

Housing in Shetland

This is part of a [Series of Papers](#) providing information on Shetland's strategic challenges.

This paper provides information about Shetland's housing situation, drawing on local data, research and knowledge, alongside regional and national data, where available. It has been produced by a group of local expertsⁱ.

Shetland's housing situation is challenging. There is insufficient available housing to sustain the population, economy and services, impacting on many aspects of island life. The challenges are significant and difficult to resolve. There are also different levels of demand, both across the islands, and in terms of house-size. Meanwhile the quality of the housing stock is varied, which, coupled with Shetland's climate, location and energy costs, means a higher proportion of Shetland households are in Fuel Poverty than all but two other areas of the UK.ⁱⁱ

This Paper sets out the data and evidence of the situation and challenges, alongside the efforts being made by local organisations, in partnership with regional and national players.

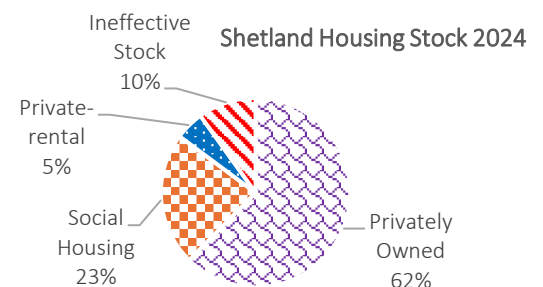
1. Shetland's Housing Stock

Shetland's housing stock reflects the islands' location, geography, settlement pattern and historical development of housing.

In relation to **Housing Tenure**, as of 2025, there were **10,713 households in Shetland**.ⁱⁱⁱ This is a **3.16% increase** from 10,385 in 2017. This compares to an increase of 5.7% in both Orkney and Highland. There was a 2.5% decrease in Na h-Eileanan Siar. As would be expected, the majority of these households are in Lerwick & Bressay, and other areas within relative commuting distance from Lerwick. Council Tax numbers provide information on the **number of houses in Shetland, which was 11,707**, as of July 2026. The additional 994 houses are classed as 'ineffective stock', meaning empty or unoccupied for a variety of reasons.^{iv}

In late 2024, of **Shetland's housing stock**, 63% were privately owned (8,465 homes), 23% were social housing (2674 homes), 5% were private-rental (678 homes), with the remaining 10% classed as 'ineffective stock'.^v Of the social housing, approximately 1,700 are Council, with the remainder belonging to Hjaltland Housing Association.^{vi} Shetland Mid-Market Homes LLP was established in 2026 as a partnership between SIC and Scottish Futures Trust Investments Ltd to deliver private residential residencies as an affordable housing option in Shetland. In February 2026, they took ownership of six new-one bedroom properties in Lerwick.^{vii}

Locality	Number of Households in 2025
Lerwick & Bressay	3,552
Central	1,757
South	1,825
North Mainland	1,512
North Isles	827
West	815
Whalsay & Skerries	425



Locality	% Owner Occupied	% Social Housing	% Private Rental	% Ineffective Stock
Shetland Wide	63%	22%	5%	10%
Lerwick & Bressay	50%	35%	8%	7%
Central	69%	18%	5%	9%
South	77%	12%	4%	8%
North Mainland	63%	22%	4%	11%
North Isles	60%	16%	3%	21%
West	70%	13%	4%	13%
Whalsay & Skerries	79%	11%	2%	8%

The **private rental market is significantly smaller in Shetland than Scotland**, at 5%^{viii} compared to 13% across Scotland, limiting housing options available.^{ix} This has been further exacerbated by a reduction in private rental, with a shift to short-term lets, with certain notable shifts linked to the economic boom of the gas-plant construction, the rise in tourism in Shetland and the legislative requirements placed on private landlords.^x

There is a higher percentage of **private ownership** in Whalsay & Skerries, South, West and Central, whilst North Mainland and the North Isles are similar to the Shetland average and it is lowest in Lerwick & Bressay at 50%.^{xi} In relation to **potentially under-utilised stock**, at the time of the 2025 study into Empty Homes in Shetland, there were 1,128 houses classified as 'ineffective housing stock' in Shetland.^{xii} These largely consist of Long-Term Empty Homes, Second Homes, Short Term Lets and Unoccupied Exemptions.



There were 386 **Long-Term Empty Homes** identified, with higher concentrations in areas furthest from Lerwick; the North Isles, West and Whalsay and Skerries account for around 32% of all long-term empty homes, despite containing only around 20% of Shetland's housing stock.

The Report highlighted that returning these homes back into use is an opportunity, with 82 potentially being returned to use in areas experiencing the highest housing pressures. However, the report also highlighted significant limitations to relying on empty homes as a solution to wider housing pressures, given the geographical mismatch and property size mismatch.

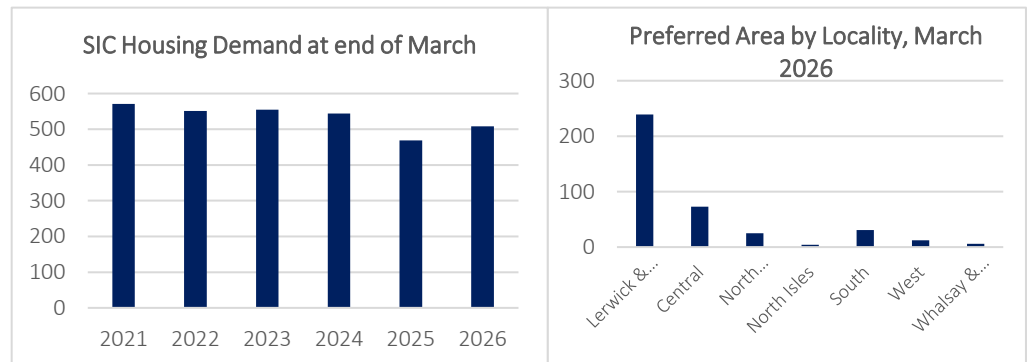
Of the 216 **Second Homes** highlighted in the report, the highest number and proportion were in the North Isles (5%), with the proportion also relatively high in the West (4%). This compares to a Shetland average of 2% and 1% for Lerwick. As of July 2026, the number of Second Homes has increased to 228.^{xiii}

According to **Short-Term Let (STL)** statistics, to December 2025, Shetland had 504 **STL** licences in operation. This is 432 licences per 10,000 dwellings which is the 5th highest in Scotland. Areas with a higher number were Na h-Eileanan Siar (707), Highland (664), Argyll & Bute (627) and Orkney (499).^{xiv} In August 2026, the estimate of STL is 597.^{xv} Across Shetland, the highest proportion are within Lerwick, followed by South and Central areas.

In relation to **Housing Type, Size and Condition**, housing stock in Shetland is predominantly detached and semi-detached dwellings, with a higher proportion of larger family homes and fewer smaller dwellings. There is a growing mismatch between the existing stock and future housing requirements, as household sizes continue to decline and an ageing population will require, adapted housing and accommodation suitable for independent living.^{xvi} In 1981 the average household size in Shetland was 2.9 persons per household, declining to 2.6 in 1991, 2.2 in 2011, and is currently estimated to be 2.1 persons.^{xvii} A key driver of housing demand is therefore changing household formation, and the implications are significant. A population of 23,000 would have required around 7,900 dwellings in 1981 but would require almost 11,000 dwellings today. Housing demand can increase, even when population growth is limited, making this particularly challenging at times of economic growth. The number of live applications for social housing has been consistently around 500.

