

EAST RENFREWSHIRE COUNCILCABINET30 October 2025Report by Director of EnvironmentSTRATEGIC HOUSING INVESTMENT PLAN 2026 – 2031**PURPOSE OF REPORT**

1. The purpose of the report is to seek approval for the proposed Strategic Housing Investment Plan 2026–2031 and for its submission to Scottish Government.

RECOMMENDATIONS

2. The Cabinet is asked to:
- a) approve the East Renfrewshire Strategic Housing Investment Plan 2026–2031 for submission to Scottish Government by 31st October 2025. (Appendix 1); and
 - b) note the significant pressure for additional affordable housing and the contribution the SHIP programme makes in meeting residents' needs and mitigating the local housing emergency.

BACKGROUND

3. The Scottish Government requires local authorities to supplement their Local Housing Strategy (LHS) with a Strategic Housing Investment Plan (SHIP) setting out in detail the Council's affordable housing investment priorities, and detailed programme for delivering this with our partners over the coming 5 years. This must be in line with national guidance for the preparation of SHIPs¹.

4. The SHIP details the number of homes that will be built, the location and who the developer will be, were agreed. The profile of the programme should reflect the strategic priorities set out in the LHS for affordable housing delivery and should address locally identified need for affordable homes by a range of households, including families, older and disabled people.

5. Annual committee approval of the refreshed SHIP programme is a requirement for the local authority prior to submission to Scottish Government in October. This is to account for the progress of identified projects and to ensure an effective operational plan for delivery of the proposed programme. This involves rolling forward and adding to the programme as possible projects are identified or slip and responding to updated resource planning assumptions (RPA) from the Scottish Government.

¹ Strategic Housing Investment Plan guidance 2025 MHDGN 2025/01 (Scottish Government: 30 May 2025) ; <https://www.gov.scot/publications/strategic-housing-investment-plan-guidance-2025-mhdgn-2025-01/>

6. The Scottish Government committed over £3.6 billion through its Affordable Housing Supply Programme (AHSP) to support affordable housing delivery over the current parliamentary term (2021-26). It subsequently extended its delivery target to 110,000 affordable homes across Scotland by 2032, of which at least 70% should be for social rent.

7. Whilst funding for local authorities was initially increased, grant funding for affordable housing was subject to a 25% cut nationally for 2024/25, then reinstated for 2025/26 with a 1-year funding announcement. In addition, due to underspends in other Local Authority areas, East Renfrewshire received an additional £3.5million which allowed front funding of the Council's Maidenhill social housing development to be repaid earlier than expected.

8. In September 2025 a further £4.9billion was announced over the next 4 years, as part of the Scottish Government's national action plan for the housing emergency.² This is expected to reduce the difficulties associated with yearly funding announcements, which make managing the SHIP programme very challenging with ongoing uncertainty around funding. Further details about this announcement are expected in due course.

9. The priority afforded to the delivery of new homes, specifically affordable housing, reflects significant national housing pressures in supply and affordability. This is to meet demand from increasing social waiting lists and rising numbers of homeless households, and those unable to get a foothold on the property ladder. Investment in housing delivery is also integral to delivering on wider commitments such as tackling poverty and inequality, creating and supporting jobs, meeting energy efficiency and decarbonisation aims and creating connected, cohesive communities.

10. The Scottish Government declared a national housing emergency in 2024 alongside several councils, including East Renfrewshire Council. This acknowledges the lack of affordable, suitable homes available to those most in need - and an inability to simply build our way out of that situation. East Renfrewshire Council amongst others, risk systemic failure in meeting statutory homeless duties for provision of temporary and permanent homes.

11. The need for affordable housing in East Renfrewshire is acute, with a significant shortage across all housing tenures. Social housing represents just under 12% of all homes locally, and the housing market is unaffordable for many residents to rent or buy.

