

Orkney's Local Housing Strategy



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APPENDICES

Appendix 1	List of partner agencies involved in the development of the LHS
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Related Strategies as follows are available from our website
(www.orkney.gov.uk):

- Homelessness Strategy
- Advice and Information Strategy
- Temporary Accommodation Strategy
- Tenant Participation Strategy
- Older Persons' Housing Strategy
- Housing Support Strategy
- Fuel Poverty Strategy
- Private Sector Housing Strategy

This document is available in a range of formats and languages on request.

Foreword

The Local Housing Strategy (LHS) sets out Orkney Islands Council's vision for housing for the next 5 years. Our main aim states:

“Orkney Islands Council is committed to ensuring that every citizen has access to a warm, dry, secure, and affordable home, suited to their particular needs and, wherever possible, in a community of their choice.”

The main purpose of the Strategy is:

- To show clearly the link between national and local housing priorities;
- To evidence the level and type of housing need and demand;
- To provide clear strategic direction for housing investment for new and existing housing;
- To consider how housing circumstances could be improved across all tenures.

This document sets out the actions which will be undertaken during the next five years to increase the supply of affordable housing and to reduce homelessness. It will address the critically important issue of providing housing support to the more vulnerable members of our community. In addition it addresses the key issues of thermal efficiency, fuel poverty and climate change. Finally it incorporates our approach to improving private sector housing in line with Section 72 of the Housing (Scotland) Act 2006 and looks at improving housing through adaptations etc.

We welcome the Scottish Government's move to encourage greater integration between strategic documents on housing. Consequently our LHS is underpinned by a range of other strategies which focus on key issues. These strategies include:

- Homelessness
- Advice and Information
- Temporary Accommodation
- Tenant Participation
- Older Persons' Housing
- Housing Support
- Fuel Poverty
- Private Sector Housing

The LHS has been produced following a detailed analysis of local housing need and demand and has been informed by consultation with key stakeholders, having regard to legislation and the guidance produced by the Scottish Government.

The Council recognises the importance of good quality housing to the social and economic sustainability of the island group and physical well-being of its residents.

The current financial climate has increased the need for joined up working to provide better quality services whilst achieving efficiencies. Orkney Islands Council is committed to joint working with other agencies and its communities to ensure the most appropriate response is delivered.

The implementation of this strategy will help to achieve the continuous improvement to which all partner agencies are committed.



Councillor Roderick McLeod
Chairman – Social Services and Housing Committee

Executive Summary

Orkney has more than 10,000 properties on its Council Tax Register (as at 22 August 2011) of which approximately 77% are owner occupied.

As at the end of March 2011, when there were 10,346 dwellings on the Council Tax Register, Orkney's Housing Stock was made up as follows:

• Local Authority Rent	789	(7.6%)
• Orkney Housing Association Rent	555	(5.4%)
• Private Rent	1038	(10%)
• Owner Occupied	7407	(71.6%)
• Low Cost Home Ownership	536	(5.2%)
• Other (Govt Property etc)	21	(0.2%)

Since March 2011 the Council has built a further 24 dwellings taking the number of permanent Council houses in the area up to 813. The Council also owns some 70 dwellings which it furnishes for use as temporary accommodation for homeless households.

The private rented sector makes a major contribution to the overall housing picture, whilst the Council and Orkney Housing Association Limited, between them, have some 1400 properties available for social rent.

In 1981, the Council owned and managed a stock of almost 1800 properties but this declined, through Right to Buy, to just over 750 in 2010. In effect, Central Government's policy of the time was to reduce the number of council houses whilst supporting the growth of the Housing Association movement. Orkney Housing Association became the principal provider of new build social housing from the early 1990's and has sought to replace those houses lost to the social rented sector through Right to Buy sale. In the past year, the Council stock has increased slightly by a combination of new build and acquisition. The recent changes in respect of the Right to Buy on new properties are welcomed.

Orkney's population continues to grow, and is set to increase by 12% up until 2031. Household numbers continue to expand bringing a need for additional accommodation and there is every likelihood that the growth in the particular economic sectors such as renewables will bring about a demand for more accommodation. Key workers and students have identified housing needs which require to be addressed.

In recent years more than 500 Rural Home Ownership Grants have been awarded to Orkney's citizens which has helped them fulfil their dream of home ownership and relieved pressure on the housing list. Regrettably this funding stream has ended.

The financial crisis has impacted upon first time buyers who struggle to find 20% to 30% deposits under the new lending terms. The Council is looking at ways in which assistance can be provided to first-time buyers.

Orkney has a well established tradition of self-build, and this continues to be supported by the local authority through its serviced sites programme.

There are major concerns that reductions in Housing Association Grant (HAG) funding will threaten Housing Associations' Development Programmes and whilst the Council has benefitted from the "Kick Start" programme, which provides some grant support for new Council house building, and commenced a major building programme of some 150 new homes over a three year period, it will need to be in addition to, and not instead of, the combined programme of the local authority and its partner Registered Social Landlord as set out in the Single Outcome Agreement.

The profile of our population is changing, with a higher proportion of older people, and this presents challenges for health, housing and social care providers.

The choice of many will be to remain at home and as independently as possible for as long as they can. However, this can only be achieved if there is sufficient support in place for our more vulnerable citizens including those with particular needs.

Homeless households require to be provided with settled accommodation and everyone needs to live in a warm home, especially in these northern latitudes, which they can reasonably afford to heat.

There are many challenges which lie ahead, fuel poverty and climate change clearly of major importance. The key will be to ensure there are adequate resources, both financial and human, to meet the challenges.

The Council, like others, has shown that it can respond to the challenge and that it does recognise the critically important role that housing has to play in ensuring that Orkney is a healthy, secure, prosperous, affordable and safe place to live.

This Strategy demonstrates the Council's vision in terms of housing and housing related services over the next five years and beyond.

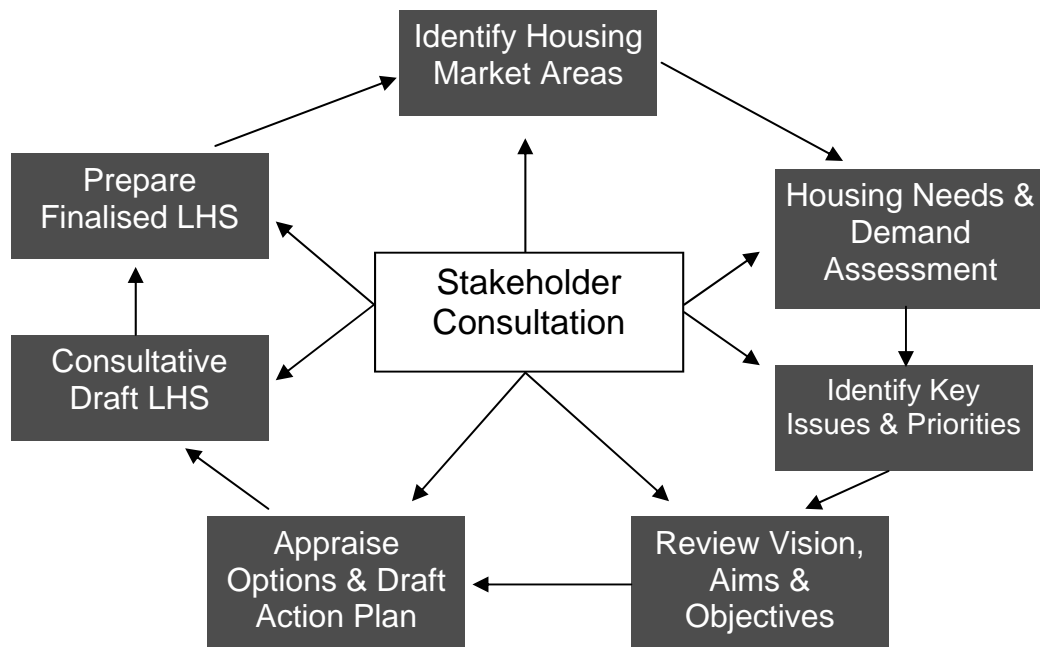
The Main Issues Addressed within the LHS

- A general shortage of housing throughout Orkney and in particular, affordable housing
- Very high levels of fuel poverty
- Increasing number of older people in unsuitable accommodation
- Increasing need for support for households with particular needs

- Need for additional specialist housing (often with support) for households with particular needs
- Increasing pressures from homeless applicants often presenting with complex needs
- Significant disrepair within the private housing stock
- Sustaining small and fragile communities in a dispersed rural island community
- The very significant reduction in funding for both social housing and private sector housing
- Constraints to infrastructure in some settlements, including central Kirkwall

The LHS Development Process

The following diagram sets out the steps showing the development stages for the LHS, up to and including implementation and also demonstrates the critical importance of stakeholder consultation throughout the whole process.



Close joint working with a range of partner agencies has been in place throughout the development of the LHS. This began with initial development sessions in April 2011 through to the consultation and the finalisation of the document. A monitoring framework has been developed in order to evidence progress against the key priorities.

Introduction

The Scottish Government requires that every Scottish local authority develops a comprehensive plan of action for its area addressing all aspects of housing supply and demand.

It must include information on public and private sector housing and the condition of the housing stock, including its thermal efficiency, and will cover a five year period. This new LHS builds upon the work contained with Orkney's first LHS which covered the period 2004 - 2009.

The Housing (Scotland) Act 2010 requires that we:

“ act in a manner which encourages equal opportunities and in particular the observance of the requirements of the law for the time being related to equal opportunities” (Housing (Scotland) Act 2010, Section 39)

The first Local Housing Strategies (LHS), as required by the Housing (Scotland) Act 2001 attempted to describe and define local housing situations but were less focussed on outcomes and often went into considerable detail about options analysis and detailed action planning.

However, as a result of the changed relationship between Scottish Government and local government, and the introduction of Single Outcome Agreements, the new-style strategies are expected to concentrate far more on outcomes.

Where previously the production of separate strategies for homelessness, housing support and fuel poverty was required these will no longer have to be submitted separately to Scottish Ministers although local authorities will have to address these areas within the LHS. Many of the strategies remain a statutory requirement in their own right. Consequently Orkney has retained various strategies believing these allow a robust assessment of key issues. The findings of these align closely with relevant sections in the LHS.

This LHS will cover the period between now and 2016 and sets out how the Council, working in partnership with key stakeholders, will work to improve housing conditions and tackle housing need addressing both local and national housing priorities.

Glossary

This document is intended to be read by all stakeholders, including the wider public, and a glossary of terms has been appended to ensure that there is no confusion about the meaning of specific terms (e.g. Single Outcome Agreements).

The Orkney Context

Orkney is Scotland's smallest local authority and lies off the north-eastern coast of Scotland.

Orkney consists of approximately 100,000 hectares spread over 70 or so islands and skerries, 19 of which are inhabited. We do not share a boundary with any other area.

Orkney's population has fallen over the last century from around 29,000 people to the level it is now which is around 20,100 (GRO estimate, 2011). In the last 10 years, births have been outnumbered by deaths. However, inward migration has prevented population decline.

In fact currently population growth is predicted with an increase of 12% being expected up until 2031. This however varies by age group with the highest levels of growth being in the oldest age group and population decline in the younger age groups.

The mainland capital of Kirkwall is home to approximately one-third of the total population being approximately 7,500. Kirkwall is the administrative centre and has a good mix of shops, supermarkets and small businesses.

The second largest town in Orkney is Stromness, situated in the west mainland, which has a population of around 2,500 people. Both Kirkwall and Stromness are terminals for the ferry service offering links to mainland Orkney. Kirkwall has an airport which caters for flights to and from the Scottish mainland and Shetland, for inter-isles flights and for a summer service to Norway.

Outside Kirkwall and Stromness, there are a number of villages and settlements of various sizes. There are a high proportion of separate and scattered communities.

Orkney's outer isles each have their own distinct character and landscape. Some are relatively close to the mainland whereas others are more remote in location which can pose logistical challenges in respect of both delivering and accessing services particularly in a time of economic challenge. Economic opportunities vary from community to community.

The map below provides more geographical detail.



Orkney's principal economic activity is focused upon tourism. It is the most popular destination for cruise liners in the UK. Orkney also has a developed service sector and is renowned for the production of jewellery, knitwear and other crafts. In addition to the traditional primary industries of agriculture and fishing, including fish farming, oil transportation through the Flotta Oil Terminal remains a significant industry.

Orkney's food and beverage products, for instance its beef, seafood and whisky, are internationally renowned.

Orkney has very significant wind and marine energy resources and is perfectly situated geographically to be a focus for the developing renewable energy sector.

It has a higher than average level of economic activity with 86% of the population being in employment as compared with the Scottish average of 76%.

Property prices averaged £114k in 2009, compared with a Scottish average figure of £145k, but fell to £107k for the first quarter of 2010 though this figure, given the low number of sales, can be affected by relatively few unusually expensive or inexpensive properties.

The average household income in Orkney ranges from £20k to £25k per annum. Finally, in recent surveys to determine the best places to live in the UK, taking into account factors such as crime and anti-social behaviour, Orkney is always very well placed.

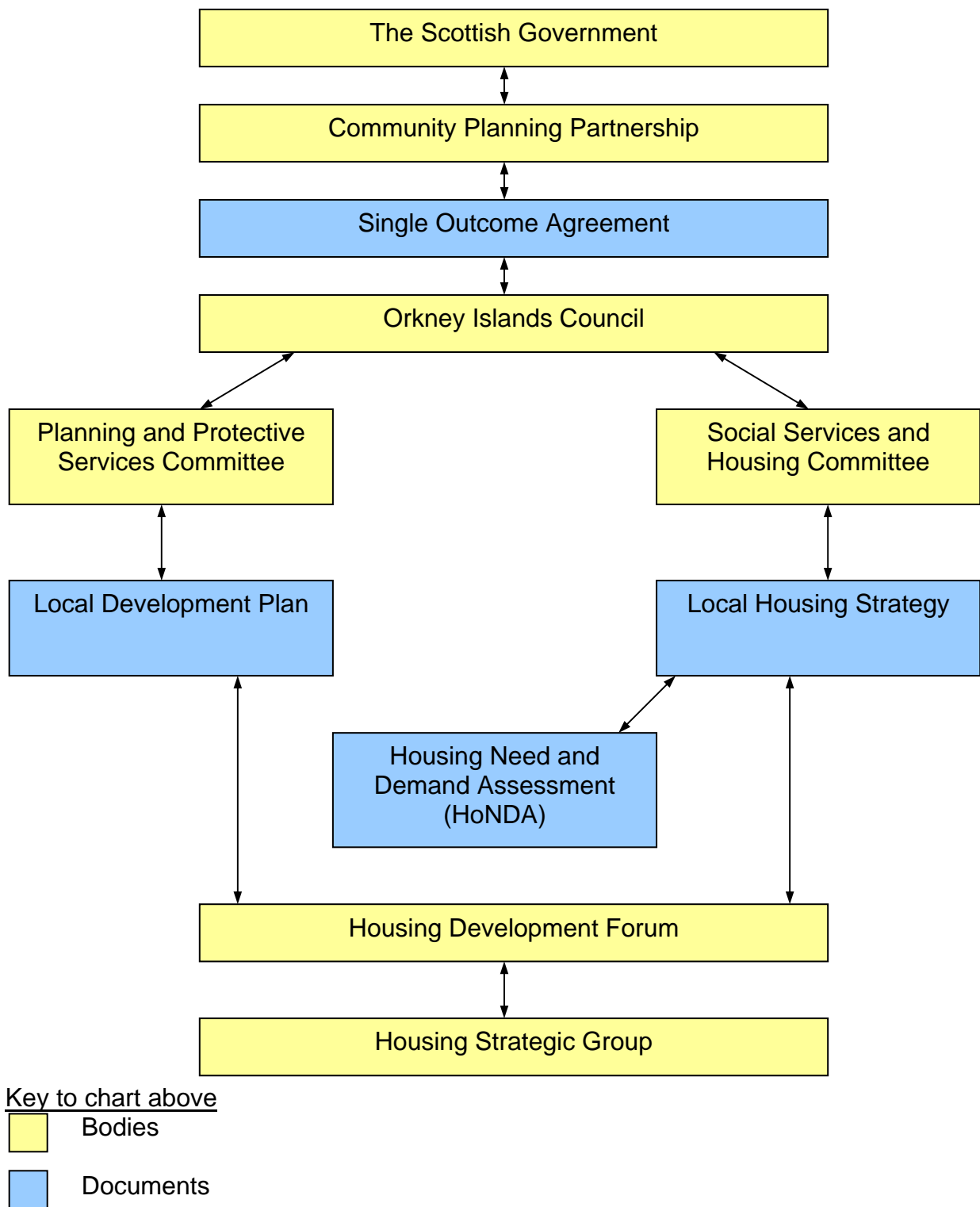
The National and Local Policy Context

The Housing (Scotland) Act 2001 requires all Local Authorities to produce a Local Housing Strategy (LHS) which analyses the housing needs, demands and aspirations of the area and considers all tenures. In addition there are statutory requirements under the Act to produce various other strategies including those focussing on Homelessness, Fuel Poverty and Tenant Participation.

Revised guidance produced by the Scottish Government in June 2008 requires that the LHS effectively become the banner document with other statutory and non-statutory strategies underpinning this or forming part of the document if the Local Authority prefers. In addition the Strategic Housing Investment Plan (SHIP) has a key role in identifying need for development of housing and ensuring targeted investment and is effectively a sub-section of the LHS.

As part of the revised guidance and related changes in planning policy, there has been a strengthening of links between assessing housing need at local authority level and development planning. This is to ensure that land use plans and the LHS deliver the right quantity, quality, type and tenure of housing in Orkney.

The LHS sits within a broad strategic and legislative framework. It interlinks with policy at both national and local level. This section seeks to highlight these links. The diagram below seeks to illustrate the relationship of the LHS to the national and local strategic framework.



