

REPORT TO: NEIGHBOURHOOD, HOUSING & COMMUNITIES COMMITTEE – 27 OCTOBER 2025

REPORT ON: DUNDEE STRATEGIC HOUSING INVESTMENT PLAN 2026-2031

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 302-2025

1. PURPOSE OF REPORT

- 1.1 To seek approval of the Strategic Housing Investment Plan (SHIP) 2026-2031. (See Appendix I).

2. RECOMMENDATION

- 2.1 It is recommended that the Neighbourhood, Housing & Communities Committee approves:
- The content of the Strategic Housing Investment Plan 2026-2031; and.
 - Submission of the Strategic Housing Investment Plan to the Scottish Government.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications associated with this report. The costs of any future Dundee City Council investments associated with this programme, together with details of how they are funded will be brought back to members for consideration.

4. BACKGROUND

- 4.1 The Strategic Housing Investment Plan (SHIP) is the key statement of affordable housing development priorities within local authority areas. Scottish Government issues Resource Planning Assumptions (RPA's) to each local authority to help plan the SHIP. The RPA for 2025-26 consisted of a core fund of £17.170m. It was confirmed on the 08 October 2025 that there would be an additional allocation to local authorities of £80m of which Dundee City Councils share is £1.133m, acknowledging that local authorities are facing a range of housing and homelessness pressures. At the time of writing, RPAs for 2026/27 onward have not been detailed, therefore a funding level similar to that of 2025/26 has been assumed.
- 4.2 To promote the delivery of the SHIP, Dundee City Council (DCC) Neighbourhood Services, will continue to work in partnership with: DCC City Development; Scottish Government; Registered Social Landlords; and the Private Housing Sector to explore all possible housing development options that will help maximise delivery of social housing. In addition, the SHIP looks to support the delivery of the City Centre Strategic Plan through the investment and development of social housing within the city centre.

- 4.3 Within 2024/25, there were 341 new affordable homes built within the city. Furthermore, an example of this successful partnership collaboration can be observed at Table 1. This demonstrates a significant number of affordable new build homes that are currently on site. Appendix II also provides examples of recently completed sites and sites currently under construction.

Table 1. Dundee SHIP Commissioned New-Build Affordable Rented Housing (Wards in Brackets):

Name of Development	Tenure	Number of Houses	Estimated Completion
Whitfield Drive/Lothian Crescent ph1 (North East)	SR	18	March 2026
Gellatly Street, Dundee (Maryfield)	SR	49	October 2026
Former Site of St Vincents RC Primary School (East End)	SR	21	Complete
Balindean Road (East End)	SR	73	November 2025
Park Hotel, Dundee (Lochee)	SR	18	November 2025
Mill o' Mains Phase 4 (North East)	SR	45	October 2025
Burnside Mill (Lochee)	SR	54	Summer 2027
Angus Street (Lochee)	SR	8	March 2026
Total	-	286	-

- 4.4 The Committee's approval of the SHIP 2026-2031 will ensure that the city continues to successfully deliver new-build affordable housing rental options for the citizens of Dundee. Thereby, positively contributing to one of the key outcomes of the city's Local Housing Strategy 2019-24. Officers are currently developing a new Local Housing Strategy which will be consulted prior to being reported to committee. To ensure that housing built is of a high quality, the Council will work with partners to ensure that all new build properties constructed within the investment programme will meet or surpass the current building regulations and will meet the Energy Efficiency Standard for Social Housing post 2020 (EESH). Additionally, energy efficiency measures such as insulation, solar energy or other suitable measures will be integrated where possible. This will assist in reducing carbon emissions, addressing fuel poverty and will ensure that tenants live in warm, affordable homes.