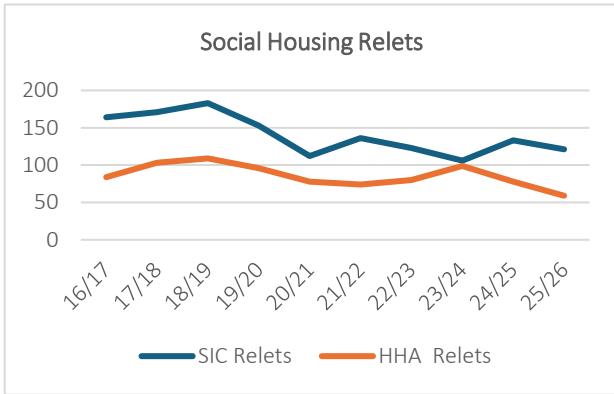
Recent housing developments have improved the overall quality and energy performance of Shetland's housing stock. However, a significant proportion of existing homes are older properties, many of which require substantial investment in repair, maintenance and energy efficiency improvements.^{xviii}

Housing Pressures are not evenly distributed across Shetland. Demand is highest in Lerwick, Central and South Mainland. By contrast, some rural and island communities have available housing stock but face declining demand and higher rates of vacant and underused properties.



Housing applicants can select a number of areas across Shetland as locations,^{xix} as well as identifying a single preferred area of choice. As part of the social housing application process, applicants can indicate their preferred area across Shetland. Lerwick is by far the most preferred area, followed by Central and South. The live application data also highlights the **growing demand for smaller homes**. Around 65% require one-bedroom property, 24% two-bed, 8% require a three-bed property and only 3% require four or more bedrooms.^{xx}

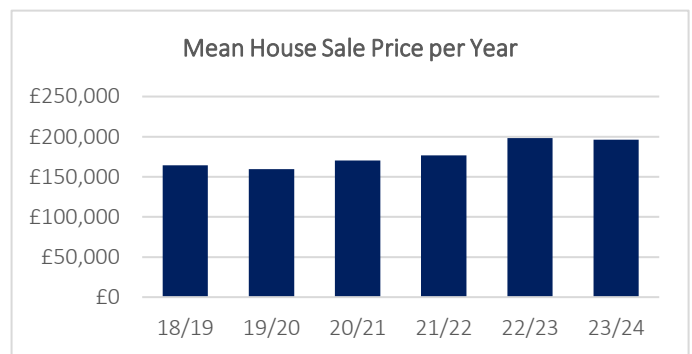
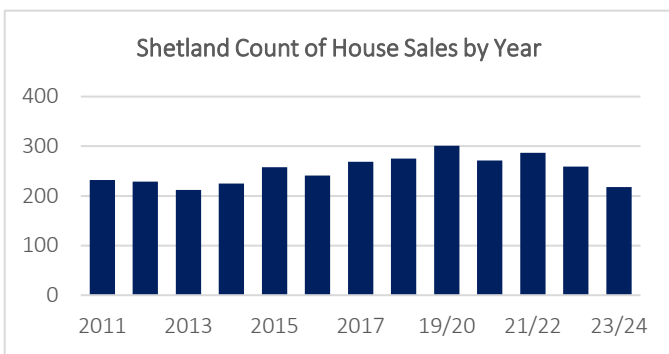




The situation is further exacerbated by the **reduction in turnover of social rented properties**, from around 10% of social housing per year a decade ago, compared to 6% now, constraining housing options.

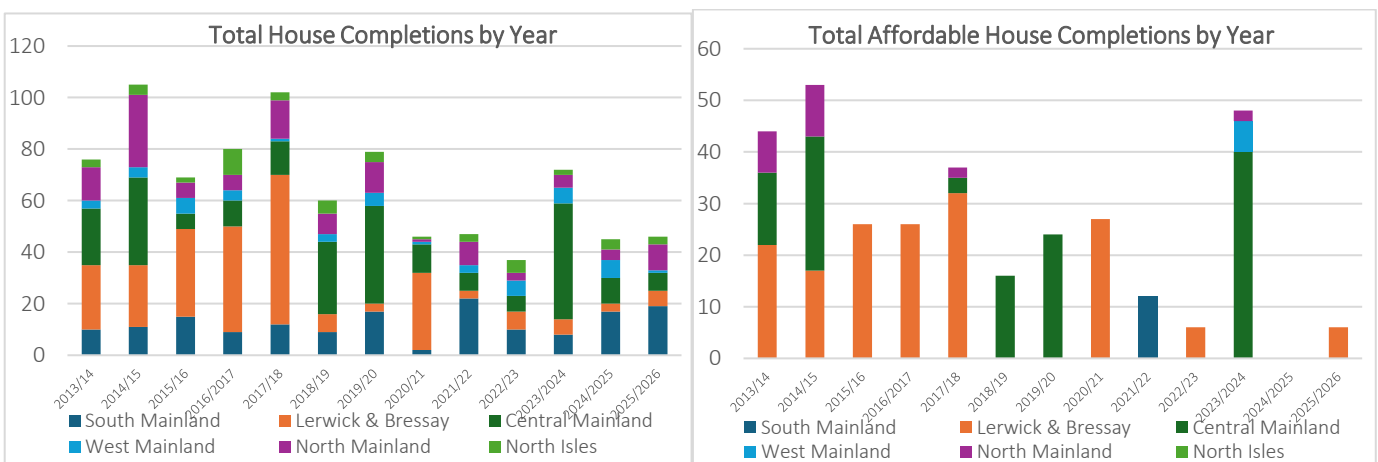
Homelessness^{xxi} in Shetland (the number of people per year accepted as homeless) has fluctuated between around 80 to 120 over the last 10 years or so, with a slight downward trend largely due to the Council's prevention work. This is also against a backdrop of a challenging social housing rental situation and a decline in long-term private rental opportunities.

House Sales in Shetland have fluctuated between 2-300 over the last 15 years; there was a general upward trend until the pandemic, after which there was a small decrease. The trend since 2021/22 has been downward, possibly due to the rising cost of living, the constrained housing supply and global uncertainty. The average price of a house has increased, similar to trends in Orkney, the Western Isles, Highland, and Scotland as a whole.^{xxii}



Housing completions data demonstrate that house building has been variable year by year. Total completions fluctuate significantly, from around 35-45 homes some years to over 100 homes in peak years.^{xxiii} Affordable housing (social and mid-market) has been a significant component of new housing delivery in Shetland. Since 2020, there has been a reduction in housing delivery compared with the strongest years of the previous decade, with a notable decline in affordable house completions in the last two years. Alongside this, local households are finding it increasingly difficult to secure mortgages, creating an additional barrier to accessing home ownership.