12. Members should note that affordable housing can include social rent, mid-market rent and low-cost/ shared equity home ownership. The SHIP programme identifies affordable housing projects requiring Scottish Government grant subsidy and these homes are generally provided by the Council or Registered Social Landlords (RSLs).

13. As part of our broader Affordable Housing Strategy, linking together the outcomes of the LHS 2024-2029 and Local Development Plan, other affordable housing may be delivered without subsidy as a contribution from private housing developers. This also contributes to our targets for affordable housing delivery. While noted in the SHIP narrative, this housing is not included in the SHIP Programme as it does not require grant funding.

² Tackling Scotland's Housing Emergency (Scottish Government: 2nd September 2025); <https://www.gov.scot/publications/tackling-scotlands-housing-emergency>

REPORT**Resources & Planning Assumptions**

14. Resource Planning Assumptions (RPA) provided to East Renfrewshire Council via the national programme set out the grant funding available for delivery of new affordable homes through East Renfrewshire's SHIP. The confirmed RPA only covers this current year 2025-26 (as noted at point 7) and is £7.225m. Therefore, we have assumed a similar level of funding each year of the SHIP from 2026-27 (Year 1 of the SHIP) for five years to help plan the SHIP programme. (Detail is set out in Appendix 1).

15. This suggests around £36.13m may be available for projects in East Renfrewshire via the AHSP for the period 2026-31. This is estimated to deliver up to 525 new units over the period. The Council is expected to over programme projects to provide for a "safety net" or slippage of around 25%. This is to ensure the programme is robust and can account for any delays or other significant challenges in programme delivery. A further £0.452m has been allocated in 2025-26 from the national acquisitions programme.

16. On the basis of £7.225m per annum, a programme has been developed which provides for this slippage factor and equates to up to £47.6m of funding required if all projects are delivered. The Council will also maximise the opportunity afforded by Scottish Government to take up any additional funding that becomes available for new build or through the announced acquisition fund, and to bring projects forward for delivery earlier where we can.

17. Programme costs have been based on benchmark subsidy where actual project costs have not yet determined the grant per unit that will be required. The average grant available is as follows:

Subsidy Type	Benchmark Subsidy Council	Benchmark Subsidy - RSLs
Social Rent	£83,584 per unit	£91,182 per unit
Mid-Market Rent	£57,281 per unit	£62,542 per unit
Rent Off the Shelf (Acquisition of existing private homes)	c. £60,000 per unit	c. £60,000 per unit

18. The actual grant provided will vary based on the size and type of homes being delivered. Additional quality measures provide scope to attract further grant of up to £17,000 per unit covering enhanced standards e.g. additional space for work/ study, carbon reduction and energy efficiency standards.

19. Figures for "Rent off the Shelf" are based on current arrangements with Scottish Government for acquiring existing private homes but will be subject to ongoing discussion as our local acquisitions programme continues to develop. East Renfrewshire received an additional £0.196m in 2024-25 for acquisitions; and a further £0.452m for 2025-26. The Scottish Government has recently announced an intention to double funding for acquisitions this year as part of the national emergency action plan (noted at Point 8).

20. It is important to note that increased benchmark per unit subsidy in 2023 was welcomed and there is some flexibility in grant awarded by Scottish Government. However, the SHIP programme is being delivered in a context of continually increasing development costs per unit, trade and material shortages, and costly infrastructure requirements on key sites. Where sites require significant investment to prepare them for development, this can make it challenging to keep costs of delivery at a reasonable level.

21. The cost of building homes to required standards, such lifetime and wheelchair accessible homes; fire suppression systems; higher energy efficiency standards and the use of modern construction methods, all increase unit costs. Rent affordability must be factored into this process, ensuring social and mid-market rents are kept within benchmark levels, and increasing costs not simply passed on to tenants. East Renfrewshire Council and partner RSLs need to be able to fund development project costs sustainably over the longer term, within wider business plans.

