and grab rails. This provides an indication of the most commonly needed works in future.</p>
<b>Wheelchair housing</b>	<p>1. According to the Mind the Gap methodology, an estimated 75 households in Orkney might require wheelchair housing (based on 2021 household estimates). This is higher than the 41 people on the waiting list.</p> <p>2. In future, an estimated 50-70 wheelchair properties are required over the next ten years, based on varying assumptions on health outcomes.</p> <p>3. There is strong demand for bungalows among older residents, which will make adaptation for wheelchair use easier.</p>
<b>Non-permanent housing</b> e.g. for students, migrant workers, homeless people, refugees, asylum seekers, people fleeing domestic abuse	<p>1. On balance, there is a need for additional permanent housing to free up temporary accommodation more quickly to improve capacity. The majority of homeless households are waiting for a one bedroomed property in Kirkwall.</p> <p>2. The number of people in temporary accommodation over recent years ranged from a low of 28 to a high of 72 households.</p>

	<p>This suggests that current provision of 71 properties cannot always meet requirements. Also, the location of need means that more temporary accommodation may be needed in Kirkwall, where the majority of homeless applicants are.</p> <p>3. Students – a minimum of 50 units (with a range of up to 90 units) is required for student accommodation split between Kirkwall and Stromness.</p> <p>4. Migrant workers – there is an increasing requirement for agency, rotational and temporary ‘supplementary workforce’ in Orkney, particularly in relation to health and social care services. There is a fluctuating requirement but estimated at 165 bedspaces in March 2023 (equivalent to approximately 118 housing units). The numbers may increase, but this is a one-off requirement (i.e. 165 bedspaces required at any one point in time).</p> <p>5. Women’s aid facilities are very busy and frequently full, with instances in recent times where women seeking refuge have been accommodated in temporary accommodation. In 2021/22 homeless presentation due to violence or abuse were seven times the capacity of the refuge provision. Providing temporary accommodation covers periods of high demand. However, refuge provision used by families outside Orkney also impacts capacity.</p> <p>6. There are currently 14 households (24 people) under Homes for Ukraine Scheme in Orkney: 12 currently living with host families and 2 in social housing. These households will continue to be supported in meeting their future housing needs as required. The lack of an existing host community with appropriate support facilities means Orkney is not an appropriate location to host most asylum seekers or refugees, who need Muslim community facilities and support.</p>
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<p><b>Supported Provision</b></p> <p>e.g. care homes, sheltered housing, hostels and refuges</p>	<p>1. Analysis of lettings information shows that an average of 4.2 sheltered housing units are let by OIC each year. The waiting list currently includes 3 people who have a single shared assessment and so 'actively' waiting for sheltered housing with a further 8 people for whom assessment information is yet to be provided. So applicants to lets might range from 0.7 to 2.6.</p> <p>2. There is low demand for some sheltered and extra care housing but a waiting list for some very sheltered provision, indicating a complex picture. There is also scope to use amenity housing in future provision.</p> <p>If the current level of provision of 73 units meets needs, that would be 2.6% of those aged 75+ or 83 units in 2028 and 92 units by 2033 (though adjusting provision to respond to demand/need).</p> <p>3. There is currently adequate provision for adults with learning difficulties, in line with Scottish estimates. That is 18 units or 0.9 units per 1,000 adults. This level of provision is estimated to meet needs in future.</p> <p>4. The provision of 103 care home places would be 18 places per 1,000 people aged 65 years or older (5,807 people in 2023). This is well below the current Scottish rate of provision of 35 places per 1,000 people aged 65 years or older. However, it is not clear whether the Scottish average is an appropriate level of provision for Orkney.</p> <p>5. If 18 places per 1,000 people aged 65 years or older is sufficient to meet needs, there would be a requirement for 115 places by 2028 (for 6,405 people aged 65+) and 126 places by 2033 (for 6,998 people aged 65+). However, if the requirement was closer to the Scottish average of 35 places per 1,000, this would need 224 places by 2028 and 244 places by 2033.</p> <p>6. The Council has developed additional supported accommodation for young homeless people in Kirkwall and Stromness,</p>
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	<p>as well as six new build flats of move on accommodation. No additional need has been identified for young people at present.</p>
<p><b>Care/ support services for independent living at home</b> e.g. home help, Handyperson, Telecare</p>	<ol style="list-style-type: none"> <li>1. The number of people receiving home care services as a rate of the population has reduced since the Covid pandemic, from 9.7 people per 1,000 in 2019/20 to 7.1 people per 1,000 in Quarter 4 of 2021/22.</li> <li>2. The latest data for 2022/23 shows an average of 39 people waiting for a social care assessment and 48 people waiting for a care at home package . That is total unmet need of 87 people.</li> <li>3. Increasing the provision of care at home to the equivalent of 15 people per 1,000 or around 350 people across all provision would be around 6% of those aged 65+ years. Projecting this level of need forward, based on an estimated population of 6,405 in 2028 and 6,998 in 2033, the total level of care at home needed across all provision will increase to 385 people by 2028 and 420 people by 2033.</li> <li>4. The latest data estimates that a total of 925 social care clients receive telecare services. That is an estimated 4% of the population or 16% of the population aged 65+. Maintaining this level of provision in future would require 1,025 telecare services by 2028 (100 more) and 1,120 telecare services by 2033 (195 more). However, the latest data for OIC (814 clients) suggests this to be a high estimate, which may be reduced in future if charges are applied for the service.</li> <li>5. The small repairs service offered by Care and Repair provided 520 small repairs in 2023. Assuming this rate in future (the equivalent of 9% of the population aged 65 years or older) there would be around 580 repairs by 2028 and 630 repairs by 2033.</li> <li>6. Assuming 55 day care places (provision for 1% of the population over 65) this would need to be 64 by 2028 and 70 by 2033.</li> </ol>