4.5 CHALLENGES TO DELIVERY

- 4.5.1 It is important to recognise that, while we remain ambitious in our plans and are committed to delivering an increase in the supply of affordable housing in the city, there are some challenges. The main delivery risk to the city's affordable housing supply programme is high prices for material and labour. This has been exacerbated by regulatory changes around building safety, the national Housing 2040 strategy, and future energy efficiency standards which are currently under review.
- 4.5.2 In addition to the local and global construction market challenges, it should be noted that we are restricted to building almost exclusively on what is known as brownfield sites across the city. To clarify, a brownfield site refers to 'land which has previously been built on, which is or was occupied by a permanent structure'. Development of brownfield sites for affordable housing can be a challenge for social housing provision owing to financial constraints/funding availability

for this sector. The benefits of brownfield redevelopment to placemaking, climate change, biodiversity enhancement and health and well-being are fundamental aims of National Planning Framework 4, our Local Development Plan (LDP) and the Council's overall priorities

4.6 OPEN MARKET ACQUISITION STRATEGY

- 4.6.1 Under Article III of the minute of meeting of the Neighbourhood Services Committee of 22 August 2022, the Open Market Acquisition Strategy was approved, which looks to increase the supply of housing for social rent through the purchase of suitable properties on the open market, to complement the existing new build Council housing programme and the activities of our Strategic Housing Investment Plan (SHIP) partners in the local social housing sector. In the last year Dundee City Council have purchased 23 properties under this strategy.

5. POLICY IMPLICATIONS

- 5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6. CONSULTATIONS

- 6.1 The Council Leadership Team has been consulted in the preparation of this report and agrees with its contents.

7. BACKGROUND PAPERS

- 7.1 None.

Tony Boyle
Executive Director of Neighbourhood Services

Louise Butchart
Head of Housing, Construction & Communities

25 September 2025

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Dundee Strategic Housing Investment Plan

2026 - 2031

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Introduction

Dundee's Strategic Housing Investment Plan (SHIP) 2026-31 sets out the priorities of the Council and its partners for the expenditure of the Scottish Government's Affordable Housing Supply Programme funding.

The SHIP is a rolling plan/programme covering a period of five years. It delivers the affordable housing priorities set out in the Local Housing Strategy (LHS), the City Centre Strategic Investment Plan and the Local Development Plan. The SHIP is embedded in Dundee's Community Partnership Planning Framework.

It reflects the affordable housing priorities within the city's 6 Local Community Planning Partnerships (delivering 8 Local Community Plans) and multi member ward boundaries. In addition, it is aligned with Dundee Health and Social Care Partnership's strategic housing requirements, the Rapid Rehousing Transition Plan, and Child Poverty Action Report.

Resources to Deliver the SHIP Programme

Scottish Government issues Resource Planning Assumptions (RPA's) to each local authority to help plan the SHIP. The RPA for 2025-26 consisted of a core fund of £17.170m. It was confirmed on the 08 October 2025 that there would be an additional allocation to local authorities of £80m of which Dundee City Council's share is £1.133m, acknowledging that local authorities are facing a range of housing and homelessness pressures. At the time of writing, RPAs for 2026/27 onward have not been detailed, therefore a funding level similar to that of 2025/26 has been assumed.

Risks to programme delivery

The main delivery risk to the City's Affordable Housing Supply (AHS) Programme is high prices for materials and labour. Though inflation has abated somewhat over the last year, costs of construction materials remain high. Further to these headwinds is the availability and ownership of land suitable for the development of new housing. Negotiations are underway between Registered Social Landlords (RSLs) and owners of land in private ownership, but ultimately land values must be capable of being supported by the finance available to deliver affordable new-build housing within Scottish Government's development benchmark costs.

Additional risks to the City's delivery programme relate to issues regarding the disposal of surface drainage water in new housing developments. This sometimes involves the development of very expensive site drainage infrastructure. As a result, these additional costs are presenting challenges to the viability of some SHIP development sites. The Council continues to work closely with Scottish Water and the Scottish Government to address these issues. However, it is anticipated that owing to the infrastructure and highly urbanised nature of Dundee City Council's administrative area, surface water drainage will continue to cause difficulty and additional costs for many of the City's development sites.

