

Affordable Housing Statement

In respect of:

**Land at Cherryfield
Drive, Kirkby**

Prepared by:

Pioneer Property Services Ltd

On behalf of:

Barratt & David Wilson Homes

Date:

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1 Introduction

- 1.1 This Affordable Housing Statement has been prepared by Pioneer Property Services Ltd on behalf of Barratt & David Wilson Homes to accompany a Full Planning Application in respect of the proposed development of Land at Cherryfield Drive, Kirkby (“the application site”) situated within the administrative boundary of Knowsley Metropolitan Borough Council (“the Council”).
- 1.2 The proposed development of the application site will provide 807 new homes in total of which 81 will be provided as Affordable Housing in a mix of 1, 2, 3 and 4 bedroom homes.
- 1.3 Section 2 of this Statement provides an overview of national and local policy relevant to Affordable Housing, section 3 sets out the affordable housing proposals in more detail and section 4 draws conclusions.

2 Policy Context

2.1 National Policy and Guidance

- 2.1.1 The current National Planning Policy Framework (“NPPF”) was published in July 2021, updated in December 2023, and is accompanied by the online National Planning Practice Guidance initially published in March 2014 and updated from time to time (“NPPG”).
- 2.1.2 Paragraph 63 of the NPPF makes it clear that where a need for Affordable Housing is identified the type of affordable housing required, as defined in Annex 2 of the NPPF, should be set out within planning policies and met on-site unless certain exceptions apply.
- 2.1.3 Under the current NPPF the main responsibility of providing affordable housing falls to major developments (i.e. sites of 10 or more dwellings / 0.5 hectares or more) on which ‘at least 10%’ of the homes overall should be ‘made available’ for affordable home ownership unless to do so would either result in more overall Affordable Housing being provided than is required in an area, or would ‘significantly prejudice’ the Council’s ability to address the housing needs of ‘specific groups’ (and subject to a limited number of other exceptions).¹
- 2.1.4 The overarching NPPF Annex 2 affordable housing definition confirms that affordable housing is that for sale or rent ‘for those whose needs are not met by the market’. This includes housing for all those eligible for subsidised routes to home ownership. The NPPF affordable housing definition continues to include Affordable Rent and Shared Ownership as potential affordable housing tenures, alongside other previously existing affordable home ownership and rent options. There is no longer a specific definition of ‘intermediate’ Affordable Housing which is now only referenced in the context of the rented element of ‘Rent to Buy’ products.
- 2.1.5 National guidance in respect of First Homes (“FHG”) was issued on the 24th of May 2021 in conjunction with a Written Ministerial Statement (“WMS”). The Government confirms that 25% of all Affordable Housing secured through developer contributions should be sought as First Homes, subject to transitional provisions in terms of plan making and existing / advanced applications and some other exemptions.² The Department for Levelling Up, Housing and Communities (“DLUHC”) have recently confirmed that there is ‘no specific legislative requirement to deliver First Homes’ and that where existing Local Plans have been adopted prior to the transitional arrangement (i.e. such as in Knowsley Borough) there is no need to

¹ Paragraphs 64 to 65, NPPF

² The Written Ministerial Statement confirms that where developments are exempt from paragraph ‘64’ (now 65) in the NPPF then these developments are also exempt from the First Homes requirement (albeit such schemes are not precluded from providing First Homes).

update these Plans early to reflect First Homes – i.e. the Plan can continue to apply until it is due for an update. Similarly, where emerging Local Plans fall within the scope of the transitional arrangements these will not need to reflect the policy.

2.2 Local Policy

2.2.1 The Council's Development Plan includes a Core Strategy ("CS") adopted in January 2016 and in Map 6.2 (page 100) the Kirkby residential 'current urban area' is broadly identified (and within which the application site falls). The CS refers to Kirkby as having:

"An unbalanced housing market, with high concentrations of social housing and a limited choice of housing types;"

(CS, paragraph 6.18, page 98,)

2.2.2 The approach to delivering Affordable Housing is set out within Policy CS15 'Delivering Affordable Housing'. Through this policy the Council seeks, subject to economic viability, 10% Affordable Housing 'on sites in the current urban area' with a capacity for 15 dwellings or more (such as the application site). Affordable Housing is sought on site unless exceptional circumstances justify otherwise and is to 'be fully integrated' and indistinguishable from and 'delivered alongside' the market housing.

2.2.3 The policy wording states that the tenure of the Affordable Housing should be informed by local housing needs evidence and accord with Policy CS17 'Housing Sizes and Design Standards'. The CS was prepared prior to the Government's First Homes policy coming into operation and is subject to transitional arrangements as described in Section 2.1 above.