	7. Maintaining the same Social Work provision (43 people aged 65+ per social worker) would require 149 social workers by 2028 and 163 social workers by 2033.
<b>Site provision</b> e.g. sites/ pitches for Gypsy/ Travellers and sites for Travelling Showpeople	1. There is no requirement identified for gypsy/traveller or travelling show-people sites

<b>Development Plan</b>	<b>Specialist Provision: Key Issues Identified in the HNDA</b>
<b>Planning for housing for Specialist Provision housing</b> e.g. any additional locational/ spatial considerations.	1. Any additional housing for students should be provided in Kirkwall and Stromness – the Development Plan will ensure sufficient land supply is in place.  2. Any future requirements for additional housing supply for older people, disabled people and other client groups with specific housing provision requirements will be met through housing land supply provided for within the Local Development Plan process.
<b>Site provision</b> e.g. sites/ pitches for Gypsy/ Travellers and sites for Travelling Showpeople	1. Not applicable

## **Appendix 1 – HNDA core processes and outputs**

### **Core processes**

1. A Housing Market Partnership (HMP) has overseen production of the HNDA and other stakeholders have been appropriately engaged with via consultation. All HMP decisions have been clearly reported in the HNDA.
2. Housing Market Areas have been agreed with the Housing Market Partnership and are considered in the production of all core outputs.
3. The methodology, limitations and quality control mechanisms are given full technical explanation.
4. Assumptions, judgements and scenarios are well reasoned and transparent.
5. Key findings have been summarised, at the start of the HNDA, using the Key Findings Template provided by the CHMA. Figures should be shown for each five year period of the projection and the cumulative total at the end of the projection (this is automatically output by the Tool).
6. HNDAs have been officially signed-off by the Head(s) of Housing and the Head(s) of Planning or the designated senior official, prior to submission to the CHMA. Where Local Authorities have jointly produced an HNDA they all agreed their core outputs. A statement to this effect has been included as part of the official sign-off.

### **Core outputs**

#### **Key housing market drivers**

- Identifies key factors driving the local housing market, including household formation, population and migration, housing affordability including income, house prices, rent levels, access to finance and key drivers of the local and national economy and how these inform the choice of scenarios run in the HNDA Tool.

#### **Estimate a RANGE of additional future housing units: HNDA tool**

- Figures should be broken down into the number of households who are likely to afford owner occupation, private rent, below market rent, social rent.
- Estimates must be reported for each five year period of the 20 year projection and the cumulative total at the end of the 20 year projection (these are output automatically by the Tool).
- The geography chosen should fit with those required for the LHS and Development Plan.
- Assumptions and choices made about scenarios (demographic, existing need, house price, income and affordability) used in the Tool must be based on evidence and clearly explained in the HNDA.

