



Strategic Housing Investment Plan 2024/25 – 2028/29



October 2023

Foreword

I am pleased to present Fife’s Strategic Housing Investment Plan (SHIP) 2024/25–2028/29 on behalf of the Fife Housing Partnership, setting out how the Local Housing Strategy’s priorities for affordable housing investment will be delivered across Fife.

This Strategic Housing Investment Plan reinforces the priorities and outcomes of our new draft five-year Local Housing Strategy (LHS) 2022-2027 which is anticipated to be finalised by the end of 2023. Our proposals for affordable housing over the coming five years reflect Fife Council’s vision for our community to be able to access a home that is warm, affordable, accessible and meets their needs. The Plan is a key document for targeting affordable housing investment at a local level.

The Strategic Housing Investment Plan reflects the council’s vision to move forward with economic growth, community wealth building, anti-poverty work and climate action. Our plan focuses on the delivery of projects for social rented housing by Fife Council, the Fife Housing Association Alliance, the Scottish Government and private developers. However, all partners continue to be committed to the delivery of new housing to meet a range of community needs. The Partnership recognises the importance of self-provided housing and is committed to ensuring opportunities for self-help housing solutions are supported, including self-build, community-led and co-operative housing efforts by Fife residents. Our strength and history of partnership working will ensure we can be responsive to any change in Fife’s housing requirements.

I remain absolutely committed to providing high quality, affordable housing for people living in Fife. The Strategic Housing Investment Plan provides details on a range of potential development projects, providing Fife with a realistic and practical plan to deliver against our aim for improving housing choices.

I thank all our partners for their continued commitment to Fife’s Affordable Housing Programme.



Cllr Judy Hamilton

Chair of the Fife Housing Partnership

Alternative Formats

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03451 55 55 66 پر درخواست کرنے سے اس تحریر میں دی گئی معلومات بڑے پرنٹ 'بریل' آڈیو سی ڈی/ٹیپ پر اور ترجماتی والی برطانوی اشاراتی زبان (برٹش سائن لینگویج) میں مہیا کی جاسکتی ہیں۔

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Abbreviations

The following abbreviations have been used throughout the report:

2HCT	Second Homes Council Tax
AHSP	Affordable Housing Supply Programme
FC	Fife Council
FEAT	Fife Environmental Assessment Tool
FHAA	Fife Housing Association Alliance
FHP	Fife Housing Partnership
FHR	Fife Housing Register
HMA	Housing Market Area
HNDA	Housing Need and Demand Assessment
HRA	Housing Revenue Account
LDP2	Local Development Plan 2
LHA	Local Housing Allowance
LHS	Local Housing Strategy
LHSA	Local Housing Strategy Area
MATHLR	Minimum All-Tenure Housing Land Requirement
NPF4	National Planning Framework 4
OMSE	Open Market Shared Equity
RPA	Resource Planning Assumption
RRTP	Rapid Rehousing Transitional Plan
RSL	Registered Social Landlord
SEA	Strategic Environmental Assessment
SHIP	Strategic Housing Investment Plan
TAHP	Transitional Affordable Housing Programme

1.0 Introduction, Purpose and Summary

1.1 Introduction

The Fife Housing Partnership (FHP) has developed the Strategic Housing Investment Plan (SHIP) for 2024/25 - 2028/29 to set out how investment in affordable housing should be directed to achieve the priorities and outcomes set out in the draft five-year Fife Local Housing Strategy (LHS) 2022-2027. It is anticipated that the Fife LHS will be finalised by the end of 2023.

Five priorities have been identified within the LHS, 'priority 2: - More homes in the right places' demonstrates how local partners will meet housing supply targets over the term of the LHS. There are close links between the SHIP, LHS and the FIFEplan. In combination, these frameworks play a pivotal role in addressing homelessness, delivering equality and reducing child poverty.

1.2 Purpose

The SHIP is a working tool produced each year to support longer-term strategic planning. It provides a practical plan detailing how LHS investment priorities can be delivered, forms the basis for more detailed programme planning and provides a focus for partnership working. The SHIP is used by the Scottish Government to inform the allocation of resources from a national to a local level. The SHIP consists of two elements, firstly the context of the SHIP is detailed in this document and secondly the proposed affordable housing projects expected to require Scottish Government funding and / or are due for completion during the five-year SHIP period are detailed within the separate SHIP Projects Table.

1.3 Summary

The combined TAYside and South-East Scotland Housing Needs and Demand Assessments (HNDAs) indicate that there is a requirement for an additional supply of 401 affordable homes per annum from 2021-30 – a total of 2,005 homes over the five-year period of the SHIP.

The 2024/25 - 2028/29 SHIP demonstrates the potential to deliver 3,051 affordable homes equating to around 610 units per annum. There is an over provision of around 33.8% included to prepare for any slippage in the programme and to take advantage of any additional funding that may be available. A further 100 units are estimated through other Scottish Government affordable housing options, taking the total to 3,151 units, an average of around 630 units per annum. This demonstrates the potential to meet the affordable housing need as set out in the combined HNDAs.

2.0 Strategy, Consultation and Equalities

2.1 Strategic Links

The Fife Housing Partnership formed in 2002, has delegated responsibility on behalf of Fife Council for the development and delivery of the Local Housing Strategy and wider systems and processes to meet housing and related needs across all tenures of housing in Fife. The membership of the Partnership includes Fife Council, NHS Fife, Health & Social Care Partnership, the Scottish Government, the Fife Housing Association Alliance, Fife Tenants' and Residents Federations, the Scottish Rural Property & Business Association and Voluntary Sector Organisations.

The Fife Housing Partnership has prepared Fife's Strategic Housing Investment Plan 2024/25 – 2028/29 to set out how investment in affordable housing can be targeted to support the priorities, outcomes and actions of Fife's Local Housing Strategy 2022-2027. The Partnership has established a robust strategic planning framework which directly supports the delivery of housing outcomes within the Plan for Fife 2017-2027 and the Plan for Fife Recovery and Renewal 2021-2024 through the LHS, FIFEplan and the SHIP.

The partnership supports the Scottish Government's Housing to 2040 vision for everyone in Scotland to have a safe, high-quality home that is affordable and meets their needs in the place they want to be.

2.2 Local Outcome Improvement Plan

The Plan for Fife 2017-2027 through the 'Thriving Places' theme identifies the challenge of a rapidly changing population with around 20,000 new homes needed over ten years. The Recovery and Renewal Plan for Fife 2021-24 is a three-year review of the Plan for Fife to help kick start Fife's recovery following the Covid-19 pandemic and to contribute to longer ambitions, with priorities for leading economic recovery, tackling poverty and preventing crisis, reducing the impact of the climate emergency and building community wealth and well-being.

2.3 Local Development Plan (FIFEplan)

FIFEplan was adopted in September 2017 to replace Fife's three Local Plans. It complements and supports the Plan for Fife in supporting the Council's aims of providing more homes in the right places. FIFEplan's 'Policy 2: Homes' shows how housing development, including affordable housing, will be supported into the future to meet strategic housing land requirements including the Minimum All Tenure Housing Land Requirement (MATHLR) of National Planning Framework 4 (NPF4).

Work has commenced on the review of FIFEplan and the preparation of Local Development Plan 2 (LDP2) with data currently being collated for the Evidence Report. LDP2 is programmed to be adopted in March 2027. Any updates to timescales and further detail on the LDP2 review will be available in future Development Plan Schemes and the Planning Service's E-Bulletin.

2.4 Local Housing Strategy (LHS)

The Fife Housing Partnership has successfully delivered four Fife LHSs and is now implementing the fifth strategy to support the delivery of housing and housing related services in Fife. The draft LHS 2022-2027 has been subject to public consultation and Scottish Government review. Comments from the review are currently being progressed, and it is anticipated that the final document will be signed off by the end of 2023. The draft LHS has been considered by Committee and final approval has been delegated to the Executive Director of Communities, following Fife Housing Partnership approval.

The LHS 2022-2027 is a five-year strategy, informed by updated HNDAs for the South-East Scotland and Tayside regions. A key role of the LHS will be to maintain recovery from the Covid-19 pandemic, particularly to mitigate any increase in homelessness, promote equality in housing and help eradicate poverty in Fife.

The high-level aim of the LHS is to ‘provide housing choices for people in Fife’. Table 1 shows the five priorities that have been established for the LHS 2022-2027. Fife Council’s Housing Services and the Fife Housing Association Alliance have led in the development of the annual SHIP updates to successfully deliver the LHS outcomes including ‘priority 2 – more homes in the right places’.

Table 1: LHS Priorities 2022-2027

1.	Ending Homelessness
2.	More Homes in the Right Places
3.	A Suitable Home
4.	A Quality Home
5.	A Warm Low Carbon Home

The Fife Housing Partnership has carefully considered the priorities for affordable housing delivery by type and tenure. Prioritising investment is dependent upon a range of factors including relative need, land availability and development constraints. The approach has evolved through close working between regional and local partners, particularly through strong relationships with the development sector. The priorities of the LHS are translated into the SHIP scoring methodology (see Section 6.0 and Appendix 1) which considers these factors.