Affordable housing is discussed as housing that can be accessed by households unable to afford market housing costs, with social housing, mid-market rent and other intermediate tenures presented as affordable alternatives to market renting and home ownership. Social housing is affordable to most low-income households, while Mid-Market Rent (MMR) improves affordability for households who are ineligible for social housing but cannot afford market rents or home ownership.^{xxiv}



However, affordable housing delivery in Shetland is characterised by a project-led development model. Consequently, completion figures can be highly volatile, with output appearing in concentrated spikes rather than as a steady annual flow. Future completion statistics are likely to see significant increases as major schemes, including Staneyhill, reach completion. New housing delivery has been geographically distributed across Shetland, and while Lerwick & Bressay has often contributed the largest annual share of completions, other areas have also played a role, most notably Central Mainland during 2023/24. Between 2020 and 2026, a total of 293 homes were completed across Shetland, of which 99 were affordable homes.^{xxv}

Shetland's housing challenge is not simply one of housing supply; **it is also an affordability and inequality challenge.** The Empty Homes report highlights that the average monthly Shetland Islands Council rent is £394. Average monthly rent from Registered Social Landlords is £478 while the average Private Rented Sector rent is £936.84. Overall, average market rents in Shetland exceed average Council rents by 138%.^{xxvi}

Home ownership is not necessarily an affordable option either, and is increasingly inaccessible to lower-income households. The report found lower-quartile house price of £130,500, against a lower-quartile income of £21,477. Under assumptions used in the Scottish Government affordability methodology, a household would need income of £34,664 to access a lower quartile property. Lower house prices in some rural areas do not necessarily translate into greater affordability, as household incomes also tend to be lower. Housing affordability is therefore shaped by the relationship between local incomes and local housing costs, rather than by house prices alone.^{xxvii}

The Empty Homes research concluded that 46% of households cannot afford market entry housing across Shetland, while 65% cannot afford the average cost of purchasing a home in the housing market. In terms of private renting, 50% of households living in Shetland cannot afford the cost of Private Sector Rents when devoting 30% of their income to housing costs.^{xxviii}

In summary, the **evidence points to a housing system under increasing strain. Demand is concentrated** in a small number of areas, while the private sector remains limited and access to home ownership is increasingly challenging. Housing demand is heavily focused on smaller properties, creating a **growing mismatch between the types of homes available and those required.** Because Shetland's housing system operates as an interconnected chain, barriers to private renting and home ownership can reduce turnover in social housing and limit opportunities for households seeking to move through the system. Together, these factors contribute to housing insecurity, constrain mobility within the housing system and make it increasingly difficult to meet the needs of existing and future households.

2. Current Challenges and Impacts

The key challenges for Shetland are **lack of available housing, the cost of developing new supply, and the overall quality of the stock, alongside climate, location and the high cost of heating homes.** These challenges affect many aspects of life in Shetland, including [Shetland's Inequalities](#), contributing to high levels of fuel poverty, poor housing conditions for some households and housing costs that significantly reduce disposable income.^{xxix} Structural issues make it particularly difficult to resolve these challenges, despite significant effort from local partners.

2.1 Insufficient Housing

The data, above, shows the real and significant challenges relating to the **size and shape of the current housing stock alongside an increase in households due to reduced household size and lower turnover of social housing and the cultural reluctance to downsize from family homes.** Without sufficient housing, efforts to address labour shortages, attract younger households, grow the economy or sustain island communities are likely to be constrained. Housing availability is increasingly affecting Shetland's [ability to retain its population](#) and attract people to move to Shetland, particularly young people and key workers. This is especially significant, given Shetland's rapidly ageing population, meaning a continued reduction in working-age and sufficient people of child-bearing years.^{xxx}

Evidence from migration studies,^{xxxi} research with young people^{xxxii} and Promote Shetland consistently highlights the availability and affordability of suitable housing as a **major factor affecting decisions to move to, remain in, or return to Shetland.** Young people may wish to return after education or training but struggle to find appropriate accommodation, while prospective workers and families face challenges securing housing before relocation.

Housing is a critical constraint on Shetland's economic growth and ability to capitalise on future investment opportunities.^{xxxiii} Despite a strong economy characterised by high employment, low unemployment and significant



planned developments, **employers across multiple sectors face persistent recruitment and retention challenges**. Limited housing supply, affordability pressures and a shortage of temporary and worker accommodation are increasingly restricting businesses' ability to attract and retain staff, delaying investment and constraining growth. These pressures are particularly significant in the context of Shetland's pipeline of energy, infrastructure and emerging sector projects (see Section 3 below and the [Economy](#) paper), with concerns that Shetland **may struggle to capture the full economic benefits of major developments** unless sufficient housing is available to support incoming workers and their families.

Community development organisations are becoming involved in **housing provision, particularly in rural areas and islands**^{xxxiv} where it is difficult for the public sector to justify the provision of social housing, due to the level of demand in central areas of Shetland.^{xxxv} Young people in Unst recently identified housing as a major long-term priority, for example, stating that homes are being lost and prices are becoming unaffordable for local people due to holiday lets and in migration for retirement.^{xxxvi}

Both the earlier Session Papers around [Population and Economy](#) provide more detail on the impacts and highlight the need for **housing to be viewed as a strategic population intervention rather than solely a housing issue**. Affordable housing, workforce housing and homes suitable for young families are identified as essential enablers of economic growth, workforce recruitment, return migration and community sustainability and resilience. International case studies also emphasise that successful population strategies require housing delivery to be integrated with employment, childcare, transport and community development.

Young people in Shetland have expressed concerns about the cost of housing, the difficulty of accessing suitable accommodation when trying to become independent, and the need for more affordable housing options. Some have described the desire to move out of the family home as a young adult, and not being a priority for social housing, which they consider to be unfair and a barrier to young people in Shetland.^{xxxvii}

A survey of **women in Shetland** identified housing as both an affordability issue and a safety issue. Respondents highlighted a shortage of affordable housing and the impact that this has on housing choices, particularly for single women and mothers. The survey findings also highlighted the need for improved access to safe and suitable accommodation for people experiencing domestic abuse, alongside housing policies and services that are more responsible to women's circumstances and vulnerabilities.^{xxxviii}

One of the greatest barriers to increasing housing supply is the **current high level of construction costs in Shetland**. Current estimates suggests that building a new home in Shetland costs about £4,500/m², double the cost of five years ago.^{xxxix} While UK construction costs have increased by more than 30% since 2020, construction tender costs in Shetland were 39% higher than the Scottish Average in June 2025.^{xl} Shetland had the highest construction costs in Scotland according to the Scottish Social Housing Tender Price Index. In part, this is due to higher material costs, as a result of Brexit, the pandemic and the Ukraine War^{xli}, but also due to the cost of labour, as the construction industry in Shetland struggles to compete with other sectors and the need to meet increasingly demanding building and energy efficiency standards.^{xlii} The Council, for example, reports difficulties recruiting staff to trade roles, with wage differentials of around £10/hour between some public and private sector positions.^{xliii} During Shetland's economic boom for the construction of the Gas Plant, many young people took advantage of the favourable traineeships, resulting in no apprenticeships in the construction industry for three years. Construction firms report ongoing difficulties in recruiting apprentices, with firms only getting paid for their apprentice at the end of the three years, by which time many have left their employer. The withdrawal of some trade courses from Shetland, alongside these financial and administrative challenges of apprenticeship schemes, has made it more difficult to sustain a pipeline of skilled local labour.

The **funding landscape for affordable housing is increasingly challenging too**, particularly given the high cost of construction in Shetland. Scottish Government investment is allocated through regional housing programmes and informed by local evidence such as the [Housing Needs and Demands Assessment](#), the [Local Housing Strategy](#) and the [Strategic Housing Investment Plan](#). In recent years, the principal challenge has not simply been the level of funding available, but the ability to deliver projects within a constrained housing and construction market.