## Specialist Provision

- Identifies the contribution that Specialist Provision plays in enabling people to live well, with dignity and independently for as long as possible.
- Identifies any gap(s)/ shortfall(s) in that provision and the future level and type of provision required.
- Considers evidence regarding property needs, care and support needs and locational/ land needs.
- Undertakes consultation with all appropriate stakeholders who represent the views of those people who this chapter may impact upon and reports on the findings of such consultation.
- Gives due consideration to the provisions of the [Equality Act \(2010\)](#).

The [Equality Act 2010](#) introduced a public sector Equality Duty in April 2011 to:

- eliminate discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations.

The Statutory Duty requires consideration of the above in respect of the following protected characteristics:

- age
- disability
- sex
- pregnancy and maternity
- gender reassignment
- marriage and civil partnership
- sexual orientation
- race
- religion and belief.

During the course of drafting the HNDA, particularly around Specialist Provision, authorities will have considered at least four of the seven protected characteristics (age, disability, sex and race). It is not expected that authorities will cover all

protected characteristics if they do not impact on housing need and demand. However, the reasons for not covering a characteristic should be clearly explained.

### **Housing stock profile, pressures & management issues**

- Consider what existing stock is available to meet local housing needs and identify any under-supply or surplus of housing types.
- Show where existing housing stock is pressured and could be managed differently to meet the housing needs.
- Describe the types and number of in-situ solutions used.
- Stock should be considered by size, type, condition, occupancy (overcrowding and under-occupancy, concealed households and turnover (re-lets and voids), tenure and location.

## Appendix 2 – Orkney’s Housing Market Areas

Prior to the development of the HNDA tool incorporating five HMAs, there were seven intermediate geographies (used in the 2012 HNDA), which split the Isles into the South Isles; Shapinsay, Rousay, Egilsay and Wyre; and the North Isles. In 2004 the government introduced the new statistical geography called data zones; this geography was then supplemented with a new intermediate geography. The data zones and intermediate zones built on the well-established postcode and census geographies and have become the key geographies for disseminating government statistics and for supporting policy making.

In Orkney there were 7 intermediate geographies and 27 datazones. The 7 intermediate datazones were used in the 2012 HNDA:

- Kirkwall
- Stromness, Sandwick and Stenness
- West Mainland
- East Mainland
- South Isles (including linked)
- Shapinsay, Rousay, Egilsay and Wyre
- North Isles

The boundaries of the intermediate geographies and datazones were in large part determined by population and consequently they are not always complimentary to the physical geography of a remote rural island location such as Orkney. For example all of the South isles other than the Mainland island of Orkney were covered by one intermediate geography, whilst all of the North Isles shared 2 data zones. Although individual datazones do overlap in some areas, for example parts of the parish of Sandwick is in the West Mainland datazone and part of it is in the Stromness, Sandwick and Stenness datazone, the 7 individual intermediate datazones covering Orkney were the best and most accurate way of identifying the geographical areas of Orkney at a smaller level at that time. The key advantage to using Scottish Government datazones over other means to identify housing market sub areas is that national data is available at datazone level and local data can be transferred quite easily to match datazones. It would be impossible to break national datazone data down to tie into local parish or individual island areas.

The five HMAs incorporated into the HNDA tool were developed to take into account school catchment areas, parish and Community Council boundaries, locally understood property sale areas and Scottish Government datazones. The five HMAs are:

- Kirkwall
- Stromness
- West Mainland
- East Mainland and Linked South Isles; and
- The Isles

Now the linked South Isles are included with the East Mainland (to which they are linked) and the remaining Isles are one housing market area. On balance, this gives

a smaller number of areas to disaggregate data for (which is useful, given the small number of property sales in the Isles, for example).