2.5 Consultation

The Fife Housing Partnership recognises that the success of the LHS depends on effective engagement with Fife’s residents, community representatives, community planning partners and statutory bodies. Although consultation methods were severely restricted during the Covid-19 pandemic, the partnership has undertaken and contributed to a programme of regular consultations, exploring key housing issues, generating options and prioritising actions for the LHS. The consultations informing the LHS 2022-27 include conferences, workshops, surveys and area-based activities.

LHS workshops were also held during June 2022 to provide elected members, housing partners and stakeholders with an opportunity to review and validate the LHS priorities, outcomes and actions.

Various stakeholders attended the events including housing market partners, partner social landlords, partner council services, Health & Social Care Partnership representatives and third sector organisations & advocacy groups. Stakeholders were supportive of the continued drive to increase the supply of new affordable housing. Discussions were held around the changing needs of households and potential delivery challenges in building more homes. These discussions helped inform the LHS outcome plan and influence the investment priorities of the current SHIP. For example, the LHS workshops identified a need for new homes in particular areas to accommodate the higher density of over 75-year-olds. This has influenced the setting of a target to deliver more housing suitable for older persons.

Fife Council's Housing Services and the Fife Housing Association Alliance have led in the development of the annual SHIP updates to successfully deliver the LHS outcomes including 'priority 2 – More homes in the right places' The SHIP has been developed through collaboration and engagement with various stakeholders including developers, communities and other council departments including, but not limited to, planning, education, economic development, health & social care (further details can be found in section 9 and 10). This has influenced the projects included in the SHIP Projects Table, as well as the tenure, mix of house types, property sizes and the prioritisation of projects. In addition, housing mixes of potential projects have been influenced by the research outcomes and stakeholder views from the recently concluded wheelchair and accessible housing study. Furthermore, consultation conducted on area housing plans in Fife, identified a 'lack of family homes' which has led to the setting of a target to deliver more family sized homes. (See section 4.3 and 4.4 for further details).

The SHIP is due to be considered by elected members and approved at Committee on 30th November 2023.

2.6 Equalities and Impacts

An equalities impact assessment has been conducted to inform proposals in the SHIP and no negative impacts have been identified. The delivery of new housing is expected to deliver positive impacts for people with protected characteristics under the Equalities Act 2010, for example in providing specialist housing for older people or people with a physical disability.

Another positive impact is the affordability of the new housing provided will benefit people on low / limited incomes. This ties in with the Child Poverty (Scotland) Act 2017- Local Child Poverty Action Report which aims to reduce housing costs for families in Scotland. New housing will be targeted to reduce the number of children in situations of homelessness, offering stability and contributing to improved health, educational and social outcomes.

A Strategic Environmental Assessment (SEA) screening request has been submitted to the SEA Gateway for consideration as per Section 9(3) of the Environmental Assessment (Scotland) Act 2005. It is anticipated that a full environmental assessment will not be required.

An Environmental Assessment has been carried out using the Fife Environmental Assessment Tool (FEAT) for the SHIP and Transitional Affordable Housing programme 2022-2024 and no negative environmental impacts were identified. The provision of high quality, energy efficient affordable homes resulting in lower carbon emissions and increased health and well-being were identified as long-term positive impacts.

3.0 Identifying Housing Need

3.1 Housing Need and Demand

Due to Fife’s unique link to two city regions, two separate HNDA’s have been developed to inform the LHS and FIFEplan - the local Development Plan, both following the methodology set within Scottish Government guidance:

- TAYside HNDA – assesses housing need and demand for North-East Fife, Angus, Dundee and Perth and Kinross, this being concluded on the 9th of May 2023 when the Scottish Government confirmed it a ‘robust and credible’ assessment.
- South-East Scotland HNDA – assesses housing need and demand for Fife (West and Central), the City of Edinburgh, East Lothian, Midlothian, Scottish Borders and West Lothian, this being concluded on the 28th of July 2022 when the Scottish Government confirmed it a ‘robust and credible’ assessment.

The combined HNDA’s indicate that 2,392 households are in housing need and require social rented housing to meet that need. Table 2 below outlines the categories of need by area:

Table 2: Existing Housing Need

Households	Fife (West & Central)	Fife (North)	Fife Total
Homeless / housing insecurity	1,246	485	1,731
Both overcrowded and concealed	171	157	328
Requiring specialist housing	263	70	333
Total existing need	1,680	712	2,392

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021)

These figures informed a range of HNDA scenarios and Tayside and South-East Scotland authorities agreed a preferred HNDA scenario of steady growth over 20 years from 2021 to 2040. Table 3 overleaf provides details on the average annual housing estimates by tenure between 2021-25, 2026-30 and 2031-35.

Table 3: Housing Estimates by steady growth scenario and housing market area

Housing Market Area	St Andrews and North-East Fife	Cupar and North-West Fife	Dunfermline and West Fife	Glenrothes, Kirkcaldy and Central Fife	Fife
Household Distribution	10%	8%	39%	43%	100%
Affordable housing p/a 2021-25	59	47	231	254	592
Affordable housing p/a 2026-30	21	17	82	91	211
Affordable housing p/a 2021-30	40	32	156	172	401
Market housing p/a 2021-25	35	28	137	152	352
Market housing p/a 2026-30	19	15	74	82	191
Market housing p/a 2021-30	27	22	106	117	272
Total p.a. 2021-25	94	76	368	406	944
Total p.a. 2026-30	40	32	157	173	402
Total p.a. 2021-30	67	54	262	289	673

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021) (Some totals affected by rounding)

The combined HNDAs identified that 944 new homes including 592 affordable homes are required in each year from 2021-25 under the steady growth scenario, and from 2026-30 this reduces to 402 new homes and 211 affordable homes each year. Across the ten years from 2021-30 the average annual requirement in Fife is for 673 new homes which includes 401 new affordable homes. A breakdown of these housing estimates by tenure is shown in tables 4 & 5 below. The figures are provided by category of affordable housing (social rented and below market rented housing) and market housing (private rented and market purchase).

Table 4: Annual Housing Need and Demand 2021-30 – Affordable Housing

Area	Social Rented	Below Market Rent	Total
TAYside	83	14	97
South-East Scotland	238	66	304
Fife	321	80	401

Table 5: Annual Housing Need and Demand 2021-30 – Market Housing

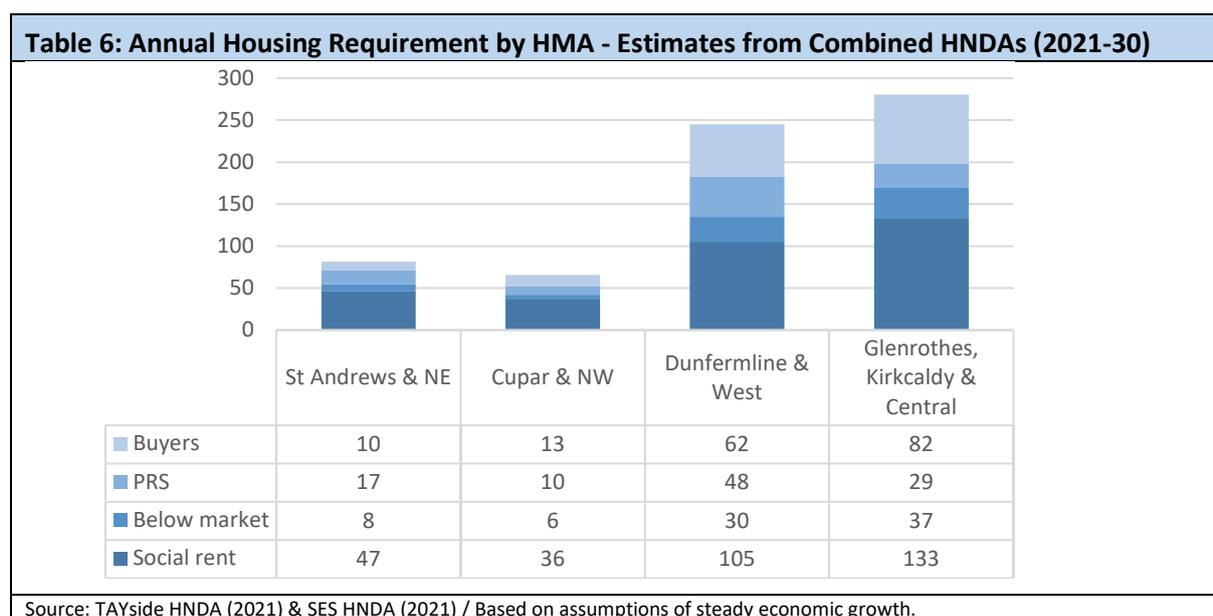
Area	Private Rented	Owner Occupied	Total
TAYside	27	23	50
South-East Scotland	77	145	222
Fife	104	168	272

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021) / Averaged across ten years

The combined HNDAs assess a need for 401 affordable homes per annum from 2021-30 (321 social rented plus 80 below market rented homes). The demand for market housing is assessed at 272 homes per annum from 2021-30 (104 private rented plus 168 owner occupier). The combined total housing demand is assessed as 673 homes per annum.