The National Policy Perspective

The Scottish Government's key aim is **“to focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.”** (Source: Scotland Performs, 2007)

Consequently it has established five strategic objectives designed to make Scotland:

- **Wealthier and Fairer** – enabling businesses and people to increase their wealth and more people to share fairly in that wealth.
- **Healthier** – Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care.
- **Safer and Stronger** – Helping local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life.
- **Smarter** - Expanding opportunities for Scots to succeed from nurture through to lifelong learning ensuring higher and more widely shared achievements.
- **Greener** – Improving Scotland's natural and built environment and the sustainable use and enjoyment of it.

The Concordat between the Scottish Government and the Convention of Scottish Local Authorities (COSLA) agreed a strategic approach to delivering shared outcomes between national and local government in a Single Outcome Agreement (SOA). Orkney Community Planning Partnership has stated its commitment to delivering 15 national outcomes and the LHS plays a key role in aiming to deliver housing which meets these objectives.

In addition to the SOA there are various legislative drivers which inform the LHS. These include:

- the Housing (Scotland) Acts 2001, 2006 and 2010;
- Private Rented Housing (Scotland) Act 2011;
- Local Government (Scotland) Act 2003;
- Homelessness etc (Scotland) Act 2003;
- Environmental Assessment (Scotland) Act 2005;
- Planning etc (Scotland) Act 2006;
- Climate Change (Scotland) Act (2009);
- Equality Act 2010;
- Welfare Reform Bill 2011.

Key policy drivers such as 'Firm Foundations: The Future of Housing in Scotland' (2007), 'Fresh Thinking New Ideas' (2010) and more recently the Scottish Government's ten year housing strategy 'Homes Fit for the 21st Century' (2011) have set the vision for housing in Scotland to 2020.

The national strategy's vision is that "everyone should have a safe, warm home which they can afford". It highlights key objectives being:

- An affordable home for all;
- More new homes in all tenures including those for people with a particular need and older people;
- Significantly improved quality and sustainability of the existing housing stock and Scotland's neighbourhoods; and
- A continued focus on tackling homelessness, fuel poverty and climate change.

In addition the national strategy reiterates the Scottish Government's four major housing related targets:

- All unintentionally homeless households will be entitled to settled accommodation (by December 2012);
- All properties held by social landlords must meet the Scottish Housing Quality Standard (by April 2015);
- Nobody will be living in fuel poverty in Scotland (as far as reasonably practicable) (by November 2016);
- Improvements in design and energy efficiency in housing will have contributed to Scotland's commitments to reduce energy consumption by 12% and greenhouse gas emissions by 42% (by December 2020).

The national policy agenda presents significant challenges to Government, Local Authorities and other housing providers in a time of economic constraint. Consequently it is likely that innovative approaches will be required to achieve progress.

The Local Policy Perspective

Orkney's Single Outcome Agreement (SOA) 2011-2014

The Scottish Government requires Local Authorities to monitor their performance against the set of national indicators and related targets, previously described. In addition they are accountable to their local communities in respect of their performance against all indicators and targets, both national and local.

The SOA explains what local organisations throughout Orkney are doing to help the Scottish Government to achieve its aims. It also explains what we want to achieve and sets targets to show how we will know if we have achieved them.

More than 100 local organisations were involved in developing the SOA and an annual performance report is produced to evidence whether targets have been met.

Orkney's SOA focuses upon the most important local issues, including health, housing and transport, and explains how local public and voluntary organisations are working jointly to address local challenges.

In relation to housing, Orkney's SOA commits to:

- an increase in new supply affordable housing;
- ensuring that there is enough land for the provision of additional housing under the new Local Development Plan;
- improving thermal efficiency and the use of renewable energy to reduce carbon footprints; and
- ensuring that Orkney remains one of the safest places to live in the UK.

The Council and its partners recognise that the entire SOA is a work in progress and will change and improve over time in response to both local and national imperatives.

National Outcome 10 – “We live in well-designed sustainable places where we are able to access the amenities and services we need.”

Orkney's SOA includes a focus on the:

- Demand for rented housing;
- Working towards high quality, accessible housing which is energy efficient and contributes to a high quality built environment;
- Identifying land suitable for housing development in the right locations and in sufficient quantity to meet future housing needs;
- The importance of housing in the regeneration of Orkney's towns, villages and isles.

Throughout we have taken account of **National Outcome 7 – “We have tackled the significant inequalities in Scottish society”** by ensuring that equalities are mainstreamed throughout the LHS.

The Local Development Plan

Scottish Planning Policy requires the planning system to support new house building by identifying a generous supply of land for new housing across all tenures.

Key planning principles for all new housing development are to promote well-designed, energy efficient dwellings in sustainable locations.

The Council is required, by law, to prepare and keep under review, a Development Plan that sets out policies and allocations for the use and development of land in the area.

Since April 2009, Orkney has been reviewing its Development Plan. Extensive consultation on a Main Issues report was undertaken between November 2009 and March 2010. This led to the publication of the Proposed Plan in April 2011.

The Proposed Plan Spatial Strategy establishes a framework for land supply based upon the principles of sustainable settlement planning. This focuses

land supply on settlements where services are currently available to help reduce the need to travel. The Spatial Strategy identifies a land supply of around 1,500 new houses across the Mainland and linked Isles. There is also a general presumption in favour of development in the non-linked isles.

The Proposed Plan also contains individual settlement statements for each settlement. This identifies development sites with approximate capacity for each site. It also identifies key constraints to the delivery of housing in each settlement – for example utilities capacity or flood infrastructure upgrades which may be required prior to development.

A modified proposed plan will be issued for consultation in May 2012 and will be the main decision making document for planning applications thereafter.

Subject to the Scottish Government Examination process it is anticipated that the formal adoption of the new Orkney Local Development Plan will occur in Spring 2013. Further information is available online at www.orkney.gov.uk

Housing Needs and Demand Assessment (HNDA)

The LHS is informed by a Housing Needs and Demand Assessment which sets out the key issues informing housing need and demand. The main findings are reproduced in a separate section of the LHS. The HNDA was carried out at housing market rather than Local Authority level as required by the relevant guidance.

The HNDA process considered all equality groups within the Orkney area. In addition it allowed a focus on the particular needs of those groups so that these can be taken forward into the LHS. The findings have been mainstreamed throughout the LHS.

In developing a LHS, local authorities must assess the extent to which the volume, quality and location of available housing meets household requirements.

Planning Advice Note (PAN) 74 suggests a Housing Needs and Demand Assessment is required to support an affordable housing policy.

Additionally, the newly revised Scottish Planning Policy (SPP) 3 states: “that the HNDA will provide the evidence base on which housing supply targets are defined in local housing strategies and suitable available land is allocated through development plans to meet the requirement for new housing to contribute to these targets.”

Orkney has used the evidence provided by the HNDA to inform its future housing priorities.

Local House Condition Survey (LHCS) 2008

Orkney has undertaken regular Local House Condition Surveys the most recent being in 2008.

The LHCS was undertaken by a private company, Orkney Islands Property Developments Limited, working on a consultancy basis and included owner occupied, privately rented and Housing Association stock.

Some 550 dwellings were surveyed and it was established that 5.8% of Orkney's housing stock, all of it in the owner occupied or privately rented sector, was below the tolerable standard and that energy efficiency and fuel poverty remained key issues for households throughout Orkney.

Strategic Housing Investment Plan (SHIP)

The SHIP is a statement of investment and resources required to deliver the LHS.

The plan is updated annually in partnership with relevant organisations and is reported to the Housing Development Forum which is part of the Community Planning Partnership.

This year, for the first time, the SHIP has effectively become part of the LHS and is appended accordingly.

Local Plans and Strategies

Orkney's Community Plan (2011) provides the overarching plan for the area and its vision and priorities are reflected in the area's SOA and a range of other strategies and plans. The LHS also plays a key role in contributing to the Council's vision of:

"Working Together for a Better Orkney"

The LHS itself is underpinned by various housing strategies including the Homelessness, Fuel Poverty and Advice and Information Strategies. In addition it interlinks closely with a broad range of other strategies and plans including the Council's Corporate Strategic Plan, Orkney 2020 and the Change Fund.

Key Data and Analysis

There are two main processes for assessing Orkney's housing needs and demand. These are the:

- Housing Needs and Demand Assessment; and
- Local House Condition Survey.

Housing Needs and Demand Assessment

A Housing Needs Survey was sent to every address on the local Council Tax register (9,975 properties) in 2008/09. It primarily sought information about current and future housing needs of households.

The response rate to the survey was 37% but, using triangulation, assessing this data against other known sources of information (2001 Census, Scottish Household Survey 2007 etc) it was possible to arrive at a confidence level for the whole of Orkney as +/- 0.8%. This indicates that if 95% of respondents say something, for example, the true figure will lie somewhere between 94.2% and 95.8%.

It suggested Orkney's tenure profile was as follows:

Owner Occupier	Private Rent	Council	Housing Association	Other
78.4%	7.5%	6.9%	3.9%	3.3%

The key objectives of the HNDA were:

- To enable Orkney Islands Council and its partners to understand the nature and level of housing need within Orkney.
- To develop robust estimates and projections of housing need using existing data sources.
- To critically appraise previous analysis and identify good practice for future assessments undertaken by the Council.
- To highlight limitations or gaps in the existing data
- To support the development of the New Local Development Plan by providing an assessment of housing need and demand.

The HNDA is required to examine the housing requirements of specific household groups in accordance with Scottish Government guidance. Whilst population data tells us that less than 1% of the Orkney Population could be considered to be within an Ethnic Minority group and similarly many other vulnerable groups form a relatively small cohort within the community, we recognise there is no room for complacency.

Scottish Government guidance emphasises the requirement to consider the needs of certain population sub-groups and how their needs might differ from those of the general population. The following vulnerable sub-groups were considered accordingly.

- Older People
- People with physical disabilities
- People with learning difficulties; and
- People with mental health or substance misuse.

Furthermore the HNDA also considered the distinctive housing requirements of:

- Ethnic Minority Households and EU Migrant Workers
- Gypsy Travellers
- Homeless Households
- Those with specific religious beliefs; and
- Lesbian, Gay, Bisexual and Transgender Households.

Due to the relatively small numbers, local data is not easily available, consequently the HNDA required to draw on the findings of several national independent studies which were referenced accordingly. In some instances use is also made of prevalence rates (that is the percentage of people with a specific requirement / need in the population as a whole).

Prevalence rates only provide a generalised approximation of need, and Orkney's Housing Market Partnership has highlighted that they are not overly robust in a population such as Orkney's which is both small and dispersed. Consequently a crucial aspect of the developing the HNDA in the longer term will be to improve locally gathered evidence to permit finer grained analysis, especially in the isles communities within Orkney.

In developing the HNDA, each Local Authority is required to focus on the 'housing market' in which they function.

Housing Market Areas

Orkney, because of its geographical make-up, does not form part of a wider housing market and is in essence a discrete Housing Market Area.

It could be considered that each island within the archipelago is a distinct Housing Market Area but because of the small numbers of people and properties involved there are limitations in providing statistically accurate evidence.

In 2004, the Government introduced the concept of data zones which built upon postcode and census geographies.

In Orkney there are six intermediate geographies and 27 data zones though it should be recognised that the boundaries of these tend to be determined by population and are therefore not always aligned to the actual physical

geography of the area. For example all the islands, with the exception of the mainland island are covered by one intermediate geography.

The diagram below shows the intermediate geographies and in some cases additional information was provided at settlement or island level within the HNDA and this is referred to in the last column.

Intermediate Geography	Comments
Kirkwall	Where clear differences exist between East and West Kirkwall these are recorded separately
Stromness, Sandwick and Stenness	Includes the island of Graemsay
West Mainland	Separate data for the two larger settlements of Dounby and Finstown
East Mainland	Separate data for the larger settlement of St Mary's
South Isles, including Burray and South Ronaldsay	Separate data for the larger settlement of St Margaret's Hope
Shapinsay, Rousay, Egilsay and Wyre, Sanday, Stronsay, North Ronaldsay, Westray, Papa Westray and Eday	Data is provided for each individual island

Travel to Work

Kirkwall is the principal centre of employment within Orkney and many people living in the mainland and some of the inner isles commute to and from work on a daily basis. In the outer isles the majority of people tend to live in close proximity to their work. Neighbouring geographies have little influence on Orkney's Housing Market.

Key Findings of the HNDA

The Key findings of the HNDA were as follows:

Population and Household change

1. The population of Orkney was estimated to be 19,960 in 2009 (20,100 – mid year General Register Office for Scotland estimate in 2011), with approximately 30% living in the main settlement of Kirkwall. There were 9,073 households in 2008 an average household size of around 2.1 people this is expected to drop to 1.86 by 2031.
2. Forecasts suggest that whilst the overall population will remain constant over the next 10 – 20 years and may even increase slightly, the number of households is expected to rise to 12,000 by 2031, with the average household size falling from 2.1 to 1.8.

3. The age profile of the population is expected to change with an increase in the proportion aged 60 and over. This increase will be most pronounced in remote rural areas and the outer isles.
4. By contrast the proportion of children and working age individuals will fall.
5. Orkney's population is becoming more centralised towards the larger settlements on Mainland, Burray and South Ronaldsay.

The Local Economy

6. Whilst employment levels and economic activity in Orkney is high, household income remains relatively low, with a high proportion seeking secondary employment and a high percentage working beyond traditional retirement ages.
7. Orkney has an unemployment rate of 1.1% which is lower than the regional and national average.
8. Some 13%, about 500 people completing the Housing Needs Survey, had someone who would be looking to move independently. Of these 60% would not be able to afford to buy on the open market at present.
9. The Median income band is £20,000 - £25,000.
10. The Mode income band is £15,000 - £20,000.

The Housing Stock

11. There are around 10,435 residential properties (as at August 2011) in Orkney, an increase of more than 800 since the 2001 census, of which approximately 900 are either vacant or registered on the Council Tax Register as second homes.
12. 62% of the housing stock is detached.
13. 7.5% of the stock is flats, with most of the flats being found in Kirkwall.
14. The Private Sector House Condition Survey concluded that 5.8% of properties in Orkney were Below the Tolerable Standard.
15. Just over 40% of the Housing stock was built before 1919.
16. In 2008/9 149 Completion Certificates (for new build stock) were issued.
17. 46% of people completing the Housing Needs Questionnaire stated that they spent over 10% of their income on heating pushing them into fuel poverty. 72% of these were in the owner occupier market.

Owner Occupiers

18. The owner occupied sector dominates the Orkney housing sector – accounting for 78% of all households.
19. 56% of owner occupiers filling in the Housing Needs Survey reported that their property was under-occupied, this compares to 31% of all respondents.

Market Activity

20. House prices remain comparatively low, but have increased by over 300% since 1997.
21. The mean property price in 2009 was £114,000 (Scottish average £145,000).
22. There are marked differences in house prices across Orkney with the East Mainland having the highest average price in 2008 at £142,492 and Kirkwall having the lowest £103,427.
23. Approximately 38.5% of households in Orkney find the housing market in Orkney to be unaffordable, meaning they cannot afford a lower quartile property on the open market.
24. Given that income levels have remained fairly stable over the last 5 years and house prices have risen the level of affordability has generally fallen.
25. The number of sales has remained relatively stable since 2002, although like most of Scotland the figures available for 2009 suggest a real slowing down in the market.
26. The market slowed in 2009 and 2010 with some areas' prices showing price reductions, however the impact of the national economic downturn has been less pronounced than elsewhere in the UK.

Private Rented Sector

27. The private rented sector in Orkney is strong and tenants are from a cross section of the community.
28. There are just over 1,000 private rented properties registered in Orkney. This does not include properties rented to close relatives where there is no requirement for registration.
29. Taking the Local Housing Allowance as an indicator of affordability, the private rented sector is less affordable to many households than owner occupation.

30. Assuming an affordability level of no more than 25% of income spent on rent, the income level needed to 'afford' a 2 bed private let in Orkney is £24,000 and for a 3 bed is £27,700.

Social Rented Sector

31. Right to Buy has removed over 1,100 units from the Council's housing stock, these have partly been replaced by 555 properties developed by Orkney's only RSL (as at March 2011), Orkney Housing Association Ltd. Orkney Islands Council has 813 properties under management (as at August 2011), plus 70 furnished dwellings providing temporary accommodation for homeless households. Orkney Housing Association Limited opened its 800th property with the completion of a new scheme in Finstown in July 2011 and this comprises rented accommodation, shared ownership and shared equity stock, the latter two being low cost home ownership initiatives.
32. As at March 2011 there were 717 households on the waiting list for social rented housing. The majority of these households are currently not in social rented housing and are looking to access social housing. By January 2012 this figure had fallen to 589.
33. In 2009/10 there were 117 lettings, the combined total from the Council and the Housing Association. This is significantly down from 178 in 2008/09, but slightly lower than the figures for 2006/07 and 2007/08.

Homelessness

34. Homeless applications peaked in 2004/05 at over 200 presentations. Whilst this figure has subsequently declined year on year, 2009/10 saw an increase to 138 presentations.
35. Changes in the Homeless legislation that are expected to be introduced by 2012 will mean that the Council will be required to permanently rehouse a greater proportion of all households than was previously the case. This will in turn increase the pressure on housing supply as more homeless households will be eligible for, and require, permanent accommodation from the social rented sector.

Housing Need and Demand

36. There are various drivers pointing to a continuing demand for housing in Orkney. These include population change, change in household numbers and household composition, economic factors and waiting list figures.
37. Given the changing age profile of the population we would also expect continued, if not increasing, demand for housing for people who require housing support etc.