Identification/Prioritisation of Sites

At the centre of the identification/prioritisation of SHIP development sites is DCC Council / Registered Social Landlord (RSL) strategic planning framework. Within this framework, RSLs submit details of their proposed SHIP developments annually. The Council also follows this process for sites that it has identified. Submitted development sites are reviewed collectively by teams in Housing and City Development and prioritisation assessment criteria are used to rank each site. The categories used within the assessment criteria are as follows:

- Sites identified within the previous SHIP
- Meet affordable housing need in the area/Provide housing for particular needs housing groups
- Sites within regeneration areas including the City Centre Strategic Investment Plan
- Site prioritisation in the Local Development Plan
- Improving housing and tenure balance in the area
- Provide an appropriate mix of property types and sizes
- Sustaining existing stable neighbourhoods; mitigating further deterioration and deprivation in these communities
- Innovation and Sustainability
- Land Ownership
- Deliverability.

Furthermore, the prioritisation process is complemented by formal discussions with representatives from individual RSLs and Dundee Health and Social Care Partnership.

The area team of Scottish Government's More Homes Division regularly meets with the Council to discuss current issues and progress with the delivery of the Affordable Housing Supply Programme. There are meetings with representatives from all the developing RSLs, Dundee City Council City Development, Scottish Government, Scottish Water and Dundee City Council Planning representatives. These meetings have been well attended and are a useful forum for driving forward delivery of the Affordable Housing Supply Programme.

All developments supported by the prioritisation assessment criteria are included and prioritised in the SHIP. Those developments with a higher priority will attract funding first. When a higher priority development starts on site, subject to agreement with the Scottish Government, it will continue to receive SHIP funding until the development is complete.

Future Priorities: Increasing Housing Options in the City

The approved City Centre Strategic Investment Plan (CCSIP) identifies opportunities for housing development within the City Centre. As such, we will prioritise development opportunities for the Affordable Housing Investment Plan in future years.

Open Market Acquisition

The Council and Housing Associations will consider the purchase of suitable, open-market or off the shelf properties to meet the City's social housing needs, which includes the housing requirements of extended families, and people with particular needs.

Housing for Particular Needs

The SHIP aims to achieve a minimum of ten social rented wheelchair standard houses per annum. In addition, other particular-needs housing will be incorporated into developments to meet the needs identified in the Dundee Health and Social Care Partnership's Strategic Needs Assessment and Strategic Plan.

Gypsy Roma and Traveller Site

Dundee City Council (DCC) has one Gypsy Roma and Traveller site. The site has 14 pitches, and is situated in Balmuir Wood by Tealing, Angus. DCC has a leasing agreement with Angus Council but is responsible for delivering all site management services. Residents provide their own accommodation. Each pitch has a kitchen and bathroom amenity block. There is a site office and a dedicated Council Liaison Officer. Over the past year, extensive refurbishment works have been carried out at Balmuir Wood to individual pitches to ensure they meet current standards.

Child Poverty Action Report

The city is committed to the priorities set out in the Scottish Government's Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022 to 2026 and has set the ambitious goal of matching the Scottish Government's overall national target of reducing child poverty to less than 10% of children living in relative poverty.

The Council's combined Fairness and Local Child Poverty report outlines how the experience of people living in poverty is crucial in taking forward policies, and how local solutions are being developed to tackle poverty in city neighbourhoods. The action plan highlights work that is ongoing across the city including the Cost of the School Day project, the Dundee Community Food Network, the Discover Work service, digital inclusion and the Alcohol and Drug Partnership's action plan for change following the report of the Dundee Drug Commission.

Dundee's affordable housing programme plays a significant role in addressing child poverty at local and national levels through the delivery of family housing and is inextricably linked to a variety of housing related services; including the city's Rapid Rehousing Transition Plan and housing support provision.