Although Scottish Government grant funding for affordable housing includes uplifts for remote and island areas to reflect additional construction costs, there remains a risk that future funding levels will not keep pace with



construction cost inflation. As a result, the number of homes that can be delivered from a given level of public investment may decline unless additional funding or new delivery approaches are identified.^{xliv}

The **regulatory and policy environment** is increasingly influencing housing availability in Shetland. Future requirements relating to energy efficiency, EPC standards and net-zero targets are expected to increase the cost of maintaining and upgrading housing stock, particularly older properties. Given Shetland's already high construction costs and constrained housing market, there are concerns that some landlords and housing providers may face additional challenges in maintaining existing housing supply. The requirement for private landlords to reach an EPC rating of D or higher, has already led to a direct reduction in private rental, as landlords move to short-term let. This is particularly significant in a housing system where the private rented sector already represents only around 5% of housing stock and where alternative housing options are limited.

Procurement in Shetland is influenced by a combination of market conditions, regulatory requirements and geographic factors. Compliance with Scottish procurement legislation is necessary for larger housing projects and social housing providers and can result in additional administrative processes and longer procurement timescales. While these arrangements support transparency and value for money, they can represent a barrier to participation for some local contractors and suppliers.

The position is further compounded by current significant demand pressure conditions within the local construction market, constraining contractor capacity and reducing market interest in smaller or less commercially attractive projects. Furthermore, the costs and logistical challenges associated with working in an island location can restrict the number of external contractors willing to tender, potentially reducing competition and increasing project costs. Collectively, these factors can impact project affordability, procurement outcomes, programme delivery and the ability to secure best value.

2.2 Quality and Cost of Heating Homes

The quality, age and energy performance of Shetland's housing stock are important factors influencing household living costs. While Fuel Poverty and its impacts are explored in the [Inequalities evidence paper](#), housing condition, energy efficiency and heating systems play a significant role in shaping those outcomes.

Shetland's housing stock is predominantly detached and semi-detached, with a higher proportion of larger homes. Despite recent housing developments, there are still many older properties constructed using a mix of traditional and modern building techniques, creating particular challenges to repair, maintenance and energy efficiency.^{xlv} Combined with Shetland's exposed climate, a longer heating season, lack of mains gas and reliance on electric heating, this can result in high household energy demand and significant challenges in improving energy efficiency.

Around half of Shetland homes rely on electric heating, which is mainly storage heaters. This is particularly the case in Shetland's social housing stock. Approximately 30% use heating oil and fewer than 10% of Shetland homes are heated through the District Heating Scheme (all in Lerwick). Social housing properties in Shetland have a higher average EPC rating, than both owner-occupied and privately rented properties.^{xlvi}

Shetland has one of the **highest levels of Fuel Poverty in Scotland and the UK**. Fuel Poverty is a complex measure,^{xlvii} and an inter-play between the standard of a home, the cost of energy to heat the home and household income.^{xlviii} The most recent data is for the period 2022/24, where **40% of households in Shetland were estimated to be in fuel poverty**.^{xlix} The challenge is particularly acute for social housing tenants, with 72% of households in the social rented sector estimated to be in fuel poverty, against a Scottish average of 53%.^l

The severity of fuel poverty in Shetland is further illustrated by the **fuel poverty gap**, which measures the additional annual income a fuel-poor household would need to move out of fuel poverty. In 2022-2024, Shetland had the highest median fuel poverty gap in Scotland at £2,890, substantially above the Scottish national average of £1,180.^{li} The comparable figures were £2,240 for Orkney, £2,160 for Na h-Eileanan Siar and £1,620 for Highland.

The most recent Ofgem energy price cap^{lii} announced on 26th August 2026 is £1,723, a 4% increase nationally. This figure reflects the UK Government tax decision to reduce VAT on electricity from 5% to 0%, which may particularly benefit Shetland's large number of electrically heated homes. However, **higher rates of consumption are the ongoing challenge**. To calculate the cap, Ofgem assumes annual household consumption of 2,500 kWh electricity and 9,500 kWh gas. However, the Scottish House Condition Survey estimates a mean energy consumption figure for



Shetland of 24,520kWh for space heating, water heating, light and appliances and cooking. Therefore, **Shetland's average household energy consumption is approximately twice the total consumption assumed within Ofgem's typical domestic consumption values.**

Rising energy costs can lead households to reduce their energy consumption by heating their homes less, heating fewer rooms, or not maintaining recommended indoor temperatures. This behaviour is a recognised feature of fuel poverty, where households cannot afford the energy needed to heat their homes adequately.^{liii} In a recent survey of Council tenants, 60% said that heating / energy costs were of greatest concern to them, a 12% increase on the previous year.^{liv} It can be difficult for some households to dry clothes outdoors for much of the year. As a result, households without access to a tumble drier may need to dry clothes indoors, which can increase indoor moisture levels where ventilation is limited.^{lv} In recent years, the Council is noticing an increase in incidence of mould and a deterioration in the fabric of the Council's housing stock, which is attributed to the increase in energy costs and is increasing maintenance costs.^{lvi} In turn, these immediate impacts can result in poorer health outcomes (respiratory illness), impacting on decisions to heat or eat, and less social participation, and issues with study and work within the home.^{lvii}

While energy prices are an important factor in determining household energy costs, **the energy efficiency of the home itself also plays a significant role in shaping how much households need to spend to stay warm.** A fabric-first approach prioritises improving the thermal performance of buildings before installing low carbon heating. Measures such as loft, wall and floor insulation, windows/doors, draught-proofing and other building fabric improvements help reduce heat loss, lower energy demand and improve comfort, ensuring that technologies such as heat pumps can operate more effectively and affordably. Area-Based Scheme (ABS), delivered on behalf of Shetland Islands Council by Warmworks, supports this approach through the installation of insulation and other energy efficiency measures alongside renewable and low-carbon heating solutions where appropriate.^{lviii}

Both social housing providers in Shetland prioritise supporting tenants with alleviating fuel poverty and the recently opened Warmworks shopfront adds support by helping owners and private tenants access grant funded improvements, and linking them with other schemes, and partner organisations, such as Home Energy Scotland and Citizens Advice.

However, significant barriers remain in progressing these initiatives. Alongside high demand for trades related works and the high cost of materials, **many national policies and support schemes do not adequately reflect Shetland's circumstances.** There can be **tensions between net zero objectives and fuel poverty measures**, particularly where decarbonisation requires significant investment in building fabric, heating systems or associated upgrades.^{lix} There has also been limited recognition of local housing types such as timber-framed and traditional mixed-construction properties and therefore the different methods required to insulate properties. The additional programme administration and compliance requirements associated with publicly funded retrofit schemes also needs recognition, as well as the time/cost challenges for local trades in both undertaking training to achieve required accreditation and the ongoing upkeep of that accreditation. These factors can **constrain the development of a local retrofit supply chain** and limit the pace at which improvements can be delivered. In 2025, the Council signed a long-term contract with Warmworks to overcome the certification and accreditation obstacles, preventing many smaller companies from being able to carry out government-funded insulation works. In past years, the Council have struggled to spend the £1.1million it receives from the Scottish Government annually for energy efficiency measures.^{lx}

There is also **uncertainty around changes to the Energy Performance Certificate (EPC) model.** While the implications are not yet fully understood, they could have significant cost implications for homeowners, landlords and housing providers. Across Scotland, it has been estimated that around £9billion of investment will be required to bring existing social stock up to the proposed Net Zero Standard.^{lxi}

Hjaltland Housing Association estimates that meeting these standards could cost around £6million locally. Without adequate funding and support, **there is a risk that resources are diverted from new housing supply and that additional costs are passed on to tenants, homeowners and landlords, potentially exacerbating fuel poverty.** As minimum energy efficiency standards continue to tighten across all tenures, support mechanisms will need to reflect the realities of rural and island housing, with a strong emphasis on fabric-first improvements, ventilation and affordability.