38. There are approximately 1,500 households currently in housing need in Orkney. Around a third of these are unlikely to be able to resolve their own housing situation.
39. 38.5% of households in the private rented sector and 24% of owner occupiers who are in housing need, cannot resolve their own housing situation in the housing market.
40. The calculation for future housing need suggests that approximately 32% of all new households will be unable to afford market housing.
41. The analysis of net housing need shows that if planned new build projects are completed at the expected rate and this rate continued for a 5 year period there will be approximately 40 households a year (200 households over the five year period) with unmet housing need.
42. When trying to tie need in with supply it is important to remember that even if the right number of properties are available they may not be in the right location or be the right size or type of property.

The full HNDA is available online at www.orkney.gov.uk and paper copies, in a range of formats are available on request. The HNDA will be updated annually to ensure that housing need and demand continue to be assessed over the lifetime of the LHS.

Local House Condition Survey (2008)

A national house condition survey is undertaken at regular intervals by the Scottish Government. Although this is useful for the purposes of comparison between areas, the sample size applied to Orkney raises issues in relation to economies of scale. Therefore a local house condition survey is undertaken which uses a much larger sample of Orkney's housing stock and consequently provides more detailed data for analysis. This is undertaken every 4 – 5 years.

Key Findings

Occupied and Unoccupied Dwellings

The majority of Orkney's houses are occupied with some 3.6% being holiday or second homes and 1% being empty at the time of survey.

Date of Construction

Some 42% of Orkney's housing was built before 1919 with 39% being built after 1965.

Dwelling Tenure

The survey focused on isles and more rural locations than in previous surveys and this revealed owner occupation at 83%, private renting at 12% with 5% registered Social Landlord, within the sample.

Dwelling Type

Houses and bungalows account for 92.5% of the stock with the remaining 7.5% flats largely being located in Kirkwall.

Household Types

One or two person households constitute 78% of the total.

Age Profile

Some younger people declined to participate in the survey and this, combined with the focus on the isles and more rural areas, revealed that in 37% of households at least one principal household member was 60 or over.

Economic Circumstances

Some 13% of households surveyed were in receipt of a disability benefit, which would equate to some 1300 households across Orkney. Only 17% had a household income in excess of £30,000 per annum and 45.4% of households stated that their annual household income was £15,000 or lower.

Average Energy Costs

An estimated 38% of people spend in excess of 10% of their disposable income on heating and were in fuel poverty. This compared with a finding of 46% of households being identified as being in fuel poverty by the HNDA.

Overall, the house condition survey revealed that whilst the vast majority of housing in Orkney (94.2% is in satisfactory condition, some 521 dwellings fell below the Tolerable Standard, representing 5.8% of all dwellings. The survey estimated that the minimum costs to repair and improve the private sector stock would be £32m with a further investment of £2m being required over the next 7 years to prevent further deterioration.

Orkney's Key Housing Priorities

As a result of national and local political priorities, assessment of data and listening to the voice of our stakeholders we have identified and developed our key housing priorities.

The 6 key priorities we have identified are reflective of our ongoing aim to improve housing services locally while delivering national policy outcomes. These are:

Objective	National Priority	Local Priority
1. Adequate housing supply	Scottish Government National Housing Strategy "Homes Fit for the 21 st Century".	Ensure that Orkney has both a sufficient range, number and type of houses to meet demand and need and offers a suitable range of housing options.
2. Climate Change and Fuel Poverty	To eradicate fuel poverty (as far as is practicably possible) by 2016.	To provide advice and support and, in partnership with partner bodies and agencies, eradicate fuel poverty in Orkney.
3. Housing for Particular Needs / Housing Support	National Older Persons' Housing Strategy; Better Futures: An Outcomes Framework and Housing (Scotland) Act 2010.	To support the most vulnerable members of our community by working in partnership with key agencies to promote independence.
4. Homelessness	Ensure all unintentionally homeless households have, by 2012, access to a permanent and settled home.	Improved housing options and early intervention providing sound advice and assistance. The provision of housing support as and when required to ensure tenancy sustainment.
5. Improving Housing Standards in the Private Sector	To ensure that houses meet the Tolerable Standard and that landlords adhere to the provisions contained within the Housing (Scotland) Act 2006.	To improve the supply and quality of all housing in Orkney, including the management of the private rented sector.
6. Sustaining Orkney's Communities	Scottish Government's Scotland Performs (2007) in relation to the indicators in respect of sustainability and economic potential.	To ensure labour mobility is not constrained by the lack of suitable accommodation and to support those wishing to pursue further learning. To assist in the regeneration of small communities and those with fragile economies.

Priority 1 – Ensuring an Adequate Supply of Houses

Our Aim: To ensure Orkney’s citizens have access to a range of affordable housing options, suited to their requirements.

Why this is a priority

The Scottish Government, in its discussion document “Firm Foundations: The Future of Housing in Scotland, “(2007) stated:

“Our wellbeing, as individuals and families and as a society, depends heavily on our ability to find a decent house that we can afford in a place where we want to live.

“Far too many people in Scotland are unable to satisfy this basic aspiration. For some, this means being unable to become home owners. For others, it means living in houses that do not meet their needs, or in neighbourhoods that do not allow them to take advantage of opportunities in life – for work, education, leisure – that most of us take for granted. For others again, it means failing to find any satisfactory form of settled accommodation.”

In its publication “Homes Fit for the 21st Century” (2011) the Scottish Government recognises the importance of increasing housing supply across Scotland and also recognises that for some people, innovative solutions may be required as traditional tenures may not offer a suitable solution.

The Orkney Community Plan (2011) promotes the importance of a sustainable economy and the provision of housing is a vital part of that process.

The LHS has a focus on housing generally but particularly the provision of affordable housing whether this be social rented housing or that provided with some form of subsidy including shared ownership and shared equity.

Orkney has a significant demand for housing which far outstrips supply. In January 2012 there were 589 households on the common housing register.

However, increasing the supply of affordable housing in times of economic constraint is a significant challenge and we recognise that the changes to the funding arrangements for social housing provision are likely to have a significant effect. There is a need then to endeavour to do more with less and to find innovative solutions to the problem.

In 2011 the Council approved a policy on Serviced Sites whereby a proportion of sites in each development will be declared affordable and introduced a “points” scheme whereby priority will be accorded, for example, to those living or working in the area, key workers, existing Council or Housing Association tenants etc.

The affordable sites will be sold at either District Valuer's valuation or the cost of site provision, whichever is the greater. Details of the Affordable Serviced Sites Policy are available on the Council's website www.orkney.gov.uk

The Council is aware that many first-time buyers are struggling to find deposits to enable them to gain a foothold on the home ownership ladder as lenders reduce the availability of high Loan to Value (LTV) mortgages.

At present the Council is in discussion with a High Street lender regarding the provision of a financial guarantee. This would enable the bank to offer 90% to 95% LTV mortgages thereby stimulating the local housing market, supporting the construction sector, reduce pressure on the social rented housing stock, and assist people to achieve their aspirations.

Other lenders are looking to join the scheme, as are a number of local authorities across the UK, and it is anticipated this scheme will be available in Orkney in the near future.

What the HNDA and our key data tells us

In Orkney there is a significant demand for housing, as evidenced by the HNDA, with population growth predicted to be reasonably steady rising by 12% up until 2031. The highest increases will be amongst the older population.

Household growth rate will continue to outstrip population growth and this will result in reducing household sizes. By 2031 the average household size in Orkney is predicted to be 1.86 persons (falling from the 2.21 persons per household estimated in 2006).

These are the general drivers for additional housing but housing needs estimates have been examined on the basis of:

- Baseline Need – this is the number of households that were in housing need as determined by the HNDA
- Newly arising housing need – the number of households falling into housing need each year
- Housing Supply – the housing stock available to address identified housing needs.

Baseline Need

This includes households who are:

- Homeless or in temporary accommodation
- Living under one roof with another household (i.e. Concealed households)
- Overcrowded households
- Experiencing harassment

It also includes households with support needs.

The following table sets out estimates for the total number of households in need in Orkney (baseline need):

Households in Need	Nos	Data Source
Homeless	42	Housing Needs and Demand Assessment
Concealed Households	563	Housing Needs and Demand Assessment
Overcrowded Households	363	Housing Needs and Demand Assessment and Social Work Data
Poor Quality Housing	475	Housing Needs and Demand Assessment and Local House Condition Survey 2008
Harassment	Nil	N/A
Support Needs	35	Housing Needs and Demand Assessment and Social Work Data
Total households in Need	1478	
Total Households	9073	

Of the 1478 households considered to be in housing need here in Orkney, the HNDA estimated that some 532 households have needs that they cannot afford to resolve in the market sector, usually due to low household income.

In line with the guidance issued in determining housing demand, it is assumed this unmet need will be addressed over a 10 year period, giving around 53 households to be housed each year.

The following table shows those Orkney Households assessed by the HNDA as having a need they are unable to address themselves, by category:

Homeless	42
Concealed	217
Overcrowded	103
Poor Quality housing	135
Support Needs	35
Total households in need	532
Total households	9073

Newly arising housing need (not met in the market place)

The HNDA indicated that in addition to the baseline figure outlined above a further 85 – 106 households a year will fall into the ‘housing need’ category.

Affordable Housing Supply Predictions

There is some social and affordable housing available to (partly) address housing needs. This supply comprises.

- New Social Rented stock available for the first time. This is largely new build, but may include, conversions that increase stock levels for example.
- Social rented stock then becomes available when the tenant either moves out of social rented, or moves out of the area (transfers are excluded here, as the household is vacating one property and moving into another so no properties become available for new households.)
- Development and funding of other affordable housing options, for example shared equity in the second-hand market.

The HNDA predicts an annual supply of 80 units a year for the first 5 years, and 50 units a year thereafter.

The table below shows that if stock turnover and new build delivery is as anticipated then by 2016 the number of households with unmet housing need will have dropped to 52. However by 2025 this will have risen again to 117. Figures quoted in respect of supply from new build represents an anticipated figure for delivery as opposed to a rigid target.

	Social Rented / Affordable Housing			
Years	2010 to 2015	2016 to 2020	2021 to 2025	2026 to 2030
Need (net of turnover)	617	417	367	317
Supply from new build	400	250	250	250
Balance	217	52	117	67

The actual number of starts on site and allocations of new build for 2010/11 and 2011/12 years is as follows:

	2010/11	2011/12
OIC Starts on Site	62	39
OHAL Starts on Site	63	32
Total Starts on Site	125	71
OIC Completions	12	68
OHAL Completions	31	86
Total Completions	43	154

Whilst these figures suggest that the HNDA target of 80 new units a year is not unreasonable, the reality is that a significant reduction in funding means that the start on site figure for 2012/13 is likely to be less than half of that at 32 units.

It is acknowledged that the HNDA set the baseline figures which are a conservative estimate of arising need year on year. A quick review of homelessness and waiting list levels shows the impact of the economic downturn has been more severe than previously anticipated and these figures will be incorporated into the first review of the Local Housing Strategy.

What we will do

We have identified the following key objectives:

- Identify the generous land supply required through the Local Development Plan to meet the annual affordable housing supply target.
- Support development across Orkney where it meets the findings of the HNDA, LHS etc and helps meet the housing supply targets
- To ensure housing need and demand are met by making the best use of the existing housing stock, including developing and implementing an Empty Homes Strategy
- Implement a housing options programme to analyse the waiting list and work with households to identify the most appropriate housing option
- Continue to work with Orkney Housing Association Ltd to endeavour to find the best solution for housing development despite economic constraints
- Implementing the Local Authority Mortgage Scheme in the light of a target of assisting 30 - 40 first-time buyers into owner occupation
- Monitoring the impact of the Affordable Serviced Sites policy.

Priority 2 – To Eradicate Fuel Poverty by 2016

Aim: To reduce the energy requirements of houses to eliminate fuel poverty and achieve a positive impact on the environment

Why this is a priority

The Scottish Government requires that fuel poverty be eradicated, as far as is practicably possible, by 2016 and has a national strategy which endeavours to assist Local Authorities to deliver this aim. Schemes such as the Universal Home Insulation Scheme have been introduced as a result.

Fuel Poverty exists where a household has to spend more than 10% of its disposable income on heating.

Fuel poverty is caused by three main factors being:

- The cost of household fuel;
- The household's income.
- The energy efficiency of the property;

Low income households are at the greatest risk of falling into fuel poverty and Orkney remains a low wage economy. Average weekly wages have seen an increase of 38% in the past five years. However the Mode (or most income) household income bracket remains low at £15 – £20,000 per annum for most parts of Orkney. Often the impact is disproportionately felt by vulnerable households such as older people and people with a disability.

One of the main issues for Orkney in tackling fuel poverty is that it does not have access to mains gas which is widely accepted as the cheapest option for heating a property.

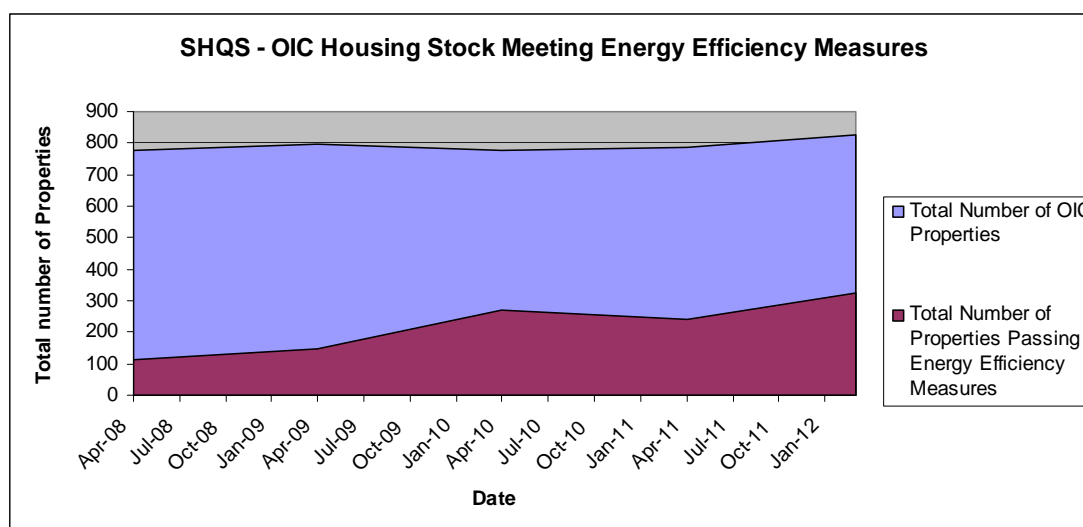
The Scottish Government requires all social rented housing stock to meet the Scottish Housing Quality Standard (SHQS) by 2015. The requirements to meet high levels of energy efficiency and insulation are challenging for Orkney but we are committed to achieving this and are making good progress.

In order to meet the SHQS, the properties must:

- Be compliant with the current Tolerable Standard
- Be free from serious disrepair
- Be energy efficient
- Have modern facilities and services
- Must be healthy, safe and secure

The Council has consistently invested in its housing stock and consequently it is in a good state of repair. However, the Council recognises the importance of ensuring high standards of energy efficiency apply to its housing stock in order to minimise the number of households living in fuel poverty.

The chart below shows the progress made in respect of meeting the SHQS' requirements in relation to energy efficiency.



The Climate Change (Scotland) Act 2009 also requires that housing play a key part in reducing emissions.

Meeting the SHQS and requirements of the Climate Change (Scotland) Act 2009 alone will not address fuel poverty however, it will allow confidence that our insulation standards are sufficient to minimise the impact of this.

We have undertaken various projects to investigate the use of and ultimately to utilise modern technologies including, in some cases, micro-renewables to allow households to have lower heating costs and this is an area we will continue to explore.

Rising fuel costs remain a concern. The Scottish Fuel Poverty Statement provides detail of national progress made in respect of fuel poverty. It includes a modelling exercise which identifies that whenever fuel prices rise by 5%, an additional 2% of households become fuel poor. Similarly whenever incomes increase by 3%, approximately 1% of households will be taken out of fuel poverty.

What the HNDA and our key data tells us

Fuel poverty levels are calculated nationally using the Scottish House Condition Survey. This is an ongoing survey undertaken by the Scottish Government and produces statistically valid data across all Scottish Local Authorities.

The Scottish House Condition Survey for 2007 – 2009 shows that fuel poverty in Orkney has risen from 40% in 2005 to 44% in 2009. Orkney has the second highest levels of fuel poverty in Scotland with only Eilean Siar recording higher levels of 58% having risen from 53% in 2005. The Scottish average is 28% of households living in fuel poverty. When considering

households who are extremely fuel poor that is they are spending more than 20% of their income on heating, 22% of Orkney's households fall into this bracket in comparison with 31% in Eilean Siar. The Scottish average was 19%.

Recently however the cost of fuel has risen significantly and this is widely accepted as the main reason for a higher percentage of households being in fuel poverty than was previously the case.

The Scottish House Condition Survey also shows that 79% of pensioner households are fuel poor, 26% of families fall within this bracket as do 30% of other households.

Fuel poverty is found by the Scottish House Condition Survey 2007 – 2009 to affect 47% of private households and 38% of those within the public sector.

In addition to income levels and the cost of fuel, evidence of higher numbers of households who are under-occupying larger properties is relevant. This can mean a higher percentage of income is spent on heating the home or some rooms are left unheated and are therefore at risk of condensation or dampness.

The HNSA shows that as overall household numbers increase the forecast is for a corresponding decrease in household size and this can be linked to the significant growth in the population aged 60 and over, as well as potentially the impact of relationship breakdown and the increase in the number of single / couple households.

Under occupation was recorded by 31% of all respondents and again a high percentage (56%) was in the owner occupied sector.