In order to test whether the five HMAs still represent reasonably self-contained housing markets, analysis of the origin and destination data of house purchasers was examined for sales in Orkney for the period 2015-2020. This data is part of the pack provided to local authorities by the Centre for Housing Market Analysis. The approach taken to analysis of the HMAs is largely based on the LHSA Guidance. Community Scotland/DTZ HMA analysis<sup>30</sup> was developed for the (then) 5 main cities across Scotland. The approach adopted was to examine the pattern of purchaser moves from each city to a specified or named location. Each named location would be included within the wider housing market area if a minimum of 10% of purchasers originated from the Core City.

Outside of the main cities, there is also a containment-based method of looking at HMAs, which is detailed in the Guidance, based on towns and surrounding settlements. The approach to identifying HMAs implemented by many Structure Planners and when it existed by Scottish Homes, used Sasines house purchase data to identify self-containment. The Register of Sasines contains details of the origin or previous town of the house purchaser. It therefore gives details of house purchaser migration.

In the real world no area is likely to be 100% self-contained and there is no hard and fast rule as to what constitutes self-containment. Many use 70 or 75 % self-containment on Sasines data as a benchmark. However, lower thresholds may well be appropriate according to the locality. What is critical is for the analysts to make explicit the reasons for using one benchmark in preference to another. The first stage of the analysis in Orkney was to use datazones to allocate the sale location and the origins of purchasers over a 5-year period (Table A2-1).

Overall, almost 1 in 4 purchasers were from outside Orkney, which provides an indicator of the external pressures on the Orkney housing market. Although some of these purchasers may move to Orkney, others may have purchased a second home or holiday home for occasional or future use.

There is variation by housing market area, with over half of sales in the Isles (54%) to non-Orkney purchasers compared with 11% of Kirkwall purchasers. Stromness and West Mainland have around 30% of their sales from outside purchasers, compared with 16% in the East Mainland.

To understand the containment within the local market figures are also shown excluding purchasers from outside Orkney. The Isles and Stromness are the most self-contained housing markets, with over 70% of purchasers buying within the same area. East Mainland is least self-contained, with just 50% of moves within the area, while Kirkwall has 58% of moves within the area and West Mainland 61%.

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<sup>30</sup> <https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2019/01/local-housing-system-analysis-defining-housing-market-areas/documents/lhsa-defining-housing-market-areas/lhsa-defining-housing-market-areas/govscot%3Adocument/LHSA%2B-%2BDefining%2Bhousing%2Bmarket%2Bareas.pdf>

To understand the nature of the moves between the three less self-contained areas, we looked at the datazones where purchasers from these areas were moving to. More detailed exploration of the most recent two years of data found that moves outwith the areas were to a wide range of datazones in nearby areas, with only one datazone appearing in 10% of sales out from the housing market area (the threshold used in the guidance noted above).

St Ola in East Mainland received more than 10% of buyers from Kirkwall in the most recent two years (Table A2-2). Just under half of these purchases were new-build sales, however, which may account for these moves between housing market areas. In previous years the 10% threshold was not reached. This is important, as Orkney sales levels are small, so require us to consider sales over a number of years to have a robust enough sample. In other areas, there were one or two years where sales to outside the HMA exceeded 10% but not consistently.

There does not appear to be sufficient evidence of moves between housing market areas to datazones in other housing market areas to warrant moving datazone boundaries to include other datazones. However, St Ola provides an example of the potential impact of new-build developments on housing market behaviour. Providing new-build housing in East or West Mainland may encourage purchasers to move from Kirkwall or Stromness. The large proportion of sales from outside Orkney also indicates that, although the housing markets are fairly self-contained within Orkney, there is considerable external pressure on the market.

It is recommended to retain the 5 Housing Market Areas used in the HNDA tool for the analysis in the current HNDA but review the impact of new build developments in future to determine whether St Ola should be moved from the East Mainland to the Kirkwall Housing Market Area for future HNDA. Likewise, future monitoring of the relationship between Stromness and West Mainland (Birsay and Quoyloo) should also be undertaken to determine whether the Stromness market is extending out to these datazones.