The current HNDAs thus indicate a requirement for 59.6% affordable and 40.4% market housing. This compares to a requirement of 52% affordable and 48% market housing detailed in previous assessments, indicating an increasing need for affordable housing as a proportion of global housing need and demand.

The combined HNDAs show how the annual housing requirement is distributed by tenure across Fife's four Housing Market Areas (HMAs), see table 6 below.



Some key observations are noted below:

- The Glenrothes, Kirkcaldy & Central Fife HMA requires the highest number of new homes each year, this being 280 homes per annum or 42% of the overall requirement for Fife.
- The combined Tayside HMAs (Cupar & North-West Fife and St Andrews & North-East Fife) require 22% of Fife's overall annual housing requirement which is in line with the 21% of households located within the area.
- The Glenrothes, Kirkcaldy, & Central Fife HMA requires the highest number of social rented homes at 133 (41%) each year followed by the Dunfermline & West Fife HMA at 105 (33%) social rented homes each year.
- Demand for additional private rented homes is highest in the Dunfermline & West Fife HMA (48 per annum), although pressure of demand is most acute in the St Andrews & North-East Fife HMA which requires 21% of new homes in the area to be private rented each year.
- The Glenrothes, Kirkcaldy & Central Fife HMA and the Dunfermline & West Fife HMA demonstrate need for the highest number of below market rented homes each year with a requirement of 37 and 30 respectively.

3.2 Specialist Housing Requirements

While the combined HNDAs provided the overall housing estimates for Fife, a range of specialist housing requirements have also been identified in Fife. These are summarised in Table 7 below.

Table 7: Specialist Housing Requirements in Fife

Specialist Housing Type	Provision	Need / Gap	Source
Accessible housing	22% of households say their home is accessible to a wheelchair user visiting the property.	2,689 accessible homes required across private and social housing tenures.	Wheelchair & Accessible Housing Study including household survey 2022. Carried out by Arneil Johnston consultants.
Wheelchair housing	1% of homes are wheelchair adapted housing.	612 wheelchair homes required across private and social housing tenures.	Wheelchair & Accessible Housing Study including household survey 2022. Carried out by Arneil Johnston consultants.
Adapted housing	18.5% of homes have adaptations / 35% of social housing.	2% of homes require adaptations / 8% in social housing. Low level of adaptations in private housing.	Scottish House Condition Survey 2017-19.
Non-permanent housing	969 households in temporary accommodation. Around 4,100 purpose-built student bedspaces St Andrews for 10,535 students.	2,502 households presenting as homeless. Identified need for around 1,000 additional bed spaces in St Andrews.	Fife Council April 2021-March 2022. University of St Andrews / online information.
Supported provision	1,106 sheltered. 387 very sheltered. 237 community alarm.	1,093 households requiring sheltered housing (nil points excluded).	Scottish Housing Regulator 2020-21. Fife Housing Register February 2022.
Care and support for independent living at home	5% of households have one or more members receiving care.	Low provision of care services in private housing.	Scottish House Condition Survey 2017-19.
Site provision	50 pitches for Gypsy Travellers across 3 sites.	Site improvements required / underway.	Fife Council February 2022.

Source: Fife's Local Housing Strategy 2022-2027

4.0 Affordable Housing Supply

4.1 Housing Supply Targets

The Housing Supply Target (HST) within the LHS is currently being revised following feedback through the Scottish Government LHS review. An evidence paper will consider a range of policy and practical factors which have a material impact on the pace and scale of housing delivery to estimate the level of housing that can actually be delivered on the ground.

The HNDA scenario for steady growth and the National Planning Framework 4 (NPF4) Minimum All-Tenure Housing Land Requirement (MATHLR) are both key pieces of evidence which will help inform the HST. The HNDA estimates that 673 new homes will be required in each of the years from 2021-30 or 6,730 across ten-years and the MATHLR is 7,300 units over ten-years (730 p/a). The MATHLR is higher than the HNDA steady growth estimate, principally due to the 25% flexibility allowance in the calculation. See Table 8 below for details.

Table 8: NPF4 Minimum All-Tenure Housing Land Requirement (MATHLR) – 10 Years

	Existing Housing Need	Newly Forming Households	Flexibility Allowance 25%	MATHLR
Fife (North)	700	700	350	1,750
Fife (West & Central)	1,700	2,750	1,100	5,550
Fife	2,400	3,450	1,450	7,300

Figures in NPF4 were rounded up or down to the nearest 50.

Delivery of new housing will be taken forward in both the LHS and through land allocations in the FIFEplan. There will be less emphasis on pursuing housing targets with a greater focus on creating sustainable places, responding to demographic changes, regenerating estates, improving town centres and providing more homes in rural areas.

4.2 Affordable Housing Delivery

The Scottish Government in Housing to 2040 set out its ambition to deliver 100,000 new affordable homes from 2022-32, 70% of which would be for social rent. Fife partners continue to prioritise the delivery of new affordable housing as a key element in meeting the LHS vision for improved housing choices.

Since 2010, Fife has a strong track record in the delivery of new affordable housing through three 'phases' of the Affordable Housing Programme (AHP). The current Transitional Affordable Housing Programme (TAHP) aims to provide 1,200 affordable homes from 2022-24. A further five-year Phase 4 programme covering the period 2024-29 is under development. The Council and its partners are faced with the challenges of maintaining supply at current levels due to current economic conditions and wider pressures on budgets including requirements to retrofit existing housing in the context of climate change.

4.3 Affordable Housing Investment Priorities

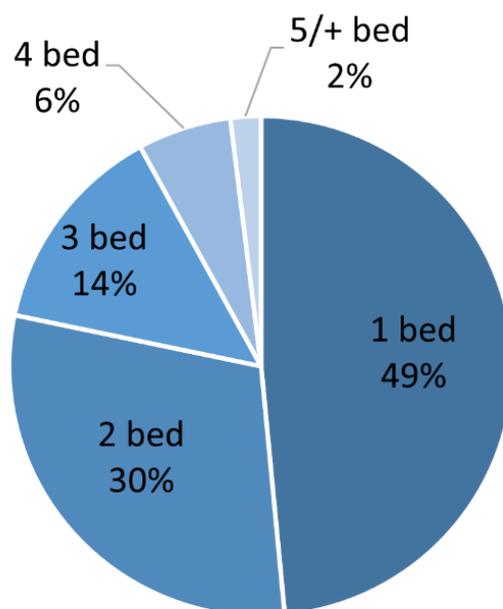
The priorities for affordable housing investment are informed by the findings of the combined HNDAs and are detailed in the LHS.

In the first five years of the HNDA steady growth scenario, 83% of the affordable housing requirement is for social rented housing and 17% for below market housing. Across ten years, this proportion adjusts to around 80% social rented housing and 20% below market housing. The current priority of the TAHP is to maximise the delivery of social rented housing, however, future phases of the Affordable Housing Programme will need to ensure that housing supply is balanced to meet the tenure requirements emerging from the HNDAs.

The HNDA housing estimates under the steady growth scenario have been disaggregated by household distribution across Fife's HMAs – refer to table 6 above. Glenrothes, Kirkcaldy, & Central Fife requires the highest number of social rented homes at 133 (41%) each year, followed by Dunfermline & West Fife at 105 (33%), St Andrews and North East Fife at 47 (15%) and Cupar and North West Fife at 36 (11%).

HNDAs estimate the amount of new housing required but not the property size that should be delivered. The need for specific property sizes can be identified through the bedroom entitlement for applicants on the Fife Housing Register with 79% of 11,962 households requiring one or two-bedroom homes and 22% for three bedrooms or more, diagram 1 below details the breakdown of applicants. However, the requirement varies across Fife depending on need, existing stock and turnover so the global figures need to be treated with caution.

Diagram 1: Fife Housing Register Applicants by Bedroom Entitlement



Source: Fife Housing Register - July 2023 / Applicants by bedroom entitlement

Around 8% of FHR applicants require a larger property of four or more bedrooms. Due to a lack of stock and limited turnover a target for the delivery of new affordable homes suitable for larger families with five bedrooms or more has been set at 5% within the LHS 2022-2027.

In addition, household projections can be used to highlight a broad trend in need and demand across tenures. The National Records for Scotland 2018-based household projections indicate a reducing household size for Fife, more single person households, fewer family households, more households headed by people over 75 years and fewer headed by people aged 16-29 years. Future Housing Supply needs to reflect this changing demographic profile.