**Projected average household size, by local authority area,
2008 - 2033**

	2008	2013	2018	2023	2028	2033
Orkney Islands	2.17	2.07	2.00	1.94	1.89	1.83
Shetland Islands	2.27	2.15	2.04	1.95	1.87	1.79
Eilean Siar	2.19	2.10	2.02	1.95	1.89	1.84

(Source: Forecast decrease in average household size source 2008 GROS Household Projections)

The HNSA found generally in Orkney there is a reasonable level of access to basic facilities for heating and insulation, with lower levels found in the private rented sector.

The Council's own Local House Condition Survey (2008), which surveyed some 552 properties from the privately owned, privately rented and Housing Association stock, found that 41.3% were suffering from fuel poverty and that the incidence of fuel poverty was higher in the north and south isles and in Stromness.

Whilst there are some slight differences between different sources in relation to Orkney's levels of fuel poverty, what the figures do show is that Orkney has a serious and significant problem with fuel poverty.

It is for this reason that a separate Fuel Poverty Strategy has been completed, building on the work of the previous Fuel Poverty Strategy 2004-2009. This Strategy, which has been the subject of extensive consultation during 2011, is available on the Council's website at www.orkney.gov.uk

What we will do

The Fuel Poverty Strategy has a detailed separate action plan which will be monitored regularly. However, we have identified the following key objectives:

- Improve house conditions in the social rented sector by meeting the Scottish Housing Quality Standard;
- Encourage the uptake of available grants amongst private sector households in fuel poverty;
- the requirement to implement the Climate Change (Scotland) Act 2009;
- Encourage frontline staff to actively support vulnerable households improve energy efficiency in their homes;
- Improve provision of information in relation to energy efficiency and reducing fuel poverty through online facilities;
- Continue to work with relevant partners to investigate the use of modern technologies;
- Encourage the use of sustainable technologies in new builds;
- Continue to be proactive in seeking funding which could assist with fuel poverty.

Priority 3 – Housing Support for People with Particular Needs

Aim: To provide appropriate housing with holistic packages of support (as required) to enable those with particular needs to lead independent lives in their own communities.

Why this is a priority

In its publication “Homes Fit for the 21st Century” (2011) the Scottish Government recognises the importance of increasing housing supply across Scotland and also recognises that for some people, innovative solutions may be required as traditional tenures may not offer a suitable solution.

The Scottish Government, in its document “Age, Home and Community: Strategy for Housing for Scotland’s Older People” (2011) outlines its main aim in respect of older people this is **“Older people in Scotland are valued as an asset, their voices are heard, and older people are supported to enjoy full and positive lives in their own home or in a homely setting.”**

In common with much of the rest of Scotland, Orkney has an ageing population. Data produced by the General Register Office for Scotland (GROS) and represented by the Chartered Institute of Housing in their Action Plan for Older People’s Housing (2009) predicts the way the population of Scotland will look by 2031. Their predictions for older people show:

- 31% increase in households above retirement age;
- 81% increase in those above 75;
- 7% decrease in the number of people under 16.

For some local authorities these figures represent a particular challenge. Orkney, with an expected 65% increase in those over 65 years, is one of those authorities.

In this respect the Council has developed an Older Persons’ Housing Strategy. This strategy aligns with the Scottish Government’s document “Age, Home and Community: Strategy for Housing for Scotland’s Older People” (2011) and national policies such as “Shifting the Balance of Care” and “The Change Fund”.

In addition to older people Orkney also has a range of other vulnerable groups within its society.

The Scottish Government’s Statistics on the former Supporting People Programme from 2007/08 states “Overall, 5% of the adult population received support in 2007-08. This proportion rises to 14% for people aged 75-84, and to 30% for those aged 85 and over. The local authorities with the highest reported proportions of clients per head of population aged 16 and over were Clackmannanshire (11%), West Dunbartonshire (9%), and Argyll & Bute,

Falkirk, Fife, Inverclyde and West Lothian (8%). The lowest proportions were found in Orkney, Eilean Siar, and Shetland (all at 1%). Therefore it is likely that somewhere between 1% and 5% of Orkney's population may require some support to enable them to sustain their tenancy or living arrangements. Based on a population of 20,100 this would suggest 201 - 1005 people would be affected, representing a broad sector of the community.

National policy in respect of housing support includes Better Futures: An Outcomes Framework which focuses on a range of goals surrounding homelessness prevention and housing support. The Scottish Government's Housing Support Enabling Unit (HSEU) focuses on the broad field of housing support and seeks to align the broad array of national policy on the topic of housing support. This ranges from the Scottish Government's housing options drive in homelessness prevention to the Government's policy aimed at reducing pressure on care homes and hospitals "Reshaping Care for Older People" (2011). In addition there are a broad range of policies which interlink with housing support including 'These are our Bairns' (2008) and Shifting the Balance of Care (2009).

As a result the Council has developed, with a range of partner agencies, a Housing Support Strategy which highlights the importance of the availability of good quality housing support and also supported accommodation where relevant, to assist people with support needs to maintain their independence.

Housing options for people with a particular needs can be limited. However, the Council is committed to working in partnership to deliver improved housing and support services to enable more people to live at home. In addition it will work with the private sector where required to deliver the most appropriate solution.

Further the Council is committed to improving the information it offers through its website and seeks to improve information on housing support, adaptations and disabled grants etc.

What the HNDA and our key data tells us

The HNDA examines the housing requirements of specific household groups in accordance with Scottish Government guidance. Population data records that less than 1% of the Orkney Population could be considered to be within an Ethnic Minority group and similarly many other vulnerable groups form a relatively small cohort within the community.

Vulnerable sub-groups considered included:

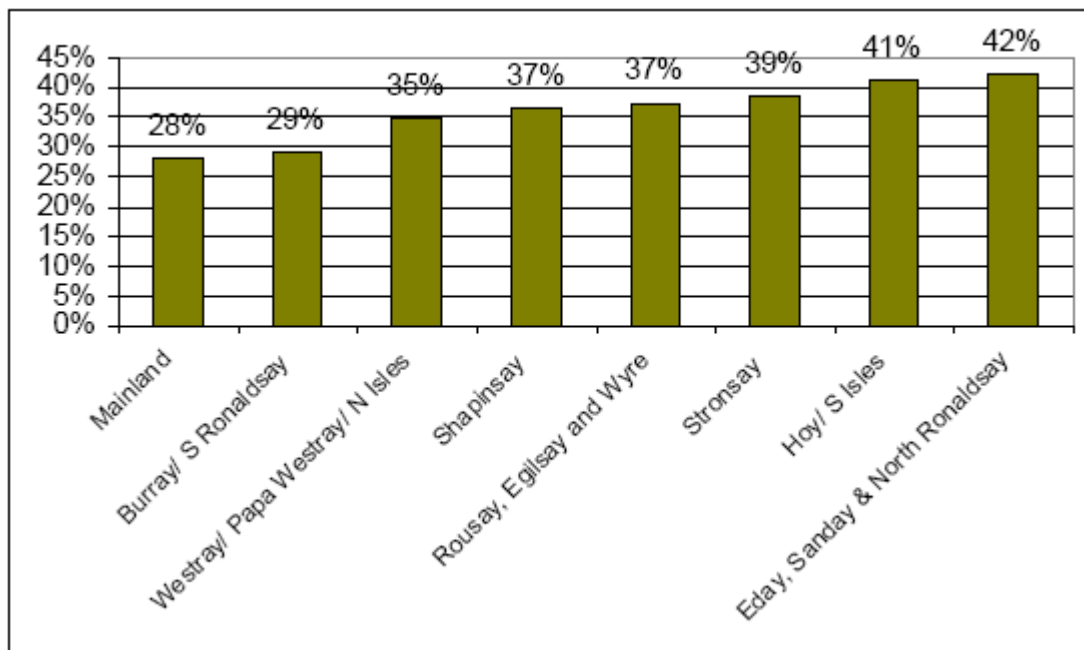
- Older People
- People with physical disabilities
- People with learning difficulties; and
- People with mental health or substance misuse.

In addition the HNDA also considered the distinctive housing requirements of:

- Ethnic Minority Households and EU Migrant Workers
- Gypsy Travellers
- Homeless Households
- Those with specific religious beliefs; and
- Lesbian, Gay, Bisexual and Transgender Households

The proportion of Orkney's population aged 50 years or above is currently slightly higher than the rate in Scotland as a whole. 2006 (GROS) Projections suggest the number of people in Orkney aged 50 plus will increase from 7,900 in 2006 to 10,800 in 2021. Thus by 2021, 51% of the population could be aged 50 plus.

This situation is more pronounced on some of the outer isles. Consideration of Small Area Population Estimates, and Department of Works and Pension information suggests that it is reasonable to conclude that the rates of increase in the numbers of older people are similar across Orkney, although as a base point the Housing Needs Survey from 2008 showed that the highest proportion of older people were in the North Isles of Eday, Sanday and North Ronaldsay; where 42% of the population was aged 60 or over. In Hoy and the South Isles, 41% of the population were 60 or over.



This can, and often does, pose challenges in respect of providing support and care to older people in island areas. In addition specific housing issues may arise.

Alzheimer's Scotland estimates that there at present there are 317 individuals in Orkney suffering from dementia.

Based on the above prevalence rates and applying them to the 2008 GROS population forecasts for Orkney, we see that the number of dementia sufferers in Orkney aged 70 plus looks likely to rise sharply in both men and women.

Age group, years	Prevalence Rate	Female					
		2008		2018		2028	
		Population	With Dementia	Population	With Dementia	Population	With Dementia
	%						
30-59	0.09%	4,203	4	4,171	4	3,943	4
60-64	0.47%	707	3	773	4	968	5
65-69	1.10%	641	7	710	8	865	10
70-74	3.86%	482	19	652	25	736	28
75-79	6.67%	385	26	550	37	618	41
80-84	13.50%	286	39	375	51	524	71
85-89	22.76%	199	45	236	54	382	87
90+	32.25%	120	39	175	56	294	95

Age group, years	Prevalence Rate	Male					
		2008		2018		2028	
		population	With Dementia	Population	With Dementia	Population	With Dementia
	%						
30-59	0.16%	4,170	7	4,000	6	3,830	6
60-64	1.58%	712	11	779	12	889	14
65-69	2.17%	612	13	748	16	851	18
70-74	4.61%	434	20	625	29	697	32
75-79	5.04%	309	16	468	24	600	30
80-84	12.12%	201	24	281	34	446	54
85-89	18.45%	94	17	146	27	260	48
90+	32.10%	23	7	71	23	145	47

Source 2008 GROS Population Forecast, and EURODEM Prevalence rates

Currently the dominant type of housing available for older people is amenity housing, there are currently two sheltered housing schemes in Orkney, one in Kirkwall and one in Stromness.

Additionally there are two very sheltered housing (Extra Care) schemes in Orkney, 1 in Kirkwall (24 units) and 1 in Westray (5 units). A further scheme will open in the near future in St Margaret's Hope (13 units), two extra units are under development in Westray and a scheme is planned for Kirkwall (12 units).

Data from the common housing register shows that 34 households had a medical priority for rehousing as at March 2012. Of the 7 households who had qualified for a gold priority, 4 households had waited longer than a year to be rehoused.

During financial year 2011/12 (to March 2012) 49 Council properties had been adapted to meet a particular need. 47% of these adaptations were hand / grab rails and in recognition of this a fast track process was introduced in December 2011 so minor adaptations did not have to wait for a professional Occupational Therapy referral. The other most significant adaptations were as follows:

Kitchen adaptations	8%
Level access shower	14%
External ramp	10%
Door widening	6%
Other (stair lift, raised sockets etc)	15%

Consideration of using modern technologies to provide additional services and also the provision of modular housing is being considered through the Older Persons' Housing Strategy.

Housing Support remains a significant issue. An assessment of housing support needs was undertaken in response to expected changes under the Housing (Scotland) Act 2010. This indicated that it could be expected that 71 households would require housing support specifically as a result of being homeless.

There are a wide range of housing support services in Orkney, many funded by the Council, to support people with a wide range of needs and these include:

- Young Persons' Supported Accommodation Projects in Stromness and Kirkwall for young homeless people.
- A Housing Support team within Orkney Health and Care which provides home support in people's own homes.
- The Council's Homelessness and Advice team which provides housing support to those in temporary accommodation as a result of homelessness.

Orkney Housing Association provides housing for people with physical disability in Kirkwall, with support services provided by Orkney Health and Care.

There are a number of properties which provide 24 hour care and support for people with a high dependency. Further developments in respect of people with particular needs are planned as we recognise there is a need for supported accommodation for those with a mild to moderate level of dependency.

Housing Support has a crucial role to play in enabling people to live independently in the long term.

It will:

- Provide assistance to older people and disabled people where they need help to live independently in their own homes.
- Provide assistance to people who have lost, or are at risk of losing, their homes perhaps because they lack the skills to budget or manage their tenancy.

New technologies, for example the use of Telecare provision, will enable communication links between service users and care and health providers and whilst no technology ever removes the need for human contact and social interaction, it can provide an additional degree of security for the most vulnerable.

What we will do

1. Implement Older Persons' Housing Strategy with partner agencies
2. Implement Housing Support Strategy with partner agencies
3. Investigate innovative solutions to provide supported housing for people with particular needs
4. Continue to investigate the possibility of improving move on accommodation for young homeless people
5. To continue to work jointly with OHAC to provide housing support most appropriately inside current resources
6. Investigate innovative options including modular housing and virtual sheltered housing
7. Investigate the possibility of using private sector accommodation as a solution in certain circumstances
8. Expand the strategic purpose of an existing sheltered housing scheme to provide for particular needs
9. Expand housing options advice (partially through development of online housing options guide) and ensure inclusion of information on adaptations, grants and provision of support.

Priority 4 – Tackling Homelessness

Our Aim: “Prevent homelessness from occurring in the first place wherever possible”

Why this is a priority

It is nationally recognised that homelessness is not just a housing problem and interlinks with issues in respect of poverty and inequality across Scotland.

The Scottish Government introduced a target for Local Authorities that by December 2012, all unintentionally homeless households would be entitled to settled accommodation.

The Homelessness etc (Scotland) Act 2003 is still being phased in and the Council has made a commitment to meet the requirements accordingly in recognition of the fact that homelessness remains an issue in Orkney.

The Council's Housing Service is statutorily required to assess homelessness and consequently the Council introduced a policy in 2007 designed to phase out priority need. Given that the priority need classification already covered all vulnerable groups, the local policy decision was largely based on age criteria which allowed an initial focus on younger and older age groups. This proved successful and by April 2011 the Council had effectively removed the priority need classification a year ahead of the Government's deadline.

A range of other statutory requirements exist in respect of homelessness. These include:

- We must endeavour to prevent homelessness wherever possible;
- We must ensure that advice and information is available in the local area free of charge;
- We must ensure that statutory guidance on the best interests of children facing homelessness is implemented;
- We must consider whether Section 32A of the Housing (Scotland) Act 1987 is viable. This covers the provision of non-permanent accommodation in certain, limited, situations;
- We should consider whether greater use could be made of the private rented sector in seeking to address homelessness;
- We must ensure appropriate provision of housing support is in place to endeavour to prevent homelessness.

The Scottish Government has established a recommended standard for advice provision, known as the National Standards for Advice and Information Providers. In 2008, Orkney Islands Council achieved accreditation for its homelessness and advice services. Accordingly all the Council's frontline housing staff are trained to the national standard and hold the Professional Development Award in Housing Law for Advisors.

The Council has a recent history of successful Care Inspectorate inspections of the housing support element of its homelessness service and achieved a B

grading for its homelessness and advice services from the Scottish Housing Regulator.

The Council has developed an Advice and Information Strategy covering the period 2011 to 2016, which builds upon the work of an earlier Strategy produced in 2005. This is in recognition of the importance of advice provision across the broad field of housing.

The Council clearly has a duty to ensure that advice and information is available in respect of homelessness and in 2010 the Scottish Government launched a major new initiative, designed to further prevent homelessness, by adopting a "Housing Options" approach. This approach represents a change in culture, rather than legislation, and requires that local authorities explore all the options on behalf of someone seeking advice about their housing situation.

A move to a housing options approach will require significant development of Orkney's services. However, Orkney Islands Council is committed to delivering this national policy.

The Council recognises that the crisis of homelessness is a hugely traumatic event for anyone, and especially for children and those already considered vulnerable due to other factors such as ill health or advanced age. In recognition of this the Council aims to deliver a high quality homelessness service which includes housing support from the applicant's first contact with the Council until such time as their homelessness is addressed.

Orkney places great importance on preventing homelessness by the timely provision of accessible, professional information and advice and recognises that although significant improvements have been made there is still room for improvement.

The Council has, through its Homelessness Strategy 2007-2012, set out a series of actions designed to reduce the numbers of people presenting as homeless by adopting a pro-active approach to prevention and support.

In addition the Council is working closely with Orkney Housing Association Limited (OHAL), and the wider private rented sector, to ensure best practice exists in housing management and to ensure that settled accommodation is available. This includes having a quota system in place in respect of Section 5 Referrals whereby the Council receives nomination rights to 75% of OHAL's stock in Kirkwall and Stromness.

What the HNDA and our key data tells us

Homelessness

Homeless applications peaked in 2004/05 at over 200 presentations. Whilst this figure has subsequently declined year on year, 2009/10 saw an increase to 138 presentations.

An average over the last 3 years is shown below:

Year	Homelessness Presentations	Advice and Information Cases
2008/09	101	135
2009/10	138	148
2010/11	144	157
Average	128	147

Changes in the Homeless legislation that are expected to be introduced by 2012 will mean that the Council will be required to permanently rehouse a greater proportion of all households than was previously the case. This will in turn increase the pressure on housing supply as more homeless households will be eligible for, and require, permanent accommodation from the social rented sector.

The reasons behind homeless presentations remain broadly similar to those of previous years and are largely as a result of family and relationship breakdown. Presentations from young people under the age of 25 rose in percentage terms in 2010/11 when a total of 55 young people presented as homeless. This equates to 38% of homeless presentations.