SHIP Programme Profile 2026-31

22. In 2024/25, 105 new homes were delivered for social rent at the Council's Maidenhill development, and a further 5 homes were second hand homes acquired for affordable housing by Barrhead Housing. These homes contribute to a total of 179 affordable homes delivered from 2023/24 onwards – against our strategic target of a minimum of 45 affordable homes per annum.

23. The SHIP 2026-31 programme tables for the next five years are attached at Appendix 1. The proposed programme uses the following approach to prioritise projects:

- Developments with the greatest certainty over timing and deliverability, and/ or with grant approval.
- Projects which support reuse of brownfield sites, regeneration of town centres and local living, with 20-minute neighbourhoods in mind.
- Proposals which meet a range of needs, including smaller / family sized homes, suitable for the elderly and disabled with lifetime design in mind, and our statutory obligations to homeless households.
- A spread of projects across the area recognising the most significant unmet need for affordable housing in Eastwood, but also the need for certain sizes and types of homes in Levern Valley.
- Slippage provision through the acquisition of homes to increase social rented supply, including long term empty homes; and
- A modest provision for delivery of mid-market rent homes with grant funding to meet the needs of local people, and where a mix of products will support the financial viability of a development site.

24. The proposed SHIP 2026-31 could deliver:

- Up to 525 units of affordable housing (including slippage projects), primarily focused on new provision and social rented housing. The total delivered is dependent on grant funding, financial viability, project development with and the emerging Local Development Plan 3.
- At least 10% of new affordable homes are expected to be wheelchair accessible or adaptable to lifetime needs with up to 60 units potentially able to be delivered via this SHIP. The LHS 2024-2029 set this target. "All tenure" targets - including homes delivered through private developers - will be addressed through Local Development Plan 3.

25. The SHIP also includes options to purchase housing from the open market. This will generally be utilised where slippage in the new build programme occurs, or to target types of properties in short supply. The Scottish Government announced £80m of additional funding over 2024-25 and 2025-26 to help increase supply through acquisitions and is committed to further funding. The allocation for East Renfrewshire Council is noted in paragraph 15.

26. The proposed SHIP programme supports the delivery of priorities in A Place To Grow (the Community Planning Partnership's long-term vision for the area). The SHIP programme is integral in delivering the strategic housing priorities identified through East Renfrewshire's Local Housing Strategy 2024-29.

27. Using our SHIP programme, the Scottish Government will prepare a Strategic Local Programme Agreement (SLPA), setting out the agreed programme of housing projects to be funded in East Renfrewshire. This is expected to be received by March 2026. The SLPA for the 2025/26 SHIP programme confirms existing projects with approval, for this year only.

28. Members should be aware the SHIP Programme is heavily reliant on private landowners/developers bringing forward sites, presenting an element of risk in delivery timescales. This could result in uncommitted resources being redistributed by the Scottish Government. Close programme monitoring will be used to mitigate this and bring forward slippage projects where possible. Partners also continue to work on identifying sites for housing which can be brought into public ownership to enable more control over delivery.

FINANCE AND EFFICIENCY

29. In addition to grant funding, the council also uses monies raised via commuted sums (e.g. provided by private developers in lieu of on-site homes) and second home Council tax levy to subsidise the cost of delivering affordable housing projects. Currently £3.399m of this pot is committed to SHIP projects, including feasibility studies, acquisitions and to offset abnormal development costs. Discussions are ongoing for use of sums available.

30. The introduction of the council tax levy on long term empty homes is also being used as a mechanism to bring empty homes back into use and taxation for those who can't or won't. The empty homes service supports owners, provides information and advice and applies discretion on the levy where appropriate. This is a mitigating measure for our local housing emergency.

CONSULTATION

31. Consultation on the SHIP programme is carried out throughout the year with a range of stakeholders, including RSLs, Planning and Health and Social Care Partnership (HSCP). Broader consultation has also been undertaken through our LHS partnership network - including with Business Operations and Partnerships and Environment depts, Scottish Government and Citizens Advice - to ensure we deliver on our agreed strategic priorities for housing.