4.4 Specialist Housing Targets

Since 2017, a target of 30% has been set for specific needs housing provision within affordable housing programmes, inclusive of a 5% wheelchair housing target. Following the conclusion of HNDA3, Fife Council commissioned consultants to carry out a wheelchair and accessible housing study to review these targets. The study was informed by extensive primary and secondary research on the supply and unmet need for wheelchair and accessible housing in Fife. Research outcomes have helped develop estimates for wheelchair and accessible homes which have formed an evidence base for setting tenure specific targets within the LHS and SHIP for future housing delivery.

A development area has been added to the LHS from year 2 to establish an all-tenure wheelchair accessible housing target alongside reviewing options for delivery and monitoring. This will be progressed with colleagues in planning through the preparation of LDP2 and reported on in future SHIPs.

The targets for new affordable housing delivery for specific needs will remain at 30% for the duration of the Local Housing Strategy, as evidence suggest this is adequate to meet the outlined need. This is inclusive of wheelchair, accessible, amenity and extra care housing. The wheelchair target will however increase from 5% to 6.5% for all new affordable housing developments. The revised target of 6.5% will not result in an immediate increase in the supply of new wheelchair homes as developments due to be completed up to the 2025-26 period have been agreed at 5%. For this reason, it is anticipated the 6.5% target will come into effect from year 4 of the LHS.

A range of housing solutions will be explored to meet the affordable housing net annual need identified through the study rather than relying solely on the affordable housing programmes to deliver new build accessible and wheelchair housing. Work is progressing on the development of a specific needs housing database for the private sector which is being led by the Disabled Persons Housing Service (Fife). The conclusion of this, will allow a mapping exercise to be undertaken on the wheelchair, accessible and specialist housing across all tenures in Fife.

Since 2017, when the 5% affordable housing wheelchair target was introduced, 114 new wheelchair accessible homes have been provided across Fife through the Affordable Housing Supply Programme (AHSP). The outlined need and targets for wheelchair housing will be reviewed alongside the development of phase 4 of the Affordable Housing Programme as well as on an annual basis through the LHS.

Due to the need identified for households requiring supported housing, the delivery of older persons housing has been prioritised and a target to deliver 294 homes suitable for older persons between 2022 and 2027 has been set. Since 2017, 83 new homes specifically for older persons have been

provided across Fife through the AHSP. The provision of older persons housing will be monitored through the annual LHS updates.

There are no investment priorities identified for other specialist provision at this time, however, other specific needs groups will be monitored regularly and where a future need is identified this will be addressed as required.

4.5 Future Affordable Housing Supply

Fife's SHIP has the potential to deliver 3,051 affordable units over the five-year SHIP period. The individual projects are detailed within the SHIP Projects Table. The projects selected for inclusion in the SHIP Projects Table show what could be delivered in Fife over the next 5 years. Their inclusion is a result of the assessment of housing need within the area and consideration of the deliverability of the projects. It may not always be possible to deliver the exact housing mix and tenure currently specified, until full consideration of project viability, land availability, funding etc. has been given. Table 9 below provides details on the housing provider and tenure across each HMA that could potentially be delivered.

Table 9: Tenure Mix of Proposed SHIP Projects

Housing Market Area	Social Rented Units		MMR Units		Total in HMA
	FC	HA	FC	HA	
Fife Wide	250	0	0	0	250
Glenrothes, Kirkcaldy & Central Fife	489	128	0	27	644
Dunfermline and West Fife	833	460	0	117	1,410
St Andrews & North East Fife (incl. Greater Dundee)	130	219	0	38	387
Cupar & North West Fife	150	179	0	31	360
Totals	1,852	986	0	213	3,051

Source: SHIP Projects Table

The high proportion of social rented properties currently reflected within the SHIP is indicative as every site will be subject to further design work and refinement. The LHS has identified an affordable housing requirement for 80% social rented housing and 20% below market rented housing across the first 10 years of the HNDAs steady growth scenario. The projects within the SHIP propose 93% for social rent and 7% for MMR reflecting both the Scottish Government's and Fife Council's priority for social rented housing. Future phases of the AHP will need to ensure that housing supply is balanced to meet the tenure requirements emerging from the HNDAs, therefore opportunities to increase the supply of below market rented housing will continue to be explored.

There is an over provision of around 33.8% included to prepare for any slippage in the programme and to take advantage of any additional funding that may be available. The ability to take advantage

of any investment opportunities arising from slippage elsewhere is part of managing the programme. This has been successful in the past and provides some flexibility.

Whilst the projects within the SHIP provide a target for meeting housing need, further analysis is required to agree the exact housing mix for size and tenure. This will be based on information from the combined HNDAs, analysis of Fife Housing Register housing applications, and consultation with the Housing Associations, the Health & Social Care Partnership, the Specific Needs Team, Area teams and other groups as appropriate, ensuring the best strategic and local solutions to meet Fife's housing needs. In general, all projects are expected to meet the specific needs, wheelchair and larger houses targets as detailed in sections 4.3 and 4.4. Any exceptions must be discussed and agreed with Fife Council at the earliest opportunity.

4.6 Future Specialist Housing Supply

Various targets have been set for specialist housing through the LHS as detailed in section 4.4 above. It is estimated that the projects included within the SHIP have the potential to deliver 31% of the properties to meet specific needs and 6.5% of the properties to wheelchair accessible standard. It is also expected that 118 homes suitable for older persons will be delivered in the next 2 years with a further 176 homes anticipated in future years.

4.7 Larger Houses Supply

A target to deliver 5% of the affordable housing programme as larger family homes has been set. It is estimated that the projects within the SHIP will provide 3% of the properties as five or five plus bedroom houses. It is anticipated that this will increase in future years as housing mixes provided for new housing developments will be based on this new target.

4.8 Supply Through Property Acquisitions

Fife Council has identified £16.5m during 2023 to 2025 to support the purchase of open market housing that will be transferred into social housing. This budget has the potential to deliver an additional 150 new council homes. Future reviews of the HRA investment Plan will take place to identify additional funding to support the acquisition of open market properties will be targeted to meet local housing needs, support area-based regeneration, prevent homelessness and return empty homes back into use.

4.9 Connection with Town Centre Activities

In response to the Town Centre First Principle, Fife Council has agreed a town centre housing approach to meet housing need and demand, identifying sites for new homes in town centres across Fife to facilitate regeneration. The approach is led by the Council's Town Centre Development Unit and is supported by housing partners.

To date this has included the repurposing of commercial buildings and land in both Kirkcaldy and Cupar. Planning approval has been granted at Inner Court, Cupar which will see a derelict, brownfield

area redeveloped to create 23 affordable mixed tenure homes over the next few years. The development will positively contribute to Cupar's Town Centre by bringing a long-term, vacant and disused site back into sustainable use, supporting the reopening of public pedestrian closes, whilst housing designed to meet need and enhance the historic environment of the area. There are future developments in Lochgelly, Kirkcaldy and Cowdenbeath also included in the SHIP Projects Table.

4.10 Connection with Regeneration Activities

Fife Council and partners are progressing several housing regeneration projects across Fife. Each project is at a different stage; from initial consultation with residents, rehousing tenants, undertaking demolitions and the various stages of developing new homes where appropriate.

The South East Inverkeithing Project in partnership with Kingdom Housing Association is well underway, with two phases completed and a third in the planning process. Other projects involving the Kingdom Group have also commenced including the former Glenwood Centre, Glenrothes where demolitions are now complete and redevelopment of the site for housing and a potential community hub are under investigation. An initial development phase at Templehall, Kirkcaldy is due for completion in 2024 with further phases currently under investigation. These are being taken forward in Partnership with other Council Services and will include a new Community Hub being built to replace existing community facilities that will then be demolished with Housing being constructed on these cleared sites.

Demolition of the former Mayview flats in Anstruther are completed and redevelopment of the site to provide a new care village in partnership with Social Work Services is expected to start in 2024. Other projects at Sir George Bruce Road, Oakley and Martin Crescent, Ballingry will soon see demolition begin, but with no current plans for redevelopment. However, there are plans to redevelop sites at Alexander Road, Glenrothes and Howard Place, Dysart when the blocks are empty and demolished. Future projects include Touch, Dunfermline and lower Buckhaven where the regeneration team are currently engaging with communities for future demolition and redevelopment in these areas over the next 5-10 years.

5.0 Connection with Other LHS Priorities and Activities

5.1 Rapid Rehousing Transition Plan

Fife's first Rapid Rehousing Transition Plan (RRTP) was submitted in December 2018 in collaboration with a range of local partners across the Council, Health, RSLs and voluntary sector through Fife's Housing Support and Homelessness Public Social Partnership (PSP). The Plan is housing led and embedded within Fife's Health and Social Care strategic planning framework. Implementation of the Plan is overseen by the Ending Homelessness Together (Previously RRTP) Programme Board which is Chaired by the Executive Director for Communities.

The RRTP was positively evaluated by the Scottish Government as the basis for positive transformational change affecting one of the largest homelessness populations and services in the country. The RRTP, which is in place until March 2024, is subject to an annual funding and monitoring framework with best practice shared through the Housing Options Hub Framework. Fife's RRTP is reviewed annually with priorities re-established on an ongoing basis. During 2023, although progress of the RRTP will continue, the Ending Homelessness Together Programme Board are resetting priorities to not only support rapid rehousing by default but also to prevent homelessness and repeat homelessness going forward. A refresh is required to support changes that have taken place both locally and nationally since the introduction of the RRTP in 2018.