These challenges highlight **a continuing tension between Net Zero, Child Poverty and Fuel Poverty policy objectives**. Decarbonisation policies for heating, housing and energy markets should be assessed against their impact on fuel poverty, with a clear expectation that they improve, rather than worsen, outcomes for vulnerable households. The Scottish Fuel Poverty Advisory Panel recently examined the drivers of fuel poverty in Scotland's island communities and highlighted the need for greater support for energy efficiency programmes; taking a fabric-first approach but with recognition of the higher costs of island retrofit projects; improved and longer-term funding for local advice services; increased investment for local authorities to deliver Local Heat and Energy Efficiency Strategies and delivery plans; working with UK energy policy to ensure it works for Scotland's islands, including potential local energy discount scheme pilots; and ensuring that renewable energy developments benefit the local communities.^{lxii}

A key challenge for Shetland is the disconnect between energy production and local benefit. With the exception of Lerwick's district heating scheme and the local owned off-grid electricity systems in Foula and Fair Isle, energy costs are largely determined at a national level.

Locally owned Shetland Heat Energy and Power (SHEAP) provide some of the lowest-cost heating in Shetland, supplying more than 1,300 homes and businesses across Lerwick.^{lxiii} Over the past year, SHEAPs unit price for heat was 9.2 pence per kWh including VAT. By comparison, the Ofgem price cap for single-rate domestic electricity tariff in Northern Scotland was 26.35 pence per kWh including VAT. While some households can access lower-cost tariffs, such as Economy 7 or other time of use arrangements, this comparison illustrates the **significantly lower cost of heat supplied through the SHEAP district heating network**.

For Shetland as a whole, however, households and businesses have limited opportunities to benefit directly from locally generated energy,^{lxiv} despite being located within one of the UK's most productive renewable energy regions and experiencing high levels of curtailment.^{lxv} This disconnect has important implications for inequality. While Shetland plays a significant role in Scotland and the UK's energy transition, many households continue to face high energy costs. For those already experiencing financial hardship, these costs can worsen inequalities and increase the risk of fuel poverty.^{lxvi}

In response, Shetland Islands Council and local partners have continued to advocate for mechanisms that would allow households and businesses to share more directly in the benefits of local renewable energy generation. This includes support for the proposed **"Shetland Tariff"**^{lxvii} and engagement with emerging UK Government initiatives aimed at reducing electricity costs for communities located close to renewable generation.^{lxviii} There is also growing interest in community energy ownership, local energy markets, energy sharing arrangements, demand flexibility and smart local energy systems as ways of improving affordability and retaining more value within the local economy.^{lxix}

The experience of initiatives such as NINES^{lxx} has demonstrated both the technical potential of these approaches and the challenges of translating energy system benefits into meaningful reductions in household energy bills.^{lxxi} As renewable energy generation continues to expand, **Shetland may be well placed to act as a testbed for innovative energy solutions** that support net zero ambitions while delivering wider social and economic benefits. Potential approaches include community owned renewable heat and power schemes that can recycle revenues into lower bills and fund targeted support; energy sharing and 'virtual' microgrids where digital platforms allow neighbours to share surplus power prioritising fuel-poor households; and local energy planning where local authorities and communities prioritise heat and energy plans that explicitly target fuel poverty hotspots.

3. Supporting Demographic and Economic Sustainability

Shetland's housing system will play an important role in supporting workforce recruitment, population retention and future delivery of essential services. The [Population](#) and [Economy](#) Evidence papers identify workforce shortages, an ageing population and increase reliance on migration as key long-term challenges. Housing is an important enabling factor in responding to these pressures, with limited supply, affordability and shortage of suitable worker accommodation already constraining recruitment and retention.

The **Adult Social Care Strategic Outline Case** reinforces this relationship, identifying a **structural workforce deficit and highlighting housing as a barrier to recruiting and retaining care workers**.^{lxxii} It also points to a future model of care that will require more extra-care, supported and adapted housing as part of service delivery. This means that future housing requirements are not only about increasing overall supply but also ensuring a sufficient range of homes that can **support independent living, ageing in place and changing care needs**.^{lxxiii}



Housing also has a wider role in attracting and retaining population. Findings from the Living and Working in Shetland survey indicate that access to suitable housing is a significant factor for people considering moving to Shetland, while better housing availability was identified as an important factor among people who had considered moving but did not, and among former residents considering a return. Housing availability therefore has implications not only for individual households, but for Shetland's ability to sustain its workforce, population and essential services over the longer term. Recent initiatives such as NHS Shetland's purchase of the former Kveldsro House Hotel to provide accommodation for healthcare workers illustrate how **organisations are already responding to the interaction between housing and workforce pressures.**^{lxxiv}

As outlined in the [Economy evidence paper](#), Shetland has a pipeline of major projects and emerging opportunities that could reshape the local economy over the next decade, including developments linked to the energy transition, space, marine innovation and new technologies.^{lxxv} However, the ability to realise these opportunities will depend in part on the availability of sufficient housing to support workforce growth.

Analysis of potential developments linked to Space, Power-to-X,^{lxxvi} Energy Infrastructure, Offshore Wind and Onshore Wind suggests that these sectors could support around 578 permanent operations and maintenance jobs over the longer term, while peak construction activity could support up to 1,490 temporary supply-chain jobs.

The importance of housing in supporting economic growth is reinforced by the **Shetland Islands Council Key Worker Housing Research**. The research estimates that **between 1,200 and 1,500 homes may be required over the next ten years**, when projected workforce growth is taken into account.^{lxxvii} This compares with the requirement for 929 additional homes identified through the 2022 Housing Need and Demand Assessment and illustrates how future economic growth may significantly increase housing requirements beyond those associated with demographic change alone.

The study found that employers identified demand across a range of housing tenures, with social housing (60%), private rented housing (47%) and owner occupation (44%) all highlighted as important in supporting recruitment and retention. Two-bedroom homes were the most commonly identified requirement (61%). Demand was also concentrated in the areas already experiencing the greatest housing pressures, with employers identifying housing needs primarily in Lerwick & Bressay (60%), Central (40%) and North Mainland (21%).

Recognition of the **relationship between housing and economic development** can also be seen in approaches being considered by major infrastructure developers. SSEN Transmission has indicated that its future projects in Shetland could require a workforce of around 1,500 people during peak construction activity from 2028. To help manage these pressures, the company is exploring a range of accommodation solutions, including the potential delivery of **up to 150 "legacy homes"** that could transfer into community use once construction activity is complete.^{lxxviii} These proposals highlight the increasing importance of housing as a form of enabling infrastructure capable of supporting both economic development and longer-term community benefit.