Sustainability

In June 2019, the Council declared a Climate Emergency, recognising the serious and accelerating environmental, social and economic challenges faced by climate change. To respond to this challenge, a partnership Climate Action Plan has been prepared which has been the culmination of collaborative work, led by Dundee City Council and co-designed with public, private and community organisations, recognising that a concerted city-wide effort is required. It represents the first set of actions in a long-term pathway to first surpass the

Covenant of Mayors target of 40% reduction in greenhouse gas emissions by 2030 and then to achieve net zero greenhouse gas emissions by 2045 or sooner.

Dundee City Council adopted a statutory Local Heat and Energy Efficiency Strategy (LHEES). The Council's Asset Management Strategy sets out how efficient management of housing assets is already contributing to the council's net zero ambitions by refurbishing and insulating social housing stock and our future plans are highlighted in the Energy Efficiency and Net Zero Strategy 2023 - 2027.

We have continued to modernise our own council houses by installing fuel efficient gas central heating, new doors and windows, district heating systems along with new kitchens and bathrooms to meet the Scottish Housing Quality Standard (SHQS) and insulated over 5000 properties across the city including 2500 Dundee City Council homes with external wall insulation (EWI) to meet energy efficient standards in housing and reduce fuel poverty. The key drivers are the decarbonisation of heat to meet the local and national target of Net Zero by 2045 and removing poor building energy efficiency as a cause of fuel poverty while meeting national targets. For our housing stock, LHEES will identify potential heat network zones and delivery areas for various energy efficiency improvements at building level.

We will work with partners to ensure that all new build properties constructed within the investment programme will meet or surpass the current building regulations and that energy efficiency measures such as insulation, solar energy, wind power or other suitable measures are integrated. This will assist in reducing carbon emissions, address fuel poverty and ensure that tenants live in warm, affordable homes.

Equalities

All procurement strategies and contracts will be screened and where appropriate undergo an Equalities Impact Assessment screening to ensure that actions associated with this strategy support the equalities agenda of the government, council and its partners.

A specific aim of this strategy is to deliver affordable and good quality housing for:

- Ethnic Minorities
- Particular Needs Housing Groups
- Gypsy Roma and Traveller
- Homeless people.

An increase in appropriate provision for these groups will be encouraged over the period of the plan. In addition, it should be noted that the accommodation needs of individuals with particular needs requiring new-build supported, adapted or wheelchair housing have been taken into account within the SHIP. Discussions on the appropriate models of accommodation, number of houses, locations, and funding for these types of housing over the period of the SHIP are currently ongoing with commissioners.

Strategic Housing Investment Plan Programme

The details of the programme are outlined at Tables 1 and 2.

Table 1: Details the development programme for 2025/2026 to 2026/27. This includes sites which have existing commitment; but where all funding has not yet been drawn down (carry forward). It also contains new sites where DCC Neighbourhood Services expects there to be approvals and grant claims prior to the end of financial year 2026/27. Note that start dates relate to draw down of grant (which may cover costs such as site acquisition, architects or other fees etc) and not necessarily physical building on site.

Table 2: Identifies pipeline projects for 2026 to 2029. Where appropriate, projects may be brought forward should funding be available.

Table 1: SHIP Housing Programme 2026/27 - 2027/28								
Project Name	Housing Developer	No. of Units	Tenure	Total Grant (£M)	Est. Spend 2026-27	Est. Spend 2027-28	Site Start	Completion
Burnside Mill, (Lochee)	Hillcrest HA	54	SR	4.53	2.4	0	April 2024	May 2027
Main Street (Lochee)	Hillcrest HA	131	SR	6.5	2	1.5	Nov 2025	TBC
Whitfield Drive Phase 3 + 4 (North East)	Angus HA	30	SR	4	2	2	April 2027	March 2028
Ellengowan Ph2 (Maryfield)	Hillcrest	14 46	SR MMR	3.8	3	0	March 2024	March 2028
Whitfield Drive Phase II (North East)	Angus HA	30	SR	3.9	1.7	0	April 2026	March 2027