Homelessness more commonly affects single people in Orkney most notably single males with approximately 42% of homeless presentations coming from this group. Single females are also disproportionately represented.

Homelessness remains a problem with a disproportionate impact in Orkney. Generally a high proportion of general needs vacancies are allocated to homeless households. The figures for the last three years are as follows:

Year	Percentage of general needs properties allocated to homeless households
2010/11	48.5%
2009/10	56.4%
2008//09	78%

It is likely that this has been affected by shorter timescales for permanently rehousing homeless applicants as a result of the Council and OHAL both building properties and is likely to rise again in the short term as build programmes decline.

As a result there is a need to consider increasing the supply of small houses and looking at issues for particularly young single people which are resulting in homelessness. The provision of good quality advice remains vital.

The proportion of homeless households identified by the HNDA was considered in relation to priority 1 in relation to ensuring an adequate supply of housing. Consequently this information will not be reiterated here.

Given the importance of homelessness in Orkney, a separate Homelessness Strategy and an Advice and Information Strategy will continue to be produced to allow a consistent focus on the main issues and sustained delivery of projects and initiatives to endeavour to tackle the problem.

What we will do

The Homelessness Strategy and the Advice and Information Strategies have detailed separate action plans which will be monitored regularly. However, we have identified the following key objectives:

- Continue to work with Orkney Housing Association Limited (OHAL) to ensure the best resettlement option is found.
- Continue to implement the Temporary Accommodation Strategy
- Continue to implement the Advice and Information Strategy
- Investigate the possibility of using private sector accommodation as a solution to homelessness
- Continue to investigate the possibility of improving move on accommodation for young homeless people
- To continue to work jointly with Orkney Health and Care (OHAC) to provide housing support most appropriately inside current resources
- To develop a homelessness prevention policy.
- Develop an online housing options guide with detail on all housing tenures.
- Continue Developing a Housing Options approach to preventing homelessness
- By continuing to deliver first class, responsive homelessness service

The Homelessness Strategy has been subject to continued monitoring throughout its life and will be reviewed in its entirety during 2012. In addition, the Council has substantially reviewed its Temporary Accommodation Strategy, introduced in 2007, which sets out to ensure that Orkney has an adequate quantity of high quality, self-contained, temporary accommodation, with housing support services where required, designed to meet the needs of homeless households. The Advice and Information Strategy was also substantially reviewed in 2011.

The Homelessness Strategy 2007-12, the Temporary Accommodation Strategy 2011 – 2016 and the Advice and Information Strategy 2011 – 2016 are available for viewing and download from the Council's website www.orkney.gov.uk.

Priority 5 – Improving Standards in the Private Sector

Aim: To eradicate residence in substandard and below Tolerable Standard Housing and to encourage even closer links with the Private Rented Sector

Why this is a priority

One of the central aims of the LHS is to focus on housing condition.

The Housing (Scotland) Act 2006 was brought in to address problems of condition and quality in private sector housing. This includes a range of measures including designating Housing Renewal Areas, defining a repairing standard for private landlords, works notices, maintenance orders, a scheme of assistance, and a requirement for Local Authorities to include Policies and strategies to dealing with houses below the Tolerable Standard. At the time of placing additional responsibilities upon private owners to improve and maintain their homes, financial support to assist owners was being reduced.

Local Authorities are empowered to designate a Housing Renewal Area in areas where:

- A significant proportion of properties are sub-standard; or
- The appearance or condition of the properties concerned are adversely affecting the amenity of the area.

Although this option is available due to the rural nature of Orkney it is unlikely that there will be a need to consider a Housing Renewal Area locally.

In dealing with properties which are below the tolerable standard, close joint working exists between the Council's Housing Services and Environmental Health. Properties will be identified as a result of a complaint or request for rehousing. Additionally, properties may be identified as part of a visit on another matter. In addition statistical information may result from the development of a regular Local House Condition Survey.

The Council has duties under the Housing (Scotland) Act 2006 to:

- a) set out our strategy for ensuring compliance with section 85(1) (duty to close, demolish or improve houses which do not meet the tolerable standard) of the Housing (Scotland) Act 1987 (c. 26);
- b) set out the policy for identifying parts of the area for designation under section 1 (housing renewal areas) of the Housing (Scotland) Act 2006 (asp 1); and
- c) a strategy for improving the condition of houses by providing or arranging for the provision of assistance under Part 2 of the Housing (Scotland) Act 2006 (asp 1).

Where a property is identified as being below the tolerable standard the Council will find an appropriate solution which will be:

- monitoring; or
- formal action;
- or help under the Scheme of Assistance.

It is accepted that resolution can be complex and crosses various tenures. In some situations formal enforcement action may be taken in line with the Council's Environmental Health and Trading Standards' Enforcement Policy. Landlords must meet the repairing standard defined in the Act. Where housing fails this standard, tenants may seek recourse from the Private Rented Housing Panel.

The Local Authority may serve a works notice in respect of sub-standard housing that is a property which does not meet the tolerable standard, or is (or if nothing is done will be) in serious disrepair. Our Scheme of Assistance is available to provide advice and support to owners of below the tolerable standard housing.

Orkney's Scheme of Assistance, as required under the Housing (Scotland) Act 2006 is currently contracted out and is delivered by Orkney Care and Repair. This is in place to provide advice, information and assistance to homeowners and disabled occupants living within the private sector.

A small repairs service is also in operation and also delivered by Orkney Care and Repair. This provides assistance in relation to adaptations.

It is a requirement of the Anti-Social Behaviour (Scotland) Act 2004 that private landlords register with the Local Authority. This requires a need to pass a "fit and proper person" test and also there is a need for the property to be of an appropriate standard. The Council works closely with private sector landlords in this respect.

A private sector landlords' forum has been established, advice services are available to landlords and a newsletter is produced called "Lets Update". Registered landlords are able to access a free advertising service through the Council's website called "Orkney Lets". In addition training is offered to private sector landlords through Landlord Accreditation Scotland.

Improving energy efficiency in Orkney's private sector stock to meet climate change requirements will be taken forward through existing structures as outlined above and also through the development of an online housing options guide which will provide detailed information on a range of issues including energy efficiency. This is also intended to assist with fuel poverty. The online housing options guide will include a link to our Scheme of Assistance. Detailed information will be provided with the onus supporting the Scottish Government's lead to changing cultural attitudes in respect of quality standards in the private sector with public money providing support only where strictly necessary.

What the HNDA and our key data tells us

At 2001 Orkney had a housing stock of 9,237 units, by September 2008 this had increased to 10,035, an increase of just over 8.5%.

The majority of people in Orkney do not live in either Council housing or Housing Association accommodation but in houses which they either own (78%) or which they rent from a private landlord (10%). It is therefore critically important that the quality of the majority of the private sector housing stock be maintained and further improved.

In 2003, a Local House Condition Survey showed housing below the Tolerable Standard (BTS) to be at 4%, a marked improvement from the figure of 17.8% from 1992 but still well below the 1% average for Scotland and much of it occupied by older people and the more vulnerable members of the Orkney community.

The Local House Condition Survey of 2008 revealed that the level of BTS housing had risen to 5.8%. However, this was partly explained by the fact that two new measures had been added to the standard (Thermal Efficiency and an Effective and Safe Electricity Supply) and also by the fact that the survey sample focused more upon older houses in the smaller islands.

The HNDA found that 24% of households felt their home was inadequate in relation to its condition.

The HNDA found that 4.6% (approximately 462 houses) of Orkney's housing stock was unoccupied. This compares to 6.9% in Eilean Siar and 5% in Shetland. The majority of these were second homes.

In addition it found that 4.7% were over-occupying their home. The 2001 Census put the overcrowding figure at 8.68% lower than the Scottish figure of 11.74%, but higher than the figures for Shetland and Eilean Siar.

In contrast under occupation was recorded by 31% of all respondents and again a high percentage (56%) was in the owner occupied sector.

The HNDA found that 10% of Orkney's homes are private rented which compares to an estimated 27% across Scotland. However, a proportion of Orkney's private lets constitute short term winter lets.

As at March 2012, some 991 private sector landlords had sought registration under the national Landlord Registration Scheme, designed to ensure that both landlords and their properties are fit and proper, of whom 936 had been approved and 55 were awaiting approval.

These landlords collectively owned 1,073 properties which represents 10% of Orkney's total housing stock, a sizeable proportion of Orkney's housing stock.

The changes in respect of private sector housing grant have had an impact. This grant, which was ring-fenced until April 2010 when it was rolled up into

the Council's General Capital and Revenue Grant, stands at £0.969m in 2011/12 but is set to reduce to £0.917 in 2012/13 and £0.866m in 2013/14.

This fund was traditionally used to support both mandatory grants to cover the cost of adaptations for disabled people and for discretionary improvement and repair grants.

Since October 2009, the Council no longer provides for discretionary grants, other than for small repairs up to a maximum of £2,500 or for works considered necessary as part of an adaptation but not covered by a Disabled Grant.

The Council is currently (March 2012) consulting on a Private Sector Housing Strategy which will focus upon improvements, repair, adaptation and private renting. This reflects the importance which the Council places on the sector in recognition of the very significant contribution it makes to meeting local housing need and demand.

What we will do

1. Further improve the information provided to private sector landlords and tenants, focusing upon rights and responsibilities
2. Further remove barriers to accessing homes in the private sector through the development of a Homelessness Prevention Policy which will include key private sector projects
3. Keep the Scheme of Assistance under review and promote the service provided by Orkney Housing Association Limited's Care and Repair Team
4. Reducing the amount of occupied houses below the Tolerable Standard by carefully targeting advice, support and enforcement
5. Reducing the amount of occupied sub-standard houses by carefully targeting advice, support and enforcement
6. Reducing the number of properties failing the Repairing Standard by carefully targeting advice, support and enforcement
7. Develop and implement an Empty Homes Strategy
8. Development of a local house condition survey for 2012/13
9. Outline the approach that would be taken in future to identifying any housing renewal areas
10. Implementing the Local Authority Mortgage Scheme in the light of a target of assisting 30 first-time buyers into owner occupation
11. Monitoring the impact of the Affordable Serviced Sites policy
12. Consider approach to BTS, sub-standard etc housing following the development of a local house condition survey for 2012/13

Priority 6 – Sustaining Orkney’s Communities

Aim: That every effort will be made to ensure a sufficient supply of housing is available to ensure the continued survival, and future growth, of Orkney’s island communities.

Why this is a priority

Orkney is made up of a number of distinct communities and nowhere is this more apparent than in the isles. There is a pride in each community and a sense of belonging. Each community has its own strengths and challenges and for many the key challenge is effectively sustainability.

Each community has different needs, including different housing needs and there are groups of people within Orkney who also have particular housing needs.

The Orkney Community Plan 2011 – 2014 includes a priority under national outcome 11 “we have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others”. Locally this includes a priority to maintain our isles populations and to support sustainable development.

The Community Plan states “almost all of Orkney’s smaller islands experienced depopulation from 1991-2001 of between 2% and 36% (based on Census data). Residents of the smaller isles have limited accessibility to services on the mainland of Orkney and beyond. Internal population changes are taking place as a result of migration from the smaller islands towards the mainland of Orkney. The Orkney Population Change Study, commissioned from Hall Aitken and published in 2009, concluded that the long term sustainability of the Outer Isles of Sanday, Stronsay, Rousay, Egilsay and Wyre was at risk. This was because of an ageing population profile, high levels of reliance on in-migration and low rates of economic activity. The report suggested that these islands would need significant economic stimulus to reverse these trends.”

Housing is a key component in any successful society. It should be in good condition, affordable, of the right size and design, and in locations where people wish to live. The Council holds a housing stock on most of the outer isles. A similar situation applies to Orkney Housing Association Ltd.

The Scottish Government in its publication Social Housing Allocations: A Practice Guide (2011) outlines specific situations in which local lettings initiatives can be appropriate and these are as follows:

- “low demand - in order to stimulate demand;
- high demand - to prioritise access for particular types of applicant, for example in rural communities where local people have problems accessing housing;

- increasing incidence of anti-social behaviour - in order to try to reverse the trend;
- areas with a high proportion of unemployed tenants; or
- a lack of essential workers or where skills that are in short supply.”

Orkney has one successful example of a local lettings initiative being North Ronaldsay where Orkney Housing Association Ltd built 2 properties in 2010 which were allocated through a Local Lettings Initiative in order to endeavour to sustain the population. This has proven to be successful in that two new families have taken up residence who would not have been there had it not been for the housing.

The Scottish Government’s policy “Scotland Performs” (2007) through its national indicators includes a focus on the importance of economic factors to fragile communities. Issues which have arisen through our initial development of the LHS and also the consultation include the housing of key workers, including migrant workers who have a key role to play in Orkney’s future economic growth, prosperity and sustainability. In addition, Orkney has a clear and demonstrable need for more student accommodation, both for those coming in from the isles and for those students from further afield, including from abroad.

What the HNDA and our key data tells us

The HNDA provides vital information in respect of the movement of the population.

The 2001 Census recorded that Orkney experienced its largest in-migration from non associated (eg non neighbouring) parts of the UK.

Consideration of existing studies reveal that no one area or areas exert the greatest influence over the Orkney Housing market in terms of in-migration to Orkney and employment commuting patterns.

Orkney is a self contained source of employment and does not to any great degree provide employment for surrounding areas.

Overall GROS data revealed that there was a positive net in-migration to Orkney between 2006/7 and 2010/11. The implication of this is a rising population which places increased demand on the housing market.

Data from the Housing Needs Survey revealed that of those in-migrating to Orkney in the last 3 years, the most popular reason given was for ‘lifestyle reasons’ at 34.6%.

Whilst there are a high number of properties in the lowest Council Tax bands (A and B), the entry level homes for those wishing to access the owner

occupied Market are still beyond the reach of a significant number of people within Orkney.

The HNDA showed 26.5% had moved in the last three years and 44% of these had moved from outside the Orkney area.

The main centre of employment in Orkney is in Kirkwall, and many of those living on the Mainland and linked south isles, as well as some of the closer isles, commute on a daily basis.

In the isles the majority of people will live and work within close proximity.

Demand for social rented housing across mainland Orkney is high with 589 people on the common housing register as at January 2012. Information from the common housing register shows that demand for social rented properties on the outer isles varies significantly. Some island areas such as Westray record a healthy demand - there are 20 households on the waiting list at March 2012 and a total of 23 properties, none of which are vacant. In other areas a very different situation applies. In Flotta there are currently 4 vacancies with no demand for the properties. In areas with low demand there are occasions where there is no alternative other than to offer a family property to a single applicant. In situations where the household is entitled to housing benefit, it is anticipated that the Welfare Reform Bill 2011 will result in insufficient housing benefit being paid to the applicant. Low demand for properties in Orkney generally coincides with areas with reduced economic opportunities.

The growth of the renewable sector and other activities is likely to see more incoming workers seeking temporary accommodation in Orkney and, as in the case of students, accommodation must be available to ensure the continued sustainability and future prosperity of the Orkney community.

Maximising the opportunities presented by the new emerging energy environment will require that an adequate supply accommodation, of the right type and in the right place is available, and will require the concerted efforts of the public and private sectors to achieve this.

There is also a recognised need for student accommodation whether to house young people migrating from the isles to mainland Orkney or students moving in from outwith Orkney.

A multi-agency group has been focusing on this issue to establish the level and type of demand. Currently and over the next five years this will be from:

- Students from Orkney's outer isles, aged between 16 and 18, who attend Orkney College and need to live in proximity to their centre of learning.
- Undergraduates moving to Orkney to take up study courses in excess of 12 months duration.

- Students coming to Orkney on a temporary basis, that is courses of less than 12 months duration.
- Post Graduate Students, Masters or PHD courses.

In addition Highlands and Islands Enterprise have been investigating the possibility of supporting the creation of a centre of excellence, quintessentially a Campus or Science Park in Orkney focusing upon marine renewables.

What is clear is that there is a need for accommodation for a range of students and that this is in addition to the housing required to address the needs identified within the HNDA.

Currently use is made of Orkney's considerable private sector and further engagement with private sector landlords has been undertaken to explore further the role which they might play. However, given the demand for the current private rented stock it is likely that an increase in the overall numbers of units of accommodation will be required, primarily in the major population centres of Kirkwall and Stromness.

In the longer term work has been undertaken to establish demand for the development for a Halls of Residence type of establishment for Students and whether there would be interest from private developers in producing such accommodation.

Orkney, as elsewhere, attracts people from overseas to work in a variety of industries, including tourism, construction and food processing. The largest single group of migrant workers come from Poland and is predominantly male.

An Employer Study focusing on the impact of migrant workers in Orkney, carried out in 2007 on behalf of the Council and Highland and Islands Enterprise Orkney, revealed that migrant workers themselves highlighted accommodation too as a problem but recognising that it also affects indigenous workers.

Improving information and advice in relation to sourcing somewhere to live was suggested.

What we will do

- Work with individual communities to assess the level of interest / viability of local lettings initiatives
- Working with a range of partner agencies to establish precise demand figures for accommodation for students and key workers.
- Working with private developers and the private rented sector to help to meet an unmet need within the local housing market

- Consideration of alternative housing options and innovative solutions to address housing need whether permanent or temporary on the outer isles

Involvement of Stakeholders and Consultation

The Local Housing Strategy has very much been developed with close involvement of partner agencies from the outset. In addition a detailed process of consultation has been undertaken. The Council undertakes consultation as part of the development of housing services and strategies as standard. This section has been developed to provide more detail on this process.

