



STRATEGIC HOUSING INVESTMENT PROGRAMME 2025/26- 2030/31

Report by Chief Planning Officer

PURPOSE

- 1.1 The purpose of the Report is to provide the Comhairle with an update on the development of the proposed Strategic Housing Investment Plan for the period 2025/26-2030/31.

EXECUTIVE SUMMARY

- 2.1 The Comhairle is required to submit a Strategic Housing Investment Plan (SHIP) to the Scottish Government (SG) on an annual basis. The purpose of the SHIP is to set out the Comhairle's Affordable Housing investment priorities over a five-year period, as informed by the objectives of the Local Housing Strategy. It details the number of new housing units proposed, the likely cost of providing these units and the likely funding sources involved.
- 2.2 This Report sets out a proposed SHIP for consideration, as shown in the appendix to this Report. The Report also sets out the process followed in developing the SHIP and highlights a number of factors and challenges that have been considered in the preparation of this year's SHIP.
- 2.3 The Comhairle works in close partnership with Hebridean Housing Partnership to develop the SHIP.
- 2.4 The Comhairle has to submit the SHIP for the period 2025/26-2030/31 to the SG once approved by the Comhairle.

RECOMMENDATIONS

- 3.1 **It is recommended that the Comhairle**
 - (a) **notes the contents of this Report; and,**
 - (b) **authorise the Chief Planning Officer, in consultation with the Chair and Vice Chair of Sustainable Development Committee, to finalise the Strategic Housing Investment Plan and submit to the Scottish Government.**

Contact Officer: Iain Watson, Housing Services Manager
Appendix: Draft Strategic Housing Investment Plan 2025/26 – 2030/31
Background Papers: None

IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	The Comhairle supports the affordable housing programme through a contribution of £10k per annum. This funding comes from Additional Council Tax Income from Second Homes (ACTISH) and is used for land Feasibility Studies.
Legal	None
Staffing	None
Assets and Property	The Comhairle has powers to make surplus land and buildings available for housing purposes, if required.
Strategic Implications	Implications/None
Risk	None
Equalities	None
Corporate Strategy	The Local Housing Strategy is the Comhairle's main strategic document for Housing matters and sits within the Corporate Strategy framework
Environmental Impact	None
Consultation	Main consultees are Hebridean Housing Partnership and the Scottish Government.

BACKGROUND

- 5.1 The Comhairle is required to submit a Strategic Housing Investment Plan to the Scottish Government on an annual basis. The purpose of the SHIP is to set out the Comhairle's affordable housing investment priorities over a five-year period, as informed by the objectives of the Local Housing Strategy and the Local Development Plan.
- 5.2 The SHIP provides details of the number of units proposed, their location, tenure type, the likely development year and the Government funding required to provide these units.
- 5.3 The SHIP can include affordable housing supply through new provision, replacement of existing stock or through rehabilitation. It can include social rented housing, low-cost home ownership and shared equity schemes.
- 5.4 The Comhairle works in partnership with Hebridean Housing Partnership (HHP), as the main affordable housing delivery partner, in developing the SHIP.
- 5.5 The Scottish Government issued Resource Planning Assumptions (RPA) in July 2024 for 2024/25, but has not been able to issue RPAs beyond this. The SHIP is therefore based round an assumed programme and estimated RPA. The guidance for the production of the SHIP was also updated by the SG in June 2024.

PROPOSED STRATEGIC HOUSING INVESTMENT PLAN 2025/26-2030/31

- 6.1 In preparing this year's SHIP the following issues have been considered:
 - **the continuation of the 55% Rural/45% Stornoway split:** the Comhairle is still committed to ensuring the majority of new affordable homes are targeted to rural areas.
 - **the available RPA:** The SG has not yet been in a position to issue RPA to cover the time period of the SHIP.

- **Innovative approaches to housing:** As well as the core programme of affordable housing provided by HHP, the SHIP also sets out Low Cost Home Ownership options through the Rural and Islands Housing Fund, the Rural Accommodation for Key Worker Fund and the Partnership Support for Regeneration scheme.
- **availability of suitable land:** a significant amount of work has gone in to finding and assessing potential housing sites since the last SHIP was developed. This has included engagement with Grazing's Committees, local Churches, and community bodies. However, obtaining suitable land still remains challenging.
- **Rapid Rehousing initiative:** there is a need for more single person housing in and around Stornoway to meet the need of Homeless clients.
- **the increase in development/construction costs:** costs have risen substantially in recent months due to issues with material costs.
- **Economic Development opportunities:** looking at how the SHIP can support the delivery of the Comhairle's wider Economic Development agenda.
- **population retention:** opportunities to support population retention/growth initiatives.
- **Local Housing Strategy:** to meet the aims and objectives of the Comhairle's LHS.

6.2 Other delivery mechanisms, alongside AHSP, will be deployed in the SHIP to deliver new housing.

- **RURAL AND KEY WORKER FUND (RAKWF)** Two Rural and Key Worker Fund (RAKWF) projects are proposed in the SHIP. In one project, five units will be repurposed into housing and, in the other project, four units will be purchased on the open market. All units will be offered for social rent and the projects will be managed by Tighean Innse Gall.
- **ISLANDS HOUSING FUND (IHF)** Eight Islands Housing Fund (IHF) projects are proposed in the SHIP. Through these projects, three units will be procured through market purchase, six will be provided through collaboration with community land-owning estates, eight will be provided on former Church land and a yet-to-be-defined number will form part of a larger housing scheme.
- **PARTNERSHIP FOR REGENERATION SCHEME (PSR)** Partnership Support for Regeneration (PSR) scheme will support collaboration with local developers to deliver new houses for sale, principally through the Stornoway Airport scheme. This approach will be delivered in partnership with Tighean Innse Gall and, given the inherent risk, each intervention will have to be accompanied by a robust exit plan.
- **EMPTY HOMES AND OTHER INITIATIVES** A project to bring long term Empty Homes back into use, building on the work of the Comhairle's Empty Homes Officer and Tighean Innse Gall's Empty Homes Unit, is also featured within the SHIP. The SHIP also proposes a new Housing With Extra Care development associated with the Barra campus project.

6.3 There will be a significant deployment of Renewable Energy developers to the Outer Hebrides over the period covered by the new Local Housing Strategy. Starting in early 2026, a total of circa 1,500 workers (at peak) will deploy to the islands, engaged in the construction of a 1.8GW HVDC Converter Station, three Onshore Wind Farms and two Offshore Wind Farms. Each of these installations will connect to Grid in 2030/31 when the large construction workforce will depart, leaving a smaller, enduring Operations & Maintenance workforce.

6.4 Given that any new accommodation provided in response to this unprecedented development opportunity will benefit only the transient workforce until 2030/31, it is proposed that this provision be treated as 'Special Projects Housing', separately recorded from the Affordable Housing Supply Programme (AHSP). It may be that, at the conclusion of the construction programme in 2030/31, the properties provided pass to the RSL and become part of the AHSP stock at that point.

- 6.5 The draft SHIP sets out a proposal to deliver 243 new units, as set out in the Appendix to this Report. As in previous SHIPs, the latter years of the programme are very much estimates, but it is useful to show this to set out the Comhairle's broad intentions for affordable housing.
- 6.6 At this stage in the development of the SHIP it is estimated that the SG grant requirement for the five-year period would be £16.1m.

CONCLUSION

- 7.1 The Comhairle's SHIP for the 2025/26 – 2030/31 period sets out proposals for the development of 243 new affordable homes.