Table A2-34: HMA origin and destination of sales

	Destination											
	01 - East Mainland		02 - Isles		03 - Kirkwall		04 - Stromness		05 - West Mainland		Orkney	
	N	%	N	%	N	%	N	%	N	%	N	%
<b>Origin</b>												
01 - East Mainland	219	<b>42%</b>	21	6%	136	19%	5	2%	23	6%	404	18%
02 - Isles	22	4%	118	<b>33%</b>	36	5%	5	2%	10	2%	191	9%
03 - Kirkwall	164	31%	14	4%	371	<b>52%</b>	12	5%	50	12%	611	27%
04 - Stromness	4	1%	9	3%	12	2%	117	<b>50%</b>	28	7%	170	8%
05 - West Mainland	30	6%	3	1%	84	12%	26	11%	173	<b>42%</b>	316	14%
Outside Orkney	83	16%	190	54%	76	11%	68	29%	130	31%	547	<b>24%</b>
Total	522	100%	355	100%	715	100%	233	100%	414	100%	2239	100%
<b>Origin (Orkney)</b>	01 - East Mainland		02 - Isles		03 - Kirkwall		04 - Stromness		05 - West Mainland		Orkney	
01 - East Mainland	219	<b>50%</b>	21	13%	136	21%	5	3%	23	8%	404	24%
02 - Isles	22	5%	118	<b>72%</b>	36	6%	5	3%	10	4%	191	11%
03 - Kirkwall	164	37%	14	8%	371	<b>58%</b>	12	7%	50	18%	611	36%
04 - Stromness	4	1%	9	5%	12	2%	117	<b>71%</b>	28	10%	170	10%
05 - West Mainland	30	7%	3	2%	84	13%	26	16%	173	<b>61%</b>	316	19%
	439	100%	165	100%	639	100%	165	100%	284	100%	1692	100%

Source: Property sales data, CHMA Datapack

Table A2.35: Datazones where at least 10% of sales were to a purchaser from another HMA (% of sales by year)

Kirkwall to East Mainland			East Mainland to Kirkwall		
<b>S01011817</b>	<b>East Mainland - 05 (St Ola)</b>		<b>S01004958</b>	<b>West Kirkwall - 04 (Hatston)</b>	
2015	9%		<b>S01011820</b>	<b>West Kirkwall - 03 (Hospital)</b>	
2016	5%		<b>S01011821</b>		
2017	7%		2015	<b>10%</b>	
18/19	<b>21%</b>		2016	6%	
19/20	<b>18%</b>		2017	3%	
<b>Average</b>	<b>11%</b>		18/19	7%	
			19/20	4%	
			<b>Average</b>	<b>6%</b>	
			<b>Stromness to West Mainland</b>		
			<b>S01004964</b>	<b>Stromness, Sandwick and Stenness - 04 (Quoyloo)</b>	
<b>Stromness to West Mainland</b>			<b>S01011807</b>		
<b>S01011811</b>	<b>West Mainland - 04 (Birsay)</b>				
2015	7%		2015	<b>10%</b>	
2016	0%		2016	0%	
2017	2%		2017	2%	
18/19	4%		18/19	0%	
19/20	<b>12%</b>		19/20	<b>15%</b>	
<b>Average</b>	<b>3%</b>		<b>Average</b>	<b>5%</b>	

## **Appendix 3 – HNDA Tool Scenario Criteria and sensitivity tests**

### **Scenario 1 – Principal projection**

- Existing need 198 (cleared in 5 years) – all social rented
- High rent growth + High house price growth
- Assumes +0.5% additional pop growth (except Isles)
- Moderate income growth, no change on equality
- 60% can afford to own
- All other indicators use HNDA tool defaults

### **Scenario 2 – High migration projection**

- Existing need 198 (cleared in 5 years) – all social rented
- High rent growth + High house price growth
- Assumes +1% additional pop growth (except Isles)
- High income growth, greater equality
- 60% can afford to own
- All other indicators use HNDA tool defaults

### **Scenario 3 – low migration**

- Existing need 198 (cleared in 5 years) – all social rented
- Moderate rent growth + moderate house price growth
- Population growth as default (low migration)
- Moderate income growth, no change on equality
- 60% can afford to own
- All other indicators use HNDA tool defaults

Table A3.1: HNDA Tool results by area– HNDA principal projection – 2023 – 2042. Existing need dealt with over 10 years (Sensitivity test 1 – Scenario 4)