The importance of increasing housing supply is reflected in **major development projects already underway**. At **Staneyhill**, Hjalmland Housing Association is progressing a master planned development expected to deliver around 300 homes over the next 10 to 15 years, increasing the supply of affordable housing and supporting future population and workforce growth.^{lxxix} Similarly, the redevelopment of the **Knab** has housing at its core and is intended to support the attraction and retention of residents through the delivery of high-quality, sustainable housing in a well-connected location.^{lxxx}

Appendix: Current Strategic Document Reference to Housing Interventions

A Co-Pilot Search across Shetland's key strategic documents showed the following strategic documents containing **explicit references to housing, including housing need, supply, quality and fuel poverty, and its strategic significance in relation to Shetland's sustainability, population, health, economy or communities.**

Directly focused on housing

- **Shetland's Local Housing Strategy 2022–2027:** Explicitly aims to increase affordable housing supply across all tenures; recognises housing as critical to health, wellbeing, sustainable communities, economic growth and poverty reduction; focuses on delivering energy efficient modern homes; addresses homelessness prevention and tenancy sustainment; directly connects housing provision with reducing poverty across Shetland.



- **Hjaltland Housing Association Business Plan 2025–2030:** the Vision is "Providing Homes, Supporting Communities". It commits to providing high quality affordable homes, linking housing provision to community sustainability, with a focus on help people to live well in their homes, whilst seeking to achieve high quality housing and move towards net zero.

Significant housing references

- **Shetland Islands Council Corporate Plan 2021–2026:** Housing availability is a recognised enabling factor for these ambitions of population balance, through growth and retention, though housing is not a dedicated priority area.
- **Shetland Local Development Plan:** Dedicated housing policy theme, seeking to support housing development alongside sustainable economic growth. Uses the planning system to facilitate housing delivery in order to support strong communities and sustainable development.
- **Health & Social Care Strategic Plan 2025–2028:** Focus on help people live independently, with community-centred support model aligning closely with suitable housing provision, such as accessible and good quality housing.

Reference to housing:

- **NHS Shetland Strategic Plan 2024–2029:** Links poor housing and fuel poverty as determinants of health, placing housing within the Plan's strategic context.
- **Children's Services Plan 2023–2026:** Highlights the importance of stable homes, with good quality housing conditions, to supporting good outcomes for children and families.
- **Community Justice Plan 2023–2028:** Specifically identifies access to suitable housing following release from prison as a priority outcome and recognises housing as an important factor in preventing reoffending and supporting inclusion.
- **Climate Change Strategy 2023–2027:** Within focus on resilience, net zero and just transition, supports delivery of energy efficient housing stock and reduction of domestic energy demand.

Secondary references to housing and accommodation:

- **Shetland Community Learning & Development Plan 2024–2027:** Focuses on poverty, inclusion and reducing inequalities, supporting people facing socioeconomic disadvantage, including households affected by housing costs and fuel poverty.
- **HIE Strategy 2023–2028:** Housing availability is widely recognised as critical to achieving regional growth objectives of population retention, skills attraction and thriving communities.
- **Shetland Tourism Strategy 2024–2026:** Explicitly identifies accommodation capacity as part of the infrastructure needed to support sustainable tourism growth.

End Notes

ⁱ Chief Executive, Director of Development and Infrastructure Services, Executive Manager - Housing, Team Leader – Business Support, Policy Officer – Housing, Community Planning Team (Shetland Islands Council), Chief Executive (Hjaltland Housing Association)

ⁱⁱ Scottish Government (2026) *Scottish House Condition Survey: 2022 to 2024 Local Authority Tables*. Edinburgh: Scottish Government. Available at: <https://www.gov.scot/publications/scottish-house-condition-survey-local-authority-tables-2022-2024/> (Accessed: August 2026)

ⁱⁱⁱ Local authorities have access to data on the income bands (£5,000 bands) of households by postcode (through CACI Ltd). This data can be used to determine the number of households in Shetland.

^{iv} These properties include: Long-Term Empty Home, which has been completely unoccupied for a period longer than 12 months; Second Home; Short-Term Let, or Other Unoccupied Homes, which can be for building work, a person has recently passed and the estate is being worked through, the person is in the care of the state (hospital, prison etc) the building is uninhabitable, for example. Revenue and Benefits, SIC

^v Ineffective stock refers to dwellings that are unable to make an effective contribution to meeting identified housing need and demand because they are vacant, difficult to let, obsolete, in poor condition, unsuitable for contemporary requirements, or otherwise mismatched to local housing market needs.

^{vi} Housing Service, SIC

^{vii} Shetland Islands Council (2026) *First properties transferred to Shetland Mid-Market Homes LLP*. Published February 2026.

^{viii} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025

^{ix} Scottish Government (2024) *Households in Scotland by Housing Tenure: Scottish Household Survey 2023*.

^x Energy efficiency requirements for private landlords have progressively increased through The Housing (Scotland) Act 2006 and Minimum Energy Efficiency Standards for the private rented sector.

Scottish Government (2025) *Draft Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations: Consultation*. Edinburgh: Scottish Government. Available at: <https://www.gov.scot/publications/consultation-draft-energy-efficiency-domestic-private-rented-property-scotland-regulations/> (Accessed: August 2026)