32. This iteration of the SHIP has already been subject to close discussion with Scottish Government and RSLs on monthly basis to respond to the changes in funding available. Housing Services will continue in this manner throughout the year, reviewing and adapting to programme changes and any announcements of funding available.

PARTNERSHIP WORKING

33. Earlier in 2025 a strategic agreement was signed between East Renfrewshire Council and Barrhead Housing. This agreement demonstrates the commitment to work together as the areas two largest social housing providers, to deliver on the housing priorities set out in the Local Housing Strategy 2024-29. This commitment is reflected in the SHIP programme and progress on the broader agreement will be reported on annually in line with the LHS annual progress report in early 2026.

34. Other RSLs operating in the local area, such as Link, Hanover and Loretto also continue to identify East Renfrewshire as a priority area for housing investment given the housing emergency and have expressed commitment to working together to take forward SHIP projects. On SHIP sites where the delivery partner (Council or RSL) has still to be confirmed, discussions are held to identify the most suitable partner to take a project forward in relation to locale, scale and the size and type of housing required.

35. Ongoing LHS housing market analysis and progress monitoring of our housing emergency action plan, will be used to discuss with a range of partners the detailed mix of housing required on identified development sites. Endorsement will continue to be facilitated via the LHS Steering Group and related project groups.

IMPLICATIONS OF THE PROPOSALS

36. The equality and sustainability implications associated with the SHIP programme are addressed in relevant Equality Impact and Strategic Environmental Assessments undertaken for the LHS and Local Development Plan.

CONCLUSIONS

37. The proposed SHIP details how available funding for affordable housing will be invested in East Renfrewshire from 2026-31. Demand for social rented housing, especially new council housing, continues to outstrip supply available. Housing Services will continue to actively explore options for increased affordable housing investment in conjunction with our local partners, such as Barrhead Housing Association. This includes contributing insight on housing pressures faced by our residents to the emerging Local Development Plan 3, HSCP Strategic Plan and Place to Grow.

38. Identifying additional sites for development is ongoing, and Housing Services and RSL partners continue to work proactively to consider potential sites for development in the short term. At a strategic level, the LHS 2024-29 identifies the importance of delivering new homes but also maximising use of available homes. In partnership the Council will ensure available social housing actively meets the current and future needs of our residents. Where existing homes may need remodelled to meet future needs more sustainably, or empty homes brought back into use, this will be supported to ensure available affordable homes are maximised.

RECOMMENDATIONS

39. The Cabinet is asked to:

- a) approve the East Renfrewshire Strategic Housing Investment Plan 2026–2031 for submission to Scottish Government by 31st October 2025. (Appendix 1); and
- b) note the significant pressure for additional affordable housing and the contribution that the SHIP programme makes in meeting residents' needs and mitigating the local housing emergency.

Director of Environment

Further details can be obtained from Mark Rodgers, Head of Housing & Property on mark.rodgers@eastrenfrewshire.gov.uk or Suzanne Conlin, Senior Housing Manager, suzanne.conlin@eastrenfrewshire.gov.uk

October 2025

BLANK PAGE

Appendix 1 – Cabinet 30.10.25**East Renfrewshire SHIP Programme Proposed 2026-31 (£m)**