2.2.4 Policy CS17 seeks 'an appropriate mix of dwelling sizes' and this will have 'regard to evidence of local housing needs and monitoring of housing completions' Table 8.1, which sets out dwelling mix proportions in supporting text,³ is referenced in the policy wording, although this is based on 2010 local housing needs evidence predates the current NPPF Affordable Housing definition.

2.2.5 On schemes of 15 dwellings or more Policy CS17 requires that 'developers must demonstrate how their scheme contributes to the re-balancing of Knowsley's housing market in terms of the size of dwellings provided'. Building for Life, Lifetime Homes and other standards within Policy

³ CS Table 8.1, page 144

CS19: Design Quality and Accessibility in New Development, Policy CS22: Sustainable and Low Carbon Development and relevant Supplementary Planning Documents' or equivalent replacement standards will be 'encouraged'.

2.2.6 Supporting text⁴ refers to developers demonstrating how proposals contribute towards 're-balancing the housing market' and sets out that this should be done with reference to up to date evidence such as updates to the Knowsley SHMA or evidence from the Council's monitoring processes. Support for the provision of homes suitable for a growth in the population of people aged over 65, such as bungalows, is suggested in supporting paragraph 8.15. A 2021 Housing Needs Assessment has now been published and, in line with the approach in CS policy and supporting text, can be referred to when preparing Affordable Housing proposals. This is considered in the Affordable Housing Proposals section of this Statement.

2.2.7 In addition to the CS, a Developer Contributions Supplementary Planning Document ("DCSPD") was adopted in 2016. As with the CS this refers to the 2010 SHMA and an earlier NPPF Affordable Housing definition referring to intermediate Affordable Housing, but also states that:

"The Council will only consider housing to be "affordable" where it is compliant with the definition within NPPF or any nationally described standard that supersedes or adds to this definition."

(paragraph 4.58, page 36, DCSPD)

2.2.8 The DCSPD seeks 75% Affordable Rent and 25% 'Intermediate' Affordable Housing at a quantum that is in line with that identified in the CS.⁵ In this regard it can be noted that the 2016 – 2021 Housing Strategy, whilst still referring to an earlier NPPF Affordable Housing definition, refers to 'intermediate' Affordable Housing as Shared Ownership and states that 'Intermediate homes will be prioritised, recognising their role in helping households achieve home ownership'.⁶

2.2.9 The DCSPD sets out broad preferences in terms of the discounts to Open Market Value that the Council considers will be needed to deliver the Affordable Housing, but these are not requirements specified in Development Plan policy, relate to the position as at 2016 and in

⁴ Paragraph 8.20, page 145

⁵ Page 37, DCSPD

⁶ Page 22, Knowsley Housing Strategy 2016 - 2021

practice the approach taken by Registered Providers when purchasing Affordable Housing will differ from Provider to Provider. Similarly, the DCSPD expresses a preference for the Affordable Housing to 'reflect the overall mix of property types and sizes', although this will should be applied having regard to the Development Plan policy requirement for housing mix to have regard to local housing needs evidence.⁷

2.2.10 The New Residential Development SPD ("NRD SPD") (which updates a Design Quality SPD) sets out 'key expectations' that the mix of housing in terms of tenure, type and size, will be 'appropriate, support re-balancing the housing market to 'better meet needs and demands arising' in the borough / promote social diversity and community integration. This largely reiterates various points set out in the CS, including in respect of Affordable Housing being fully integrated with, and indistinguishable from, market housing.

3 Affordable Housing Proposals

3.1 Quantum

- 3.1.1 Of the 807 homes proposed overall, 10% (81no. homes) will be provided as Affordable Housing and captured via a Section 106 planning agreement.
- 3.1.2 The most recent assessment of Affordable Housing need presented within the Knowsley Local Housing Needs Assessment 2021 ("LHNA21") concludes a net annual need for 243 affordable homes in the borough of which 101 are within the Kirkby Housing Market Area ("HMA") – the proposed Affordable Housing will assist with addressing this need.

3.2 Tenure

- 3.2.1 A total of 81no. affordable homes are proposed to be provided on the application site, comprising 61no. (75%) as Affordable Rent and 20no. (25%) as Shared Ownership.
- 3.2.2 Whilst Development Plan Policy does not include an Affordable Housing tenure split target (instead referring to provision having regard to evidence of local housing need), a preference for a 75% Affordable Rent and 25% Shared Ownership tenure split is expressed within the DCSPD; the proposals reflect this preference and discussions with the Council.