Former Gowriehill Primary School (Lochee)	Angus HA	36	SR	4.4	1.7	2.7	April 2025	June 2026
Former Mossgiel Primary School (East End)	Abertay HA	44	SR	5.8	2.4	3.4	Dec 2025	July 2028
Mitchell Street (Lochee)	Hillcrest HA	30	SR	3	1.5	1	Dec 2025	July 2028
St Lukes Church (Lochee)	Hillcrest HA	21	SR	2.5	1	1	Mar 2027	July 2028
Sugarhouse Wynd (Maryfield)	Hillcrest HA	8	SR	0.5	0	0.5	Mar 2027	July 2028
Morgan Street (Maryfield)	Caledonia	45	SR	4.59	2.59	2	April 2026	April 2027
Balgray Place (Coldside)	Caledonia	26	SR	2.86	1	1.86	April 2026	Nov 2027
Gowrie Court (Lochee)	Caledonia	31	SR	3.41	0	3.41	April 2027	June 2029
Cleington Road (Coldside)	Abertay HA	31	SR	3.5	0.5	3	March 2026	March 2027
Maryfield House (Maryfield)	Home HA	45	SR	5.9	1.5	4.4	Nov 2025	May 2026
Former Rockwell High School (Coldside)	Angus HA	49	SR	5.75	0.5	3.3	Nov 2027	April 2029
Balunie Drive (North East)	Sanctury HA	14	SR	1.68	0.68	1	June 2027	Sept 2028
Balcairn Place (North East)	Sanctury HA	20	SR	2.4	1	1.4	June 2027	Sept 2028
Liff Phase 5 (Strathmartine)	Sanctury HA	56	SR	6.72	0	1.3	April 2028	June 2030
Blackness Road (West End)	Dundee CC	24	SR	2.726	1.396	0	Sept 2025	June 2027
Grand Total		SR: 739 MMR: 46			26.866	33.77		

HA: Housing Association **DCC:** Dundee City Council **TBC:** To be confirmed
Tenure: **SR** - Social Rented, **MMR** – Mid market rent

Table 2: SHIP Housing Programme: Pipeline Projects 2027-2029

Project Name	Housing Developer	No. of Units	Tenure	Total Grant (£million)	Tender Submission
Balgray Place (Coldside)	Hillcrest HA	22	SR/MMR	2.5	2026/7
Cairn Centre, Rattray Street (Maryfield)	Hillcrest HA	8	SR	1.9	2026
High Street (Lochee)	Hillcrest HA	30	SR	3	2026
Francis Street (Coldside)	Hillcrest	12	SR	1.4	2027
North Lindsay Street (Maryfield)	Hillcrest	52	SR/MMR	2	2028
Main Street (Lochee)	Hillcrest	121	SR/MMR	9	2028
Kemnay Gardens (North East)	Hillcrest HA	21	SR	2.5	2028
Dens Road (Maryfield)	Hillcrest HA	49	SR	4.75	2026
Mill O' Mains PH 5 (North East)	Home HA	40	SR	4.2	2028
Dickson Avenue (Lochee)	Hillcrest HA	16	SR	1.8	2027
St Mary's Infants School (Lochee)	Hillcrest HA	42	SR	4.1	2028
Wedderburn House (Coldside)	Hillcrest HA	24	SR	5.5	2028
Rowantree Crescent (North East)	Angus HA	18	SR	2	2028
King Street (The Ferry)	Hillcrest HA	18	SR	2	2028

HA: Housing Association **DCC:** Dundee City Council **TBC:** To be confirmed
 Tenure: **SR** - Social Rented, **MMR** – Mid market rent