Actions to improve outcomes for households that are homeless or potentially homeless and to support rapid rehousing by default include:

- Improving access to services by developing and supporting a 'no wrong door/whole system approach'.
- Enabling housing advice to cover a wider range of housing and accommodation options based around more person-centred customer journeys.
- Continuing to scale up Housing First by supporting up to 115 homeless customers with complex needs including substance misuse, mental health and fleeing domestic abuse.
- Refreshing customer journeys for priority groups (hospital discharge, domestic abuse, prison release, armed forces, care experienced young people) to prevent homelessness and support tenancy sustainment.
- Improving how private landlords and tenants in the private sector are supported to help tenancy sustainment and to ensure PRS is an affordable and desirable housing option if Fife.
- Enabling Rapid Rehousing approaches for households in temporary accommodation to continue following lessons learnt from the project that was put in place to respond to the Kirkcaldy Sheriff Court decision on temporary accommodation Occupancy Agreements in 2022.
- Expanding housing support not only to all our hostels but as an outreach service to households in our temporary accommodation across Fife, with the aim of developing rapid rehousing and supporting tenancy sustainment for those most vulnerable.
- Commissioning services that not only support prevention and tenancy sustainment but also have an impact on the overall wellbeing of each household.
- Further developing relationships with services and partners to ensure the best use of resources to support the health and wellbeing of the people of Fife by working together to prevent homelessness and poverty.
- Continuing to remodel and reconfigure temporary accommodation to ensure we are meeting requirements in relation to demand, changing customer expectations and legislation.

The current Plan is (and the revised Plan will be) based on promoting a prevention and rapid rehousing approach as a default position, however, improvements for households in Fife will rely on cross-government and sector commitment to:

- Increasing housing supply by providing long term investment in new affordable housing options linked to Housing to 2040.
- Improve standards, security and affordability within the private rented sector to support this as a viable housing option for more households.
- Improve outcomes for households facing all forms of poverty, exclusion and disadvantage.
- Respond to the needs of those households adversely affected by welfare reform, economic austerity and other forms of financial or social hardship.
- Close the gap for households with complex and challenging support and care needs that fall between housing support and wider statutory service provision.
- Support and guidance to enable services and partners to understand their role and buy in to the new Homelessness Prevention Duty.

The Ending Homelessness Together Programme Board have committed to rewriting the Plan in 2023-24 in recognition of the forthcoming Homelessness Prevention Duty expected in 2024 and the future funding framework required to support the prevention of homelessness.

5.2 Empty Homes Services

Fife Council's Empty Homes service has been in place since 2014. Currently, Fife Council funds a part time Empty Homes Officer post to focus solely on this work. Primarily the service offers advice and assistance to owners in bringing their long-term empty properties back into use, but also attempts to apply pressure to those owners who may be reluctant to do this. It also offers advice on renting, selling and the refurbishment of properties.

Various routes to bring empty homes back into use are being used including the following:

- The Empty Homes Matchmaker scheme which puts owners in touch with potential buyers.
- The Empty Homes Loan scheme, funded by the Scottish Government, which provides funding for the purchase or sale of an empty property. (Funding currently available up until end of financial year 2023/24).
- Collaboration with the Housing Service Property Acquisitions team to identify empty properties for purchase by the Council.
- Working with the YMCA Glenrothes on a project which assists them in identifying long term empty properties for purchase.
- Roll out of a successful pilot project undertaken in 2021 where an in-depth look at private sector residential properties in one specific area identified empty properties.
- Working with a genealogist company to track down missing owners.

An overview of the numbers of empty homes brought back into use over the last 3 years is included in Appendix 2.

Additional initiatives which are being considered and developed for the future include:

- Use of Compulsory Purchase Orders, where necessary and as a last resort. Research and discussion is ongoing as to whether Fife Council would consider this option and in what circumstances.

-
- Working with Temporary Accommodation and Homelessness teams to explore how Empty Homes could have role in the prevention of homelessness / RRTP.
 - Linking in with Town Centre Redevelopment and regeneration projects.
 - Development of a Fife Council Empty Homes Strategic Framework.

5.3 Gypsy / Traveller Sites

Fife Council is committed to raising standards across all three of its Gypsy Traveller sites. Improvement work is currently ongoing at Tarvit Mill in Cupar where amenity units are being replaced with Residential Mobile Homes (chalet style) accommodation. Capital funding is in place for the next two years to carry out similar improvement works at our remaining two sites at Heatherywood near Thornton and Thorntonwood near Kelty.

In 2021-22, the Council was successful in its bid to the Scottish Government's Gypsy / Traveller Accommodation Fund and received a grant of £384,000 for part payment towards decant amenity units. This funding was used to supplement the Council capital monies to provide an onsite decant area, with temporary amenity units, where tents will reside whilst the work to the main site is carried out and the new homes are completed.

Fife Council bid successfully for Round 2 grant funding from the Gypsy / Traveller Accommodation Fund in 2022-23 and was awarded a total of £397,910 funding, with £197,000 of this grant going towards the balance of the decant amenity units. The remaining £200,910 has funded decarbonisation measures for 16 new chalets including solar photovoltaic (PV) panels and associated equipment with battery storage. The site at Tarvit Mill in Cupar is one of the demonstration projects identified by the Scottish Government.

6.0 Prioritising Projects

It is important that the SHIP provides a robust framework for prioritising projects so that the funding is utilised efficiently and in the areas of need.

Representatives from Housing Services and the Fife Housing Association Alliance reviewed and updated the scoring methodology used for the previous SHIP to ensure the priorities of the draft LHS 2022–2027 are reflected in the scoring. The Scottish Government has previously recognised that the on-going use of the scoring methodology has enhanced the SHIP process.

A summary of the scoring methodology is provided in table 10 below. More detail on the scoring process is included in Appendix 1.

Table 10: Scoring Summary

Item	Points Range
Housing Need	25 - 100
Development Deliverability	0 - 160
Strategic Fit	10 - 50
Minimum to maximum points range	35 - 310

All the projects in the SHIP Projects Table have been scored under this system and were given a high, medium or low (H/M/L) priority, depending on their score.

It is important to note that the prioritisation reflects the current position of the status of projects for the SHIP. Projects will continue to be progressed and their priority will be reviewed on an ongoing basis.

7.0 Available Resources

7.1 Available Resources

The optimal management of available resources is essential for maximising the delivery of affordable housing. The main resources available to support affordable housing delivery in Fife are as follows:

- Affordable Housing Supply Programme (AHSP)
- Second Homes Council Tax (2HCT)
- Private Developer Contributions through the Affordable Housing Policy
- Private Finance through Fife Housing Association Alliance (FHAA)
- Fife Council Housing Investment
- Fife Council and Housing Association Land
- Vacant and Derelict Land Fund
- Housing Infrastructure Fund.

7.2 Affordable Housing Supply Programme

The Scottish Government has confirmed the Resource Planning Assumptions (RPAs) on grant availability for the first two years of the SHIP with the final three years to be assumed as the same as year two. The RPAs are detailed in table 11 below.

Table 11: Resource Planning Assumptions

Year	2024/25	2025/26	2026/27	2027/28	2028/29	Total
RPA	£34.677m	£35.252m	£35.252m	£35.252m	£35.252m	£175.685m

For the purposes of this SHIP the benchmark assumptions detailed in More Homes Division Guidance Note - Affordable Housing Supply Programme: Process and Procedures (MHDGN 2023/01) have been used. The Baseline benchmark grant funding available to Fife Council per social rented unit is £83,584 (3 person equivalent). The equivalent baseline benchmark per RSL social rented unit is £91,182 (3pe). and per RSL mid-market rent is £62,542(3pe). Additional funding per unit is available for various additional quality measures, for example the installation of automatic fire suppression systems. It is assumed that an average of £40,000 per unit grant funding will be available for the Open Market Transactions (OMTs) i.e., properties acquired by Fife Council on the open market.

The Scottish Government has recommended that the SHIP should include a substantial over provision (at least 25%) to allow for slippage and/or additional capacity. This will ensure the Council and partners can spend the base allocation and allow advantage to be taken of any additional funding should it become available. This SHIP provides an average over provision of 33.8% across the 5-year period.

In addition, it is estimated that around 100 passports for Open Market Shared Equity (OMSE) homes will be issued in Fife over the next 5 years. The funding to support these purchases is in addition to Fife's RPA allocation.

7.3 Second Homes Council Tax (2HCT)

Funding received from 2HCT has been committed to affordable housing projects to further enhance Scottish Government funding programmes. Since this was introduced, £26.8457m has been collected between 2005/06 and 2022/23, with a further estimated £1.1m expected to be generated each year from 2023/24 – 2028/29. Much of this has been and will continue to be allocated to support affordable housing projects.