<b>ORKNEY – principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	111	96	85	75	1837	92
<b>Social rent</b>	38	36	17	15	529	26
<b>Below Market</b>	19	16	18	16	345	17
<b>PRS</b>	24	20	22	19	424	21
<b>Buyers</b>	31	25	28	24	539	27
<b>KIRKWALL principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	45	41	29	27	711	36
<b>Social rent</b>	22	21	7	7	287	14
<b>Below Market</b>	7	6	7	6	128	6
<b>PRS</b>	6	5	6	5	106	5
<b>Buyers</b>	10	9	10	9	188	9
<b>STROMNESS principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	13	11	9	9	209	10
<b>Social rent</b>	5	5	2	2	72	4
<b>Below Market</b>	2	2	2	2	42	2
<b>PRS</b>	2	2	2	2	37	2
<b>Buyers</b>	3	3	3	3	58	3
<b>WEST MAINLAND principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	24	21	21	19	429	21
<b>Social rent</b>	5	5	3	3	85	4
<b>Below Market</b>	4	4	4	4	81	4
<b>PRS</b>	8	6	7	6	138	7
<b>Buyers</b>	7	6	6	6	124	6

<b>EAST MAINLAND principal +0.5% pop</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	22	19	20	18	389	19
<b>Social rent</b>	4	3	2	2	57	3
<b>Below Market</b>	4	3	4	3	71	4
<b>PRS</b>	7	6	6	6	125	6
<b>Buyers</b>	8	6	7	6	136	7
<b>ISLES - principal</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	8	4	5	3	100	5
<b>Social rent</b>	2	1	1	1	27	1
<b>Below Market</b>	2	1	1	1	23	1
<b>PRS</b>	1	1	1	1	17	1
<b>Buyers</b>	2	1	2	1	32	2

Table A3.2: HNDA Tool results by area– HNDA high migration projection – 2023 – 2042. 50% of those who are able to afford to own will buy (Sensitivity test 2 – Scenario 5)

<b>ORKNEY – high migration (+1% pop)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	189	141	156	156	3214	161
<b>Social rent</b>	67	19	17	16	592	30
<b>Below Market</b>	31	28	29	22	548	27
<b>PRS</b>	48	51	60	65	1119	56
<b>Buyers</b>	43	44	51	54	956	48
<b>KIRKWALL – high migration (+1% pop)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total</b>	<b>Annual whole period</b>
Total (Top Level)	81	50	55	56	1212	61
<b>Social rent</b>	41	8	6	6	303	15
<b>Below Market</b>	12	13	15	14	270	13
<b>PRS</b>	13	13	15	17	293	15
<b>Buyers</b>	15	16	18	20	346	17
<b>STROMNESS - high migration (+1% pop)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total</b>	<b>Annual whole period</b>
Total (Top Level)	22	16	18	18	370	19
<b>Social rent</b>	9	3	2	2	79	4
<b>Below Market</b>	4	4	5	4	84	4
<b>PRS</b>	4	5	5	6	101	5
<b>Buyers</b>	5	5	6	6	106	5
<b>WEST MAINLAND - - high migration (+1% pop)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	41	37	40	40	792	40
<b>Social rent</b>	9	4	4	4	103	5
<b>Below Market</b>	7	6	5	3	107	5
<b>PRS</b>	15	16	19	21	358	18
<b>Buyers</b>	10	10	12	12	224	11

<b>EAST MAINLAND – high migration (+1% pop)</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	37	34	37	37	723	36
<b>Social rent</b>	6	3	4	4	84	4
<b>Below Market</b>	6	4	2	0	59	3
<b>PRS</b>	14	15	18	20	337	17
<b>Buyers</b>	11	11	13	14	243	12
<b>ISLES – high migration</b>	<b>Annual 2023 - 2027</b>	<b>Annual 2028 - 2032</b>	<b>Annual 2033 - 2037</b>	<b>Annual 2038 - 2042</b>	<b>Total - whole period</b>	<b>Annual whole period</b>
Total (Top Level)	9	4	6	4	117	6
<b>Social rent</b>	3	1	1	0	22	1
<b>Below Market</b>	2	1	2	1	28	1
<b>PRS</b>	2	1	2	1	30	1
<b>Buyers</b>	2	1	2	2	38	2