- ^{xi} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025
- ^{xii} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025
- ^{xiii} Revenue and Benefits, SIC
- ^{xiv} Scottish Government (2026) *Short Term Lets Licensing Statistics Scotland to 31 December 2025*. Edinburgh: Scottish Government. Available at: <https://www.gov.scot/publications/short-term-lets-licensing-statistics-scotland-to-31-december-2025/> (Accessed: August 2026).
- ^{xv} Environmental Health, SIC
- ^{xvi} Arneil Johnston (2021/22). *Shetland Housing Need and Demand Assessment (HNDA)*. Prepared for Shetland Islands Council
- Shetland Islands Council (2022). *Shetland Islands Local Housing Strategy 2022-2027*. Lerwick: Shetland Islands Council. Prepared with support from Arneil Johnston. Approved by the Development Committee on 6 September 2022
- ^{xvii} Arneil Johnston (2021/22). *Shetland Housing Need and Demand Assessment (HNDA)*. Prepared for Shetland Islands Council
- ^{xviii} Arneil Johnston (2021/22). *Shetland Housing Need and Demand Assessment (HNDA)*. Prepared for Shetland Islands Council
- Shetland Islands Council (2022). *Shetland Islands Local Housing Strategy 2022-2027*. Lerwick: Shetland Islands Council. Prepared with support from Arneil Johnston. Approved by the Development Committee on 6 September 2022
- ^{xix} Applicants can choose up to 43 areas across 7 Housing Market Areas (Localities), known as sub area HMAs.
- ^{xx} Housing Service, SIC
- ^{xxi} A person is defined as homeless if they have no accommodation in the UK or elsewhere, cannot reasonably occupy their current accommodation (such as due to violence or severe unfitness), or are threatened with homelessness within two months
- Scottish Government (2025) Homelessness in Scotland 2024-25. Summary of current legislation. Available at <https://www.gov.scot/publications/homelessness-in-scotland-2024-25/pages/summary-of-current-legislation/> (Accessed August 2026).
- The two-month limit for being threatened with homelessness is set to change to 6 months next year but at present remains as is.
- ^{xxiii} Shetland Islands Council Housing Service
- ^{xxiii} SIC Planning
- ^{xxiv} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025. Available at <https://coins.shetland.gov.uk/viewSelectedDocument.asp?c=e%97%9Dg%91j%82%8B>
- ^{xxv} SIC Housing
- ^{xxvi} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025. Average market rents vary: South: £1,011/month; Central: £999; Lerwick & Bressay: £994; West: £919; North Mainland: £848; North Isles / Whalsay & Skerries: £553.
- ^{xxvii} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025. Available at <https://coins.shetland.gov.uk/viewSelectedDocument.asp?c=e%97%9Dg%91j%82%8B>
- ^{xxviii} Arneil Johnston (2025) *Empty Homes in Shetland Study*. Report prepared for Shetland Islands Council Development Committee, Nov 2025. Available at <https://coins.shetland.gov.uk/viewSelectedDocument.asp?c=e%97%9Dg%91j%82%8B>
- ^{xxix} Shetland Partnership (2026) *Inequalities in Shetland*. Shetland Strategic Challenges Series. Lerwick: Shetland Partnership.
- [4-session-2-inequalities-in-shetland-evidence-paper-full-](#)
- ^{xxx} Shetland Partnership (2026) *Population Evidence Paper*. Lerwick: Shetland Partnership. Available at: <https://www.shetlandpartnership.org/downloads/file/1131/population-evidence-paper> (Accessed: August 2026)
- ^{xxxi} Scottish Government (2025) *Rural Scotland: trajectories of young people and young adults: report. Chapter 2: The demographic context: age profiles of mobilities*. Edinburgh: Scottish Government. Available at: <https://www.gov.scot/publications/migration-mobilities-trajectories-young-people-young-adults-rural-scotland/pages/3/>
- ^{xxxii} Highlands and Islands Enterprise (2018) *Young People and the Highlands and Islands: Maximising Opportunities*. Inverness: Highlands and Islands Enterprise. Available at: <https://www.hie.co.uk/media/3007/youngpluspeopleplusandplustheplushighlandsplusandplusislandsplus-plusmaximisingplusportunitiesplus-plusreport.pdf>
- ^{xxxiii} Shetland Partnership (2026) *Economy Evidence Paper*. Lerwick: Shetland Partnership. Available at: <https://www.shetlandpartnership.org/downloads/file/1129/economy-evidence-paper> (Accessed: August 2026).
- ^{xxxiv} Shetland News. (2026) Proposed community led housing scheme welcomed by councillors. Shetland News, 17 June. Available at: <https://www.shetnews.co.uk/2026/06/17/proposed-community-led-housing-scheme/> (Accessed: September 2026)
- ^{xxxv} Currently being supported by both the Shetland Community Benefit Fund and Shetland Islands Council
- ^{xxxvi} A Place in Childhood (2025) *The Children's Living Well Locally Plan for the North Isles, Shetland 2025*. Shetland: A Place in Childhood.
- ^{xxxvii} OPEN Shetland (n.d.) *Making Shetland Fairer*. Available at: <https://www.openshetland.co.uk/projects/peer-research/making-shetland-fairer> (Accessed: August 2026)
- ^{xxxviii} Shetland Women's Aid (2025) *Women in Shetland Shared Their Views*. Shetland: Shetland Women's Aid.
- ^{xxxix} SIC Housing
- ^{xl} Shetland Islands Council (2025) *Key Worker Housing Research Briefing*. Report and presentation presented to Development Committee, 26th November 2025. Available at <https://coins.shetland.gov.uk/viewSelectedDocument.asp?c=e%97%9Dg%91j%82%8D> (Accessed August 2026).
- ^{xli} Shetland News (2026) Preferred contractor picked for first phase of Staney Hill housing. Shetland News, 4 February. Available at: <https://www.shetnews.co.uk/2026/02/04/preferred-contractor-picked-first-phase/> (Accessed: September 2026)
- ^{xlii} Shetland News (2026) Construction inflation a 'challenge' as next Staneyhill contract goes out to tender. Shetland News, 29 July. Available at: <https://www.shetnews.co.uk/2026/07/29/construction-inflation-challenge-next-staneyhill/> (Accessed: September 2026).
- ^{xliiii} SIC Housing
- ^{xliv} Scottish Government (2026), *Housing Tender Return (HTR) and Scottish Social Housing Tender Price Index (SSHTPI)*, Housing Directorate. Available at: <https://www.gov.scot/publications/housing-tender-return-htr-and-scottish-social-housing-tender-price-index-sshtpi/>
- ^{xlv} Arneil Johnston (2021/22). *Shetland Housing Need and Demand Assessment (HNDA)*. Prepared for Shetland Islands Council
- Shetland Islands Council (2022). *Shetland Islands Local Housing Strategy 2022-2027*. Lerwick: Shetland Islands Council. Prepared with support from Arneil Johnston. Approved by the Development Committee on 6 September 2022



^{xlvi} Shetland Islands Council (2025) *Local Heat and Energy Efficiency Strategy (LHEES)*. Available at:

<https://www.shetland.gov.uk/downloads/download/2792/local-heat-and-energy-efficiency-strategy-lhees>.

Appendix 3 analysis provides a detailed breakdown of domestic and non-domestic building types, the level of insulation and heating types.

^{xlvi} The Fuel Poverty (Targets, Definitions and Strategy) (Scotland) Act 2019 established a new two-part definition whereby a household is considered fuel poor if:

- after housing costs have been deducted, more than 10% (20% for extreme fuel poverty) of their net income is required to pay for their reasonable fuel needs

- after further adjustments are made to deduct childcare costs and any benefits received for a disability or care need, their remaining income is insufficient to maintain an acceptable standard of living, defined as being at least 90% of the UK Minimum Income Standard (MIS). Prior to this, a household was determined to be in Fuel Poverty if they needed to spend more than 10% of their household income on maintaining a satisfactory heating regime.

It is measured through the Scottish House Condition Survey, which uses three years of survey data combined together, when reporting.

^{xlvi} Shetland Partnership (2026) *Fuel Poverty*. Available at: <https://www.shetlandpartnership.org/indicators/fuel-poverty/1> (Accessed: August 2026).

^{xlvi} Scottish Government (2026) *Scottish House Condition Survey: 2022 to 2024 Local Authority Tables*. Edinburgh: Scottish Government.

Available at: <https://www.gov.scot/publications/scottish-house-condition-survey-local-authority-tables-2022-2024/> (Accessed: August 2026)

^l Scottish Government (2026) *Scottish House Condition Survey: 2022 to 2024 Local Authority Tables*. Edinburgh: Scottish Government. Available at: <https://www.gov.scot/publications/scottish-house-condition-survey-local-authority-tables-2022-2024/> (Accessed: August 2026)

^{li} Scottish Government (2026) *Scottish House Condition Survey: 2022 to 2024 Local Authority Tables*. Edinburgh: Scottish Government.

Available at: <https://www.gov.scot/publications/scottish-house-condition-survey-local-authority-tables-2022-2024/> (Accessed: August 2026)

Margins of error are wide for some local authorities due to a variety of reasons. The sample sizes are limited as they are restricted to fuel poor households responding to the survey, ranging from 48 households in Stirling to 217 households in Glasgow across the three-year period of 2022-2024. In addition, variations in fuel bills and/or household income across different household characteristics can influence the median gap distribution. This is especially relevant in remote rural and island areas where the range of uplifts applied to the UK Minimum Income Standard (MIS), dependent on household size, can lead to a wider range in median fuel poverty gap.

^{lii} The energy price cap was introduced by Ofgem on 1 January 2019 and applies to households on standard variable and default tariffs (and is based on a typical dual-fuel household using both electricity and gas). A common misconception is that it caps bills. It does not. It sets a maximum unit rate for gas and electricity and a maximum standing charge that suppliers can charge customers on default tariffs. Households that use more energy still pay more. As the price cap is based on national assumptions about household energy consumption (and includes mains gas which Shetland has no access to), it is a poor indicator for Shetland.