⁷ Page 37, DCSPD

- 3.2.3 Whilst this is below the number of Affordable Home Ownership homes that would be needed to reflect paragraph 65 of the NPPF, the approach has been agreed through pre-application discussions with the Council. The Council's preferred approach to tenure split suggests that applying paragraph 65 would be considered to 'significantly prejudice' the Council's ability to address the housing needs of 'specific groups' in the borough.
- 3.2.4 In terms of local housing need the executive summary⁸ in the LHNA21 recommends a 67% rent and 33% sale Affordable Housing tenure split,⁹ albeit this is set in the context of an adjusted overall Affordable Housing quantum¹⁰ – something which is yet to be reflected through any update to Development Plan Policy - and reflects a gross need position¹¹ (i.e. before Affordable Housing supply sources through re-lets or committed supply have been deducted).
- 3.2.5 Elsewhere in the LHNA21 reference is made to a 70% Affordable Rent and 30% Affordable Home Ownership tenure split being suggested for the borough,¹² whilst gross need in the Kirkby HMA is suggested to be split c.69% Affordable Rent and 31% Affordable Home Ownership.¹³
- 3.2.6 The proposed 75% Affordable Rent / 25% Shared Ownership tenure split applied to the 81 no. affordable houses and apartments broadly aligns with the LHNA21 findings.
- 3.2.7 The proposed approach reflects the Council's preferred tenure split, ensures that the Affordable Housing provision aligns with adopted Development Plan policy (through making provision that reflects the assessed local housing need) and with the Affordable Housing tenure split preference set out within the DCSPD.

3.3 Mix

- 3.3.1 Based on the planning application proposal to deliver 807 new dwellings, the following table sets out the proposed dwelling mix of the 81no. affordable home:

⁸ Page 10, LHNA21

⁹ This differs substantially to the market housing mix suggested in the LHNA21

¹⁰ Paragraph D.15, LHNA21

¹¹ Table C14, page 151, LHNA21

¹² Paragraph 5.6, LHNA21 NB: it is unclear whether this is a net or gross position

¹³ Table C14, page 151, LHNA21

Figure 3.3.1 – Affordable Housing Mix

Affordable Rent					
Type		Bedrooms	No.	Sqft	Sqm
Amber	Apartment	2	4	565	53
Falkirk GF	Apartment	2	2	636	59
Falkirk FF & SF	Apartment	2	4	665	62
Ambleside	Apartment	2	6	646	60
Buttermere	Apartment	2	6	663	62
T50	House	2	5	749	70
SH50	House	2	12	750	70
T52	House	3	1	927	86
SH52	House	3	19	929	86
SH55	House	3	1	955	89
T55	House	4	1	957	89
TOTAL			61		

Shared Ownership					
Type		Bedrooms	No.	Sqft	Sqm
T50	House	2	4	749	70
T52	House	3	3	927	86
T55	House	3	1	957	89
SH52	House	3	10	929	86
T54	House	4	2	1103	102
TOTAL			20		

Source: David Wilson Homes, March 2024

3.3.2 The above information can be further summarised as follows:

Figure 3.3.2 – Affordable Housing Mix Summary

	Affordable Rent (%)	Shared Ownership (%)	Overall Affordable Housing Mix (%)
2 bed apartment	36%	0%	27%
2 bed house	28%	20%	26%
3 bed house	36%	70%	44%
4 bed house	0%	10%	3%
TOTAL	100%	100%	100%

Source: David Wilson Homes, March 2024

3.4 Standards

- 3.4.1 Adopted Core Strategy Policy encourages various standards such as Building for Life and Lifetime Homes, but does not specify that standards in excess of Building Regulations (such as those set out within the Optional Technical Standards within the NPPG) will be required.
- 3.4.2 The design and layout proposals have been carefully considered by the applicant, responding appropriately to the character of the district's built and natural environment, as well as delivering high-quality architectural design and appropriate materials.
- 3.4.3 The affordable housing will be built to the same standards as the market housing in accordance with the relevant Building Regulations, and will, as far as possible, be visually indistinguishable externally with regards to materials. The finishing specification for the affordable housing will be agreed with the selected Registered Provider and adapted to meet their requirements where agreed.