Table 12 details the amount of 2HCT that has been collected and how it has contributed to the provision of affordable housing in Fife.

Table 12: Second Homes Council Tax

Year	Tax Raised (£m)	Tax Spent (£m)	Units Assisted
Pre 2021/22	£23.017m	£16.099m	1,393
2021/22	£1.913m	£0.500m	34
2022/23	£1.915m	£1.100m	99

There is around £6.9m unspent 2HCT monies and this will be carried on into future years, much of this has already been allocated to specific projects but cannot be drawn down fully until all Scottish Government grant has been claimed on the project. The SHIP assumes a 2HCT contribution of £1.1m over the five-year timeframe totalling £5.5m. The use of 2HCT monies will assist the affordable housing programme in allowing more projects to be delivered than would otherwise be possible. In 2018, the Council decided to allocate future 2HCT to council social rented projects only.

7.4 Private Developer Contributions through Affordable Housing Contributions

Developer Contributions are negotiated on Affordable Housing Policy sites where an on-site provision is not required or practical to deliver. Once agreed through the planning application process, the requirement for a commuted sum is detailed within the associated Section 75 Agreement. Fife Council can allocate funds once Developer Contributions are received. These accumulated funds should be spent in the same Local Housing Strategy Area or Housing Market Area in which they are collected.

Table 13 details the amount of Commuted Sums that have been collected and how they have contributed to the provision of affordable housing in Fife.

Table 13: Commuted Sums

Year	Sums Raised	Sums Spent	Units Assisted
Pre 2020/21	£2.141m	£1.004m	657
2021/22	£0.000m	£0.000m	0
2022/23	£0.176m	£0.000m	0

There is £1.325m in Commuted Sums unspent and this will be carried on into future years, most of this has been allocated to specific projects. Monies received through Developer Contributions will continue to be allocated to projects and approved by Fife Council and the Scottish Government. Commuted sums are not included in funding assumptions due to not being able to predict how much may be available in future years.

The Affordable Housing Supplementary Guidance requires that housing sites should contribute the relevant number of affordable units based on the local percentage and site threshold. In Fife, the preference and first priority is to provide social rented units in conjunction with the Council or a Registered Social Landlord. It continues to be recognised that engagement with the private sector to deliver affordable housing is necessary. Fife Council and the FHAA have successfully delivered projects with private developer partners and discussions will continue with developers who hold sites in areas of housing need.

7.5 Fife Housing Association Alliance Private Finance

Kingdom Housing Association, the lead developer within the Fife Housing Association Alliance (FHAA), continues to access private finance from a range of complementary and flexible finance options. The other RSL partners within FHAA, Fife Housing Group, Ore Valley HA and Glen HA, have all secured financing commitments to continue to invest in the delivery of new affordable housing that meets the needs of their local communities.

7.6 Fife Council Investment

Since December 2015 to March 2023 £298.324m has been spent across all the Affordable Housing Programme Phases. Phase 3 of the AHP is nearing completion and it is anticipated that there will be a further £81.458m required to complete all remaining phase 3 units. There is funding available for this remaining spend.

Investment of £100m for delivery of the Transitional Affordable Housing Programme (TAHP) 2022-2024 was approved by Fife Council on 24th February 2022. The TAHP is expected to deliver 500 new Fife Council homes with the total investment based on an average cost per unit of £0.200m. The cost of the TAHP will be closely monitored throughout its delivery.

A further £112.5m investment was approved by Cabinet Committee on 6th April 2023 to deliver 500 new Fife Council homes as part of Phase 4 2024-2029 of the AHP. This is based on an average cost per unit of £0.225m. This investment will fund the first two years of the overall five-year programme and investment for years 3 to 5 of Phase 4 will continue to be reviewed and approved in future years.

The investment required to complete Phase 3, TAHP and Years 1 & 2 of Phase 4 will be closely monitored. If additional investment is required for the completion of any phase a further request for investment will be made to cabinet for approval as and when required.

A land acquisition budget of £2m is also available for investment in land assets to support future new build programmes. The focus will be on acquiring Council owned land to continue to maximise the use of Fife Council assets.

There is an additional £16.5m identified in the current Housing Revenue Account (HRA) Capital Budget to support the acquisition of privately owned properties on the open market. This should fund the acquisition of an estimated 150 units. This will contribute towards the 250 Fife wide units included in the SHIP Projects Table. A review of the HRA Investment Plan will take place in the future to identify additional HRA Capital Budget to fund the balance of 100 units.

7.7 Fife Council and Housing Association Land

Fife Council land has contributed greatly towards the delivery of new affordable housing in previous years, largely from the Housing Revenue Account. This has helped substantially in the delivery of affordable housing. Fife Council continues to support the investment programme through the supply of sites both on the Housing Revenue Account and the Council's General Account with land transfers from other services agreed at 50% of Open Market Value. Housing Associations also maximise use of land in their ownership to deliver affordable housing. Council land to support future affordable housing programmes is in short supply as the majority of the available and more deliverable sites have now been utilised but efforts continue to look for opportunities and overcome constraints.

7.8 Vacant and Derelict Land Investment Programme Funding

Currently Fife Council do not intend to seek any Scottish Government Vacant and Derelict Land Investment Programme (VDLIP) funding in relation to any potential affordable housing projects.

Fife Council has secured funding from the Vacant and Derelict Land Fund (VDLF) and approvals are in place to support the delivery of 3 affordable housing projects included in the SHIP. These are High Street, Cowdenbeath; Inner Court, Cupar and Hall Street, Lochgelly.

7.9 Housing Infrastructure Funding

A Business Case to part fund the Dunfermline Strategic Growth Transportation Infrastructure Programme, as part of the Edinburgh and South East Scotland (ESES) Region City Deal was approved by Fife Council's Policy & Co-ordination Committee in May 2021 and the ESES City Region Deal Joint Committee in June 2021. This proposal, through the Housing Infrastructure Fund (HIF), will provide a means to unlock and accelerate investment in essential new strategic transportation infrastructure in the Dunfermline Strategic Growth Area. This will facilitate large-scale mixed-use development and investment in the Dunfermline and wider Edinburgh City Region economy including unlocking up to 2,000 affordable and 6,000 private homes.

The delivery of the entire Dunfermline Strategic Development Area goes beyond the plan period of this SHIP. The strategic transportation infrastructure will be delivered over a 15-year period while the build out of the proposed 8,000 units will be delivered over an approximate 40-year period. The business case sought to secure £16.5m of HIF towards strategic transportation infrastructure. The grant will cover 25% of construction costs to align with the 25% affordable housing provision.

The Scottish Government has advised that the City Region Deal HIF funding shall not affect the amount of potential HIF funding Fife Council could access through its affordable housing programme. Funding will be applied for, and phased, over three, five-year grant periods to align with the Scottish Parliament parliamentary periods (a requirement of HIF funding). The initial phase 1 grant application of £4.85m, covering 2021/22 - 2025/26 has been approved by the Scottish Government. Table 14 below outlines the proposed grant over the 15-year infrastructure delivery period.

Table 14: Housing Infrastructure Fund Phasing

Grant Period	Phase 1 2021/22 - 2025/26	Phase 2 2026/27 - 2030/31	Phase 3 2031/32 - 2035/36	Total
Grant	£4.85m	£6.1m	£5.58m	£16.538m

8.0 Delivery Outcomes and Required Resources

8.1 Delivery Outcomes

Fife's SHIP has the potential to deliver 3,051 affordable units over the 5-year SHIP period. The individual projects are detailed within the SHIP Projects Table. It should be noted that the SHIP contains an average 33.8% over-provision which prepares for any slippage that may occur. The final output is therefore likely to be less than the number of units estimated. The over-provision also allows for any further investment that may become available to be utilised.

The breakdown of the number of units that can potentially be provided by both Fife Council and the FHAA is shown in table 15 below.

Table 15: Breakdown of Potential Affordable Units by Provider

Completion Year	FC Units	FHAA Units	Total Units
2024/25	436	175	611
2025/26	654	275	929
2026/27	320	249	569
2027/28	220	284	504
2028/29	222	216	438
Totals	1,852	1,199	3,051

A further 100 units are estimated to be delivered through the OMSE scheme, taking the potential delivery total to 3,151 affordable units between 2024/25 – 2028/29.

8.2 Meeting Housing Need

The potential for the SHIP to deliver 3,051 affordable units exceeds the affordable need identified through the combined Tayside and South-East Scotland HNDAs for 2,005 affordable units over 5 years by 1,046 units.

Based on the number of potential affordable units that can be delivered through the SHIP, table 16 below shows the potential to meet the affordable housing need identified in the combined HNDAs within the HMAs in Fife.