Housing Development Forum

The Housing Development Forum is the strategic group responsible for the development and implementation of the LHS. It includes officers from:

- Orkney Islands Council's Housing, Finance, Economic Development, Development and Environment Services, Development Planning and Strategic Planning Teams
- Orkney Housing Association Limited – a Registered Social Landlord
- Orkney Islands Property Developments Limited – Orkney's largest private landlord
- Highlands and Islands Enterprise Orkney
- Scottish Water
- Voluntary Action Orkney
- NHS Orkney/Orkney Health and Care
- Scottish Government

This group meets at bi-monthly intervals and its primary remit is to:

- Establish a shared understanding of local housing issues
- Provide a discussion forum
- Support consultation and engagement on housing policies
- Share information about land banks and development proposals
- Assist in on-going development and monitoring
- Co-ordinating the planned expenditure of public funding for housing

In relation to the HNDA the role of the Housing Development Forum was to provide advice on methodology, consider the analysis and interpretation of housing market intelligence and consider the implications of the assessment and follow-up actions.

The Housing Development Forum is one of the Community Planning Framework's thematic groups and provides guidance on housing and housing related matters.

Other Housing Strategies underpinning the LHS are developed by other strategic groups with appropriate membership.

Development of LHS and Consultation

In April 2011 various facilitated workshop sessions were held with a range of professionals from the Council, Orkney Health and Care, NHS Orkney, Orkney Housing Association Ltd and a wide variety of partner agencies including Orkney Citizen's Advice Bureau, Advocacy Orkney and Voluntary Action Orkney. A list of relevant partner agencies is attached at appendix 1.

The facilitated sessions focused on the LHS and the related strategies which underpin this. The attendees were chosen to ensure wide representation and also to ensure there was input from agencies which represented all relevant equalities groups throughout Orkney.

Some of these strategies are now complete, having been subject to wide ranging consultation with partner organisations and the wider public, whilst others are still under development.

Input from these sessions was used in developing the consultative draft of the LHS.

Individual strategies on key areas were also developed from the basis of the workshop sessions and the consultative drafts were presented to the relevant strategic group for member's consideration. For instance all strategies from the homelessness perspective are developed and informed by the Homelessness Strategic Group which has representation from across various Council Services, Orkney Health and Care, Orkney Housing Association Ltd, Orkney Islands Property Developments Limited and a broad range of voluntary sector organisations including Women's Aid Orkney, Orkney Citizen's Advice Bureau and Advocacy Orkney.

A series of Roadshow events took place in Spring and early summer 2011 when staff went out to the following islands to establish both the public's and the local Community Council's views on housing issues affecting their communities. The isles visited, and for which action plans have been established were: North Ronaldsay, Papa Westray, Stronsay, Shapinsay, Hoy, Eday, Westray, Flotta, Rousay, Egilsay and Wyre.

A Local Housing Strategy Working Group was established to oversee and scrutinise the development of the LHS and some of the strategies which underpin this.

A consultative draft of the LHS was produced in August 2011 and the consultation ran from 9th October 2011 to 9th January 2012.

Various methods were used in order to try and attract input from a broad section of the community. These included:

- Press releases to advise of the opening of the consultation and the approaching deadline for it to close;
- Hard copies being made available at public places including the Council Offices, the Stromness Cash Office and Libraries;

- Copies being available on our website;
- Newspaper articles;
- An online questionnaire being used;
- Copies being sent to members of the Housing Development Forum and related strategic groups including the Homelessness Strategic Group;
- Isles Roadshows;
- Discussions with Community Councils in relation to the LHS and Local Lettings Initiatives
- Discussions with the Scottish Government.

Responses from the consultation were collated and analysed and a final version of the LHS was produced and approved accordingly.

Risk Assessments

Equalities

In developing this Strategy the Council has taken into account the provisions contained within the Equality Act 2010. Consequently the housing needs of all the equalities groups within Orkney are considered throughout.

An Equalities Impact Assessment, which accords with Scottish Government guidance, has been undertaken and is attached at appendix 2.

Strategic Environmental Assessment

The Environmental Assessment (Scotland) Act 2005 requires that all plans or strategies which could pose a possible risk to the environment are required to be subject to a Strategic Environmental Assessment (SEA).

A screening report has been submitted to the SEA Gateway indicating that a full SEA is not required for the LHS as it is unlikely to have any significant environmental effects.

The LHS links closely to Orkney's Development Plan, which sets out land use policies, but the LHS does not in itself take decisions on the overall supply or location of land.

It establishes the strategic direction required to make sure Orkney has enough houses, of the right type and in the right location, in the years ahead and directs future investment decisions.

Future Monitoring

The Housing Development Forum will monitor progress of the LHS throughout its lifetime and annual updates will be made, and reported to the HDF, on the HNDA, on the outcome tables which will be contained within the finalised LHS and on the targets set out in the Single Outcome Agreement.

All changes will be posted on the Council's website at www.orkney.gov.uk

Acknowledgements

The Housing Development Forum would like to thank all those who have contributed to the development of the Housing Need and Demand Assessment, Local House Condition Survey and also the LHS.

Future Monitoring – Outcome Monitoring Tables

Priority 1: Adequate Supply of Housing

Our Aim: To ensure Orkney's citizens have access to a range of affordable housing options, suited to their requirements.

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
To ensure Orkney has a housing supply of the right type, size, quality and in the right areas to meet current and future housing needs that are affordable.	Private sector new house build completions	Single Outcome Agreement (1.3) (source: Scottish Government)	2010 102 completions	2011/12 120 2012/13 130 2013/14 140	2014
	Rate of new build affordable housing starts	Single Outcome Agreement (10.1)	130 starts on site (2010/11)	100 site starts per year (2011/12) 100 site starts per year (2012/13) 100 site starts per year (2013/14)	April 2014
	Number of households on housing waiting list (common housing register)	Single Outcome Agreement (10.2)	675 at 31 March 2011	Decrease by 50 households per year (2011/12) Decrease by 50 households per year (2012/13) Decrease by 150 households (2013/14)	April 2014

	Number of households on housing waiting list (common housing register) with evidenced housing need (having a priority pass)	Single Outcome Agreement (10.4)	205 at August 2011 of which:- Bronze 127 Silver 24 Gold 52 Platinum 2	Decrease to 100 (2011/12) Decrease to 100 (2012/13) Decrease to 100 (2012/13)	April 2013
	The number of households provided with full housing options advice	OIC Housing Service	TBC	To be implemented following implementation of policy	TBC
	Provide data on Orkney's housing need and demography over the next 20 years	OIC Housing Service	2012	HNDA – annual update	Annual

Key actions and commitment by local partners for this outcome

1. Identify the generous land supply required through the Local Development Plan to meet the annual affordable housing supply target
2. Support development across Orkney where it meets the findings of the HNDA, LHS etc and helps meet housing supply targets
3. Develop and implement an empty homes strategy
4. Implement a housing options programme to analyse the waiting list and work with individual households to identify the most appropriate housing option
5. Continue to work jointly with Orkney Housing Association Ltd to endeavour to find the best solution for housing development despite economic constraints
6. Implementing the Local Authority Mortgage Scheme in the light of a target of assisting 30 first-time buyers into owner

occupation

7. Monitoring the impact of the Affordable Serviced Sites policy.

Priority 2 – Fuel Poverty

Main Aim: Aim: To reduce the energy requirements of houses to eliminate fuel poverty and achieve a positive impact on the environment

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
To assist Orkney's householders to improve the energy efficiency of their homes	Percentage of households found to be in fuel poverty	Single Outcome Agreement (10.6)	41% Scottish Government target for 2016 is 0% (no fuel poverty) (2010)	Reduce in line with 2016 target	Annual to 2016
	Proportion of social rented housing failing the SHQS	Single Outcome Agreement (10.5)	77.6% 2010/11	66% 2011/12 57% 2012/13 20% 2013/14	Annual
	The number of private sector households who have received grant assistance	Housing Services Data	TBC – following analysis of individual schemes		Annual

Key actions and commitment by local partners for this outcome

1. Improve house conditions in the social rented sector by meeting the Scottish Housing Quality Standard
2. Encourage uptake of available grants amongst private sector households in fuel poverty
3. Implement the Climate Change (Scotland) Act 2009 and improve energy efficiency in existing housing
4. Encourage frontline staff to actively support vulnerable households improve energy efficiency in their homes
5. Improve provision of information in relation to energy efficiency and reducing fuel poverty through online facilities
6. Continue to work with relevant partners to investigate use of modern technologies
7. Encourage the use of sustainable technologies in new builds
8. Continue to be proactive in seeking funding which could assist with fuel poverty

Priority 3: Housing for Particular Needs

Aim: To provide appropriate housing with holistic packages of support (as required) to enable those with particular needs to lead independent lives in their own communities.

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
To ensure Orkney offers options to enable people with particular needs to live independent lives in their own communities.	Ensure provision of support as outlined in the Housing (Scotland) Act 2010	Scottish Government	TBC following implementation of Housing (Scotland) Act 2010	TBC following implementation of Housing (Scotland) Act 2010	TBC
	No of dwellings where adaptations are required	Housing Services	49 in 2011/12	2012/13 54 2013/14 59 2014/15 64 2015/16 69	2016
	Referrals to Orkney Care and Repair	Housing Services	1040 in 2011/12	Indicator is largely demand driven – targets to be developed through implementation of Older Persons' Housing Strategy and Housing Support Strategy	2012
	No of households with gold priority for medical or support reasons who are not rehoused within a year	Housing Services	4 in 2011/12	2012/13 3 2013/14 2 2014/15 1 2015/16 0	2016
	No of households	OHAC	572 basic alarms;	To be developed in	2012

	with telecare support		55 telecare alarms; 11 stand alone pieces of telecare equipment.	consultation with Orkney Health and Care's strategies for telecare development.	
Key actions and commitment by local partners for this outcome <ol style="list-style-type: none"> 1. Implement Older Persons' Housing Strategy with partner agencies 2. Implement Housing Support Strategy with partner agencies 3. Investigate innovative solutions to provide supported housing for people with particular needs 4. Continue to investigate the possibility of improving move on accommodation for young homeless people 5. To continue to work jointly with OHAC to provide housing support most appropriately inside current resources 6. Investigate innovative options including modular housing and virtual sheltered housing 7. Investigate the possibility of using private sector accommodation as a solution in certain circumstances 8. Expand the strategic purpose of an existing sheltered housing scheme to provide for particular needs 9. Expand housing options advice (partially through development of online housing options guide) and ensure inclusion of information on adaptations, grants and provision of support. 					

Priority 4 – Homelessness

Our Aim: “Prevent homelessness from occurring in the first place wherever possible”

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
Prevent homelessness through improved housing options, continued advice and information and, where homelessness is experienced through ensuring the provision of appropriate support	No of homeless households requiring a permanent home.	Single Outcome Agreement Indicator 10.3	95 (2010/11)	100 (2011/12) 105 (2012/13) 110 (2013/14)	December 2012
	Number of young people (aged 16-25) placed in temporary accommodation and accepted as homeless (source: quarterly HL1 Return) (note: relatively low numbers are considered positive)	Single Outcome Agreement Indicator 8.3	2010-11 Baseline 23	2011-12 28 2012/13 33 2013/14 38	2014
	Deliver a housing options approach	OIC's Housing Service and relevant partners	2012	TBC following implementation of project.	April 2013
	Ensure provision of support as outlined in the Housing (Scotland) Act 2010	Scottish Government	TBC in line with implementation of Housing (Scotland) Act 2010	TBC in line with implementation of Housing (Scotland) Act 2010	To be confirmed
	Substantially review	OIC's Housing	2011/12	December 2012	Annual review

	the Homelessness Strategy	Service and partners			
Key actions and commitment by local partners for this outcome <ol style="list-style-type: none"> 1. Continue to work with OHAL to ensure the best resettlement option is found. 2. Continue to implement the Temporary Accommodation Strategy 3. Continue to implement the Advice and Information Strategy 4. Investigate the possibility of using private sector accommodation as a solution to homelessness 5. Continue to investigate the possibility of improving move on accommodation for young homeless people 6. To continue to work jointly with OHAC to provide housing support most appropriately inside current resources 7. To develop a homelessness prevention policy. 8. Develop an online housing options guide with detail on all housing tenures. 9. Continue Developing a Housing Options approach to preventing homelessness 10. By continuing to deliver first class, responsive homelessness service 					

Priority 5: Improving Standards in the Private Sector

Aim: To eradicate unfit and below Tolerable Standard Housing and to encourage even closer links with the Private Rented Sector

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
To work with partner agencies to endeavour to improve standards in the private sector	Number of private households provided with help under the Scheme of Assistance.	Orkney Care and Repair	2011/12 300	Indicator is largely demand driven – targets to be developed through implementation of Older Persons' Housing Strategy and Housing Support Strategy	2012
	Number of private sector households accessing the handyperson service (and type of assistance)	Orkney Care and Repair	2011/12 580	2012/13 615 2013/14 652 2014/15 691 2015/16 732	2016
	Number of landlords accessing rent deposit scheme	OIC Housing Service	2011/12 10	2012/13 12 2013/14 14 2014/15 16 2015/16 18	2016
Key actions and commitment by local partners for this outcome <ol style="list-style-type: none"> 1. Further improve the information provided to private sector landlords and tenants, focusing upon rights and responsibilities 2. Further remove barriers to accessing homes in the private sector through the development of a Homelessness Prevention Policy which will include key private sector projects 					

3. Keep the Scheme of Assistance under review and promote the service provided by Orkney Housing Association Limited's Care and Repair Team
4. Reducing the amount of occupied houses below the Tolerable Standard by carefully targeting advice, support and enforcement
5. Reducing the amount of occupied sub-standard houses by carefully targeting advice, support and enforcement
6. Reducing the number of properties failing the Repairing Standard by carefully targeting advice, support and enforcement
7. Develop and implement an Empty Homes Strategy
8. Development of a local house condition survey for 2012/13
9. Outline the approach that would be taken in future to identifying any housing renewal areas
10. Implementing the Local Authority Mortgage Scheme in the light of a target of assisting 30 first-time buyers into owner occupation
11. Monitoring the impact of the Affordable Serviced Sites policy.
12. Consider approach to BTS, sub-standard etc housing following the development of a local house condition survey for 2012/13

Priority 6: Sustaining Orkney's Communities

Aim: That every effort will be made to ensure a sufficient supply of housing is available to ensure the continued survival, and future growth, of Orkney's island communities; and that provision is made for student and migrant worker accommodation to match identified demand

Local Housing Strategy Outcome	Relevant Indicators	Data / Frequency / Type / Source	Baseline (date)	Targets	Timescale
Assist in the regeneration of local communities and islands with fragile economies.	Number and proportion of Orkney residents living in the Outer Isles (source: NHS Orkney GP Registrations for Eday, North Ronaldsay, Rousay, Stronsay, Sanday, Shapinsay, Hoy and Westray)	Single Outcome Agreement (11.3)	2,650 12.9% of total Population, 2011	Maintain or improve on an annual basis	Annual
	Level of demand for social rented housing by area	Housing Service	TBC in line with Local Lettings Initiative Project	TBC	2012/13
	No of local lettings initiatives in place	Housing Service	TBC	TBC	2012/13
Key actions and commitment by local partners for this outcome <ol style="list-style-type: none"> 1. Work with individual communities to assess the level of interest / viability of local lettings initiatives 2. Working with a range of partner agencies to establish precise demand figures for accommodation for students and key workers. 					

3. Working with private developers and the private rented sector to help to meet an unmet need within the local housing market
4. Consideration of alternative housing options and innovative solutions to address housing need whether permanent or temporary on the outer isles

GLOSSARY

Glossary of Terms and Abbreviations

Term	Explanation
Affordability Ratio	<p>In general, private properties for sale on the open market are deemed to be affordable if the price is no more than 3.5 times the average household income for that area.</p> <p>Rents are generally considered to be affordable if a household is not required to pay more than 25% of its income to meet the cost.</p>
Affordable housing	<p>Decent housing which costs less than the market value and which meets identified housing needs. It includes social rented housing and affordable private housing. The Council has an Affordable Housing Policy which provides further information on affordability</p>
Affordable Housing Investment Programme (AHIP)	<p>Grant funding allocated to Scottish Local Authorities by the Scottish Government to provide affordable housing.</p>
Affordable Rented Housing	<p>Housing rented out at a cost which landlords believe will not cause undue hardship. Generally means Council or Housing Association rented property – social rented housing.</p>
Allocations	<p>The system for letting social rented housing.</p>
Best Value	<p>Well managed, effective, efficient and economically sound public services which meet customer needs.</p>
Brownfield land	<p>Land which has been previously used or developed.</p>
BTS	<p>Below Tolerable Standard – housing that does not meet the tolerable standard (standard for housing quality).</p>
CHR	<p>Common Housing Register administered jointly by a partnership between the Council and Orkney Housing Association Ltd.</p>
Community Care	<p>Services and support for people affected by issues associated with ageing, mental</p>

	illness, learning disabilities, physical or sensory disabilities, progressive illness, misuse of drink or drugs etc.
Community Planning Partnerships	Partnerships between local public agencies, statutory and voluntary, which work together with the community to plan and deliver better services.
COSLA	Convention of Scottish Local Authorities
Development Plan	Document which establishes the Council's policies and proposals on land use which helps to guide development through the planning process.
Disability	A physical or mental impairment which has a substantial and long-term adverse effect on a person's ability to carry out normal day-to-day activities.
Energy Assistance Package	Government funded package of measures to help households out of fuel poverty available through the ESSAC.
ESSAC	Energy Savings Scotland Advice Centre
Fuel Poverty	Being unable to keep a home warm at a cost reasonable to the household – a household which spends more than 10% of its disposable income on heating is defined as being in fuel poverty.
Fragile community	One which is socio-economically disadvantaged and / or suffered economically and in danger of decline with an erosion of services.
GROS	General Register of Scotland
HA	Housing Association
HAG	Housing Association Grant provided by the Scottish Government to subsidise social housing developments.
HIE	Highlands & Islands Enterprise. Their primary role is delivery of the Government's Economic Strategy through influencing private and public expenditure; targeted investment in key transformational projects and account managing enterprises which have capacity for growth.