3.5 Distribution and Timing

- 3.5.1 The affordable dwellings will be provided within the site as identified within the Affordable Housing layout plan submitted in support of this planning application. The Affordable Housing is integrated within the site in accordance with Policy CS15, having regard to Registered Provider preferences and site specific characteristics.
- 3.5.2 The affordable housing will be constructed at a rate that is contemporaneous with the Open Market Units. It is proposed that no more than 80% of the market housing in a phase will be constructed until all of the Affordable Housing in that phase has been completed and made ready for occupation and transferred to a Registered Provider.

3.6 Delivery, Management and Nominations

- 3.6.1 The Affordable Rent and Shared Ownership affordable housing will be transferred to an Affordable Housing Provider registered with Homes England and as provided for in the Housing and Regeneration Act 2008.
- 3.6.2 The affordable dwellings will be managed by organisations that have been accredited for such purposes by Homes England (formerly the Homes and Communities Agency). Many private Registered Providers ("RP") fulfil these requirements and national policy and Local Plan policy do not enable any restriction on the selection of accredited RPs.
- 3.6.3 At at this stage detailed discussions are ongoing with a preferred RP, although they are not yet in contract. Feedback from the market received to date indicates strong support from RPs for the affordable housing proposals
- 3.6.4 The rented dwellings will be provided as Affordable Rented housing which will be let at rents at no more than 80% of the local market rent (including service charges), and let to households whose needs are not served by the commercial housing market.
- 3.6.5 The Affordable Home Ownership units will be sold as Shared Ownership subject to a lease with an initial equity share of no more than 75% of the market value, the rent on the unsold equity will not exceed 2.75% and eligible purchasers will have the ability to staircase up to full ownership.

- 3.6.6 The Affordable Homes will be occupied by a Qualifying Person and it is anticipated that the preferred Registered Provider will enter into an appropriate nominations agreement with the Council which allows the Council to nominate 50% of the first and subsequent lettings.

4 Conclusion

- 4.1 This Affordable Housing Statement, prepared by Pioneer Property Services Ltd on behalf of Barratt & David Wilson Homes to accompany a Full Planning application, sets out the proposed approach to Affordable Housing provision on Land at Cherryfield Drive, Kirkby (“the application site”) situated within the administrative boundary of Knowsley Metropolitan Borough Council (“the Council”).
- 4.2 National planning policy, updated in December 2023, retains a requirement for Affordable Housing policy to reflect the assessed need for such housing. Specific Affordable Housing size and tenure split requirements are not stated in the NPPF, but Development Plan policy should reflect the assessed Affordable Housing need in accordance with NPPF paragraph 63. The NPPF affordable housing definition continues to include Affordable Rent and Shared Ownership as potential affordable housing tenures.
- 4.3 National guidance in respect of First Homes (“FHG”) was issued in May 2021 in conjunction with a Written Ministerial Statement (“WMS”). The CS was prepared prior to the Government’s First Homes policy coming into operation in May 2021 and is subject to transitional arrangements.
- 4.4 Policy within the Knowsley Core Strategy (“CS”) adopted in January 2016 continues to provide the settled approach to Affordable Housing delivery and Policy CS15 Affordable Housing seeks ‘10%’ Affordable Housing on sites in ‘current urban areas’ such as the application site. Affordable Housing tenure split and mix targets are not prescribed within adopted Development Plan policy wording, but affordable homes should be informed by up to date evidence of local housing need and the size of dwellings provided should contribute to re-balancing Knowsley’s housing market.
- 4.5 The planning application Affordable Housing proposals have been prepared in accordance with national and adopted local Development Plan policy. The proposed development of the application site will provide 807 new homes in total, of which 10% (81no.) will be provided as

Affordable Housing in a mix of 1, 2, 3 and 4 bedroom homes, provided in a 75% Affordable Rent and 25% Shared Ownership tenure split as agreed with the Council.

- 4.6 In terms of dwelling types, tenure and sizes the Affordable Housing proposals have been determined having regard to Development Plan policy, tenure preferences set out within the Knowsley Developer Contributions Supplementary Planning Document, local evidence of housing need and through discussion with the Council. The Affordable Housing proposals will contribute towards the Development Plan policy objective to re-balance the housing market in Knowsley and reflect the encouragement for the provision of bungalows within supporting text to CS Policy CS17.
- 4.7 The Affordable Housing will be delivered via appropriate delivery mechanisms and distributed within the site having regard to the need to integrate successfully with the market housing whilst also reflecting Registered Provider management preferences.
- 4.8 This Affordable Housing Statement demonstrates that the Affordable Housing proposals accord with Local and National Planning Policy and, together with the market housing proposed, will be of significant benefit in assisting the Council with addressing the assessed housing needs across the local authority area.