Dundee City Council - Derby Street



Hillcrest HA - Raglan Street



Hillcrest HA - Buchanan Street



Hillcrest HA - Langlands Street



Hillcrest HA - Murraygate



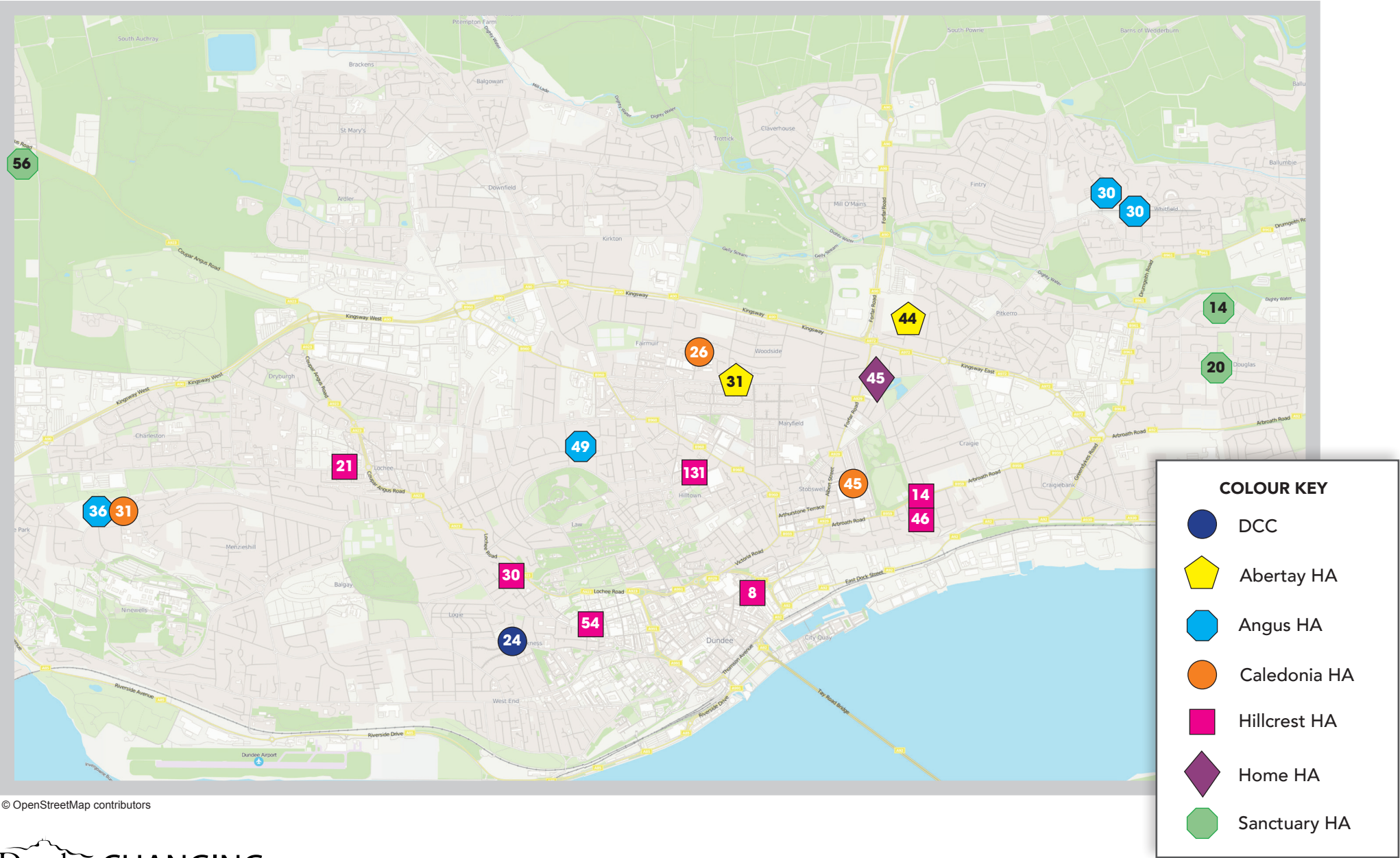
Abertay HA - Finlaggan Street, before and after refurbishment
(Open market purchases)



Hillcrest HA - Seagate



SHIP Housing Programme | 2026/27 - 2027/28



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SHIP Housing Programme | Pipeline Projects 2028 - 2031