Table 16: Potential to Meet Housing Need through SHIP Projects

HMA	5 Year Need - Combined HNDA's	Potential SHIP Units	Supply against HNDA	% Need Met
Glenrothes, Kirkcaldy & Central Fife	845	644	-201	76%
Dunfermline & West Fife	675	1,410	+735	209%
St Andrews & North East Fife (incl. Greater Dundee)	275	387	+112	141%
Cupar & North West Fife	210	360	+150	171%
Fife Wide	n/a	250	n/a	n/a
Total	2,005	3,051	n/a	n/a

8.3 Required Resources

If all the potential projects detailed in the SHIP Projects table were to be delivered, then at least £235m of AHSP grant funding would be required to support their delivery over the next 5 years. The breakdown of the grant required by provider per annum is detailed below in table 17.

Table 17: Breakdown of Potential Grant Required by Provider

Year	FC Grant Required	FHAA Grant Required	Total Grant Required
2024/25	£23.604m	£26.231m	£49.835M
2025/26	£30.052m	£19.604m	£49.656m
2026/27	£19.234m	£29.085m	£48.319m
2027/28	£23.672m	£22.284m	£45.956m
2028/29	£21.381m	£19.882m	£41.263m
Totals	£117.943m	£117.086m	£235.029m

Assuming unlimited grant is available and awarded to all Fife Council projects detailed in the SHIP Projects Table and should all 1,852 Fife Council units be provided (see table 15), this would mean a cost of around £220.018m to Fife Council (based on an average new build cost of £210k per unit and £110k per unit acquisition costs, however, it is noted that unit costs could rise).

As stated previously the SHIP Projects Table includes an over provision to allow for slippage, therefore, the estimated number of affordable units that could be delivered in Fife from the subsidy available from the combined AHSP and 2HCT funding (see section 7.2 and 7.3 for details) is shown in table 18 below.

Table 18: No of Units Deliverable from Available Subsidy

Tenure	Funding Available RPAs & 2HCT (£m)	Benchmark Grant Per Unit	Units Deliverable	% of total units
FC SR	£72.523	£83,584	868	36%
FC (OMT)	£10.000m	£40,000	250	10%
HA SR	£80.120m	£91,182	879	37%
HA MMR	£25.442m	£62,542	407	17%
Totals	£188.085m	-	2,403	100%

Assumptions:-

1. New build units to be delivered as per TAHP proportions (58% – FHHA; 42% – FC)
2. New Benchmark grants at 3-pe as detailed in MHDGN 2023-01 (June 2023)
3. MMR delivery estimated at 17% (Between 20% LHS identified need & 7% potential SHIP delivery)

Assuming available subsidy is restricted to Scottish Government RPA and 2HCT monies (£82.523m) then, it is estimated that Fife Council will require around £127.257m funding to provide the 1,118 Fife Council units as detailed in table 18 above (based on an average new build cost of £210k per unit and £110k per unit acquisition costs, however, it is noted that unit costs could rise).

As part of preparing the HRA Investment Plan, Fife Council will continue to monitor the investment required to support the delivery of the Affordable Housing Programme. Based on the FHAA's assessment of projected above benchmark funding, its private finance capacity is enough to deliver on all the FHAA projects identified in the SHIP.

9.0 Development Constraints & Land Availability

9.1 Development Constraints

There are various development constraints that could affect new build delivery, including:

- Planning issues
- Availability of land
- Education capacity issues
- Drainage capacity issues and embargos
- Unknown ground conditions
- Title complications
- Little control over private developer timescales on mixed tenure developments.

The following are consulted to identify and eliminate development constraints:

- Economy, Planning & Employability Services
- Assets, Transportation & Environment Services
- Housing Services
- Legal & Democratic Services
- Education Services
- Parks, Streets and Open Spaces Services
- Scottish Water
- Fife Housing Association Alliance.

Sites listed in the SHIP Projects Table have been assessed for priority. As part of this exercise development deliverability is assessed and this is reflected in the relative scoring and subsequent prioritisation.

9.2 Education Contributions

There is no commuted sum requirement from Education Services on affordable housing developments provided by Housing Associations and Fife Council. As these payments are not eligible for grant funding there is no facility to provide any commuted sums toward education provision. However, where a proposed development would create a critical infrastructure capacity issue, particularly in terms of the primary school estate, contributions may still be required.

The Affordable Housing Board, charged with delivering the Council's Affordable Housing Programme, is aware of the shortfall in capacity for school places and GP practices. The board is tied into work to develop capacity through the Health & Social Care Partnership and City Deal.

9.3 Council Land

In keeping with the Fairer Fife Plan, the Council is continuing to undertake a systematic examination of the Council's land holdings, looking for potential land. Fife Council has appointed a dedicated member of staff to identify Council owned land and investigate the potential for this to be developed as affordable housing. A site register has been developed of potential sites, which can be incorporated into the wider Programme to meet demand where land supply is an issue.

Since beginning this process, over 20 ha of Council land has been identified and included in the Programme. In the last year, further sites have been identified, extending to 5.2 ha, which will deliver around 127 houses. This approach has therefore proven to be beneficial and will continue moving forward. A further 9.2 ha of land has been earmarked to support the affordable housing programme, which could potentially support the delivery of over 250 affordable homes.

9.4 Other Public Sector Land

The Fife Housing Partnership has a continued interest in opportunities to deliver housing on surplus land owned by other public sector agencies such as the National Health Service; the Ministry of Defence; Scottish Enterprise Fife and the Forestry Commission.

9.5 Open Market Land Sales

Fife Council and the Housing Associations continually seek discussions with private developers and landowners with regards to the development of their sites for affordable housing. In 2022/23, the Council secured around 4 ha of land to deliver approximately 150 homes for the affordable housing programme, with a further 8 ha under discussion for potential transfer during the Transitional Affordable Housing Programme.

10.0 Delivery Vehicles

10.1 Developer Arrangements

The Council will continue to work with the members of the Fife Housing Association Alliance (FHAA), comprising of Kingdom, Glen, Ore Valley Housing Associations, and the Fife Housing Group (FHG) to deliver the housing association component of the SHIP. Following a review of their business plan to determine their capacity to respond in both financial and development capacity the FHAA signed a revised preferred developer agreement with Fife Council in July 2021. As part of the development of the TAHP 2022-2024 the FHAA are responsible for delivering 700 of the total 1200 affordable units.

The main revision to the long-standing Partnership Agreement is the new commitment to ensure that on affordable housing sites or private developer sites with an affordable housing contribution of 50+ properties, there will be a joint tenure approach adopted to provide new council housing and housing association housing on the same site. This policy change promotes tenant choice in housing options for these larger sites. This partnership agreement has recently been extended for a further five-year period to May 2029 as part of the development of the proposed Phase 4 AHP.

Flexibility remains with this arrangement, if issues arise in delivery by the FHAA this will be kept under review through regular programme meetings.

As such, all the Housing Association projects within this SHIP are promoted by FHAA partners which brings the following benefits:

- Access to a demonstrated track record in affordable housing development experience, ensuring projects are delivered on time and within budget.
- Knowledge transfer and sharing between the participating organisations.
- Access to a streamlined process and developed procedures and standards, optimising delivery.
- The potential to further develop the partnership arrangements through joint working and joint projects.
- Achieving wider benefits through training and apprenticeships.

10.2 Contracting with Private Developers

Due mainly to scarce land resources, it continues to be recognised that engagement with the private sector to deliver affordable housing is necessary. Fife Council and the FHAA have successfully delivered projects with private developer partners and discussions are continuing with developers who hold sites in areas of housing need for both 100% Affordable Housing & Affordable Housing Policy (Section 75) sites.

10.3 Offsite Construction and Procurement

The Scottish Government supports the delivery of homes across Scotland using a range of offsite methods, from timber frame construction through to fully modular development, and will continue to do so through the AHSP. Fife Council and the FHAA continue to utilise modern methods of construction across the AHP with the use of off-site construction in manufacturing timber frames remaining a core method. We have both adopted a fabric first approach to design and construction

which allows us to create energy efficient homes. The use of modular construction continues to be explored with the FHHA recently completing developments using Structurally Insulated Panels (SIPS) and factory finished panels.

Fife Council have identified two prospective sites within the SHIP to be part of the Edinburgh Home Demonstrator programme (EHDP). The EHDP was established to develop and test a new business model for the construction of affordable homes using offsite construction methods. This programme is based on collaborative procurement, whole life costings, development pipeline and general standardisation of affordable housing. Through this Fife Council has the potential to transform both the productivity and performance of the way we deliver future affordable homes, utilising a net zero carbon strategy and build new properties that have an energy performance specification that exceeds Gold Aspect 1.

The Council and the FHAA will continue to use a range of nationally recognised procurement frameworks to assist with the delivery of the Affordable Housing Programme, including SCAPE, Scottish Procurement Alliance (SPA) and Scotland Excel.

10.4 Open Market Transactions

Fife Council successfully acquired around 90 properties from the open market in 2022/2023. Fife Council intends to enhance its current investment in the acquisition of privately-owned properties to bring them into social rented use. In response to the national acquisition plan and pressures around meeting our Homeless duties, Fife council are currently reviewing available options to increase our annual target.