Ofgem (2018) Energy price cap will give 11 million a fairer deal from 1 January. Press release, 6 November. Available at:

<https://www.ofgem.gov.uk/press-release/energy-price-cap-will-give-11-million-fairer-deal-1-january> (Accessed: August 2026)

BillShrink (2026) Complete UK Energy Price Cap History: Every Change Since 2019. 23 March. Available at: <https://billshrink.co.uk/blog/energy-price-cap-history-uk> (Accessed: August 2026)

^{liii} Scottish Government (2025) *Scottish House Condition Survey: 2023 Key Findings – Fuel Poverty*. Available at:

<https://www.gov.scot/publications/scottish-house-condition-survey-2023-key-findings/pages/3-fuel-poverty/> (Accessed: August 2026)

^{liv} SIC Housing, Annual Tenants' Survey

^{lv} Scottish Government (2025) *Scottish House Condition Survey: 2023 Key Findings – Fuel Poverty*. Available at:

<https://www.gov.scot/publications/scottish-house-condition-survey-2023-key-findings/pages/3-fuel-poverty/> (Accessed: August 2026)

^{lvi} SIC Housing

^{lvii} Energy Action Scotland (2023) *Health, Housing and Fuel Poverty*. Edinburgh: Energy Action Scotland. Available at: <https://eas.org.uk/wp-content/uploads/2023/06/Health-Housing-and-Fuel-poverty.pdf>

^{lviii} Warmworks Shetland Islands Council. Available at: <https://www.warmworks.co.uk/our-work/shetland-islands-council/> (Accessed: September 2026)

^{lix} Shetland Islands Council (2025) *Local Heat and Energy Efficiency Strategy (LHEES)*. Available at:

<https://www.shetland.gov.uk/downloads/download/2792/local-heat-and-energy-efficiency-strategy-lhees>

^{lx} Shetland News (2025) Company appointed to speed up home insulation works. 7 July. Available at:

<https://www.shetnews.co.uk/2025/07/07/company-appointed-speed-home-insulation/> (Accessed: September 2026)

^{lxi} Scottish Housing Regulator (2025), *Summary of Registered Social Landlord Financial Projections 2025/26–2029/30*. Published 5 December 2025. Available at: <https://www.housingregulator.gov.scot/landlord-performance/national-reports/financial-analysis/summary-of-registered-social-landlord-financial-projections-202526-202930/> (Accessed: August 2026)

^{lxii} Scottish Fuel Poverty Advisory Panel (2026) *16th April 2026 Meeting Minutes*. Available at: <https://fuelpovertypanel.scot/our-meetings/16th-april-2026-meeting-minutes/> (Accessed: August 2026)

^{lxiii} SHEAP Presentation. Electricity figures are based on the standard (day rate) tariff. Some households may access lower cost tariffs (i.e. night rate storage heating, economy 7). ASHP cost used to illustrate SCOP of 2.6 to reflect typical Shetland conditions (cold temperatures, wind, humidity and longer heating season).

^{lxiv} Gear, D. and Wills, T. (2024) Shetland, Community Benefit and the Energy Transition. Report prepared for the Scottish Just Transition Commission. Lerwick: Voar. Available at: <https://www.justtransition.scot> (Accessed: September 2026).

^{lxv} Shetland Islands Council. (2024) A Fair Share for Shetland: A Report by the Energy Transition Task Force. Lerwick: Shetland Islands Council. Available at: <https://www.shetland.gov.uk/climate-change/fair-share-shetland> (Accessed: September 2026).

^{lxvi} Shetland Islands Council. (2022) Fuel Poverty Action Plan. Lerwick: Shetland Islands Council. Available at:

<https://www.shetland.gov.uk/fairer-shetland/fuel-poverty-action-plan> (Accessed: September 2026)

^{lxvii} Shetland News. (2026) 'Discounted electricity trial could be way into "Shetland tariff", MP says', Shetland News, 24 March. Available at: <https://www.shetnews.co.uk/2026/03/24/discounted-electricity-trial-way-shetland/> (Accessed: September 2026).



^{lxviii} Department for Energy Security and Net Zero. (2026) Households Living Near New Pylons to Save Thousands on Bills. London: UK Government. Available at: <https://www.gov.uk/government/news/households-living-near-new-pylons-to-save-thousands-on-bills> (Accessed: September 2026).

^{lxix} RenewableUK. (2026) Local Power Plan Enables Communities to Benefit Directly from Renewables and Boosts UK Energy Security. Available at: <https://www.renewableuk.com/news-and-resources/press-releases/local-power-plan-enables-communities-to-benefit-directly-from-renewables-and-boosts-uk-s-energy-security/> (Accessed: September 2026).

^{lxx} Energy Networks Association. (n.d.) Northern Isles New Energy Solutions (NINES). Available at: https://smarter.energynetworks.org/projects/prj_403 (Accessed: September 2026).

^{lxxi} Scottish and Southern Electricity Networks (SSEN). (n.d.) Northern Isles New Energy Solutions (NINES). Available at: <https://ssen-innovation.co.uk/nines/> (Accessed: September 2026).

^{lxxii} These workforce challenges are being driven by significant demographic change. By 2047, people aged 67 and over are projected to account for almost 29% of Shetland's population, while the number of people aged 90 and over is expected to increase by 238%. At the same time, the ratio of working-age adults to older people is projected to decline from around 3:1 to 2:1.

^{lxxiii} BiGGAR Economics (2026) Sustainable Model of Adult Social Care in Shetland Programme: Draft Strategic Outline Case. Edinburgh: BiGGAR Economics, prepared for Shetland Islands Council and the Integration Joint Board, September 2026 available at <https://coins.shetland.gov.uk/viewSelectedDocument.asp?c=e%97%9Dg%93ky%88>

^{lxxiv} Shetland News (2026) *NHS Shetland buys Kveldsro Hotel to provide staff accommodation*. Shetland News, 20 May 2026. Available at: <https://www.shetnews.co.uk/2026/05/20/nhs-shetland-buys-kveldsro-hotel/> (Accessed: August 2026)

^{lxxv} Shetland Partnership (2026) *Economy Evidence Paper*. Lerwick: Shetland Partnership. Available at: <https://www.shetlandpartnership.org/downloads/file/1129/economy-evidence-paper> (Accessed: August 2026).

^{lxxvi} Using renewable energy to create another product

^{lxxvii} Shetland News. (2025) Future workforce and accommodation demands spelled out in new research. Shetland News, 27 November. Available at: <https://www.shetnews.co.uk/2025/11/27/future-workforce-accommodation-demands-spelled/> (Accessed: August 2026)

^{lxxviii} Shetland News (2026) Energy developer discusses legacy housing scheme for Shetland workforce. Shetland News, 20 February. Available at: <https://www.shetnews.co.uk/2026/02/20/energy-developer-legacy-housing-scheme/> (Accessed September 2026)

^{lxxix} Hjaltland Housing Association (2026) Hjaltland Housing Association secures Scottish Government support for 32-home development at Staneyhill. Available at: <https://www.hjaltland.org.uk/news/hjaltland-housing-association-commences-staneyhill-project-with-20-million-funding-from-the-scottish-government> (Accessed: September 2026).

^{lxxx} Shetland Islands Council (2026) Housing - Knab Shetland. Available at: <https://knab.shetland.gov.uk/housing/> (Accessed: September 2026).