HMA	Housing Market Area
HNDA	Housing Need & Demand Assessment – study of the need and demand for housing in an area which follows Scottish Government guidance.
Housing Association	A society, body of trustees, or company that doesn't trade for profit and whose purpose is to provide, construct, manage, housing. See also RSL (Registered Social Landlord).
Housing for Varying Needs Standards	A range of standards specifically designed so that housing can be more flexible and capable of meeting the needs of a range of individuals with differing housing needs, including the elderly and disabled, though generally with some modification in cases with more extreme disability.
HRA	Housing Revenue Account – a Council's ring-fenced budget, funded primarily from tenants' rents, to cover the day to day running costs of Council housing.
Ineffective Stock	Housing which is defined as long-term vacant or used as second or holiday home and is therefore unavailable to meet local housing need as a permanent residence.
Landbank	Undeveloped land owned by a local authority, a development company, builder or private individual or organisation.
LCHO	Low Cost Home Ownership
LHCS	Local House Condition Survey
LHS	Local Housing Strategy
LIFT	Low cost Initiative for First Time buyers.
LTE	Long term empty property – a property which has been empty for six months or longer.
Market Solutions	The range of options available to households seeking to resolve their housing needs in the open market (e.g. via a mortgage).
Median Income	Regarded by statisticians as a more accurate measure than an average figure.

	It divides the group being studied into two and people are said to be above or below the median level. It is therefore less affected than the average reading by very high or very low incomes.
Mid Market Rent	Properties available to rent at a level between affordable social and full market private rent levels – usually targeted at those on modest incomes who cannot afford home ownership.
Mode Income	Mode means the number which appears most frequently so that mode income is the income which appears most often in a particular study.
NHER (National Home Energy Rating)	Rating standard against which the thermal efficiency of a building is measured. Runs from 0 to 10, with 10 being best (includes measuring insulation; heating efficiency etc. and takes environment into account).
OHAC	Orkney Health and Care
Outcome	The result / impact of actions. The positive improvements which are desired.
Owner-occupied housing	Housing that is privately owned by an individual, either with or without a mortgage.
Pressured areas	Areas with a high need and demand for housing but limited supply.
Pressured Area Designation (PAD)	The Housing Scotland Act 2001 allows councils to apply to the Scottish Government to suspend the Right to Buy for new / transferring tenants in pressured areas under specific circumstances.
Pressure Ratio	The number of waiting list applicants for social housing per each available let over a year within a specified area.
PRS	Private Rented Sector
Public sector	Any facility controlled by a government department or statutory authority.
REPG	Rural Empty Properties Grant
RHOG	Rural Home Ownership Grant
RSL	Registered Social Landlord – a landlord registered with Scotland Government (e.g a housing association).
RTB	Right to Buy Council (and some housing association) tenants generally have a

	right to buy their home with a discount on the price depending on the length of tenancy.
Re-balancing Care	Enabling more people to be cared for at home rather than in settings such as nursing or residential homes (now care homes) or hospitals.
Sasines	The Register of Sasines records details of all property transactions in Scotland including the sale price and the origin of the purchaser.
Second Home	A property used for holiday or recreational purposes which is empty for the majority of the time.
SHCS	Scottish House Condition Survey - a national survey which provides data on condition of housing in all tenures.
Scottish Housing Quality Standard (SHQS)	Scottish Government standard for the condition and quality of housing.
Self build housing	Housing someone has built for themselves or arranged for a builder to build.
SEPA	Scottish Environmental Protection Agency
Shared Equity	Schemes designed to help first time buyers by offering an opportunity to buy a percentage of a property (usually between 25% and 80%) while a RSL or private developer owns the remainder. Buyers can increase their percentage of ownership over time.
SHIP	Strategic Housing Investment Plan – which builds upon the work of the Housing Needs and Demand Assessment (HNDA) and details the proposed development of affordable housing over a five year period.
Single Outcome Agreements (SOA)	Agreements between the Scottish Government and community planning partnerships / local authorities which set out how each will work to improve outcomes for the local people in a way that reflects local circumstances and priorities, and national objectives.
Social Inclusion	A wide ranging term to cover all the elements that are required to help people to play a full part in society and access

	the opportunities of others in society.
Social Exclusion	Being excluded from opportunities within society; being disadvantaged.
Social Rented Housing	Housing rented out by councils or housing associations.
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Protecting the environment from harm is a key element of environmental sustainability.
Voids	Empty houses – a term commonly used in the social rented sector.

Appendix 1: List of Partner Agencies Involved in the Development of the LHS

Orkney Islands Council: Education, Leisure and Housing Services, Development and Infrastructure Services, Corporate Services
Highlands and Islands Enterprise
Northern Constabulary
Orkney College
Orkney Health and Care
Orkney Housing Association Ltd
Orkney Islands Property Developments Ltd
Procurator Fiscal Service
Scottish Water

Advocacy Orkney
Age Concern
Employability Orkney
Orkney Alcohol Counselling and Advisory Service
Orkney Blide Trust
Orkney Building Federation
Orkney Citizen's Advice Bureau
Orkney Disability Forum
Relationships Scotland
Sacro
Voluntary Action Orkney
Women's Aid Orkney

Appendix 2: Equality Impact Assessment



Equality Impact Assessment Template

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. IDENTIFICATION OF FUNCTION, POLICY OR PLAN	
Name of function/policy/plan to be assessed	Local Housing Strategy (LHS)
Service/service area responsible	Housing
Name of person carrying out the assessment and contact details	Frances Troup
Date of assessment	6 February 2012
Is the function/policy/plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly)	New for 2011
2. INITIAL SCREENING	
What are the intended outcomes of the function/policy/plan?	To increase the housing supply and to improve the condition and sustainability of the housing stock.
State <i>who</i> is, or may be affected by this function/policy/plan, and <i>how</i>	<p>The LHS has been developed to:</p> <ul style="list-style-type: none"> • show clearly the link between national and local housing priorities; • to evidence the level and type of housing need and demand; • to provide clear strategic direction for housing investment for new and existing housing; and • to consider how housing circumstances could be improved across all tenures. <p>This includes a need to address the identified housing and support needs within Orkney. Certain key issues have been highlighted including a need for more housing for those with particular needs and a need for higher levels of housing support.</p>
How have stakeholders been	Initial sessions on Local Housing Strategy development and

involved in the development of this function/policy/plan?	<p>a range of related strategies including the Older Persons' Housing Strategy were run during April 2011. This included other Council Services including Education and Recreation, Planning and Corporate Policy and other agencies including Orkney Health and Care, Orkney Housing Association Ltd, Sacro, Orkney CAB, Advocacy Orkney and Relationships Scotland.</p> <p>These stakeholders were then involved in the consultation once the document had been drafted. The consultation included tenants and public members. Information from isles roadshows was also used. The consultation included a press release and an article in Housing News. In addition survey monkey was used. The Strategy was available from the Council's website at www.orkney.gov.uk and was available in hard copy at the Council's offices and libraries.</p> <p>Housing staff involved to draw on issues arising over recent months.</p>
<p>Is there any existing data and/or research relating to equalities issues in this policy area? Please summarise.</p> <p>e.g. consultations, national surveys, performance data, complaints, service user feedback, academic/consultants' reports, benchmarking (see equalities resources on OIC information portal)</p>	<p>The Scottish Government has produced guidance on the Local Housing Strategy. This included a section on equality issues which advised that in accordance with the Housing (Scotland) Act 2001 the Local Housing Strategy must explain how equality issues have been considered and how their statutory public sector equality duties have been met. This would involve using data on different communities and household groups which will have been collected as part of the Council's Housing Needs and Demand Assessment. Equalities issues are required to be embedded throughout the Local Housing Strategy and the Strategy should be informed by an Equality Impact Assessment.</p>
Could the function/policy have a differential impact on any of the following equality strands?	(Please provide any evidence – positive impacts/benefits, negative impacts and reasons)
1. Race: this includes ethnic or national groups, colour and nationality	Potentially if for instance there was a language barrier but our Accessibility Policy is specifically intended to address this. We keep service records which include records of any requirements for information in different formats and languages.
2. Sex: a man or a woman	Impact is unlikely to be significant.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes	Impact is unlikely to be significant.
4. Gender Reassignment: the process of transitioning from one gender to another	Impact is unlikely to be significant.
5. Pregnancy and maternity	Impact is unlikely to be significant.

6. Age: people of different ages	<p>One of the main issues arising from the Local Housing Strategy is a need for housing for particular needs and an increased need for housing support. Potentially this may have an impact on older and younger people but that impact should be positive.</p> <p>Issues in relation to the supply of affordable housing may have a greater impact on younger people looking for their first home. Again the Local Housing Strategy seeks to assist through its economic and social aims.</p>
7. Religion or beliefs or none (atheists)	Impact is unlikely to be significant.
8. Caring responsibilities	A major issue arising from the Local Housing Strategy is a need for housing for particular needs and an increased need for housing support. Potentially this may impact on people with caring responsibilities but that impact should be positive.
9. Marriage and Civil Partnership	Impact is unlikely to be significant.
10. Disability: people with disabilities (whether registered or not)	A major issue arising from the Local Housing Strategy is a need for housing for particular needs and an increased need for housing support. Potentially this may impact on people with disabilities but that impact should be positive.

3. IMPACT ASSESSMENT

Does the analysis above identify any differential impacts which need to be addressed?	<p>Language barriers are a possibility in relation to different ethnic groups.</p> <p>Age, caring responsibilities and disabilities are also likely to raise issues given the key issues which have been identified by the strategy. The impact should be positive.</p>
How could you minimise or remove any potential negative impacts?	<p>The LHS will promote policies based on equality and fairness with equal access to services.</p> <p>Potential language barriers will be addressed through normal working arrangements and the Accessibility Policy.</p>
Do you have enough information to make a judgement? If no, what information do you require?	Yes

4. CONCLUSIONS AND PLANNED ACTION

Is further work required?	yes/no
What action is to be taken?	N/A
Who will undertake it?	N/A

When will it be done?	N/A
How will it be monitored? (e.g. through service plans)	Through regular monitoring of the Local Housing Strategy and annual reports.

Signature

Date 6.02.12

Name Frances Troup

(BLOCK CAPITALS)

Please sign and date this form, keep one copy and send a copy to Corporate and Community Strategy. It should also be emailed to Corporate and Community Strategy.

Appendix 3: Strategic Environmental Assessment Screening Report

SEA SCREENING REPORT (COVER NOTE)

PART 1

To: SEA.gateway@xxxxxxxxx.xxx.xxx.xx
or
SEA Gateway
The Scottish Government
Area 1 H (Bridge)
Victoria Quay
Edinburgh EH6 6QQ

PART 2

An SEA Screening Report is attached for the plan, programme or strategy (plan) entitled:

Orkney Islands Council's Local Housing Strategy 2011 - 2016

The Responsible Authority is:

ORKNEY ISLANDS COUNCIL

PART 3

Screening is required by the Environmental Assessment (Scotland) Act 2005. Our view is that:

- ☐ **an SEA is required** because the plan falls under the scope of Section 5(3) of the Act and is likely to have significant environmental effects **or**
- ☐ **an SEA is required** because the plan falls under the scope of Section 5(4) of the Act and is likely to have significant environmental effects **or**
- ☒ **an SEA is not required** because the plan is unlikely to have significant environmental effects

PART 4

- ☐ The plan does not require an SEA under the Act. However, we wish to carry out an SEA on a voluntary basis. We accept that, because this SEA is voluntary, the statutory 28 day timescale for views from the Consultation Authorities cannot be guaranteed.

PART 5

- ☐ None of the above applies. We have prepared this screening report because:

.....

SEA SCREENING REPORT (COVER NOTE)**PART 6****Contact name**

Frances Troup

Job Title

Head of Housing and Homelessness

Contact address

Orkney Islands Council
 School Place
 Kirkwall
 Orkney
 KW15 1NY

01856 873535 ext 2177

Contact tel. no

Contact email

xxxxxxxx.xxxxxx@xxxxxxxx.xxx.xx

PART 7

Signature

(electronic
signature
is acceptable)



Date

1 March 2012

SEA SCREENING REPORT - KEY FACTS

Responsible Authority	ORKNEY ISLANDS COUNCIL
Title of plan	Orkney's Local Housing Strategy 2011 - 2016
Purpose of plan	The Local Housing Strategy aims to show clearly the link between national and local housing priorities, to evidence the level of housing need and demand, provide strategic direction for housing investment for new and existing housing and to consider how housing circumstances could be improved across all tenures.
What prompted the plan (e.g. a legislative, regulatory or administrative provision)	Legislative requirement as required by Part 5 s.89 of the Housing (Scotland) Act 2001
Subject (e.g. transport)	Housing
Period covered by plan	2011 - 2016
Frequency of updates	Annual updates with a substantial review every 5 years
Area covered by plan (e.g. geographical area – it is good practice to attach a map)	Geographical boundary of Orkney
Summary of nature/ content of plan	The LHS sets out the actions which will be undertaken during the next 5 years to increase the supply of affordable housing and to reduce homelessness. It also looks at providing housing support, issues of thermal efficiency, fuel poverty and climate change etc in relation to housing.
Are there any proposed plan objectives?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Copy of objectives attached	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Date	1 March 2012

SEA SCREENING REPORT

Our determinations regarding the likely significance of effects on the environment of the Strategy are set out in Table 1.

TABLE 1 – LIKELY SIGNIFICANCE OF EFFECTS ON THE ENVIRONMENT

TITLE OF PLAN <div>Local Housing Strategy</div> RESPONSIBLE AUTHORITY <div>Orkney Islands Council</div>		
Criteria for determining the likely significance of effects on the environment (1(a), 1(b) etc. refer to paragraphs in Schedule 2 of the Environmental Assessment (Scotland) Act 2005)	Likely to have significant environmental effects? YES/NO	Summary of significant environmental effects (negative and positive)
1(a) the degree to which the plan sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources	No	<p>The Local Housing Strategy provides the strategic framework to progress various housing priorities over a five year period. These priorities include improving the standard of housing across all tenures, reducing fuel poverty, increasing the overall supply of affordable housing, reducing homelessness and improving housing support provision.</p> <p>There may be positive environmental effects as a result of the priorities within the Local Housing Strategy, particularly in relation to reductions in fuel poverty levels and improving housing conditions across Orkney.</p> <p>The Local Housing Strategy does not, in itself, direct land use for housing, which is currently dealt with under the Local Plan. A new Local Development Plan is being developed and timescales for this anticipate completion and adoption by 2013.</p>
1(b) the degree to which the plan influences other plan including those in a hierarchy	No	<p>The Local Housing Strategy is underpinned by a range of housing strategies including those focussing on housing support, homelessness and fuel poverty.</p> <p>The Local Housing Strategy is also underpinned by housing need and demand assessment (HNDA) which was submitted to the Scottish Government in January 2012. This provides a detailed assessment of Orkney's housing market. The Local Housing Strategy uses this information to set a housing supply target that will increase the affordable housing supply across Orkney</p>

		<p>over the lifetime of the strategy.</p> <p>The Strategic Housing Investment Plan (SHIP) summarises the resources available annually and shows how these are being used to assist in meeting the housing supply targets within the Local Housing Strategy.</p> <p>The Local Development Plan that is currently being progressed will ensure there is an appropriate supply of land available to meet the housing supply targets that are identified through the Local Housing Strategy, in line with Scottish Planning Policy.</p>
1(c) the relevance of the plan for the integration of environmental considerations in particular with a view to promoting sustainable development	No	<p>The plan is required to include consideration of improving domestic energy efficiency in respect of fuel poverty and climate change but does not in itself deliver these improvements. Instead these would be delivered through Planning applications and Building Control Regulations.</p> <p>The Planning etc (Scotland) Act 2006 requires local authorities to exercise their development planning functions with the objective of contributing to sustainable development. The approach to land use that is agreed as part of the new Local Development Plan should also contribute towards sustainable development.</p>
<p>Criteria for determining the likely significance of effects on the environment (1(d) etc. refer to paragraphs in Schedule 2 of the Environmental Assessment (Scotland) Act 2005)</p>	<p>Likely to have significant environmental effects?</p> <p>YES/NO</p>	<p>Summary of significant environmental effects (negative and positive)</p>
1(d) environmental problems relevant to the plan	No	Any environmental problems that are identified as part of a development proposal related to the Local Housing Strategy will be subject to environmental assessment through the development planning and development management processes.
1(e) the relevance of the plan for the implementation of Community legislation on the environment (for example, plan linked to waste management or water protection)	No	The Local Housing Strategy will not influence waste plan provision or water management. Any waste disposal requirements for any development proposals throughout the lifetime of the Local Housing Strategy will be subject to assessment through the planning process and the Local Development Plan.