Core Programme												
PROJECT	Location	Developer	Units	Profile	Tenure	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	SG Grant
Blackburn Square, (Sustainable Housing Demonstrator)	Levern Valley	Barrhead HA	6/8	Wheelchair/ Accessible	Social Rent	0.449	0.822	0.000	0.000	0.00	0.00	0.822
ROtS programme*	ER wide	ERC	50	General/ Accessible	Social Rent	0.878	0.878	0.878	0.878	0.878	0.878	4.390
ROtS programme*	ER wide	Barrhead HA	50	General/ Accessible	Social Rent / MMR	0.957	0.957	0.957	0.957	0.957	0.957	4.785
Cross Arthurlie Street, Barrhead	Levern Valley	Barrhead HA	12	General/ Accessible	Social Rent	0.530	1.360	0.000	0.000	0.000	0.00	1.360
Barrhead Road, Newton Mearns	Eastwood	East Renfrewshire Council	17	General/ Wheelchair	Social Rent	1.916	0.000	0.000	0.000	0.000	0.000	0.000
Kirkton Road, Neilston	Levern Valley	Link HA	24	General / Accessible	Social Rent	0.000	2.298	0.000	0.000	0.000	0.000	2.298
Commercial Road, Barrhead	Levern Valley	East Renfrewshire Council	66	General/ Wheelchair	Social Rent	0.500	2.400	2.809	0.000	0.000	0.000	5.209
Chappelhill - Chappelfield Farm	Levern Valley	Barrhead HA	80	General/ Accessible	Social Rent/ MMR	0.000	0.000	0.000	2.800	2.800	1.722	7.322

Holehouse Brae, Neilston	Levern Valley	Barrhead HA	16	General	Social Rent	0.000	0.000	0.000	0.000	1.532	0.000	1.532
North Darnley Road Barrhead	Levern Valley	East Renfrewshire Council	20	General/ Accessible	Social Rent	0.000	0.000	0.000	2.872	0.000	0.000	2.872
Town Centre Regen – AFC	Levern Valley	Barrhead HA	60	General/ Accessible	Social Rent/ MMR	0.000	1.200	2.000	2.300	0.000	0.000	5.500
Barrhead North Masterplan, Shanks Park	Levern Valley	TBC	35	General/ Accessible	Social Rent / MMR	0.000	0.000	0.000	0.350	1.500	1.500	3.350
Total			Up to 438			5.230	9.915	6.644	10.157	7.667	5.057	39.44
Shadow Programme**												
PROJECT	Location	Developer	Units	Profile	Tenure	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	SG Grant
Walton Street, Barrhead (1)	Levern Valley	Barrhead HA	40	General/ Wheelchair	Social Rent	0.000	0.000	0.000	0.000	0.000	3.640	3.640
Arnside Court	Eastwood	Hanover HA	12	Wheelchair/ Accessible	Social Rent	0.000	0.000	1.149	0.000	0.000	0.000	1.149
Barrhead North Masterplan, Shanks Park	Levern Valley	East Renfrewshire Council/ BHA / Other TBC	35	General/ Accessible	Social Rent / MMR	0.000	0.000	0.000	0.000	1.500	1.850	3.350
Total (with slippage)			Up to 525			0.000	9.915	7.793	10.157	9.167	10.547	47.579

*Rent Off the Shelf/ Acquisitions purchases programmed in for 2025/26 and provision made each year to respond to slippage and to take up any available SG acquisitions funding.

**In the first 1-3 years of the SHIP, if slippage funding is available we would wish to accelerate some existing projects which have had to be scheduled later due to RPA funding availability, prior to including new slippage sites. This will be reviewed within each year.

Available Affordable Housing Supply Programme Grant (SHIP year)	Current Year 2025/26	2026/27 (Year 1)*	2027/28 (Year 2)*	2028/29 (Year 3)*	2029/30 (Year 4)*	2030/31 (Year 5)*	Estimated SG Grant – SHIP 2026-31*
Resource Planning Assumptions for East Renfrewshire	£7.225m	£7.225m	£7.225m	£7.225m	£7.225m	£7.225m	£36.125m
Overprogramming with 25% slippage factor	£0.00m (No slippage projects expected at present)	£9.031m	£9.031m	£9.031m	£9.031m	£9.031m	£45.156m

**Figures are estimates and a guide based on current year RPA (2025/26) and pending confirmation of future years' levels in future.*

BLANK PAGE