This intention is closely linked to the Fife Rapid Rehousing Transition Plan to increase the flow of statutory homeless households from temporary to permanent accommodation. Fife Council have also expanded this project to benefit tenants who are overcrowded or are under-occupying properties.

11.0 Conclusions

The SHIP sets out the investment priorities for affordable housing over the next 5 years (2024/25 – 2028/29) and how it will achieve the outcomes set out in the LHS and meet the affordable housing need as identified in the HNDA. The SHIP Projects Table details projects which have the potential to deliver 3,051 units throughout the 5-year period which would meet a range of identified housing needs. In addition to this, there are a further 100 Open Market Shared Equity (OMSE) units out with the AHSP expected to be delivered within this timescale.

Prioritisation of projects has been carried out to ensure the resources are carefully allocated and details of the scoring methodology are provided along with details of current project priorities. This provides a snapshot in time which will be subject to change as projects are developed. The over provision detailed within the programme has been provided to take account of potential slippage from the proposed programme. It also prepares us to take advantage of any additional funding opportunities that may arise from elsewhere across the AHSP nationally.

The Council and the FHAA, alongside private developers will continue to work within the current funding environment and deliver units in more innovative ways while still seeking to meet the spectrum of housing needs. This will be based on what is deliverable for organisations.

12.0 Contacts

If you require further information about Fife's SHIP, please contact:

Helen Wilkie
Service Manager – Housing Condition & Supply
Fife Council Housing Services
Email: Helen.Wilkie@fife.gov.uk

Carole Kennedy
Interim Lead Officer – Affordable Housing & Regeneration
Fife Council Housing Services
Email: Carole.Kennedy@fife.gov.uk

Appendix 1 - SHIP Scoring Methodology

Overview

The scoring and prioritisation will be completed by Fife Council Housing Services for all projects in the SHIP Table. This will be done in consultation with the Fife Housing Association Alliance. The scoring methodology and points available can be summarised as follows:

Scoring Summary

Item	Points Range
Housing Need	25 - 100
Development Deliverability	0 - 160
Strategic Fit	10 - 50
Minimum to maximum points range	35 - 310

The priorities in the SHIP are expected to change to reflect updated scores when project's circumstances change. For example, the development status may increase from 10 to 70 points once a planning application has received approval. The scores and priority of projects will be reviewed on an ongoing basis.

Housing Need

The Housing Need points are separated into 2 categories.

Firstly, points are awarded based on the annual affordable housing requirement across the 4 Housing Market Areas, as identified through the combined Housing Need and Demand Assessments 2021-2040 (HNDAs).

Housing Market Area Need 10 Year Need (2021-2031)

HMA	Annual Affordable Housing Need	Points
Glenrothes, Kirkcaldy & Central	170	50
Dunfermline & West	135	40
St Andrews & North East (includes Greater Dundee)	55	30
Cupar & North West	42	20
Fife Total	401	

Secondly, points are awarded based on the 10-year need disaggregated across the 10 Local Housing Strategy Areas (LHSAs) and the percentage of this need met through the Affordable Housing Programme completions and programmed units.

Local Housing Strategy Area 10 Year Need (2021-2031)

LHSA	Percentage of Need Met	Points
1. Levenmouth	19%	50
2. Largo & East Neuk	27%	45
3. Kirkcaldy	42%	40
4. Dunfermline & Coast	51%	35
5. Glenrothes	55%	30
6. Cowdenbeath	61%	25
7. West Fife Villages	72%	20
8. Tay Coast	76%	15
9. Cupar & Howe of Fife	85%	10
10. St Andrews	101%	5

Development Deliverability

The emphasis on deliverability needs to be strong and the Programme must contain sites that can be delivered within required timescales. The Development Deliverability points are separated into 2 categories.

Firstly, points are awarded based on the current development status of a project in terms of land ownership and progress through the planning system to reflect the deliverability of a project. Points under this category are awarded when each stage has been met.

Land Ownership and Planning Progress

Development Status	Points
Land Acquired	50
Planning Permission Granted (Full)	30
Delivery Timescale to be agreed through Section 75 Agreements	10
Minimum to maximum points range	0 to 90

Secondly, each project is allocated a Red, Amber or Green (RAG) status in terms of development deliverability. Further details on each category are detailed in the following table.

RAG Categories

Category	Reason	Points
Green	Confidence the project can proceed within required timescale as indicated in the SHIP Table (planning permission granted & no significant issues).	70
Amber	Confidence the project will start, but there is some risk it may develop later than the planned timescale as indicated in the SHIP Table, or that unknown costs may jeopardise its development (no planning permission & no significant issues).	30
Red	A number of factors cause more than 50% uncertainty over the project being delivered within the required timescale as indicated in the SHIP (no planning permission and significant issues).	10

Strategic Fit

Projects that are of strategic importance and meet wider council objectives will be awarded additional points.

Firstly, points are awarded to projects that have been prioritised as having a strategic importance by the Council. Examples include: - projects that contribute to town centre regeneration; projects where the site includes a prominent landmark; projects that are part of a Strategic Development Area; projects within development areas associated with Housing Infrastructure Fund applications; projects located within a Housing Regeneration or Estate Management Area.

Wider Objectives

Strategic Importance	Points
Projects with wider council objectives	20

Secondly, points are awarded where a project meets additional Local Housing Strategy priorities as well as meeting identified housing need. Examples include: - specialist projects that meet strategic needs and address specialist equality issues such as extra care housing for specific client groups, hospital re-provisioning, new homeless centres and refugee accommodation. These points are awarded by the SHIP working group based on a low, medium or high priority.

Equalities Priorities

Development Status	Reason	Points
High	There is an urgent need for this project to meet identified high priority specialist needs because a high demand for clients has been identified.	30
Medium	The project would be of benefit in meeting specialist needs and is a medium priority because some client need has been identified.	20
Low	The project would be of benefit in meeting specialist needs, but this is a low priority because no client need has been identified.	10

Appendix 2 - Recent Empty Homes Activity

Number of Properties Brought Back Into Use

Year	Length of Time Homes have been Empty					
	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Between 5 & 10 years	More than 10 years	TOTAL
2020/21	3	6	18	8	4	39
2021/22	0	8	17	11	5	41
2022/23	7	19	23	8	5	62

2020/21 Routes Used to Help Bring Properties Back Into Use

Routes	No. of Properties	Funding Used
Purchased through Buyback scheme	2	Scot Govt grant funding of £40k per property acquired. Any work carried out to property to bring back up to standard comes out of Voids budget. Funding to purchase property comes from HRA Acquisitions budget.
Sold through matchmaker	5	No additional funding required.
Advice and Information given to owner	9	No additional funding required.
Given support to access VAT discounts, merchants & services discounts, other discounts	12	No additional funding required.
Provided help and support to obtain Council Tax discretion which enabled the owner to bring the property up to standard	9	No additional funding required.
Provided facilitation, problem solving, partnership working (help with communal repairs, renovation, sweat equity, etc)	11	No additional funding required.

Note:- there can be numerous routes per property.

2021/22 Routes Used to Help Bring Properties Back Into Use

Routes	No. of Properties	Funding used
Sold through matchmaker	4	No additional funding required.
Scottish Government Empty Homes Loan Scheme	1	£20k – Scottish Government Empty homes loan fund.
Purchased through Buyback scheme	5	Scot Govt grant funding of £40k per property acquired. Any work carried out to property to bring back up to standard comes out of Voids budget. Funding to purchase property comes from HRA Acquisitions budget.
YMCA Glenrothes Scheme	2	External grant funding raised by YMCA Glenrothes.
Given support to access VAT discounts, merchants & services discounts, other discounts	12	No additional funding required.
Provided help and support to obtain Council Tax discretion which enabled the owner to bring the property up to standard	18	No additional funding required.
Advice and Information given to owner about renting or selling	4	No additional funding required.
Provided facilitation, problem solving, partnership working (help with communal repairs, renovation, sweat equity, etc)	11	No additional funding required.

Note:- there can be numerous routes per property.

2022/23 Routes Used to Help Bring Properties Back Into Use

Routes	No. of Properties	Funding used
Sold through matchmaker	1	No additional funding required.
Scottish Government Empty Homes Loan Scheme	0	£20k – Scottish Government Empty homes loan fund.
Purchased through Buyback scheme	19	Scot Govt grant funding of £40k per property acquired. Any work carried out to property to bring back up to standard comes out of Voids budget. Funding to purchase property comes from HRA Acquisitions budget.
YMCA Glenrothes Scheme	1	External grant funding raised by YMCA Glenrothes.
Given support to access VAT discounts, merchants & services discounts, other discounts	21	No additional funding required.
Provided help and support to obtain Council Tax discretion which enabled the owner to bring the property up to standard	13	No additional funding required.
Advice and Information given to owner about renting or selling	3	No additional funding required.
Provided facilitation, problem solving, partnership working (help with communal repairs, renovation, sweat equity, etc)	3	No additional funding required.
Motivation	6	No additional funding required.

Note:- there can be numerous routes per property.