2 (a) the probability, duration, frequency and reversibility of the effects	No	<p>Positive environmental effects are anticipated through improvements to house condition and energy efficiency as well as through the provision of new, energy efficient homes.</p> <p>Many of the Local Housing Strategy objectives are centred on improving peoples' lives, through reducing homelessness and improving housing support as well as improving house conditions and reducing fuel poverty. These are effects we anticipate will have long-lasting positive effects.</p>
2 (b) the cumulative nature of the effects	No	<p>The Local Housing Strategy's objectives are focused on improving peoples' lives and their living conditions. Improving access to affordable housing impacts on other strategies and plans, such as Orkney's Community Plan and Single Outcome Agreement as well as the Local Development Plan.</p> <p>Physical effects will exist in relation to the need for water and waste disposal, transportation and materials to improve the existing housing stock, as well as increase the housing stock. Any negative effects of these cumulative effects will be mitigated through the development planning and the development management frameworks.</p>
2 (c) transboundary nature of the effects (i.e. environmental effects on other EU Member States)	No	None
2 (d) the risks to human health or the environment (for example, due to accidents)	No	<p>Any new development will be subject to the development planning and development management frameworks, where any potential risks to the environment will be addressed.</p> <p>The aim of the Local Housing Strategy is to improve housing conditions, and our conclusion is that the overall impact of the Local Housing Strategy on human health will be positive.</p>
Criteria for determining the likely significance of effects on the environment (2(e), 2(f) etc refer to paragraphs in Schedule 2 of the Environmental Assessment (Scotland) Act 2005)	Likely to have significant environmental effects? YES/NO	Summary of significant environmental effects (negative and positive)
2 (e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected)	No	<p>The Local Housing Strategy covers the Orkney Islands, with a population of around 20,110 (mid year estimate 30 June 2010) spread across 19 inhabited islands.</p> <p>The spatial impact of the Local Housing Strategy will vary within Orkney, depending on the resources available to deliver new housing as well as the decisions taken through the development planning and development management processes on where new development can or cannot proceed.</p>

		Other effects will focus on the provision of advice, information and housing services and these will be open to the whole population.
2 (f) the value and vulnerability of the area likely to be affected due to- (i) special natural characteristics or cultural heritage; (ii) exceeded environmental quality standards or limit values; or (iii) intensive land-use.	No	The Local Housing Strategy will not directly lead to development or specific environmental impacts. Orkney's natural environment and cultural heritage are important elements to nurture in to the future, and any proposals that could impact on these will be assessed through the development planning and development management processes.
2 (g) the effects on areas or landscapes which have a recognised national, Community or international protection status	No	The Local Housing Strategy will not directly lead to development or to specific environmental impacts. Any proposals that arise within areas of national, community or international protection status will be assessed through the development planning and development management processes.

SEA SCREENING REPORT

A summary of our considerations of the significant environmental effects of the plan is given below.

TABLE 2 – SUMMARY OF ENVIRONMENTAL EFFECTS

The Local Housing Strategy for Orkney covers the period 2011 – 2016 and provides the strategic direction to addressing housing need and demand across all tenures. In addition it focuses on improving house condition and related services across Orkney.

The Local Housing Strategy contains targets in respect of the need to increase the provision of affordable housing in the area. This may include increasing the supply of social housing as well as a range of incentives and initiatives designed to enable individual households to address their own housing need. While the Local Housing Strategy sets out targets for future supply of affordable housing, the Local Development Plan which is currently being developed in line with Scottish Planning Policy will set out the land supply available to meet this need.

The priorities contained within the Local Housing Strategy are as follows:

- To ensure an adequate supply of houses;
- To eradicate fuel poverty by 2016;
- To maximise access to housing support for people with particular needs;
- To ensure community engagement in housing issues;
- To ensure appropriate provision of information and advice;
- To endeavour to prevent and alleviate homelessness;
- To aim to improve housing standards in the private sector;
- To endeavour to sustain Orkney's fragile communities

Orkney Islands Council does not consider there to be any significant environmental effects in respect of the Local Housing Strategy itself as the Strategy does not hold the lead role in identifying suitable land for housing. However, it will be closely aligned with the emerging Local Development Plan, which is already undergoing SEA. The Strategy has been Screened and the Council is of the view that an SEA is not required under the Environmental Assessment (Scotland) Act 2005.

SEA SCREENING REPORT

TABLE 3
SUMMARY RECORD OF COMMENTS FROM CONSULTATION AUTHORITIES

SCREENING TEMPLATE - GUIDANCE NOTE 2

It is not a statutory requirement to include this section in the screening report. However, the Responsible Authority may find it useful for record purposes.

TITLE OF PLAN, PROGRAMME OR STRATEGY

Local Housing Strategy

RESPONSIBLE AUTHORITY

Orkney Islands Council

DATE COMMENTS RECEIVED FROM CONSULTATION AUTHORITIES

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Consultation Authority	Views (if known at this stage)
Scottish Environment Protection Agency	Significant environmental effects - YES/ NO
	If YES, note SEA topics/issues here (e.g. soil and water)
Scottish Natural Heritage	Significant environmental effects - YES/ NO
	If YES, note SEA topics/issues here (e.g. flora, fauna and biodiversity)
The Scottish Ministers (Historic Scotland)	Significant environmental effects - YES/ NO
	If YES, note SEA topics/issues here (e.g. landscape and cultural heritage)

SEA SCREENING REPORT

TABLE 4 – RECORD OF POST SCREENING ACTION

SCREENING TEMPLATE - GUIDANCE NOTE 3

It is not a requirement to include this section in the screening report. However, the Responsible Authority may find it useful for record purposes.

TITLE OF PLAN, PROGRAMME OR STRATEGY (plan)

Local Housing Strategy

RESPONSIBLE AUTHORITY

Orkney Islands Council

1
Responsible Authority and Consultation
Authorities are in agreement – plan is likely to
have significant environmental effects

Date of determination

2
Responsible Authority and Consultation
Authorities are in agreement – plan is not likely
to have significant environmental effects

Date of determination

3
Responsible Authority and Consultation
Authorities cannot reach agreement – referred to
the Scottish Ministers for their determination

Date referred to the Scottish Ministers

4
Scottish Ministers' determination

Date of determination

5
Publicity requirements met

YES

NO

6
Signature

Date

Appendix 4: Strategic Housing Investment Plan



Housing Services:
Strategic Housing Investment Plan
2012/13 – 2014/15

DOCUMENT REF	ISSUE	REV	DATE	REASON FOR ISSUE	REVIEWE R	SIGN

**Orkney Islands Council
Strategic Housing Investment Plan
2012/13 – 2014/15**

Forward

This is the fifth Strategic Housing Investment Plan (SHIP) for Orkney. SHIPs are part of the Local Housing Strategy (LHS) process and are the key statements of housing development priorities in each local authority area which will guide the application of Scottish Government and other funding.

Our SHIP for 2012/13 – 2014/15, in common with previous plans, seeks to show how Orkney Islands Council will continue to support the use of available funding to provide much need affordable housing across the County. The Council, in partnership with Orkney Housing Association and private developers, is seeking to build new properties in an effort to meet the increasing demand for affordable housing.

As the Local Housing Strategy is consulted upon and finalised it remains a Council priority to ensure 'that every citizen in Orkney has access to a warm, dry, secure, and affordable home, suited to their particular needs and, wherever possible, in a community of their choice.

As housing need and the demand for affordable housing changes we continually interrogate and update our Housing Needs and Demand Assessment to ensure that development is prioritised in areas of highest demand.

Consideration must also be given to how development in areas which don't necessarily exhibit explicit demand for social housing can contribute to the sustainability of our more fragile communities.

As in previous years this document has been produced in partnership with a range of agencies. However the intention is that this year, for the first time, it will take it's rightful place as an annexe to the Local Housing Strategy rather than remaining a stand alone document.

Introduction

As this Strategic Housing Investment Plan is drafted Orkney Islands Council is unsure whether funding streams will be available to it and partners during the life time of the plan.

As a result the plan has sought to balance aspiration with an acknowledgement that the available funding is unlikely to enable the delivery of all identified projects. For this reason the prioritisation process is more important than ever.

Local Housing Strategy Priorities

The principal objective of the SHIP is to set out investment priorities for affordable housing over a three year period to achieve the outcomes set out in the Council's Local Housing Strategy and subsequent housing policy developments – as influenced by the Single Outcome Agreement. The table below identifies the key priorities for Orkney. These are derived from the LHS' strategic aims and the Market Analysis Data available.

Objective	National Priority	Local Priority
Adequate housing supply	Local authorities have a key role to play	Ensure that Orkney has both a sufficient range and number of houses to meet need and demand.
Climate Change and Fuel Poverty	To eradicate fuel poverty by 2016	To provide advice, support and assistance, in partnership with relevant agencies, to eradicate fuel poverty in Orkney.
Housing Support	To ensure a range of support is available to those with particular needs	To support the most vulnerable members of our community by working in partnership with key agencies to promote independence.
Community Engagement	To ensure every citizen has a voice in how their communities are managed and how services are designed	To encourage the formation of tenants' and residents' associations, focus groups and to ensure effective channels for communication exist so that no community is disadvantaged by lack of access to information.

	and delivered	
Advice Services	The Housing Options Initiative	The development of a housing options approach including an effective online housing options guide and the effective training of advice providers.
Homelessness	Ensure all unintentionally homeless households have, by 2012, access to a permanent and settled home.	Improved housing options and early intervention providing sound advice and assistance. The provision of housing support as and when required to ensure tenancy sustainment

In developing the SHIP each proposed project has been assessed against these priorities. Additionally the information collated through the Housing Needs and Demand Assessment has been interrogated to ensure that not only does each project sit comfortably with an LHS priority but consideration has been given as to whether it is of the right scale and in the right location.

Giving full consideration to the above priorities and Housing Needs and Demand Assessment Data each project proposed for inclusion in the SHIP is assessed against a checklist.

Constraints to Development

In addition to considering how projects sit within LHS priorities the assessment process also looks to identify constraints and this is fed into the project prioritisation process. Consequently the checklist referred to above also identifies any constraints to development and assesses the risk those constraints pose to potential delivery of the development.

Financial considerations and constraints

Whilst there remains anticipation that in future years the SHIP will be the practical delivery agent for the LHS and its key priorities, there is still a high level of uncertainty as to how the future delivery of affordable housing will be facilitated and financed.

It remains difficult to plan developments where there is a high level of uncertainty regarding the likely levels of funding which may be made available in future years. There is additional uncertainty in respect of how that funding will be allocated and distributed.

Second Homes Council Tax

The Council uses Second Homes Council Tax funds to support both it's own House Build Programme and on occasion that of Orkney Housing Association Ltd.

Additional Council Investment

As the Council's Housing Revenue Account reaches the point at which further lending is not advisable without significant additional rent increases the Council has begun to consider the use of Strategic Reserve Funds to assist in the delivery of Council Housing.

Private Developers

Local Developers remain committed to exploring the range of ways in which they may be able to assist in the delivery of affordable housing and one local firm successfully applied for Innovation funding.

Affordable Housing Policy

To date the Council's Affordable Housing Policy has not delivered the anticipated level of affordable units and both thresholds and delivery mechanisms are being reviewed with the anticipation that a new policy will be approved by the Council in June 2012.

Equalities

Living in a remote rural community can make those who are socially excluded feel even more isolated. It is important that the Council ensures that the most remote communities and hard-to-reach individuals feel included. Inward migration is an important feature in maintaining the population of the islands and attracting investment and skills to build the local economy. Meeting the needs of migrants to the islands is another growing challenge. It is a key aim of the Local Housing Strategy to continue to ensure equality of access to housing irrespective of age, disability, gender, marital status, race, religion or belief, sexual orientation or income. This Strategic Housing Investment Plan reflects the Council's commitment to equality, as evidenced by the inclusion of a scheme for those with learning disabilities, and one for older residents in need of additional support.

At the time of the census in 2001, 67 people (0.3%) of the population recorded themselves as being from a minority ethnic group. In recent times there has been an increase in the number of migrant workers from Eastern European Countries and Highlands and Islands Enterprise Orkney has recently commissioned a population and migration study and the findings will be reflected in any future revision of this SHIP. More recent data will become available following the publication of census statistics from 2011.

Equal opportunities must be central to all strategies and service provision. The Council's LHS aims to recognise and address the needs of all citizens of Orkney and much work has been done to ensure access to a range of quality information on housing services crossing all tenures. This includes taking a partnership approach to producing a Housing Options guide. The Council offers translation services designed to ensure it offers high quality services to applicants whose first language is not English. All new-build properties are built to building regulation standards and incorporate level-access facilities wherever possible.

The needs of larger families, though less numerous than in the past, have been taken into account in the SHIP and will continue to be addressed in future revisions.

With a growing elderly population, partners are currently undertaking a series of reviews of care provision throughout Orkney and across client groups. This has included the development of an Older Persons' Housing Strategy.

A full Equalities Impact Assessment has been undertaken on this SHIP and the findings reflected accordingly.

Housing Needs of Specific Household Groups

Whilst this SHIP has been developed with the intention of meeting the outcomes of Orkney's Single Outcome Agreement (SOA) and the objectives of the Local Housing Strategy, consideration has also been given to the Housing Needs and Demand Assessment. Chapter 7 of the Housing Needs and Demand Assessment considers in detail Housing for varying needs.

Older People: By 2024 nearly a quarter of Orkney's population will be aged 75 and over. The housing needs of this very significant proportion of the population will require to be clearly identified and any planned development must ensure that the needs of older people are effectively catered for. In terms of this Strategic Housing Investment Plan, one detailed scheme has been included in this document being 12 Extra Care Units in Kirkwall with the scheme being linked into Core Care Facilities.

The need for Housing Support has been identified as an issue in other areas across Orkney, and where the development of extra care housing is neither practical or viable then other options, such as linking housing into existing care facilities or the development of telecare services, will need to be considered.

Younger People: Two young persons' supported accommodation projects have been in place in Orkney since June 2009. These have proved to be very successful. However, there is a need for move on accommodation for those who have some independent living skills and so do not require a placement within the projects but who would still struggle to live independently. It is proposed to develop appropriate partially supported accommodation.

Strategic Environmental Assessment

All plans, policies and strategies of public bodies are required to have a Strategic Environmental Assessment (SEA) done under the Environmental (Scotland) Act 2005.

In February 2012 the Council submitted a pre-screening exemption request in respect of this SHIP, believing that the Local Housing Strategy is the prime document (and therefore subject to assessment) with this SHIP becoming a resource annexe.

Local Housing Market Areas

Orkney consists of approximately 100,000 hectares spread over 70 or so islands and skerries, 16 of which are inhabited. Populations of the isles vary in size from a single family to several hundreds, and the geography of Orkney offers a significant challenge to public agencies seeking to deliver services, including the provision of affordable housing. Orkney's population has fallen dramatically over the past century, to the point where the sustainability of some of the smaller island communities was in jeopardy.

In 1901 Orkney had 26 inhabited islands; today only 16 islands have permanently resident communities. If these fragile communities are to survive and flourish, we need to take action to halt and reverse the population decline.

“For Orkney, survival is about maintaining our fragile communities as viable places to live and work. Our smaller islands are distinctive and highly valuable assets, which need investment to secure their future. Young people often move away

to study or travel, but we will ensure that we have a thriving community to which they will want to return.” Orkney Community Plan, 2011 – 2014 OCPP

The population of Orkney is now just under 20,000 and is expected to increase slightly until 2024. Over the next 10 years the proportion of Orkney’s population aged 60+ is anticipated to rise significantly. Additionally the population is expected to become increasingly diverse as Orkney’s workforce becomes increasingly international and multi-cultural.

Orkney has one of the highest life expectancy rates in Scotland, and the area has an outstanding natural environment with clean air and water, fine scenery, safe surroundings, and diverse wildlife. However health and quality of life can be adversely affected by rural poverty caused by a range of factors including under-employment, low wages, high cost of living, lack of affordable housing, fuel poverty and isolation from access to services.

Whilst 2010 saw a continuation of the slow down in the Housing Market in Orkney as elsewhere in the UK, house prices remain relatively high. This means that at present demand for affordable housing is continuing to grow well beyond the ability of both private and public sectors to supply.

As with any local authority area it is not sufficient to look at the county in its entirety when assessing and looking to address housing need. Previous SHIPS have examined the issue of Housing Market Areas in Orkney in some detail. For the purposes of this SHIP the Sub Areas identified in the Housing Needs and Demand Assessment have been used and these are identified below.

REF	Description	Intermediate Geography reference	Datazones	Comments
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A	Kirkwall	SO2000945 East Kirkwall & SO2000944 West Kirkwall	SO1004960 SO1004961 SO1004952 SO1004953 SO1004954 SO1004955 SO1004958 SO1004959	Where there are clear differences between East & West Kirkwall these are recorded separately.
B	Stromness, Sandwick & Stenness	SO2000946	SO1004948 SO1004951 SO1004956 SO1004964	Includes the island of Graemsay
C	West Mainland	SO2000948	SO1004949 SO1004963 SO1004965 SO1004966 SO1004967	In addition to the 'West Mainland' where possible data is also provided for the two larger settlements of Dounby & Finstown
D	East Mainland	SO2000943	SO1004946 SO1004947 SO1004950 SO1004957 SO1004962	In addition to the 'East Mainland' where possible data is also provided for the settlement of St Mary's
E	South Isles (including Linked South Isles)	SO2000947 (part)	SO1004971 SO1004972	In addition to combined data for the South Isles (including the Linked isles) where data is available for individual islands and

				the town of St Margarets Hope (South Ronaldsay) this is also provided
F	Shapinsay, Rousay, Eglisay & Wyre	SO2000947 (part)	SO1004968	In addition to the combined data for these islands, where data is available for the individual islands it is also provided.
G	Sanday, Stronsay & North Ronaldsay Papa Westray, Westray and Eday	SO2000947 (part)	SO1004969 SO1004970	As with E & F above where available data is also provided for individual islands.

Conclusions

The Strategic Housing Investment Plan produced and submitted by Orkney in November 2010 called for an investment of £45.6million and an Affordable Housing Investment Programme allocation of £24.5million over a 5 year period. This reduction from the sums contained in the November 2009 SHIP (£73million and £34million respectively) reflected the ‘tough times tough choices’ debate underway in both Orkney and wider afield. The focus was on producing an achievable plan acknowledging the likelihood of a reduced AHIP allocation. This is reflected in the fact that a good proportion of the projects identified in years one (2011/12) and two (2012/13) have progressed.

This SHIP seeks to build on that realism and has focussed on projects that the Council and it’s partners believe both could and should be delivered over the next three years.